



Proceedings  
of the  
House of Assembly

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During the Seventh Session  
of the  
Thirtieth General Assembly  
of Newfoundland

1956

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WEDNESDAY, March 14, 1956

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

**SERGEANT - AT - ARMS:** Mr. Speaker, I have the honour to inform you, His Honour the Lieutenant Governor has just arrived to open this Seventh Session of the Thirtieth General Assembly of Newfoundland:

Mr. Speaker leaves the Chair.

His Honour, the Lieutenant-Governor takes the Chair.

His Honour then reads the following Speech from the Throne:

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

In the last session of the Thirtieth General Assembly your attention will be invited to a number of matters of great importance to the people of the Province. At every session of the present General Assembly you have dealt with many public affairs of the moment, and so it was in the General Assembly which preceded this one. From the hour when Newfoundland became a Province of Canada, just be-

fore the stroke of midnight on the last day of March, 1949, there have been ten sessions of your Honourable House, this one which commences today being the eleventh. In those ten sessions over 500 separate pieces of legislation have been considered, debated and passed into law. It is an impressive seven-year record of work done in behalf of your constituents, the people of the Province of Newfoundland.

The most important single piece of legislation to engage your studies in this present session will be one which my Ministers will submit for the purpose of giving them authority, and making it mandatory upon them, to introduce and enforce a system of Children's Health Benefits which my Ministers believe will rapidly become the greatest system of its kind anywhere to be found in North America. My Prime Minister has already announced, by means of television and radio, the broad outlines of the system which you will be asked to approve and authorize. This is a system under which the Government of Newfoundland will take on full responsibility for the costs and expenses of all medical, dental and optical care of all children in Newfoundland and Labra-

dor until they reach the age of sixteen. From their studies of the facts my Ministers believe that it will cost several millions of dollars to carry out this great Children's Health scheme. They are further convinced that so great a project cannot be put into full effect in the first year. More than 170,000 children will come under the scheme, and this number will of course increase as the general population increases. Additional numbers of medical doctors, dentists, optometrists and opticians will have to be found for Newfoundland and Labrador. Additional Hospital beds will have to be provided, and it is the intention of my Ministers to make plans for the provision of a Children's Hospital in St. John's, a second Children's Hospital which will be in Gander, and a third which will be in Corner Brook. All of this will, of course, take more than one year to carry out, no matter how energetically the Government proceeds with their plans. It is my Ministers' plan to commence the programme in the present year by providing completely free hospital care for all children up to the age of sixteen. This one feature alone is a very great step, but it will be followed by other features of equal or even greater importance, until the whole plan is in operation. I know that you will give these matters your careful and sympathetic consideration in the days and weeks ahead.

A second matter of considerable importance which you will be asked to consider is my Ministers' desire to introduce drastic changes in the present system of maintaining purely local roads. For the greater part of the century, prior to the system of Government by Commission, the Government of Newfoundland was solely responsible for the upkeep of all roads in Newfoundland, including those with-

in the borders of all the towns and settlements. The Commission of Government introduced what was for Newfoundland a completely new feature of road policy when they announced that they would no longer be responsible for the upkeep of roads within the boundaries of the settlements. The most the Commission of Government were prepared to do was to make matching grants to those settlements which took steps to have Local Road Committees.

My Ministers now propose to reverse the policy, and to re-adopt the policy that always existed before the system of Government by Commission was instituted in 1934. The policy which you will be asked to approve and authorize will be one in which the Government will again be responsible for the maintenance of all local roads, and you will be asked to approve an appropriation of nearly three-quarters of a million dollars for the purpose in the present year. As it will take a year or two to get the new system working smoothly my Ministers do not propose to ask your authorization of a larger amount for the present year, but feel that this sum will suffice for the coming road season. My Ministers, who believe strongly in the development of the system of local self-government, do not propose that the new system, or rather the restoration of the old system, shall be permitted to discourage the continuation and expansion of the system of Town Councils and Community Councils, and their proposals take this consideration fully into account, as will appear when the details are submitted to you. My Ministers believe that the present system of maintaining local roads, while it had merit in the times and under the conditions that existed in the Newfoundland of 1936, is now

hopelessly, even absurdly, out of place in the prosperous and fast-growing Province of 1956.

Mr. Speaker, at the end of the present month Newfoundland will have been a member of the Canadian family of Provinces for exactly seven years; and that fact reminds us of an extremely important clause that was written into the Terms of Union. When the representatives of Newfoundland and those of Canada were drafting the terms under which it was proposed that Newfoundland should become a Province of Canada there was a frank recognition of the fact that nobody was capable of foreseeing precisely the effect that the proposed union would have upon the finances of the Government of the new Province. Newfoundland had been for long centuries a Colony of Britain, or a Dominion, or a Dominion whose constitutional status as such was in suspension. To enter the federal system of Canada, with its division of jurisdictions and responsibilities, was a very great step for Newfoundland to take; and it was of the utmost importance to make all possible provision for the financial success of the union from the standpoint of the new Province. This was done, but there remained a field of uncertainty which only time and experience could enable responsible statesmanship to remove. All of this situation was given frank recognition by both sides, and the recognition is plainly stated in Term 29 of the Terms of Union. This is a Term which provides for the setting up, by the Government of Canada, of a Royal Commission which would examine Newfoundland's financial position after Confederation and make recommendations as to the form and scale of additional financial assistance, if any, that may be required by the government of the prov-

ince of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union without resorting to taxation more burdensome, having regard to the capacity to pay, than that obtained generally in the region comprising the Maritime Provinces of Nova Scotia, New Brunswick and Prince Edward Island.

Term 29 is, in effect, candid recognition of the fact that the Terms of Confederation could not be worked out and agreed fully in 1949, or indeed at any time before Confederation had been in effect for some years. The Terms of Confederation were not finalized in 1949. Perhaps they never will be final, but the time approaches rapidly when the next great step must be taken. This is the setting up, by the Government of Canada, of the Royal Commission for which Term 29 provides.

More than eighteen months ago my Ministers began the preparation of Newfoundland's case for the forthcoming Royal Commission. This they did by securing the appointment of our own Newfoundland Royal Commission on revision of the terms of Union. For a year and a half the distinguished citizens who constitute the Royal Commission have been hard at work at their task. They have engaged the services of able assistants in finance, economics and statistics; and my Ministers will be adequately equipped, thanks to all this painstaking preparation by the Newfoundland Royal Commission, to advocate Newfoundland's case vigorously before the Federal Royal Commission. My Ministers propose, later in the present year, to request the appointment of the Royal Commission agreed to in term 29, and they will strive to insure that this Term of the Union of Newfoundland and Canada

will be honoured by the full implementation of its plain meaning and spirit.

Since you last met in session my Ministers have held discussions with the Government of Canada regarding the problem of unemployment assistance. These talks have resulted in an agreement whereby the Government of Canada will assume responsibility for one half of the cost of all unemployment assistance above a basic minimum figure of slightly less than one half of one per cent of the population of the Province. This agreement will include persons receiving sick relief and Dependents' Allowances, as well as those receiving periodic able-bodied relief. You will be asked to consider legislation embodying this agreement which, it is estimated, will bring annually into the Provincial Treasury approximately one million dollars from Ottawa.

After a considerable period of preparation, during which foundations were laid and other basic work done, the fisheries development programme is beginning to take shape. The new plant at Quinpon has been completed and will go into operation this year. The plant at Merasheen also is finished and will operate in the coming season. Construction of the plant at Seldom-Come-By will commence this year and should be completed before the end of the season, thus making this enterprise ready for operation next year. Considerable progress has been made in the great new plant at LaScie. The large new piers will be finished early in the coming summer, and construction of the plant itself will then commence without delay. The waterlines will be laid in the present year, and the construction of the new breakwater will commence in this season and probably will be completed before the end of

the year. The plant at LaScie is designed to be the largest fish establishment in Newfoundland and it may well be the largest in Canada.

As you are well aware, these four plants have been built or are to be built as a result of recommendations made to my Ministers by the Fisheries Development Committee, of which Sir Albert Walsh was the Chairman. They are experimental in character and purpose, and in the cases of Quirpon, Seldom-Come-By and Merasheen, success in their operation will almost certainly result in the establishment of numerous similar plants in different parts of our coastline. Successful operation of the great new plant at LaScie would be followed at most by the establishment of a strictly limited number of such establishments at appropriate points, and success in the operation of all four of these experimental ventures would, my Ministers believe, stimulate a great new interest in the profitable possibilities of our fisheries for fishermen and merchants alike.

In the meanwhile two well known fishing companies in Newfoundland have applied to the Government for financial assistance to construct large new salt fish plants, and negotiations on these matters are proceeding presently. Other salt fish plants are in contemplation, and my Ministers believe that there is at least the beginning of a revival of interest in the salt fish industry. My Ministers are anxious to extend sound financial and other assistance to any reputable person, company or co-operative group who wish to play a more active part in the development of the salt fish industry. It is the firm belief of my Ministers that one of Newfoundland's greatest present-day needs is for enterprising persons or groups to engage more energetically than ever in an industry which is far

from collapse or extinction. You will be asked in this session to appropriate further considerable sums of money for fishery development.

We have all, I feel, been deeply pleased by the encouraging news we have heard with regards to the British Newfoundland Corporation, that impressive combination of almost thirty large financial, industrial and mining companies of the United Kingdom and Canada. BRINCO, as it is popularly known, have come into Newfoundland and Labrador with great stores of experience and capital, and have from the commencement pursued their surveys and prospecting with skill and vigor. They have spent some millions of dollars in the past three years or less, and propose to spend millions more, on their programme of intensive prospecting and drilling. We look forward eagerly to the early development of the vast hydro-electric potential of the Hamilton River watershed in Labrador, and even more eagerly to the outcome of this coming season's drilling in the Monkey Hill and the Stormy Lake regions of Labrador, where profoundly impressive deposits of uranium-bearing pitchblende have been found. It is coming to be widely recognized that Labrador is almost certainly the greatest single storehouse of undeveloped natural wealth existing anywhere today in the whole of North America. Any province of Canada, indeed any State of the United States of America, would be happy to have within its boundaries so vast and rich an area as Labrador. My Ministers have striven, and continue to strive, to expedite the developments of this great storehouse of wealth.

I am sure, Mr. Speaker, that all Newfoundlanders rejoice in the never-ending growth of the prosperity with which our Province and people have

been blessed almost from the commencement of Confederation with Canada. Not all Newfoundlanders enjoy the standard of living to which, as Canadians, they are entitled; there are still some sectors of our Provincial economy that badly need strengthening but it is scarcely to be denied that in broad outline Newfoundland is moving rapidly ahead. Never were so many of our bread-winners employed. Never were wages so high. Never were they so well fed, so well clothed, so well housed, so healthy. Never were our people so confident of their future.

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

You will be requested to make provision for supply to Her Majesty.

I know that you will apply yourselves with zeal to the public business that will come before you in this Session, and I pray the blessing of Providence upon your labours.

Mr. Speaker resumed the Chair:

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I beg leave to introduce a Bill, "An Act Further to Amend the Registration of Deeds Act," and I move that this Bill be now read a first time.

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

MR. SPEAKER: I have to inform the House that at 3:00 of the clock this day His Honour, the Lieutenant Governor, was pleased to open the Seventh Session of the Thirtieth General Assembly of Newfoundland. At that time His Honour was pleased to deliver a Speech from the Throne, which, for the purpose of accuracy, I have obtained a copy, and will now read to the House:

Speech from the Throne read by the Clerk:

MR. COURAGE: Mr. Speaker, I rise for the purpose of moving that a Committee be appointed to draft an Address in Reply to the gracious speech with which His Honour, the Lieutenant-Governor, has opened this session of the House of Assembly.

I know, sir, that all members of this House and the people of Newfoundland were delighted to hear of the childrens' health benefits which this House will be called upon to bring into effect this year. We all know that there is a vast need for improved health facilities in the Province. Especially is this true on the south coast and in the District of Fortune Bay and Hermitage, which I have the honour to represent in this House of Assembly. For example, it is impossible for a person on this coast to receive the services of a dentist. Now with the coming of the health benefits which will call for the appointment and implementation of many more doctors and dentists and oculists it will be a wonderful thing for our children.

I doubt if those of us who live in towns and cities and large areas can really appreciate what a profoundly wise move this will be on the Government's part and what it will mean to the children of the country, and, as I said before, to the grown-ups themselves, who will, of course, be able to avail of the services of the dentists. As one who had several teeth at various times broken off by a nurse not strong enough to pull them, I can tell the members of the House that it is a terrible thing to be without the services of a dentist. And, sir, as these benefits go out to our children together with improved educational facilities, we will one day in this House be blessed by those same children.

Now, sir, I was very much pleased to

hear that there is going to be a change in the local roads situation, the system whereby a man works for one day under pay the next day free, gave his services free, and which has long ago outworn its welcome. And I found it to be one of the most unpopular measures in my district. I felt the people felt it was outmoded and that it had outgrown its usefulness. And I am very glad to know that it is being changed, and so will the people in the settlements. Because, Mr. Speaker, a little bit of road may be a quarter of a mile long or a half mile long and may not mean much to the person living in a town, but it means a great deal to a person living in a small community in Fortune Bay. And that road must be kept up, it must be maintained, and the people must maintain it. And this change back to the old system is a great improvement I am certain. I might say that in spite of this old system which is being outmoded the people in Fortune Bay and Hermitage were doing a remarkable job with their road committees, even under this system. And I feel confident that under the new system we will have reason to be proud of the local roads and the committees in Newfoundland.

Sir, while I am on the subject of roads, I would like to say once more what I have said in this House many many times, that is, those areas which do not have roads can never grow. They are the arteries. They bring the lifeblood to a community. And we have in discussions in the conference taking place at the present time on the South Coast affairs, and I am glad to know that there will be a road programme of expansion on the highroads of that South West Coast.

Now, sir, to come to the fisheries: I was very glad to know that this

House will be called upon to vote large sums of money for development of the fisheries. This House cannot vote money for any more worthy cause than for the development of the fisheries, because fish is the lifeblood of the South West Coast. We have there to depend upon the fisheries more than upon anything else. We are a fishing people. We live in communities that are suitable for fisheries, and we need an intensive development programme. I regret that I have suffered from a lack of people who have sufficient money, sufficient capital and sufficient knowhow to develop the fisheries themselves. We need at the present time, fish plants in various communities in Fortune Bay and Hermitage; at Harbour Breton, for example and at Belleoram, for example, at Bay L'Argent, for example. There we have some of the finest harbours, some of the best fishing grounds, some of the most experienced and hardy fishermen to be found in the world, and all we need is someone to go there and develop the natural resources that lie right at hand.

Now the Government has not gone into the fishery developing business. The Government has helped those who wish to put fish plants in, but I think that the whole programme will have to be reconsidered in the light of these things that I have mentioned. I know that the Fisheries Development Authority are working at this moment on these very matters that I have mentioned. But, sir, there is another important aspect: Unless we get unemployment insurance for fishermen I am afraid that there will be no fishermen left to catch the fish even if the plants are built. Now that is a very important point. This House does not have anything to do with unemployment insurance. That is a measure

which has to be brought before the Parliament of Canada. And it has been brought before the Parliament of Canada by Major Carter, our very worthy and very enthusiastic member there for the South West Coast, the riding of Burin-Burgeo in that Parliament. And I don't know whether my voice will carry to the Parliament of Ottawa, but my words have a way of finding their way to Ottawa. I would like to say that when Major Carter says that the fisheries of Newfoundland are doomed unless we get unemployment insurance for our fishermen, he is speaking the truth, he is not exaggerating one iota.

This is a very important matter because the fishermen are going to leave the fisheries. Other people get unemployment insurance, people who labour at other work but the fishermen come home and do not have enough to live on, and they get no unemployment insurance. They can only turn to relief, and that, naturally enough, is something they do not want to do. It is a blow to their pride. Consequently, the fishermen are not going to stand for that. They are going to turn to other work. And, Mr. Speaker, an experienced and skilful fisherman cannot be trained in a matter of a few weeks or a few months. Fishing is a highly technical and skilful trade, and once this present generation of fishermen are gone there will be no one to replace them. So I lift up my voice hoping that this word will wing its way to Ottawa. And, I say, a scheme for granting unemployment insurance to fishermen must be worked out.

Now, Mr. Speaker I am sure that we are all glad to hear of the discoveries that have been made in Labrador and Newfoundland by BRINGO, that great association of talent and wealth and industrialists that came

here to Newfoundland through the work of the Premier. His idea of going to England and of selling these people the idea of coming to Newfoundland was a magnificent one. It was a dream but it was not a pipe-dream because the Premier is a man who combines the ability to dream with the energy to put his dreams into practice. And he went to England and through the help of Sir Winston Churchill, who called this a great concept of Empire, through the help of that great statesman and the Rothschilds he was able to sell the idea of discovery of minerals and developing Newfoundland, to these great industrialists of England, of Canada and of the United States. It was truly a magnificent undertaking, which we will, in time, recognize as one of the greatest enterprises of our present day. I know it was ridiculed. I know some member rose and called this Bunko. That was because they were men of little imagination and little understanding. But the day will come when we will rise up and hail this great undertaking of BRINCO.

Now, Mr. Speaker, I cannot let this opportunity pass without welcoming the many delegates from the South West Coast who are with us in this Chamber at the present time. There is a conference going on on South West Coast matters and this includes the districts of Fortune Bay and Hermitage, that ancient and honourable district which was one of the first districts to send a member to this House of Assembly in 1832. I feel very proud to represent this district. And I feel very proud and happy to welcome so many delegates from the South Coast who are here with us today. Never before did this House, I suppose, see such a representation gathered from the outports of Newfoundland. We

have clergymen, with fishermen and loggers, with magistrates and merchants, with welfare officers all sitting down together considering the problems which we have on that coast. For the first time in history the spotlight has turned on the South West Coast, and I feel confident that much good will come of it. As a matter of fact much good has already come out of our deliberations and the pooling of our knowledge. This is only a small example: Today I was able to announce that as a result of a number of discussions that I had had with Mr. Albert Martin, the General Manager of Bowaters, Bowaters have agreed that whereas before they were taking rough, unpeeled wood from Bay D'Espoir they will now peel that twenty-five thousand cords of wood. That will mean more work for the people of Bay D'Espoir. It will mean an additional one hundred and fifty thousand dollars into the pockets of these people from Bay D'Espoir each year. And this money will go into the pockets of the people of Bay D'Espoir without coming out of the pockets of any other people in Newfoundland. No one will lose. But the people of Bay D'Espoir will gain. This, I might say, might seem of small interest to some people of this House, but it is not a little thing to the people of Bay D'Espoir. And I was most happy to be able to make this announcement this morning.

And regarding the health services, I am most happy to be able to announce that a doctor will be stationed in Bay L'Argent, and that even now applications for that position are being considered by the Department of Health. Although this may sound to be a small thing it is not small or trifling to the people of Bay L'Argent, the people of English Harbour East and the people of the lower part of Fortune Bay

who have had so much difficulty in securing medical services when they need them because the doctor at Belleoram had so much work to do it was humanly impossible for him to give good service as he wished to give, because we have a good man in our doctor at Belleoram at the present time.

Now, Mr. Speaker, we are beginning a new session. We have been called together to consider once more the problems of the districts which we represent, and we must consider and pass legislation for the good of Newfoundland. That is our purpose. And I hope, sir, that we will do that with dispatch, with speed, with dignity, with courtesy and so bring credit upon ourselves and upon the districts which we have the honour to represent in this House.

(Applause).

MR. NORMAN: Mr. Speaker, in rising to second the motion so ably proposed by my honourable friend the member for Fortune-Hermitage, it must be very notable that the Honourable the Premier this year invited two members from the South West Coast Districts to move this historic motion that is passed at every session of the House of Assembly, namely that there shall be a committee to draft an Address in Reply to the Speech from the Throne. This is a great compliment to the South West Coast, and I am sure that it comes from the fact that there is going on in St. John's at the present time a conference of approximately one hundred delegates who have been invited to this city from the entire coast extending all the way from the twin towns of Channel and Port-aux-Basques to the head of Placentia Bay. This conference is more representative of this great coast than any other conference ever held in our history. Clergy-

men of all denominations, medical doctors, magistrates, welfare officers, fishermen and fish merchants, mayors of town councils and numerous others have come together to have a frank discussion with members of the Government and with high ranking officials of the Government on the many problems that face our coast today. I pray that out of this great conference will come some solution of our problems. And I pray that out of this conference will come a ray of hope for the thousands of bread-winners who live in that great part of Newfoundland.

I am a proud man today because I have been given the honour to speak on this historic occasion when there are more people present in this Chamber from the South West Coast than were ever gathered together inside these historic walls in the hundred years of this building's history. It is an occasion that will linger long in my memory.

Sir, this Speech from the Throne contains so many approaches and matters of supreme importance to our people that I can be forgiven if I hardly know where to begin. I am sure, for example, that the Government's great new health scheme for children will touch the hearts of all our people. It almost makes you wonder if you are asleep or awake when you regard the vast improvements that have taken place in the welfare of our people, and especially our children, in these past six or seven years. First we saw the great and famous Canadian system of family allowances brought in as a blessing upon the children of Newfoundland. Then we saw a great system of old age pensions brought into this Province, a blessing to thousands of our worn out toilers. And now, sir, we have this great scheme under which the Government of Newfoundland will pay

all the doctors bills and all the medicine bills and all other bills for dental and optical care for every child in Newfoundland up to the age of sixteen years. Surely, Mr. Speaker, Newfoundland is now leading the new world in the progress she is making in public welfare.

The people of this Province, sir, have shown their faith in the Leader of this Government, the Premier of Newfoundland, and it is surely rewarded by this great piece of Liberal legislation which will come before the House in this present session.

It so happens that I have had some part to play in this development of local government. I was, for a while, the Mayor of the Town Council in Channel-Port-aux-Basques. As such I came to grips, together with my fellow councillors, with the problems of streets and roads and I have some knowledge of the great struggle it is in all our towns and small councils in Newfoundland to keep these streets and roads within their boundaries in a condition at least partly fit for civilized man. And it is because of this knowledge that I am now proud and happy as thousands of our people will be at the Government's new policy announced in the Speech from the Throne today, that is, the Government will make a special grant every year in the future towards the upkeep of every local road and street in every settlement. I am very happy to know this is to be done in such a way as to encourage town and community council movements to continue. It would be a great tragedy if any scheme should have the effect of injuring or discouraging these local seats of government that have done and are doing such good work in Newfoundland today.

Our people are proud to know that the British Newfoundland Corporation

have had such wonderful success in their explorations, as we were told the other day when the Premier announced the discovery of uranium in Labrador, this new and wonderful metal which sells for anything between six dollars and ten dollars for every pound of sixteen ounces. This is just what we need to convince the world of the vast riches that lie in Labrador. These riches, sir, will be developed, some of them will find their way to the public chest and from that public chest most of it will find its way into the pockets of our people. The Premier never did a greater thing than that of bringing that great British Newfoundland Corporation in here from the Mother Country. We wish the British Newfoundland Corporation every success in their efforts, and we look forward with confidence to the result of their work.

Sir, the district which has honoured me by electing me as a member to this House, is a district in which there are no industries whatsoever except the fisheries. We have no great resources of timber, Mr. Speaker, we have no minerals or they have not as yet been found. We have not even got much soil where farming could take place, but, sir, if we have not got these things we have got a great fishery, and we have got great fishermen. That is why I am so pleased to hear the reference in the Speech from the Throne to the development of the salt fish industry. Some people seem to think that the salt codfish industry is finished or that it has no future. This I do not believe. There must be some room in this world for the high protein food represented in our Newfoundland fish.

What is it, I ask, that holds our fisheries back? Why have they not gone ahead as other industries have? These questions must be answered. And whilst this occasion is not the place

nor the time to find these answers, the answers must nevertheless be found. It is just plain silly to think that Newfoundland can be prosperous, enduringly prosperous, if the fisheries and fishermen are not prosperous. Newfoundland's economy can never be truly healthy until the fishery is healthy. I hope and pray some of the answers can be found in this South West Coast conference that began in this city yesterday and will continue for two or three days more.

Mr. Speaker, there are many problems in Newfoundland today that require our careful thought and careful decisions. I do not put forward any claim to be a great statesman, and I do not even pretend to know the answers to all these questions. I am a plain Newfoundlander who has earned his living through his lifetime and who has been greatly honoured by the people of Burgeo-LaPoile by sending me in here as their representative. Probably they could have found a much more brilliant representative. Probably they could have found somewhere a representative who is much more learned than I. My only claim, sir, is that I am endeavouring to represent my district honestly, sincerely, and to the best of my ability. I believe, according to the Speech from the Throne that this will be a very useful session for the people of my district and the people of Newfoundland.

I have pleasure, sir, in seconding the motion.

(Applause).

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, it is not my intention to delay the proceedings this afternoon to any great extent. I feel very happy indeed this afternoon to congratulate the members for Fortune Bay-Hermitage and Burgeo La-Poile on the addresses which they have

given. I was particularly touched by the statements made by the honourable member for Fortune Bay when he described the difficulty in which the nurse was placed in taking out his tooth. I am glad that he was able to give a very excellent speech in spite of it.

Mr. Speaker, it has been said by one of the speakers that this is the first time in history that delegates have all sat down together here or elsewhere in Newfoundland in order to work out the salvation of any particular part of our coast, or words to that effect. I imagine it is not the first time in our history delegates all sat down together. You know, Mr. Speaker, I am inclined to think we have a cute Government. Here we are in the last session of the House before an election comes up, and we have huge delegations coming in from the east and west and the north and the south — no, I think we have left out the east — at any rate from three sections of the coast. And, sir, I am very glad to be here today to see here in this House such a large number of the delegates who have been brought in. And, sir, I don't believe they are all here as Liberals, I believe there are some Tories amongst them. But I want to give them this advice, sir, they better watch themselves even if they are Tories because they are likely to be converted or perverted before they go back to their respective homes. There is a danger, sir. I was about to say we have a cute Government.

MR. COURAGE: Did you just find that out?

MR. HOLLETT: They are shortly going to the country. After seven years they are going to tell all the parents of this country, we are looking after all your little children until they are sixteen years of age. We will pay for

clearing out their ears and for adenoids and for teeth and we will get you glasses for them too. We are going to have an election by and by, sir, don't forget that. A cute Government, sir.

In the fisheries: Seven years of this Government, Mr. Speaker, and now with tears in their eyes, sir, they tell these delegates from the east and the west and the north and the south about the millions they are going to spend to bring the salt codfishery back to where it belongs. I have been told about the millions. The Honourable the Premier told the delegates about the millions. Where are we going to get them? That is a question. I ask, where are we going to get them? If he can get them, my blessing to him. I hope he will get all he can because anything this Government does for the fisheries they do for Newfoundland as a whole. I am going to inject in there. If they do not do something for the salt fish industry and the fishermen around our coast, particularly the salt fish industry, Newfoundland will not be Newfoundland long before I pass out of the picture—unless you do something for the fisheries.

But, sir, I ask, for the past seven years what has been done? What have we done, sir? We set up a Royal Commission which made certain recommendations. Only today we have been told, two, I think, of the salt fish flakes have been finished. That is all that has been done. Not another thing except to get about three parts of the fishermen in the country, sir, away from the fishery and I don't know but a good part of them away from our shores. A few of them have been taken and put in a building around Conception Bay, and as soon as the building closes down I don't know where the fishermen go. Perhaps they all got a

pair of rubber boots they took home to go fishing again. Sir, it is a cute Government.

Now don't think for a moment, sir, I am against looking out for the children's health up to the age of sixteen years. I wish it had happened when my children were small. I am quite sure it would have been a grand thing for the children and for me. So far the government can implement some legislation which makes that possible, then I say, I give them my blessing. I will help them to do anything I can, and so, I am sure, will my colleagues.

Then, sir, local roads: Local Roads: They talk about the new system. I say, sir, they are only going back to the old system. A very fine system. And although they would only pay ten and fifteen cents when I was a boy at least they paid everybody, and when they worked for two days they were paid for two days. That was the old system, and it was a good system, I say. We paid people for their work. But, sir, it is a cute Government. They do it this year after seven years. They did not do it before now. This is the year they do it.

My honourable and learned friend, the member for Fortune Bay — and speaking of Fortune Bay, I am quite sure he knows and I am quite sure the honourable member for Burgeo and LaPoile knows exactly how much has been done for the fisheries in this particular area. I was told the other day how men had gone from one of the places in Hermitage Bay last year to Lunenburg, as they have had to do over the centuries. Nothing has been done in the last seven years: Sir, I think everybody knows the story about somebody having to work seven years, Rebecca, I think, I think the Government will have to work pretty hard

now even after seven years. If the people in Fortune and Hermitage and along that coast are necessary for the salvation of this country they have been neglected ever since 1949. Actually the Government has done nothing to maintain them and then began kicking them out again.

Incidentally, about kicking out: I will say, sir, that the Government on the opposite side of the House will soon not have a private member to move an address in reply. I miss faces every time I come back. This time I miss three. They decided only yesterday that this is no place for them. I admired them. They were sitting on the other side of the House and decided it was no place for them and, to heck with you, we will get out. And they left the Government, sir. And more power to their elbow when they wrote their resignations out. But, sir, we don't swallow these resignations exactly as they are. They are in pretty plain English, but I don't read it just as it is there.

Yes, the Government has fallen in love with the fisheries and with the fishermen — after seven years, sir. It reminds me of the rascal who left his first love and travelled the world for many many years and then finally, sir, returned to the land of his birth and looked for his first love. So, Mr. Speaker, the Government has come back again to its first love, the fisheries. The fisheries — this, that and the other thing. They are going to spend millions upon millions on the fisheries — after seven years and on the eve of an election. A cute Government!

There is one point which my honourable friend from Fortune-Hermitage brought up — unemployment insurance for fishermen. And I am quite sure I can agree with him wholeheart-

edly, as will every member here, that unless and until (I am quite sure the Honourable the Premier is familiar with that phrase, spoken from the very chair in which he sits) —

HON. J. R. SMALLWOOD (Prime Minister): No, this is a new chair.

MR. HOLLETT: Well, unless and until unemployment insurance in some form or another can be brought in whereby our fishermen can gain the same sort of benefits, the same sort of plan as the man on the wharf who wheels the fish from the wharf head to the store—he gets unemployment insurance. But the man who goes out to sea in the boat, he is not considered. I am quite sure every man on the opposite side, as well as we here on this side, sir, will fight for that until we die, and we are going to get it, I can assure you whether from the Liberals or Conservatives. It seems to me there is a race on as to who is going to get it. I hope the Liberals are going to stay in to get it. That would mean the fishermen are going to get it the sooner. Unless they do, sir, we will have no fishermen. But let us keep on fighting for it whether we are a Liberal or a Tory.

The section, sir, about BRINCO reminds me of counting your chickens before they are hatched.

MR. COURAGE: The hen must be bought though.

MR. HOLLETT: A good hen like Wabush. Wabush was a good hen. Javelin was a good hen, but does not seem to be functioning properly. I hope she does some day. Javelin was supposed to pay for the childrens' teeth, I understand. Well, I had better not say anything more about that. But praising up BRINCO too much at the moment and the wonderful discovery

of uranium, counting your chickens before they are hatched—I read from an article somewhere which says BRINCO so far discovered certain reactions to a certain experiment which led to the belief there were certain deposits of uranium in that particular area. That is all they know at the present, as far as the world knows. But I say, don't let us go all out on a limb about BRINCO just yet. And, sir, if the Labrador has so much mineral wealth and every other kind of wealth why was it necessary for the Honourable the Premier to go to Germany and to England and various places all over the world looking for people to come in here? Why did he have to go to Rothschild? Why was not the great Canadian nation to which we now belong and to which we will always belong now, why was not that great Canadian nation all ready to step in and help us in the Labrador development without the Honourable the Premier having to go back and forth so many times to Great Britain?

Now, sir, then again the honourable member for Fortune Bay - Hermitage has been very successful in the last few days as far as his district is concerned. One of the wood companies is ready to come in and peel all the wood, after seven years. Of course, there are more people on it now than there were seven years ago. But I have some recollection that wood was at one time peeled in that area. I am not sure I am right, if I am not somebody will correct me. But I have an idea that at one time before, wood was peeled in that area.

Well, sir, I am not going to delay any more on the Speech from the Throne. I should not say anything more about it at the moment. It is lengthy, and I have not had time to study it properly. I am quite sure we

are going to find something to say about it later on.

Let me conclude my remarks by again congratulating the member for Fortune Bay and Hermitage and the member for Burgeo and LaPoile on the excellent speeches which they have given.

Thank you very much, Mr. Speaker!

MR. SMALLWOOD: Mr Speaker, I should like to congratulate the honourable member for Fortune - Hermitage and the honourable member for Burgeo and LaPoile for the very excellent manner in which they moved and seconded the motion now before you, that a committee be appointed to draft an Address in Reply to the Speech from the Throne.

I should like at the same time to congratulate my honourable friend, the Leader of the Opposition, for the friendly and good-spirited speech on the same occasion.

I am more than happy to see so many here today both upstairs and down, from the floor and from the galleries here, from the great southern side of our Newfoundland triangle. I think notwithstanding the witticisms of my honourable friend here, I think the honourable members were correct when they said that was truly the greatest conference, the greatest assembly of representative men and women from the whole of the South West Coast that has ever assembled since Newfoundland was discovered, I think that is the simple truth. I don't think that ever before in our Newfoundland history did so many people come together from the great South West Coast, so many representative people, representing every interest, logging and fishing, business, shopkeepers, magistrates, welfare officers and clergymen of all denomina-

tions, a hundred delegates from the whole coast, sitting in for four days with the Ministers, the Finance Minister, the Deputy Ministers of the Newfoundland Government and some of the highest ranking officials of the Government of Canada, some of whom came down here especially for the purpose of being of service to those hundred delegates. I welcome them most sincerely to the people's House, to their own House. And for many of them it will be the first time that they have even seen, perhaps, the outside of the building let alone the inside. And surely no one has a greater right to be here than those same people.

Now, my honourable friend, the Leader of the Opposition must feel, notwithstanding the little joking he did, the good-natured joking he did, notwithstanding that I am sure, as one who is himself a native of the South West Coast, of the grand old town of Burin — because he does bear a name that is known and honoured throughout that whole coast, and I think that as such he must himself be extremely happy to see so many here today from that same coast.

Now, sir, I rather enjoyed the reference of my honourable friend to BRINCO. His honourable colleague on his left must have been uneasy, because if there is one thing the honourable and learned member for St. John's East is rather apprehensive about it is any reference whatsoever to BRINCO. Because he is the author of the immortal Newfoundland classic which deserves to go down in our Newfoundland story. He is the author of that great description of BRINCO, when he dismissed the whole subject here one day in a moment of impatience by calling it just Bunko.

Now this "BUNKO" rather intrigues

me. It is made up of some thirty of the largest companies in the United Kingdom. It has some thirty shareholders and each of these thirty shareholders is a great corporation, the head of which is the great House of Rothschild. One of them in the great Imperial Chemical Industries and the English Electric Company, British Prudential, which is the world's greatest life insurance company, four other banks and three other great British insurance companies, half a dozen of the great British mining companies including the famous Rio Tinto. There died in London the other day, Mr. Oppenheimer, one of the directors of the British Iron Corporation of South Africa. That corporation was one of the shareholders of BRINCO. This company has assets of three thousand million dollars. And that is only one of the thirty great companies that make up BRINCO.

BRINCO has gone into Labrador on a great programme of exploration. They have so far spent about three million dollars, in slightly more than three years. A few days ago their Board of Directors met in Montreal and decided that they would now expand this year, this very Spring, as soon as navigation opens and as soon as the breakup comes, the construction of a great road across the heart of Labrador, a road that will run from the east to west, from the great railway which runs now from Seven Islands down to Knob Lake, from that railway, at some point about half way in to the Grand Falls, a great road is to be built which will cost some hundreds of thousands of dollars. BRINCO has come to the conclusion, having engaged the great Montreal Engineering Company and the Shawinigan Power Company to conduct a very costly survey of Grand Falls and Hamilton gener-

ally—there vast water powers can be developed very profitably, and they have decided to commence the construction of the road, which must be built to get in there to commence the construction and production of the power.

Now it is true that I announced here a short while ago that BRINCO made a discovery of uranium. I read the last three issues of the "Northern Miner," and in these three issues I read at least a dozen references to various uranium discoveries across the great Canadian nation, most of them in Ontario and Saskatchewan. And in each story of these uranium deposits I was particularly interested to notice that the reference was always to the percentage of uranium and it would run .576 or .364 or .892 or .973, that is to say that it would run from one-half of one percent or a little over up to but not quite up to one percent uranium oxide. And if you were to take all the uranium mines in the Beaver Lodge Province or in the Blind River Province you would find they average something of the order of one-half of one percent of uranium.

In my announcement I said that grab samples taken by BRINCO at Monkey Hill and by Frobisher at Stompy Lake had run (and I did not say which was which) from five percent uranium oxide to the ton to six and a half percent uranium to the ton. No one ever suggested, no one would be such a fool as to suggest that it is going to average five percent uranium or six and a half percent uranium when the average across Canada is one and one-half of one percent. If Monkey Hill averages one-half of one percent it will be a great and fabulous discovery if it is there in any quantity. It has to be only the average of Beaver

Lodge or the average of Blind River to be one of the truly great uranium provinces of the whole nation. There are those who think it will average well above one-half of one percent.

Mr. Speaker, BRINCO the other day decided to sell some more shares. It was the first time they had sold any shares since the original ones they sold to their original shareholders. They decided the other day they would sell two million more shares at three dollars a share. If they succeeded in selling two million shares that would give them another six million dollars in their treasury. They did not advertise it. No advertisement of the fact appeared anywhere in the world. The shares are not listed on any stock market. They had no advertisement whatsoever. And of course some people would wonder would a company such as BRINCO, operating in Labrador searching for minerals, measuring hydro-electric potentials but having no mines, no production, having nothing in production, a company with merely sole right for a certain length of time from this House, this Legislature, the sole right to explore in Labrador and to explore in Newfoundland over certain areas, with no more than that, could they in fact find anyone in the world willing to part with six million dollars for these two million shares? It was an interesting question. The answer is that there were people prepared to part with the six millions, and actually they were offered something over twenty million dollars. Instead of selling two million shares they could have sold between six and seven million shares at three dollars each. They refused it. All they accepted was the six million dollars and they sold only the two million shares.

I would suspect from the fact that

there are some people in the United States and in the United Kingdom and in Canada (because it was in these countries that this money was offered to BRINCO) there are people who have a high opinion of BRINCO and a high opinion of the uranium find in Labrador and a high opinion of the prospects of this great BRINCO Corporation.

I was sorry when my honourable friend at first ridiculed the Children's Health Scheme, but was very happy that he amended that as he went along, and praised it and expressed his welcome and said that he would support it and that his party would support it. I welcome that from my honourable friend.

MR. HOLLETT: Mr Speaker, to a point of order. I don't think I ridiculed that particular item at all. I might have said something about the honourable member's teeth in Fortune Bay, but I certainly did not ridicule the idea of the Children's Health Scheme.

MR. SMALLWOOD: I misunderstood my honourable friend. I did understand him to ridicule it at first and in the end when he came back to it to praise and welcome it. If I misunderstood him on the first occasion I am happy to know I did, and would stand on what he said on the second occasion.

My honourable friend did engage in some ridicule with reference to the fisheries. He said, with a wink to the galleries and to the people of Newfoundland generally — throwing them a fast wink — he said — Well, the Speech from the Throne has something to say this year about the fisheries. Ha! Ha! There is an election this year. Of course, at least I think,

obviously what he meant people to infer was — Is not this a little thick? Is it not plastering it on a little bit thickly? Here they have been in power for seven years, and there is going to be an election this year so they are talking about fisheries and fishery development. "What have they done," he asked "in the last seven years?" Then he asked the question again — "What has been done?" Then he says: "But now they are going to spend millions and millions, on the eve of an election."

What have we done? In the seven years we have spent ten million dollars on the fisheries.

MR. HOLLETT: It was the salt fisheries I referred to.

MR. SMALLWOOD: Some of this ten millions was on the salt fishery. My honourable friend did not distinguish between salt and fresh fish, he just said the fisheries. Maybe the honourable gentleman meant the salt fishery but he certainly did not say it.

This Government have in the past seven years lent out ten millions of the people's money for the fishery, to various firms and concerns in Newfoundland to enable these Newfoundland concerns to expand or enlarge the fish plants they already had or to enable those concerns to build or buy more draggers or to enable firms to build entirely new fish plants. There are some very outstanding fish plants in Newfoundland today built almost entirely with Newfoundland Government money, and others are in course of construction at this very moment. Ten million dollars — Has that accomplished anything?

The number of people employed in

the fish plants around Newfoundland, in these plants that we lent the money to, was fifteen hundred in 1950. It is now four thousand thanks to the ten million dollars we lent the plants. The plants to whom we lent the ten million dollars had employed in 1950, fifteen hundred persons, ashore, in and around the plant, and in 1955 they had employed four thousand. The wages paid to those same workers in 1950 was one and a half million dollars for that year, precisely \$1,522,980.22, down to the very exact cent. Last year it was four and a quarter millions, thanks to the ten million dollars. In one year, last year, these plants to whom we lent the ten million dollars paid out to their staff, the men and women who worked in and around their plants, four million dollars. Don't forget this has become a great Newfoundland industry. Don't forget that. Thanks to the enterprise of the owners of these plants and thanks to our ten million dollars we lent them. The combination of their energy and brains and our public money the frozen fish industry in Newfoundland is now Canada's great frozen fish industry. It leads the whole nation. That is not to be disputed. The inshore fishermen from whom those plants bought fish in 1950 were seven hundred in number — seven hundred inshore fishermen — Last year there were four thousand inshore fishermen, who, if they had not sold their fish to these plants would have been obliged to salt the fish. And they were paid for that fish one and a quarter million dollars in 1950 and last year they were paid three million dollars. The number of crews on the boats that went out was one hundred and six and jumped to five hundred and the wages paid to them three hundred and forty thousand dollars. I

could give it year by year, but it has come up to one million dollars. So it goes on. Ten million dollars we lent, and already, already, to the end of 1955, and now we are beginning a new year and we have another ten years ahead. I mean this Government, of course, obviously, at least ten. And already these companies have paid out thirty-two million dollars. We lent them ten million dollars. We lent them ten million dollars and as a result (I am not naming any of them) these companies have already paid out thirty-two million dollars in wages and for fish to the fishermen. We have only lent them ten million. They are not in full production yet because some of that ten million was for plants not finished and which have not produced one dollars worth yet. The great plant in Twillingate, the great plant at Catalina, the great plant at Trepassy are only partly in production. When all these plants are in production they will pay out about ten million dollars a year as a result of our loan of ten million extending over five or six or seven years.

How much of that is on the South West Coast? I have the names of the concerns. I won't give them here at this moment. Six hundred and fifty thousand dollars, a hundred and thirty thousand dollars, seven hundred and fifty thousand dollars, four hundred and fifty thousand dollars. That is a total of two million, one million nine hundred and eighty thousand, twenty thousand below two million, actually well over two millions because I have not included all here. Two million of that ten million. My honourable friend, the Minister of Fisheries says he has a later check and it is over three million. I am astonished, surprised at that. I have not

had them all. Ramea, Burgeo, Grand Bank, Fortune, Gaultois, is not here.

MR. HOLLETT: Fishery Products.

MR. SMALLWOOD: No, not one of these is Fishery Products, not one. Gaultois is not Fishery Products. Ramea is not. Burgeo is not. Fortune is not. Grand Bank is not Fishery Products.

MR. HOLLETT: Burin is.

MR. SMALLWOOD: Burin is. No, that is not included in these plants, three million dollars, which we have already lent to develop the fisheries of the South West Coast.

Now I am not boasting about that, nor am I giving the figures to convince anybody we have done enough. I don't think for one moment we have done enough. I don't think we have done nearly enough. We have not done half nor quarter as much as the members for those districts have asked us to do. But our great lack is for enterprising merchants and firms. Our great need is for energetic and progressive and capable merchants. And if they want another three million for the South West Coast, God bless them. We will help them. We will give it if this House will agree. Everyone on this side and I am sure on the other side will agree to that. But we cannot give it to nobody. There must be somebody. So far we have given those who have asked for it except in a case here and there where somebody wanted it on conditions that we just could not accept and we did not accept.

Two other things and then I am done.

I should like to pass a mild comment on the extraordinary propen-

sity of some sections of the press to be misled or to mislead itself. I notice in the evening paper tonight, for example, an example of that very propensity, an item which says that the Leader of the Opposition said that if the honourable members for Green Bay and Trinity South had not resigned their seats, he, the Leader of the Opposition, would have gotten them unseated. And the same item went on — (and my honourable friend will be interested. He has probably not read it yet.)

MR. HOLLETT: No. I have not read it.

MR. SMALLWOOD: I will tell the honourable gentleman what it says. He will be surprised, no doubt, as I was when I read it. He is quoted as saying it is a good thing for them they did get out. If they did not, he, the Leader of the Opposition, would see that they would lose their seats, be unseated, fired out of the House. Then it went on — (I notice my honourable friend shook his head). I cite it as an extraordinary example of how the press misleads itself because I know no one could have said it to the press. My honourable friend shakes his head, meaning he did not say it. Of course he did not. Then it went on to enlarge on the reason he is supposed to have given. And the reason is that these honourable gentlemen, who are here this evening, I see sitting in as visitors — I suppose they find, having resigned their seats to go into private life, find it a little difficult not to come and see the opening of the House — The reason alleged is that they had violated the House of Assembly Act which lays down the qualifications for membership in this Chamber, violated it by accepting positions of emolument

under the Crown. Now that is a long and rather stilted way of saying they accepted jobs from the Government. And it cited in the case of the Honourable member for Trinity South the fact that he was the liaison officer between the Government of Newfoundland and the Iron Ore Company of Canada, which, in fact, we all know to be true. And every one of us, Opposition and all for several years past have known that fact and every one of us for several years past, or most of us have been very happy to use his good offices to get jobs for our constituents because he has gotten jobs for thousands of Newfoundlanders in the last three or four years and will continue to do so. But everyone knows he was the government's liaison. The Government does not pay him a cent. He was paid by the company from whom he held the position. The company asked me, as Premier, if I would suggest someone who had our confidence to act as liaison to see the Newfoundlanders rights at Seven Islands and Knob Lake, and see they were protected. And I said, yes, I know the man for you, a good Newfoundlander, a man who has knocked about this island and knows our people. He has not lost the common touch and can mix amongst our own Newfoundland people and talk to the biggest officials of the Company and see that Newfoundlanders are protected. I said, we have the man for you, Max Button. So they gladly appointed him and paid him a salary ever since. He did not vacate his seat for that. There is no reason in the world why he should. Nobody in this world could put him out of this House for that if he did not feel like going out.

Then the honourable members for Green Bay and Fogo: They would

have been expelled from the House, this item says in the evening paper; on the authority of the honourable gentleman. They would have been expelled from the House because they had positions of emolument under the Crown. They had been employed by companies receiving loans from the Government. If that were true, and my honourable friend knows it is not true, if that were true then his colleague who sat here for six years, Mr. Fogwill, who is an employee of a company receiving many hundreds of millions of dollars from the Government of Canada, and could not have sat in the House of Commons. We know that railway men do so in the House of Commons. The fact that the Government lends money to a company does not mean by any means that an employee of that company cannot be elected to the House of Assembly, and having been elected cannot sit. Of course, he can sit. It is well known Baxter Morgan is the manager, and has been for some time, of Koch Shoes in Harbour Grace, and he is doing a splendid job. And it is well known that Gordon Janes is manager of Atlantic Hardboard Industries Limited. And he is doing a splendid job too. It is well known these two men brought these plants from the "red" into the "black", from losing money to breaking even. They have done excellent work. But by doing so could they be kicked out of this House? Of course not. And I am quite sure my honourable friend did not say he intended to have them kicked out. It is just a piece of misinformation and inference. I cannot suspect, I have not the foggiest notion who could have any hard feelings for the Liberal Government, anyone associated with the particular paper in question. Nevertheless it appeared there. And I

am glad now the matter has been cleared up.

Finally may I say this one word. Incidentally probably I should be happy the piece did appear because if I know my men (and I still say "my men") when the election does come, if Baxter Morgan is not down in Green Bay and Gordon Janes is not down in Fogo and Max Button over in Trinity South campaigning for the Liberal Party or whoever will be the Liberal candidates, I don't know my men. I can thank the article in question for winning a few thousand votes, if possible, in those districts, where we get practically all there are anyhow.

Finally, may I say this, Mr. Speaker, my honourable friends opposite are a small Opposition in number. They are not small otherwise, but they are small in number, very few in numbers. Let me put it this way. I have never known a session in those ten sessions to which reference is made in the Speech from the Throne, I have never known a session when the newspapers did not print pieces talking along this line: "The gallant little band of Opposition members facing a bunch of tyrants sitting across from them who with steam-roller tactics slug the life out of them, would not let a word in edgewise, with no time to debate, not time to consider." That happens every year since Confederation.

MR. HOLLETT: Not in this Province.

MR. SMALLWOOD: I know it did not happen but it did appear in the papers.

MR. HOLLETT: Not in the press in this province.

MR. SMALLWOOD: Yes.

MR. HOLLETT: Dreaming.

MR. SMALLWOOD: No I was not dreaming. I don't know. We have been very sensitive about this. We have gotten mad, good and angry. Who does not get mad and angry? If a man has not got it in him to get mad sometimes there is nothing in him, he is just an empty shell. So we all get angry and good and sore. But that passes off quickly and there is nothing vindictive about it. I think that we have co-operated this seven years pretty well with the Opposition. I know that the Opposition have co-operated pretty well—pretty well. They have co-operated pretty well with the Government. They have been accommodating. They have attacked us. They have to do that. They have attacked the legislation. That is their duty, their job. I do want to tell them publicly again for the eleventh time, as I have done at every session, all the time they want to debate any piece of legislation we will bring forward, they can have. If they want postponement so that they can give further thought, they can have the postponement. Anything we can do to help them to study the legislation and take what time they need is there for the asking in this session as in every session of the other ten.

A MEMBER OF THE OPPOSITION: That is not true. Last year you told us, on opening day, the day you were going to close.

MR. SMALLWOOD: The honourable member is referring now to the regular session and not the special

session. I told the House on opening day at the regular session that I was expected to attend the Dominion-Provincial Conference and that I proposed to attend it. That did not follow that the House had to close. It did in fact close. But it did not have to close. I could have attended the conference and could have been accompanied by the Minister of Finance and the Honourable the Attorney General and the House could have gone on. There was no need to do it. All the time was given anyone who needed or wanted it.

MR. BROWNE : That is not true.

MR. SMALLWOOD : I think it is true. At all events whether it was ever true before or not it is true now today. All the time the honourable gentlemen want, four of them (one of them has resigned and there is another gentleman who comes in here once or twice throughout a session) whatever time they may need or he needs they can have. All the time they want is there for the asking.

Let us make this a good session for the children, let us make it a good session for the fishermen, let us make it a good session for all the people of Newfoundland.

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. The Committee will consist of the following honourable members: The honourable members who moved and seconded the motion and the honourable member for Harbour Main-Bell Island who sits on my right.

MR. SMALLWOOD : Mr. Speaker, I move, seconded by the Honourable Leader of the Opposition that this

House desires to record the expression of its deep sorrow at the death of the Right Reverend Philip Selwyn Abraham, M.A., D.D., sixth Bishop of Newfoundland.

The late Bishop Abraham was a great Newfoundlander. He was a Newfoundlander, not by birth but by adoption. But I believe that he loved every river and every rock, every tree, every bay, every section of this island. I believe Bishop Abraham came to be at heart a real and true Newfoundlander. He was known to tens of thousands of our people, and he was respected by all Newfoundlanders.

He was an Englishman. He was born in England in 1897. He served with the Royal Artillery, in fact, in World War I. In 1937 he was appointed Bishop in England and in the same year appointed Co-adjutor Bishop of Newfoundland and on the death of the Late Bishop White in 1942 was appointed Bishop to succeed him, and was enthroned as Bishop of Newfoundland in 1943.

His health followed him for several years, but he became dangerously ill on November 18, 1955, and was admitted to hospital. He died on the 22nd of December 1955, leaving a widow, three sons and one daughter.

Mr. Speaker, ever since, I think, since Confederation the Bishop of Newfoundland honoured this Chamber and the House by coming here as the head of his church in Newfoundland. We were all extremely proud to see His Lordship visit us here on opening day.

He was an extremely simple man, unpretentious, very friendly. I found that he was an enormously learned

man. More than once I visited him at Bishop's Court and in his study discussed many matters, not all of them temporal matters, not all of them matters of state, some of them very personal and affecting matters of the spirit. I found him always an extremely friendly man, an extremely simple man. I shall never forget, just before Confederation I called on him on New Year's Day at Bishop's Court to pay my respects to him as thousands of Newfoundlanders did on New Year's Day. I was somewhat known at the time as an advocate of Confederation, of union of Newfoundland with Canada, so when my turn came and I was presented to him, I said: "My Lord, I think that perhaps you are the first Confederate, you were a Confederate before I was." His eyes twinkled, and he wanted to know what I meant by that. I said: "You advocated the union of the Church of England in Newfoundland and in Canada." "That union, I think, either just recently had come about or had shortly after. So he appreciated the aptness of the illustration I used to call him a Confederate. Whether he was or not I really do not know. But I know that he was a very friendly and very sincere man. And I know that Newfoundland has lost a great man and a great Christian in the late Bishop Abraham.

MR. HOLLETT: Mr. Speaker, in rising to speak to the motion spoken to so well by the Honourable the Premier I would like to say that the Lord Bishop who has recently passed away was, in my opinion, a friend of all men. He was big, large in stature but he was mighty, Sir, in spirit, in soul. He loved to go out amongst his people and amongst the people of Newfoundland and talk to them and go here and there and

everywhere around the coast in all weathers in order that he might bring the message of his Master to the people whom he served.

He was a great man. He was a big man in every sense of the word. And I shall always remember his stride as he came into this building and in fact on any occasion when I saw him. I had the honour, as did my honourable and learned friend on my right to attend a university, the same university or at least one of the colleges of the same university with His Lordship the Bishop. And as he has passed through life here in Newfoundland during the past twenty years he has done more probably for the people of this country than any other man with whom I, at least, have come in contact.

I would like to say something else, now that I am on my feet on this particular motion touching the sorrow which also has come to the home of the family of the Honourable the Premier. And I say, this, sir, with all humility and all respect because within a week we shall probably be at each others throats, so to speak, but I have great sympathy for the Honourable the Premier. And I wish to express on behalf of myself and my colleagues on this side, our sympathy and condolence on the recent sadness which came to him in the loss of his aged father.

I did not know Mr. Smallwood at all. I was privileged, I will say to know his son very well, and having had the privilege of knowing his son very well, and I strongly suspect that in order to live to the age he lived, well over eighty years of age, I think he too had somewhat of the fighting spirit.

So, sir, in seconding the motion

made by the Honourable the Premier I would like to couple with that also our expression of sympathy, sincere sympathy; for the family of the Honourable the Premier on their recent sad loss.

Thank you very much, Mr. Speaker!

**MR. SPEAKER:** It has been moved by the Honourable the Premier and seconded by the Honourable Leader of the Opposition that the House wishes to express its deep sorrow on the death of the Bishop Abraham, sixth Bishop of Newfoundland.

On motion resolution adopted. Copy of resolution ordered forwarded.

**MR. CURTIS:** I give notice, Mr. Speaker, I will tomorrow ask leave to introduce a Bill "An Act Further to Amend the Memorial University Act", and also a Bill "An Act Further to Amend the Memorial University (Pensions) Act."

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

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Agricultural Societies Act," and also a Bill "An Act Respecting the Disposal of Waste Material and the Protection of Non-Tidal Waters," and a Bill "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act," and a Bill "An Act to Amend the Saw Mills Act," and also a Bill "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

Mr. Speaker, I give notice I will

on tomorrow ask leave to introduce a Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed persons and the Sharing of the Costs thereof."

**HON. G. J. POWER** (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Cancer Control Tax Act, 1953."

#### Giving Notice of Questions

**MR. BROWNE:**—To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information:

(1) What was the total cost of the Special Session of the House of Assembly held in September 1955?

To table all copies of correspondence between the Minister and/or the Newfoundland Labrador Corporation and the Javelin Company and/or the Lake Wabush Railway Company relative to the development of the iron ore concession at Lake Wabush.

(2) To ask the Honourable the Attorney General to lay on the table of the House a copy of the Report of the Commission of Public Utilities on the application of the United Towns Electric Co. Ltd, for an increase in the rates charged for electricity, together with copies of correspondence between the Minister and the Commission or Chairman relative to the same. By what method were the rates declared by the Commission subsequently altered? How were the final rates arrived at?

**MR. BROWNE:** Mr. Speaker, I have a large number of questions here to submit, but due to the lateness

of the hour I will let them lie over to the next sitting.

MR. SPEAKER: I would appreciate it.

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

- (1) The total amount of money paid to the Newfoundland Fisheries Authority since its appointment — the amounts to cover the cost of salaries, wages and travelling expenses, item by item. Give the names of persons and the amounts paid out under these headings.
- (2) How much has been paid out for technical services, salaries and expenses, including sundry expenses in connection with the Newfoundland Fisheries Authority.
- (3) What amounts have been paid out under the following headings from the Authority Grant? Fishing Demonstration, General Engineering, Commercial Plants and under any other heading.
- (4) How much money has been spent for Fishery Development by the Authority at the following places:—Quirpon, LaScie, Seldom, Valleyfield, Badger's Quay, St. John's, Merasheen, Change Islands, Joe-Batt's Arm, Twillingate, Catalina, Trepassey and any other Fish Settlement?
- (5) Give details as to just what work has been accomplished in these places.
- (6) Give a detailed account of the number of fishermen now engaged in (a) Salt Cod Fish, Fresh

Frozen Fish Industry, to include the names of each Settlement, the number of fishermen there and the total number of quintals of Salt Cod landed in each settlement. The total number of quintals of Salt Cod cured and the total number of quintals shipped away as Heavy Salted and the place to which this Heavy Salted fish was shipped.

- (7) Give the location of all Fresh Frozen Fish Plants in Newfoundland and also the quantities (in millions of lbs.) of fish processed by these plants since April 1, 1955. The number of men and women employed in each said plant. List the names of all such plants who secured a loan from the Government, showing the amount of said Loan and the rate of interest being paid and the portion, if any, of the principal which has been paid back to the Government.
- (8) Give the total amount of monies which have been loaned by the Government to (a) All Fresh Frozen Fish Plants, (b) All firms or individuals for the purpose of Salt Fish Production. In the case of the latter, list the names of companies or individuals.

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

On motion the House then adjourned at 5:20 until tomorrow Monday, March 19 at 3:00 of the clock.

MONDAY, March 19, 1956.

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

HON. L. R. CURTIS (Attorney General): Mr. Speaker, since our last session this Legislature has lost the ser-

vices of the late clerk, the late Mr. William Proudfoot. I think it only proper we might make a note of his loss in our midst and send the appropriate resolutions to his widow and children. Mr. Proudfoot has been law clerk since the beginning of the present assembly. He has come here faithfully and was always most obliging. And I am sure that the House would like to place on record a resolution of sympathy on his passing.

In recent years he has suffered greatly. He has been ill for quite a long period. During the last session in particular he was suffering a great deal. I am sure this motion has the full concurrence of the whole House.

I thank you, Mr. Speaker.

MR. HIGGINS: Mr. Speaker, I would like to second the motion proposed by the Honourable the Attorney General. I would endorse everything he said. I knew Mr. Proudfoot perhaps a little better than many members of the House. I came in contact with him a great deal in our mutual profession, and, from a purely personal standpoint, he happened to be the returning officer in the district of St. John's East in the last provincial election. He was a man of a rather quiet disposition but of great abilities. It is a matter of regret that he died at such an early age.

I would like to second the motion of an expression of sympathy to his family, Mr. Speaker.

On motion it was ordered that a copy of the motion be entered in the Journal and a copy sent to Mrs. Proudfoot.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I should like to table for the benefit of the members of the House a photographic reproduction of the artists conception of the

new fountain now in course of construction in front of this building, and the whole of the improvement planned for the grounds in front and beside this building.

There is a copy for every member of the House, if honourable members would pick up their copies from the office of the Clerk of the House as they go out, they will find enough there for that purpose. There are enough copies also for distribution to members of the press and radio.

I should like also to table some maps. In the last regular session of the House the members of the Opposition asked me if they could have maps showing in some detail the division of the new constituencies, i.e. those constituencies whose boundaries are now to be different from those that existed. That will require a total of eight maps, three of which are prepared and are tabled herewith for the benefit of the members of the Opposition. The other three maps will be tabled tomorrow. Then I think the whole position will be covered. These six maps will show all the constituencies of this Province wherein changes of boundaries have taken place. In those districts where the boundaries are unchanged there is no point in tabling maps. But the maps will show any changes whatsoever in the statute we passed last session.

MR. M. HOLLETT (Leader of the Opposition): Mr. Speaker, may I ask the Honourable the Premier if he said there were three maps for the Opposition? There are four of us here. I don't know why he should leave me out.

MR. SMALLWOOD: They are for the Opposition. These three maps are each different, and there will be three others, making a complete set of six

for the Opposition. I would assume they would go immediately into the custody and possession of the Honourable Leader of the Opposition. At all events they are for the Opposition as such and not separate.

MR. HOLLETT: I thought they were meant individually.

MR. SMALLWOOD: No. They are for Her Majesty's Loyal Opposition.

HON. G. POWER (Minister of Finance): Mr. Speaker, I have here the printed book of Public Accounts for the year 1955 and also the Auditor General's Report. I ask leave to have these tabled and ordered to be printed.

On motion leave was given by the House.

#### Presenting Petitions

HON. M. MURRAY: (Minister of Provincial Affairs): Mr. Speaker, I have here a petition signed by over five hundred electors of Trepassey, Biscay Bay and Portugal Cove, which are settlements adjoining Trepassey. The prayer of the petition is for the provision of electrical energy in that area.

Trepassey, as you know, sir, is one of the more heavily settled parts of that region of our country extending from Cape Race to Cape Ray. I think in all that great stretch of coast there are only two other settlements, Grand Bank and St. Lawrence which have a greater population. Presently there is in operation a fish plant there which went into operation last year, and the fishing industry is expected to expand a great deal in the coming years. So that Trepassey is on the verge of a great era of prosperity, we hope, and it is possible that its population will

take a great up-trend in the very near future.

The prayer of the petition is, sir, that the electrical energy be supplied either through the extension of the existing line which now goes as far as Renew's or that an electrical development be set up on the Northwest River.

I have been in consultation with some professional authorities on the subject, and they say a hydro-electric scheme on the North-West River would be entirely a practical proposition. I have been in touch with the operators of the plant. They say they would immediately be in a position to take about five hundred horse power of electricity if available. The overhead has been very heavy with regard to diesel energy. That is a customer able to take five hundred horse power immediately. There are a number of houses in the vicinity which would immediately take over electrical energy if supplied.

I am quite convinced that such a proposition would be thoroughly practical and self-financing. That is to say the initial cost of such hydro development could be amortized over a number of years. I think it is entirely sound and satisfactory from a financial point of view.

I have great pleasure, sir, in supporting the petition, and ask that it be laid on the Table of the House and referred to the department concerned.

MR. W. J. BROWNE: Mr. Speaker, as one having represented the constituency of St. John's West in which the places referred to are located, I have considerable knowledge of the area to which my honourable friend referred. I appreciate the desire of the people and of the operators of the fish plant

there for some sort of supply of electricity, whether by a development near the site of the fish plant or by a hydro-electric development. But, sir, we have a power commission set up last year. And it seems to me that this is a matter that should be sent to them to consider and how it could be done in the best possible manner, I am not sure that the scheme that my honourable and learned friend referred to of developing the water powers of the North-West River is feasible, as he seems satisfied. Certainly there is plenty of water there. I have seen that river in flood, and it is like Niagara sometimes. But it is a gradually rising river, and there is not a great deal of fall. However a survey may demonstrate that.

It gives me much pleasure, sir, to support the petition of those people. I would like to see (as I said last year) every place where it is possible to get electric power get it, because it brings so many good things to the people who have it.

On motion petition received for reference to the department concerned.

MR. CURTIS: Mr. Speaker, I have the honour to present a petition from some two hundred and forty residents of Whale's Gulch. Whale's Gulch is a small fishing community about three miles from Moreton's Harbour. It is a community which depends entirely on fishing. And its sole contact with the outside world is Moreton's Harbour, which, as I said, is some three miles away.

There is at the moment a very, very rough road connecting the two settlements. But the road is not satisfactory. And the prayer of this petition is that the road from Whale's Gulch to Moreton's Harbour be a proper road that

the people can use for the purpose of bringing their fish from Whale's Gulch to Moreton's Harbour.

I would ask leave to table the petition and ask that it be referred to the department to which it relates.

On motion petition received for reference to the department concerned.

MR. BROWN: Mr. Speaker, I beg leave to present a petition on behalf of the residents of Rocky Harbour in the District of St. Barbe.

The petition requests that the section of road, which they have indicated on a special map, become part of the Government kept secondary roads. At the present time and for the past ten years this road has been only partially seen to on a fifty-fifty basis. According to the petition the increased traffic conditions leads them to doubt whether this road can stand up for another year. The road is used by buses and by trucks carrying fish and supplies. Also the Church of England Cemetery is situated at the end of this road. And living along the road are forty-nine families, most with children attending school on the other side of the harbour.

Mr. Speaker, I support this petition, and ask leave that it be laid on the Table of the House and forwarded to the department concerned.

On motion petition received for reference to the department concerned.

MR. BROWN: I have another petition here, Mr. Speaker, which I have the honour to present. It is signed by practically all the voters of Sally's Cove, St. Paul's Inlet, Cow Head, Parsons Pond, Daniels Harbour, Portland Creek and other settlements in the electoral district of St. Barbe.

The petition states that the cottage

hospital at Norris Point serves thousands of people who must cross the narrows at St. Paul's Inlet at the narrowest point. It is frequently impossible to pass over because of ice or rough water and as a result there is considerable discomfort to the sick to the point of endangering life. Apparently the highroad now being built will be useful to the people of this shore and commerce and industry will therefore also be much served if this connection were made.

I have pleasure, sir, in supporting this petition and ask leave that it be placed on the Table of the House and forwarded to the department concerned.

On motion petition received for reference to the department concerned.

#### Presenting Reports of Standing and Select Committees

MR. COURAGE: Mr. Speaker, I beg leave to present to the House the report of the Select Committee appointed to draft a reply to the Speech of His Honour the Lieutenant-Governor, as follows:

His Honour the Lieutenant-Governor, Sir Leonard Cecil Outerbridge, Knight Bachelor, C.B.E., D.S.O.

May it please Your Honour,

We, the Commons of Newfoundland, in Legislative Session assembled, beg to thank your Honour for the Gracious Speech which Your Honour has addressed to this House.

Sgd: John R. Courage.  
G. M. Norman.

Assembly Room,

March 19, 1956.

MR. SPEAKER: The motion is that this report be adopted.

On motion the debate on the Ad-

dress in Reply was adjourned until a later hour this day:

#### Giving Notice of Questions

None.

#### Giving Notice of Questions

Mr. Browne gave notice of questions:

Mr. Hollett gave notice of questions:

*Question No. v:*

MR. BROWNE: To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information:

What was the total cost of the Special Session of the House of Assembly held in September 1955?

To table all copies of correspondence between the minister and/or the Newfoundland Labrador Corporation and the Javelin Company and/or the Lake Wabush Railway Company relative to the development of the iron ore concession at Lake Wabush.

#### Answers to Questions

MR. SMALLWOOD: Mr. Speaker, the first part of the question is wrongly addressed. The reply to the second part of the question is that no correspondence has taken place between the Javelin Company or the Lake Wabush Company and me. And as for any correspondence that took place between them and the Newfoundland and Labrador Corporation I can say only it is not the practice to table in this House correspondence that NALCO has with its clients, with its customers. It was never done, and we don't propose to begin.

MR. BROWNE: Mr. Speaker, I would ask the honourable minister of Economic Development if it is not in order to ask him in his position, as I presume he is the one who controls the policy of the Newfoundland and Labrador Corporation, for the correspondence between that subsidiary of his department and himself?

MR. SMALLWOOD: I don't agree that it is a subsidiary of my department. And I can only repeat what I said. It has not been the practice and we don't propose it should become the practice to table in this House the business correspondence between NALCO and the various interests with whom it does business.

MR. BROWNE: Mr. Speaker, just one supplementary question: Not the firms with which NALCO does business, but the minister, the Representative of the Department in this House—surely the correspondence between him.

MR. SMALLWOOD: I have said there was none. I gave that answer a moment ago.

MR. BROWNE: Mr. Speaker, may I direct then the first question to the minister of Finance. I presume he is the one to whom it should have been directed. If the honourable minister would take that as notice.

MR. POWER: Nods.

*Question No. 2: In course of preparation.*

*Question No. 3: In course of preparation.*

MR. POWER: Mr. Speaker, earlier in the sitting I asked permission to have the Public Accounts printed. I assume you gave that permission?

MR. SPEAKER: Yes. I asked that the House give leave.

MR. POWER: Mr. Speaker, I now ask leave to have them tabled.

MR. BROWNE: That is fast work.

MR. HOLLETT: Mr. Speaker, may I ask if there is any Public Accounts committee in the House?

MR. SPEAKER: I have no reply to make to the honourable member. I

suggest information on the printing of material or material printed might be directed to the honourable Minister of Supply.

#### Orders of the Day

Second Reading of Bill, "An Act Further to Amend the Registration of Deeds Act."

MR. CURTIS: Mr. Speaker, it is our custom at the opening of the House before we enter upon the Address in Reply to the Speech from the Throne, as you will know and as the House will be aware for us to move the first reading of a Bill showing the intent of the Throne. And instead of having a dummy Bill we usually proceed at such time with a non-controversial Bill. In this connection we picked out the Bill, "An Act Further to Amend the Registration of Deeds Act," because the Bill is largely formal and will not, I am sure, receive objection from any member of the House.

This is a Bill really to cure a misunderstanding. It will be remembered that a year or so ago we passed a Bill to create commissioners of oaths. And the Registrar of Deeds has been accepting affidavits of certain of these commissioners for the proving of Deeds. It was the intention that these commissioners should be able to take affidavits in proof of deeds, but apparently we omitted to amend the Registrar of Deeds Act. This amendment therefore provides that commissioners for oaths both inside and outside of Newfoundland may take affidavits for the proving of deeds—and the sections are made retroactive.

The other clause in the Bill is a clause providing for the non-registry of leases from the Newfoundland Housing Corporation. These are leases which we feel should be on the same

basis as other leases. As my honourable friends in the House who are lawyers know, it is not the practise to register leases. It is not the practise to make compulsory that leases be registered.

That is the purpose of the Act. The details, Mr. Speaker, can be discussed in committee.

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

MR. HOLLETT: Mr. Speaker, I wonder if we could have second reading postponed. Nobody has had a chance to look at these sections.

On motion debate on second reading adjourned until tomorrow.

*First Reading:*

Honourable the Attorney General asks leave to introduce a bill, "An Act Further to Amend the Memorial University Act."

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

Honourable the Minister of Labour asks 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.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act To Amend the Agricultural Societies Act."

On motion Bill read a first time. Ordered read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

On motion Bill read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non-tidal Waters."

On motion Bill read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

On motion Bill read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act to Amend the Saw Mills Act."

On motion Bill read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Mines and Resources asks leave to introduce a Bill, "An Act Further to 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 Mines and Resources asks leave to introduce a Bill, "An Act to Approve and Give Statutory Effect to An Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the sharing of the cost thereof."

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 Cancer Control Tax Act, 1953."

On motion Bill read a first time. Ordered read a second time on tomorrow.

MR. BROWNE: I wonder, Mr. Speaker, if the minister could give a brief explanation as to what that is about.

MR. SMALLWOOD: At first reading?

MR. BROWNE: Yes, I believe it is customary. It certainly is in Ottawa—Just a brief explanation.

MR. SMALLWOOD: Not in this House. It is never done.

*Address in Reply to the Speech From the Throne:*

MR. BROWNE: Mr. Speaker, once again I have been honoured with the responsibility of beginning this debate on the motion on the Address in Reply.

I think this year, Mr. Speaker, in addition to congratulating the honourable mover and seconder of the Address they ought to be congratulated on being here at all because so many members have gone out now. If we look around the Chamber we can see that the Government controls a majority in themselves. Looking across at the people on the other side, there are ten members of the Government and three private members. And I think it would be appreciated, if I try to convince honourable members of this House I have a very great difficulty ahead of me.

In the Speech from the Throne reference is made to the long list of Bills which have been introduced by this Government. I believe it was during the last six years. And I believe some of them are measures to which the Government can point with pride. I don't

intend to pay much attention to those this afternoon. But there are other things, which, had the Government their time over again, they would never have introduced, and of which they can now be ashamed. I intend later on, Mr. Speaker, to go into this a little more fully. At the present time I cannot help remarking the absence from the other side of the House of the three members who have resigned.

They have exchanged letters with the Premier. And for greater accuracy I have procured a copy of these letters. There is one sentence in the letter from the three honourable members and three in the letter from the Premier to which I would like to refer, and with which I can hardly agree.

The three members state, we have come reluctantly to the conclusion that politics has to be a full-time occupation or nothing, and that it is impossible for a private member to make a living at it. Well, Sir, I cannot agree with that, and I don't think anybody else can agree with it although the Premier in his reply, repeated this by saying, I fully understand the difficulty you have had in making a living. It takes most of a man's time to be a member of the House, and the sessional indemnity is not enough to support a family.

Now, sir, what about the other members of the House? How are they managing to get along? How have all the members of this House of Assembly managed to get along all through the hundred years or more that the House is in existence? How do members in other Legislatures in Canada get along? Certainly it cannot be expected that the sessional indemnity, which last year was for three thousand dollars to cover less than a month of a session; can be expected to get along for the re-

maining eleven months on that three thousand dollars. After all there are eleven months in which to make the rest of the money necessary to keep them going.

I don't think, sir, that anybody reading those letters will believe for a moment that that was the reason as given here as the reason why these gentlemen resigned. There must be some other explanation for which they resigned. Looking at my honourable friend, the honourable member for Burgeo & LaPoile, I know there is nothing on his mind. He is not worried about making a living. As far as the honourable member for Hermitage is concerned he always looks worried.

MR. SMALLWOOD: Mr. Speaker, is this in order?

MR. SPEAKER. Hardly.

MR. BROWNE: Surely, Your Honour, this is in order, when we have here three members of the House of Assembly resigning and giving as the reason that politics must be a full-time job. Surely on the Address in Reply I can deal with this matter. Your Honour, it appears to be a matter on which the Premier is sort of sensitive.

MR. SMALLWOOD: No, Mr. Speaker, my objection is not to that at all. I have no objection to my honourable and learned friend spending all his time discussing that. What is, in my view out of order, is an attack on particular members of the House. Refer to ex-members, that is alright. Don't pick out members who are here.

MR. BROWNE: Surely, Mr. Speaker, the Premier is not going to tell me what I should say.

MR. SMALLWOOD: Mr. Speaker, to a point of order—May I early in the session get this clear—If I object, if I

rise to a point of order on what an honourable member is saying, am I then thereby to be accused always; as any member rising to a point of order; to be accused of trying to dictate to the member and tell him what he may or may not say? That, Mr. Speaker, is your prerogative. But surely it is the right of any member of the House to rise on a point of order and object to what an honourable member is saying and contend it is out of order. Your Honour will decide. Surely it is the right of one honourable member to claim another honourable member is out of order. Is he then to be accused always of trying to dominate the member against whose statement he takes objection? Is he always to be accused of trying to dominate the members because he states, apparently an honourable member is out of order — It so happened that Your Honour agreed with me.

MR. BROWNE: Mr. Speaker, it is quite clear the honourable member for Green Bay has resigned because his interests are more valuable outside this House to himself than they are in this House. He is manager of Koch Shoes, a million dollar concern, and I presume his salary for that (we are not allowed to know it) must be very much greater than what he got here as a sessional indemnity. Besides that, he and his colleague, the honourable member for Fogo, are both reputed to be large shareholders in the "Olde Mill." which I believe is also a profitable concern. So I think they can manage very well to make a living without coming here. Whether it was their own decision or not only the Premier knows.

Now, Sir, I made a reference a moment ago to some of the measures of which the Government might be proud. It may be proud to have done

its best to catch up with the other provinces in regard to social security measures; the allowances for mothers, the dependent allowances, the old age assistance act and incapacitated persons assistance acts and blind allowances; which are made possible by grants from the Federal Government.

All over the world during the last eighty years there has been greater attention given to the interests of the individual than there was for a long time previous. So these social security measures have developed. They developed faster in Europe. They came about there, earlier than they did on this side of the water. And surprising enough they came first in Germany, under the Conservative Government of Bismarck; in an almost semi-feudal state, the first measures of social security were introduced into the world; old age assistance and old age pensions, unemployment insurance and workmen's compensation for accident and sickness, mothers' allowances and all these things.

They were introduced eighty years ago in Germany by Bismarck. And were not favoured by the Social Democrats, or even by the workers themselves although introduced for their benefit. Then they spread to France and England and much more slowly came to this side of the Atlantic. But on this side of the Atlantic we have during the years caught up a good deal. We have not yet caught up with the social security measures which are in existence in England, for example the welfare state itself, arising out of the report of Lord Beveridge provided for hospitalization and all sorts of sickness benefits for everyone in England whether an Englishman or not.

Now, referring to this measure forecast to provide children's medical benefits and dental and hospital care, one

cannot help wondering, if it would not be better to provide for the parents. After all they are the bread winners, and one would think the first ones to be looked after. Because if they were well they would look after their own children. At the present time the Federal Government is negotiating with the Provincial Governments to provide diagnostic X-ray and hospitalization services for everybody. And the scheme if it goes into effect, if six provinces approve of it, will cover 71% of the cost of these services in Newfoundland. And the Provincial Government would then be left with only 29% of the cost to bear.

There are countries that for many years have been carrying on these social security measures. For example New Zealand and Australia — In New Zealand there is a taxation of 7½% on a person's income which provides for every kind of benefit, health and accident benefits, and provides for dental care for young persons up to the age of nineteen. I notice that this Bill, which is going to be introduced, appears to be an enabling Act: "The most important single piece of legislation which my Ministers will submit is for the purpose of giving them authority, and making it mandatory upon them, to introduce and enforce a system of Children's Health Benefits." Apparently it is not going to be an Act to declare anything, but an enabling Act.

MR. SMALLWOOD: How does the honourable gentleman read that? Read it again.

MR. BROWNE: "The most important single piece of legislation to engage your studies in this present session will be one which my ministers will submit for the purpose of giving them authority, and making it mandatory upon

them, to introduce and enforce a system of Children's Health benefits."

MR. SMALLWOOD: What is permissive about a thing being mandatory?

MR. BROWNE: Mandatory to introduce.

MR. SMALLWOOD: Introduce and enforce.

MR. BROWNE: Oh yes!

MR. SMALLWOOD: What is permissive about that?

MR. BROWNE: Giving them authority—Well I am glad to take the Premier's word.

MR. SMALLWOOD: No. The words of the Speech from the Throne.

MR. BROWNE: We pass an Act first here enabling the minister to do certain things.

MR. SMALLWOOD: The wish must be father to the honourable gentleman's thought.

MR. BROWNE: Mr. Speaker, in any case I feel, after reading the several paragraphs dealing with that matter that we can't expect much this year from it. I did not have the privilege of hearing the Premier when he spoke over the radio about this matter some time ago, nor seeing him when he was on television. But I understand that he stated that this was going to be financed out of the profits of Javelin. Now sir, there is no mention of Javelin nor the Lake Wabush Railway in the Speech from the Throne. And I am wondering if he has withdrawn that statement.

MR. SMALLWOOD: The honourable gentleman will see when he sees the budget and estimates.

MR. BROWNE: Yes, but I think we might at least here in this House be entitled to as much accurate information upon such a major point as that as the Premier possesses.

MR. SMALLWOOD: The House will get that at the right moment, not in this debate.

MR. BROWNE: If the Premier goes on radio and TV and says the profits from Lake Wabush are going to pay for this whole thing, I think he ought to at least say so officially here.

MR. SMALLWOOD: Maybe the honourable gentleman will allow me. The statement is an extremely simple one. The cost of this Children's Health programme which is referred to in the Speech from the Throne will run into millions of dollars when it is fully implemented and fully into effect and will be found out of the revenue that the Government will get out of the development of the natural resources of Labrador including Lake Wabush and the Iron Ore Company of Canada, the uranium of BRINCO, and other developments of BRINCO and Frobisher and all or any other companies developing any other natural resources of Labrador, and I might add Newfoundland as well.

MR. BROWNE: Well, Mr. Speaker, they have to do that in any case. Why were the profits from Javelin mentioned? It was understood by all those I have been speaking to that it was the profits of Javelin which were going to do that.

We had a special session here last fall and put through the measures necessary to put Javelin in working order. But there has not been one word in the Speech from the Throne about Javelin.

MR. SMALLWOOD: Don't crow too soon.

MR. BROWNE: I am not crowing. It is not a matter over which anyone can crow.

MR. SMALLWOOD: Be very conservative from now.

MR. BROWNE: I try always to be, Mr. Speaker. But I think a matter which rated a special session in September deserved an honourable mention in the Speech from the Throne at the present time. And the House I presume at some stage in this session we will be told of the progress of the Canadian Javelin Company.

MR. SMALLWOOD: Quite so.

MR. BROWNE: Now everything that the Premier speaks about is to be the greatest, if not in the world, certainly in North America. And this Children's Health Scheme is the greatest in North America. And Javelin is the greatest mine, greater than the Mesabi — And this year we are only to have free hospitalization, that is what it says here if I read rightly.

MR. SMALLWOOD: It does not put quotations around the word "only" as the honourable gentleman's voice did — It will cost half a million dollars.

MR. BROWNE: Is it the minister's plan to commence the programme in the present year?

MR. SMALLWOOD: That alone will cost \$500,000.

MR. BROWNE: Well I am glad to know the Premier seems to know what he is talking about as regard the expenses. There is also a provision here that additional hospital beds will be provided, and it is the intention of the minister to make plans

for the erection of a Children's Hospital in St. John's.

MR. SMALLWOOD: Where does the honourable gentleman see the word "erection".

MR. BROWNE: For the provision. Well I take it he can't provide hospitals without building one.

MR. SMALLWOOD: Yes, we can, suppose it is already built? Suppose we only have to convert a building?

MR. BROWNE: Well, Mr. Speaker, I never thought the Speech from the Throne as subtle as it appears to be.

MR. SMALLWOOD: You must read what is there carefully, which is what one is supposed to do.

MR. BROWNE: I think the people ought to read between the lines too, if the Premier can point out in a few minutes so many subtleties in that Speech. I don't think they are going to get much hospitalization before the elections at any rate.

MR. SMALLWOOD: That might depend upon when the election was.

MR. BROWNE: If it is necessary to have hospitalization, how can you give the services before the hospital is provided, and if you give the services without providing the hospital, what is the purpose of providing them? It seems to me, Mr. Speaker, this scheme has all the earmarks of sudden improvisation, that the Premier pulled this out of the air, an election promise to fit in with the Federal provisional hospitalization programme which is to cover all Newfoundlanders hoping the thing would go through at Ottawa more quickly than it appears to be going. Then it would not be such a problem for him to solve. It certainly appears to have been announced without adequate

study. The medical profession does not seem to know anything about it. And high officials in the Department of Health don't seem to know anything about it. Who made the studies necessary for the introduction of a scheme of this kind? Perhaps the minister can tell us what is being done in this now? If it is not dependent on Lake Wabush but comes out of general revenue, perhaps when we are considering the scheme he will give us detailed information as to how the \$500,000 necessary for the hospital scheme this year is going to be found. Whatever scheme is introduced I hope, Mr. Speaker, that it will preserve the traditional independence of the medical profession and the traditional doctor-patient relationship that has existed.

We are now considering a measure, which as I said a few minutes ago, has already been in effect in many countries and a part of a plan which has been in effect in many countries. But the effect of such a plan is to increase the number of Government officials and I suppose the time will come when it will be necessary to stop the Government from going any further. How much liberty will the people have to surrender in their search for security? And here, sir, may I draw the attention of the Government to the Workmen's Compensation Act which by a percentage charge upon employers of the amount spent in wages, provides for accidental injuries and deaths of workmen. Now it is the experience of all health and accident insurance companies that accidents are much less common than sickness. There are more days lost through sickness than there are through accidents. And I suggest to the Minister of Labour, if he wants to be smart, he might get his Work-

men's Compensation Board to consider what increases would be necessary in order to provide sickness benefits for his workmen. Because it is quite a common occurrence that causes great need and suffering. A man may not get injured but may get sick. Two brothers, for example, working in the same plant, one gets sick and one gets injured. The injured man gets compensation but the brother who gets sick gets nothing at all. Well, sickness could just as easily be covered as accidents. The Railway Employees Welfare Association has a voluntary organization which by charging one percent is in a position to provide fifty percent of a man's wages during times of sickness. We followed that in the Civil Service Association, and it has been in effect now for nearly twenty years, and the Railway Employees Welfare Association scheme has been in effect for a longer period. It is sound and worthwhile considering. Because I know the Workmen's Compensation Board has piled up handsome reserves and it should be in a position to enlarge its field in that manner.

There are, as the Government knows also, Blue Cross Organizations in this country providing sickness benefits and other private companies. I hope the existence of the Blue Cross is recognized and in as far as possible worked to be preserved.

Now, sir, I would like to say a word about the three regional conferences, the Labrador North, the Labrador South, and the South Coast Conferences. Sixty or seventy delegates, according to the press were invited here to these conferences during the last couple of weeks, with members of Parliament, members of the House of Assembly, civil servants from Ottawa and civil servants from St. John's. The

idea, we have been told is that of the modest mind of the Minister of Mines & Resources. What idea? What was the idea? What was the idea of bringing these people in at this time of the year to St. John's? Is it supposed to be a good idea politically or a good idea constitutionally? If it is the latter, if it is a good idea constitutionally, then we must consider the effect of what has gone on. Where did the funds come from to provide for these three conferences? There was no vote here last year at any time. There was no funds available, and nobody on the other side of the House can say that this was a contingency because the Premier has said the idea was passed to him first by the Minister of Mines & Resources last summer, and he put his seal on it as far as a good idea.

MR. SMALLWOOD: I did not say anything about last summer. I did not see the quotation, and if so quoted I was incorrectly quoted. It was last January, this present year.

MR. BROWNE: I see. That is not so long ago. There was not time to have any money voted. Therefore there was no money voted. But by what authority could money be taken from other votes and paid for this perfectly new thing? I have searched the estimates and I could not find anything. And it is certainly not a contingency. A contingency is something that occurs accidentally, and no provisions is made for, and you get the consent of the Auditor General to pay for it, if it is a contingency. But there is no provision for this. And I say that the money was illegally spent. I think the emphasis placed thereon, Mr. Speaker, points to a political idea.

Now the idea has been approved by the Premier, the master politician of

this country today; a man whom even the Progressive Conservatives in Nova Scotia would like to see in Nova Scotia. I wish he were.

MR. SMALLWOOD: It is the only hope the honourable gentleman has—his only hope.

MR. BROWNE: Let me warn the honourable minister not to trust too much to the Premier's endorsement of what he has thought about. "This is, the Premier says, a new technique. It is made for Newfoundland—"Made for Newfoundland." Well, Morris never thought about it and Squires, and Laurier never thought about it, nor Mackenzie King.

MR. SMALLWOOD: That is right.

MR. BROWNE: And these were past-masters in the art of politics, every one.

MR. SMALLWOOD: They were just politicians.

MR. BROWNE: I would suggest the Premier might be able to sell his idea to the present Government at Ottawa, and the Premiers of the other provinces and perhaps even so far afield as to the British Government and to all the democratic countries.

Mr. Speaker, what is this House of Assembly for? What are the elected representatives here for, four or five years? Aren't they here to represent their districts? And why does the Government go out then and pick people here and there and bring them in here to a party? Surely if any citizens in this town today got an invitation from Mr. St. Laurent to go to Ottawa to be put up at the Chateau Laurier for a week they would not refuse it. It is not in the nature of things for men to refuse invitations into a metropolis in mid-winter. What a nice break it is. But the representatives of the people are here in this House con-

sidering the needs of the country, and the minister does not need to call in people from outside, long distances away, from Labrador. If they want to spend money I can show the Minister of Public Works, and he knows very well what I am speaking about, within a few miles of this building today, where he can find he can spend hundreds of thousands of dollars. We don't need to bring in delegates to know how to spend money. We all know the need. We all know the roads that need to be done; and we know that they all need hospitalization — and as the honourable minister of Provincial Affairs brought forth in a petition today — they all would like to have electricity and lights in their homes.

"This idea is a sure-cure," said the Premier—or he thought so. There is only one country, Mr. Speaker, where I know that this system, or a similar system, not just like it, because this can hardly be said to be a system. It is not systematized. It is just an experiment that turned out to be a very happy occasion for all concerned. I am quite sure it must have been a god-send to some of the members who had not seen some of their constituents for years. I know how the Minister of Mines & Resources started out—Now, let us have no politics in this, no re-creminations, no controversy, no criticisms for members—We are all meeting here for the good of the areas which you now represent. And their members came down from Ottawa. Mr. Carter came down from Ottawa and meets more people in two or three days than in two or three months when on the South West Coast. And Mr. Ashbourne and Mr. Batten, to meet an important delegation from Labrador and the North West Coast. How convenient.

Mr. Speaker, this is a wonderful idea —We can extend it, We can have the conference now for St. John's, Harbour Main, Bell Island and those places, and bring the members in here to have a chat with them, and save us going around and meeting them and trying to talk to them individually. Bring them in under the benignant eye of the Minister of Mines & Resources, and with all the prestige of the Government and Government officials from St. John's and Ottawa here, and with no politics. They must not say the naughty word "politics" — This is for the good of the country.

Mr. Speaker, the reason no other Government had done this sort of thing is because they did not have the nerve to do it. They did not have the nerve to spend money illegally to misuse public funds in that fashion in which funds have been misused in this way. Now, sir, I say misused, because they have been used for a political purpose. The funds of the country are not supposed to be used for political purposes but for the necessary services, and not for the benefit of one party. My opinion is that all that expenditure was illegal, and the good people that were brought in here were unwittingly, unwittingly, serving the Liberal party interests.

"We should have an annual conference of this kind," said the Premier, "or every two or three years." I know that the minister of Provincial Affairs will believe that I appreciate his interjection when he says every four years; because the four years would coincide roughly with the probable time of an election, and that would be the most suitable time—because this Government that stood pat by those districts for nearly five years suddenly woke up, suddenly became alive and felt the need of that conference, right in the

middle of the winter bringing people from Labrador and the North West Newfoundland. Where will it end? I had the privilege of attending four short sessions at the Commonwealth Bar Association in London last year; and people came from every end of the earth at their own expense. Now how many would be there if their expenses were paid? You would get everybody in the country to come to a conference of this kind. If you are going to have them then you don't need any party funds. All you need do is do all your electioneering right here in St. John's. I wonder why the Government is so election conscious? Are they apprehensive of losing favour in certain quarters? The local Roads Committee are to be abolished.

MR. SMALLWOOD: Where does it say that? That the local committees are to be abolished.

MR. BROWNE: Excuse me! Free labour by people. Just a minute now. I will read the section to make sure.

MR. SMALLWOOD: Yes. And read between the lines.

MR. BROWNE: That is very good. I am sure that the Premier would be willing to assist me. "My ministers now propose to reverse the policy, and to readopt the policy that always existed before the system of the Government of Commission was instituted in 1934. The policy which you will be asked to approve and authorize will be one in which the Government will again be responsible for the maintenance of all local roads, and you will be asked to approve an appropriation of nearly three-quarters of a million dollars for the purpose in the present year."

Well, sir, I don't think there is going to be anything controversial about that. But perhaps I could go as far as to say that the Government saved this

up until the eleventh hour, and now they have it in effect just as the election is taking effect.

MR. SMALLWOOD: Pretty bitter pills.

MR. BROWNE: No, sir, we don't say anything that is good for the country is a bitter pill. I will not agree to that. I think if it is properly operated—And remember, Mr. Speaker, I say the word "properly." Is this going to be spent on a per capita basis?

MR. SMALLWOOD: Yes.

MR. BROWNE: I am glad to hear that. The other money for the maintenance of roads is not spent on a per capita basis.

MR. SMALLWOOD: This is.

MR. BROWNE: I expect the Premier has some qualification.

MR. SMALLWOOD: I will state them in greater detail later. But the only thing is, we will eliminate from the whole of the population of the province such places as Gander, the part of Argentea and that area, for which the Government of the United States has assumed responsibility; Goose Airport and other areas for which other Governments have taken on financial responsibility; and the City of St. John's.

MR. HOLLETT: Why?

MR. SMALLWOOD: I will give the reasons at the right moment. They are too obvious to need giving, however. When these people are eliminated we will divide the total amount made available each year into the total population, and that will come to the per capita amount which is the amount to be spent in each settlement of the whole province.

MR. BROWNE: Did I understand the minister to say Corner Brook?

MR. SMALLWOOD: No. It is not eliminated.

MR. BROWNE: Nor Grand Falls.

MR. SMALLWOOD: It is a new city which has many years of neglect to be made up.

MR. BROWNE: I think that is fair enough answer at the present time from the Premier, because I know there about ten days ago tenders were called for the construction of about two and a half miles of road or streets in the City of Corner Brook.

MR. SMALLWOOD: That is the main highway running through the different towns.

MR. BROWNE: It is not only a highway.

MR. SMALLWOOD: Any highway running through a settlement is used as a city street. All around Conception Bay you have that.

MR. BROWNE: Gutters, sewers, pipes, the whole works is going to be done by the Government.

MR. SMALLWOOD: Right.

MR. BROWNE: I am sure the honourable Minister of Labour was delighted to see that advertisement appear—and at the right time as far as he is concerned. The people over there then don't need to go ahead with that bad-roads association that they started.

MR. SMALLWOOD: It is hard to take.

MR. BROWNE: The Premier was called out very suddenly to assist the honourable minister, and it was promised, I think, nearly a year and a half ago.

MR. SMALLWOOD: Right. It was not just a few weeks ago.

MR. BROWNE: And now implementing the programme just before the elections. But there is one thing I would like to say about that notice. It is my experience, in the Federal Government they don't advertise for tenders for any project until the money has been voted by the House of Commons. Now that advertisement has appeared in the papers and no money has been voted for the project, and cannot be until the estimates are brought in and passed. I think it is bad policy, Mr. Speaker, for the Minister or the Government to take for granted that any of these things are going to be voted as they are designed by the engineers. There may be some change in them. It seems to me to be anticipating too much and they should not do it as a question of policy.

There is no doubt about it that road maintenance is one of the chief functions of the Government today. The development of the automobile industry is such a tremendous thing in Canada as well as in the United States. Where in one family two or three may have a motor car and where there are thousands and thousands of trucks the functions of road making and road maintenance cannot be done with a pick and shovel any longer. It certainly cannot be done on any highway that has much traffic over it. So it is necessary for some central organization and, of course, the province, in this particular case takes charge of the work. I don't think we are going to have many disputes over that matter. But I could point out to the Minister of Public Works; while talking about local roads, there are some quite near St. John's that will need very early treatment. There is the Old Petty Harbour Road. I took a correspondent

from Ottawa out there one night. And I was told, "Don't go any further, you will break up your car." The road was absolutely terrible. It is only wide enough in places for one car to go at a time.

Now, sir, the Speech from the Throne also refers to the Terms of Union. Doubtless it is necessary to prepare for that. It seems to me right along, and to a great many other people, that the chief omission in the Terms of Union was the failure to make provisions for the difference in the capital debt of Canada and Newfoundland. In 1949 our net public debt could not have been much over fifty million dollars, and our population being three hundred and eighty five thousand, our public debt per capita was less than one hundred and fifty dollars. Whereas Canada had a public debt of about eighteen billions of dollars and a population of about fourteen and a half million. So that their public debt was nearly ten times or somewhere from eight to ten times what ours was. And if provisions had been made to give us an annual amount based on the difference between the per capita debt we would have had a sum of somewhere between ten and twelve million dollars a year. Of course I must admit that the Premier and the Government have been outdoing themselves to build up the per capita debt of the country very rapidly. If we are to adopt a sliding scale while they are going down a little while ours is going up very rapidly; and if the Government stays in much longer there won't be much difference in the per capita debt of this province and Canada as a whole. But it seems to me that that matter will have to be given the greatest emphasis in any proposals that are going to be put before a Royal Commission.

I don't propose to say much on the subject of the fisheries at the present time. But I would like to point out that the methods employed by the Government are not designed to make the fishermen independent. The Fishermen's Federation was formed in 1951, five years ago; And it seems to me they are the most frustrated body of people in the country today. The Fishermen's Federation has been floundering around for years and cannot see any daylight. I have here Mr. Abbott's report this year, and one needs only to read it to see how terribly the fishermen feel about the way they have been neglected. Of course the Premier can say he has loaned ten million dollars to merchants; some of the merchants he despised. Apparently there are some who are in favour to the extent of ten million dollars, and one, I believe, to the extent of almost five, between four and five millions.

MR. SMALLWOOD: Four.

MR. BROWNE: Yes, and probably more than four. Four million dollars is a lot of money to lend one man. I don't know if there is any provision for a sinking fund. If not, what is to happen if that man suddenly takes ill and is not able to carry on?

MR. SMALLWOOD: It was not lent to one man.

MR. BROWNE: No. It was lent to a private company—there is a big difference—the company would find it very hard to get along without the man who founded it. It seems to me that when the Fishermen's Federation was founded the Government should have then given them an intensive course in co-operatives, and kept to it.

MR. SMALLWOOD: No, they should not.

MR. BROWNE: I think so.

MR. SMALLWOOD: The honourable gentleman is wrong.

MR. BROWNE: I think I am entitled to my opinion. It is my belief, if they have done as they did in the Maritime Provinces.

MR. SMALLWOOD: The Government did not do it in the Maritimes, St. Francis Xavier University.

MR. BROWNE: The Government engaged the services of Dr. Coady and sent him around to preach co-operation to the fishermen. I think I can speak with assurance on that subject. And the Minister of Fisheries and Co-operatives knows what I am speaking about.

Now, sir, another matter in the Speech from the Throne is BRINCO, the British Newfoundland Corporation. Last night I was reading the Act here in this 1953 Statutes. I read it before. But when I came to realize the massive area that the Government gave to them, with exclusive rights of prospecting and exploration; over sixty thousand square miles of area; and gave them the right to take possession of that great water power on the Hamilton River, that anyone would be eager to get.

MR. SMALLWOOD: Nobody else was eager.

MR. BROWNE: No? Oh yes they were. Lots of people would be willing to take it. Anyhow everyone knows that vast area like Labrador, one hundred and ten thousand square miles, with a water power.

MR. SMALLWOOD: One hundred and thirteen thousand.

MR. BROWNE: I won't quibble over three thousand. However with the great water powers the great forest re-

sources and with the probability of great mineral development; in the Knob Lake area mineral was discovered and the railway was being built when this contract was made with BRINCO to give them control over that vast area. I think it was a mistake. And I think Dr. Pottle was right last year when he stated that these large concessions to giant corporations was wrong.

MR. SMALLWOOD: He stood up for it.

MR. BROWNE: He did not explain why he did that, I must say. He was certainly right in what he stated.

MR. SMALLWOOD: Right when he supported it or right when he opposed.

MR. BROWNE: Right when he criticized, yes. The Government is led by the Premier. He is a pretty live person. He keeps things popping. There is never a dull moment where he is concerned. And instead of being contented to do one thing at a time he has to have several irons in the fire. And the result is that he does not do a good job with all the things that he takes up, and I am not sure that he does a good job with any of them.

MR. SMALLWOOD: Better I had never been born.

MR. BROWNE: He reminds me of a statement I remember reading about Hitler. Hitler was saying in connection with starting a world war—You know I will be fifty-five soon. In other words, he had to start the world war before he was fifty-five. And the Premier seems to want to start everything before he gets out as Premier.

MR. SMALLWOOD: I want to be

just ripe to get the retirement allowance at sixty-five.

MR. BROWNE: I am sure some people will regret.

MR. HOLLETT: You are not a fisherman. You would not catch a trout.

MR. BROWNE: If we are to judge by the surging nationalism in different countries all over the world, especially in the British Commonwealth against people who have come into the countries from outside. I think some day the people will be angry with themselves for not having made more opposition to the proposals of these great concessions, the approval of great concessions of this kind. These assets are now in other hands. We can't do anything about it even if we wanted to.

But, sir, the principal thing I got up here today to speak about is not in connection with these things but it is in connection with the industries. It will be remembered by everyone in this House, and I suppose, by none more than by the members on the other side, that the Premier suddenly closed the special session in 1951 to go to the country to look for a mandate, a mandate on the Government assisted industries. He had a new technique then for industries. He had built the birch, the cement, and the gypsum plants, and now suddenly got a new technique to assist industries. These people over in Europe, they had the technique, they had the know-how but they had no money, and if they would bring their materials and skills over to this country we had so much money we would match them dollar for dollar and then we would have these industries going up rapidly all over the country. I want to speak today about one particular industry, the Superior

Rubber, which was incorporated on October 9, 1952. I wish to show, Mr. Speaker, to the best of my ability, how hollow were the pretensions of the Premier. I don't believe that his followers were wrapped up in that idea, but the mandate they were following was of a person who had introduced Confederation, who had been the cause of their getting old age pensions and family allowances, and that was good enough for them. His name was magic, I will confess—magic in large sections of this country at the time, and the mandate did not matter at all. I believe there was not one person of the public who paid any attention to the question of the mandate about the industries, and certainly there was nobody who understood how this mandate was going to be carried out.

MR. SPEAKER: Before the honourable member carries on let me point out this: Surely it does not mean to say the honourable member is now going to criticize one individual member of the Government as a private individual or as a member of the Government. Granted that the Premier is the leader, but surely it is the policy of the Government as a whole the honourable member would criticize.

MR. BROWNE: I thank you for that, Mr. Speaker. I want to show, Mr. Speaker, that the Superior Rubber Company was a sham. I want to tear away from the Superior Rubber Company all the false potentials of it being a private company. I want to show that it was 99.9% a Government owned and operated concern. The original signatures of that company were Mr. Grube, Dr. Valdmanis and Max Braun Wogau. Dr. Valdmanis was Director General of Economic Development. I am not sure he was so at the time, but had been a man who had been trusted so highly by the Premier and of

whom the Premier thought more highly than he did of his own kith and kin, his own flesh and blood. Max Braun Wogau had done him such a wonderful favour in November 1951 when he accepted the difficult assignment of going to Gander and capturing or kidnapping Dr. Sennewald and bringing him here and preventing him from going on the air and telling what he knew about the dishonesty and intrigue that was going on in the scavenging German industries in Newfoundland.

**MR. SMALLWOOD:** Going on the air the night before the elections—very cleverly timed.

**MR. BROWNE:** There was nothing cleverly timed about it. The Premier, and I remember him saying with his own lips, that he was too smart to permit some one in this city to get ahead of him. Mr. Speaker, someday the public will regret that they could not have had the opportunity of hearing Dr. Sennewald. Because if Dr. Sennewald could have gone on the air then and told what he knew we might have been spared a lot of money, and saved a lot of money. Anyway the next we hear of Mr. Braun Wogau is when he became a director of the Superior Rubber Company. I don't know if he had any special qualifications to become the manager of a rubber company. He did the job assigned to him very well, a clerk in the Department of Economic Development, I believe . . . But I don't know anything else about him. And the other gentleman, Grube, I don't know much about him, except I believe that the honourable Leader of the Opposition has a question about the eighty thousand dollars that he brought over to Germany, and for which he was arrested or prosecuted by the German Government for possessing it illegally.

But, Mr. Speaker, I have examined the records of the Registry of Deeds and the Registry of Companies, and I don't know how many people know the fact. But the fact is that the Superior Rubber Company does not own one square inch of soil in Newfoundland. It is not to be found in the Registry of Deeds at any rate. Not one square inch of soil is registered in the name of Superior Rubber Company. And that as far as their capital goes, they had three shares subscribed for by Mr. Grube, Dr. Valdimanis and Mr. Braun Wogau, three shares at one hundred dollars each, out of ten thousand shares of a hundred dollars each. In other words Mr. Grube owns one ten thousandth part of the company, and I presume the other two, being in an official capacity, belong to the Government. So that it was privately owned as to the extent of one ten thousandth for—

**MR. SMALLWOOD:** How many shares were issued?

**MR. BROWNE:** Three were issued. They owned all that were issued. Mr. Speaker, there might have been a time when a rubber company could have been built with three hundred dollars. But I don't think anybody will think the rubber company at Holyrood was built for three hundred dollars. I doubt if ever a cent was paid towards the shares of that company.

Now, sir, it is the prime duty of a Government to maintain order and justice and to see that the laws are obeyed. Well if that is their prime duty concerning the citizens of the country what is their duty towards themselves to give an example to the citizens? Are they supposed to carry out the law? Are they supposed to carry out the laws that they make? Here is a law on the Statute Books dealing with Super-

ior Rubber Company. Are they supposed to carry that out? Are they supposed to give a good example of obedience and honesty and honest dealings and everything straight and above-board? Are they supposed to resort to the pretense that this is a private company and anything goes, and nothing can be revealed to the House of Assembly and to the people representing the people, who are responsible for finding out how the money of the people has been spent?

"This company will acquire land at or in the vicinity of Holyrood and prepare the site." "This company will acquire land" Did the company ever acquire land in Holyrood or anywhere else? Not as far as the record of the Registry of Deeds is concerned.

We have a Bill here now dealing with the Registry of Deeds. In this country any land bought or sold shall be registered. There is no record of any land bought by Superior Rubber Company. Therefore, I think, Mr. Speaker, it will show they never bought any land. But there are records of land being bought by the Government and expropriated by the Government in Holyrood. So that the Government bought the land and the Government expropriated the land and it is registered in the Government's name down to this very day.

Those who have travelled on the Witless Bay Line must have seen the beautiful bungalows which rose up there after that plant was commenced, beautiful, modern bungalows which must be worth a considerable sum of money. Who owns them? Not Superior Rubber Company! Whoever owns the land, and I presume it is the Government at least they took the precautions to protect themselves in that respect that they did buy the land upon

which the bungalows and the factory were built.

The first casualty on the list of the board of directors was Dr. Valdmanis. I don't know whether he was actually a casualty.

At any rate his name did not appear on the subsequent share list in 1952, and the name of Mr. Pushie, whom I believe succeeded Dr. Valdmanis as General Director of Economic Development, took his place. Then when Herr Grube decided it was better to stay in Germany, Mr. C. A. Pippy took his place and finally when Max Braun-Wogau was dismissed a year or so ago, Mr. Donald Dawe, the partner of the Attorney General, who had been secretary and solicitor for the company all along, took his place. We then had the spectacle of the Attorney General acting for the Government and his partner acting for Superior Rubber Company. These facts make a mockery of the House of Assembly.

The House of Assembly, sir, justly, I take it, passed that legislation on the assumption that those people were men of substance, bringing in to Newfoundland valuable property, valuable to the extent of a million dollars. Well, they never had a cent and every stick that went in to it and every piece of land was paid for by the Government, illegally, contrary to the Act and contrary to the spirit of the mandate that the Premier had received and had sought.

When did the work commence there? There is a great deal to be told about that company; and I think we are entitled to know it, and I think if the Government shirks its duty of telling this House and telling the public, they are afraid to tell it. They are certainly afraid to have an investigation into that company or any of these compan-

ies as well, all of them. The company was formed in October 1952. The agreement between the Government and the company was made on March 31, 1953. The Government gave assent to one hundred and sixty thousand dollars expenditure which had already been spent. And not only had one hundred and sixty thousand dollars been spent but four hundred and fifty thousand dollars had been spent. And how was that obtained? How did the government obtain money over and above the grants which had been passed during the current session? The House was in session. There was no guarantee, no note at the bank. How did they get the money to spend? It took me some trouble to find it out. And I am sure there are very few people in the House nor in the Government who know about it. I wonder if they do know about it? Where the money came from. Where did the excess over one hundred and sixty thousand come from? Well, I have here the Auditor General's Report for the year ending 1953, and the only place the money could come from was from other votes in that Department the only other vote that spent considerably less than was granted was the United Cotton Mills. They were granted two million dollars and only spent three hundred and one thousand; and this Government or the department of the Minister of Economic Development took the money from that vote for United Cotton Mills and spent it on the Superior Rubber Company.

MR. SMALLWOOD: Mr. Speaker, to a point of order. I am quite sure the honourable gentleman has no intention of suggesting that the Minister of Economic Development stole that money or embezzled that money. And I am sure he must be aware that the Minister of Economic Development could

not use any countervailing savings on one item without coming before Cabinet and having it approved by the Cabinet as a whole.

MR. BROWNE: Well, sir, I was not aware of this. I understand it is being done in regard to the current expenditure, but it never occurred to me the Government would be so bold as to do it in regard to capital expenditures where two million was voted for one factory and running short they call upon that two million and use it.

MR. SMALLWOOD: Of course it is quite common in every Government. It is done in every Government in the world.

MR. BROWNE: It seems to me too reckless. I don't know. I don't think any Government works like this one. However, we have the facts now. The Government does it regularly. So that again between March 3, when the agreement was made and March 31, they spent four hundred and fifty thousand dollars. Mr. Speaker, I don't believe that. Sir, I don't believe that. I believe the money was spent before the agreement was signed March 3; because I don't believe they could spend that amount in four weeks on one factory. They are pretty fast spenders, I do admit. But I don't think they could spend as fast as that in four weeks. The building was not going ahead quite as fast as that either.

So it seems to me, sir, that this is the greatest example of illegal expenditure made by this Government or by any other Government that ever served in this country. I claim that expenditure is illegal because it is contrary to the Act. Whoever drafted this Act, I might say, did not aim to protect the Government. Because it states that the Government will make loans available to the company as follows: The sum

of twenty-five thousand dollars on request, amount spent in acquiring and preparing the site; upon delivery of building and machinery, amount equal to the landed cost. It was never the intention that the Government would pay for these items. The intention was they would bring in articles they owned and the Government would match them dollar for dollar.

On motion the House then recessed for ten minutes.

Mr. Speaker returned to the Chair.

MR. BROWNE: Mr. Speaker, I was saying that it appeared as if the Government built this plant and fully equipped it and as the material arrived for construction the Government paid for it, and as the plant arrived the Government paid for it, and they paid for the equipment, such as second-hand machinery that was used and Marshall Plan machinery which was used, and I believe some very antiquated machinery dated before the first world war. Now if this industry was financed entirely by the Government then it is a fraud on the House and it is a fraud on the people, because the House did not agree to that and the people did not agree to give the Minister of Economic Development power to do these things nor the Government. In 1951 here is what the Premier said: I know it by heart. There are companies, most especially in the United Kingdom and on the continent of Europe where they just don't have the dollars, have to come over here and get their Government to send enough money to pay their hotel bills.

Newfoundland is interested in getting industries started—Well, we will welcome you, if you bring your machinery and equipment, steel structures and other building material. How you do it is none of our busi-

ness. We are concerned only when you land these things on Newfoundland soil. When you land them they have a certain value and what the value is we match with dollars, loans, etc.

Now, sir, the Premier confessed he abandoned that principle. But he certainly never told us he abandoned it one hundred percent. It was never foiled at all in connection with the rubber company. Why was the Act not carried out? Did Braun-Wogau have some control over the Premier, over the Government, to get him to finance one hundred percent a company of which he became general manager? How was it done? The vote was for a million dollars. The company was to cost a million dollars. How much did it cost? Do members over there know? Do members of the Government know how much it cost? Last year we voted four hundred and fifty thousand for it. That was one million four hundred and fifty thousand dollars. And the auditor general reports today there are hundreds of thousand more. Since the close of the financial year a bank loan of one hundred and fifty thousand has been guaranteed by the Government. That is only up to December, 1955. How much was spent in the last couple of months?

I am challenging the Premier now on this point that that building cost much nearer two million dollars than it did a million, between one and three-quarters and two million dollars, I estimate, from the rate which money poured into that to keep it going. Did the people give the minister a mandate to throw money away like that? Braun-Wogau took action against the Government for wrongful dismissal and the action was settled and a gentleman in the West End said to me, you will see all these actions settled. Not one of these cases will come to trial. The Gov-

ernment does not want to have these cases heard in court and will settle them always.

As the honourable and learned member for Harbour Main will remember, the hopes he held for the industry—remember he spoke in the Star Hall three years ago on St. Patrick's Day and told them he expected there will be a thousand men employed there.

MR. P. J. LEWIS: Why quote what I said in the Star Hall? I will talk about that in due course. Don't refer to anything I said in the Star Hall.

MR. BROWNE: I am informed.

MR. LEWIS: Your information may not be too reliable.

MR. BROWNE: The honourable member knows a lot more about the rubber company than I do.

MR. LEWIS: No. I am afraid I don't know very much about it.

MR. BROWNE: The honourable member is close enough to it.

MR. LEWIS: It does not follow I know very much about it. I did not take a great deal of interest in it in the sense that you are referring to it at the moment.

MR. BROWNE: I am informed that the honourable member did take an interest.

MR. LEWIS: Your information may not be too correct.

MR. BROWNE: Then we are told here, when brought to the attention of the Government—Mr. Pronold has given us a lot of information and that a quantity (how much) a hundred and twenty thousand pairs of rubbers were dumped in Montreal at a loss of about two hundred and fifty thousand

dollars—And the Premier asked, was not that smart? Was that not smart to send them to Montreal? I don't believe they ever went to Montreal. Some people say they were burned. Then we were assured last year by the Premier it was alright. He was going to fix up these things and anybody who was no good, boot him out; and he was going to appoint good men. He appointed Mr. Ferguson, and Ferguson gets boot-ed out too, and the place gets closed down.

Last year I remember reading here the speech that the Premier made or rather the radio interviews he gave Don Jamieson and Geoffrey Stirling in which he tells of the new methods of financing and the details, about these people who did not have a nickel, a dollar to jingle on a tombstone, and how he was going to finance all the industries with a revolving fund, the profits would be so great he would be able to start industry after industry and keep them going. It is a strange thing how wrong he has been.

Mr. Speaker, I propose to move an amendment. Should I move it now or when I finish? I mean, will I have to sit down if I do it now?

MR. SPEAKER: It would be better to move it at the end of your speech.

MR. BROWNE: Nearly two million dollars—that would have built roads up on the North West coast; it would have built, with the assistance of the Federal Government, between forty and fifty miles of paved Trans-Canada Highway. And there it is, up there as a monument in Holyrood, a monument to whom? Braun-Wogau and Valdmanis or the Minister of Economic Development?

I can't say, Mr. Speaker, that this company was absolutely bankrupt, be-

cause this company never had any assets. This company never really got going at all. The Government took charge of the whole operation from the start, and financed the whole thing from beginning to end. The company was only a front for the Government which was carrying on business. But I think it must be recognized, when the Government held out this company as doing business that it seems to me to be acting deceitfully and dishonestly. When a company fails it goes into liquidation, and a liquidator is appointed. What is going to happen about this? What is the Government going to do about it now? They have some assets there (the Government has) in the building along the Witless Bay Line but the plant as it stands cannot be very much of an asset.

Mr. Speaker, how far can the Government go in these matters and get away with it? Are there any bills outstanding for this company now still to be paid? Are there any workmen whose rights have not been met. Has this man, Ferguson, got a just claim for wrongful dismissal, and an Indian Chemist, has he a charge for wrongful dismissal? I suggest the Government cannot escape by saying the Rubber Company has no assets, because the company was only a name for the Government.

Now, sir, is anyone in doubt at the present time that this was a very grave folly on the part of the Government, to start this industry there? Is there anyone in doubt about it? Is there anyone in doubt about the fact that this industry must be written off? They cannot go ahead with it. Is anybody on the other side of the House or anywhere content to let the thing remain as it is and forget about it?

Mr. Speaker, the Auditor General

knows nothing about this company. All the Auditor General does is provide the funds the Government wishes for the operation. Can I announce here that this was an ill-advised, misadvised venture and now almost a complete failure. Will everyone agree with that? Can I announce that we ought to see what happened and when it happened and what went wrong with it, and where it went wrong? And if this industry went wrong what about the other industries? Is everything rosy with them? The Auditor General's Report says that only one out of fifteen paid any interest up to the present time, one out of fifteen, after the two years grace has expired.

Who were the auditors for this company? A company, I believe, known as Dunn and Company, with whom, I believe, Mr. Morgan and Mr. Janes were employed. Perhaps some honourable member of the Government would like to remember last year Mr. Koch of Koch Shoes stated Dunn & Co. were the Auditors for Koch Shoes and were very obliging. They received twenty-five hundred dollars for two weeks work at Harbour Grace; and they suggested to the Koch Shoe Company that they should put in a padding of thirty thousand dollars pre-election cost, in order to bring up their side of the contribution to the plant to match the Government. It seems to me, Mr. Speaker, it should have been the Auditor General who was doing the auditing for all these companies. Letting nearly two million dollars go and the Auditor General does not know how it is. How much was paid last year? How much was paid architects? Is it for one contract, or how much was stolen or how much was given away and how much was lost through incompetence in management and political interference? Should we not know

these things? Should not the people know these things about this industry? Or should we close our eyes to it? Should we take the attitude; we don't care, we are getting along alright, family allowances and old age pensions and old age assistance, what odds, let the Government spend two million, let it go down the drain? No, Mr. Speaker, I don't think that attitude is the attitude of reasonable men.

Now let us summarize: This industry started with three directors, Dr. Valdmanis, now serving for fraud; Grube, arrested for illegal possession of funds in Germany; and Max Braun-Wogau dismissed, presumably for incompetence and returned to Germany. A new manager was appointed and he is dismissed and the Government is left with a few houses, a factory, and a rented warehouse, I believe, in Montreal, it will be plain to see the Superior Rubber Company never functioned as a company at all; therefore it can no longer be said it is in the public interest that the Government should not give the public full information about the affairs of that rubber concern. The House and the people are entitled to know the whole story behind this strange company. Whose idea was it in the first place? I understand that Dr. Valdmanis disclaimed any connection with it. It was not his idea. What plans or preparatory study was made before deciding to establish it? Was there competent technical advice in the design and construction? Is it true some of the machinery was junk? Is it true the cost of them were passed to cover up gifts to any distinguished persons? What inspection or supervision existed on the part of the Government during the period of construction and the time this material came in, to see that value was given?

I trust that this is not a typical

example of the Government sponsored industries. I believe it is the worst example. But it was started presumably as a result of the mandate of 1951 election, and the people have never realized the criminal mismanagement and waste going on in connection with almost two million dollars of their money. I consider, personally, that the programme was unsound, inept and wasteful; the most wasteful programme ever undertaken by any Government in this country. Never was so much money wasted by one man in so short a time.

Now we cannot hope to influence any members of the Government by this, and we realize what we are saying is principally for the electorate, if it ever comes to light, and for the public. The press and the radio in this country have the duty of making facts known to the people. And not only the facts, but they must make known to the people the meaning of these facts. The newspapers and the radio and television are the most important means of communications. They have an important duty to perform, a duty which is protected by a common law. I suggest, Sir, that it is necessary that the public should know what is happening exactly in regard to this particular industry; the hasty manner in which it was conceived, the lack of proper management, the lack of proper supervision, the illegal manner in which it was conducted from the beginning to the end, and the complete absence of adequate protection of a large Government investment.

For three years now in succession the Government turned down this request, for three years the Government will have refused the advice of the Opposition and the advice of the press. I must say the press too have suggested that the Government should have

an investigation into the conduct of these industries. And, sir, as you pointed out to me a few minutes ago, it is not fair that the whole responsibility should be pinned on one man in connection with that matter. The whole of the present Government stands condemned, all those who support the Government on this motion will be endorsing the incompetence, the illegal and dreadful and wilful waste of public money. Before it is too late I appeal to the private members. There are not many of them, to consider their duty to the country before their duty to the Government or to the Premier, to the man who conceived this policy. Now is the time, it seems to me, for the private members on the other side of the House. They must make a decision now. Now is their opportunity. Do they really think that this is a disgraceful episode in the history of this country and that the Government is responsible for it and should be condemned? I suggest, Sir, that any sensible man, hearing that story from beginning to end, can only condemn the Government for what they have done. The people should know the whole truth. And they can never know that, Sir, until there is an investigation by a competent body set up by the Government to make the investigation. That is why I have risen here today, to move for the appointment of a Royal Commission, for the fourth time. I hope, Sir, it will be acceded to. Surely there must be members of the Government conscious of their responsibility to the public for such a vast expenditure, who in their conscience must feel that this was ill-advised, mis-managed and a waste. The honourable member for Harbour

Main says he knows very little about this industry.

MR. LEWIS: That is so.

MR. BROWNE: Well, I suggest to the honourable and learned member he should know a lot about it, all about it. And we all should know. The people should know. And if the honourable and learned member, although he is in Cabinet with the Minister of Economic Development can say in the House he knows very little about it, I think, Sir, it is a state of affairs that should not exist any longer. We must have this matter investigated fully.

Therefore, Mr. Speaker, I beg to move, seconded by the honourable and learned member for St. John's East, that the following paragraph be added to the Address in Reply to the Speech from the Throne: Amended read and tabled —

"This House, having become aware of the fact that the Superior Rubber Company Limited, which was financed entirely with public funds contrary to the spirit of the mandate sought and received by the Government in its appeal to the electorate in 1951, has been compelled to cease operations, and fearing that other new industries financed by public funds, are meeting great difficulties, feels that the whole matter of the present and future status of all Government owned or sponsored new industries should be referred to a Royal Commission for immediate investigation and Report".

MR. SPEAKER: The debate has been on the motion; that the report of the Committee appointed to draft an Address in Reply be adopted. The amendment has now been offered, and any honourable member who speaks now will speak to the amendment and not to the main question.

(Amendment read by the speaker).

MR. HOLLETT: Mr. Speaker, I should like to speak to this amendment. I don't know whether it is the desire of the House to proceed this afternoon, or if it would begin tomorrow afternoon?

MR. SMALLWOOD: We will commence, Mr. Speaker.

MR. HOLLETT: Well Mr. Speaker, being that my honourable and learned friend from St. John's West has confined himself very largely to the one industry, Superior Rubber Company Limited, and seeing that he had apparently taken the starch out of the opposite side of the House, because I have not even heard a deep breath being drawn over there during the last hour, I take it I would not be amiss in referring to some of the other matters relative to the new industries and some of the other new industries. And these industries, sir, have variously been reported as being hatched out by a gentleman who is no longer at large. I feel that I will not be able to do justice to the amendment unless I am able to refer to that individual, who as I say, is no longer at large, at least to my best knowledge he is not at large. Although I have heard reports. Mr. Speaker, of this man, Valdmanis, being released and brought out to various offices and homes and that sort of thing. If I am right, I dare say the Government knows something about it.

MR. SMALLWOOD: Mr. Speaker, to a point of order: The statement just made by the honourable gentleman, the Leader of the Opposition, is absolutely and utterly and completely untrue; the statement about Valdmanis. I say on the authority of my honourable and learned colleague, the

Attorney General. I turned and asked him if there were any truth in that. He said: "not a scrap." So I nail it before it goes another inch.

MR. HOLLETT: Then I take it, Mr. Speaker, the man whom I was about to say something has never been taken out of the penitentiary, where he is now in residence, that he has never been brought out and questioned by any member of the Government.

MR. CURTIS: That is not the same thing. I had Valdmanis in my office, but not to my house. And I never knew of any other time his being brought out of the penitentiary. He was questioned by the R.C.M.P. who investigated his assets.

MR. HOLLETT: I suggest the R.C.M.P. have the right to go to the penitentiary, and not go to the office of the Attorney General. I suggest I was right when I said he was taken to other —

MR. SPEAKER: That is hardly pertinent. The honourable gentleman said he heard that statement and was contradicted. As to the legality or otherwise of taking a prisoner to the office of the Attorney General, I don't think that would enter into the question.

MR. HOLLETT: I will admit it is partly right at any rate. It is very good to be partly right in this House. There have been some terrible things said about this man, Valdmanis. I don't know to what extent to refer to them. So many things have been said about that man since he went to the penitentiary, and if true then I feel that great discredit has been brought upon this House and upon the members of this House. I was going to refer to some of these, Sir, but I think it wise, at this

moment, not to, because we can talk about this man, Valdmanis, again, I take it, on another connection.

Sir, the whole programme of economic development, I am afraid, smells to high Heaven — the whole programme. There are certain industries, Sir, where things have been done which go beyond the imagination of any person who has in any way studied economics, and enough to frighten the average individual. In some of these industries things have been done, Sir, which make me, as a member of this House, and I submit it makes every member of this House, hold our heads in shame when these are brought to light and exposed to public view not only here in St. John's but all across Newfoundland and all across Canada.

MR. COURAGE: Mr. Speaker, to a point of order: I suggest the honourable Leader of the Opposition should be more specific and say what they are. I do not hold my head in shame in this House.

MR. HOLLETT: In all probability the honourable member for Fortune Bay, like the honourable member for Harbour Main, is unfamiliar with the episodes. This may be it. For instance take the Rubber Plant again. This man, Valdmanis, says he advised against it when this man Grube was sent to him by the honourable the Premier to discuss the matter. He has stated definitely that he advised against these things. I submit that although this man is a "crook," although he is serving time.

MR. SMALLWOOD: A criminal, a self-confessed criminal. His word is good especially if he is in jail.

MR. HOLLETT: Did the honourable the Premier wish to speak? I

shall sit down and he must stand. I say this, this man, Valdmanis, has stated that he informed Mr. Grube that he disagreed with the Superior Rubber Plant, and informed him and informed the Premier, who knew about —

MR. SMALLWOOD: Valdmanis is lying in that as in so many other things. I say he is a liar, a crook and a criminal and in jail. He is a friend now, but not before.

MR. HOLLETT: And then he has to come up again before the courts, I hope. But I don't see him come up before the courts. Mr. Speaker, there is another charge against this man, Valdmanis. And I state right here and now, publicly, as it has already been stated publicly in MacLeans Magazine of January, this second charge over Valdmanis will not be heard until after the next election, or words to that effect. It has been held over the heads of the Opposition in order to prevent us from referring to certain episodes in connection with the firm of M.I.A.G. I say, Sir, if that is justice, if that is British Law, if that is the Canadian Law, then the quicker we get the blazes out of it the better. When any Government or any member of any Government can refuse point blank, refuse, to bring on an action which ought to be brought on, simply to serve some political purpose then I say, Mr. Speaker, there is something very wrong, very wrong, with justice in this country.

MR. SPEAKER: I don't want to be accused of choking off debate, but I am at an entire loss to see the discussion of a trial, pending or otherwise, of Valdmanis has anything to do with the Government - owned and sponsored new industries and a Royal

Commission for immediate investigation, with special reference to Superior Rubber Company. It certainly must be mentioned, but I don't see the trial entered into it.

MR. HOLLETT: I shall endeavour to keep within the letter of the rules, Mr. Speaker. But it is absolutely impossible to refer to Superior Rubber Company or any other new industry without reference to Valdmanis. I hope it will be remembered, when we in the Opposition endeavoured to state and say certain things about this Valdmanis, I hope it will be remembered that we were not allowed to proceed on certain matters.

MR. SPEAKER: The honourable member does not quite mean what I could read into that. I am quite honest. I am not being ironic or sarcastic. That can be interpreted in print, the Speaker, tried to cover up for Valdmanis.

MR. HOLLETT: No! No!

MR. SPEAKER: No. I am quite sure the honourable member does not mean that. I am the only one who raised the point.

MR. HOLLETT: No, Mr Speaker, I differ there. It was on a point of order. You did not raise the point.

MR. SPEAKER: I made the ruling.

MR. HOLLETT: The point of order was made by the Government. Here it is for everybody to see — January 7th, published and distributed all across Canada, and when I say Canada I mean Newfoundland. Lovely beautiful propaganda for this new province. And that is not the worst of it, Sir. "How Valdmanis took Newfoundland to the cleaners." Oh what a lovely record for the Government.

Valdmanis who was trusted, Sir, that man for whom we were one day to erect a monument. That man, Sir, "without whom I would not be Premier."

MR. SMALLWOOD: And whom the honourable gentleman is so happy to quote now.

MR. HOLLETT: That man held up before the Canadian public, Valdmanis, who took Newfoundland to the cleaners. There he is with the R.C.M.P. That was, Sir, on January 7th, of this year. And, Sir, as to the statements which were made, I don't see any action being laid against this magazine. Why not?

"When Premier Smallwood learned his trusted financial wizard had used his job to extort a fortune he was aghast. How had he done it? Where was the money? Here for the first time are the facts." And this man, Allen Phillips, apparently seems to think that he knows the facts. I would like to tell him he does not know half the facts. He does not know half of them. And I am not going to give them to him. But I suppose they will come out, Sir, when the next trial comes on. And if I live as long as I want to, Mr. Speaker, that Royal Commission is going to take place. That Royal Commission is going to sit sooner or later, and it is just as well for the Government to realize that. And it is just as well for the Government to come out straight, mistakes and everything. I would think more of them, and those people who are leaving their ranks would think more of them, and there are men now sitting on the opposite side who would think more of them, more of the Government and more of this House of Assembly, if the Government confessed where mistakes were made and what mistakes were made rather than en-

deavour to fix these mistakes. But they don't. They don't. "Oh it is none of your business! These are private companies!"

My honourable and learned friend has shown what sort of private company was Superior Rubber. And that, Sir, applies not only to Superior Rubber but to practically every other, with just a few exceptions.

From MacLeans Magazine: Just to show how we as a province, a tenth province, a new province, are held up to ridicule: "As the mastermind of Newfoundland's industrial renaissance, next to Premier Joseph Smallwood, the most powerful man in the Province. He can now claim the distinction of being one of the most successful swindlers in Canadian criminal annals." Sir, what an indictment, what an indictment against this new province and against any member of the Government. This man, Valdmanis, unknown, absolutely unknown to this country, brought in here and set up even over the Premier in some things.

MR. SMALLWOOD: Not very successful when he is in jail. A swindler who goes to jail is not very successful.

MR. HOLLETT: Unless he holds on to his loot. He should have been in jail, and others with him, two years previous. There is no question about that, and I could prove it.

MR. SMALLWOOD: We did not find him out before.

MR. HOLLETT: Did not find him out?

MR. SMALLWOOD: I did not find him out before. But I did find him out.

MR. HOLLETT: I repeat again, Sir, he did not find him out.

MR. SMALLWOOD: I did not? I

did eventually. And I put him in jail. But we have not all his loot yet.

MR. HOLLETT: Do you hope to get it?

MR. SMALLWOOD: That is why we are holding off the trial. Does that make sense?

MR. SPEAKER: I don't know about anyone else, but I make it six o'clock, unless there is a motion to adjourn.

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

On motion the House at its rising adjourned until tomorrow, Tuesday, March 20th, at 3:00 of the clock:

TUESDAY, March 20th, 1956

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, yesterday afternoon, in the course of the debate on the amendment to the Address in Reply, the Honourable Leader of the Opposition made certain statements with respect to Valdmanis. The Honourable Leader of the Opposition said that Valdmanis had been permitted to leave the penitentiary and to visit homes and offices in the city. I denied that statement yesterday, Mr. Speaker, but, for the purpose of greater accuracy, I have since yesterday been in touch with the Superintendent of the Penitentiary, and I find that the statement is absolutely untrue. There is no ground for the statement. And I am convinced that the honourable member, when he made the statement, knew that it was untrue.

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I rise to a point of order. That is accusing me of being a liar, as I see it.

MR. CURTIS: Well, I say, Mr. Speaker, that the statement was untrue. The honourable member knew it to be untrue or the statement was made recklessly and without regard for whether or not it was true.

Now, Mr. Speaker, I did say that Valdmanis had been brought to my office. He was brought to my office for an enquiry into his assets. He was brought to my office by the Superintendent of the Penitentiary. There was also present at the time, Inspector Porter of the RCMP, and the Deputy Minister of Justice was also there and the Assistant Deputy Minister of Justice was also there. All of us were there together. We were not alone at any time. It was an official enquiry into his assets. And it was, of course, a perfectly normal proceeding to have him brought there. But apart from that, and apart from when he went to the prison camp, Valdmanis has not been outside the Penitentiary. He has been treated the same as every other prisoner, any other inmate, any other criminal there. He has received no special treatment. He is not receiving any special treatment and he will not receive any special treatment. And I resent very much, Mr. Speaker, the insinuations made by the Leader of the Opposition that in his case he has or has been receiving any preferential treatment.

Valdmanis was released, Mr. Speaker, on bail. And he was at large for about twenty-four hours. During that time he may or may not have been dined and wined by those responsible for getting him out. I understand he had actually met the Leader of the Opposition, that he was presented to the Leader of the Opposition by his lawyer as "Exhibit A." But apart from that he has not been outside.

MR. HOLLETT: To a point of order, Mr. Speaker: In addition to being called a liar, it has now been claimed I met that fellow Valdmanis. Except when he was introduced to me by the Premier I never spoke to that fellow in my life. I object to being called a liar. In addition to that, Dr. Valdmanis was taken out to Max Braun-Wogau's house while he was in gaol.

MR. CURTIS: I am instructed by the Superintendent that was not true. If he was released and sent to Braun-Wogau's house some heads will fall. I don't believe that. I was told no later than 2:30 this afternoon that it was not true. I shall certainly check up the statement. But I say with the authority of the department, he was not outside the Penitentiary except to go to the prison camp and back.

Now I had him to my office, Mr. Speaker, to investigate his assets and find out what, if anything, could be recovered to the Crown from these assets. The Attorney General was not going to go to the Penitentiary to see Valdmanis nor the deputy or the assistant deputy. The proper course in such a case was for him to be brought to our office, under guard, as he was. And he was brought to my office and interrogated as to these assets. The second charge against him was not discussed. All that was discussed was the question of the recovery of his assets, and that was because he has information that only he could give.

I think, Mr. Speaker, my honourable friend should, as I believe he will, withdraw the charge that he was taken to a private home. And the impression was given by the radio yesterday was that he was wined and dined at private homes.

MR. HOLLETT: Mr. Speaker, I raised a point of order a minute ago in

regard to the fact that I had been called a liar to my face. The word was not used but that I was telling something which was untrue and which I knew to be untrue. Now, sir, if that is not something which ought to be withdrawn I don't understand the rules of this House. I did say, I think, the man was out of the Penitentiary and was wined and dined or in some house, and taken from the Penitentiary and in to the home of Max Braun-Wogau. How much he was wined and dined is none of my business. Let the Attorney General get up and deny that, if he will. I say, until he withdraws the statement with regard to my being an outright liar I shall not even consider withdrawing anything.

MR. SPEAKER: Two points of order were raised which I could not define because of the fact they were contradictory. One point seems to me—the Honourable the Attorney General I am quite sure forgot himself and did exceed his point of privilege when he did say that the Leader of the Opposition knew that something was untrue when he said it. But the Leader of the Opposition said yesterday (first) "I have been told" and later on he said it as a fact. And there has been a contradiction across the floor this afternoon, and I am entirely at a loss to decide what should be withdrawn.

MR. HOLLETT: Mr. Speaker, if I may. I want the phrase withdrawn where the Attorney General said I was saying something untrue and knew it to be untrue. In other words, I lied and knew I was lying. I would, I hope be called to order if I charged any member of the opposite side with saying something in this House untrue and which he knew to be untrue. I consider that, sir, highly contrary to the rules and regulations laid down in all authorities, and I ask the Attorney

General to take back that statement. If I said something that was untrue knowing it to be untrue then I am a liar. There are no two ways about it. So I say the Attorney General called me a liar, and that has got to be taken back, Sir.

MR. SPEAKER: I have repeatedly tried to decide on the point of order. I pointed out to the honourable member it is absolutely impossible to make a decision if he persists in arguing to and fro about it. In fact I have found it difficult to say a second word on the point of order without interruption. It is only confusing the thing and creating further points of order.

I was saying a moment ago; when the Honourable the Attorney General said that the Honourable Leader of the Opposition made a statement which he knew was untrue—Well I am quite sure there is no way of proving that—I don't think the Attorney General would mean that, and the implication is, as I see it, of deliberate untruth on the part of a member of the House. I am quite sure the Honourable the Attorney General would see that. If he would care to make a comment on that.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, to a point of order—I don't see that my honourable friend, the Attorney General, is called on to withdraw that statement. Yesterday, the Leader of the Opposition said "It is said" or "I have heard that Valdmanis was taken out of the Penitentiary to offices and homes." He did not say anything about his being wined and dined. Those were not the words of the Leader of the Opposition. He nods and agrees, and said audibly that I was correct. But once before within recent days the honourable gentleman nodded and his nod was not what it appeared to be or at least he

changed it later on. He now agrees he did not say that yesterday.

**MR. HOLLETT:** Excuse me Mr. Speaker! I don't remember if I said it. Hansard is the only way to prove that.

**MR. SMALLWOOD:** I can tell the honourable member he did not say it.

**MR. BROWNE:** I don't think he said it either.

**MR. SMALLWOOD:** Definitely he did not say he was taken to homes and wined and dined. That was a touch that was added. It was too good to resist. But it was not said. Now my honourable friend, the Attorney General this afternoon says the Leader of the Opposition said something knowing it to be untrue. The statements that were made were that he had heard or it is said that Valdmanis so and so. It was said that Valdmanis had been taken out, and the honourable gentleman repeated it here knowing it was untrue. That is not a lie for him but for those who made it up and circulated it around. I am sure that the honourable gentleman does not for a moment think that Valdmanis is being given privileges. He has no reason to think that. He said a moment ago that he had been taken to Braun-Wogau's house. Braun-Wogau told me that when Valdmanis was out on bail the first thing he did when he got bail was to go straight to see Braun-Wogau in Holyrood. That was when he was out on bail. He was not let out of gaol to see Braun-Wogau. The court gave him bail and he could go where he liked and went to see Braun-Wogau. There is nothing improper about that.

**MR. SPEAKER:** The Honourable Leader of the Opposition asks that there be no imputation of falsehood to

him when he made that remark. There is that point.

**MR. HOLLETT:** Mr. Speaker, I don't know exactly whether you have made a ruling or not, Sir, but if the Attorney General wishes the matter to stand he may do so. I am no less. I say I am not a liar. I said nothing knowing it to be untrue, Sir. And there is a point of order, Sir. Whatever that may be is in your jurisdiction. I don't mind letting it go at that.

**MR. CURTIS:** Mr. Speaker, I have no wish to call my honourable friend a liar. I did not say that. I did say he stated what was an untruth when he said it. But you will remember further on he did say, and he did make the statement recklessly, without regard to whether or not it was true. And of course I did make the statement that he made that statement recklessly, not knowing whether it was true or not.

**MR. HOLLETT:** It is true.

**MR. SMALLWOOD:** Tell us what is true. Tell us. Make it plain.

**MR. HOLLETT:** I said what I have said—Address the Chair.

**MR. SMALLWOOD:** Make it unmistakable what you do mean. Or maybe you deal just in hints and insinuations.

**MR. HOLLETT:** Mr. Speaker, I don't intend to say very much more except this—My reasons for what I said are accurate. The man was taken from the Penitentiary to the office of the Attorney General and the man went from the Penitentiary to Max Braun-Wogau. That is my information and I believe it to be true otherwise I would not repeat it. These were the grounds for my statement yesterday.

I thank the Premier very much for saying I did not say "wined and din-

ed" yesterday. I cannot say I remember what I said, and unless Hansard is produced you could not expect me to do so.

MR. SMALLWOOD: Does the honourable gentleman mean that he went to Holyrood whilst a convict and not before he was sentenced?

MR. HOLLETT: He has been charged.

MR. SMALLWOOD: Whilst on bail?

MR. HOLLETT: That is another matter. My story is that he was in goal and was taken from there to Max Braun-Wogau's.

MR. SMALLWOOD: Never. There is not a scrap of truth in that.

MR. HOLLETT: I suggest that the Attorney General investigate.

MR. CURTIS: I will investigate that particular point. Of course I don't believe it is true for a minute.

MR. HOLLETT: Maybe it is not.

MR. SMALLWOOD: But it does to make a headline.

MR. SPEAKER: Shall we consider the matter closed?

*Presenting Petitions:*

HON. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): Mr. Speaker, I beg leave to present a petition from Petley, Britannia, Snook's Harbour and also by the residents of the rest of Random Island requesting that the road be extended from Petley to Aspen Cove in order that there might be a road entirely around Random Island.

It will be recalled that about three years ago a causeway was built connecting Random Island to the Main-

land, and part of the road was carried from that causeway around to the outer part of the Island connecting up with Britannia. The petition now prays that the connection be carried on so that there may be one road right around the Island.

It is a logical request and it is a logical development. I would like to table this petition, Sir, support it and ask that it be referred to the department concerned.

On motion petition received for reference to the department concerned.

*Presenting Reports of Standing and Select Committees:*

None.

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Speaker, on yesterday afternoon there was left at my office a letter from the Consul of France. As the matter is of some public interest, with your permission, I would like to make its contents known to the House. I am sure its contents will receive the approbation of both sides of the House. The letter, Sir, is addressed to the Minister of Provincial Affairs at St. John's, and says:

"Dear Sir:

I have the honour to bring to your attention the fact that the people of St. Pierre and Miquelon, moved by the tragedy which has struck Ramea, have sent me a cheque for \$1,180.00 to be shared between the families of Thomas Young and Abraham Vardy who lost their lives off Miquelon on the 18th day of February 1956."

I think, Sir, as the Consul says, such a spontaneous and noble gesture on the part of the people of St. Pierre and Miquelon is a remarkable instance of the real friendship which has always existed between these islands and

Newfoundland. And I think, Sir, it is of sufficient importance to bring to the attention of the House. And, Sir, I would move with your permission and the permission of the Premier that this House go on record as having formally passed a vote of thanks to the residents of these islands because of the wonderful gesture they have made.

MR. HOLLETT: Mr. Speaker, on behalf of the Opposition, we are in full accord with the suggestion made by the Honourable Minister for Provincial Affairs.

These people in St. Pierre, although they speak a different language, are of a sort like our own southwest coast people. They are born on the sea, bred on the sea and they spend their lives upon the sea. And when they see a fellow fisherman in need or in trouble or the families of fishermen that go down to a watery grave, they, like our people, gladly band together to assist and help.

I am sure we are very happy to support the motion made by the Honourable Minister.

*Giving Notice of Motion:*

None.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I beg leave to present the annual report of the Department of Mines and Resources for the year ending March 31, 1955.

MR. SMALLWOOD: Mr. Speaker, I beg to table the fifth annual report of the Industrial Development Loan Board for the period ending March 31, 1955.

*Giving Notice of Questions:*

Notice of question given by Mr. Browne.

Notice of question given by Mr. Hollett.

#### ANSWERS TO QUESTIONS

*Question No. 4:*

MR. ROWE: Mr. Speaker, I thought I would have the answers to all parts of that question but I did not have time, or at least the staff did not have time to get them for me. I do have the answers to part (1) of Question (4) (a), (b) and (c). The answers to the other sections are in course of preparation.

*Question No. 4: (1), (a), (b) and (c)*

1. The names and addresses and occupations of all persons invited to the recent Regional Conferences of

- (a) Labrador Affairs,
- (b) Northern Newfoundland Affairs,
- (c) South Coast Affairs.

*Answer:*

1. Names, addresses and occupations, of all persons invited to the Regional Conferences have already been submitted.

*Question No. 5: In course of preparation.*

*Question No. 6: In course of preparation.*

*Question No. 7:*

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, all the information requested in Question No. 7 is contained in the Annual Report of the Workmen's Compensation Board which I intend tabling here in the course of a few days.

*Question No. 8: In course of preparation.*

*Question No. 9:* In course of preparation.

*Question No. 10:* In course of preparation.

MR. SMALLWOOD: I have the answers, Mr. Speaker, to one question only. That, I think, was on the Order Paper of yesterday.

(Question No. 1) (1) The cost of the special session of the House held in September 1955 was \$24,932.76 That completes the answer to Question No. 1 on the Order Paper of yesterday.

*Question No. 11:*

HON. G. J. POWER (Minister of Finance): Mr. Speaker, that question has been referred to the Honourable Minister of Economic Development.

*Question No. 12:* In course of preparation.

*Question No. 13:* In course of preparation.

*Question No. 14:* In course of preparation.

*Question No. 15:* In course of preparation.

*Question No. 16:* In course of preparation.

*Question No. 17:*

MR. CURTIS: Mr. Speaker, the answer to (1) is that it is not in the public interest for the Attorney General to make any statement.

The answer to 17 (2) is none.

The answer to 17 (3) is that this question should not be directed to my department.

The answer to 17 (4). This enquiry was undertaken by the RCMP. The RCMP were given a free hand to make

this investigation. In fact it was the RCMP who disclosed these names. It is not in the public interest nor is it the practice to table statements taken in the course of police enquiries.

*Question No. 18:* In course of preparation.

#### ORDERS OF THE DAY

MR. HOLLETT: Mr. Speaker, if I may, before proceeding with the Orders of the Day, I wonder if I might ask the Premier whether he could advise whether he is aware of a layoff of some 168 employees of the CNR? It appears some men have already been given their notice, and while it is understood they are still in the employ of the CNR their fear of dismissal has become great because of the 168 men concerned. I wonder if the Honourable the Premier could state if his Government has been able to do anything with regard to the situation. Would the Premier care to say something about that?

MR. SMALLWOOD: Mr. Speaker, I may say that a representation of the men in question called upon me to state the nature and facts of their case. I, of course, met them with every possible sympathy and with every possible support. I informed them at the time that the Newfoundland representative in the Cabinet of Canada, the Honourable Mr. Pickersgill, was due to arrive soon here in St. John's and that I would endeavour to arrange a meeting for them with him. I did so and they met Mr. Pickersgill in my office, with me, and stated their case to him. He undertook to lay the facts before the Minister of Transport, his colleague in the Government of Canada. And he did so. And I had a letter just the other day from Mr. Pickersgill reporting the fact that he had conferred with the Honourable Mr. Marler,

the Minister of Transport, on that matter, and that he had in turn taken up the whole question with the President of the CNR. What the official outcome will be I do not know.

I have personally the very gravest doubt that the Terms of Union are involved. I have the gravest doubt that the term concerned affords the protection against layoffs that some people may suppose it to do. I quite frankly doubt very much that the term has anything to do with it at all. Clearly every one in the House here, on both sides are on the side of the men. We don't like to see a hundred and sixty odd men laid off from their work in any industry, whether it is the CNR or Superior Rubber or anywhere else. We don't like it. It is not good for Newfoundland.

On the other hand it could be a worse time for men to be laid off, but not perhaps railway men. Railway men who have been at that work for any considerable length of time have acquired their own distinctive ways of working, and they may not in some cases be adaptable to other types of employment as they might have been, had they not worked for so long with the railway. Our sympathy is with them, but it is outside the jurisdiction of this House. It is outside the jurisdiction of this Government. It is a matter which comes under the Government of Canada and perhaps the Parliament of Canada. We can do no more than to intervene in a friendly way. We have no authority, we have no power to deal with the matter. We can only ask. We cannot order. And because the management of the railway is not responsible to this House nor to this Government, being entirely responsible to the Parliament and Government of Canada, we can do no more than ask.

And we have done that and that we will continue to do.

MR. BROWNE: Mr. Speaker, may I ask a supplementary question arising out of that statement? Would not the Premier regard it as a failure of those negotiating the Terms of Union not to have secured protection for these men, and would he not think it important for the committee now considering the revision of the Terms of Union to take up that position?

MR. SMALLWOOD: My answer to both these questions would be no. I don't think it was an omission on the part of the original delegates that signed the Terms of Union to assure passage or adoption of a term which would guarantee for all time, with one guarantee, perpetual employment to all who were employed by the railway at the date of union. I don't think that would have been any more reasonable than to have sought the adoption of a clause guaranteeing permanent employment of every civil servant that might be taken over in the services taken over by the Canadian Government at the date of union.

MR. BROWNE: They were guaranteed.

MR. SMALLWOOD: No. What the railway men were guaranteed was employment in the services taken over on the same terms and conditions as those obtaining in the services in Canada. That means they can be laid off if their positions become redundant or outclassed or outdated. They can be laid off. Nobody in the civil service, in the CNR or in any other civil service has any assurance of permanent employment. No one can have such assurance. No one in the Newfoundland civil service has that assurance. If the position were abolished the per-

son is just laid off. Now a government would naturally, in that case, endeavour to find other employment for an employee who had a good record and especially one who had a long record. But if tomorrow this Government, with the assent of this House were to abolish some department of government or some branch of a department of Government, is it to be argued that those who presently are employed in that branch must be given employment by the Government? No one would argue that. Therefore it could not very well be argued that when the Terms of Union were negotiated that every employee of the railway had to be given, in writing, in the Terms of Union, permanency of employment to a certain age limit. We could not ask that. It would be too unreasonable. And had we asked it would have been refused. For the same reason we would consider it unreasonable for the present Royal Commission preparing the case for revision to argue that same way. I don't think that has any basis in logic or reasonableness and therefore I don't think they should argue it.

MR. BROWNE: Mr. Speaker, would the Honourable the Premier not agree that as far as the civil service is concerned there has been no class of person laid off in the same way as the crowds of men being laid off at the railway.

MR. SMALLWOOD: In a certain sense it is true, and it is a pity it is true. In the civil service you don't ordinarily get the type or degree of rationalization that you get in so industrialized a branch as say running a railway. And surely it is not to be argued say, for the sake of argument, if a railway had 250 who are horseshoers on their payroll and the

use of horses was abolished that the 250 horseshoers should be retained. That could hardly be argued. Whereas in the civil service they would not cease to use horses so readily as they would in the running of a railway.

MR. BROWNE: In the Fire Department.

MR. SMALLWOOD: That perhaps is a good example. If they modernized the operation of the Fire Department — I fail to recall any considerable number being laid off. That is the difference in the civil service directly operated by a government and a railway which is not directly operated by a government but rather by a company which is semi-independent of both Parliament and Government. Address in Reply:

MR. SPEAKER: The Honourable Leader of the Opposition was speaking on the amendment.

MR. CURTIS: Mr. Speaker, just before my honourable friend starts, I should like to say I made further inquiries and find there is absolutely no truth whatsoever in the statement that Valdmanis was taken in a car from the Penitentiary to Max Braun-Wogau's. That he did go there when he was released on bail, whatever day he was released on bail.

MR. HOLLETT: The 14th of May.

MR. CURTIS: But he has not gone there from the penitentiary.

MR. HOLLETT: Mr. Speaker, I am glad the Honourable the Attorney General got this off his mind. I am glad to have it off my soul. But I want to say, Sir, once again; anything I say here in this House I shall speak not as a liar but as a person who is trying to tell the

truth. I may not always say the things that are absolutely correct, but if I do not it is because of error on my part. I realize there is an error here, if that man was out on bail. If he were out on bail it would be different. He could go where he liked. But my information was and is, he was taken or at least released, I believe the 14th of May, and he was driven to Max Braun-Wogau's.

MR. SMALLWOOD: Mr. Speaker, to a point of order. Is the honourable gentleman, in the case of the statement just made by the Honourable the Attorney General repeating he was conveyed from the Penitentiary to a private home?

MR. HOLLETT: Released.

MR. SMALLWOOD: Not released. The court ordered him to be released. The man was on bail and could go where he wished.

MR. HOLLETT: Don't blow your top.

MR. SMALLWOOD: Stick to the truth.

MR. HOLLETT: Which gives me the very opportunity I have been looking for. I want to draw attention to something which appeared in the paper this morning, the "Daily News". I want to say the big headlines in the "Daily News" must certainly be an error. I did not blow the smoke away from the Superior Rubber Company, it was my honourable friend on my right, the honourable member for St. John's West. I am afraid the "Daily News" is in error there.

There is something else, Mr. Speaker, before I go on, which appeared in the "Daily News" this morning relative to something said yesterday, if I may refer to it. It was said and

I quote "Dr. Valdmanis was once a great friend of the Premier who was to have a monument erected to him. Valdmanis is a liar, a crook and is in prison and is now a friend of Mr. Hollett: the Premier said."

Now I don't know whether the Premier said that or not. He said so much I did not absorb it all. But if the Premier said that, if he is trying to insinuate that I am a friend of this crook, this liar and this criminal who is in gaol — That is what it said according to the "Daily News".

MR. SMALLWOOD: Does the honourable gentleman want an answer to that?

MR. HOLLETT: Yes. You could if you wish.

MR. SPEAKER: Before the honourable member does that — Is this a point of privilege? This is occurring in a debate and would be improper, I think, to debate pieces from newspapers. Newspapers have no standing in the House. However, if the honourable member wishes.

MR. SMALLWOOD: Mr. Speaker, so far as any member of this House, whether it be the Leader of the Opposition or any other who throws up the words of the criminal, Valdmanis, and accepts that word against the word of the Premier or the Attorney General or any other member of this House, then I say he is a friend of that criminal and is glad to use the criminal's word to defame someone else.

MR. HOLLETT: Mr. Speaker, the Honourable the Premier generally finds some way to wiggle out. I state again right here now, sir, that Valdmanis (and I have something more to say about Valdmanis) is not personally known to me. I did shake

hands with him once in the House of Assembly. But except when introduced to me by the Honourable the Premier, I did not speak two words to him. I have never spoken to him since and have had no communication with him whatsoever.

MR. SMALLWOOD: Did not the honourable gentleman speak to Valdmanis in Gordon Higgin's office?

MR. HOLLETT: No, I never remember talking to the man in Higgin's office. What did happen was I did go in, knocked at the door, opened it, saw Valdmanis and promptly turned around and left.

MR. SMALLWOOD: I wish I could say that.

MR. SPEAKER: I must call the House to order. Item No. 1 on the Order paper:

Address in Reply:

MR. SPEAKER: The Honourable Leader of the Opposition is speaking on the amendment, which we are now debating. We are not debating Dr. Valdmanis. His name might be mentioned in the course of a speech yes, but will the honourable member make an effort to resume his speech?

MR. HOLLETT: Mr. Speaker, I was referring yesterday to some extracts from MacLeans Magazine which referred to Valdmanis, and I had in mind to refer extensively to some of the statements which were made by that man, Allan Phillips in MacLeans Magazine of January 7. But I think I ought not to devote too much time to that because there are more important things to be said.

MR. COURAGE: Here! Here!

MR. HOLLETT: Did I hear an echo? Did my voice echo across this

building? Is it because it is very hollow? I think I had arrived at the point, Mr. Speaker, where this man, Phillips, referred to the Attorney General's staff, saying they hoped with the pressure of the second charge to induce Dr. Valdmanis to reveal what he had done with some three hundred and sixty thousand dollars.

MR. SPEAKER: Before going on I might refer to 264 Beaubesne: "It is out of order to read extracts in a debate if they refer to matters pending a judicial decision." you might, of course refer to newspapers and quote from newspapers.

MR. HOLLETT: I am only quoting, Mr. Speaker.

MR. SPEAKER: It is offered for the honourable member's own guidance.

MR. HOLLETT: I am only quoting from MacLeans Magazine. And I only do it to show what state this new province has been brought to by that man, Valdmanis. I feel sure (and I must say this) that if the proper inquiry and proper investigation and trial of the courts had been gone ahead with, he would now be just a memory in the minds of the Opposition. I do wish that as quickly as possible the Government may be able to wind up the Valdmanis case and have the whole works cleaned up and get him out of the country because he is only a cause of bad blood between various people in this country today. I realize he did take Newfoundland to the cleaners, as this article says, but what other country has not been taken to the cleaners by some crook at some time or other? Every province in Canada and every state in the United States has had that unfortunate happening.

I do hope, therefore, this thing can be cleaned up very quickly. From now on, personally, I would like to talk about something much more important than Dr. Valdmanis. He is gone. Let us forget him. But I was rather amused by the manner, the quickness with which the Honourable the Premier engaged this man in May 1950. The Latvian joined the Premier for dinner in his suite in the Chateau Laurier (I am quoting sir) He was sizing up his guest, a medium-sized man with an athletic carriage, charming, at ease, etc. Mr. Smallwood quickened to the latent power of the man and after dinner he hired him at ten thousand dollars a year.

MR. SMALLWOOD: Mr. Speaker, to a point of order. The article in question I read. It is chock-a-block full of inaccuracies and errors. Now have I got to answer errors the honourable gentleman cares to read out of a magazine, and if I don't, will my silence be taken as acceptance of the accuracy of this statement? What kind of tactics is this, to take an article from a magazine and bring it into the House and ask the House to listen to it. We can read it. Most members have read it. It is full of inaccuracies. Now what is the purpose of reading it aloud here? Is it to get the inaccuracies on the record or to have me up and down, up and down, contradicting, saying which statement is correct, in my view, and which statement is incorrect? Is the House interested in the opinion of a writer on the Mainland on this celebrated case? Is his opinion of any value to this House? Must we hear it.

MR. SPEAKER: I have already offered a suggestion about reading it. It is a rather difficult position. My personal feeling is that they have no

place whatsoever on this amendment and no bearing whatsoever. The practice of reading extracts from newspapers to support an argument in debate is permissible. The trouble is, of course, a member might take advantage of that, and his hearers have no idea whether it is going to support an argument until it is read. Then, these things may not be read in the House in quotations which would be unparliamentary if said by the honourable member as his own words. No language can be heard in quotations which would be disorderly if spoken, referred to or commented on by a member. This list is long. The trouble is that there is no way of knowing what an honourable member is going to say or whether it will be derogatory until it is said. I think the only thing I can ask is that good taste might guide honourable members while reading from articles. It is a difficult point. I hope the honourable member will appreciate it.

MR. HOLLETT: Mr. Speaker, I certainly appreciate it. What I am getting around in this statement I was to make is that Valdmanis was charged with bringing in most of these new industries, the industries which were the foundation of the amendment made by my honourable and learned friend yesterday. He is the man that brought in most of these new industries, under the eye of the Government. And I was trying to find out just how much truth is there in this. If it is false, if it is full of inaccuracies, where has been our Department of Justice, where has been the Department of the Attorney General? Why have they not taken action against this magazine, the editor of this magazine, for libel? Is there any answer to that question? If Allen Phillips in Canada, and we are part of Canada, can write an article like

that and publish it, which the Honourable the Premier says is full of inaccuracies, then are the members of the Government satisfied to let that slide? I venture to bet, sir, if any of us here, particularly on this side of the House had dared attempt to put some of these things in print we would be behind bars now, would be down there with the honourable gentleman! But, sir, this man is allowed to go scot free. I only raised the point for that purpose, to ask the Department of the Attorney General what has been done. Since January 7th this thing has circled all around Newfoundland and half of Canada—

MR. SPEAKER: I was about to say, now that the honourable member has clarified his position he is definitely away from the subject. We are certainly not discussing whether a certain gentleman should be prosecuted or not.

MR. SMALLWOOD: Still less, Mr. Speaker, the conduct of the Attorney General.

MR. SPEAKER: Certainly, and as to whether the writer of a certain sensational article ought to be prosecuted does not enter the picture. This amendment makes specific reference to Superior Rubber Company and then goes on to say the whole matter of present and future status of all Government-sponsored industries — These two words cut out all reference to past industries. I don't think it serves a useful purpose to be parading these things before the world. I mean articles written in papers and magazines. Please continue.

MR. HOLLETT: Well, Mr. Speaker, we have certain duties to perform, often, on this side, very unpleasant duties. At times we feel they are duties.

If we err, Sir, I can stand corrected any time. I bow to the Chair.

Now we have been talking about these new industries. And my honourable friend has moved an amendment and asks for a Royal Commission to be set up to go into the matter to clean up this mess that there is and to endeavour to help put those which have a hope of success on a solid basis with good management. That is all that we need. And I should think, Sir, every man on the opposite side, on the Government side of the House, would be only too happy to join in setting up such a commission.

We know what has happened in a good many of these industries. I am not blaming anybody on the opposite side. I am not blaming anybody in particular. If I blame anybody it is the Government. And I submit, sir, every man on the opposite side of the House is just as responsible for what has happened in connection with these industries or anything else pertaining to Government, just as responsible as the Honourable the Premier, because they sit in Cabinet, these things come before them and they have to decide just what will be done. And if something is done which they do not approve and to which they cannot give their whole-hearted accord then I say they have certain duties to perform. We are only asking for a Royal Commission to be set up. We had a Royal Commission some time ago on the cost of living, which cleared the atmosphere. And I am quite sure, sir, that there are a lot of things, there are a lot of rumours going around, which, Mr. Speaker, I think they would clean up, and clean up the mess.

MR. SMALLWOOD: My honourable friend does not want these rumours cleared up. He wants them circulated.

They will be answered at the proper moment. Don't think I don't know what they are. I know. I always know. I also know about the rumour about the gifts to distinguished citizens. I do indeed. And I know what the honourable gentleman means. But he will be surprised. Don't build anything on it.

MR. HOLLETT: I don't even know the point.

MR. SMALLWOOD: I am sure that my honourable friend does not know what I am talking about. He cannot imagine.

MR. HOLLETT: Probably if the Honourable the Premier would get up.

MR. SPEAKER: If the honourable gentleman does not know what is being talked about obviously it is out of order.

MR. HOLLETT: I should be on my feet. I am prepared to sit down for any member. I always speak better on my feet.

There are certain things we have to mention, sir. Take the building of the cement plant and the gypsum plant. These are new industries. Agreements were made for the building of these with two firms in Germany and at least one if not two here. These were the two German firms and the firm of William Lundrigan and I believe there was also a firm, Eastern Machinery and Engineering Company. They signed written contracts, signed, sealed and delivered between their heads and the heads of Government to do certain work for a certain sum of money. And what do we find? What do we find? Each of these firms, if my memory serves me right, was paid back certain sums of money from the Government over and above the contract

price, and these were termed *ex gratia* awards. Now was that discussed here in the House before it was done? Was that brought before this House? Was it brought before the Government at all before it came into this House indirectly? Why was a certain firm paid back one hundred and fifty thousand dollars to do the work which it had contracted to do for a certain figure? Why was another firm paid back some two hundred thousand dollars *ex gratia* awards? The weak answer was given us here, sir, that it was paid back because of a sudden increase in wages and a sudden increase in costs of material. Surely, sir, there was nothing in the agreement about that at all. As a matter of fact this man Valdmanis said he refused to put in any escalator clause and the Premier agreed with that. So I want to know why the *ex gratia* awards to these various firms? I have my own opinion. I may be wrong. I hope I am. I may be prejudiced somewhat, and I am afraid I am sometimes. I admit that. We all have certain prejudices. we hear this, that and the other thing. I dare say the Honourable the Premier will be able to answer that, why were these *ex gratia* payments made? Had it anything to do with this fellow Valdmanis? We all remember the history of that. I had better keep off that.

With regard to the Superior Rubber Plant, I think my honourable colleague has said sufficient on the Superior Rubber Plant. A lot more could be said. I did say yesterday, and I have been informed it is correct, that this man who is supposed to be serving for something he did, himself spoke very much against the building of the Superior Rubber Plant in this country. He said it would not succeed and

never could succeed. But that is water under the bridge now.

MR. SMALLWOOD: That is not true. There is not a syllable of truth in it. No, don't take my word, take Valdmanis' word. He will support your argument better.

MR. HOLLETT: You said I am a friend of his.

MR. SMALLWOOD: I was the honourable gentleman's friend, but Valdmanis apparently better. He believes his word in preference to mine, in gaol though he be.

MR. HOLLETT: If I am a friend of his, what shall we call the Honourable the Premier? A worshipper. He worshipped at the feet of Valdmanis.

MR. SMALLWOOD: That is right. I never made any bones about it, did I?

MR. HOLLETT: I did, but he is in gaol.

MR. SMALLWOOD: I know who tried to get him out.

MR. HOLLETT: Nobody on this side of the House tried to get him out of gaol.

MR. SMALLWOOD: I put him there, after he became the friend of all who hated him before.

MR. SPEAKER: Order. I wish to call attention to this piece of yellow paper called an amendment, which we are presumed to be discussing. I could tell the honourable members I am bored.

MR. HOLLETT: If you would like a recess, Mr. Speaker, I am prepared.

MR. SPEAKER: We have heard this about fifteen times, I believe.

MR. HOLLETT: And going to hear it again, Mr. Speaker, unless it is ruled out of order.

MR. SPEAKER: I am afraid it is, at least in this debate. There is a clause about tedious repetition. I think I have been extremely long-suffering.

MR. HOLLETT: With me, Mr. Speaker?

MR. SPEAKER: With Dr. Valdmanis.

MR. HOLLETT: A friend of mine. Then, sir, I have spoken about fifty-five thousand dollars brought in from Corner Brook and brought in here to the House. That came in too. But I won't say anything. I have spoken about Leja, and I am quite sure honourable members don't want to hear anything more about him and about Zippman and fifty-five thousand dollars.

MR. SMALLWOOD: How many districts does the honourable gentleman figure Valdmanis will get in the coming election?

MR. HOLLETT: Valdmanis? How many will he get?

MR. SMALLWOOD: For the honourable gentleman?

MR. HOLLETT: Not for us. We would not have him. But I dare say the honourable gentleman could send him down to White Bay or somewhere and get him elected.

MR. SMALLWOOD: I don't think the honourable gentleman ought to insult White Bay like that.

MR. HOLLETT: No, I don't think so either. But the Honourable the Premier is trying his damnest to insult me.

MR. SPEAKER: Order. I was about to say the honourable gentleman was provoked there. I am just calling order. Continue your speech.

MR. HOLLETT: How many times is that, Mr. Speaker?

I have spoken also about the fifty thousand dollars passed over to these fellows for nothing, came out in charge of the cement plant. Nobody will tell us on the opposite side why they paid. I asked a question and intend to ask it until the day I get the proper answer.

Now, sir, it is worth our while, I expect, to look back at some of these industries. Take the birch plant. The birch plant is Chester Dawe. Chester Dawe, under contract to the Government for a certain number of years to run the birch plant. Where is he now? Is he in the birch plant? Is he running it? Baird now has the birch plant. Is he there? No Sam Grant is there now. Sam Grant, Samuel Grant, I take it. I don't know who he is. It is a fine Anglo-Saxon name. He is out there running that now. What is it the other gentleman said about the birch plant?

I turn, Mr. Speaker, to Newfoundland Hardwoods, Page 21, Section 41. Just listen to this, Mr. Speaker. Working capital advanced to this company. This is working capital amounting to \$1,923,354, practically two million dollars. That is working capital after the plant was built and the machinery was ready to start. Since the close of the financial year a further advance of \$60,000 has been made and recently the Government was called upon to make good a bank guarantee of \$225,000 together with interest thereon amounting to \$7,272. At Nov. 30, 1955, Government guaranteed bank loans to the company totalled \$1,215,000. Total

drawings as of that date aggregated \$1,418,486.

The way I figure it, sir, the birch plant to date has cost this country \$4,315,471. I may not be accurate, but believe that to be true. That is as of March 25, 1955. Goodness knows what they got since.

Now let us go on to the gypsum plant: We all know the story about the gypsum plant. But we ought, I think, to refresh our memories about the gypsum plant. I find it on page 22, No. 46. I will read what the Auditor General says: "Including the cost of the plant and advances for working capital, the Government's investment in this undertaking amounted to \$3,855,557 as of March 31, 1955." Since the plant was constructed it has been operated by Atlantic Gypsum Limited, a wholly-Government-owned company. However, within recent months the company has been put under the management of the Bellrock Gypsum Industries Limited which has been given an option to purchase from the Government all of its shares in Atlantic Gypsum Limited, the option may be exercised at any time within the next twelve years.

In other words a different plant is now taking over the Atlantic Gypsum company and it is passed over to Bellrock Gypsum Industries Limited. I think very few in this House know anything about this firm of Bellrock Gypsum Industries. This plant has been passed over to them. The total cost is \$3,855,557, which, sir, indicates that since last year, March 28, 1955, this Bellrock Gypsum Industries Limited has been given a guarantee loan of five hundred thousand dollars. This is how I take it. Another five hundred thousand dollars.

Now there has been a rumour for a

year, not only about Superior Rubber Company but also about the two I just mentioned, the Birch Plant and the Gypsum Plant.

The Cement Plant: Of course we know the history of that. I think the Auditor General says very little about the Cement Plant. So that is that. This plant cost about four and a half or five million dollars and it was sold to a firm and then the Government loaned the company four hundred thousand dollars to buy it. They used three of the five hundred thousand dollars to buy this plant which cost over five million dollars. I have a note here of the plant in which the Honourable Premier, who just went out, predicted there would be a thousand men working. That was dealt with yesterday by my honourable friend on my right.

I believe my honourable friend also had something to say about the Superior Rubber Company, but had not the information yesterday on Section 42, Auditor General's Report, Page 31. Here is what the Auditor General says:

"Superior Rubber Company Ltd. \$1,490,263—under the provisions of Act No. 7 of 1953 the amount of the original loan by the Government to this Company was \$1,000,000. This amount was advanced in full. During 1954 Government guaranteed a bank loan at \$150,000 to the company and later during that year a further cash loan of \$400,000 was approved. From this cash loan an amount of \$150,000 was used to repay the Government guaranteed bank loan. Since the close of the financial year a bank loan of \$150,000 has been guaranteed by Government."

In other words, this thing now, the Superior Rubber Company has cost

the people of this country \$1,490,263 up to the end of March 1955. How much has been granted to Superior Rubber Company by the Government since then? I suspect strongly the honourable and learned member for St. John's West was pretty accurate yesterday when he said it was somewhere between a million and a half and two million dollars altogether. And we are glad to know that the Department of Finance has received confirmation from an insurance company to the effect that the assets of Superior Rubber Company Limited are insured against loss or damage by fire for an amount of \$1,100,000. It does not say what the insurance company is. So if it burns down, sir, this company would lose close to a half million or a million dollars—and which they would never get otherwise, I am afraid.

Now while I am on this thing I will read paragraph 43:—"In my 1952-53 report reference was made to the fact that payment of interest on Government loans to industrial plants had been deferred for the first two years from the date of commencement of construction of these plants. In most cases this period of deferment has expired and I have to state that, with one exception, no interest on these loans has been received from the companies concerned."

These companies, sir, were given cash advances and also guaranteed loans. And on these loans, and on these guarantees they were supposed to pay interest at a certain rate. What sort of a business is the Government running? First the interest which the companies paid in they refunded to them and then gave two years in which they need not pay any more interest. Now they are not even making an effort to collect, and if they are they are not succeeding.

Koch Shoes:—Everybody has heard of Koch Shoes. I dare say every member of the Government is wearing them, although my friend on my left said he ordered a pair a year and a half ago and has not got them yet.

MR. HIGGINS: I am an out-size.

MR. HOLLETT: Out-size! Well before I go on I must not forget the Gypsum Plant. That is being run by Mr. Ernest Leja. He is the man who helped to bring in fifty-five thousand dollars from a bank out there to pass over to Valdmanis here, down below. He, at that time, I believe, was a Government employee. Everybody knows Ernest Leja who is running the Gypsum Plant. Everybody knows him, because the Honourable the Premier said he was sorry to lose him, and that seldom had a man ever served the country in such a way as Mr. Leja.

Where is Ernest now? He is not with the Gypsum Plant.

Where is Max Braun-Wogau? Nobody knows.

MR. SMALLWOOD: Where is Max? Does not the honourable gentleman know we kicked him out?

MR. HOLLETT: And Leja too?

MR. SMALLWOOD: We kicked out Max Braun-Wogau. We did not kick Leja out.

MR. HOLLETT: And Koch?

MR. SMALLWOOD: We kicked him out. That is three.

MR. HOLLETT: Schafers? Eckhardt?

MR. SMALLWOOD: Yes.

MR. HOLLETT: Donald Dawe. He is a director of a good many of these, all of them practically. He was a di-

rector of Eastern Machinery and Engineering, which firm, I believe, passed over forty thousand dollars (I may not be right) but passed it over to Valdmanis. I am pretty sure about that.

MR. SMALLWOOD: That is one of the reasons Valdmanis is in gaol.

MR. HOLLETT: Well Ernest Leja was in charge of Eastern Machinery and Engineering. Why was he not in gaol?

MR. SMALLWOOD: There is no reason why he should, he did not pay forty cents. He did not pay anything; not the company even.

MR. HOLLETT: He was a director.

MR. SMALLWOOD: He did not pay.

MR. HOLLETT: He paid to Benno Schilde, I understand.

MR. SMALLWOOD: It is the first I have heard of that.

MR. HOLLETT: I know the history pretty well.

MR. SMALLWOOD: I thought I did too.

MR. HOLLETT: Are Dr. Oswald Weiss and Mr. Hanhardt out too?

MR. SMALLWOOD: Dr. Weiss and Mr. Hanhardt are two very prominent and reputable citizens of Switzerland, very prominent and very reputable.

MR. HOLLETT: What about Olga Leikus?

MR. SMALLWOOD: Ask Dr. Valdmanis.

MR. HOLLETT: Just imagine bringing in this woman and making her a director of Atlantic Hardboards that cost this country an increase of

seven hundred thousand dollars after 1954.

MR. SMALLWOOD: That was Dr. Valdmanis who was a director.

MR. HOLLETT: He was not a director.

MR. SMALLWOOD: Yes he was.

MR. HOLLETT: We will soon see. Pardon me, Mr. Speaker, while I get the name. Who are we looking for?

MR. SMALLWOOD: For Dr. Valdmanis. Looking to see if he was a director.

MR. HOLLETT: I would say, Mr. Speaker, there is plenty of room down there for others as well as Dr. Valdmanis. Whether the Premier wants to continue referring to him I know not. He is trying to put the onus on us, sir, trying to say we befriended him. We were trying to get him out of gaol. We put our arms around him. That sort of thing. Wouldn't he love it. But we are not quite so slow as that.

MR. SMALLWOOD: How many districts does the honourable gentleman think he would win for him?

MR. HOLLETT: He will win no more for you.

MR. SMALLWOOD: He never did win one.

MR. HOLLETT: But Donald Dawe is a director of Atlantic Hardboards, I see. "Donald Duck" is in every one of them practically. Mind you, more power to his elbow. Sir, it is quite an honour to be a director of one of these firms or on any of these firms. Koch and Schafers are gone and Alfonse Eckhardt you say he is gone.

MR. SMALLWOOD: And won't be back.

MR. HOLLETT: Thank God!

MR. SMALLWOOD: Is my honourable friend quite sure he is happy he won't be back?

MR. HOLLETT: Well, if you kicked him out I would not want him back—I hope not. The Honourable the Premier is not anticipating taking Valdmanis out of gaol and putting him in charge again, surely. If he is I will object to that very strongly. I assure you.

But I was referring to Atlantic Hardwoods and Olga Leikus. I could go along with lots of these things, sir, but I want first to refer to some other statements made by the Auditor General. There is Atlantic Films and Electronics—\$218,301—"In 1953 Government guaranteed a bank loan of \$50,000 to this company. This loan together with interest thereon was repayable on or before 30 April 1954. Repayment was not made by the Company on the due date and consequently Government was later called upon to make good its guarantee. It appears that no agreement has been completed setting forth the terms and conditions of repayment of this additional loan to the Company."

Disgraceful! Disgraceful! I never saw an Auditor General's Report like it. "Eckhardt Mills—\$403,994—As at 31 March 1955 cash advances aggregating \$387,400 had been made to this Company. Interest on these advances amounted to \$16,594. In addition, Government had guaranteed a bank loan of \$160,000 to the Company.

Since the close of the financial year, Government has repaid the bank the amount of this guarantee. Within recent months two additional bank

loans for amounts of \$120,000 and \$195,000, respectively have been guaranteed by Government."

In other words, two more loans of different amounts to Eckhardt Mills. It rings a bell. But I just can't think of it at the moment. I think these were the ones engaged in building garages in Gander. A knitting firm went out and built a garage in Gander, and I think they were going to build all over this Province, but it came to the notice of the Honourable the Premier and he stopped them, I understand. Incidentally Eckhardt Mills has now cost the country \$778,990, not far from a million dollars.

Koch Shoes: "\$783,707.—During the year Koch Shoes Ltd, undertook to manufacture moderately priced women's shoes. The Government subsequently guaranteed a bank loan of \$120,000 to the company to cover the cost of the machinery and to provide working capital essential for this undertaking. Since the close of the financial year Government has paid this guaranteed bank loan and a similar loan of \$260,000 has been negotiated to provide working capital for the general operations of the factory."

So, Mr. Speaker, I could go on. Not from this book but from my own notes, and say just how much money has been gambled, and I say "gambled" advisedly, because I am reminded of the meeting of the Attorney General, the Honourable the Premier and Dr. Valdmanis with the industrialists in Germany. As a matter of fact I have some very good photographs on that. Valdmanis did not give them to me either.

MR. SMALLWOOD: Did Max give you any photographic pictures?

MR. HOLLETT: I don't know

what you mean. I have never spoken to Mr. Max Braun-Wogau in my life. I am not so intimate with him as you are.

MR. SMALLWOOD: I never was intimate with him.

MR. HOLLETT: I have never spoken to the man. I would not know him if I saw him. I only know he went out and put the gun to Dr. Sennewald. Dr. Sennewald had another new industry, Canadian Optical, I think. He got a hundred and fifty thousand dollars. But I understand he only used about \$4,264, and the Government can't even get it back off him.

Mr. Speaker, it is not my intention to prolong the argument at all. I am quite sure the case has been made for a Royal Commission. And I appeal to the Government and I appeal to every member on the opposite side—If you were in business on your own—If they were in business on their own (I beg your pardon, Mr. Speaker) every man on the opposite side of the House would want an inquiry, if a factory, which was going to cost one million, suddenly wound up. Every man on the opposite side has a business head, and I am sure they would want an investigation if a bonfire took place up near Superior Rubber Company. If the Honourable the Premier has seen fit to fire about fifteen men from these various industries, or more, I guess, to kick them out one after the other—What a footballer—He kicks them right from here to Germany, Toronto, Montreal, anywhere I suppose on this side of the Iron Curtain surely every man on the opposite side would want to know what it is all about. Surely every man in the Cabinet has enquired of the Premier why these drastic measures were taken. Why did he kick these men out? What is the trouble?

If there is any trouble let us get down to it.

I refuse to say anything more on this matter now, sir, except this: I appeal to the Government. I appeal to the Government. I would say, Mr. Speaker, that their very happiness as individuals is at stake if they remain longer without any inquiry into some of this nasty business. Their very peace and happiness is at stake. And as for the Government's life, the Government's life certainly is at stake, and it will not last much longer unless they do have this inquiry. I say any government can make a mistake, and I am not blaming any individual on the opposite side. I am blaming the Government. And each man in that Government, sir, is as responsible as anybody else. And I say it is time for every man on the opposite side to realize why, where, when and whether they are tending. With about twenty-five million dollars, and I think it is more now, tied up in these new industries, no interest being paid back and any interest they do pay is handed back to them again, with discount. Very few people employed, some of these industries (Superior Rubber Company) closed up, sir, if there is no cause, no reason for an inquiry, I fail to see why. The Government can laugh. I appeal to them now as individuals to get down to work and find out what is the trouble, what is the cause. Let us get this thing straightened out, find out what is the trouble. We have been held up to ridicule with all this kicking people out, firing people, people suing the Government, and the Government settling out of court. Why settle outside of the law. The Government has no case against any of these men to kick out?

You don't kick a man out for nothing—and then suddenly pay five or ten

thousand dollars. Do you do that, Mr. Speaker? Everybody in this world knows you don't. And they know all across Canada, and they know everywhere else. And I put it to the Honourable the Premier and to the Honourable gentlemen on the opposite side of the House; let us have a general clean up, I guarantee you this, if the Honourable the Premier and the Cabinet will undertake to set up a Royal Commission, I shall keep my mouth absolutely closed with regard to the whole matter of new industries until after that inquiry is finished, and as a matter of fact, after, because I would have confidence enough in a Royal Commission. They would be the ones to have something to say and not only we who have part of the facts. I give that as an undertaking. And I don't see why the members on the opposite side do not take it.

Thank you, Mr. Speaker, for bearing with us this day. I take it we have calmed down now, and I hope we can go on peacefully for the rest of the afternoon.

MR. SMALLWOOD: I move the adjournment of the debate, Mr. Speaker.

On motion debate on the Address in Reply adjourned until tomorrow.

On motion the House recessed for ten minutes.

Mr. Speaker returned to the Chair:

Second Reading of Bill "An Act Further to Amend the Registration of Deeds Act":

MR. SPEAKER: The debate was adjourned by the Honourable Leader of the Opposition.

MR. BROWNE: Mr. Speaker, in connection with this Bill, there is only

one thing I would like to ask about, and that is in regard to the section which makes this Bill retroactive. I had the impression that the Registrar of Deeds had refused all deeds which did not have the customary attestations and names correctly in accordance with the Registry of Deeds Act. I did not know that he had permitted the Registry of Deeds, which took in the amendments as made here some time ago, permitting lawyers to witness deeds. So the purpose of that retroactive clause is to make regular and legal the documents which had been inadvertently—

MR. CURTIS: That is so, 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 Memorial University Act":

On motion second reading deferred.

Second reading of Bill "An Act Further to Amend the Memorial University (Pensions) Act":

On motion second reading deferred:

Second reading of Bill "An Act Further to Amend the Workmen's Compensation Act":

MR. BALLAM: Mr. Speaker, the Bill to amend the Workmen's Compensation Act is brought about by the fact that in some cases our payments to widows and allowances to orphans are, in our opinion, out of line, and we thought that the time had come when we should do something about it.

Section 2 of the Bill amends section 28B of the Act to enable the Board to make regulations to establish a pen-

sion scheme for members and staff of the Board. We had hoped to institute a pensions scheme last year, but were advised the existing legislative provision was inadequate and it had to be postponed until this Bill would be considered by the House.

Section 3 (a) and (b) of the Bill would increase the amount of the compensation paid each month to a widow from fifty dollars a month to sixty dollars a month. Section 3 (b) of the Bill increases allowances to children other than orphans from the present rate of twelve dollars a month to twenty dollars a month. Section 3 (c) of the Bill increases allowances to orphans from the present rate of twenty dollars a month to thirty dollars a month. Section 3 (d) of the Bill increases the amount that may be paid to a surviving widow and children where the deceased accident victim was earning less than \$1,600 a year. The total amount that could be paid to a woman and children is at present one hundred dollars a month. It is proposed to raise this figure to one hundred and thirty dollars a month.

Sections 3 (d) and 4 of the Bill increase the amount of benefits payable to disabled workmen who at present are paid on a basis of sixty-six and two-thirds of previous average earnings up to a maximum of three thousand dollars, that is, one hundred per cent disability would get a payment of a maximum pension of two thousand dollars a year, and fifty per cent disability would get a pension of one thousand dollars a year. If earnings were less than three thousand a year the pension would be less in proportion. It is proposed to increase this to seventy-five per cent, and sixty-six and two-thirds disability of one hundred per cent would then qualify for a pension of two thousand two hun-

dred and fifty dollars a year with corresponding increases in lesser disabilities.

It may be of interest to the House to know that our position will compare with other provinces in workmen's compensation if we approve this Bill. That is as good as other provinces in December 1955. There probably have been some improvement since then. In three of the provinces only, Saskatchewan, Ontario, and British Columbia, widows get \$75 a month compared to our proposed \$60. Quebec pays \$55 a month while the remaining provinces pay \$50 a month. In four provinces, Ontario, Saskatchewan, Alberta and British Columbia children with one parent living get \$25 a month compared to our proposed \$20 a month. Three provinces also pay \$20 a month, Nova Scotia, Quebec and Manitoba, while Prince Edward Island and New Brunswick are slightly below that figure. In Ontario and Saskatchewan, orphans get \$35 a month compared to our proposed \$30 a month. Nova Scotia, Manitoba and British Columbia already pay \$30 a month and Prince Edward Island and New Brunswick pay \$25. I think since we got those figures they are considering an increase.

It is not so easy to give a comparison as to how payments are reckoned in calculating amounts to disabled workmen in the different provinces. The maximum pension may vary from sixty-six and two-thirds of a worker's previous earnings to seventy-five per cent of his earnings. Furthermore a limit is put on the amount of a person's earnings which may be counted for pension calculation purposes. It varies from \$2,700 a year to \$4,000 a year in the different provinces.

We propose in this Bill to get in be-

tween these figures and set our maximum at 75 per cent of \$3,000,

I am sure that the House, Mr. Speaker, will appreciate our bringing in this Bill, and I am sure that they will all be pleased to know that this, while it is a great measure for injured workmen for their orphans and their widows, it is something, which is in my opinion, very desirable. And I am very happy to say that the Board has informed me that all of these increases can be given and financed out of current revenues and that there will be no increase in assessment rates; that is, not in the foreseeable future. I am sure that the House will be pleased to know that, and will go along with us in the adoption of this Bill.

Mr. Speaker, I move the second reading.

MR. BROWNE: Mr. Speaker, the number of Bills which were given out on the last day we were here makes it very difficult to give very much attention to them all. Some of them, of course, were not so important as this particular one. This is a very important measure because it makes substantial changes and improvements in the law as it stands today.

There is one section, however, in the Bill to which I would like to make some observations, apart from registering my approval of the improvements which have been made in the pensions payable to widows and orphans and in the compensation itself. I realize that \$50 a month to a widow whose husband has been the breadwinner for the family is not a very great amount. Since we have the assurance that the fund is able to pay up to sixty dollars a month, I think it a very good idea to give her the \$60 a month. I don't think

it is excessive at all. I presume that it continues as long as she remains a widow.

MR. BALLAM: That is so.

MR. BROWNE: And if she were to remarry it would cease the same as other payments.

MR. BALLAM: Payments made to children are made up until they reach the age of sixteen and widows are paid as long as they remain a widow. On remarriage they are given a small sum and that finishes the payments.

MR. HIGGINS: A dowry.

MR. BROWNE: The section that stands out, it seems to me, like a sore thumb in this Bill is section 28B: "The Board may by regulations make arrangements for paying pensions to itself." Now here we have a Bill which brings in the changes in the pensions which are payable to widows and orphans but we can have no say whatever, according to this Bill, on pensions which are payable to members of the Board. And I would suggest that the Minister of the Government give consideration to the insertion of a clause that the pensions should be payable subject to the approval of the Lieutenant Governor in Council so that it may then read: "The Board may, subject to the approval of the Lieutenant Governor in Council, by regulations made in accordance with sub-section 4:"

MR. BALLAM: Is not that implied?

MR. BROWNE: No, I can't see that Mr. Speaker. It seems to me this gives the Board power to make regulations.

MR. BALLAM: If you will allow me, I think I can correct you on that. Last year we amended the Act and 28B says that subject to the approval of the Lieutenant Governor in Council

the Board may make regulations with respect to the establishment of a pension fund for members, officers and employees of the Board and authorizing contributions to be made to the fund, and without limiting the generality of the foregoing may make regulations and so on. But we found, on going back to the Department of Justice, to the Attorney General's Department that the regulations could not be made without having the thing approved in the House. That is why we brought in this further amendment.

MR. BROWNE: That is the purpose. Well, Mr. Speaker, that clears up the point I had in mind. I think it is stated more clearly than by implication later on in Section 4 and 5. So I am quite satisfied. And we can deal with the various points in Committee. The principle is accepted by the Opposition and we give it our hearty approval.

MR. HOLLETT: Mr. Speaker, we all agree that we are definitely in favour of the principle of this Bill due to the fact there seems to be a healthy condition in the Workmen's Compensation Board. If you refer to Page 201 of the Auditor General's Report you will find they have investments already. I think they only were set up four years ago and they now have investments of \$4,363,800.00. So we are wholly in favour of this amendment to the Workmen's Compensation Board, because we realize that there will be no charge upon the Government for a long time to come.

I am wondering if sooner or later something will not have to be done either to pay out more compensation or to make the amounts which are taken from the various people less. Because if the Workmen's Compensa-

tion Board in Newfoundland piles up surpluses and invests in various bonds to the amount of four million and some odd dollars in three or four years, I am afraid it may be taking a little more than it ought to.

MR. SMALLWOOD: It must provide against disaster.

MR. HOLLETT: I know. I realize it must build up a certain surplus whereby it would take care of, I would not say "ordinary" but extraordinary disasters. But certainly people who are going to handle that much money should be entitled to some sort of pension. And I am very glad you brought in this amendment to the Workmen's Compensation Board. I notice they have bonds of the Government of Newfoundland of nearly two million dollars and Government of Canada nearly a million, Hydro Electric Power Commission of Ontario, etc., right down to Freshwater eleven thousand dollars. At any rate they are in a very happy state financially, and I am glad they will be able to pay the pensions out of that so that they will be able to look forward to some measure of security in the future.

MR. HIGGINS: If I may, Mr. Speaker just in passing, I would like to endorse the remarks of my leader and my colleague and to say this, from my own knowledge of the gentlemen who constitute the membership of that Board, I can say they have administered their work with the utmost efficiency. They have taken away a few dollars from the Legal Profession. But anytime I have had anything to do with Mr. Fogwill or Mr. Madigan, in particular, the two I run into most often, I have been met with the utmost courtesy. Certainly their grasp

of the work leaves nothing to be desired.

MR. SMALLWOOD: It is phenomenal.

MR. HIGGINS: Mr. Fogwill in particular. Nothing is too much trouble to him at any time. He goes to unlimited trouble. And I feel it only proper that officials who do their work as well as these should be protected later in life.

MR. BALLAM: Mr. Speaker, the honourable and learned member for St. John's West and the Honourable Leader of the Opposition brought in some points there about the accumulation of funds, reserves and so on. Whilst this is shown to some extent in the Public Accounts, in a day or two I intend bringing in the annual report, and, if I am permitted to do so, I will at that time give a breakdown of what these amounts which are accumulated are there for, and you will see then that not only will we continue taking in reserves and building up reserves but that it is absolutely necessary and essential to do so because of accumulating claims. An amount has to be set against a claim that will keep that claim going on until a widow's life expectancy is finished, which may be thirty or forty years. Therefore, we must make provisions, and every year these accumulate, so that the reserves are not considered to be an adequate amount until you get up around the vicinity of about ten million dollars. Then you have sufficient reserves built up to carry on your claim. And these are figures that are all gone over by the fact-finding board. That will be brought out, as I say, in the report that will be tabled here in the course of a few days. It is a very interesting document, and as my honourable friend mentioned, that

Board is doing an excellent job, and I shall probably have more to say about it when I present the report.

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 Agricultural Societies Act":

DR. ROWE: Mr. Speaker, the Agricultural Societies Act, Chapter 137 of the Revised Statutes gives the authority for the creation of the agricultural societies, and outlines their functions and privileges and so on.

However, there is one serious omission in the past. That is that no society has the right to borrow. This amendment would give societies the right to borrow money. That is the only change. Section 4 is re-written to include the words "borrow money." This amendment will rectify the situation.

MR. BROWNE: It is a slight amendment, which, of course, arises out of an oversight, I suppose, when the Act was originally passed. Because if there is a corporation with the right to hold property it should certainly have the right along with it to borrow on certain of that property.

The only question I have to ask the Minister arises out of the third section which makes it retroactive to the 1st of March this year, Mr. Speaker if, the honourable member may answer the question.

DR. ROWE: In answer to that question I think the answer probably lies in this; the bank probably anticipated or assumed these revisions might take place, and, I don't know, probably advanced the money to some society that needed it. I imagine that the bank would be quite willing to advance the

money anyway, even without this, but technically it would be better for us to have this amendment made to the parent legislation, I take it.

MR. HOLLETT: I take it then the only reason is in order to make legal something already done by this particular society in connection with a loan from the bank. Is that what I gather?

DR. ROWE: No. I am assuming that may be the answer to that question of the Honourable Leader of the Opposition, that it permits any society to borrow. We put it back to the 1st day of March. Then in the event that this society, this particular society has been advanced money, (I don't know actually that it has been, there is a possibility that it has) that has been covered by including the 1st day of March.

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

Second reading of Bill "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters":

DR. ROWE: Mr. Speaker, most people in Newfoundland have become concerned in recent years over the contamination that has taken place in our streams and in our ponds and lakes and also over the almost disgraceful conditions that exist in certain parts of Newfoundland particularly where there is a large number of picnickers and others who have been making use of picnic sites and other places along the roadside. We are living in an age of tin cans and bottles and cartons and with thousands of people on the roads—A few years ago it did not matter so much because very few travelled by motor car—But with thousands of

people now owning cars and trucks and resorting to streams and ponds and picnic sites (of which, by the way, we have something like 125 already) the problem of keeping these places from contamination or from simply becoming unfit for use, is a quite serious one. I think most of us know that last year a number of the streams and ponds in the vicinity of St. John's became contaminated and swimming was prohibited in a number of them. I don't know if that situation will ever be remedied in some of these streams and ponds. Certainly we should be doing something to try to prevent further deterioration along these lines.

Already some legislation exists under the Department of Health. Nevertheless, the Department of the Attorney General, who were our legislative advisors in this matter, after looking into existing legislation, felt that it did not go far enough, was not comprehensive enough, and separate legislation was necessary if effective action was to be taken. This Bill, which is only short, gives the Minister the right to declare such areas on Crown lands, and on private land, with the permission of the owners of such land, and in issuing a permit for a dumping area, the Minister may attach certain conditions to it. An obvious condition that might be attached, for example, is that permission to dump certain types of rubbish might be granted whereas it might not be granted to cover all types. And there is some protection for industries which have to dump waste into streams and so on. Other than that no person can dump waste material along the banks or within two hundred and fifty feet of any non-tidal waters, which obviously would cover our streams and our ponds and lakes.

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

MR. BROWNE: Mr. Speaker, it is very hard to see how anyone can have any criticism to make of this Bill in principles as a whole, which is to help to bring about conditions which will give a tidy countryside. But looking it over, there are some sections to which I think some objections might be made when we get into Committee. I do know there are many places where there are heaps of disused cars dumped, and creating an eyesore. And my learned friend on my left here suggests that saw mills frequently dump sawdust into a river which might even be a salmon river, which would be a very bad thing in regards to fish. Whether it has anything to do with the scarcity of salmon, I do not know. But in Nova Scotia the salmon has been depleted in the last two, three or four years to a much greater degree than ever known before.

The sections to which I refer are the ones where owners of private land have to have permission to dump waste material on their own land. But I suppose if the land is contiguous to the inland waters (and I suppose inland waters include estuaries of the sea as well as lakes) no it applies only to non-tidal waters.

The other section is in respect of the two hundred and fifty feet along the bank of the tidal water. I presume it is meant where there is a watershed flowing into that particular stream. Because 250 feet away from some waters may not affect that water at all. It may be running off in another direction. These are matters which could be taken up in Committee. Otherwise, Mr. Speaker, it is a good idea. The Minister has a lot of good ideas.

MR. SMALLWOOD: Including conferences.

MR. HOLLETT: And mink.

DR. ROWE: Mr. Speaker, as the honourable and learned member for St. John's West intimated, some of these details can be looked at in Committee. The Government has not any hard and fast decision on this thing. This is a Bill to help remedy a situation which is rapidly becoming worse particularly on Avalon and indeed all over the highways and roads opened up. And indeed any minor changes which would not affect the principle of the Bill would be considered in Committee.

Mr. Speaker, I move the 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 to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955":

DR. ROWE: Mr. Speaker, if the House will recall, in 1951 Frobisher Limited was conceded 6,410 square miles in central Labrador, for exclusive exploration for a period of three years. That agreement expired in 1954, last year, and Frobisher was conceded exclusive exploration rights to 498 square miles, that is, the reduced right under the original agreement. They shed the greater part of the concession area and got a right to 498 square miles. Shortly after the 1955 Act came into force they found that one of the areas which they had shed was an area requiring further intensive exploration. So they applied to the Government and the Government, in view of the very promising result of that—

MR. BROWNE: In other words they have no grant on that at all?

DR. ROWE: I did not say that. I

did not say that that area adjoining the 498 miles they had found another area where they did extensive research and diamond drilling. So the Government gave them that, as it had every right to do under the Crown Lands Act. However, in view of the fact they already had an agreement covering the previous area, the principals of Frobisher Limited requested us to have this incorporated in their agreement.

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

MR. HOLLETT: I wonder, Mr. Speaker, if the Minister could have that deferred until tomorrow?

DR. ROWE: That is quite agreeable.

On motion debate on second reading deferred until tomorrow.

Second reading of Bill "An Act to Amend the Saw Mills Act":

DR. ROWE: Mr. Speaker, in moving the second reading of this Bill, I need say very little except that the original Saw Mills Act has some ambiguity about it when it came to giving saw mill licenses to those who wished to operate on Crown Land and those who wished to operate on private land whether their own or land belonging to other people. Because of this ambiguity and because of the fact that some confusion existed in the Division of Forestry in our Department, again on the advice of the Department of the Attorney General, it was felt that we ought to make some amendment which would clarify the situation and make it abundantly clear as to what were the rights of those who operated on Crown Land and those who operated on private land.

This provides for the issuing of two

separate licenses, a license to operate on Crown Land and a license to operate on private land. A person may have either or both. That was something that was not too clear in the old legislation.

I don't know if there are any details there, if so, perhaps we could deal with them in Committee.

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

MR. BROWNE: Mr. Speaker, could the Minister tell us what the old sections were that have been repealed and indicate the changes?

DR. ROWE: Has my honourable friend got the Consolidated Statutes?

MR. BROWNE: No, I have not got them. That is why I ask if you have them at hand.

DR. ROWE: Chapter 188, paragraphs 4 and 5, Section 2, Chapter 188, These are the definitions of private licenses. And in the light of experience these definitions have been amended.

MR. BROWNE: What other kinds of land are there?

DR. ROWE: I don't know why the Attorney General's Department felt that that should be inserted there, but apparently it is a legal point, and it is necessary to make sure there is no confusion. Private lands mean other than Crown Lands.

I don't think that there is any important principle involved here. It is more or less an administrative amendment for the granting of licenses and to prevent some of these small ambiguities that occur from time to time when people want to operate on either Crown or private land.

Mr. Speaker, I move the second reading.

MR. BROWNE: Mr. Speaker, there are some points in the definition that I will bring up in Committee, not now.

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 Crown Lands (Mines and Quarries) Act":

DR. ROWE: Mr. Speaker, this is an amendment designed to meet a particular situation: When a person stakes a claim he has the right, after three years, under the Crown Lands (Mines and Quarries) Act to take out a development license, and that development license is renewable each year, if he wants to carry on. It must be renewed each year, annually.

Now the original Act spells out what happens if a man has done his assessment work during his three years that he stakes out his claim. It spells out what happens if he does not take out the development license. It does not spell out what happens if he takes out a development license for one year and does not renew it the following year.

The original Act, Chapter 175 of the Revised Statutes, 1952, is amended by deleting paragraph (e) of subsection (1) of Section 47 and substituting a new (e) "a period of three years has elapsed since the date on which the certificate of record was issued and the person in whose name the mining claim is recorded does not, in respect of that claim, hold a valid development license or a valid renewal of that license which has been obtained in accordance with this Act.

Actually it is not very important,

but what it does is to give guidance in a particular situation which has arisen at least once, arose in connection with one of the Fluorspar companies in St. Lawrence, where just through an oversight it did not meet the requirements, and then nobody in the mines branch knew exactly what to do, because it was not spelled out in the original legislation. This amendment here, which again can be looked at in Committee, as far as we are concerned merely tells what is supposed to happen in the event a man takes out a development license and then does not renew it the following year.

Mr. Speaker, I move second reading of this Bill:

MR. BROWNE: Mr. Speaker, this is a technical question, it seems to me there is a lot more in it than the Minister says, because it seems to have the effect at least of continuing the period for which the license may still be in good standing up to three years. Because as I have it here, Section 55 reads: Subject to this Act the Minister may issue to any holder of a certificate of record, a development license relating to the lands covered by the certificate, if the holder applies for the license at any time during the period between the date on which the certificate was issued and the expiration of three years from that date, upon the payment to the Department by the holder of a fee of ten dollars and an annual rental of fifty cents for every acre covered by the license, and (2) a development license may not be issued under sub-section (1) in respect of more than six mining claims of forty acres each and when issued is valid for one year from the date of issue and may not be transferred ex-

cept with the consent in writing of the Minister.

Now in the old section the development is not obtained in connection with that — "The Minister shall" — with the right upon the Minister. Now this is put in. Whether it is any more years or not I don't know. Perhaps the Minister can tell us whether it adds three years to this three already given under 55.

Mr. Speaker, I have no objections to second reading going through, and he can answer later on.

DR. ROWE: That point, Mr. Speaker, I don't think my honourable friend is clear on. I think he needs a little more time to read the section. However, as he said, that is a point we could clear up in Committee, and might very well in the interim get some legal advice on it. But I don't think he is talking about the same thing. I think he is confusing there the three years assessment period with the development period which is something following after the assessment period. As he said, we can clear that up in Committee.

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 all further Orders of the Day do stand deferred and that the House at its rising do adjourn until tomorrow, Wednesday at 3:00 of the Clock.

The House then adjourned accordingly.

*Wednesday, March 21, 1956*

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

MR. J. R. COURAGE: Mr. Speaker, I beg to present a petition from the residents of Coomb's Cove, Boxey, English Harbour West, Stone's Cove, Anderson's Cove, St. Bernard's and other settlements in that area. This petition is signed by more than one thousand voters and asks that they be supplied with electricity in that area.

Now, sir, as far as I know, there are no parts of Fortune Bay-Hermitage which today are supplied with electricity although we have there great water-power potentials not only at St. Alban's and Bay D'Espoir but at Grand Le Pierre and several other places.

I have much pleasure in supporting this petition. I believe that electricity is absolutely necessary for the development of the South West Coast. I understand that it is the Government's intention to set up a power commission and that the chairman of that commission has already been appointed in the person of Commander Desbarats, a very capable and experienced engineer.

I would move sir, that this petition be received by this House and referred to the department concerned. I couple with it the hope that the Power Commission, when it is appointed, will take a special thought to this petition.

MR. M. HOLLETT: (Leader of the Opposition): Mr. Speaker, I rise to support that motion, and as I do so, to remind the House that certain promises were made in 1951 relative to that particular area—And I quote from the platform of 1951, laid down by the Liberal Party at that time when there was a big programme for development of hydro-electricity: "A large amount of electricity can be produced from

the waterpowers of Bay D'Espoir and eighty five thousand h.p. near Terrenceville. I am not sure, Mr. Speaker, but I believe the honourable member who just spoke introduced a similar petition at that time. I am not quite sure, but I rise to support the petition presented by my honourable friend.

HON. J. R. SMALLWOOD (Prime Minister): Now who is talking politics?

On motion petition received for reference to the department concerned.

MR. COURAGE: Mr. Speaker, I beg leave to present a petition to this honourable House of Assembly from Robert F. Horwood, Frederick A. Colbourne, William J. Ryan and Michael J. Downey all members of the Royal Architectural Institute of Canada.

The petitioners, Sir, are desirous of constituting themselves a body corporate, and they wish to call themselves the "Newfoundland Association of Architects" for the purpose of the practise in Newfoundland of the profession of Architecture. They are also desirous, sir, of being incorporated under an Act of this honourable House of Assembly under the terms set forth under the draft Bill which is enclosed with the petition.

I have pleasure, sir, in supporting the prayer of this petition and ask the leave of this House for its acceptance.

MR. SPEAKER: The Clerk has certified that the required fees are in his hands. The petition therefore is according to the rules.

On motion petition ordered referred to a committee on standing orders, to see if the Rules of the House have been complied with.

**Presenting Reports of Standing and Select Committees**

HON. F. W. ROWE (Minister of Education): Mr. Speaker, I beg leave to table in the House the annual report of the Department of Public Welfare for the year ending March 31, 1955.

On motion report tabled.

MR. SMALLWOOD: Mr. Speaker, I think yesterday or possibly the day before I tabled some maps, in response to a request from the Opposition, showing the boundaries of those new constituencies that have been created by the Act or the boundaries of existing constituencies that have been subdivided into two or more. The remainder of the maps I now table.

*Giving Notice of Motion:*

DR. ROWE: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce the following:

A Bill, "An Act to Amend the Social Assistance Act, 1954."

A Bill, "An Act to Amend the Poultry and Poultry Products Act,"

A Bill, "An Act Further to Amend the Regulations of Mines Act."

HON. M. MURRAY (Minister of Provincial Affairs): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Election Act, 1954," and a Bill, "An Act Respecting the Filing and Publication and Consolidations of Regulations" and finally, A Bill, "An Act to Amend the Department of Provincial Affairs Act."

I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Relating to Public Examinations in Schools."

HON. S. J. HEFFERTON (Minister of Municipal Affairs & Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

DR. ROWE: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

DR. ROWE: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Health and Public Welfare Act."

Notice of Questions given by Mr. Browne.

**Answers to Questions**

*Question No. 19:*

MR. SMALLWOOD: Mr. Speaker, I have no answers to questions—None have been delivered to me.

*Question No. 20:*

HON. L. R. CURTIS (Attorney General): I think that question, Mr. Speaker, should be addressed to the Honourable Minister of Health, consequently I am passing it over to him. I don't look after the Mental Hospital.

*Question No. 21:* (Addressed to Honourable Minister of Economic Development).

*Question No. 22:*

- (1) What has been the total cost of the Royal Commission on Forestry to date?
- (2) Give particulars of all amounts paid by way of remuneration

with names of persons receiving same.

Answer tabled by Dr. Rowe.

The following information is supplied by the Honourable Minister of Mines and Resources in reply to Question No. 22 (Mr. Hollett). Order Paper dated March 21st, 1956.

*Question:*

1. What has been the total cost of the Royal Commission on Forestry to date?

*Answer:*

\$98,593.75.

*Question:*

2. Give particulars of all amounts paid by way of remuneration with names of persons receiving same.

*Answer:*

<i>Name</i>	<i>Remuneration</i>
Major General H. Kennedy, Chairman	\$ 7,847.06
D. R. Cameron, Commis- sioner	13,071.43
E. C. Goodyear, Commis- sioner	12,587.56
Roy Forward, Secretary	1,880.36
J. A. Brodie, Forest Fire Protection	993.66
E. S. Davidson, Forest Engineer	6,932.26
J. F. Turnbull, Forest Engineer	9,522.58
H. J. Henry, Aerial Photo- graph Interpreter	858.88
G. K. Goundrey, Economist	2,124.19
W. Knight, Draftsman	600.00

Chas. A. Smith, Hearings  
Reporter 1,100.00

Mrs. H. Whitten,  
Stenographer 2,530.32

Mrs. M. A. Beach,  
Stenographer 425.91

*Question 4:*

Answers to questions asked by Mr. W. J. Browne.

1. Names, addresses and occupations, of all persons invited to the Regional Conferences have already been submitted.

2. (a) Copy of letter of invitation already submitted,

(b) Copy of telegraphic invitation to delegates attached.

3. Delegates arranged their own accommodation.

4. On the basis of their being representative citizens.

5. This question cannot be answered as the information is not in hand.

6. In the case of the Labrador Conference, the Department of Public Welfare.

In the case of Northern Newfoundland and Southern Newfoundland Conferences, the Department of Finance.

7. Authority of the Executive Government.

8. This information is not in hand.

*COPY of letter of invitation to regional conference:*

Mr.

Dear,

The Government will be holding a

Conference on matters similar to those recently held on other parts of the province, commencing Tuesday.

The Conference will be held in the Cathedral Parish Hall, Queen's Road. It is proposed to discuss all aspects of and including health, and welfare services, economic development, transportation, education, etc. The Conference will be attended by the appropriate Ministers and their officers from the Government of Newfoundland, representatives from several Departments of the Government of Canada and private agencies. A copy of the Agenda is enclosed.

I should like to extend an invitation to you to attend or send a representative to the opening session and any other sessions in which you may be interested.

Yours sincerely,  
F. W. ROWE,  
Minister.

Copy of Invitation Sent to Delegates  
by Telegram

GOVERNMENT EXTENDS YOU INVITATION ATTEND CONFERENCE AT ST. JOHN'S (Date) STOP YOUR EXPENSES WILL BE PAID STOP PLEASE CONFIRM COLLECT

F. W. ROWE,  
Minister of Public Welfare.

Date . . . .

LABRADOR CONFERENCE  
February 13th-16th

Rev. F. W. Peacock, Superintendent,  
Moravian Missions, Nain.

Rev. Dr. L. Burry, U.C., North West River.

Rev. Father A. M. Tessier, Pinware.  
Rev. Father J. Cyr, Davis Inlet.

Rev. J. M. Reid, C. of E., St. John's.

Dr. Gordon Thomas, Actg. Superintendent, I.G.A., St. Anthony.

Dr. W. A. Paddon, I.G.A., North West River.

Magistrate H. Noseworthy, Goose Bay.

E. R. Rowsell, Welfare Officer, Cartwright.

H. M. Budgell, Depot Manager, Nain.

Ronald Roberts, Mayor, Happy Valley.

T. D. Lindley, District Manager, Hudson's Bay Co., Montreal.

C. A. Crosbie, Managing Director, Crosbie & Co. Ltd.

Capt. Joshua Winsor, St. John's.  
Capt. Earl Winsor, St. John's.

Donald Andrews, Andrews Labrador Fisheries, St. John's.

Guy Earle, Earle Freighting Service, Carboncar.

C. M. Lane, General Secretary, Nfld. Federation of Fishermen, St. John's.

Claude Howse, Nfld. Representative, Brit, Newfoundland Corp'n. Ltd., St. John's.

NORTHERN NEWFOUNDLAND  
CONFERENCE

March 6th-9th

Canon J. T. Richards, St. John's  
(formerly Flower's Cove).

Rev. Father H. Walsh, Baie Verte.

Rev. P. M. Macaskill, U.C., St. Anthony.

Rev. Father P. McCormac, Conche,  
Pastor Stanley Hancock, Pentecostal

Assemblies, Roddickton.

Rev. C. W. Russell, C. of E., Seal Cove.

Rev. Father John M. Nixon, Port Saunders.

Brigadier Cornick, S.A., St. John's.

Dr. Gordon Thomas, I.G.A., St. Anthony.

Dr. J. Gough, Bonne Bay.

Magistrate A. L. Spracklin.

A. E. Hart, Welfare Officer, Bonne Bay.

Chesley Pittman, Welfare Officer, Harbour Deep.

A. Oldford, Welfare Officer, Hampden.

R. Avery, Welfare Officer, Foxtrap (formerly Flower's Cove).

A. W. Thomas, Mayor, La Scie.

Baxter T. Gillard, Mayor, Englee.

Robert Wells, Mayor, Main Brook.

Edgar McNeill, Mayor, St. Anthony.

Joseph Elms, Fishermen, Quirpon.

W. Maynard, Flying Officer, St. John's (formerly Flower's Cove)

John H. Beaufield, Raleigh.

George Lewis, Fisherman, Goose Cove.

Selby Martin, Bus Operator, Bonne Bay.

Captain U. Strickland, St. John's.

James Knott, Bonne Bay—Fisherman.

Claude Martin, Fisherman, La Scie.

Fred A. Fillier, Mechanic, Roddickton.

Clarence Hewlett, Fisherman, La Scie.

Cecil Fillier, Union Representative, Roddickton.

Dennis Monroe, Fishery Products Ltd., St. John's.

Bernard J. Norris, Merchant, St. John's.

Sydney Thistle, Baie Verte.

Michael Organ, Merchant, Bonne Bay.

Gordon Shears, Merchant, Rocky Hr.

Harold House, Merchant, Port Saunders.

Lawrence Mitchell, Merchant, Norris Point.

Robert Spence, Fisherman, Port aux Choix.

Garland Payne, Merchant, Parson's Pond.

Stewart Blanchard, Taximan, Bonne Bay.

Norman Shepard, Fisherman, Brig. Bay.

Algernon Chambers, Fisherman, Flower's Cove.

Frank Whalen, Fisheries Officer, St. John's (formerly Flower's Cove).

A. H. Marshall, Merchant, St. Margaret's Bay.

Fred Hounsell, Lumberman, Jackson's Arm.

H. C. Rowsell, Fisherman, Englee.

Sydney Combden, Fisherman, Jackson's Arm.

Ralph Hounsell, Jackson's Arm.

Frank Brake, Trout River.

Trevor Bennett, Daniel's Harbour.

John Shears, Merchant, Rocky Hr.

Captain Field, Cook's Harbour.

*SOUTHERN NEWFOUNDLAND  
CONFERENCE*

*March 13th-16th*

Canon G. Martin, Port aux Basques.

Rev. Father M. T. Connolly, St. Lawrence.

Rev. John Watkins, C. of E., Hermitage.

Rev. A. N. Holmes, U. C. Fortune.

Rev. M. Mate, C. of E., Pushthrough.

Rev. Father Luke Woodrow, Harbour Breton.

Rev. Father R. Tompkins, St. Bernard's.

Rev. Father J. Fleming, Marystown.

Rev. Dr. H. M. Dawe, Superintendent, Home Missions, U.C., St. John's.

Dr. C. L. Legrow, Port aux Basques.

Dr. J. Burke, Grand Bank.

Dr. W. Collingwod, Placentia.

Magistrate A. E. Cramm, Channel.

Magistrate E. Jones, Grand Bank.

M. White, Welfare Officer, Port aux Basques.

J. T. Spencer, Welfare Officer, Milltown.

G. Crewe, Welfare Officer, Grand Bank.

E. G. Peckford, Welfare Officer, Marystown.

Mrs. Ethel Williams, R.N., Woody Island.

Jacob Bartlet, Fisherman, Rose Blanche.

Parmenius Pope, Fisherman, Port Elizabeth.

Michael Collins, Fisherman, St. Ann's.

Henry Strang, Fisherman, Lawn.

John W. Simms, Fisherman, Pass Island.

Fred Edwards, Fisherman, Lawn.

Garfield Follet, Fisherman, Grand Beach.

Captain Gerald Hann, Fisherman, Petite Forte.

Michael Carroll, Fisherman, Red Island.

Gabriel Billard, Fisherman, Margaree.

Gordon Harris, Fisherman, St. Joseph's.

Saul Reid, Fisherman, Tack's Beach.

Freeman Green, Fisherman, Isle aux Morte.

Joseph Feltham, Mayor, Port aux Basques.

Maxwell Andrews, Councillor, Burgeo.

R. Mavin, Mayor, Ramea.

Leo Collier, Chairman, Community Council, St. Alban's.

Stephen Hynes, Chairman, Community Council, Harbour Breton.

William Lee, Mayor, Belleoram.

F. M. Tessier, Mayor, Grand Bank.

E. Riggs, Mayor, Fortune.

Isador Tarrant, Chairman Community Council, Lawn.

Aubrey Farrell, Mayor, St. Lawrence.

- Dr. C. Harris, Mayor, Marystown.
- William Ramsay, President, Business-men's Association, Port aux Basques.
- Robert Newman, Merchant, Petite.
- R. Strickland, Merchant, West Point.
- Arthur Chant, Merchant, LaPoile.
- Arch Neil, Merchant, Grand Bruit.
- Augustus Moulton, Merchant, Burgeo.
- D. McDonald, Manager, Co-op, Burgeo.
- Mrs. M. Penney, Merchant, Ramea.
- Albert Banfield, Merchant, Belleoram.
- Captain Gordon Williams, Pool's Cove.
- Joseph Hackett, Mechanic, Terrenceville.
- Harold Freeborne, Harbour Mille.
- George Lawrence, Bay L'Argent.
- George M. Banfield, Merchant, Bay L'Argent.
- Gideon Lorenzon, Merchant, Garnish.
- Harry Walsh, Accountant, Grand Bank.
- Augustus Patten, Clerk, Grand Bank.
- P. Riggs, Carpenter, Grand Bank.
- H. R. Lake, Merchant, Fortune.
- George Bartlett, Councillor, Burin.
- Thomas Jensen, Merchant, Harbour Breton.
- W. J. Abbott, Manager Fortune Bay Products, Fortune.
- Robert Lambe, Merchant, Lord's Cove.
- D. A. Poynter, Manager, St. Lawrence, Corporation, St. Lawrence.
- Alex. Tarrant, Accountant, Nfld. Fluorspar, St. Lawrence.
- Aloysius Turpin, President Labour Union, St. Lawrence.
- R. Moulton, Merchant, Lewin's Cove.
- Gus. Etchegary, Manager Fishery Products Ltd., Burin.
- John Veitch, Inspector Co-ops., Marystown.
- William T. Monk, Clerk, Monks-town.
- John Beck, Caterer, Swift Current.
- Mrs. Mary Canning, Merchant, Presque.
- Mrs. T. Garland, Merchant, Gaultois.
- John Wilson, Manager Fish Plant, Mierasheen.
- Calvin Chaulk, Student Vocational School, St. John's (Burnt Islands).
- J. English, Bowater's, Corner Brook.
- C. J. Bond, A.N.D. Co., Grand Falls.
- C. A. Crosbie, Managing Director, E. P.A., Crosbie & Co. ?
- Walter Davis, Executive Secretary, Nfld. T. B. Assoc., St. John's.
- C. M. Lane, General Secretary, Nfld. Federation of Fishermen.
- C. K. Howse, Nfld. Representative, BRINCO.
- Spencer Lake, H. B. Clyde Lake Ltd., St. John's.
- J. T. Cheeseman, West Atlantic Products, St. John's.

T. Laurentius, Alberto Wareham Ltd., St. John's.

DR. ROWE: Mr. Speaker, I am also tabling the remaining answer to a question on the order paper of yesterday.

*Question No. 4:*

2. A copy of the invitations sent to those invited
3. The city addresses of those who had accommodation provided for them.
4. On what basis was the selection made of persons who were invited to the Conferences.
5. State separately the cost for each conference of
  - (a) Transportation
  - (b) Accommodation.
  - (c) Entertainment.
  - (d) Other expenses in detail.
6. The source or sources of the funds required to pay for the costs of the Conferences.
7. The authority for expenditure of funds on the said Conferences.
8. What amounts, if any, are still outstanding?

MR. ROWE: I tabled yesterday the answer to the first part of the question as asked by my honourable friend, the member for St. John's West, relative to the conferences. I table now the remainder of the question. I don't think there are any comments necessary. The answers are all typed out.

*Question No. 23:* In course of preparation.

*Question No. 5:*

- (a) Certified copies of the Minutes of Council. Copies of Reports and Recommendations of the

Treasury Board in accordance with Section 37. (par. 2) Revenue and Audit Act.

(b) Copy of the Public Accounts.

HON. G. J. POWER (Minister of Finance): Answer tabled.

*Question No. 24:* Answer being prepared.

*Question No. 25:* Answer being prepared.

*Question No. 26:* Answer being prepared.

*Question No. 27:* Answer being prepared.

#### ORDERS OF THE DAY:

MR. HOLLETT: Mr. Speaker, I don't know if it is appropriate to raise this at the moment, but I have been thinking over the motion that was made by the honourable minister of Provincial Affairs yesterday, relative to the two men who lost their lives in St. Pierre. I was wondering if the Government would consider making enquiries into the conditions of these families, in view of the fact that the people of St. Pierre have taken notice of it? Would the honourable minister care to look into that?

MR. ROWE: Mr. Speaker, on that point—The Welfare Officers in the districts have standing orders to make special reports on cases of that kind. I doubt that we would have it yet unless it were telegraphed in. I have not seen any. No doubt within a few days we will have a written report from the welfare officer in the district.

MR. BROWNE: Mr. Speaker, should not Item 1 on the order paper be "Amendment to the Address in Reply."

MR. CURTIS: It is still under the

general order—The Address in Reply.

MR. BROWNE: The amendment is being discussed.

MR. SPEAKER: Perhaps it would be more proper to have "Amendment" in brackets.

MR. BROWNE: Until we eliminate it.

MR. SMALLWOOD: Mr. Speaker, I rise to speak to the amendment to the Address in Reply. The Amendment to the Address in Reply asks for the appointment of a Royal Commission to make an immediate investigation into the status, present and future status, of all Government owned or sponsored new industries. And the reason given is that Superior Rubber Company has been compelled to cease operation. The other reason given is that there is an alleged fear that other new industries financed by public funds are meeting great difficulties. And the Leader of the Opposition in his speech yesterday, seconding this amendment, declared that the life of this Government is at stake in this amendment. And he went on further to say that, if only we will appoint this Royal Commission he will never speak again on the subject of the new industries. And he makes the offer (I took down his words) "I will keep my mouth shut." I assumed when he said that that he would never again speak of the new industries and that he would keep his mouth shut, that is including all direct and indirect references to the new industries and those associated with the new industries, such as Dr. Valdmanis or Max Braun-Wogau and Mr. Eckhardt and Mr. Koch and a number of other Germans.

Now I am torn personally between two powerful desires, one: Adopt the amendment, appoint the Royal Com-

mission and stop the honourable gentleman now for all time on the subject of Dr. Valdmanis and all the others associated in that sense with the new industries, and the other equally powerful desire to have the honourable gentleman continue speaking about Dr. Valdmanis and all his friends. (I mean Dr. Valdmanis's friends). Because if the honourable gentleman were to follow the first of these courses, that is to say to close his mouth on that subject, what on earth would he find to talk about in this Chamber?

MR. HOLLETT: Boglands.

MR. SMALLWOOD: He never talked about anything else since he came in here. He has not as yet been able to find another topic. If he is to stop talking about Valdmanis and the new industries we are going to have a magnificent example of eloquent silence from the honourable gentleman from that time on.

So, Mr. Speaker, I don't know what is the best thing to do, whether it is better to suffer the slings and arrows of outrageous speeches from the honourable gentleman on Dr. Valdmanis or to suffer the even greater slings and arrows of outrageous silence on the part of the honourable gentleman.

Mr. Speaker, there is no need of a Royal Commission. I do not, on reflection, propose to support the idea nor to vote for it. I propose instead to endeavour to show that there is no need of a Royal Commission.

Sir, on the purely industrial side, the Government have enabled the creation of eighteen new industries in its seven years in office. Now there are others besides these eighteen industries established. There were fisheries industries established. But on a purely industrial side there are eighteen of

them, the cement mill, the gypsum plant (there is no need for anyone taking down these names because I have had them typed in a list of which I have ample copies for distribution, so that neither my honourable friend nor anyone need jot down these names. I will have them distributed in type-written form). the birch plant (so called) the machinery plant (CMIC), Atlantic Hardboards Industries, Limited, (that is the plant in there beside the birch plant), Atlantic Gloves at Carbonear; Koch Shoes at Harbour Grace; Gold Sail Leather Goods at Harbour Grace; William Dorn, Newfoundland Tanneries at Carbonear (the small leather garment factory at Carbonear), United Cotton Mills in St. John's; Terra Nova Textiles in St. John's; the Battery Plant (Hanning Electric) in St. John's; the rubber plant at Holyrood; Eckhardt Mills at Brigus; Atlantic Films and Electronics in St. John's; the plant at Clarendville (the creosoting plant) and finally Adler's Chocolate Factory at Bay Roberts.

Incidentally Mr. Speaker, when the page comes in I will take pleasure in sending the honourable the Leader of the Opposition a chocolate bar from Adlers. It is a little crushed. I have had it in my pocket. It has melted a little. But I will straighten it out and it will still serve. I would like him to enjoy my speech while munching at a chocolate milk bar from Adlers in Bay Roberts. I think he will enjoy a little talk of mine on the new industries as he enjoys the flavour and goodness of one of these products of our Newfoundland skill.

MR. HOLLETT: Mr. Speaker, has it been passed by the inspectors of food?

MR. SMALLWOOD: It has passed inspection. It is made by one of Eng-

land's greatest firms, now in Bay Roberts. He is a naturalized Englishman.

MR. HOLLETT: Mr. Speaker, may I seize this moment to thank the honourable the Premier for this very handsome package he has given me, although I shall refrain from eating it at the moment. I am not quite certain of the contents; and it has not been passed by the food inspector here and it gives its address: A. Adler Ltd., 14-18 Nile Street, City Road, London, N.I.

MR. SMALLWOOD: The wrapper is one of a few hundred thousand wrappers that the firm brought with them to Newfoundland from their factory in London. The wrappers were of course printed in England, and I think will be continued to be printed in England when they run out of the present supply.

I am disappointed that the honourable gentleman does not trust me. But I assure him, election or no election, I want to see him here in this House. And far be it from me to hasten his departure from this Chamber. And he can eat that chocolate very safely.

Eighteen of them, sir, have been, you might say, brought into existence by means of financial assistance provided by this Government. I see no reason as I look them over for supporting the idea of a Royal Commission to investigate. I don't see any need of there being an investigation. Most of them are doing very well indeed. Let me run down through them:

The Cement Mill at Humbermouth: The Cement mill is doing very well. They are breaking even. That is to say, they are meeting their operating expenses out of their operating income. They are making their way. They

are breaking even. They are in the black, as we say. And they are a little better than that. They are taking in over a quarter of a million dollars a year. But their operating expenses, their operating income is more than a quarter of a million dollars. But their operating expenses, they are making enough money in their operation to pay all their running expenses and to pay the interest on their loan from the Government. They are not also making enough to reduce the principal amount, the actual principal of the loan. That will come. The product of that plant is admittedly of first quality, first degree. Everyone in Newfoundland knows that the North Star Cement is a first-class article because everyone in Newfoundland is using North Star Cement. You rarely ever today see any other cement used in this province. Rarely, I say, rarely ever, perhaps as much as one percent. Perhaps as much as one percent of the cement used in Newfoundland is not North Star. It is doubtful if there is as much as one percent. Over 99 percent of the cement used in Newfoundland is made by North Star Cement at Humbermouth now.

To the end of this calendar year this company will have spent in this province in wages and salaries and purchases of goods and services in Newfoundland, over seven and a quarter million dollars. That they will have poured into our Newfoundland economy. That is money that has gone into the pockets of Newfoundlanders by birth and by adoption. Some of them are Newfoundlanders by adoption. They still have, I think, a small number, six or eight, I think, German, key technicians working in the plant. But they are what I would call Newfoundlanders by adoption.

MR. HOLLETT: Some of that is for machinery.

MR. SMALLWOOD: No. None is for machinery. That is for wages and salaries and purchases in Newfoundland of goods or services. When I say services I think of such things as electricity made in Newfoundland and sold in Newfoundland. Services would include trucking. If you engage a truck to do some trucking for you, you are engaging a service. In the year just passed, 1955, that company distributed amongst Newfoundlanders in the things I just mentioned, \$1,166,000. And in this present year they will distribute in the same way wages and salaries, local purchases and services \$1,300,000 or a total to the end of this calendar year of more than seven and a quarter million dollars.

Now I don't think that industry requires any Royal Commission to investigate it. It is doing very well. It is one of our flourishing Newfoundland industries, sound, solid, profitable and on the way to getting themselves in a position of starting to pay back the original cost of the plant itself.

Then we come to Atlantic Gypsum: That is the Gypsum Plasterboard and Plasterlath and plaster. This plant is also at Humbermouth. I am very happy to say is breaking even too. The company is now in the "black" from the standpoint of straight operation, i.e. it is now taking in from its sales, from its production which it sells, enough in operating income to pay all its operating expenses and last year with a hundred thousand dollars to spare. It took in this year just passed, 1955, more than a hundred thousand dollars operating profit. They are making a product which is first-class. In Montreal today and

Toronto and Hamilton and Kitchener and many cities and towns of Ontario and Quebec there are now, at this moment, hundreds of buildings, office buildings, schools, sealed inside with the plaster board or plaster lath or plaster made by this plant in Humbermouth. Not only that but at this moment as I speak there are in the United States many thousands, many, many thousands of schools and office buildings finished inside with plaster-board or plaster-lath or plaster made in Humbermouth by the Atlantic Gypsum. Their sales across Canada, in the United States and here in Newfoundland are ample to absorb the full production of the plant, just as much as the plant can make it can sell at an operating profit. I will come back to that point, to the emphasis I am placing on the word "operating" as distinct from other kinds of profit.

To the end of this last calendar year this company will have put into our Newfoundland economy, that is to say it will have contributed in wages and salaries and local purchases, \$4,700,000. In 1955, this year just passed, they distributed \$831,000 in these forms that went into the pockets of the Newfoundland people except for a tiny fraction of Latvians, three, four or five in the plant and two Englishmen and there might be a German. But except for these six or eight people they are all native-born Newfoundlanders. This year 1956, such is their rapid growth, the figure will run over one million dollars. A cool million cash will be distributed to Newfoundlanders by that plant. And every dollar of that million will come into the company's coffers from the sale of its first-class product.

I don't see that there is need for

a Royal Commission or any other commission to investigate the conduct or the state or the status of Atlantic Gypsum Limited of Humbermouth.

MR. BROWNE: Have you not sold that plant?

MR. SMALLWOOD: No.

MR. BROWNE: It states in the Auditor General's Report it has been given an option.

MR. SMALLWOOD: Giving an option to buy is not selling.

MR. BROWNE: I wonder if the honourable the Premier would allow a question before leaving the Gypsum Plant. I asked a question last session as to the amount of money this plant cost up to the 28th of March 1955. The figure was given as \$3,354,000. Now in the Auditor General's Report it is \$3,855,000. In other words it is five hundred thousand dollars more. What I wish to ask is; did the Government, after the 28th of March last year, grant a loan or advance?

MR. SMALLWOOD: No. What we did do was to guarantee a bank loan. The bank made a loan of half a million dollars on our guarantee. That is to finance considerable expansion of the plant, which has not as yet begun to come into effect. My honourable friend must have read or heard at the time of the return of the Attorney General, the minister of Finance and myself that we made a deal with Bellrock of London and John Lawrence of Scotland, a fabulously great construction man and builder of homes. We visited great areas of Glasgow with hundreds of magnificent new homes built by John Lawrence. John Lawrence and Norman Lowden of London made a partnership in the taking over of the Gypsum Plant in Humbermouth.

MR. HOLLETT: That was converted into a cash loan?

MR. SMALLWOOD: I think not. Speaking from memory, I think not. At all events later in the session all the facts will be stated because, of course, it has to come before the House in the form of legislation. At that time the full detailed account of the affair will be given to the House. At this moment, for my present purpose, there is no need of my doing it here today.

Then we move on to the famous birch plant, which, in my own personal view, has been always one of the most or perhaps the most promising of all the local industries because of the fact that in its very nature it would be a big giver of Labour. It is what is usually called a labour-heavy industry, an industry that uses a lot of labour as distinct from machinery and a highly mechanized production. I have always been extremely keen about it.

To the end of this year that company will have distributed to our people, to the Newfoundland people, in the form of wages and salaries and local purchases, a total of \$6,122,000. That is from the beginning to the end of this present year. And in 1955, the year just passed, the figure was \$1,180,000, which went into the pockets of the Newfoundland people. I think five men of them are Newfoundlanders by adoption. The actual production manager is a Yugoslav, a little dynamic fellow, a ball of energy, a wonderful worker who has increased the production and efficiency of the plant. He is a Newfoundland-er by adoption. And there are several others. In this current year they will

expend, under the same heading, one and a quarter million dollars. \$1,250,000.

This plant, has had, as the House well knows quite a checkered career. It has been under two types of management.

MR. BROWNE: May I ask a question? You don't include the cost of the plant?

MR. SMALLWOOD: No. If I were to include the cost of the plant it would be a figure much greater.

MR. HOLLETT: Mr. Speaker, may I ask the honourable the Premier if that figure distributed for salaries, wages, services and so on — Now I look at the Auditor General's Report, November 1955, a guarantee of \$1,215,000.

MR. SMALLWOOD: That will have to be explained, and of course will be explained at the time that the ratification of that loan is brought down, as it will be in this present session, as it must be. That is not included in any of these figures. That is explained in this way: The company has gone in heavy for the manufacture of mahogany plywood. And as a good many in the House are well aware, the plant is now manufacturing a very large quantity of perfectly beautiful mahogany plywood, as good mahogany plywood as has ever been made in any plant in any country. The mahogany is brought from the African Coast, the Ivory Coast of Africa. It is African mahogany. It was brought in at first in relatively small amounts. That is to say some large steamship would be loaded with mahogany for some American plywood plant in the United States and perhaps some Canadian mainland plywood plant would

take on a couple of hundred mahogany logs. These logs, of course are huge affairs, as members who have been in there or who have driven by on the road must have noticed. Even a couple of hundred of them is really quite a shipment. But on a ship of that size it would be just a few logs on deck. It was expensive to bring this mahogany in, I mean relatively expensive. Actually it is cheaper to bring them from the Ivory Coast of Africa, it is cheaper landed in the yard in there than it is to bring birch logs from half way across the island. That is incredible but it is nevertheless true, the simple truth. So, as I say, to bring them in in this small number in these large ships on their way to Canada or the United States was a relatively expensive proposition. Furthermore it meant that the plant would be operating from hand to mouth. Before the next shipment arrived the first lot were used up, and so the plant would have to go on part-time for maybe a month until another shipment of mahogany logs arrived.

So it was seen and argued that the sensible thing was to bring in a shipload, a very large number of mahogany logs, enough to last for a year. So it was proposed to us, and the facts were stated. We agreed that it appeared to us to be a sensible and sound thing to do that the plant should bring in a full steamerload, a year's supply of mahogany logs. They could not finance it. The bank agreed to finance it for them on our guarantee, and out of the regular weekly and monthly cash income from their sales a first charge after the ordinary running expenses, of course, is at the bank. They lent them the million dollars or whatever the amount is.

That does not figure in these accounts whatsoever. They just don't appear here, and there is no reason why they should. I say that that plant is producing a very beautiful product in the form of plywood, mahogany plywood, (birch plywood I should put first because it is our native form of hardwood) walnut and oak plywood. Then in addition to that they are producing mahogany, birch and oak flooring, the birch a local birch, the oak imported. They also are manufacturing a very high-class door, slab or flush door. They have taken the trade in Newfoundland for flooring. Very little flooring is now imported into this province. Newfoundland Hardwoods Limited has virtually taken over the trade of Newfoundland in flooring, and in the next year or two it will be exclusively the production of this plant. But as I say, there will always be certain exotic woods which it won't pay to bring in to Newfoundland for manufacture in the small quantities to meet the demand. These will continue to be imported and similarly with the manufacture of doors. The plant manufactures mahogany doors, walnut doors, oak doors and, of course birch doors.

MR. BROWNE: Veneer?

MR. SMALLWOOD: Plywood doors of course. Some are handmade and some machine made. Some are made to order, custom made and some are plant assembly line products. But shortly the whole door trade of Newfoundland and the whole flooring trade of Newfoundland will be produced by this fine plant in on the Topsail Road.

Finally they are turning out another product of which any New-

foundlander can be proud. They are taking the fiberply, that is the press-board, from the Atlantic Hardboards Industry across the track, up on the side of the hill, bringing it down to the plywood plant and veneering it with plywood, mahogany, oak or walnut or birch. They are veneering this fiberply, which gives you a table top as handsome and as beautiful and as good as the top of this beautiful table here, which is a handcraft table made in the province of Quebec. That, of course, is being used in the furniture trade.

So I say, the birch plant, with its checkered career, launched under the personal supervision of Mr. Chester Dawe, managed for several years by Mr. Chester Dawe as a sort of sideline in a man who had large interests of his own apart from the plywood mill and flooring plant, now in the hands of a man who has spent his whole life in this kind of business in France which he now owns, he and his partner, and operates a plywood mill just outside Paris and in Montreal and now this third one, which they don't own as yet but which they are operating with ever increasing efficiency and success. I say after a checkered career, my own personal faith in that plant, which has never wavered for even a moment, even in the blackest moments of its history, now is justified. It now is coming through with flying colours, and certainly is not in need of any investigation by any Royal Commission.

Now I come to one which is going to surprise the House, "CMIC": This machinery plant, which is not by any means the great industrial enterprise that was described for me by Dr. Valdmanis and by me described to this House — it is certainly not that —

nor does it give any indication whatsoever as yet of becoming that. Nevertheless, that company paid out here in Newfoundland last year, in wages and salaries and local purchases one million five hundred thousand dollars, and will pay out a like amount this year. It might be a little less or it might be a little more. The bulk of it is right inside its four walls. It is almost incredible. To the end of this present year that company will have paid out, within Newfoundland, in wages and salaries and local purchases \$6,230,000.

MR. BROWNE: Is it in the building trade, making money.

MR. SMALLWOOD: No. It may be making some. It actually made operating profit this year just passed inside the walls of the plant it made an operating profit of seven thousand dollars. Now that is trifling, admittedly. Seven thousand dollars on so large a turnover is exceedingly small, but it is a profit, an operating profit. They did not go into the hole on operations.

MR. BROWNE: What was their sales?

MR. SMALLWOOD: I have not that figure.

MR. BROWNE: No.

MR. SMALLWOOD: I have what figures I need for my purpose here with me today. And the figures that was paid out in wages (that is not their turnover) and salaries and local purchases combined was \$1,500,000. So their turnover probably was two and a half million. That is inclusive of everything.

MR. BROWNE: They took on big contracts.

MR. SMALLWOOD: That is perfectly true. But inside the plant itself they did a million dollar business.

MR. BROWNE: Including the school desks.

MR. SMALLWOOD: Seven or eight per cent of their business consisted of school desks and ninety odd per cent is not school desks. My honourable friend may not be aware of it, but right now the plant in there is building a three mile penstock of probably thirty to forty inches. I don't know for sure, but know it would be around thirty inches or more in diameter, but it is three miles long.

MR. BROWNE: For where; in Newfoundland?

MR. SMALLWOOD: Yes. And not only that, they are now negotiating, whether they will get anywhere with it or not, for the construction of a large number of tank silos, like you see on the Southside, across the Harbour, in which gasoline is stored. The mainland at the moment cannot get an order filled anywhere on the mainland for these silos, gasoline tanks, holding hundreds of thousands of gallons each. They are now negotiating. It may sound a little crazy to manufacture them in Newfoundland and freight them up, in pieces, of course, and weld them together on the job. Nevertheless often that sort of thing is possible when there is a great shortage as there is at the moment of production capacity for that in Canada due to the vast growth of the oil industry.

MR. BROWNE: Is the penstock being built for the power development in Trinity Bay?

MR. SMALLWOOD: I am not

sure, to be quite honest, which power development it is. They are negotiating for several other power projects in sight for development in Newfoundland, because there are a number to be developed. If you can build a perfectly fine steel penstock and make it in Newfoundland and the price is competitive why not make it?

MR. BROWNE: The price is competitive?

MR. SMALLWOOD: The price is competitive or they would not get the order. No one gives it to them as a favour. They have not been so prized by my honourable friends opposite as to have won the love of the commercial and industrial community of this province. What business they get they will get on merit. So, Mr. Speaker, I don't see at the moment any necessity for an investigation of "CMIC" by a Royal Commission. They are breaking even and even making a small (admittedly a very small) operating profit for the year.

MR. HOLLETT: How many men are employed?

MR. SMALLWOOD: I will come to the people employed at the end of the whole story: Now I take the Atlantic Hardboards Industries:

There again is an industry in which, from the beginning, I had great faith. My honourable friend the Attorney General will remember in Germany once, he and Dr. Valmanis, the minister of Finance and I were at lunch one day in some industrial city. We were discussing the prospects of the various new industries. We agreed that each one of us would write down privately on a slip of paper the order, in his opinion, of their success. I put Atlantic Hardboards at the top of my list. I was

the only one who did it. One of them, I am not sure which had the cement plant at the top of his list. But each varied in his opinion as to which plant had the best prospect of success. I took Atlantic Hardboards as the top one and my second was Newfoundland Hardwoods, i.e. the Birch Plant.

To the end of the current year this company — they have come to the breaking even point. They are in the black. They are not losing money now on operating account. They will have spent to the end of this current year two million one hundred and nine thousand in wages, salaries and local purchases. Last year they spent under those headings four hundred and fifty-two thousand, almost half a million dollars cash. Most of that, of course, was in wages and salaries. This year they will spend five hundred and thirty-two thousand dollars.

Now, Sir, my faith in that plant has been very largely vindicated. That plant can now produce all of its products that it can sell, all of its products for which, as the economists say, there is an effective demand, not just a casual and wishy-washy but a positive demand would have to be three times as big as they are. They can only turn out one-third of the stuff that is wanted. Order after order has to be rejected. What is happening is this: They made a mistake actually of putting out their product as a building board. It is far too good to be a building board because it has to compete with cheaper qualities of building board. So, since Mr. Grant came into Newfoundland and took over Newfoundland Hardboards, at our request he agreed to look into and did look into the whole question of marketing this fibreply (as it is called) on the mainland of Canada.

He was wise enough to see at once that it was just silly for that magnificent factory and that magnificent product to be wasted just on the building trade. It was too good a product. It was unnecessarily good, let us put it that way, it does not need to be as good as it is. There is value in it that is not needed. That value costs money . . . Therefore it should not be sold to the building trade, but should be sold to the trade at a better price than the building trade would be willing to pay, and that trade, of course, is the furniture trade.

Mr. Speaker, the dining table in your home and certainly the dining table in the house I occupy (I have not got a home but I rent a house) is a handsome looking thing, as no doubt is this table here. Whether it appears to be solid mahogany or solid oak or solid walnut it is a fraud and a delusion. It is not solid. The mahogany is about  $1/3$  of an inch or  $1/6$  of an inch thick, It is three ply cross-grained plywood, one band this way, one another and a third this way. That gives terrific strength and with a thin skin of mahogany or some other wood glued on to something. That something has always been ordinary, or for a long time it has been soft wood cut into squares an inch strip, an inch square, glued together and then planed smoothly and the plywood glued on to it under pressure and there is your solid mahogany table or solid oak desk in your office. The lumber core is the soft wood; That is the core of the table top or the desk top or the front and sides of a chest of drawers or a sideboard or a radio cabinet or a television cabinet. The interior you don't see is the lumber core. And fibreply is incomparably better than anything else known now so far in

the world as the lumber core for furniture. It does not warp. It does not shrink. It does not bend because it is made up of millions of individual particles or chips facing every possible and conceivable direction of the compass and bound together so it can't bend, can't warp. And the furniture trade is turning very rapidly to the use of this fibreply, so much so that they have abandoned their dry kilns, scrapping them, putting them out of their factories, abandoning the machines they had for binding together the lumber core. These are scrapped because they get a carload of fibreply and all they have to do is veneer it. This plant is turning out to be a brilliant success. It is breaking even, in the black on operations. They could sell three times as much as they are able to produce.

They are now working around the clock, three shifts and they are only producing one-third of the actual physical demand.

MR. HOLLETT: Mr. Speaker, may I interrupt there? Surely the honourable the Premier could tell us why even with that success they had to get nearly seven hundred thousand dollars from the Government last year. He is not giving us the full story. It is one-sided.

MR. SMALLWOOD: I would give the honourable gentleman the story if he would leave me alone for a while.

MR. HOLLETT, The honourable the Premier did not leave me alone yesterday.

MR. SMALLWOOD: I had a few pleasant interruptions just to help the

honourable gentleman along, assist him in his argument, that is all.

MR. HOLLETT: That is good!

MR. SMALLWOOD: Koch Shoes: Now believe it or not Koch shoes are breaking even, i.e., on their operations. Gold Sail Leather Goods, also in Harbour Grace, are breaking even on operations.

The Tanneries: Incidentally here is quite a story. Really, to be quite candid with the House, the plant I thought had the least chance of succeeding is the Tannery in Carbonear.

Now for the last two or three years that is what I thought. Then suddenly, out of the clear sky, not one but several miracles occurred. The miracles are these. Down from the mainland of Canada come in succession a number of great boot and shoe manufacturers, but nearly all of them makers of the same kind of boots, i.e. hockey boots. The last who came was the manufacturer of the famous hockey boot "Daoust" or, no, it is a German name, I think "Boeur," I think. They are a very great manufacturing firm in some town in Ontario, Hamilton, I think. But he personally arrived in Carbonear the other day and placed an order which they could not accept, a trial order for three hundred thousand square feet of leather. This three hundred thousand square feet came on top of orders received just within weeks before, that ran to over eight hundred thousand square feet. As fast as they can train men now they will take them on, until they are operating around the clock. He has hit pay dirt, gold. Mr. Dorn, after three years of very hard plowing and precious little success has suddenly hit the rainbow or the rainbow has hit him, and he is in the "black."

United Cotton Mills here in St. John's are in the "black."

Terra Nova Textiles are in the "black" and making a small operating profit.

Atlantic Films are in the "black" and made a slight operating profit last year.

Finally the Clarendville plant is in the "black" and making a profit.

Now that is twelve of the eighteen that are in the "black," and of the twelve, eight are making an operating profit. Now let me tell the House what I mean when I use this word repeatedly "operating profit." Not one of the plants as yet, not as yet, is making enough profit to reduce its debt and also pay the interest on the debt. After they have paid their running expenses that is. Two of them are making enough profits now to pay all their running expenses, pay the interest on their debt — two of them are doing that.

MR. BROWNE: Which two?

MR. SMALLWOOD: The Cement Mill and Terra Nova Textiles. These two are making enough to do everything except reduce their principal, and that will come.

Now the six that are not yet in the "black" are Atlantic Gloves in Carbonear; the battery plant out here on the Topsail Road; the Rubber plant which has been disastrously bad and has failed and had to be closed out altogether; Eckhardt Mills in Brigus and the Chocolate factory at Bay Roberts. These six have not as yet been able to break even.

The chocolate factory has just started producing the other day, and you

would hardly expect that one yet to be breaking even.

MR. BROWNE: You only listed five that time:

MR. SMALLWOOD: Well, I will try it again: Atlantic Gloves (1); Battery plant (2); The Rubber plant (3); Eckhardt Mills (4); and the Chocolate factory is (5). The honourable gentleman is right. Now wait a minute. There is one I listed which is in reality two, the Tannery and the Leather Garment Factory are two separate companies. So that makes thirteen in the "black" and five that are not as yet breaking even.

MR. HOLLETT: Eight are in the "black."

MR. SMALLWOOD: No. Thirteen in the "black" and five that are not.

MR. HOLLETT: We have not got eighteen new industries.

MR. SMALLWOOD: Yes eighteen is the number. There are thirteen in the "black" and five that are not. And of the thirteen in the "black" eight are making an operating profit.

Now, Mr. Speaker, I am not going to say that in the next six months nor in the next year all of them will be in the "black". I won't say that. I believe some of the remaining ones will be in the "black" in the next twelve months. I think inside the next year three will be in the "black," and of the eighteen there will be far more than eight making a profit.

Now let me summarize: In 1955 (now this is a most interesting figure) the calendar year just ended these eighteen industries paid out within Newfoundland in wages and salaries and local purchases \$6,744,000 and if you want the odd figure \$6,744,-

797, nearly six and three quarter million.

MR. BROWNE: How much were the loans?

MR. SMALLWOOD: I am coming to that, if the honourable gentleman will allow me: Now has the House got that figure? In fact the House does not need to take it down because I have the figures here typed and all.

MR. HOLLETT: With copies for us?

MR. SMALLWOOD: Yes with copies. Last year it was six and three-quarter millions. This year the same enterprises will pay out \$7,647,000 and to the end of this year they will have paid out in wages and salaries, the same classifications (not changing the order) wages, salaries, local purchases and services, a grand total from the start (and it includes all here, Adlers only started a month ago to produce—all of them together) \$33,896,335, almost \$34,000,000.

MR. HOLLETT: About what you loaned them, is it not?

MR. SMALLWOOD: I am coming to that. No it is not. Now they paid out last year six and three-quarter million dollars and will pay out this year nearly seven and three-quarter million dollars and to the end of this year from the start nearly thirty-four million dollars.

Now what we have lent them: Eighteen loans — total amount of loans in cash from the Government \$24,000,000. Total number of employees:

MR. HOLLETT: What about guaranteed loans?

MR. SMALLWOOD: Everyone knows, for instance that million dollars guaranteed to Newfoundland

Hardwoods, \$1,030,000 for mahogany logs from Africa, knows we have to guarantee that and they are to pick that up out of their cash operating income. Because remember the full cost of these logs that were paid for in advance by the bank, and the bank picks up the draft as the logs arrive, and the draft is paid and the freight is paid by the bank and these logs are turned into more valuable products. They cost a million and are turned into two million by turning them into mahogany plywood etc. and it may be more. So from their cash receipts the bank will be paid off.

The number of employees 2,480. And of those 2,480 it could be eighty of them are English, German, Irishmen, Scotsmen, Latvians and Yugoslavs and twenty-four hundred are native born Newfoundlanders. Now the person who is managing the factory at Brigus is a girl, an Austrian girl. And she has five or six Austrian girls with her. They might even have to bring in a few more. So that is the story of the industries, the industrial side of it. There are copies here for my honourable friends opposite and the rest are for the press and the radio.

Now I won't take so long on this aspect because it is better known. We have lent ten million dollars more than that twenty-four million, ten and a half million dollars in fact to other concerns here in Newfoundland. The number is nineteen, one more than on the industrial side and nineteen loans on the fishery side. I am putting this in round figures, actually the amount is \$10,432,000, call it for round figures, ten and a half million dollars, to nineteen firms. This money lent to them to enlarge fish plants

they already had. It was lent to them to establish plants they did not have at all, to create a new fish plant, or it was lent to them to put in new machinery new equipment in plants they already had, or it was lent to them to put in boats of a different type, including draggers — ten and a half million dollars to nineteen firms.

Now here is where the opposition is going to agree with me. I dare them to disagree. The House has seen from the figures I just gave that twenty-four million dollars, public money, was put out by the Government, and circulated amongst our people the amount of \$34,000,000. Now admittedly one has gone on longer than the other. The fishery has been going on a bit longer. It began earlier. We began to make fishery loans before we began to make industrial loans. It has been in existence longer. But the difference is terrific. Let me tell you what it is: Wages paid to the employees in and around these plants that our money created: In 1950 fifteen hundred employed; 1951, 1,406; 1952, 1,885; 1953, 2,229; 1954, 3,324; 1955, 3,208 and in 1956 3,348. More than double, from fifteen hundred to three thousand three hundred. And in wages: \$1,500,000; \$1,800,000, \$2,500,000, \$3,300,000, \$3,100,000, \$3,500,000, a total of seventeen and a half million dollars. That is wages, cash, paid to these people in and around the plant but not fishermen. Now we come to the fishermen. They bought an awful lot of fish from the inshore fishermen. How many fishermen?

In 1950, 785; 1951, 1,100; 1952, 1,400; 1953, 4,400; and this year 4,500 fishermen, inshore fishermen. And they paid them \$1,200,000; \$1,400,000; \$1,-

600,000; \$1,800,000; \$2,200,000; \$2,300,000 and this year \$2,700,000 a total of thirteen million dollars.

But besides that they had their own boats fishing with men on them rising from 168 men to 400 men receiving \$244,000, rising, rising, until this year it is one million dollars; and a total of \$4,100,000. Then besides that they bought fish from still other people (codfish) 80,000, 88,000, 46,000, 57,000, 346,000 and 686,000 this year, a total of two million dollars cash. And finally these same plants bought other species of fish at a cost of two and a half million dollars. Now add the whole up: \$39,000,000.

MR. BROWNE: So what? Is not that a logical result.

MR. SMALLWOOD: The Opposition are agreeing with me. I said I dared the Opposition to disagree with me.

MR. BROWNE: Of course.

MR. SMALLWOOD: They dare not disagree. Ten and a half million dollars loaned by the Government in these last seven years, loaned to nineteen firms which has produced the distribution of approximately forty million dollars amongst our people in wages, salaries and local purchases.

MR. BROWNE: I think Mr. Speaker, the honourable the Premier, recognizes there is more to it than the ten and a half million. There are all the contributions of the fishery, some of which would have gone into salt codfishery instead of into fresh fish.

MR. SMALLWOOD: Quite true. What I am saying is this: We lent twenty-four million dollars to eighteen industries that resulted in the contribution of thirty-four million dollars. Twenty-four million dollars produced the distribution of thirty-

four million in a slightly shorter period, which does not make much difference because the difference is quite trifling, twenty-four millions get thirty-four millions distributed to the people; but ten and a half millions to the fisheries gets forty million dollars distributed amongst the people.

MR. BROWNE: So what?

MR. SMALLWOOD: So what? So we wish again, as I have said over and over again, ad nauseam, ad infinitum, so I say again now, we wish there were more people in Newfoundland to whom we could lend considerable sums of money for fishery development.

MR. HOLLETT: You would have to borrow first before you could lend.

MR. SMALLWOOD: We can borrow.

MR. HOLLETT: Not too much.

MR. SMALLWOOD: Oh yes we can, we can borrow. We tried bringing them in from Iceland. That was not too successful. That, in fact, was anything but successful. That was a great mistake made by the Government. It was one of our biggest mistakes. And we have made some very excellent mistakes, which I will tell about in due course — in due course. We are not so ashamed of our record of the last seven years that we are afraid to mention our mistakes. The things that were not mistakes are so many and so good that we don't mind mentioning half a dozen mistakes. That is about all we have really.

MR. BROWNE: I mentioned half a dozen yesterday.

MR. SMALLWOOD: Now to recapitulate — honourable gentlemen do not

need to take this down because I have it typewritten out for convenience. Not that I expect it to be used. No thing will be said in this House in this present session that is as fundamentally important to the Newfoundland people as these figures I am giving out today, but I don't think they will be published. I don't think they will. All these figures I am giving out this afternoon, I don't think they will be published except in patches here and there. I don't believe there is enough space in this modern stream-lined age to make room for figures of such vital interest to so many people, not put all together, giving the two sides.

The number of loans made — 37 (19 Fishery Loans, 18 Industrial Loans). The amount loaned — Thirty four and a half million dollars — (Ten and a half for the fisheries and twenty-four million dollars for industrial loans). Paid out as a result (remember as a result) of our making these loans, paid out within the Province, paid out in wages and salaries and for fish to fishermen and in local purchases, seventy-three and a quarter million.

Are we ashamed of that? Should we hang our heads over here because in the seven years we have been in we have lent out thirty-four and a half million dollars which already remember has resulted or not already but to the end of this present year will have resulted in seventy-three and a quarter million dollars into our Newfoundland economy, into the hands of ten thousand seven hundred Newfoundlanders, 10,743 — should we be ashamed of that?

Now let me say it another way. If we were back seven years ago, if this were now the year 1949 and the House

were in session and I could say to the House, (now in the first session, Mr. Speaker, we have a substantial amount of money in our Treasury and besides that we will be making surpluses each year on current account for a number of years which will add to the amount of money we have. On top of that our credit is good and we can go out and borrow a hundred or two hundred million dollars) I propose, Mr. Speaker, that we shall spend in the next seven years thirty-four and a half million dollars in loans and investments of this type, twenty-four million dollars of it in industrial enterprises and ten and a half millions of it in the fisheries, and I can assure you, Sir, and the House must believe me, that has to be so. That is seven years ago and I am making the proposal and it is agreed that the result will, along with other things — Oh the rubber plant will fail and we will lose money on that and Valdmanis will go to jail and a lot of reputations will be lost and an awful lot of heart break and bad feeling and accusations; nevertheless with all that this will also result, 10,743 Newfoundlanders will have put into their pockets at the end of the seven years seventy-three and a quarter million dollars cash, and in the ten years following that seven years another two hundred millions for the same money — Oh yes, I can show you. I can show you about the two hundred million. That is twenty millions a year almost, you notice that "almost." This year there will be paid out amongst our people from these industries seven and three quarter million dollars and from the fisheries will be up well over eight millions and the next year, 1957, the result from the fishery plants will be up well over ten million dollars.

Now let me say that in 1958 there are three new fish plants that the House does not know about yet which will be in full operation.

MR. HOLLETT: Only two are mentioned in the Speech from the Throne.

MR. SMALLWOOD: Well there will be three, three big new salt fish plants, the negotiations for which are practically complete, three large ones. In addition to these three large salt fish plants there is a big new plant at LaScie which will be in full production in 1958, so that we will have four great new plants in production and there will be twelve million dollars distributed in 1958.

MR. HOLLETT: An election—No it will be over and we will be looking forward to an election two or three years after that again.

MR. SMALLWOOD: The election year will be over, and we will be back here, and overflowing to that side, because we can't make the Chamber bigger.

MR. HOLLETT: You will go out the door now if you don't come back.

MR. SMALLWOOD: Don't take too much satisfaction out of that. Look, we have so many candidates, we can get so many candidates that it is embarrassing.

MR. HOLLETT: You have the whole civil service.

MR. SMALLWOOD: No. We got 350 applications and 150 for the vacancies in Green Bay, Fogo and Trinity South in the last week.

MR. HOLLETT: Civil servants?

MR. SMALLWOOD: Some of them

are. There is nothing wrong with that. My honourable friend was a civil servant thirty years and served his King in another capacity even before that, so he cannot say a word about civil servants.

Twelve million a year by 1958, and nine million, twenty-one millions, call it twenty millions, that is two hundred millions in the next ten years. That two hundred million is admittedly not chicken feed, admittedly it is quite a sizeable amount of money even in this modern age of astronomical figures. On top of this seventy-three millions another two hundred millions, all flowing from the same thirty-four and a half millions we have lent out. Excuse me! That is not quite right because these four new fish plants will cost probably another four million, a million each on an average, so that it is thirty-eight and a half millions. And say we have yet to spend some money on these industrial plants to nurse them along until they are all breaking even, call it forty million. For forty million dollars we will have lent we will have to show in seventeen years two hundred and seventy-three million dollars.

MR. HOLLETT: That is good business.

MR. SMALLWOOD: That is good business for Newfoundland. My honourable friend could not put it better, I could not put it better. That is good business for Newfoundland.

MR. HOLLETT: Five hundred per cent.

MR. SMALLWOOD: If we could repeat that. Now let me put it another way: Suppose the Government never sees a single dollar of that thirty-four and a half million, we all know we got it back now in the sev-

enty-three and a quarter million distributed amongst the people, because when it goes into the pockets of the people we get it back, don't we? A lot of it the Canadian Government gets back. The people do pay three per cent on practically everything they buy. That is coming into our coffers, into the Treasury of the Province. They do buy an occasional bottle of beer and glass of wine and a bottle of rum. That runs into three million every year that comes back into the Treasury. They do buy cars and gasoline and we charge them 17 cents a gallon.

MR. HOLLETT: Yes 17 cents.

MR. SMALLWOOD: So out of that seventy-three and a quarter millions we have taken in a good many millions. So if we were never paid back a single dollar of this thirty-four and a half millions or the forty millions, it will run to forty; yet we will get it back many times over in a prosperous people, because the ten thousand Newfoundlanders who received this seventy-three and a quarter million dollars are better off on account of it. And is not the Government better off when the people are better off?

Now here are these final figures, and then I have only one more point to cover and I am through: Mr. Speaker, I notice a peculiar thing about my honourable friends across the floor; I never heard a good word said by them about Dr. Valdmanis before he was arrested.

MR. HOLLETT: We are not saying anything good about him now either.

MR. SMALLWOOD: I never heard a single word said in favour of Dr. Valdmanis by the Opposition before

he was arrested. I never heard a single word said in favour of Max Braun - Wogau until we kicked him out of his job. I never heard a good word said about Schaffers in Harbour Grace until we kicked him out. I never heard a good word said about Ferguson in Superior Rubber from the Opposition until we kicked him out.

MR. BROWNE: Mr. Speaker, to a point of order. I suggest to the Premier that we have, at least I have not said anything that could be said to be good about any of them. I referred to them in the factual way but did not give an opinion as to their goodness or their badness.

MR. SMALLWOOD: In Parliamentary language, "I take note of what the honourable gentleman says". I never heard them utter a word in favour of Koch before we kicked him out or in favour of Eckhardt. Now I will be fair: I have not heard them say much since they were kicked out about Koch or Eckhardt. But I am an ordinary observant kind of person, and I take notice of these things — So long as Valdmanis was our man, there was nothing too vile to be said about him. But the minute I ordered his arrest from that moment until he went to jail for four years, on his own confession of guilt, to now, Valdmanis's word is used in this House by members of the Opposition to support this and to support that and to support something else. "Valdmanis says so." And so the Premier says differently. But it makes no impression, none at all — Valdmanis from jail, the criminal serving four years for his self-confessed crime against Newfoundland, Valdmanis the criminal says — but the Premier says — Oh well, never mind what the Premier says, he is only the Premier — Vald-

manis says. He advised against the starting of that plant in Holyrood. Did he indeed? Did he now indeed? It is quite extraordinary. Somewhere in English poetry there is a line, which is running around in my mind, I wish I could remember it. My colleague the Minister of Finance or the honourable Leader of the Opposition's colleague there may remember—Somewhere in English poetry there is a line and it eludes me. I don't remember who wrote it. It goes something like this. I had something. To me it was useless. I put no value on it and flung it away. And somebody else picked it up and in his hands it became a beautiful jewel.

MR. POWER: That was Yeats.

MR. SMALLWOOD: Yes, William Butler Yeats. Now — On March 1, 1923 in the town of Salem, Mass., a baby was born. That baby has had ever since a most unfortunate life. He got to the eight grade. Now in the United States or in the great Commonwealth of Nations the eighth grade is not getting very far in school. But when he was seven years old he was committed to a reform school. And we find him ten years sentenced to a Massachusetts reformatory and in the same year sentenced to the Salem House of Correction. And right down to a few months ago, we find this gentleman arrested in Ohio, in California, in Mississippi, in Utah, in Washington, for being a fugitive, for theft of a motor car, for suspected burglary and then for burglary then for vagrancy and then again for vagrancy and then for bigamy and then for forgery.

Then he comes to Newfoundland, and it is only by accident that he is not in the press gallery this after-

noon reporting the deliberations of the representatives of the people of Newfoundland for one of our local newspapers — it is only by accident.

Mr. O'Neill I am referring to, a drug fiend, treated for narcotics, a most admittedly — In God's name — a poor unfortunate creature.

MR. BROWNE: Mr. Speaker, has this something to do with the industries.

MR. SMALLWOOD: Yes it is part of my argument.

MR. HOLLETT: Which fish plant is that?

MR. BROWNE: The Germaine Plant.

MR. SMALLWOOD: Yes the Germaine Plant — that is the part, this poor sycophant. Mr. Speaker, I had a letter from a very respected and distinguished citizen of Newfoundland, on the West Coast of Newfoundland, about three years ago or maybe not quite three years ago, drawing my attention to the sad case of a man in Corner Brook. This man was a German. He had been brought out to Corner Brook to work on the building of the cement mill, and his wife and children were in Germany. This very distinguished personage wrote me a personal letter asking if I could help to get this man's family permission to come to Canada. So I did. I got his family into Canada. Then I forgot about it. It was just one of thousands of incidents that happen in my life. But maybe six months or a year later I had a visitor in my office. It was a German. And he identified himself to me as the man for whose family I had been able to get a visa to enter Canada and to enter Newfoundland. He told me that

his wife and children were then in Corner Brook but that he was out of a job. He was out of a job and he owed money.

MR. BROWNE: Is this to the amendment, Mr. Speaker?

MR. SPEAKER: I don't see it.

MR. SMALLWOOD: I will tie this together, Mr. Speaker,—I am so familiar with the rules of the House and parliamentary procedure.

MR. SPEAKER: I was going to say, I keep myself so unspotted from the world I have never heard of these people before, therefore I am unable to associate them with the argument or not.

MR. SMALLWOOD: It is associated with this amendment, Mr. Speaker, on which we are going to vote.

MR. HOLLETT: To a point of order: I don't know those people, and consequently don't know who is to be referred to now. The other fellow, O'Neill, I never saw him. But I don't think it is right for any member to say something, which I repeat again, is not "germaine" to the issue. In the beginning we don't know the connection, and suddenly at the end we find it has nothing to do with the issue.

MR. SMALLWOOD: I promise my honourable friend opposite it is very germaine. And this chap said his family was hungry because he was unemployed and he was in debt. Now he was on one of the new industries, a German brought in to work on the building of the cement mill. He told me he was an artist, at which I pricked up my ears. He asked if there was a place for him in Newfoundland, I told him, if he were an artist I would like to help him. And I did help him,

Mr. Speaker. I had received my session pay not long before that, and I had some money in my pocket. I took out two hundred dollars and gave it to him as a gift. In addition to that I telephoned to Mr. Vardy, the head of the Tourist Board and asked if he had any tourist signs or anything he could paint. He said he had. I phoned the Minister of Public Works and asked if he had any fire protection signs or road signs and to the Minister of Mines and Resources. This gentleman was given several hundreds of dollars of work through me.

MR. HOLLETT: Did he paint the Cabinet members? Now I know who he is.

MR. SMALLWOOD: Having received two hundred dollars from me as a gift, which I could ill afford to give and having received from the Government several hundred dollars worth of work, through me, he came to me again and said, "Mr. Premier, what I need to do is settle down in Newfoundland. I know I can get all kinds of work." So I telephoned a friend of mine, Mr. Frank O'Leary, and Mr. Frank O'Leary gave him five or six hundred dollars. Then I got a bit more work for him and he brought his family in. Then he came to me and his story is this:

MR. BROWNE: Mr. Speaker, is not this a very remote way of coming to the point. Your Honour ruled in regard to the honourable Leader of the Opposition that he was redundant in his references to Dr. Valdmanis, who certainly appears to have had more to do with the industries than these two gentlemen.

MR. SPEAKER: The honourable member will recall I made several rulings or attempts to rule. Surely I can

not be expected to rule out of order something on which we have the word of the minister that he intends to tie this in with the argument.

MR. HOLLETT: Mr. Speaker, if that concerns me, does the honourable the Speaker intend to suggest I ignored the ruling of the Chair?

MR. SPEAKER: I suggested nothing.

MR. HOLLETT: But that is a statement, Mr. Speaker, and I say definitely now I have not ever on any occasion objected to any ruling of the Chair. I say that to this House and for the benefit of Newfoundland.

MR. SMALLWOOD: I think that is correct. I don't think the honourable gentleman ever defied, although sometimes he has not quite understood, but never defied.

MR. SPEAKER: I don't want it considered I had ever said the honourable gentleman ever did. I made no such statement. Surely it is not expected that I stop the House and produce Hansard which would show I repeatedly tried yesterday to try and keep a certain subject from being discussed. Eventually the discussion ceased. But to think I should prevent this when I have the word of the minister it is pertinent to the question. I am certainly not going to rule it out of order.

MR. SMALLWOOD: Mr. Speaker, I will be very brief. This gentleman said to me: "If I could only get set up here I will get some work." So I helped him. But that did not last long. He came back to me again and asked if I could help him. I said; "maybe I can." I honestly wanted to help him. I very sincerely wanted to help the man. He suggested that he make a portrait of

the Cabinet. I said; "Alright," I will tell you what you will do. You see each individual member of the Cabinet and try to make your own appointments. And if it is agreeable we will all chip in, say fifty dollars a man, if you will make a good portrait. That was not a lot if the paintings were to be any good. Incidentally the painting was no good. It was never finished, and is not finished yet.

Then he came to me again and asked if I would back a note for him. And I am a little ashamed to admit, Mr. Speaker, but I did so. I backed a note for twelve hundred dollars at the Royal Bank of Canada. He never paid a cent of it. It fell due and I had to pay and pay and pay, and I was practically two years paying off that twelve hundred dollars, but finally got it paid off.

That same gentleman now is the cartoonist of the "Evening Telegram" and the Tory paper. Mr. Werthman, the German, the Opposition have taken him up and adopted him now that he is presumed to be my enemy. He is therefore suitable for employment by the Tory paper and draws their cartoons for them. I wish I could remember that line from William Butler Yeats. His name is Bill Werthman.

MR. SPENCER: He is worth a lot of your money.

MR. SMALLWOOD: He is worth being employed by the Opposition or their paper. Well, I could sue the Opposition paper, I could sue the Evening Telegram, or not sue them but attach this gentleman's wages at the Evening Telegram and at the Tory paper, "The Newfoundland Press," it is called. But I will live, I am still alive. I have not gone hungry. I am not glad I lost that twelve hundred

dollars and the two hundred I gave him, but I never expect to get it back. I did expect he would pay off the twelve hundred. And I am not going to attach his wages. I will do without it. I will live, Please God, and Mr. Werthman will go on drawing his cartoons.

MR. HOLLETT: Mr. Speaker, there is one point I want to clear up. May I point out that the "Tory Paper" as referred to by the honourable the Premier does not pay any wages to Mr. Werthman.

MR. SMALLWOOD: Well, it must be for the love of the Opposition he is drawing their cartoons if he is not getting paid. Even if I did intend to attach his wages it is useless, as the Leader of the Opposition tells me he is not getting any wages. Would the honourable gentleman put me on the list so I could get the paper every now and then and see the cartoons which my friend, Mr. Werthman, is drawing of me. I saw him here in the House. He was in the press gallery. It is a pity Mr. O'Neill was not here with him. What a pair they would have made, Mike O'Neill and Bill Werthman.

MR. HOLLETT: Is this "germaine" to you?

MR. SMALLWOOD: No to the Opposition. And now I hear, as the Honourable Leader of the Opposition said, Valdmanis has been taken off to the offices and homes. And I hear the "Max" (remember the kidnapper) Braun-Wogau has made an affidavit in which perhaps my name occurs. Perhaps the affidavit has something to do with the gentle hints of the honourable and professional learned gentleman of the Opposition, the former member of the House of Commons and

these gentle suggestions of the press. I think I detect some subtle connection between that and the rumors I hear of affidavits made by Max Braun-Wogau. If the Opposition can take Bill Werthman and if my enemies can take Mike O'Neill and if they can quote Valdmanis as being preferable to me for accuracy and truth, surely they won't hesitate to take Max Braun-Wogau of Holyrood and any affidavits they can get from him. Can't they get an affidavit from Valdmanis? Is he not accessible? Can't they get next to him to get some affidavit also.

MR. BROWNE: They are your men.

MR. SMALLWOOD: No, they are not my men. They are now apparently the Opposition's men.

MR. HOLLETT: No they are not. You can keep them in the "Pen" if it be necessary.

MR. SMALLWOOD: We will keep them in jail, and in Germany for Max Braun-Wogau. But will my honourable friend go after them for more affidavits? I ask this question. I am here in this Chamber. And I expect to be here to the end of this session and they will probably be here to the end of this session. When it is over whether a day or a week or a month or six, sometime after there is to be a general election, so that there will be some gap of time between the last day of this session and the day of polling. Between these two days there will be a long or short period of time. Will they produce the affidavits in here in this House where I can deal with it face to face, or will it be circulated surreptitiously throughout the Province during the election when I cannot answer?

MR. SPEAKER: I think I can anticipate the honourable gentleman's

point of order that he fails to see how this can be tied in even remotely. I might remind honourable members the debate on the main question has hardly begun and it is not necessary to fire all the main artillery on the amendment.

MR. HOLLETT: Mr. Speaker, may I say on the affidavit question: Not to my knowledge has any member of the Opposition attempted to get any affidavit from any of these rascals the Premier brought into this country—not on any occasion, to my knowledge. And I am quite sure my honourable friend has no knowledge of such insinuations. I don't want this to be put across this country, that we are trying to get affidavits from criminals and crooks that the Premier brought in.

MR. SMALLWOOD: That is an honest statement, and I admire and respect the honourable gentleman for making it. And I hope all associated with him in the coming election will feel that the scum to which he refers might make affidavits but that they should not circulate them, and that no filthy pictures should be circulated. I hope he will keep a sharp eye peeled for filthy pictures and affidavits made by the scum of the earth. And if they are to be produced here let them be produced in public so I can deal with it. "A lie can get half way around the earth whilst the truth is putting on its boots to chase the lie." And in an election filthy pictures circulated and affidavits circulated and hints and insinuation and gossip circulated are awfully hard to run down.

Now I am not too much afraid, because somehow in my heart I feel that the Newfoundland people are just not going to believe it. I don't think they will believe it of me. I don't believe they will. So I have nothing to fear.

That is all I have to say, Mr. Speaker,

MR. BROWNE: Mr. Speaker, before the honourable the Premier closes, could he give us a little information about the Superior Rubber Company? He has not made one answer to accusations in connection with that.

MR. SMALLWOOD: Mr. Speaker, I am not going to say anything about the Superior Rubber or the honourable gentleman's accusations. I am not going to deal with it. I am not going to answer—all this talk about illegal expenses and the rest—that is alright for a speech and talk but I don't think it deserved any serious attention at all. I will say this; it is our saddest experience in all our industrial programme. It should not have been. It ought not to have been. There ought to be room in this Province, this Newfoundland, for a plant making rubber footwear. It ought to be possible to make it pay. That plant never operated successfully, never operated efficiently. It is our big failure.

MR. BROWNE: Why did you not carry out the law?

MR. SMALLWOOD: Now, Mr. Speaker, the honourable gentleman, the Leader of the Opposition, says the Government's life is at stake. Frankly I don't know what he means. Does he mean here in this House and on this vote now or when the people vote in the coming election?

MR. HOLLETT: No, "reputation." If I said "life" I meant "reputation," not yours but the Government's.

MR. SMALLWOOD: I am willing, even if affidavits are circulated, even if filthy pictures are circulated, even then I am willing to trust my name and that of the Government to the people of Newfoundland. I believe I

can do that safely. And when the election is over and my honourable friend is back there, whether he is Leader of the Opposition as I sincerely hope he will be—first; Leader of the Opposition and secondly; have his seat right here facing us after this election, and when this happens and the air is cleared and my honourable and learned friend has his seat, perhaps in another House, which probably it is his ambition to have, we will be back to old times, with our friend "Nish" and one or two of the other members back here again, and it will be clear, there won't be this talk of filthy pictures and affidavits and all the rest of it. We will have a decent House and decent debates, and the life of the Government will not be at stake. Mr. Speaker, I oppose this amendment. There might just conceivably be a case for a commission of some kind to enquire into Superior Rubber alone—just alone.

MR. HOLLETT: Have that.

MR. SMALLWOOD: The honourable gentleman did not call for that. He called for a sweeping investigation into plants that are making money, profitable and successful. He wanted to have investigated every plant that we have. Every plant we have would be hurt by it, their name would be damaged by it. Once we did appoint a commission to investigate them all then all would be tarred—and "a lie gets half way around the world before truth can get its boots on to chase it." Don't forget that. Appoint that commission and they are all guilty the minute it is appointed, we are admitting there is something wrong, something rotten about it, that is what we are admitting by passing this amendment. That is why it can't be passed. If it were confined solely to Superior Rubber—

MR. BROWNE: Surely you don't say there is anything wrong?

MR. SMALLWOOD: Very little wrong, and what little is wrong is more than evened up by their success and by the millions of dollars they are putting into the pockets of the Newfoundland people.

MR. BROWNE: Would you explain to the House so that the public would know why Koch and Braun-Wogau and Eckhardt and Grube and Schafers and the whole lot have gone?

MR. SMALLWOOD: Do I need to do that. Do not the House and the people already know? Is it not as simple as this? They were trusted by us, by the Government, we trusted them.

MR. BROWNE: They were private companies, you said.

MR. SMALLWOOD: Private companies. They were trusted by us, by the Government and as and when we found any of them unworthy of our trust, we were anxious to find and we were able to find ways and means of getting rid of them. Some of these ways were absolutely and strictly lawful and legal and some of them were not quite so legal. But we found ways of getting rid of them, what the Honourable Leader of the Opposition call the "Scum of the earth." We got rid of them. Some of them were not allowed to set foot back in Canada ever again.

MR. BROWNE: You saw to that.

MR. SMALLWOOD: They themselves in some cases saw to it.

MR. BROWNE: Whom are you referring to?

MR. SMALLWOOD: I won't name any names, even with parliamentary

immunity. They are gone, let us forget them.

MR. HOLLETT: Why pay them their back wages?

MR. SMALLWOOD: We did not pay some.

MR. HOLLETT: Braun-Wogau.

MR. SMALLWOOD: Don't forget a case in Corner Brook, about which my honourable friend the legal gentleman opposite must know, a Supreme Court decision about a man claiming wages when dismissed. I am not familiar with it. I am not a lawyer, I know about it. And what was done was thought for the best. Look, my honourable friend does not think for a moment we are afraid of "Max" does he? We are not afraid of Valdmanis, the king pin of them all. We put him in jail, I am not afraid of any of them. But sometimes because of the law and because of judgment of the Court itself in recent months here in Newfoundland and there are cases pending and maybe I have said too much—you cannot do exactly as you would like to do. Mr. Speaker, I am opposed to this amendment and think it should be defeated.

(Applause from the Government side of the House.)

MR. SPEAKER: Am I to understand the Premier has spoken for that side of the House. Then I shall put the question:

To the motion that the Address in Reply to the Speech from the Throne be adopted has been offered the following amendment that the following paragraph be added: (Mr. Speaker read the amendment).

"This House, having become aware of the fact that The Superior Rub-

ber Company Limited which was financed entirely with public funds, contrary to the spirit of the mandate sought and received by the Government in its appeal to the electorate in 1951, has been compelled to cease operation, and fearing that other new industries financed by public funds, are meeting great difficulties, feels that the whole matter of the present and future status of all the Government owned or sponsored new industries should be referred to a Royal Commission for immediate investigation and Report.'

On motion the amendment was lost. Division called by Mr. Hollett and Mr. Browne.

MR. SPEAKER: On request of the two honourable members the division is granted.

Those supporting the amendment: Mr. Hollett, Mr. Browne.

Those opposing the Amendment: Hon. the Premier; Hon. the Attorney General; Hon. Minister of Finance; Hon. Minister of Fisheries & Co-operatives; Hon. Minister of Labour; Hon. Mr. Lewis; Hon. Minister of Provincial Affairs; Hon. Minister of Municipal Affairs & Supply; Hon. Minister of Public Works; Hon. Minister of Mines & Resources; Mr. Courage and Mr. Norman.

MR. SPEAKER: The "Nays" have it twelve to two, and the amendment is defeated.

MR. SMALLWOOD: Mr. Speaker, I move a recess of ten minutes.

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

MR. SMALLWOOD: Mr. Speaker, I

move the debate on the address in reply be deferred.

Second Reading of Bill, "An Act Further to Amend the Memorial University Act":

MR. MURRAY: Mr. Speaker, this Bill requires very little in the way of explanation. As you will see, the effective clause is Clause 2, which is to reduce the number of the Board of Regents of the University which constitute a quorum from seven to five.

MR. HOLLETT: Mr. Speaker, I wonder if the honourable member could tell us why?

MR. MURRAY: The reason Mr. Speaker, is that some of the members of the Board are businessmen and there is some difficulty in having a quorum in order to transact business. And it is considered they could transact business with a reduced number of five.

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

MR. HOLLETT: Mr. Speaker, I don't intend to say very much about it. I dare say the University knows more about that than any of us here. I am just wondering if there is any possibility of the University being injured in any way by the practise of having five men to decide certain things in regard to the University instead of seven. I take it the Minister has gone into that very carefully.

MR. MURRAY: I understand the amendment is made at the request of the University authorities.

MR. BROWNE: I just want to say, Mr. Speaker, it seems strange when there are nineteen members that only five can do the business. It certainly looks a little undemocratic. The quo-

rum at the present time is only seven. And they can't get seven people to attend their meetings. There must be something wrong. Has there been any investigation made by the Minister to check on the strength of the reason given? If they can't get seven members together! I don't suppose they meet very often. I served as Vice-President of the Board of Governors of the Memorial University College for many years, and I don't remember any difficulty about getting a quorum at meetings, and I don't think we had nineteen members either.

DR. ROWE: Mr. Speaker, I think I can throw a little light on this: I was one of the members of the first Board of Regents, and I served three years. I don't remember the exact number, but it must have been around that number. But we were plagued all the way through. On the committee were Mr. Gordon Winter; Mr. Derrick Bowring; Mr. R. Gushue; Mr. P. Halley; Mr. Claude House; Dr. Rusted; Dr. Roberts; myself, etc. And we were plagued over and over again. Sir Albert Walsh was Chairman. But he was unable to get a quorum. I think it was eight at that time, either seven or eight. Over and over there would be perhaps five or six out of the Province and two or three others might be out of town on that particular day and one or two tied up. I know everyone on that committee, as I remembered, served conscientiously and when around would come. Nevertheless over and over again the business of the University was held up by the inability of the Chairman to recruit a quorum.

MR. BROWNE: What is the good of putting them on if they do not attend the meetings?

DR. ROWE: Well, I was at the time deputy minister and perhaps two

or three times I was out of the province or out of St. John's, in Corner Brook, Grand Falls or somewhere on business. And businessmen like Mr. Gordon Winter, etc., had to make trips abroad. At any rate whatever the reasons it is pretty valid, I think—Over and over the business of the University was held up by the fact that there was not a quorum.

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 Memorial University (Pensions) Act":

MR. MURRAY: Mr. Speaker, I think this amendment is self-explanatory. It is to enable employees of the University who might temporarily sever their connection with the University and then rejoin the staff to come again under the pensions scheme by repayment of the amount due, plus interest. It is in line with the pensions scheme.

MR. BROWNE: Mr. Speaker, I suppose this follows our proud Bill introduced, I believe, last year or the year before to enable men to go into politics and who unfortunately happen to be defeated and can go back to their positions in the civil service. It seems to me there is a member now serving in Ottawa, representing the Constituency of St. John's East who is a former employee of the University. I trust it is not merely for his sake this is being introduced. The Minister rationalizes the whole situation to make the teachers of the Memorial University on the same level with members of the civil service.

MR. HOLLETT: Mr. Speaker, if that is the idea behind this I would like to have the matter deferred in or-

der to get some facts and figures. If it is a political thing, to allow professors of the University to go out into politics and then later come back and go out and resume his political status. I think we have to have plenty of consideration from this side of the House. I believe the person involved immediately is a present member of the staff. Even so if it applies to present members of the staff, the Premier at that rate is given the authority to be able to go to the University and say there is a district I want you to represent.

MR. SMALLWOOD: It has nothing to do with that.

MR. HOLLETT: I hope not. I say I am against the principle of the Bill. It is not mentioned there. Therefore I don't think I am justified in speaking along that line, Mr. Speaker. I hope it does not turn out that way.

MR. SPEAKER: On second reading a member has to be either entirely opposed to a principle or in favour. He cannot be partly in favour and partly opposed to it.

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 Frobisher Limited (Confirmation of Agreement) Act, 1955":

MR. SPEAKER: Motion is before the House for second reading. The debate on the motion was adjourned at the request of the honourable Leader of the Opposition.

MR. HOLLETT: Mr. Speaker, I have not had time. I have been pretty busy and did not have time to go into this. Could it be deferred for another 24 hours?

On motion second reading deferred until tomorrow.

Second Reading of Bill, "An Act Further to Amend the Cancer Control Act 1953":

MR. POWER: Mr. Speaker, at the present time the Cancer Control Act is administered by the Department of Health and the effect of this amendment will be to transfer the responsibility for the administration of the Act to the Department of Finance, where we think it has a right to be.

Mr. Speaker, I move the 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 all 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.

On motion all further orders of the day deferred.

On motion the House at its rising adjourned until tomorrow, Thursday, March 22 at 3:00 of the clock.

THURSDAY, March 22, 1956—

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

**Giving Notice of Motion**

None.

*Notice of Question:*

Notice of questions given by Mr. Browne.

**Answers to Questions***Question No. 28:*

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the terms of the agreement under which Mr. Arthur Johnson was appointed Deputy Minister of Economic Development are quite simple: In the first place it is not in writing but is purely an oral agreement between him and me under which I asked him to accept the position for a year or two at the salary of ten thousand dollars a year. And he agreed that he would accept it for a year and possibly a bit longer but certainly did not feel that he would want to remain for more than two years. That is all there is to it. It is as simple as that.

*Question No. 29:*

MR. SMALLWOOD: Mr. Speaker, I have forgotten the name of the Assistant Deputy Minister of Finance. I am told it is Mr. Herbert Coombs. Mr. Coombs has been appointed Assistant Deputy Minister of Finance in place of Mr. Channing after Mr. Channing's appointment as Deputy Minister of Provincial Affairs. Mr. Coombs was, I think Chief of the Payroll Division of the Department, and he was recommended and his appointment was recommended by the Civil Service Commission and accepted by the government. I don't remember what his salary is but whatever is the scale for the position. He entered at the regular scale.

Were any civil servants considered for promotion to this position? I cannot answer that because I do not know what the civil service did. He was himself a civil servant and I dare say others were considered as well.

HON. G. J. POWER (Minister of Finance): Others were.

MR. SMALLWOOD: The Civil Service Commission handled it and may have had hundreds of applications. I don't know. My honourable colleague may know but I don't.

MR. W. J. BROWNE: Mr. Speaker, may I ask a supplementary question in regard to the oral agreement with Mr. Johnson for a year or two? I take it is no less than a year. Is there anything in the agreement at all about quitting?

MR. SMALLWOOD: He can quit tomorrow if he wishes.

MR. BROWNE: But Mr. Coombs, I understand, Mr. Speaker, the Civil Service Commission has no authority over jobs of that bracket.

MR. SMALLWOOD: Not Deputy Ministers, but that is an Assistant Deputy Minister.

MR. BROWNE: Do they advertise, do you know?

MR. SMALLWOOD: In most cases I understand in general and in principle you have a civil service of four thousand persons and there are promotions that occur from time to time. In the case of Deputy Ministers it has long been the practice it is the prerogative of the Premier, as he selects amongst his colleagues ministers of the House and recommends their appointment to the Governor, similarly he selects from the civil service or the general public persons he thinks would make assistants suitable to the Minister. That

has been his prerogative by custom for a long time past. But the practice in the Civil Service Commission is that amongst all civil service, promotions should be open to all to be seconded from one department to another if it is a better job or in the same department to be promoted to a better job. Therefore a first chance is normally given the existing civil servant but not necessarily so or always so. Sometimes it is desirable to go outside the civil service. In that case, I believe, they advertise in the public press.

MR. M. M. HOLLETT (Leader of the Opposition): In other words I take it they are all political appointments. And I can see ourselves any time now or in the future with a bunch of Liberals or PC's or CCF's as deputy ministers in charge of all services in these particular departments. That is what it boils down to if it is the prerogative of the Premier. There is a danger he might be lenient.

MR. SMALLWOOD: Not to appoint. The Premier selects and the Lieutenant Governor appoints.

MR. HOLLETT: What is the difference?

MR. SMALLWOOD: He is certainly not going to select a man to be Deputy Minister of the Crown who disagrees with the Premier's policy and programme.

MR. HOLLETT: Otherwise a "Liberal."

MR. SMALLWOOD: It does not follow. He may or may not be a Liberal. It does not necessarily follow. Surely my honourable friend would not argue it is not necessary for a Deputy Minister to agree with the Premier's policy. That would be a little silly to bring in to enforce the policies of the

government deputy ministers who don't agree with it. Would not that be a little silly? Would it not be silly for me to ask the honourable gentleman himself to come into the Cabinet as a minister? Would it be less silly to invite in on a permanent basis a deputy minister who disagrees with the policy. That is why it is the personal prerogative of the Premier; to see that his policy is carried out. The policy of the administration of government may be all very new to the honourable gentleman, but believe me before he was born or I or his grandfather this was the policy under the British Flag and a very ancient British tradition.

MR. HOLLETT: Mr. Speaker, if I may—Now I take it the custom in the old days was that when a new government got in, of a different texture from that of the Honourable the Premier, for example, they immediately fired all these people and put in Tories.

MR. SMALLWOOD: It was commonly done in the past. That was an abuse of a sound principle. If when I came into office I had thrown out civil servants because they were not Liberals or were anti-Confederate, a lot would have been thrown out.

MR. BROWNE: Did you not do that? You seem to have forgotten.

MR. SMALLWOOD: We have not dismissed one civil servant from the public service since we came into office for political reasons, not one. The whole world knows that.

MR. BROWNE: Just cut off his salary.

MR. SMALLWOOD: The honourable gentleman is talking about a certain judge or magistrate of the Police Court.

MR. BROWNE: The Central District Court.

MR. SMALLWOOD: A polite fiction, a police court, a magistrate court for St. John's, we dismissed none and certainly not a deputy minister. And I would hope that when a change of office occurs, if it ever does, the incoming administration won't dismiss good men who are deputy ministers because they happen to be selected by me.

MR. BROWNE: Mr. Speaker, on a point of privilege I must object to that insulting reply the Premier made that he did not dismiss—and he made a slighting reference to the police court. I was the judge of the Central District Court. And it was in existence for a hundred years. And he did not interfere in Ottawa and broke the Terms of Union to get me out of the position.

MR. SMALLWOOD: As a matter of fact, my honourable friend does not know this, his very resignation was the result, I assure him, of an utter misunderstanding on his part. I had no more interest in the honourable gentleman and his job at the time he resigned than I did in some judge down in Mexico. But he suddenly got it in his mind I was going to fire him or something. He was as wrong as a man could be.

MR. BROWNE: Mr. Speaker, I have it on authority of the highest officials in the Department of Justice in Ottawa that my name was taken off the list of salaries to be voted in the House of Premier.

MR. SMALLWOOD: That is another story, a long story and has nothing whatsoever to do with the statement I just made, nothing whatsoever. It is only confusing the question.

MR. SPEAKER: It seems we have gone beyond the bounds of questions.

MR. SMALLWOOD: Yes, Mr. Speaker. I have one or two answers.

*Question No. 13:* A full Report on Dominion-Provincial Fiscal Relations arising out of the recent Conference of Provincial Premiers with Mr. St. Laurent and Federal Authorities—Modest language. I don't think the honourable gentleman really wants a full report.

MR. HOLLETT: No.

MR. SMALLWOOD: Briefly I table now for the Opposition, a statement made by the Minister of Finance, Mr. Harris, at our conference, and I table with it a statement of my own remarks, showing first the attitude of the Government of Canada as stated by the Minister of Finance and secondly the attitude of the Government of Newfoundland as stated by me. There is one each of these. I am sorry I have only the one copy of Mr. Harris' speech, but I had my office make several copies of my remarks, and thought they perhaps would prove of some interest to the press and radio. I believe Mr. Harris' speech has already been published in any case.

I have this to add—under the offer made by the Government of Canada of a fiscal relationship between Canada and each individual province after the expiration of the existing tax rental agreement under that new agreement, or that new arrangement, Newfoundland would receive an amount of more than two million dollars a year, two million three hundred and seventy-five thousand dollars in excess of what she would receive under the existing arrangement. That is to say, under the existing tax rental agreement which is due to expire next year, the system

that the Prime Minister proposes to Newfoundland as he does to the other provinces as a replacement system, is a system that would give to the Treasury of this province an amount of two million, three hundred and seventy-five thousand dollars more than would the tax rental agreement if that continued into the next year following 1957. In other words, in 1958 when the new arrangement comes into effect we will receive an amount of two million three hundred and seventy-five thousand dollars. The formula itself and the offer made by the Government of Canada are extremely complicated, and unless we are prepared to have full-dress debate on it I fear it would be extremely difficult indeed to explain it in the House in such a way that the House would follow it with any ease or with any comfort. But I feel personally that it is not too terribly important to Newfoundland for this reason, that whatever is done as a result of an overall arrangement between Ottawa and the ten provinces will apply to Newfoundland in any case. In any case it will apply to us. And that having happened there will also apply to us special arrangements which will not be applicable to the other provinces, special arrangements arising out of the revision of our Terms of Union with Canada. As a result of that revision of these terms we will get payments apart from those that we will get from this new fiscal arrangement, which will in common be applied across the face of the whole country. So that what we get now as a result of this common arrangement applies to all Canada and is only of partial interest to us although I will say that two million three hundred and seventy-five thousand dollars a year additional revenue to come into our prov-

incial treasury is not to be sneezed at, but it is in my view relatively small compared with what should come in to our treasury as a result of the forthcoming revision of the Terms of Union. I don't want to get into that. My honourable friend, the Member for Harbour Main, who is the Chairman of our own Royal Commission, has a vast fund of knowledge on that subject, which I would hope this House would some day have at its disposal by him. And if that is not done here in this Chamber I have no doubt at all it will be done on a very public occasion when the Federal Royal Commission is set up by the Government of Canada to review our Terms of Union, because on that occasion I have no doubt that my honourable colleague will nobly uphold Newfoundland's case.

MR. HOLLETT: May I ask a supplementary question on that, Mr. Speaker? In view of the fact that (I understand) at least six of the Provinces have to operate the agreement, has this Government accepted this proposal?

MR. SMALLWOOD: We have accepted. But it is not the case as my honourable friend says, that six have to accept it.

MR. HOLLETT: I read that in an article.

MR. SMALLWOOD: I think my honourable friend is probably thinking of national health. The Prime Minister said the Government of Canada would be willing to bring in National Health Insurance when a majority of the provinces containing a majority of the people of Canada agreed. Because of course, obviously, it would be quite possible for a

majority of the provinces to contain a minority of the people. And that would hardly be just or democratically good, to have a majority which between them have a minority of the people of Canada. In other words the six provinces must contain either Ontario or Quebec to have a majority of the population of Canada.

Now Mr. Speaker, I have some other answers to the questions on the order paper of the same day, March 20th. Following that one is *Question No. 14*: of which Section 1 and 2 have been tabled before in the House, and there is no need to table that again.

*Question No. 14 (3)*: There was no agreement made with Hill, Vreeland & Lewin in New York relating to the sale of the cement plant before the mill had been erected.

Now there is another question on the order paper by that honourable gentleman, *Question No. 10*, concerning \$50,000 paid over to Hill, Vreeland & Lewin of New York during the construction of the cement plant at Corner Brook. These two questions refer, I think, to the same transaction. My honourable friend is misinformed if he thinks that the agreement was with Messrs. Hill, Vreeland and Lewin or that the \$50,000 in question was paid to Messrs. Hill, Vreeland and Lewin.

The facts are as follows:

There was an agreement made by Dr. Valdmanis in behalf of the Government of Newfoundland of course, with a corporation in New York known as Cement and General Development Corporation, the head of which is Sir William Stephenson, whose name will be familiar to my honourable friend. And the agreement

was for the purchase by that corporation of a cement mill which the Government of Newfoundland proposed to build. In short, when the Government of Newfoundland set out to build that cement mill at Corner Brook it was with the knowledge that a sale of the cement mill was already in hand or at least already arranged for with Cement and General Development Corporation of New York. Incidentally the president of that company was Mr. Vreeland who is now with the International Bank in Washington. He is a high official of that bank in Washington. But at that time he was the president of Cement and General Development Corporation. Mr. Thomas Hill, who is a native of Maine and a close personal friend of Sir William Stephenson was, I think, the Vice-President or some other officer of the Corporation. Mr. Michael Lewin, whose name is a little misleading, is a native of Russia who has lived in Poland for a great many years and then in France, then in Canada and New York, and in the United States was a close business associate of this corporation.

The government decided after the mill was built, for two reasons, that it did not want to sell the mill to that corporation. It made up its mind it would be silly to sell the mill except in so far as we were obliged to do so. One of the two reasons is that the mill cost more to build than the price which Cement and General Development Corporation had agreed to pay. The fifty thousand dollars was paid to that corporation to enable the government to be relieved of the obligation to sell the cement mill at what would have been a fairly substantial loss to that corporation. The purchase price

of being relieved from the contract was fifty thousand dollars. Now it was argued that even if they had not had a contract at all under which the Newfoundland Government was obliged to sell them their cement mill at Humbermouth, even if they had never had such a contract they were entitled to at least fifty thousand dollars for the work they had done in developing markets, research and other things they did in connection with this mill in Humbermouth, and that fifty thousand dollars was little enough payment. But it was not only for that work they had in behalf of the cement mill that fifty thousand dollars was paid but chiefly to enable us to break the contract without punitive measures being taken against the government by the corporation in question. Also it was part of an amicable arrangement under which Sir William Stephenson himself was to come to Newfoundland and take active interest in the development of NALCO.

MR. HOLLETT: May I ask a question on that, Mr. Speaker? Was that agreement made? It was made I understand now with Cement and General Development Corporation. My information was that the fifty thousand dollars was a bank draft signed by the Honourable Premier, Mr. Curtis and Dr. Valdmanis payable to Hill etc. Was the contract in writing?

MR. SMALLWOOD: I don't remember. It must have been in writing. It had to be in writing — no we could not have disregarded it if it had been in writing. American law is not like ours, and we found that out. It must have been in writing and it must be somewhere. I will see if it can be found and I would be glad to table it here. There is no difficulty about tabl-

ing it if we find it, and we must have it somewhere.

MR. HOLLETT: Do you want a question to table that agreement.

MR. SMALLWOOD: No it is here in this question. Now we will go back to No. 4 of that same question (*Question No. 14 (4)*) I know of no affidavit or certificate. I know nothing at all about it, and certainly have not got it. *Question No. 14 (5)*: I would have to wait until the Director General gets back and writes that for me, because he is handling it, Mr. Pushie and the Board of Directors. I am not personally familiar with it. But I will be glad to table it as soon as I can get it.

Is the Superior Rubber Company presently being operated, if so, by whom and how many people are employed? It is not being operated. Mr. Bert Force has been there as office manager of it for some months past, I think, at six thousand dollars a year salary. It might even be seven. It is six or seven thousand dollars. And he continues in charge of it. And they have a watchman there to keep the place from being broken into. And I think they have a fireman to keep the heat on, and to keep the place in condition, just to keep it from deteriorating, that is all.

*Question No. 14 (6)*: Apart from that there is no one else employed. Mr. Force continues in charge to clean things up, outstanding accounts and generally to clue up the current operation of the concern as a going concern, and a watchman, perhaps a day watchman and a night watchman, I am not sure, and perhaps a day and night fireman. It is a large building and there would be four

or five people kept there to keep an eye on the place. I have not got at the moment what the total cost is. I could get that from the Finance Department, and no doubt they are preparing it for me.

I am sure my honourable friends opposite understand when the notice is given here and the typewritten copy is tabled they are printed and these are sent around to the different departments, and the Deputy Ministers are supposed to pick out those they have the answer to and furnish the answers to the minister who is supposed to give the information here in the House. The minister usually sits tight until the answer is brought along except in cases where an oral answer is the one to give, and I have the information myself without having to have it given to me by some Deputy Minister or in fact by anyone else. I think that is all I have at the moment.

MR. BROWNE: Mr. Speaker, may I draw the Honourable Premier's attention back for a moment to that question in which he stated that Sir William Stephenson was associated with this cement company in New York.

MR. SMALLWOOD: His company.

MR. HOLLETT:

(a) Mr. Albert Jekste.

(b) Title of Film

	Amount
(c) "Education in Progress" .....	\$ 14,740.00
"Old City with a Young Heart" .....	5,000.00
"North East Coast" (Long Version) .....	5,415.00
"North East Coast" (Short Version) .....	3,080.00
"Danish Seining" .....	5,502.20
"Progress Report No. IV" .....	5,000.00
"Need Is My Neighbour" .....	9,795.00
"Five Years Of Confederation" .....	114,000.00
Bridge Building in Newfoundland" .....	5,000.00
LaScie" (Development of a Community) .....	21,395.00

MR. BROWNE: Was he then — had he anything to do with Nalco? Had that been established?

MR. SMALLWOOD: No.

MR. BROWNE: He shared in that fifty thousand?

MR. SMALLWOOD: His company, of course, Cement and General Development, consisted chiefly of Sir William Stephenson who is said to be fabulously rich, very, very rich and a man who is one of the principal shareholders of that big steel company, one of the big five who were owners of the Iron Ore Company of Canada, ARMCO Steel. He is very rich. His grandmother died just before we met him and she alone left him three hundred millions. He is worth many hundreds of millions besides that, and he is the next big shareholder of the Cement and General Development Limited. He is a very rich man. And I dare say they are rich men because they know how to make good contracts, or it is one of the reasons.

MR. POWER: Mr. Speaker, I have the answer to *Question No. 23*.

MR. SMALLWOOD: The big shareholder of ARMCO is Payson, AMCO Steel and Cement and General Development.

#### QUESTION NO. 23

"Agriculture in Newfoundland" .....	7,340.00
"You are Welcome" .....	25,593.93
"Health is Wealth" .....	16,387.95
"Local Government" .....	10,274.00

\$248,523.08

(d) No.

MR. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): Mr. Speaker, I have the answer to *Question No. 8*:

The answer to the first part is yes.

The answer to the second part, which I table, with the exception to drugs, which section is going to take at least two weeks to prepare. We have to go through somewhere eleven or twelve hundred entries.

*Question No. 20*: The answer to (1), Mr. Speaker, is yes. Payment was made from the time of the last payment up to their date of suspension. And (2) every case is considered on its merit.

MR. HOLLETT: Being considered?

MR. HEFFERTON: Yes. Have been considered and being considered.

#### Orders of the Day

Second Reading of Bill, "An Act to Approve and Give Statutory Effect to an Agreement between the Government of Canada and the Government of Newfoundland, Relative to Assistance to Unemployed Persons and the Sharing of the Cost Thereof."

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, we are facing something of a time limit on this particular bill, which explains why it is called as the first order of the day. I understand that the Government of Canada will next week in all probability be introducing legislation complementing this particular bill, and they hope to have it passed before the end of the

month. Therefore we are morally obligated to deal with this measure before the end of March.

In order to appreciate this bill, Mr. Speaker, in order to understand its significance in Federal-Provincial relationship, I think we should go back a little, twenty or twenty-five years. The depression struck every province of Canada very hard, as it did most countries of the world. It struck Newfoundland hard. It left scars on those provinces and on Newfoundland that are still red and will be red for a long time. It in particular struck the Prairies and perhaps to a lesser extent the Maritimes. The only province that suffered to a comparable degree with Newfoundland's experience was Saskatchewan. In all our dealings with Saskatchewan's people during the various conferences that fact was very often mentioned. They are ever conscious of their vulnerability in the event of a world depression or even in the event of a serious recession.

During the depth of the depression in Newfoundland we had something like one-third of our people on able-bodied relief. If it were possible for us to have that today (I don't think it is actually; things have advanced so much not only in Newfoundland but throughout the world) if it were possible for us to have another depression of the same magnitude as the 1930's we would have something like one hundred and forty thousand persons on able-bodied relief. And at the present rate of relief, which averages at ten dollars per month per

person (that is the average rate; the rates vary) the cost to this province would be one million four hundred thousand dollars a month, or sixteen million eight hundred thousand dollars a year. Now I don't think anybody would dispute the fact that this Province could not carry, certainly could not carry such a load and still maintain its other welfare or indeed its other public services anywhere near the degree that we maintain them today. That applies also to the other Provinces of Canada, especially to those whose economy is dependent on one or two main items. There again, of course, we think particularly of Saskatchewan.

During the depression these provinces did represent to the Federal Government the need for some intervention in a matter of public assistance at the Federal level. But over again that idea was rejected by the Federal Government, and if not rejected at least it was not accepted by them. In 1941 there was a very famous report, based on the Sirios Royal Commission. That report is perhaps one of the best known in Canada. That report argued for a Federal policy in the matter of public assistance to the unemployed and indeed for the unemployable. In 1945 Prime Minister McKenzie King called a Federal-Provincial Conference, and there again the various provincial premiers put forth the argument for Federal responsibility. Mr. King, in a statement which indeed I am afraid some members of the Government have not always been prepared to accept fully since that time, seemed to accept the principle of the desirability for the Federal Government to assume responsibility for assistance, public assistance, to the unemployable

and the unemployed. However the Government of Canada did not do that. But in subsequent years the Government of Canada introduced a number of far reaching welfare measures, family allowance, old age pensions, and unemployment insurance and several others. The biggest of these are the three principal ones.

MR. BROWNE: Not unemployment insurance, that was introduced before.

DR. ROWE: Yes, particularly family allowances and old age pensions. Nevertheless I am correct to this extent: The coverage of unemployment insurance was enlarged during those subsequent years. And some of the people in the Federal Government seemed to think that was a subject for Federal responsibility. However, the provinces were not prepared to accept that. Last May, 1955 — or we will go back, if I may for a moment, in 1950 the Canadian Welfare Council, which is the great Welfare Board for all Canada, which has representations on it from the Federal, Provincial and Municipal level and indeed has a representation of all the great private welfare agencies as well; the Canadian Welfare Council met at Regina in 1950. As it happened the Government of Newfoundland sent me as the Newfoundland representative to that conference. The principal topic for discussion was public assistance. And as a result of that conference, at a further conference afterwards, the Canadian Welfare Council submitted a report to the Government of Canada (and we must keep in mind that council represented every welfare association in Canada) arguing for Federal intervention in this matter. In May 1955 the Prime Minister of Canada called a Federal-Provincial

Conference. At that conference every premier in Canada attended. The Newfoundland delegation, which was of course headed by the Premier, consisted of the Honourable Attorney General, the Honourable Minister of Finance, and myself and I believe later the Honourable Minister of Health and Welfare, that was at the later conference. But at the first one in May these were the delegates. And at that time the Premier announced what has now become our historic position on this matter of public assistance, that while we might carry the normal load of public assistance of sick relief as we know it and able-bodied relief (when I say normal, i.e. such as we spent in the last year) but in the event of a serious recession or worse still a depression Newfoundland's economy would be one of the first to suffer, perhaps not to the degree that it did in 1930 but certainly in view of our dependence on world markets for fish and newsprint and fresh fish and salt fish, a serious depression would effect us very quickly and very drastically. That position was enunciated by the Premier at that conference. Then as a result of that conference last year, attended, as I say, by ten premiers and delegates some consisting of almost the entire Cabinet (I mention that to show the importance attached to the conference) as a result of that, some agreement was reached in principle or at least some indication of agreement was reached on this matter of unemployment assistance.

Now I don't want to give the impression that the provinces were all satisfied nor that any of the provinces were completely satisfied with the agreement which resulted from these conferences held last May, and subsequently in June. These were the two in which this particular matter was

discussed. I would not like to give this impression that everyone was satisfied. I suppose the Federal Government would like to have no responsibility in this matter, which is only natural and the Provincial Governments would like for the Federal Government to take all responsibility. But a compromise was reached and this compromise is represented in this bill which we are asked to consider here today.

Now before I go into this in more detail I would say what the bill is in general. This bill is to ratify an agreement between the Government of Canada and the Government of Newfoundland whereby the Government of Canada assumes responsibility for one-half the cost of all public assistance, of all assistance to the unemployed including sick assistance, all assistance over a minimum basic figure of just slightly less than one half of one per cent, as a matter of fact it is 0.45 per cent, just under one-half of one per cent.

MR. HOLLETT: Of what?

DR. ROWE: Of the total population of the province.

Now I propose to spend a minute or two just looking at one or two of the principal sections of the bill. I believe most honourable members have the bill. I may say that the agreement is uniform with the agreement with the other provinces of Canada, i.e. those that signed the agreement will be asked in their Legislatures to ratify it.

Section (1) of the bill contains definitions. It will be noted that there is a definition for municipalities. And I may as well mention in passing that this "municipality" has no present significance to us because all assistance in Newfoundland and welfare in Newfoundland, unlike that of other Provinces of Canada, is assumed by the

Government of Newfoundland. No municipality has any responsibility in the matter of public welfare of any kind including unemployment relief. Nevertheless the word municipality is contained throughout that agreement here because of course of its general application to most parts of Canada.

Section (2) provides for reciprocal legislation in the House of Commons. As I indicated earlier, I understand that legislation is to be considered in the next week in the House of Commons.

Section (3) places the responsibility for the administration of assistance on the Government of Newfoundland.

Section (4) obligates the Government of Newfoundland to give to the Government of Canada all details regarding conduct of public assistance, the rates and so forth.

Section (5) provides for reciprocal legislation with other provinces. It is not critically correct to say Reciprocal Legislation with other provinces, but in this way, these other provinces which did sign similar agreements with the Government of Canada will in a sense have reciprocal legislation with us. And the very vexatious problems that have troubled and tormented people in Public Welfare for many years, this problem of residence in a particular province will be solved as a result of that section. A man is found here. He is in need. The police take over and it finally comes to the welfare authorities and they find he has only been here a week and he belongs to Nova Scotia. What to do with him? Of course that happens more often on the Mainland of Canada where persons from Newfoundland go up there and get stranded in one way or the other. But under this Section (5) there will

be no problem in that respect because the Province in which the person is will look after him.

Section (6) provides for monthly claims to be provided in this respect. This agreement will differ from our Old Age Assistance Agreement, which I believe is based on quarterly claims. We shall be submitting monthly claims.

Section (7) is a purely formal section.

Section (8) gives the categories which are included. And I think perhaps it will be better understood if I mention the categories that are included, although the agreement does not specify. We shall be including all able-bodied assistance and all sick assistance and all persons (and this is rather important) on dependant allowances. That will include allowances to those persons who are the responsibility of the Government in our Home for the Aged and Infirm and in our boarding homes. It will exclude, as it does for every Province of Canada, persons on Mother's Allowances.

Section (9) is a protective clause put in, I believe, at the insistence of Saskatchewan and ourselves. That enables us to get reimbursement for assistance that we have given to recipients of, say, old age assistance. Our old age assistance rate is \$30. a month, in some cases that does not cover all the cost. In some cases the Department of Public Welfare has to supplement that perhaps by supplying coal during the winter or perhaps by supplying special food or something of that kind. Under Clause 9 we will get reimbursements for that in the same way as we do for the general assistance.

Clause (10) excludes certain expen-

ses from the agreement. For example: The Federal Government will not assume any responsibility for medical help; or not under this agreement, nor for travelling nor for other forms of special assistance over and above that of the ordinary public assistance.

Clause (11), (12) and (13) are statistical and they are designed, particularly Clause (13), which I can assure the honourable gentlemen nobody understands who is not an accountant. I am given to understand that the only people who really understand the mathematical process of Clause (13) is our chief accountants. Actually it is a procedure worked out by the mathematical persons and others who were advising the ministers at the conferences. It is a mathematical formula which is designed to protect the Government of Canada from having Mother's Allowances in the various provinces unloaded on them. That is what it amounts to. Every province but one now has Mother's Allowances, and the number getting Mother's Allowances include most of the widows with children and all families with the husband out of the picture for one reason or another, he may be in an institution or he may be disabled at home. So that every province has a large number getting Mother's Allowances and there would be a temptation at any rate for any province, in view of the fact this agreement excludes Mother's Allowances, to transfer persons getting Mother's Allowances to public assistance. The Federal Government is protecting itself in this very long and complicated mathematical formula, statistical procedure of having the recipients of Mother's Allowances unloaded on them during the next few months or years.

Section (14) is procedure, as is Section (15).

Section (16) is a provision for arbitration between the Government of Canada and the Government of Newfoundland.

Section (17) gives the time of the agreement. As will be of interest to all of us, this is retroactive to the first day of July last year, and the agreement itself will last until 1960. It is a five year agreement. I have no doubt, at the end of that time and in the light of experience, that an even more comprehensive agreement will be effected between the Government of Canada and the various provinces.

I have just two points, Mr. Speaker, I want to make on this bill. I imagine quite a number of questions will come up, mostly in committee and which we can answer in committee. We would not argue this bill contains everything we would like it to contain. Naturally in view of the cost to us of relief, sick relief and permanent relief (we have one thousand persons on sick relief permanently. That is a cost which is always with us. I don't mean it is the same with one thousand families. It is actually people getting sick and getting well. The same people are not always sick. But we do have that one thousand families) and able-bodied relief our economy is such that in the foreseeable future it is very doubtful that all able-bodied public assistance can be eliminated. A lot of our men don't qualify for unemployment insurance. In St. John's for example, where the majority of labour working here qualify for unemployment insurance it has been impossible to eliminate able-bodied relief although it is not nearly as great as it used to be. Nevertheless at the peak season of the year, this time of year for example, last

year at this time there was something like four hundred families in St. John's looking for assistance or four hundred and fifty, I think. Luckily this year, I am proud to say, only half that number looked for relief.

MR. BROWNE: Only half?

DR. ROWE: Only half 230 last month to be exact. The point I am thinking is this, even if we could tomorrow get two more great paper mills in Newfoundland there would still be a residue looking for unemployment relief or able-bodied relief, partly because of our isolation, the immobility of our people. You may very well have a number of short jobs available here in St. John's but the men needing the jobs in White Bay or St. Barbe or on the South Coast; or which they may not be even able to take because so many of our Newfoundland people are not skilled. And you have a shortage of sheetmetal workers, plumbers and electricians at Goose Airport where they are calling out all the time for skilled workmen and yet we have men in Newfoundland on relief for the very simple reason they cannot take those jobs.

The Honourable Premier has reminded me of another ever present factor, i.e. the tendency of industry to take younger men. In Public Welfare we have these cases all the time. For instance a man 58 or 60 years of age who is a logger and has been all the time. He must be sixty-five before he gets old age assistance. What is he going to do? And we often have, in fact, people released from the Sanatorium or hospital and in most cases those people can do light work. I have come across that hundreds of times in my constituency. And what is the good of telling a fisherman he can do light work. The only light work available is

to get out in a storm of wind and jig. And he can't do that. What does he do?

I am sure the House will be interested to know how many of the provinces have signed. I am not quite sure, but as far as I was able to find out, British Columbia, New Brunswick, Prince Edward Island and Newfoundland have either signed or indicated their intention of signing the agreement, and no doubt most of the other provinces will sign the agreement. But at the present time prosperity is so great in most provinces, particularly in Ontario, it does not mean a thing, because actually there for the greater part of the year there is less than one-half of one per cent unemployment in Ontario, whereas in Newfoundland that does not happen very often, in fact I doubt if it has ever happened because of our fairly large incidence of sick relief. There is another factor also, and that is the hazardous occupations of our people. I was thinking over at lunch today, as far as I can recall in my own constituency, which as the House knows, is small in population, probably not more than ten or eleven thousand, I can count up seven men who lost their lives last year. I am talking about Labrador. I am still the representative of Labrador, all Labrador. One of my friends here only last week has had the sad experience of hearing of the death by drowning of two of his constituents. The Honourable Member for Fortune Bay-Hermitage has a higher percentage of widows in his district than any other representative in all Canada, I suppose. And we all know why. We have a large number of widows because of the hazardous nature of their work. We all know during the war of how many thousands of our loggers were turned down by the doc-

tor because of strains and hernia occasioned by the nature of their work.

This agreement in a normal year will bring to the Treasury of Newfoundland over one million dollars. When I say a normal year I think of a year such as last year or such as the last two or three years, fairly normal years I should think. The great value of the agreement however, is that it is an insurance in the event that in spite of all we do and all the efforts we make here we become the victim of a great world depression. It could easily be, if a world depression set in over the next few years, the cost of public assistance to us could easily rise up to seven or eight or nine or perhaps ten million dollars a year, and that would be a staggering burden on this province. Under this agreement we have some insurance because it would mean, in effect, if we had a depression which would cause our public assistance costs to go up to say seven million dollars the cost to the Province of Newfoundland would be approximately three and a half million dollars.

MR. BROWNE: No, that is not right. Everything over.

DR. ROWE: That percentage is so low—I put it this way—the cost to us would be perhaps something under four million. The cost would not reach four million if the total cost seven million.

MR. BROWNE: Under this agreement?

DR. ROWE: Under this agreement. Mr. Speaker, I don't think there is much more that I need say at this time. As I indicated earlier we do not regard this as a substitute for unemployment insurance for fishermen, we don't regard it as going as far as we would like it to. We fully enunciated

that principle over and over again, the Honourable the Premier did at the several conferences, that it is the responsibility of the Government of Canada to assume the costs of unemployment assistance. However, it is a step forward. It brings more money into the Treasury of this Province. It is a protection against the future to the extent at any rate—and if I might put it crudely, it marks the thin edge of the wedge, a wedge which no doubt every government in every province will attempt to drive ever and ever deeper every year. I move the second reading of this Bill, Mr. Speaker.

MR. BROWNE: Mr. Speaker, before the Honourable Leader of the Opposition speaks I wonder if I could ask a question in regard to the deductions under Section (11). Could the minister give us a concrete illustration say for three thousand families who received on an average of fifty dollars a month for six months. What would be the cost there?

DR. ROWE: If the honourable gentleman would permit me—take the figures for a month from last year and work it out and calculate it. I won't be able to do it today, but we are to have a committee on this tomorrow, I understand, and I would certainly be glad to do that in committee. There was one point I did not make, Mr. Speaker, and it was this: Of all the Provinces of Canada we will benefit the most from this agreement.

MR. HOLLETT: Why?

DR. ROWE: Because we have the largest percentage of sick relief in Newfoundland, and we have a bigger percentage of disabled persons because we are already spending the biggest amount.

MR. HIGGINS: So we will benefit the most proportionately.

MR. HOLLETT: The government will, you mean.

DR. ROWE: The Treasury will. Ontario, for example, will benefit very little because it is unlikely it will ever get very far above that zero point four or five, whereas we are always above it, ever since Newfoundland was Newfoundland. And of course at certain times in the year through nobody's fault in particular, I suppose, and particularly in times of recession, we could even go as high as 33 per cent and did go. In the worst years of the depression there were ninety thousand.

MR. BROWNE: At the present time there must be a large number of people, if you are to include the unemployment insurance and the relief, taking all together.

MR. SMALLWOOD: Yes, but that is seasonal unemployment but before we had unemployment insurance they got nothing.

MR. BROWNE: Able-bodied relief.

MR. SMALLWOOD: People getting unemployment insurance never get relief.

On motion the House recessed for ten minutes, after which Mr. Speaker returned to the chair and debate on second reading continued:

MR. HOLLETT: Mr. Speaker, I want to say right now that in reference to the general principle of this Bill we are not opposed to it in any way. It is certainly obvious to all of us we are now Canadians and the central government should participate in the expenditure incurred for or in behalf of the Canadian people. It is quite right and proper, I dare say, for the

provinces who are in position to participate to an extent, but I do feel that the Federal Government ought to be a government which would eventually (and it will come, I hope, in our time) become wholly responsible for needy assistance of the nation. I don't know how it works out in other countries nor in Great Britain. I think the poor and needy are taken care of by the municipalities, which, properly so, receive help from the central government. We are not therefore opposed to this, which I believe is the beginning of an idea which will eventually work around to the benefit of the province, the Treasury, with regard to the poor and needy.

Now I believe I heard the Honourable Premier say that during the big depression of the 1930's we had ninety thousand people on relief, that were getting dole, a dollar and eighty cents a month. Well a dollar and eighty cents a month in the thirties, I take it in my opinion at least, was almost if not wholly equivalent to the amount of five dollars now being paid to our needy. At least here in the city five dollars per person per month is correct. I may be wrong on that. If I am I hope I will be corrected. But I do think that five dollars at the present time is not sufficient to take care of one person for one month here in Newfoundland. And if it is possible for the government to increase the scale of relief to those who are in need before making arrangements with the Federal Government I would suggest that they might very well do it. I speak, Sir, with some knowledge of this thing, because I have had an awful lot to do with a good many of those who are destitute here in St. John's and I do find that not one in fifty who is getting this five or six dollars, whatever it is per month, per person for

the family, is able to get along and get the nourishment to carry them over the thirty or thirty-two days. I say, therefore, now is the time to increase the allowances to those who are poor and needy. And backing that up, Sir, any of you who have been in any city on the mainland know that prices of all sorts of commodities but particularly food on the mainland are very much below any prices which you find here. For instance I was in Montreal last year and I discovered that you could buy a bottle of milk the same size as ours, with cream three inches thick, for twenty cents a quart. I think we all know what we pay for it here. Well the person who most needs milk is a child, children need milk and if the milk has to be purchased at 32c a quart, whereas on the mainland, in any of the other provinces, they get it for 20c a quart, I say the mainland people who are in need are much better fed than ours. That is one instance. I do hope the Honourable Minister of Public Welfare and the Honourable Premier and the Government will take up with the powers that be, and they are the powers that be in this connection, this matter. Anyway you look at it—the price of milk and eggs, meat, pork and bread here in the city and all the other things which go to make up a livelihood of any family here and compare that with similar items on the mainland in large or smaller places and just see how much better off is the person who gets relief in Halifax, Montreal, Toronto, than is the family who gets it here in St. John's. Therefore that is one line of distinction which as far as I see has never been raised with the Federal Authorities. I may be wrong about that, but there is nothing in this bill to indicate it. So if you are going to have the same rate all across Canada we must therefore

accept the fact that our children, the children of our poor and needy are going to be underfed. If those on the mainland are saved from starvation ours will be very much underfed. That is an important point, Sir.

The minister says that the average cost of relief per person in this country is ten dollars. Now I think he knows as we all know that the amount paid to the individual is only five dollars per person per month. The other five dollars is made up of various other expenses of administration.

DR. ROWE: One per cent, if the honourable member would like I could give the scale for the city. One person \$15 and two persons \$19. I said the city, but this applies now to all Newfoundland. At one time there was a difference between the city and outport rate. One person \$15, two persons \$19 and \$23. It is in the annual report.

MR. HOLLETT: I am dealing with big families, nine people forty-five dollars. And all the families I have had to do with so far or practically all have eight and ten in the family and the average therefore is about \$5 per person per month. And anyone here who wants to try to feed a family of nine on forty-five dollars per month I don't begrudge them the job.

Now as far as I see it .045 of one per cent is practically one-half of one per cent assuming that we have four hundred thousand people in this country. Therefore Newfoundland will have at least two thousand souls on relief, and if the average cost is as the minister has said, ten dollars per person, that will mean twenty thousand dollars a month, or two hundred and forty thousand dollars a year, which the Provincial Government will have to pay out. In other words the Pro-

vincial Government will have to feed at the rate two thousand people at a cost of \$240,000 before they can in any way approach Ottawa. Having gone beyond that then Ottawa will come in on a fifty fifty basis. That is as I see it. Again I may be wrong, and if so I will probably be corrected.

Now I did see somewhere that this piece of legislation will mean the payment into the Treasury of one million dollars. Now am I to understand that we are to have some serious recession rising here? At least one million dollars—that would indicate that the dole or able-bodied relief plus the sick relief is to amount in the years to come and the year to follow at least two million two hundred and forty thousand dollars. To me that is a rather sad picture. I am given to understand that the relief during the past year has been nearly two million dollars. I am not sure of the figure, but the minister will know. But somebody on the Government side, I believe it was in the Speech from the Throne, said that at least one million dollars would come into the treasury from the Government of Canada. This will mean that we are going to have relief enough for people to cost two million two hundred and forty thousand dollars. I am sorry that we have to take that gloomy outlook as to the future particularly in view of the fact that everybody is obsessed with the idea that we are in a most prosperous time in our history.

Now I notice that there shall be excluded in the reimbursement claim, payment made in respect of medical, hospital, nursing and optical care and drugs and dressings. Now the Federal Government have been talking about some sort of a medical insurance, national hospitalization, etc. Now if they are in earnest about the sort of thing

I don't see why they can't allow this government or any government of any province to include in the amount sent in for reimbursement the medical, hospital, nursing, optical, drugs and dressing of any sick child. I don't see why they should eliminate that. Then it goes on to (b) and excludes funeral expenses. Well, if the Government of Canada is going to pay fifty-fifty during a depression, and a person, during the time he is on able-bodied relief, dies somebody has got to bury him. Why therefore should not the Federal Government pay half that as well as paying half to feed him? That is the Federal Government, Sir. They are too mean, I take it, to bury a man.

Then all travelling expenses except those, if Canada is not contributing thereto under some other arrangements that are made from time to time. I take it that is after being in hospital in here and so on.

There are various things which we shall have to take up with the Committee of the Whole, Sir. These are just a few thoughts that occurred to me at the present time. I am not against the principle. As a matter of fact I am in favour of the principle of the Federal Government taking care of all unemployed employable, and those who are on sick relief I don't see why they should not. This is Canada, and if we ever want to unite all the provinces into one whole nation I think that they ought to see the light and take care of such things as we had here in the thirties. Just imagine, the honourable minister has said that on the basis of that depression in 1930, if we had it now we would probably have to provide around sixteen million dollars. At that rate, with sixteen million dollars we would have to find over eight million dollars for relief alone. Well

I hope we will have very little to do with that side of the House if that should happen to come, because it would be an awful problem, a bigger problem than has ever been passed to the government. We contribute towards the Federal Government and it is right to have the Federal Government contribute this small amount to us. It is not a small amount, I admit. But it is something, I do think, for the Federal Government to be concerned about. They cut out all sorts of things, the cost of administration and then they cut out that first twenty thousand people here in this country and they cut out a lot of other things. But we shall come to that in the Committee of the Whole.

I say again, Mr. Speaker, we are in favour of the principle of this bill, up to a point.

MR. SMALLWOOD: Mr. Speaker, I have just a few remarks to make on this bill. It is in so far as it represents a decision of the Government of Canada (and of course that is exactly what it does) makes a very great step forward by the Canadian Government in the field of social welfare. And that step is that the Government of Canada for the first time in history offers to share with the governments of the provinces the cost of unemployment assistance. Now in the "BNA" Act where the division of responsibility and rights are made setting forth the responsibilities and the jurisdiction of the Parliament of Canada and setting forth those of the Legislatures of the provinces it is provided (in Section 9 (2) ) that relief of the indigent is exclusively a provincial jurisdiction and a provincial responsibility. So from the beginning of Canadian history as Canada, as a federal state, it has been.

Now in most provinces that responsibility was discharged by the municipalities. And the municipalities in an earlier and more leisurely age were able to discharge that responsibility and did so before the pressures of this modern industrialized age left so many human wrecks strewn about. The ordinary small communities, through the churches and through their societies were able to take care of the occasional person who could not take care of himself. But as society developed and industries developed and became so much more complicated it began to be beyond the ability of the municipalities to take care of the indigent poor and to take care of the needs for public relief. So although today it is across Canada for the most part still the responsibility of the municipalities, it is still mainly the duty of the municipalities, (unlike this province where it is never the responsibility of the city council of St. John's, for example, to take over relief of the unemployed and destitute people). Across Canada it still is normally the responsibility of the municipalities, although due to the very complex nature of the way society has developed it is the government of the provinces that have had to assume ever more and more of that responsibility, although they have never assumed as much as we have always had in the Island of Newfoundland where, from the beginning, we have always been responsible in the government for the relief of the indigent and unemployed except in so far as the churches and the various societies discharged that responsibility.

It was in Newfoundland the responsibility solely of the government, but least of all it was the government of Canada, they just disowned it.

But, Sir, an amazing thing is hap-

pening. The Government of Canada, chiefly through the influence of the Liberal Party—Oh Yes, we all know that! It is undeniable!—This legislation was passed by a government that was Liberal, passed by a parliament of Canada that was controlled by the Liberal Government, the Liberal Party. I say, primarily under the influence of the Liberal Party working in the House of Commons and in the Senate, Canada has moved boldly away from that old position where she was not concerned with these great matters of public welfare, and they have increasingly admitted their responsibility (not admitted but taken on responsibility) and taken on responsibility and assumed responsibility. We have had the great introduction of the old age pensions. There was a time in Canada's history when there was an old age pension. It was given by a province or a municipality. It was not given by the Government of Canada. But the Government of Canada stepped in in the late 1920's, I think it was 1927, speaking from memory, with the first old age pensions scheme. And it was a very modest old age pension and they agreed to pay part of the cost if the province would pay the other part. Well that was the beginning. This old age pension scheme developed very rapidly after that, and the Government of Canada assumed more and more of the responsibility. They raised the amount and they agreed finally to take half the cost of it from the provinces who would take half. Then finally they took all the cost of pensions at seventy for everyone in Canada. So that was a great move from nothing to being responsible for every person in Canada who reaches the age of seventy regardless of means and paying every person a pension of forty dollars

a month for life, both husbands and wives. That was a great step.

Then they brought in the great system of unemployment insurance in Canada, which was unquestionably one of the greatest steps ever taken in Canadian History. Now I don't think that the Liberal Party is solely responsible for Unemployment Insurance and I would not claim it for them. But I do claim what is undeniable, i.e. the introduction of the great system of unemployment insurance in the Parliament of Canada, and its adoption marked another great step in the same direction of setting up the welfare state.

Another great step in the direction of having Canada as Canada, i.e. the Parliament, the Government of Canada as a whole, assume responsibility which down through the decades had been regarded as purely the responsibility of the municipalities or the provinces was the introduction of Family Allowances. By then the Government of Canada was paying out many hundreds of millions of dollars a year to people all across Canada, in all the provinces, and taking more and more of that burden on their shoulders and thereby more and more relieving the provinces and relieving the municipalities. And now today in this House we have a piece of Legislation which represents the latest great step forward for the Government of Canada to take, which is to assist the provinces in the relief of the indigent and the unemployed who are not eligible for unemployment insurance.

My honourable friend, the Leader of the Opposition, sensed instantly some holes in this great proposal, he sees some flaws in it, and the principal flaw that he sees in it is that it does not go the whole way. He would like to see

the Government of Canada assume full and not just part responsibility. But I would remind him that when the Government of Canada introduced old age pensions they assumed only, I think, twenty-five per cent, one-quarter of the cost of old age pensions leaving to each province the care of the other seventy-five per cent. Then as a great step forward the Government of Canada offered to pay fifty per cent of the cost. That was some years later, just around the time we became a province of Canada. After that again they made another great step when they took over the full cost of old age pensions at the age of seventy. At the same time they took on a new responsibility, which was to pay half the cost of old age assistance at the age of sixty-five up to the age of seventy.

Who can doubt in the very nature of things that Canada will eventually pay not one-half but all the cost of unemployment assistance between sixty-five and seventy because it is in line with precisely the things they have been doing. That is the undoubted trend of the Parliament and the Government of Canada. So I say, in this modern day, the minister who has to administer this great welfare scheme in the Province would like, as we would like, to have the Government of Canada assume full responsibility. But I doubt not that they will. If they don't it will be the only occasion, amongst many, of their failing to do precisely that. Because on all occasions they have where they at first paid less than all finally ended up paying all, and then moving on to something new.

Now, Sir, I am supposed to be a person who has been chiefly wrapped up in social welfare. I have been accused of wanting Confederation, for example, chiefly because of the social welfare

benefits that Confederation would bring to our Newfoundland people, family allowances, old age pensions, pensions for the blind. (I might have cited pensions for the blind a moment ago. There was a time when the Government of Canada paid pensions for the blind who had reached a certain age, I forget what the age limit was. I speak from memory. It was twenty-five or twenty-six, I believe. Then they lowered the age limit, I think to eighteen. I don't know how it stands at the present time, but at all events it is another example of beginning small and growing and ending up by taking over the whole of the responsibility). But I was going on to say that I am supposed to have been chiefly concerned with the benefits of these social welfare plans and pensions and payments and the rest of it. Now while it is perfectly true that I have from the beginning seen what a blessing these things would be in Newfoundland of all places, although that is true, I say, from the beginning never for a moment had I failed to see it, nevertheless I regarded that as being secondary to something else, i.e. development. I do not think that Newfoundland should ever be allowed by its leaders on both sides of this House and the leaders outside this House to become a place where the payments from Ottawa in pensions and the like would assume more than a certain amount of importance. Sure, let us have it by all means. All we can get let us have. But at the most, if things are well ordered in Newfoundland, at the most they will constitute only a modest part of our income. If we are going to amount to anything as a people our income must be development of our resources, the creation and expansion of our industries, and that is where my first faith is. But, Sir, having said that may I go on to say this: If, as my hon-

ourable colleague said, we were to get another two great new paper mills established in Newfoundland and then on top of that half a dozen new mines were to open up and ten or fifteen or twenty new factories and three or four or five great new fish plants, if all that were to happen, we would still have a great need for public welfare in Newfoundland as you would in any other part of Canada or the United States, and for this remarkable reason: Increasingly private enterprise, private industry, is insisting on taking men only for the most energetic portions of their lives. They like to take them from about eighteen years of age, when a young fellow has so much strength and energy and is able to waste enough energy every day to run a couple of men, bursting with health and energy. And even then they won't take them until they subject them to medical examinations. It is almost like before you buy a horse you want to see that he is sound in wind and limb and you pry his mouth open and look at his teeth etc. So they do with the young eighteen year olds before taking them to work on a plant or a base. If they are asked to take them on at fifty they laugh in their face. And increasingly no matter what your prosperity is, no matter what development you get, no matter how many people are employed, increasingly there is this tendency to reject, to throw on the scrap heap, the dump of the expendable, the pile of the useless men in their late forties and their early fifties. And that is why, whether we like it or not, whatever we may think philosophically, whether we are Tories or Liberals or Socialists or Communists, regardless of what we are in our political ideology regardless of all that, the hard facts of the case

only laugh at these ideologies regardless of what we think, the fact remains that more and more social welfare will become necessary. As a matter of fact I cannot see any alternative to it but Communism. I don't see it — the Social Welfare State of Communism—whether you like it or not. Because if you get men in their forties who are willing to work, in pretty good health but not with bursting energy of the eighteen year olds and the twenty-three year olds, if you get men in their late forties and early fifties who private industry does not want and won't have and the only alternative for them is the scrap heap; you will either provide them with social welfare such as this bill envisages or they will go Communist — and I would say they were fools if they did not—Because any man who allows himself and his children just to starve is no man.

MR. HOLLETT: What does Communism offer them?

MR. SMALLWOOD: I don't know.

MR. HOLLETT: You had better find out.

MR. SMALLWOOD: I don't know. I know what the scrap heap offers them. If the best that society as it is can do is to throw them to the scrap heap, can Communism do any worse?

MR. HOLLETT: Yes, send them to Siberia.

MR. SMALLWOOD: They still would not be on the scrap heap. They would be fed.

MR. HOLLETT: You would send them to Labrador.

MR. SMALLWOOD: I don't compare Labrador to Siberia. That is a new thought. The Honourable Member for Labrador would be interested

to hear that. Don't send any candidates to Labrador this election, don't waste the time and money. Send them to St. John's. Don't waste time and money. Save up your money and give it to your candidates in St. John's.

I am not advocating Communism. But I think my position is secure enough that I don't care if anyone calls me one or not. I think my position is secure enough for that. There was a time I would have fiercely fought, like a tiger, against any accusations that I was a Communist. Today I don't care who calls me that. I think I can say the truth—and the truth is this—if you have any form of society in which men in their late forties and fifties are useless, if there is no place for them in it, if they are not allowed to earn a living and the only thing facing them is the scrap heap or Communism I would say they would be fools if they did not try Communism. But what I advocate is neither Communism nor Capitalism but this kind of legislation here today. It is well known it is not I who advocated family allowances and old age pensions. I introduced them into Newfoundland or had a big part in introducing them into Newfoundland, Family Allowances, Old Age Pensions and Old Age Assistance and Unemployment Insurance, and now this today. That is what I advocated. There are only three choices: Social Welfare, Communism or the scrap heap. And Liberalism advocates social welfare. I am sure there is not an honourable gentleman on the other side of the House but agrees, because if they don't admit they are Liberal they would like to be able to admit it. That is a note, I can see something fierce coming in reply to that.

It is a good piece of legislation, Mr.

Speaker, and I am sure it is going to go through this House without a division and without a dissenting voice.

MR. BROWNE: Mr. Speaker, the reason I wrote down so rapidly what the Premier said at that time when he spoke about the Liberals being responsible for the measure—surely he does not think for a minute—the fact is contradicting. All Governments have the same sense of responsibility when they are in office as regard the unemployed. And the Liberal theory in the old days, not so long ago, after the industrial revolution was the very one which is ignored.

MR. SMALLWOOD: "Laissez faire"—the Manchester gaol in England—I know.

MR. BROWNE: There was no interest taken except that taken by charitable associations inspired by Christianity. And it appears the situation he talks about which is so menacing to civilization today, which arises out of this industrial revolution. The thing today is that people have gone hard-hearted more than they were long ago, and the labour unions are fighting for higher wages while the capitalists require good men, and pay twice the money they pay the ordinary man. I see men working as carpenters and it is amazing how fast they work. These are the men the employers want because they get twice the value out of them, or greater value than out of ordinary men. So they don't take ordinary men looking for work. They are looking for the best they can get, to get the most value out of them. Well, Sir, there are a few things I think the honourable members should recall in this discussion in regard to old age pensions. They are being paid for by the people from St. John's to Vancouver, two per cent on income tax and two

per cent and ten per cent on customs, which was devised by Mr. Abbott, but which means the public is paying it. Even that is not sufficient. The rest comes out of general revenue.

Now the Premier referred to the duties that were assumed all throughout the years by local authorities throughout Canada and in other countries as well and by charitable organizations looking after the poor. Well that was possible, as he said, in a more primitive economy when the majority of people lived on the farm. Down here in Outer Cove it was Sir John Puddister's boast and Father O'Callahan's boast that nobody in Outer Cove received relief all through the depression, nobody in the Parish of Outer Cove because Father O'Callahan drove them into St. John's. No, Father O'Callahan went amongst the people and he would say—Look, I want a bag of potatoes from you for an old man—and he got the bag of potatoes—and nobody knew who was receiving assistance there by his doing it in that charitable fashion.

Unemployment Insurance is paid by the people, and paid by the people who have no prospect of receiving unemployment insurance.

MR. SMALLWOOD: Or hope they won't.

MR. BROWNE: Well, it is paid by everyone. It is paid by the employers who don't expect they will be receiving unemployment insurance.

But the main feature of this legislation today is that the Federal Government, the Central Government in Ottawa, is collecting more money than it knows what to do with, through its taxation, through the income tax on individuals and through its corpor-

ation taxes and customs and excise duties and other special taxes. And with the rapid development of industry taking place all over the world and with the immense increase in production the amount of material goods has been increasing and therefore the taxation has been driven higher and revenues have been higher and therefore the government has this revenue there. And if it were not, I suppose, for some old fashioned men like Duplessis who is always demanding the power.

MR. SMALLWOOD: Old fashioned?

MR. BROWNE: He might not like that.

MR. SMALLWOOD: Streamlined, nothing like him in North America.

MR. BROWNE: He wants to stick to it. But in the British North America Act, the provinces were given the power to put on direct taxation, and that taxation was taken over by Ottawa during the war. And they don't want to give it up. And hence the Federal provision for renting of taxes by which they brought in millions of dollars to this country, which we could have taken ourselves if we had the power of direct taxation. And this is only one of the ways, one of the little pieces of dole given out by the Central Government at Ottawa.

MR. SMALLWOOD: "A little dole"? It is a cool million to start with.

MR. BROWNE: I know but if we had the power of collecting income tax we would be able to collect taxes ourselves. The amount of money that flows to the central government is not only taken from the rich and the great corporations in Montreal and Vancouver but from the people here in the remote places who are contributing to their profits by buying their goods.

And if it is true, as has been stated so often, we are buying a hundred and fifty thousand dollars of goods from the other nine provinces, those goods are producing profits and in some cases these goods pay taxes, therefore, indirectly the people of Newfoundland are contributing to the great revenue taken in at Ottawa. And this is one of the ways by which the Federal Government are returning to the people the money which it takes from them, and this is one of the ways it should pay it back.

I would like further to support my colleague here on my left, my honourable friend, the Leader of the Opposition, in his proposal he put to the Government now that the Federal Government is going to take over such a proportion of the cost of public assistance they ought to consider being a little more generous. In some cases in giving five dollars on an average for a family of nine, which as the minister knows is impossible and people can't live on it.

MR. SMALLWOOD: There are few if any getting that because they get additional and extra assistance and get supplementary amounts.

MR. BROWNE: I know they have to.

MR. SMALLWOOD: They do. We give it to them.

MR. BROWNE: As the Premier will appreciate, if there is any delay in giving it, it causes great hardship. And here in the city we feel it more than perhaps outside the city because the man cannot pay his rent and cannot get coal in the winter time. Then he has to go around begging. And he is not supposed to do that, under the very modern system we have today. A situation arose there about a month

ago when a number of people suddenly came to my office, as the member for St. John's West, and said: "Look here, we are entitled to unemployment insurance but it is not due for another three weeks because there is such a big crowd they cannot process my case until then. What am I going to do in the meantime? I was only living from hand to mouth, a labourer." And the official there did not seem to appreciate the grave situation in which these families found themselves. And I had to interview personally the officials in the department, and they seemed to recognize then that the men did have a case. In the meantime of course they had suffered a great deal of anxiety. But they did give the assistance necessary to tide them over until the unemployment insurance was granted.

I think, Mr. Speaker, I could say too that the Liberal Government happens to be in power, and has been in power a long time in Ottawa, since 1935, over twenty years. And they have been in charge of affairs just when this wave of prosperity went over the whole world, and just when this wave of social welfare developed over the whole world. If any other government, Socialist, "CCF" or Conservative had been there they would have been doing the same thing.

MR. SMALLWOOD: To some extent.

MR. BROWNE: The minister knows Ontario led the way of all governments in Canada. And Ontario has had a Conservative Government for many years too.

MR. SMALLWOOD: How many?

MR. BROWNE: Since 1940, sixteen years, since George Drew became Premier it has been continuously Conser-

vative. Before that it had an administration of Liberals, which was no great shakes—and a Liberal Premier. So that all governments recognize this problem. And I would like to leave this thought here. I am not so sure that this rapid technical development of the world in this machine age and then doling out relief to people is really a solution at all. Is it a solution? It is only just temporary easing of an extremely critical situation. But where is it going to end? Where is it going? How far can it go? There was one time when people were self-supporting. It has been said by the minister that there was never a time here; but there was a time when a great majority of the people were self-supporting.

MR. SMALLWOOD: The first petition brought into this House in 1932 was a petition for relief, the very first one.

MR. BROWNE: Even so, Mr. Speaker, I think it is the duty of all governments to consider a way of solving the situation other than by granting relief, or trying to find a solution which would enable those whom the Premier says are thrown on the scrap heap can have respectable security and self respect as well without having to receive public assistance.

Everyone has to support this bill, Mr. Speaker.

MR. HIGGINS: Mr. Speaker, I support this bill. I am not greatly interested in the historic origin of government assumption of responsibility. I am not greatly concerned whether it is coming, as my honourable and learned friend from St. John's suggests, as conscience money or whether it is merely benevolence on the part of Ottawa which says we should share the wealth. The fact remains, the min-

ister assures us (and I know that in committee he is going to be able to work out that formula of .045 to our satisfaction) we are going to get for a change considerable more than we give, and that is a great thing. I am not concerned whether it is a Liberal Government started it or a Conservative Government. Let us take the cash and let the credit go!

Mr. Speaker, I support this bill.

DR. ROWE: Mr. Speaker, if no other honourable member wishes to speak I will close the debate with a few comments on some points made, particularly those raised by the Honourable Leader of the Opposition.

The scale: This point is not clear. Perhaps I did not make it clear in introducing the bill. The scale of assistance is designed by the provinces. The Federal Government has no say whatsoever in deciding the scale nor the conditions of assistance nor even the terms of eligibility other than those outlined specifically as exemptions in the bill.

In June there was a second Dominion-Provincial Conference. And at that Conference the Premier did me the honour of asking me to represent him in Ottawa. And I recall that one or two points I took up in committee with the Prime Minister was the very fact that we in Newfoundland might very well, if our present prosperity continued, want to change the relief rates, raise them, of course, and that we would not want to be restricted by a five year agreement. And the Prime Minister concurred with that position. As a matter of fact you will notice, Mr. Speaker, there is nothing there to say that we cannot change it. On the other hand there is nothing there to say that we can. As a matter of fact if

we want to change it we can. And I can mention (although I don't suppose it has been made public yet) that the government a few weeks ago approved that. It may be modest but still a significant increase in certain categories of relief to take effect from the 1st of April this year.

There is one other point which needs some elucidation: My honourable friend, the Leader of the Opposition, is not giving too valid a picture when he says it is five dollars per person. The point is this that we have a certain basic relief rate, one person fifteen dollars and two persons twenty dollars, and we can pay and do pay two persons twenty dollars per month. But in addition to that, as the Premier already indicated, we do assist in various ways. I say the majority of persons on relief in St. John's, in coal in some cases, in rent, and they are assisted, as everyone knows, in medical matters. For example take the family spoken of, of seven or eight, there may be two children in that family who are delicate. A doctor examines them (at no cost, of course to the family) and says those children need extra nourishment, and we write out an extra ten dollars a month for each child. It is done in hundreds of cases, so it averages out.

This is important—this will not take care of all these individual cases. You get individual cases of hardship. But the important thing is that in order to see the picture fully, the assistance we give averages out at ten dollars per person per month.

Now there is one other thing I don't think we should forget, and which we sometimes seem to forget. We speak of a family—and the Honourable Leader of the Opposition says: "I know a family of nine that cannot live on forty-five dollars a month." We should, I

think, at the same time recognize that very rarely is the case, that a family has to live on that. They do get family allowances. Such a family would probably have forty dollars coming in family allowances. In addition to that let us recognize the fact that the springs of private and family charity have not dried out in this province. I doubt if there is any province in Canada where we have so many philanthropic and charitable organizations, under the churches in some cases. Every one of us here belong to some particular church, and we all know that church and any Church (my own church,) George St. United, the Roman Catholic Cathedral, the Church of England, and all of them have working in them, as part of their organization, groups and committees and what not, who do assist. And of course the people they do assist are people who for the most part would be getting relief. We know organizations such as the Red Cross, Fraternal Clubs like the "Lions", "Kiwanis" and "Rotary" and the fraternal organizations like the "Knights of Columbus" and the "Orange Societies" and "Oddsfellows." Every year they give out in assistance hundreds of dollars around this province. So in general we can say that whilst no family can really live on relief rates themselves, very, very seldom is any family compelled to do that. We are a family-minded people in Newfoundland in addition to being Christain minded. There is not a member of this House who does not remember helping when some friend of his or some relative got into difficulties. We have all had it happen. We have all done it personally. And of course, as said earlier, there are charitable organizations in Newfoundland doing tremendous jobs in helping those who need help.

There is one other point, Mr. Speak-

er. My honourable friend the Leader of the Opposition was wrong in his arithmetic, four hundred and twenty thousand.

MR. HOLLETT: I said four hundred thousand.

DR. ROWE: In other words we are not getting enough sick relief alone to take us over the minimum.

MR. SMALLWOOD: He should not be allowed to figure at all. His figures are always wrong. They want an adding machine over there.

DR. ROWE: I have one final word to say, Mr. Speaker. I am not going to get involved in the philosophical aspect of welfare right now, I am not one of the few persons today (and I dare say my honourable friend from St. John's West is one as I know is the honourable Premier) only a handful of persons I know have gone through all the records of this House of Assembly since it was set up in 1832. But I cannot recall one year all through the nineteenth century when one of the major points of discussion and one of the matters of chief concern to members was not this business of able-bodied relief. In 1860 one-half of the people in Newfoundland were living on Indian Meal and molasses and again in 1890, again in 1906 and 1914 and as we all know in the 1930's. Over and over again the fact was shown that we still had some relief, and like fishery problems in Newfoundland every government has had to deal with it and every government tried in some way to conquer it and no government ever succeeded fully. And I would go so far, I think, as the Premier implied a few moments ago, no government ever solved it fully.

MR. BROWNE: The poor you shall always have with you.

DR. ROWE: We know that of course. We certainly try to solve this problem of spasmodic employment, as any government has to do that.

I think, Mr. Speaker, I have covered most of the points. In committee there are a number of small matters we can iron out and explain.

I feel I should thank the honourable members for their support of this bill, and I move second reading.

On motion bill read a second time. Ordered referred to a Committee of the Whole House on tomorrow:

First Reading—Orders of the Day, Items 13 through 20:

HON. L. R. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred and that the House at its rising do adjourn until tomorrow, Friday, March 23, at 3:00 of the clock.

Friday, March 23, 1956

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

MR. SPEAKER: If I might say so, the attendance in the gallery today almost ensures correct parliamentary procedure.

HON. J. R. SMALLWOOD (Prime Minister): Here! Here!

#### Presenting Petitions

HON. S. J. HEFFERTON (Minister of Municipal Affairs & Supply): Mr. Speaker, I beg leave to present to the House a petition from the residents of

Little Catalina, signed by seventy per cent of the people of that place, praying that the name of their town, "Little Catalina" be changed to that of "Fairview."

It might have some logic, I think, since there is some little confusing in the mail delivery between Catalina and Little Catalina, a distance of three miles. I would point out also in some justice, it is no longer an appendage of Catalina but is practically as large as Catalina itself.

I support the petition, Mr. Speaker, and I beg leave to have it tabled and sent to the department concerned.

On motion petition tabled for reference to the department concerned:

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I beg to present a petition on behalf of the people of Cormack requesting that electric power be made available in that area.

Now we all know that Cormack is a very big and busy farming area in close proximity to the town of Deer Lake where some hundred and fifty thousand horse power of electricity is generated. And these people up in that area who are just seven or eight miles from that great power house are without power.

We all know that today in order to farm successfully power is one of the greatest assets of a successful farmer. And these people have been requesting through various channels that electric power be made available to them.

I know that you will all agree with me that this would appear to be a most unusual state of affairs to have a great farming area so near to where there is so much power available without having them share in the benefits.

I therefore, Mr. Speaker, recommend that some action be taken. I agree with the request of those people and would ask that the petition be laid on the table of the House and referred to the proper authorities.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I would like to give my support to the petition presented by my honourable colleague. The settlement of Cormack is one of the few purely agricultural communities in Newfoundland set up as an organized community. We do have there a number of families who are making their living out of agriculture. During the past few years they had quite a number of obstacles to overcome. In one sense they have been the wards of the Department of Mines and Resources. We have a great deal of contact with them. In fact in this past year they have written me several times in regard to this petition. There is no doubt at all in the mind of the Division of Agriculture of the Department of Mines and Resources that the people of Cormack are entitled to every possible consideration in their valiant effort to make a living out of agriculture.

I would like to support that petition, Mr. Speaker.

MR. SMALLWOOD: Mr. Speaker, the people who sent this petition to their member, the Honourable Minister of Labour, have telegraphed me asking me to support the prayer of the petition in this House. I do so all the more gladly because it gives me an opportunity to say something in relation not only to that particular request or rather with regard to the request from that particular place, but with regard to many requests that are reaching the government for the encouragement of electrical development.

We have now on hand requests from ten to twelve different places in Newfoundland for the development of electricity. I recall at once, St. Anthony, Springdale, Baie Verte, Wesleyville, Greenspond, without stopping to think any further at all, and there are more than twice as many as that.

The House is aware of the fact that about a year ago we passed a bill into law, giving the government authority to set up a power commission. That power commission would regulate the development of electricity in Newfoundland by private companies and would also be responsible for the introducing and carrying out of a programme for rural electrification, which is a name for a straight subsidy from the Treasury of the cost of transmitting power. Usually when places have not got power it is because of the cost of transmitting it and not so much the cost of generating it. And that is gotten over across Canada as a rule by means of a straight government subsidy on the cost of transmission lines. That Act was passed, and the government have now the authority to appoint the commission. We have not as yet appointed the commission, because we felt it was useless to appoint the commission until we first got for its chairman a man who would be the chief expert of that commission and who would take the matter under his control. We had such a man in sight in the person of Commander Desbaretts who has had more experience than any other living man in this province in surveying the water power and hydro-electric potentials of the province. He has tramped over thousands of square miles of it and has made many surveys for Bowaters and the Newfoundland Light and Power Company and for United Towns Electric Company and the Union Electric Company

of Port Union and for many town councils including Wesleyville, Badger's Quay, Valleyfield, Lewisporte and St. Anthony's.

He was not, however, available to us because he had made the plans for the great million dollar development for Port Union, and having made plans and the contract having been awarded he then was appointed as supervising engineer on behalf of the operating company, supervising the contractor. So he could not come with us until that work was finished. That work was finished about three weeks ago (it was three or four weeks, I am speaking from memory. It was probably a bit longer) and Commander Desbaretts was appointed chairman of the power commission. We have not yet appointed the other two members. But Commander Desbaretts is quite busy at work compiling notes and reducing them to a plan. Because clearly we cannot have hydro-electric development at St. Anthony and Baie Verte, Springdale, Lewisporte, Badger's Quay and Valleyfield and out here at Cormack and up in Fortune Bay, from which place my honourable friend brought in a petition yesterday, and in all these other places at one and the same time or even in the year. So what is necessary is that a plan be made calling for so much this year, so much next year and the year after and every year, spreading over a period of years. We are deadly serious about it. We have not moved until now because we felt it was a waste of time to do so without the right man to take charge. We now have what we believe is the right man, and we hope to see action in the next four or five years. For the next four or five years we hope to see very important hydro-electric development.

MR. SPEAKER: The Honourable Member's time has expired.

MR. SMALLWOOD: Mr. Speaker, with the indulgence of the House, I would like to add just one word more: In Newfoundland the latest demand going up all over the island is not for schools, much as they are demanding these, not for hospitals, but the latest demand, the latest evidence of the growing discontent of the people with their life is that clamour now demanding electricity. And we have got to meet it. We got to meet it or we will pay the consequences.

MR. W. J. BROWNE: Mr. Speaker, I wonder if the Premier will give us assurance that before these plans are adopted with regard to power expansion that the House of Assembly will be consulted and advised so that it could be considered here.

MR. SMALLWOOD: We certainly would have to before we could spend any money, I think we would have to bring a programme before the House. I don't know exactly if it will be possible for the plans to be prepared in time for the present session of the House—I doubt it.

MR. BROWNE: Is Commander Desbarts under salary now?

MR. SMALLWOOD: Yes.

MR. BROWNE: What is the amount?

MR. SMALLWOOD: Twelve thousand dollars a year. And it will raise to about twenty thousand dollars a year when the business handled runs to many millions a year, say six or eight millions a year. He won't be satisfied then with twelve thousand a year. We won't get any hydro electric engineer of any account to work for

as little as that, I think that is obvious to the whole House.

On motion petition tabled for reference to the department concerned.

MR. J. R. COURAGE: Mr. Speaker, I beg leave to present a petition from the residents of Milltown and the Head of Bay D'Espoir asking that a road be constructed between Morrisville and St. Alban's.

This, Mr. Speaker, is a petition which I received last spring, just after the closing of the House, and consequently too late for presentation during that session. Although a little work has been done, or some work has been done on that road it has not been completed. And it will be necessary to construct a bridge across the Northwest Brook before this road can be completed.

Bay D'Espoir, as everyone knows, is one of the natural beauty spots of Newfoundland. It has great potentialities. And I regard it as the hope of the Southwest Coast. A road is very necessary to connect all the places in Bay D'Espoir.

Since 1949 we have joined up a number of these places. St. Alban's is now joined with Milltown and with the Head of Bay D'Espoir and Morrisville has been joined with Milltown. Now this is the greatest gap remaining to be closed, between Morrisville and St. Alban's, which the people are asking for in this petition.

I have much pleasure in supporting the prayer of this petition, Sir, and I ask that it be laid on the Table of the House for reference to the Department of Public Works for consideration.

On motion petition tabled for reference to the department concerned.

MR. SMALLWOOD: Mr. Speaker, I have here a petition which has just now been handed to me, a fact which I rather regret because if I had it in time, it would certainly have been the first, for obvious reasons, to come before the House today. However, now that it has been handed to me I consider it an honour to be asked to present it, and I do so:

"TO THE HONOURABLE MEMBERS AND SPEAKER OF THE HONOURABLE HOUSE OF ASSEMBLY OF NEWFOUNDLAND."

The Petition of the Presbyterian Church in Canada humbly sheweth:

"1. By the Act of Parliament of Canada being Chapter 65 of the Statutes of Canada 1939, the congregations, members and adherents of the Presbyterian Church in Canada who did not, on the 10th day of June 1925, become part of the United Church of Canada, and those persons who since that date have or might have joined them as members and adherents were permitted to use the name "The Presbyterian Church of Canada."

"2. That by an Act of the Parliament of Canada being Chapter 64 of the Statutes of Canada, 1939 the Trustee Board of the Presbyterian Church in Canada was incorporated for the purpose inter-alia of holding property of the Presbyterian Church in Canada as in the Act set forth."

"3. That your petitioner is desirous of having the Trustee Board of the Presbyterian Church in Canada incorporated in Newfoundland for the purpose of holding property of your petitioner in Newfoundland."

"4. For this purpose your Petitioner is desirous of having an Act of the

Honourable House of Assembly passed in the terms set forth in the Draft Bill which is hereto annexed marked "A".

"YOUR PETITIONER THEREFORE PRAYS that leave may be granted to your Petitioner by this Honourable House of Assembly for the introduction of the said Bill.

"AND AS IN DUTY BOUND YOUR PETITIONER WILL EVER PRAY ETC.

The Presbyterian Church in Canada

Sgd. James Dutton  
Chairman, Board of Administration;

Sgd. E. A. Thompson,  
Secretary, Board of Administration;

Sgd. Allen M. Old,  
Minister, St. Andrew's Presbyterian Church, St. John's, Newfoundland.

And attached to the petition, Mr. Speaker, is a draft bill which of course gives effect to the prayer of the petition. The draft bill being a private bill, which will go through the regular procedure of private bills. For that purpose I believe it will be necessary to move for the announcement of a select committee so that the procedure may be completed. I feel that this petition will meet with the approbation of the whole membership of the House and that the prayer of the petition will be acceded to gladly and willingly by the members of this House.

I move, Mr. Speaker, that the petition be laid on the table of the House and referred to a special committee to consider the same.

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I beg rise on behalf of Her Majesty's Loyal Opposition to support the prayer of this petition, which is so well put to-

gether and so ably read by the Honourable Premier. I note the delicacy with which it was presented to the House and Addressed to the Speaker. I am certain we will be very happy on this side of the House to support the prayer of this petition.

**MR. SPEAKER:** The petition first of all automatically goes to a committee on standing orders. When the report is made, then the motion is made that it be put to select committee on Private Bills.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion

**HON. M. MURRAY** (Minister of Provincial Affairs): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the School Attendance Act."

**MR. JAMES D. HIGGINS:** The Honourable Minister picked a good day.

**HON. G. J. POWER** (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Gasoline Tax Act."

**MR. HOLLETT:** Not again.

**HON. E. S. SPENCER** (Minister of Public Works): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Department of Public Works Act."

**MR. HEFFERTON:** Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954," also

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

#### Giving Notice of Questions

Notice of questions on tomorrow given by Mr. Browne.

#### Answers to Questions

Question No. 30:

**MR. BROWNE:** To ask the Honourable Minister of Economic Development to lay on the table of the House the following information: Is Mr. Forse still employed by the Superior Rubber Co. Ltd.? What is his position and salary per month? What duties is he presently performing? When was he appointed? On whose recommendation was he appointed? What are his qualifications for this position? Do the Directors of the Company receive any salaries or honoraria? If so give details.

**MR. SMALLWOOD:** Mr. Speaker, in reply to Question No. 30 on the Order Paper of today, I may say that I gave in the House yesterday some of the reply when I said that Mr. Forse is still employed and gave his salary as six to seven thousand (I forget which) but not more than seven thousand but I don't think it is less than six thousand. I told what his duties are. Does the honourable gentleman want the exact date of his appointment? He was appointed last year. On whose recommendation I don't know. He was appointed by the Board of Directors. His qualifications for the position consisted mainly in the fact that he is, I think, a chartered accountant.

**MR. BROWNE** I understand he is not.

**MR. SMALLWOOD:** In that case he

is a "CPA", a thoroughly competent accountant. The work he was doing was that he was in charge of the office in there. There was another man in charge of the plant.

Do the Directors of the Board receive any salaries or honoraria? The answer is no, none. They have not received any and they are not going to receive any.

*Question No. 31:*

MR. BROWNE: To ask the Honourable Minister of Economic Development to lay on the table of the House the following information: What is the present position of the Government in relation to the Javelin Company? Are the Government Directors under salary from the Company? What was the amount of travelling expenses incurred by members of the Government in connection with this Company? Give the dates and duration of trips, the names of the persons travelling and the cost of each trip?

MR. SMALLWOOD: The answer to that question is that there were no trips and there was no cost, there were no travelling expenses incurred by the members of the Government in connection with this company, so I cannot give you any amount. There was none: The Government Directors are not under salary because there are no directors and no salaries.

That leaves one part of the question: What is the present position of the Government in relation to the Javelin Company? The present position is that the Government are the owners, on behalf of the public, of the land in Labrador which has been ceded to Nalco. Nalco in turn having ceded so many thousand square miles to Canadian Javelin. In other words the position of Canadian Javelin vis-a-vis the

Government and vis-a-vis Canadian Javelin and with Nalco in between the Government are the landlords of certain property in the Labrador which has been ceded to Canadian Javelin. I don't know that I can add anything to that. I don't know just what the honourable gentleman wanted to know.

MR. BROWNE: Mr. Speaker, perhaps I could enlighten the Honourable Premier as to the meaning of the question. We had a special session in September and we authorized a bill allowing the government to guarantee sixteen and a half million dollars. I understand from the press that the company is unable to raise the money, and I wondered if the government has anything to say, and what is the position at the present time?

MR. SMALLWOOD: If I were in the position of the honourable gentleman I would take reports in the newspapers about the inability of that company to raise a bond issue with the greatest possible reserve. If he wanted to know that he might have asked. But he does not ask, "What is the present position of the Government?"

MR. BROWNE: Excuse me, Mr. Speaker, I understood the time limit was the 15th of March for the raising of the loan.

MR. SMALLWOOD: I think the honourable gentleman is mistaken.

MR. BROWNE: Perhaps I am.

MR. HOLLETT: Mr. Speaker, I wonder if I could ask a supplementary question with regard to Question No. 30? Could the Honourable Premier tell us who are the Directors of Superior Rubber Company now?

MR. SMALLWOOD: They are the same today as they were a week, a month and three months ago. I think

they consist of Mr. C. A. Pippy, Mr. Gordon F. Pushie, Mr. Donald Dawe—I think that is the lot—there is no change in the directors.

**MR. BROWNE:** Mr. Speaker, here I have the Act dealing with the Wabush Lake Railway Company. It says: "The Government shall not require to guarantee the Loan under Subclause (1) of this clause" unless all that is required be done to the satisfaction of the Government before the 15th of March.

**MR. SMALLWOOD:** What does that mean?

**MR. BROWNE:** The Government is not required to guarantee the Loan.

**HON. L. R. CURTIS** (Attorney General): Unless what?

**MR. SMALLWOOD:** All these things contained in the bill have to be done before the 15th of March.

**MR. BROWNE:** Well, what is the situation at the present time?

**MR. SMALLWOOD:** The situation at the present time is that all of the things required to be done on the part of Canadian Javelin by the 15th of March have in fact been done. That is the position.

**MR. BROWNE:** Then they can get the loan any time they can raise it?

**MR. SMALLWOOD:** If we care to give it. But after the 15th of March we cannot be required to give it unless they have met these conditions.

**MR. HOLLETT:** They have.

**MR. SMALLWOOD:** Yes. Therefore I take it they require us to guarantee. But they have not in fact required us.

**MR. BROWNE:** Mr. Speaker, the minister said there were no trips. Once

again I must say my information was given through the newspapers, that the Minister of Finance and the Attorney General and the Premier met Mr. Doyle in New York.

**MR. SMALLWOOD:** I understood the question to be as follows. What was the amount of travelling expenses incurred by the members of the Government in connection with this company? No members of this government made any trip in connection with that company. Some directors of Nalco did.

**MR. BROWNE:** Oh, I see! We could vary the question.

**MR. SMALLWOOD:** And would not get an answer. We don't in this House table the details of the expenses of NALCO. If some directors of NALCO visited New York or Montreal for the purpose of conferring with Canadian Javelin or anybody else that surely is the business of NALCO and not all of the details of NALCO's business are necessarily tabled in this House.

**MR. HOLLETT:** They were last year.

**MR. SMALLWOOD:** No, the balance sheet, and the annual report were tabled, yes. And if my honourable friend has in mind that there was any trip to the West Indies, for instance, to confer with Javelin, they can put it out of their minds. There was a visit to Montreal or New York (I am not sure which) on the part of three directors of NALCO, to confer with Canadian Javelin. Nalco paid the costs of that trip which amounted perhaps to \$150 per head. From there we went to the West Indies at our own expense. Neither the Government, Javelin, NALCO nor anyone else paid the cost of a purely personal vacation. The Attorney General did not go.

**MR. BROWNE:** The Premier then

went to Germany. Was that in connection with Javelin?

MR. SMALLWOOD: The answer is that there were no travelling expenses incurred with this Government, no expenses incurred on behalf of NALCO. And the trip I made to Germany with Mr. John C. Doyle, neither the Government nor NALCO paid for that.

MR. BROWNE: Who paid for it?

MR. SMALLWOOD: Is that anyone's business?

MR. BROWNE: I think so.

MR. SMALLWOOD: The honourable gentleman is entitled to think. So am I entitled to think. Now where does that get us.

MR. HIGGINS: Mr. Speaker, just one question arising out of that: The Premier said Canadian Javelin has done all things required of them to do and can in fact force its undertaking under the sixteen million guarantee. How long a period does that hold good? That is not forever? I think there must be some reasonable time.

MR. CURTIS: I may say, inherent in the Act is that certain conditions should be fulfilled according to the approval of the Government.

MR. HIGGINS: If that has been done, how much longer can Javelin hold that right?

MR. SMALLWOOD: As far as I am concerned, and if the House would agree, if there is not early action I would ask the House to repeal that part of the Act. Not at this present session—I don't mean that early.

MR. HIGGINS: Next session?

MR. SMALLWOOD: Yes.

*Question No. 32: Answer in course of preparation.*

MR. SPEAKER: Are there any answers to other questions?

MR. SMALLWOOD: Mr. Speaker, that is all the answers I have for today.

DR. ROWE: Mr. Speaker, on the first day that the House reconvenes I shall have the answers to questions on able-bodied relief.

MR. HOLLETT: We are very anxious, Mr. Speaker—I might say we are a small crowd on this side of the House, and we have asked a considerable number of questions. And we have to proceed with the Address in Reply very shortly, I take it, and we are very anxious to get replies to a number of these questions to help us in our work here.

MR. SMALLWOOD: If they can't be used in this debate they can be used in the budget debate.

MR. HOLLETT: It may make a lot of difference.

MR. SMALLWOOD: The honourable gentleman wants to make too many good speeches.

MR. HOLLETT: I am not here to make speeches but to represent the people.

MR. BROWNE: Mr. Speaker, if I could ask the Honourable Minister of Provincial Affairs when is the museum to be opened?

MR. MURRAY: The position is this: During the present session of the House I am going to ask leave to introduce a Bill setting up a Board of Trustees as a corporate body, on the same lines as the Library Board. The Board of Trustees met on several oc-

casions. This morning I received an interim report. But they are not altogether unanimous as to when it should be opened. Certain members do not exactly think that there are enough exhibits entered there. In so far as decoration goes we have done everything we could. The thing is in very good shape. The exhibits we did have were catalogued scientifically by Mr. Digby last year. But certain other things, exhibits to be put up there representing outport life in Newfoundland, some of our members on the Board of Trustees are not at all satisfied. Some of the things there they say are not accurate.

The management and control of the museum will be turned over completely to the Board of Trustees as soon as this legislation is enacted.

Now, Mr. Speaker, I have a request here, which would be somewhat out of order, but there would be no other opportunity to ask it. I have a request from a photographer to ask if it would be permitted to take a picture of the students here attending the House today, while the session is going on.

MR. SMALLWOOD: Mr. Speaker, I am sure that my honourable friend, the Leader of the Opposition, would join with me in praying Your Honour to extend that courtesy and that permission to the photographer, so that these young lads who are here in the People's House may have a permanent record in the years to come of their visit, which doubtlessly they will remember with pleasure throughout their lives.

MR. HOLLETT: Mr. Speaker, I certainly join with the Honourable Premier and the Government in requesting that privilege. I think we are honoured today in having with us these

lads. I am sure it reminds some of us old fellows of our younger days. I think the Honourable Attorney General is a little younger than I. He must recall the old school days.

MR. SMALLWOOD: For goodness sake—How old are you getting to be.

MR. HOLLETT: The Honourable Premier is much older than we are because he is bald.

MR. SPEAKER: The House gives leave. But let me add that this must not be considered to be a precedent for any photographer at any time to come in and take pictures inside the House. The gentleman in question has the permission of the House to take a picture of the visitors from, I believe, St. Bon's.

#### Orders of the Day

Committee of the Whole on Bill, "An Act to Approve and Give Statutory Effect to An Agreement Between the Government of Canada and the Government of Newfoundland Relating to Unemployed Persons and the Sharing of the Cost Thereof."

On motion Mr. Speaker left the Chair:

Mr. Courage, Chairman of the Committee of the Whole:

On motion Clauses (1) and (2) carried:

#### Agreement:

Clause (1)—On motion carried.

Clause (2)—Read—On motion carried.

Clause (3)—Read—On motion carried.

Clause (4)—Read—

MR. HOLLETT: On that point, the rates of assistance payable, has the

Government made any decision with regard to the rates of assistance to be payable under this new setup.

DR. ROWE: It is presumed the rates in force now will continue until such time as the Lieutenant Governor in Council uses its authority to change the rates. Yesterday I gave the small increase there has been in the last few weeks. That will have effect on the 1st of April. It works out roughly at about \$10.75 per person, as the honourable gentleman will see from the table attached hereto.

MR. HOLLETT: That is the average cost per person. But I am asking the average monthly allowance for assistance. What would be the average rate—the same as it is now?

MR. SMALLWOOD: The Act does not touch that at all.

MR. HOLLETT: What I am asking is, has the Government made any decision yet or do they plan to make any decision—I pointed out yesterday, Mr. Chairman, five dollars here in Newfoundland to buy goods will not go so far, I venture to bet, as four dollars in Ontario, and perhaps would not go as far as that. So what I would like to know is, if there is any intention on the part of the Government of trying to give these people a little better allowance. Canada is going to pay half, so I think we ought to be a little more generous. The reason I say this is because I have had a little bit to do with people here in St. John's since I have been here, with people in very poor circumstances. And day after day, week after week and month after month, I have people come to me and say their food was gone on a certain day and they were not getting it until a certain date. They come to me about it on the 20th and sometimes the 15th

and they say they will not get their allowance until the 27th and they have not got a bit of food in the house. I would like to say this now: I have gone to City Welfare and found them very co-operative. And I would like to hand out, if you like, a verbal bouquet to those people in the City Welfare Office, and I congratulate the Honourable Minister on the people there. But I do hope that the Government will take into consideration, and I am quite sure the Honourable Member for Harbour Main, who is also a member of the Royal Commission, has gone into that matter with regard to the cost of living here in this country. And I don't know whether he would like to speak on this matter or whether he has any information for us. But I am quite sure, when looking for the proper scale of terms in this country, he must have gone into the cost of living and the value of the dollar here as compared to the value of the dollar in Montreal for example. Anyway I would like to make that appeal to the Government, to try and do something. I feel the people will "darn" near starve, Sir, on that five dollars. They only get five, a good man, I know. I know one family of nine with forty-five dollars. Who can half bring up nine children for that?

MR. SMALLWOOD: It is double that. On top of that there is family allowance. That is cash money. On top of that again there would be an order for coal and there might be an order for clothing and on top of that they might get their rent paid, and there might be a supplementary allowance. So they might well be getting a hundred or more a month, which is still not enough.

MR. HOLLETT: But five dollars a month each is all that man has to

buy food. The family allowance goes for other things. The children have to be clad. And the kettle has to be boiled, that is fuel, and the landlord has to be paid. That is another matter. But they have to eat, these children and the father and mother have to eat. So if the amount cannot be increased more than the five dollars it is at the present time—I pointed out a quart of milk in Montreal costs 20c and we pay 32c here. These people have to drink it, otherwise we are going to have sick people on our hands, and we are going therefore to increase the charge to another department. I do make this appeal now to the Government to consider well this important matter, because the value of the dollar in food, in "Grub" today (if I may put it that way) is not anything like it was or is on the Mainland, and it is certainly not anything like it was in the thirties. And five dollars, although it is five dollars, is not very much. It does not look any more to that man getting it than the \$1.80 in the old days. I feel the Government have done some very good things since coming in here. They had to do them because the circumstances of the nation compelled them, the circumstances of the world compelled them to do it. And I say, in certain cases they have done a very excellent job. Certainly, as the Honourable Premier admits, they made a few mistakes. I don't think they made many mistakes with regard to welfare. And I contribute that to the Honourable Premier and Dr. Pottle, who was at one time the Honourable Doctor Pottle. I believe he was made that for some kind of work, and I am sorry he is not here. But I will say the Honourable Premier and the Government on certain matters in regard to welfare have done an excellent job, and

I am not going to be the last to give a word of praise for it, even though it cost us ten thousand votes. I like to see honour where honour is due. But I do ask you to take this matter into your hands right away.

MR. BROWNE: Mr. Speaker, I notice here in this table handed over to the Honourable Leader of the Opposition, able-bodied relief for ten thousand persons costs \$5.60, whereas the percentage in the home for the aged and infirm, some of whom of course I know to be helpless cases, is over ninety dollars each. There is a big difference between the relief given to able-bodied people and the people in the home for the aged and infirm. When do we get the people who are in boarding houses other than the Home for the Aged and Infirmary? What would they come under? How are they added in?

DR. ROWE: If we could let that clause stand for the moment.

MR. SMALLWOOD: Mr. Chairman, could we have this clearly understood. There is no desire in the wide world to stop debate on the matter which has now been raised. But this is not the time. The vote for that will be here in the estimates and that opportunity to debate it, the rates paid and payable and the rates that ought to be paid and that will be paid. This is a bill to give effect to a contract we have signed with the Government of Canada, and whatever we as a government may pay is not affected by this Bill, it is quite independent of it. Whatever we pay, whatever the rates may be from time to time, the Government of Canada will pay half and this table was given merely as an example of how the bill would be rendered to Ottawa. But if we can't have

it, and we will have to ask the Lieutenant Governor not to come. This is not to close off debate, because we cannot choke off debate on this—But there is a time coming in the session when this can be debated, four or five days if it is wanted, but not now on this Bill.

MR. HOLLETT: Will the Honourable the Premier tell me when this Bill comes into force?

MR. SMALLWOOD: This does not provide the amount of relief. Only whatever the rate may be in the future for able-bodied relief, social assistance, dependents allowances. Canada will pay half if we pass the Bill. Now what the rate should be or should not be can be debated when voting the money for these purposes in the estimates.

MR. HOLLETT: What I am trying to say "Section (4)" Newfoundland shall make available to the officials of Canada particulars of rates of assistance payable. We pass this Bill now, and next month we have to tell the Government of Canada just what rates we are paying.

MR. SMALLWOOD: That is up to us. We, the Government of Newfoundland and the House of Assembly, determine what the rates will be, and so it will be in the future. Whatever the rates are, if we pass this Bill, Canada will pay half.

MR. HOLLETT: I think Canada will have some regard to the limit.

MR. SMALLWOOD: No regard.

MR. HOLLETT: If we pay a hundred dollars.

MR. SMALLWOOD: Yes, they will pay fifty of it.

MR. HOLLETT: That is just stupid.

DR. ROWE: Mr. Chairman, any rate we pay, or any province, is acceptable by the Government of Canada. And the Government of Canada will reimburse half. For example, British Columbia's rate is away up higher than ours. I just don't remember exactly what it is. And if we drove it up to \$25 per person the Government of Canada would reimburse us for half.

MR. HOLLETT: It says "rate."

MR. SMALLWOOD: It uses the word "rate," yes. But it does not set the rate.

MR. BROWNE: Is this an actual report?

MR. SMALLWOOD: No. It is just an example.

On motion Clause (4) carried:

Clause (5), Clause (6), Clause (7)  
—On motion carried:

Clause (8) read:

There shall be excluded from the reimbursement claim any person, together with any payment made to or on behalf of each person, who is

(a) an inmate in any institution maintained in whole or in part out of funds appropriated by

- (i) the Parliament of Canada,
- (ii) the Legislature of the province,
- (iii) a municipality, or
- (iv) a charitable organization;

except that there may be included in the reimbursements claim payments made by the province or by a municipality for the upkeep of inmates in homes for special care and the number of persons in respect of whom such

payments are made, provided that said inmates are unemployed and in need and the payments claimed do not exceed what an individual might reasonably be expected to pay for accommodation of a comparable kind and quality in the same locality and provided further that said inmates are not such as would normally be cared for in general, acute, chronic or convalescent hospitals, tuberculosis sanatoria, mental institutions, institutions for incurables, orphanages or child welfare institutions;

- (b) a person in receipt of
  - (i) unemployment benefit under Unemployment Insurance Act,
  - (ii) a pension under the Old Age Security Act,
  - (iii) assistance under the Old Age Assistance Act,
  - (iv) an allowance under the Blind Persons Act,
  - (v) an allowance under the Disabled Persons Act, or
  - (vi) a supplemental allowance or cost-of-living bonus provided under the law of the province to recipients of benefit under any of the aforementioned Acts; or
- (c) a recipient of mother's allowance.

MR. BROWNE: Mr. Chairman, I wonder if the minister could explain (a) "an inmate in any institution maintained in whole or in part out of funds appropriated by

- (i) the Parliament of Canada,
- (ii) the Legislature of the province."

I note that in this plan here that persons in the Home for the Aged and Infirm and Sunset Lodge are excluded. Well then, how are they included if excluded by this?

DR. ROWE: This Act is drawn up as uniform for all provinces. This is to make sure that some of the institutions operated by the different provinces don't come under this. And we argued from the first that persons in our aged and infirm institutions ought to come under this agreement. And I think one other province did stand out for it. At any rate we got the Federal Government to agree to accept our Boarding Homes and the Home for the Aged and Infirm. That is why the exemptions are made here—Homes of different categories.

MR. BROWNE: Does that mean all residents in the Home for the Aged and Infirm and all persons in the boarding homes come under this Act? They all come under it, nothing excluded at all.

DR. ROWE: No. And incidentally it is a very great consideration.

MR. BROWNE: I fail to understand the section as read because it reads differently to my mind.

On motion Clause (8) carried:

Clause (9) read:

Notwithstanding sub - paragraph (b) of paragraph 8 there may be included in the reimbursement claim any additional relief payments made by the province or by a municipality to persons described in the said subparagraph and the number of persons to whom such payments are made if such persons are unemployed and in need.

MR. BROWNE: Does that mean if a person is under unemployment insurance he may still get other assistance?

DR. ROWE: Yes. The typical claim

would be a person getting old age assistance at sixty-five to seventy. He gets thirty dollars a month, and because where we have to supplement that thirty dollars in a special way, and in that case the Government of Canada will reimburse us for one half of that additional assistance we give over the thirty dollars.

On motion Clause (9) carried:

Clause (10) read:

There shall also be excluded from the reimbursement claim payments made in respect of

(a) medical, hospital, nursing, dental and optical care and drugs and dressing,

(b) funeral expenses

(c) all travelling expenses except those, if Canada is not contributing thereto under some other arrangement, that are made for the purpose of

(i) returning a recipient of unemployment assistance and his dependents, if any, to his normal place of residence under an arrangement to which the municipality or the government of the province to which he is being returned has agreed in advance,

(ii) enabling a recipient of unemployment assistance or dependent member of his family to obtain assured employment as certified by the National Employment Service, or

(iii) enabling a recipient of unemployment assistance or a dependent member of his family to obtain needed medical, nursing home care which cannot be provided at his normal place of residence; and

(d) the cost of administration.

MR. BROWNE: Mr. Chairman,

may I ask a question there on (c) (iii) In other words a person sent in from an outport to hospital, their travelling expenses may be excluded.

DR. ROWE: They are included.

MR. SMALLWOOD: Yes they pay half. That is an essential part of the cost.

On motion Clause (10) carried:

Clause (11) read—On motion carried

Clause (12) read:

The average per person monthly cost of assistance shall be calculated by dividing the total of the payments made during the month, as set forth in the reimbursement claim, by the total number of persons, including dependents, who received assistance during the said month as set forth in the reimbursement claim.

MR. BROWNE: Mr. Chairman, what it really means is that they pay roughly about a quarter of the cost of relief and not half. That is what it amounts to.

DR. ROWE: I don't see how the honourable gentleman gets that.

MR. BROWNE: Put it this way. If we start at the 1st of April this year and for the twelve months following our total relief is two million two hundred thousand dollars, then the reimbursement from the Government of Canada will be almost exactly one million dollars. But this does not show that.

DR. ROWE: That reduction would be the same if the total cost were five million. The minimum is .045 of the population.

MR. BROWNE: The average

monthly cost per person is given here at .05 of the population. They are not paying fifty per cent of the cost of relief but fifty per cent of .045 of relief.

MR. SMALLWOOD: No. When the population of a province on relief goes beyond .045 per cent of that population then the Government of Canada will pay half that.

MR. BROWNE: That is right.

MR. SMALLWOOD: In other words paying half on practically all but less than half of one per cent. Is that clear?

MR. BROWNE: Yes. I had forgotten.

DR. ROWE: It just happens the ratio is small.

On motion clause (12) carried:

Clause (13) read—On motion carried:

Clause (14) read.

MR. BROWNE: Mr. Chairman according to this form here.

MR. CURTIS: That is a uniform agreement signed by all the provinces.

DR. ROWE: This is signed by the Auditor General and also by the Deputy Minister of Welfare.

MR. BROWNE: Who has to sign this, the Provincial Auditor General? The Minister does not have to sign it all? Is it only the Provincial Auditor?

DR. ROWE: The Deputy Minister also would sign it too even if not called upon.

On motion Clause (14) carried.

Clause (15) read—On motion carried.

Clause (16) read—On motion carried.

Clause (17) and (18) read—On motion carried.

Clause (2) of the Bill—On motion carried.

Motion that the Committee rise and report having passed this Bill without amendment, carried:

Mr. Speaker returned to the Chair:

MR. COURAGE: Mr. Speaker, the Committee of the Whole has considered the matter to it referred and has passed this Bill, No. 10, without amendment.

On motion report received and adopted. On motion ordered read a third time now: On motion Bill read a third time, ordered passed and title be as on the Order Paper.

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

Committee of the Whole on Bill, "An Act Further to Amend the Memorial University Act":

On motion, Mr. Speaker left the Chair — Mr. Courage, Chairman of Committee of the Whole:

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

Committee of the Whole on Bill, "An Act Further to Amend the Memorial University (Pensions) Act.":

On motion Clause (1) carried:

Clause (2) read:

Section 20 of The Memorial University (Pensions) Act, chapter 110 of The Revised Statutes of Newfoundland, 1952, is amended by renumber-

ing the section as subsection (1) and adding thereto as subsection (2) the following:

"(2) A person who has ceased to be an employee and who has received a refund under subsection (1) may, if he is re-employed by the Board and if the Board approves, repay to the Fund the amount of the refund received, together with simple interest on that amount at the rate of three per centum per annum from the date he received the refund to the date of repayment to the Fund, and this Act then applies to him as if he had not ceased to be an employee except that the time during which he was not employed by the Board does not count as pensionable service."

MR. HOLLETT: Mr. Chairman, I wonder if the Minister would tell us what is the purpose of this Bill? Would the Minister tell us what is the idea behind it, and what is the necessity for it.

MR. SMALLWOOD: To a point of order, Mr. Speaker. The point of order is that it is out of order to question the principle of a bill in Committee of the Whole, in view of the fact that the House and not the Committee of the Whole, that is greater than the Committee of the Whole, has accepted and passed and has in fact adopted the principle of the Bill—and it cannot now be questioned.

MR. HOLLETT: I did not question the principle but the purpose behind the necessity. It has not been told us yet.

MR. SMALLWOOD: That is the principle of the Bill.

MR. CHAIRMAN: This question might have been more properly put at second reading. Probably the min-

ister would like to explain this clause.

MR. MURRAY: Mr. Chairman, it seems to me the clause is self-explanatory. It follows verbatim a similar clause under the Teacher's (Pensions) Act. It would be difficult to clarify it any further. The words are simple as anything to me. If a person resigns temporarily from a post at the Memorial University College, withdrawing his pension fund, under this Bill, if he rejoins the staff and repays the money withdrawn at 3% interest then he can reinstate himself under the pensions fund.

MR. HOLLETT: That is quite true and quite simple, as the honourable minister says, I want to know what is behind it. We do realize that under the Teacher's (Pensions) Fund, I believe it is, a person can be taken from the profession and sent out into the political field and win, lose or draw can come back to the profession again and enjoy his pension and rates the same as if he had not been sent out into the political field.

MR. SMALLWOOD: To a point of order, Mr. Chairman: Is Your Honour going to permit a member of the committee to make a second reading speech in Committee of the Whole. Is not that what the Honourable Leader of the Opposition is doing? Is not that a speech properly to be delivered at second reading but is not proper in Committee of the Whole. Can he discuss the principle and purpose behind the Bill? Is he not confined to the actual verbage of the Bill? Is he not debarred from discussing the principle of the Bill in Committee of the Whole? Will he be permitted to break the rules?

MR. CHAIRMAN: Order — The

point is very well taken. I would like the honourable member to confine his remarks to the clause, and not discuss the purpose of the Bill. The rule is that a member speaking to a clause must confine himself to the clause under discussion.

**MR. HOLLETT:** Alright, Mr. Chairman, I shall confine myself to the clause; "A person who has ceased to be an employee and who has received a refund under subsection (1) may, if he is re-employed by the Board and if the Board approves, repay to the Fund the amount of the refund received, together with simple interest on that amount at the rate of three per centum per annum from the date received the refund to the date of repayment to the Fund, and this Act then applies to him as if he had not ceased to be an employee except that the time during which he was not employed by the Board does not count as pensionable service."

The whole idea, as far as I can see, Sir, is making a laughing stock of the Civil Service—in my opinion—

**MR. SMALLWOOD:** Mr. Chairman, to a point of order. Is Your Honour going to permit a member of this House, any member, to violate the rules of the House? Is the Honourable Gentleman in order to question the principle of the Bill now that the principle has been adopted by the House in second reading? We have gone into Committee of the Whole to discuss the verbage, not the principle, not the purpose of the Bill, not the morality of the Bill—Is the Honourable Gentleman permitted to break that rule?

**MR. HOLLETT:** The Honourable Premier is permitted to break such rules.

**MR. CHAIRMAN:** I am not quite

sure what the last remark of the Honourable Leader of the Opposition was—If he said that this clause would make a laughing stock of the Civil Service, I was going to let him develop it—I don't know what he meant. But he must confine himself to the clause.

**MR. SMALLWOOD:** And not the principle, Mr. Chairman, of the clause. That has been adopted.

**MR. HOLLETT:** Go on—railroad it through.

On motion Clause (2) 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 Cancer Control Tax Act, 1953."

Clauses (1) and (2) on motion carried:

**MR. BROWNE:** Mr. Chairman, before this Act is carried, at any rate, I wonder if the Minister of Finance could tell us roughly how this tax has worked out, whether the money has been received and what it is being used for?

**MR. POWER:** I think in the year 1954-1955 that the total amount collected was something like a hundred and fifty two thousand dollars.

**MR. BROWNE:** Does it go into the Consolidated Revenue Fund? Or does it go into a special fund?

**MR. SMALLWOOD:** The Consolidated Fund.

**MR. BROWNE:** And used for the purpose of the Department of Health, no special purpose?

On motion Clause (3) 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 Registration of Deeds Act."

On motion Clause (k) carried:  
Clause (2) read:

The Registration of Deeds Act, chapter 141 of The Revised Statutes of Newfoundland, 1952, is amended by inserting therein immediately after Section 6 as Section 6A the following:

"6A. For the purpose of Section 6 leases granted by The St. John's Housing Corporation under the St. John's Housing Corporation Act, 1944, are deemed to be leases at a rack rent."

MR. SMALLWOOD: Would the honourable and learned gentleman opposite explain what "rack rent" means?

MR. BROWNE: "Rack rent" means a house for example is rented and gets full rent say \$50 or \$60 a month. Ground rent would be rent over a long time, very much smaller, \$5 or \$10 or \$20. "Rack rent" means the full rent that can be obtained from it, a hundred per cent of the rental value.

MR. SMALLWOOD: It has a sort of disreputable connotation in literature.

MR. BROWNE: I don't remember. But it is taken from the St. John's Municipal Act—in other words it is the highest rent obtained for a property.

On motion Clauses (2) through (6) carried:

Motion, that the Committee report

having passed this Bill without amendment, carried:

Committee of the Whole on Bill, "An Act to Amend the Agricultural Societies Act."

On motion Clause (1) carried:  
Clause (2) read:

MR. CURTIS: Mr. Chairman, I would move an amendment to that Clause: We like to or we think these Agriculture Societies should be restricted and the only money they borrow should be with the consent of the Lieutenant Governor in Council. Otherwise they might get out of bounds. So, Mr. Chairman, I suggest this amendment: Upon such registration such society shall be deemed to become a corporation having the right to hold property and to enter into contracts and to sue and be sued in any court of competent jurisdiction and (d) subject to the Lieutenant Governor in Council, borrow money. The effect of the amendment is to just restrict borrowing of money to the consent of the Lieutenant Governor in Council.

MR. BROWNE: Mr. Chairman, does not that raise now a question of principle, the principle being that no Agricultural Society is permitted to borrow money without the consent of the Lieutenant Governor in Council. I don't know whether the Agricultural Societies themselves have asked for this legislation or not. It seems to me to be an unnecessary piece of red tape, and unless there is some grave reason for it then I take it it should not be brought forward here this afternoon. After all the banks are the people who are the best judges of the capacity to repay, and I think they would secure it.

MR. SMALLWOOD: But suppose they attempted to borrow elsewhere?

MR. BROWNE: If they attempted elsewhere? I don't know who would lend them money. It is not easy to borrow money unless you happen to strike somebody who is an easy mark. Any lender usually requires security and they usually require good security. I think the matter is pretty well taken care of and it is not necessary to have the matter go before the Lieutenant Governor in Council. I think it would be unnecessary trouble both for the association and for the Government. I don't think we should have to worry about that.

MR. SMALLWOOD: Mr. Chairman, the principle purpose of this amendment is to enable the society formed recently at Clarenville to be assisted in the building of a large new stadium, towards the cost of which the Government is prepared to lend a hundred thousand dollars. It was adopted as Government policy some time ago that Newfoundland should be divided into four sections for the purpose of exhibition buildings, (1) consisting chiefly of the Avalon Peninsula with headquarters in St. John's. In St. John's the stadium was built and the Government lent a hundred thousand dollars on certain conditions. Another is the western slice of Newfoundland, west, say, of the Topsails, with the Capital in Corner Brook. There a stadium has been built, partly by means of a loan of an exactly equal amount, a hundred thousand dollars, made by the Government on exactly the same conditions. That leaves two sections, one immediately east of the western section, east of the Topsails and coming as far east, say, as Gander or Gumbo or Terra Nova, around there somewhere, with Grand Falls as the Capital. There a stadium is already in existence, built by the AND Company. So they were not in need of a loan

of a hundred thousand dollars from the Newfoundland Government, which therefore, in view of that loan, has decided to be especially generous in its contribution to the annual exhibition held annually by the Agricultural Societies of that region. And the final one would be the one lying between the central one and Avalon, that is, say, part of the Isthmus of Avalon and all of the Burin Peninsula and all of the Bonavista Peninsula and part of the centre of Bonavista Bay and part of Fortune Bay, or all of Fortune Bay, with headquarters in Clarenville, where a new building would be erected and towards the cost of which Newfoundland Government would contribute a loan of an exactly similar amount, one hundred thousand dollars on exactly similar terms.

Now the terms in the case of the three loans, to St. John's, Clarenville and Corner Brook are chiefly that the building in each case will be available to the Government for so many weeks a year for the holding of exhibitions which the Government endorses or which the Government even sponsors or which the Government indeed stages, since union the thing without which we will not do this is assistance from Ottawa, as part of their national exhibitions programme, subsidies of which we wish to get our Newfoundland share, for the purpose of which there must be Agricultural Societies. Well, an Agricultural Society has in fact been formed at Clarenville, and they must be empowered by law to borrow a hundred thousand dollars from the Newfoundland Government. That is primarily the purpose of this legislation, and the reason the amendment is now proposed that it is imperative we exercise that amount of control over the societies, that they don't have the right to borrow beyond

their means. I think it is a very reasonable and sensible limitation.

MR. HIGGINS: Mr. Chairman, it is all right to hear the Premier explaining about these loans.

MR. SMALLWOOD: They were all published more than a year ago.

MR. HIGGINS: But the original loan to the Memorial Stadium, the original sponsor, my impression was, an exhibitor or something.

MR. SMALLWOOD: No there is an exhibition society here in the City of which the chairman, is, I believe, Mr. Jack O'Driscoll. Mr. P. J. Murray, the Deputy Minister of Resources, is I think the active executive of it. And it has quite a lively and important membership, and contributions to the Stadium received from the Government of Canada are received through that exhibition organization.

MR. HIGGINS: Yes, that is it.

MR. BROWNE: Do I understand from the Premier that hundred thousand dollars is in addition to a hundred thousand dollars paid by Ottawa?

MR. SMALLWOOD: Which hundred thousand?

MR. BROWNE: The Ottawa Government, in the Department of Agriculture makes available money for the building of this kind on conditions that exhibitions are held. I know all that because I took it up with Mr. Gardiner, the Minister of Agriculture when the Stadium was first planned and arranged for that to be done.

MR. SMALLWOOD: Arranged?

MR. BROWNE: Yes.

MR. SMALLWOOD: All right.

MR. BROWNE: Is the Government giving an additional hundred thousand dollars?

MR. SMALLWOOD: Yes. We gave the additional one hundred thousand dollars in the case of St. John's and Corner Brook, and in the case of Clarendville we shall give a hundred thousand and over and above what Ottawa may give.

MR. BROWNE: The provision of—subject to the approval of the Lieutenant Governor in Council—is that only being inserted for the purpose of protecting the Government on this loan? Does the Government seriously think that if the Agricultural Society of Clarendville owes a hundred thousand dollars to the Government anybody else is going to lend them any money?

MR. SMALLWOOD: The matter is not so terribly important.

MR. BROWNE: But all the other societies are bound by this.

MR. SMALLWOOD: They should be under some control. They are all subsidized.

MR. HOLLETT: I don't understand what the across the House conversation about a hundred thousand dollars has to do with the Government deciding to give them a hundred thousand dollars—that is that. But are you going to shoulder the burden for any others along with the Agricultural Societies of any particular place, for instance, why should the Government have to give approval for the St. John's Agricultural Society or the Clarendville Agricultural Society to borrow twenty thousand dollars from a bank out there. Does not that make the Government liable if it is approved by the Government. Can these people come

back and say, look they have fallen back on the loan?

MR. SMALLWOOD: We don't think so. Mere permission does not make us liable.

MR. CURTIS: It is not a guarantee.

MR. HOLLETT: That is what I want to be clear on, if you are going to make yourselves liable for any other borrowing.

MR. SMALLWOOD: A town council can't borrow money without the permission of the Government. I don't think the City of St. John's will without a permission.

On motion Clause (2) carried: (as amended).

Motion, that the Committee report having passed the Bill with some amendment, carried:

Committee of the Whole on Bill, "An Act Further to Amend the Workmen's Compensation Act."

On motion Clause (1) carried:

Clause (2) read:

Section 28B of The Workmen's Compensation Act, chapter 253 of The Revised Statutes of Newfoundland, 1952, and enacted by the Workmen's Compensation (Amendment) Act, 1954, the Act No. 20 of 1954, is repealed and the following substituted therefor:

"28B.—(1) The Board may by regulations made in accordance with subsection (4) establish a pension scheme for the members, officers and employees of the Board providing for

(a) the payment of a pension, annuity, allowance or gratuity to any such member, officer or employee or

to any of his beneficiaries or dependents on

(i) the retirement at a stated age or on account of permanent disability;

(ii) the illness or death before or after retirement; or

(iii) the termination from any cause whatsoever of the employment,

any of such member, officer or employee,

(b) the grant of any other benefit whatsoever in cash or in services, to any of such member, officer and employee or to any of his beneficiaries or dependents; or

(c) the payment or grant of any of the pensions, annuities, allowances gratuities or benefits referred to in paragraph (a) and (b); and

(d) the terms and conditions upon which any of the pensions, annuities, allowances or benefits referred to in paragraph (a) and (b) will be paid or granted; and

(e) the payment of contributions towards the pension scheme to be made by the Board and by any of the members, officers and employees of the Board to whom such scheme applies by virtue of such regulations and the amounts of such contributions.

MR. BROWNE: Mr. Chairman, I wonder if we could stop there for a moment and ask the Minister to tell us the difference between that subsection and the previous subsection in the Act of 1954—28B (1)

HON. C. H. BALLAM (Minister of Labour): Well, last year we brought an amendment into the Act, and after we had passed it, then in attempt-

ing to bring in a scheme, we had some proposal for a scheme and we were advised by the Department of the Attorney General that there was still something lacking, and the Bill had to include regulations. We could not make regulations under the amendment we made last year. So, upon the advice of the Department of the Attorney General, we have brought in this amendment. I don't think there is any difference in it except that it gives us the right. The Attorney General could probably answer that better than I because it was on the advice of his department we had to wait until the House opened this year in order to bring in this amendment.

MR. BROWNE: Mr. Chairman, an examination of this comparative clause, last year, 1954, shows that considerable enlargement has been made. But the only section I can see to take exception to is in Paragraph 4 on page 5, where it gives the power to make regulations. "The Board may, subject to the approval of the Lieutenant Governor in Council make such regulations as in its opinion are necessary or desirable to provide for the pension scheme and for any matter connected therewith for which no express provision has been made under this section . . ."

That means, Mr. Chairman, they have very broad power in any matter connected therewith for which no express provision has been made or in respect of which only partial provision has been made. Then it goes on to enumerate two or three things. It seems to me to be a very broad enlargement, and nobody can say what its connection is or what is likely to be drawn into it.

There is one other observation I would like to make in connection with

paragraph 5, I notice in the Bill introduced here today in regard to the publication of regulations takes effect on the date that it is filed and not the date when it is published in the Newfoundland Gazette. The better way would be on publication. After all how would people know what is going on between the Government and the Minister of Provincial Affairs. No one would ever have any idea as to what is happening there.

And that first point might be elucidated a little better, in connection with the wide scope which is given to this body to make regulations.

MR. CURTIS: What amendment would the honourable gentleman suggest?

MR. BROWNE: I am just asking myself—Is not that a very broad thing to add on? You have given all these powers, and this is suddenly something to cover something forgotten.

MR. CURTIS: I don't think it is as bad as it looks, Mr. Chairman. You see it is subject to the Lieutenant-Governor in Council. I think it is just a necessary thing to keep them from coming back here for amendments on minor things which might be overlooked. We don't mind how it is changed. It is purely a matter of drafting.

MR. SMALLWOOD: I don't want to find myself for one moment even to a minute degree in disagreement with my closest colleague, the Attorney General, certainly the closest in this matter, but I don't go all the way for those who would forbid anybody the right to make regulations that would have the force of law, I don't think I would go that far. But this does seem to go a little far, a little further than is normally done. I think

those particular words—"and for any matter connected therewith for which no express provision has been made under this section . . ." Not the words that follow I don't object to so much . . . "In respect of which only partial or imperfect provision has been made . . ." At least some provision either partial or imperfect though it be has been made. But the first part is a little bit sweeping.

MR. CURTIS: Suppose we let that stand.

MR. BALLAM: It is all subject to the approval of the Lieutenant-Governor in Council, Mr. Chairman.

MR. SMALLWOOD: Even the Lieutenant - Governor in Council should not have the power, not to say a Board.

MR. BROWNE: The Government is giving power to a Board to make regulations on something it knows nothing about at the time.

MR. SMALLWOOD: And which the Lieutenant-Governor in Council should not have actually.

MR. BROWNE: No.

MR. SMALLWOOD: I might say, Mr. Chairman, there is no intention whatsoever on my part to cross the floor. And so far as I know, there is no intention of the honourable and learned gentleman for St. John's West to come over here—not that I know of.

MR. BROWNE: I hope that makes it clear.

MR. SMALLWOOD: Well, as far as I know.

MR. BALLAM: I might say, Mr. Chairman, in connection with this section. It was for this reason or a sim-

ilar reason we could not go forward with it last year. When we amended the Act last year we found out afterwards that we did not have sufficient scope in the amendment to go ahead with the pension scheme. And because of that this thing was added thereto.

MR. BROWNE: Well, may I ask the Honourable Minister of Labour if the matter had been put through the officials of the Department of the Attorney General last year?

MR. BALLAM: Yes.

MR. BROWNE: And they are now coming back on their own work and have to do it all over again. It does not say anything for them.

MR. CURTIS: Just a minute—We can't take action for slander but we will sue them.

MR. CHAIRMAN: Order.

On motion clause (2) stand;

Clause (3) read—On motion carried:

Section 39 of said Act is amended.

(a) by deleting paragraph (b) of subsection (1) and substituting therefore the following:

(b) where the widow or an invalid widower is the sole dependent a lump sum of \$100.00 and thereafter a monthly payment of \$60.00.

(h) by deleting subparagraph (i) of paragraph (c) of subsection (1) and substituting therefore the following:

(i) where the dependents are a widow or an invalid widower and one or more children, a lump sum of \$100.00 and thereafter a monthly payment of \$60.00 with

an additional monthly payment of \$20.00 for each child under the age of sixteen years.

(c) by deleting paragraph (d) of subsection (1) and substituting therefore the following:

(d) where the dependents are children, a monthly payment of \$30.00 to each child under the age of sixteen years, and

(d) by repealing subsection (4) and substituting therefore the following:

(4) Exclusive of the expenses of burial, the compensation payable as provided by subsection (1) shall not in any case exceed seventy-five per centum of the average earnings of the workman, and if the compensation payable under that subsection would in any case exceed that percentage it shall be reduced accordingly and where several persons are entitled to monthly payments the payments shall be reduced proportionately, but this subsection shall not operate to reduce the compensation for the dependents mentioned in paragraphs (b), (c), or (d) of subsection (1) if the total monthly compensation does not exceed one hundred and thirty dollars.

Clause (4) read:

The said Act is further amended by deleting from Sections 42, 43 and 47 the words "sixty-six and two thirds per centum" and "sixty-six and two thirds per cent" wherever they appear in those sections and substituting therefore in each case the words "seventy-five per centum."

MR. BROWNE: I take it that ap-

plies to the weekly or monthly disability allowance being made to a person incapacitated, is that correct? Does it apply to the family?

MR. BALLAM: The payment made to a person having an accident is based on the extent of his injuries regardless of what it is. It is on his salary up to three thousand dollars and a proportion of that 66 $\frac{2}{3}$  per cent formerly. This will make it 75 per cent.

MR. BROWNE: I would like to know what that is about. If we could let it stand and go on?

On motion clause (4) stand:

Clause (5) read:

(1) The increases of compensation provided for by Section (3) of this Act apply to all payments accruing from the date of the coming into force of that section, whether the accident in respect of which the payments accrue occurred before or after that date and whether or not any payments in respect of the accident have been determined or paid before that date, but nothing in this section entitles any person to claim additional compensation for any period of time before that date.

(2) The benefits provided by Section (4) of this Act apply only in respect of accidents that occur from the date of the coming into force of that section.

(3) The additional money necessary to provide for the increases of compensation in respect of accidents happening before the date of the coming into force of Section 3 of this Act may be levied and collected from those employers that have been assessed in respect of the accident fund in such

manner and at such times as the Board may deem equitable.

MR. BROWNE: Mr. Chairman, I understood the Minister to say the other day there was to be no increase in rates—Here in Section (3) it provides for an increase in rates.

MR. BALLAM: If additional money is needed it provides for it.

MR. BROWNE: I take it when this Act comes into force it is going to effect all present rates.

MR. BALLAM: Not the present rates. The rates of accidents that happened after the coming into effect.

MR. BROWNE: Well, what does this mean here in Section (1) How are you going to get the money?—Take it out of the fund as is or put on new rates.

MR. BALLAM: Take it out as it is. But it may be necessary in five or ten years to change the rates.

MR. SMALLWOOD: There is no necessary connection between that sub-clause and the various other clauses of this Amending Bill.

MR. BROWNE: There must be. This Act permits an increase in the rates—The money necessary is bound to be considered. I can't see what is the purpose of that section. You have the money to do it.

MR. CURTIS: Does not that just more or less safeguard, just in case it should be necessary in an emergency—It is not contemplated.

MR. BROWNE: Could not that be redrafted too, to show, should additional monies be necessary.

MR. SMALLWOOD: The addition-

al money necessary to provide—Could you say that?

MR. CURTIS: Actually, legally it does not make any difference. I think it is safe enough.

MR. BROWNE: Additional money is necessary, but it is not necessary to put on a new assessment.

MR. CURTIS: I think, Mr. Chairman, this whole Act might stand over until after recess. I think we might finish reading the whole Act, but let the clauses stand.

Motion, that the Committee report having considered this matter and made progress and ask leave to sit again, carried:

Committee of the Whole on Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

On motion Clauses 1 through 5 read and carried:

Clause (6) read:

(1) Subject to subsection (2), no person shall dump or cause or allow waste material to be dumped along the bank within 250 feet of or into any non-tidal waters.

(2) Subsection (1) does not apply to a person who by any means disposes of any matter or form of industrial waste into a running stream if he has received the written permission of the Minister to do so or to the discharge of sewage from any sewerage system approved under another Act.

MR. BROWNE: Mr. Chairman, I drew attention the other day to the 250 feet, which may take you into another watershed and have nothing to do with the drainage into non-tidal waters mentioned here. Has the Min-

ister given any consideration to that?

DR. ROWE: Mr. Chairman, it is very difficult. You see if you said 150 feet you would have the same thing. It is less likely, it is true, but it would apply.

MR. BROWNE: Well, if some sort of a change were brought in there to make 250 feet maximum and to make it refer to the watershed of the non-tidal waters concerned. But if it does not concern these non-tidal waters it has no bearing. Say you have a lake now and the watershed flows into that lake. Well another watershed may begin less than 250 feet away from that lake and flow off into the other direction.

DR. ROWE: I think that would be a rather remote situation. I see my honourable friend's point alright. But it seems to me that the thing to do there would be to leave it to the discretion of the officer who was attending to it.

MR. BROWNE: I was just trying to think of an example: If you had a steep hill coming down by a river—Here is the river—This is a cross section—This is a shallow place around there—Here is the water, two hundred and fifty feet away—It would not hurt the river in any way at all.

DR. ROWE: You think it should be less?

MR. BROWNE: I think that should be the maximum but with power to vary it.

MR. CHAIRMAN: His Honour the Lieutenant - Governor has arrived.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise, report progress and ask leave to sit again.

Mr. Speaker returned to the Chair:

MR. COURAGE: Mr. Speaker, the Committee of the Whole has considered the matter to it referred and has passed the following Bills without amendment: Bills No. 1, 2, 3, and 11.

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

MR. COURAGE: Mr. Speaker, the Committee of the Whole has considered the matter to it referred and has passed Bill No. 5 with some amendment.

On motion report received. Bill ordered read a third time on tomorrow:

MR. COURAGE: Mr. Speaker, the Committee of the Whole has considered the matter to it referred and on Bills Nos. 4 and 6 I am instructed to report the Committee has made some progress and begs leave to sit again.

On motion report received. On motion Committee ordered to sit again on tomorrow.

SERGEANT-AT-ARMS: Mr. Speaker, I have the honour to inform the House that His Honour, the Lieutenant-Governor has arrived to assent to a Bill.

Mr. Speaker left the Chair:

His Honour the Lieutenant-Governor took the Chair.

MR. SPEAKER: May it please Your Honour, the General Assembly of this Province has at this present session passed a Bill to which in the name and on behalf of the General Assembly I respectfully request Your Honour's assent.

MR. CLERK: "A Bill, An Act to Approve and Give Statutory Effect to An Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assist-

ance to Unemployed Persons and the Sharing of the Cost Thereof."

**HIS HONOUR, THE LIEUTENANT GOVERNOR:** In Her Majesty's Name I assent to this Bill.

His Honour left the Chair:

Mr. Speaker returned to the Chair:

**MR. SPEAKER:** At five of the clock, this afternoon, His Honour the Lieutenant-Governor was pleased to give the Royal assent to a Bill, "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof."

**MR. SMALLWOOD:** Mr. Speaker, I move the remaining Orders of the Day do stand deferred, and that the House at its rising do adjourn until tomorrow, Monday, April 3, at 3:00 of the clock:

On motion all further Orders of the Day deferred:

On motion the House at its rising adjourned until tomorrow, Monday, April 3, at 3:00 of the clock:

April 3, 1956—

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

**HON. J. R. SMALLWOOD** (Prime Minister): We were to have the pleasure of a visit here shortly from His Excellency, the Israelian Ambassador, the Honourable Michael Komay and Mrs. Komay, who were to visit the Province, I think, this week. And the Government had invited them to be their guests as a respect which we wished to tender them and in honour of them and their country. I regret

to say that a message received today from His Honour, the Ambassador, informed me that the pressing political duties at Ottawa obliged him to cancel his visit to Newfoundland at the present time. I infer from his message that the Ambassador will wish to visit Newfoundland on a later occasion.

I just want it to be known that the visit of the Ambassador had to be postponed, but that we expect him to arrive a little later, perhaps sometime during the summer. I am sure the House will regret hearing of the inability of the Israelian Ambassador to pay his scheduled visit to us at this time.

#### Presenting Petitions

**HON. S. J. HEFFERTON** (Minister of Municipal Affairs & Supply): Mr. Speaker, I beg leave to present a petition on behalf of the residents of Deer Harbour, Britannia, Thoroughfare and Random Island praying that during the summer a road may be constructed from Deer Harbour linking that settlement up with Britannia. Deer Harbour itself is one of the most southernmost points of Random Island. The population is some two hundred people. It is separated from the other inhabitants of Random Island by a distance of some six or seven miles.

I support the petition, Mr. Speaker, and beg leave to have it tabled in the House and referred to the department concerned.

On motion petition tabled for reference to the department concerned.

**MR. SMALLWOOD:** Mr. Speaker, I beg leave to present a petition from a considerable number of electors in the Town of Grate's Cove, in the district of Carbonear-Bay de Verde, praying that the road which leads

from Grate's Cove to Old Perlican, around the seashore via Daniels Cove be widened and straightened to enable a snow plow to operate during the winter months.

They have found, Mr. Speaker, that the narrowness and to some extent the crookedness of the road in question prevents the operation of a plow, and they are thereby prevented from using that road for some considerable time after every considerable snowfall.

Mr. Speaker, I beg to present the petition and ask that it be referred to the department to which it relates.

On motion petition received for reference to the department concerned:

MR. SMALLWOOD: Mr. Speaker, I beg leave to present a petition from the citizens of St. Anthony Bight (an extremely largely signed petition indeed) which has the names of all the people of that area. The prayer of that petition is that a road be built to connect St. Anthony Bight with the centre of St. Anthony Town.

Now, Mr. Speaker, they point out that there already exists a road that covers part of the distance between St. Anthony and St. Anthony Bight, a road that was built by the United States Government in connection with certain military installations that exist between St. Anthony and St. Anthony Bight, a road that was built to connect that installation with St. Anthony. The need therefore is really only to build a section of a road from St. Anthony Bight perhaps half way to St. Anthony at which point it would connect with the road that already exists between St. Anthony and the military installations in question.

Mr. Speaker, I give both these peti-

tions my very warm support, and I beg leave to have them laid on the table in the House and referred to the department concerned.

On motion petition tabled for reference to the department concerned.

#### Reports of Standing and Select Committees

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I beg leave to table the reports on matters transacted by the Minimum Wage Board during 1955, under the Provisions of the Labour Relations Act.

I also beg leave to table, Mr. Speaker, the report of the Newfoundland Labour Relations Board for the year 1955. Also the report of the Proceedings of the Minimum Wage Board. I also beg leave to lay on the table the Annual Report of the Workmen's Compensation Board for the calendar year 1955 as required by the Workman's Compensation Act.

HON. DR. F. W. ROWE (Minister of Mines & Resources): Mr. Speaker, arising out of the Report of the Royal Commission on Agriculture I submit to this House—(at the last regular session of this House the Government engaged the services of Dr. Aasuly Loddesol, Director of the Norwegian Bog Association, who is generally considered to be the world's greatest authority on the utilization and reclamation of bog lands, Dr. Loddesol came here last year, in September and in October, and made a report which I now have the honour to table) the report of Dr. Loddesol on the investigation of the utilization of bog lands of Newfoundland:

#### Notices of Motion

MR. HEFFERTON: Mr. Speaker, I give notice I will on tomorrow ask

leave to introduce the following Bills: A Bill, "An Act to Amend the City of St. John's Act"; and a Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act To Restrict the Use of White Canes to Blind Persons."

#### Notice of Question

Notice of questions given by Mr. Browne and Mr. Hollett:

HON. M. M. HOLLETT (Leader of the Opposition): To ask the Honourable Minister of Economic Development to lay on the table of the House the following information:

(15)

(1) What amount of fire insurance is carried on all plants and equipment

of each and every one of the new industries brought into being since 1949?

(2) How much has been paid out in fire insurance premiums during the operation of the Birch Plant, Gypsum Plant and Cement Plant?

(3) With what Insurance Company does each and every New Industry carry its insurance?

(4) Give full information as to the terms of the agreement under which the Birch Plant is presently being operated?

(5) What if any, loans or advances have been made to the present operators?

#### Answers to Questions

MR. SMALLWOOD: Mr. Speaker, I have the answer to one question,

*Question No. 15*, asked by the Honourable Leader of the Opposition (Answer tabled).

MR. HOLLETT — QUESTION NO. 15

(1) & (3)	<i>Insurance Carried</i>	<i>Company</i>
	\$	
A. Adler of Canada Ltd. ....	425,000	British America Assurance Co., Canadian Fire Insurance Co., Fidelity-Phenix Insurance Co., Globe Indemnity Assurance Co., Nfld., American Insurance Co., Ocean Accident and Guarantee Corp. Ltd., Westchester Fire Insurance Co.
Atlantic Films & Electronics Ltd. ....	299,000	Lloyds
Atlantic Gloves Ltd. ....	350,000	Lloyds
Atlantic Gypsum Ltd. ....	1,600,000	The Ocean Accident & Guarantee Corporation Ltd.
Atlantic Hardboard Industries Ltd. ....	982,500	Lloyds & Alliance Assurance Company Ltd.
C. M. I. C. Ltd. ....	1,250,000	Lloyds
Eckhardt Mills Ltd. ....	572,000	Lloyds
Gold Sail Leather Goods Ltd. ....	120,000	Lloyds
Hanning Electric Co. Ltd. ....	545,000	Lloyds
Koch Shoes Ltd. ....	700,000	Lloyds
Nfld. Asbestos Ltd. ....	73,750	World Insurance Company Ltd. & The Acadia Insurance Co.
Nfld. Hardwoods Ltd. ....	1,852,619.10	Royal Insurance Co., Aetna Insurance Co., Northern Assurance Co., London & Lancashire Insurance Co., Continental Insurance Co., Norwich Union Insurance Society Ltd., Acadia Fire Insurance Co., Employers Liability Assurance Corp. Ltd., Lloyds Alliance Insurance Co.

## QUESTION NO. 15 (Continued)

Nfld. Tanneries (Wm. Dorn) Ltd. ....	300,000	Lloyds, Equitable Insurance Co., American Insurance Co., Century Insurance Co., Railway Passengers Assurance Co., Scottish Metropolitan Assurance Co., The Nfld. Fire & General Insurance Co., Phoenix Insurance Co., of Hartford, Transcontinental Insurance Co., Imperial Guarantee & Accident Insurance Co., Phoenix Assurance Co. Ltd., Sun Insurance Office Ltd., Atlas Assurance Co. Ltd., Guardian Assurance Co. Ltd., British Oak Insurance Co. Ltd.
North Star Cement Co. Ltd. ....	97,000	Lloyds
Superior Rubber Co. Ltd. ....	878,400	Lloyds & Alliance Assurance Company Ltd.
Terra Nova Textiles Ltd. ....	367,000	Lloyds, Nfld.-American Insurance Co. Ltd.
United Cotton Mills Ltd. ....	666,500	General Accident Fire & Life Assurance Corp. Ltd., Ocean Accident & Guarantee Corp. Ltd., Canadian Fire Insurance Co., British American Assurance Co., Nfld. American Insurance Co., British Crown Assurance Corp., Westchester Fire Insurance Co., Progressive Insurance Co. of Canada, Globe Indemnity Co. of Canada.

(2)

No fire insurance premiums have been paid by Government in respect of Nfld. Hardwoods Ltd., Atlantic Gypsum Ltd., or North Star Cement Co. Ltd.

(5)

Loans or Advances to the present operators of Nfld. Hardwoods Ltd.

<i>Cash</i>	<i>Guaranteed Bank Loans</i>
\$	\$
60,000.00	1,685,000.00

MR. HOLLETT: To ask the Honourable Minister of Finance to lay on the table of the House the following: (5)

(a) Certified copies of the Minutes of Council. Copies of Reports and Recommendations of the Treasury Board in accordance with Section 37, (Par. 2) Revenue and Audit Act.

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

(9) No.

(1) A complete list of all loans made by the Government of Newfoundland since April 1, 1949 together with the names of the firms or individuals to whom said loans were made and state whether loans were made: Fishery Loans, Economic Development Loans, Industrial Development Loans, Fishery Development Loans, Guaranteed Bank Loans or Tourist Development Loans? State the date of each loan and the rate of interest together with the amount of interest paid to date by each recipient of said loans.

(2) Give the total amount of each individual cash loan and the total amounts raised in the case of guaranteed bank loans? State in the case of each loan the total amount of interest which was refunded to the borrower.

(3) In the case of all Tourist Development Loans, table a copy of the Agreements and state the areas where said developments were to take place.

(4) Table a statement showing the money to the credit of the Government as of March 15, 1956 at (a) Bank of Montreal, (b) with Crown

Agents, (c) with the Government of Canada.

(5) What amounts, if any, by way of Temporary Loans have been advanced to the credit of the Government by the Bank of Montreal since April 1, 1955 and what amount if any, is presently owing by the Government to the said bank on account of Temporary Loans or other Loans or Advances? Give dates.

MR. HOLLETT: No. (16): To ask the Honourable Minister of Finance or appropriate Minister to lay on the table of the House the following information:

(1) List the various brands of alcoholic beverages including beers, purchased by the Board of Liquor Control between the dates of Feb. 28, 1955 and March 15, 1956.

(2) Give the names of the firms or individuals from whom these beverages were bought, name of the local agents for each brand and the quantity purchased.

(3) Give the total amount of moneys paid out for the purchase of alcoholic beverages and the total amount realized by the Board of Liquor Control since April 1, 1955.

(4) Give the location of all licensed beer parlors, hotels, taverns, tourist hotels in Newfoundland together with the names of the proprietors. Have any such licenses been revoked since April 1, 1955 and if so, for what causes.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I beg leave to table the answer to Section (a), Question No. 5 and the answer to Question No. 16 and the answer to Question No. 9.

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

(6)

(1) The total number of families receiving Able Bodied Assistance for each month since February, 1955.

**Question No. 5**

(a)

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 25th June, 1955, relating to the Meeting held on 23rd June, 1955.

628-'55

F. 56-'55 Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant - Governor be moved to sign a special Warrant in the amount of \$15,000 in favour of Subhead 304 to defray certain expenses under The Newfoundland Election Act, 1954.

(Sgd.) W. J. Carew,

Clerk of the Executive Council.

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 7th July, 1955, relating to the Meeting held on 5th July, 1955.

703-'55 Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of the Re-

vised Statutes of Newfoundland 1952, His Honour the Lieutenant - Governor be moved to sign a Special Warrant in the amount of \$20,000 in favour of Subhead 304 to defray certain expenses under the Newfoundland Election Act, 1954. This amount is in addition to the sum of \$15,000 authorized under authority of Minute of Council No. 628-'55 and will form a charge against the anticipated surplus for 1955-56.

(Sgd.) W. J. Carew

Clerk of the Executive Council.

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 22nd December, 1955, relating to the Meeting held on 20th December, 1955.

1226-'55 Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant - Governor be moved to sign a Special Warrant in the amount of \$30,000 in favour of Subhead 304 to provide for the cost of the making of ballot boxes, printing, and miscellaneous expenses incurred under the Election Act.

(Sgd.) J. G. Channing

Clerk of the Executive Council.

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-

Governor on 28th January, 1956, relating to the Meeting held on 18th January, 1956.

74-'56 Ordered that, under authority of Section 37 (2) (b) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland 1952, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$100 to permit the payment of storm damage compensation to fishermen who sustained losses as a result of storms in the Autumn of 1952.

(Sgd.) J. G. Channing,

Clerk of the Executive Council.

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 24th February, 1956, relating to the Meeting held on 22nd February, 1956.

160-'56 F 4-'56 Ordered that, under authority of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$884,200 in anticipation of the granting of a Supplementary Vote of \$949,300 for 1955-56.

(Sgd.) J. G. Channing

Clerk of the Executive Council.

(b) Already tabled.

Date of Signatures:  
28th November, 1955.

COPY

(Sgd.) Leonard Outerbridge

Lieutenant-Governor

(Sgd.) Gregory J. Power

Minister of Finance and Chairman of the Treasury Board

(Sgd.) J. G. Channing

Clerk of the Executive Council

By His Honour Sir Leonard Outerbridge, Knight Bachelor, Commander of the Most Excellent Order of the British Empire, Companion of the Distinguished Service Order, Lieutenant-Governor of the Province of Newfoundland.

#### THE LIEUTENANT-GOVERNOR'S WARRANT

Under Section 37 (2) (a) of the Revenue and Audit Act, 1951.

In accordance with Minutes of the Lieutenant-Governor in Council dated the 23rd of June, 1955, and the 5th of July, 1955, copies of which Minutes are attached hereto together with reports required in accordance with Section 37 (2) of The Revenue and Audit Act, 1951, which documents are identified by the signature of the Comptroller of Finance, the Minister of Finance is hereby authorized to make issues from the Newfoundland Exchequer Account in such sums as may be required from time to time for the purposes designated in the governing Minutes, in an aggregate sum of THIRTY-FIVE THOUSAND DOLLARS (\$35,000), and the Minister of Finance is hereby authorized and required to do whatsoever may be necessary in pursuance of, and in accordance with, the provisions of the above Act.

(Sgd.) W. M. Marshall  
Entered:

COPY

Certified Copy of Minutes of the

Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 25th June 1955, relating to the Meeting held on June 23rd, 1955.

628-'55 F.65-'55. Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1953, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$15,000 in favour of Subhead 304 to defray certain expenses under The Newfoundland Election Act, 1954.

(Sgd.) W. J. Carew,

Clerk of the Executive Council.

(Sgd.) W. M. Marshall

**COPY**

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 7th July, 1955, relating to the Meeting held on 5th July, 1955.

703-'55 Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$20,000 in favour of Subhead 304 to defray certain expenses under The Newfoundland Election Act, 1954. This amount is additional to the sum of \$15,000 authorized under authority of Minute of Council. No 628-'55 and will form a

charge against the anticipated surplus for 1955-56.

(Sgd) E. J. Carew,

Clerk of the Executive Council.

(Sgd) W. M. Marshall

**COPY**

Under the terms of Section 37 (2) (a) of the Revenue and Audit Act, 1951, I, M. P. Murray, Minister of Provincial Affairs, do hereby report that it is urgently necessary to incur expenditure aggregating THIRTY-FIVE THOUSAND DOLLARS (\$35,000) to defray certain expenses in connection with The Newfoundland Election Act, 1954.

Dated at St. John's, Nfld., this 29th day of November, A.D. 1955.

(Sgd) Myles Murray,

Minister of Provincial Affairs.

(Sgd) W. M. Marshall.

**COPY**

Under the provision of Section 37 (2) (a) of The Revenue and Audit Act, 1951, I, Gregory J. Power, Minister of Finance, do report that insufficient legislative provision has been made in the Estimates of 1955-56 for issues aggregating THIRTY-FIVE THOUSAND DOLLARS (\$35,000) to cover certain expenses under The Newfoundland Election Act, 1954.

Dated at St. John's this 29th day of November, A.D. 1955.

(Sgd) Gregory J. Power,

Minister of Finance,

(Sgd) W. M. Marshall

**COPY**

Under the provisions of Section 37 (2) (a) of The Revenue and Audit Act,

1951, the Treasury Board hereby recommends that a Special Warrant be prepared for signature by His Honour the Lieutenant-Governor in an amount of THIRTY-FIVE THOUSAND DOLLARS (\$35,000), being the sum required for issues in respect of the services referred to in this Warrant.

Dated at St. John's this 29th day of November, A.D. 1955.

(Sgd) Gregory J. Power,

Minister of Finance and  
Chairman of the Treasury Board.

(Sgd) W. M. Marshall.

(Sgd) Leonard Outerbridge,

Lieutenant-Governor.

28th January, 1956.

Date of Signature :

By His Honour Sir Leonard Outerbridge, Knight Bachelor, Commander of the Most Excellent Order of the British Empire, Companion of the Distinguished Service Order, Lieutenant-Governor of the Province of Newfoundland.

#### THE LIEUTENANT-GOVERNOR'S WARRANT

Under Section 37 (2) (a) and (b) of The Revenue and Audit Act, 1951.

In accordance with Minutes of the Lieutenant-Governor in Council dated the 20th of December, 1955, and the 18th of January 1956, copies of which Minutes are attached hereto together with reports required in accordance with Section 37 (2) of The Revenue and Audit Act, 1951, which documents are identified by the signature of the Comptroller of Finance, the Minister of Finance is hereby authorized to make issues from time to time for the purposes designated in the governing

Minutes, in an aggregate sum of THIRTY THOUSAND, ONE HUNDRED DOLLARS (\$30,100), and the Minister of Finance is hereby authorized and required to do whatsoever may be necessary in pursuance of, and in accordance with, the provision of the above Act.

(Sgd) W. M. Marshall.

(Sgd) Gregory J. Power,

Minister of Finance and  
Chairman of the Treasury Board.  
(Sgd) J. G. Channing.

Clerk of the Executive Council.

(Sgd) W. M. Marshall.

Entered :

#### COPY

Under the provisions of Section 37 (2) (a) of The Revenue and Audit Act, 1951, I, Gregory J. Power, Minister of Finance, do report that insufficient legislature provision has been made in the Estimates of 1955-56 for issues aggregating THIRTY THOUSAND DOLLARS (\$30,000) to cover certain expenses under The Newfoundland Election Act, 1954.

Dated at St. John's this 27th day of January, A.D. 1956.

(Sgd) Gregory J. Power,  
Minister of Finance.

(Sgd) W. M. Marshall.

#### COPY

Under the terms of Section 37 (2) (a) of The Revenue and Audit Act, 1951, I, M. P. Murray, Minister of Provincial Affairs, do hereby report that it is urgently necessary to incur expenditure aggregating THIRTY THOUSAND DOLLARS (\$30,000) to defray certain expenses in connection with The Newfoundland Election Act 1954.

Dated at St. John's, Nfld. this 26th day of January, A.D. 1956.

(Sgd) Myles Murray,

Minister of Provincial Affairs.

(Sgd) W. M. Marshall

**COPY**

Under the terms of Section 37 (2) (b) of The Revenue and Audit Act, 1951, I. W. J. Keough, Minister of Fisheries and Co-operatives, do hereby report that it is urgently necessary to incur expenditure relating to storm damage assistance in a token sum of ONE HUNDRED DOLLARS (\$100).

Dated at St. John's this 27th day of January, A.D. 1956.

(Sgd) W. J. Keough,

Minister of Fisheries and Co-operatives.

(Sgd) W. M. Marshall.

**COPY**

Under the terms of Section 37 (2) (b) of The Revenue and Audit Act, 1951, I. Gregory J. Power, Minister of Finance do report that no legislative provision has been made in the Estimates of 1955-56 for services relating to storm damage assistance of fishermen; a token provision of ONE HUNDRED DOLLARS (\$100) is required.

Dated at St. John's this 27th day of January, A.D. 1956.

(Sgd) Gregory J. Power,

Minister of Finance

(Sgd) W. M. Marshall.

**COPY**

Under the provisions of Section 37 (2) (a) and (b) of The Revenue and Audit Act, 1951, the Treasury Board hereby recommends that a Special Warrant be prepared for signature by

His Honour the Lieutenant-Governor in an amount of THIRTY THOUSAND, ONE HUNDRED DOLLARS (\$30,100), being the sum required for issues in respect of the services referred to in this Warrant.

Dated at St. John's this 27th day of January, 1956.

(Sgd) Gregory J. Power,

Minister of Finance and

Chairman of the Treasury Board.

(Sgd) W. M. Marshall.

**COPY**

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 28th January, 1956, relating to the Meeting held on 18th January, 1956.

74-'56 Ordered that, under authority of Section 37 (2) (b) of The Revenue and Audit Act, chapter 31 of the Revised Statutes of Newfoundland, 1953, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$100 to permit the payment of storm damage compensation to fishermen who sustained losses as a result of storms in the Autumn of 1952.

(Sgd) J. G. Channing,

Clerk of the Executive Council.

**COPY**

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 22nd December, 1955, re-

lating to the Meeting held on 20th December, 1955.

1226-'55 Ordered that, under authority of Section 37 (2) (a) of The Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant - Governor be moved to sign a Special Warrant in the amount of \$30,000 in favour of Sub-head 304 to provide for the cost of the making of ballot boxes, printing and miscellaneous expenses incurred under the Election Act.

(Sgd) J. G. Channing,

Clerk of the Executive Council

#### COPY

(Sgd) Leonard Outerbridge  
Lieutenant-Governor

Date of Signature :

February 29, 1956.

By His Honour Sir Leonard Outerbridge, Knight Bachelor, Commander of the Most Excellent Order of the British Empire, Companion of the Distinguished Service Order, Lieutenant-Governor of the Province of Newfoundland.

#### THE LIEUTENANT-GOVERNOR'S WARRANT

Under Section 27 (2) (a) and (b) of The Revenue and Audit Act, 1951.

In accordance with Minute of the Lieutenant-Governor in Council dated the 22nd of February, 1956, a copy of which Minute is attached hereto together with reports required in accordance with Section 37 (2) of The Revenue and Audit Act, 1951, which docu-

ments are identified by the signature of the Comptroller of Finance, the Minister of Finance is hereby authorized to make issue from the Newfoundland Exchequer Account, in such sums as may be required from time to time for the purpose designated in the governing Minute, in an aggregate sum of EIGHT HUNDRED AND EIGHTY FOUR THOUSAND, TWO HUNDRED DOLLARS (\$884,200), and the Minister of Finance is hereby authorized and required to do whatsoever may be necessary in pursuance of, and in accordance with the provisions of the above Act.

(Sgd) Gregory J. Power,

Minister of Finance and  
Chairman of the Treasury Board.

(Sgd) J. G. Channing

Clerk of the Executive Council.

(Sgd) W. M. Marshall.

Entered :

Certified Copy of Minutes of the Honourable the Executive Council of the Province of Newfoundland approved by His Honour the Lieutenant-Governor on 24th February, 1956, relating to the Meeting held on February 22nd, 1956.

160-'56 F.4-'56. Ordered that, under authority of the Revenue and Audit Act, chapter 31 of The Revised Statutes of Newfoundland, 1952, His Honour the Lieutenant-Governor be moved to sign a Special Warrant in the amount of \$884,200 in anticipation of the granting of a Supplementary vote of \$949,300 for 1955-56.

(Sgd) J. G. Channing,

Clerk of the Executive Council.

(Sgd) W. M. Marshall,

C. of F.

I, Gregory J. Power, Minister of Finance, in accordance with the provisions of The Revenue and Audit Act, 1951, Section 37 (2) (a) and (b), do report that (a) insufficient provision has been made by the Legislature in respect of a number of services and (b) that no provision has been made to defray the costs of six services not foreseen when the Estimates 1955-56 were approved by the Legislature in an aggregate sum of EIGHT HUNDRED AND EIGHTY FOUR THOUSAND, TWO HUNDRED DOLLARS (\$884,200) as set out in some detail in the annexures to document F.4-'56.

Dated at St. John's this 24th day of February, A.D. 1956.

(Sgd) Gregory J. Power,  
Minister of Finance.

(Sgd) W. M. Marshall  
Comptroller of Finance

Under the terms of Section 37 (2) (a) and (b) of the Revenue and Audit Act, 1951, we, the various Ministers as set out at foot hereof do hereby report that it is urgently necessary to incur expenditures, as shown at foot, in an aggregate of EIGHT HUNDRED AND EIGHTY FOUR THOUSAND, TWO HUNDRED DOLLARS (\$884,200) to defray certain expenses in connection with the Public Service of Newfoundland for which inadequate provision (or in six cases, as shown, no provision) has been made by the Legislature.

Dated at St. John's this 24th day of February, A.D. 1956.

Amount	Head	New Services
\$30,600	Legislative	None

(Sgd) Myles Murray  
Minister of Provincial Affairs

6,000	Executive	None
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(Sgd) Myles Murray  
Minister of Provincial Affairs

57,800	Finance	None
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(Sgd) Gregory J. Power  
Minister of Finance

900	Provincial Affairs	None
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(Sgd) Myles Murray  
Minister of Provincial Affairs

200	Public Works	Air Strips Wharves
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(Sgd) E. S. Spencer  
Minister of Public Works

306,600	Health	Grace Hospital Home for Aged
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(Sgd) S. J. Hefferton  
Minister of Public Welfare

482,000	Public Welfare; School for Blind, Home for Aged.	
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(Sgd.) F. W. Rowe,  
Minister of Public Welfare.

(2) A statement showing the number of able bodied persons receiving relief since February 1st, 1955 by Electoral Districts and the cost of the same Districts.

(3) Give the rates per person or family receiving Able Bodied Assistance.

(4) Give the amounts paid out by way of Sick Relief for each month since February 1st, 1955 and where possible, by District.

DR. ROWE: Mr. Speaker, I have the answer to Question No. 6 on the Order Paper of Wednesday, March 20, (Answer tabled).

Question No. 33:

MR. W. J. BROWNE: To ask the Honourable the Minister of Public Works to lay on the table of the House the following information:

Were tenders called for the work now in progress on front of the Colonial Building? Was this work advertised calling for tenders? If so table a copy of the advertisement. Give the names of the parties tendering with the amount tendered in each case. Has there been any variation in the work called for and the work being performed? Out of what vote is this expenditure being made? Has any time been fixed for the completion of the work? If the agreement to perform this work is in writing table a copy of the same.

What work is presently being carried on to improve or decorate the interior of the Colonial Building? Were tenders called for this work? If not why not? How much has been paid for electrical work, painting, etc., since the work commenced? Specify names of persons or firms to whom payment has been made with amounts paid in each case.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, that question is practically a duplication of Question No. 32 on the Order Paper of March 23, in the name of the honourable and learned member for St. John's West, the answer to which I propose to table now. It is not quite in the same form, but I think it is pretty much a duplication.

MR. BROWNE: Mr. Speaker, to a point of order — This is not the same at all. Question No. 33 has to do with the work in front of the Colonial Building, i.e., the fountain and the exterior of the building.

MR. SPENCER: I thank the honourable member. An answer will be prepared.

Mr. Speaker, I now beg leave to table the answer to Question No. 26 and the answer to Question No. 32, March 23, in the name of the Honourable Leader of the Opposition.

MR. BROWNE: Mr. Speaker, I wonder if I may ask the Honourable Attorney General when I might expect an answer to Question No. 2?

MR. CURTIS: I have that down on my desk, Mr. Speaker, and will have it tomorrow.

#### Orders of the Day

The following information is supplied by the Honourable Minister of Public Welfare in reply to *Question No. 6* (Mr. Hollett) Order Paper of Wednesday, March 14th, 1956:

#### Question (1)

Total Number of Families Receiving Able Bodied Assistance for Each Month Since Feb. 1st, 1955.

Month	No. of families
Feb., 1955 .....	2809
March, 1955 .....	2648
April, 1955 .....	2547
May, 1955 .....	2089
June, 1955 .....	1248
July, 1955 .....	904
Aug., 1955 .....	784
Sept., 1955 .....	648
Oct., 1955 .....	702
Nov., 1955 .....	1266
Dec., 1955 .....	1981
Jan., 1956 .....	2879
Feb., 1956 .....	3124

## Question (2) &amp; (4)

February, 1955

Electoral District	Able-Bodied		Sick
	Persons	\$ Cost	\$ Cost
1. St. John's, E. ....	1229	7578	1412
2. St. John's W. ....	1229	7578	1412
3. Hr. Main Bell Is. ....	699	4030	1586
4. Port de Grave ....	149	799	1154
5. Hr. Grace ....	605	3032	1743
6. Carb. Bay de Verde ....	600	3196	1838
7. Trinity South ....	534	2754	1796
8. Trinity North ....	557	3399	1514
9. Bonavista S. ....	281	1563	1073
10. Bonavista N. ....	61	375	465
11. Fogo ....	660	3867	1225
12. Twillingate ....	528	3226	931
13. Grand Falls ....	66	359	1066
14. Green Bay ....	281	1600	2121
15. White Bay ....	941	5656	1890
16. St. Barbe ....	192	1231	731
17. Humber ....	39	190	1047
18. St. Geo. P. au Port ....	83	458	2390
19. Burgeo La Poile ....	930	4623	615
20. Fort. Hermitage ....	1793	8962	1334
21. Burin ....	825	4908	1454
22. Placentia W. ....	1485	9596	3028
23. Placentia St. Mary's ....	462	2351	945
24. Ferryland ....	297	1979	810
25. Labrador ....	919*	5750*	184

\* Figures Nov. — Feb. inclusive.

## Question (2) &amp; (4)

October, 1955

Electoral District	Able-Bodied		Sick
	Persons	\$ Cost	\$ Cost
1. St. John's East ....	372	1616	2127
2. St. John's West ....	373	1617	2128
3. Hr. Main—Bell Island ....	237	1216	1274
4. Port de Grave ....	20	75	214
5. Harbour Grace ....	546	2756	33
6. Carbonear—Bay de Verde ....	541	1786	326
7. Trinity South ....	198	978	1148
8. Trinity North ....	9	45	1384
9. Bonavista South ....	15	75	895
10. Bonavista North ....	16	119	857

11. Fogo .....	47	241	1836
12. Twillingate .....	17	84	924
13. Grand Falls .....	2	19	1037
14. Green Bay .....	5	15	812
15. White Bay .....	179	896	2348
16. St. Barbe .....	85	456	508
17. Humber .....	5	25	655
18. St. George's—Port au Port .....	140	667	1970
19. Burgeo—LaPoile .....	493	2624	1001
20. Fortune & Hermitage .....	343	1712	1050
21. Burin .....	67	325	2353
22. Placentia West .....	332	1931	1759
23. Placentia—St. Mary's .....	18	137	1615
24. Ferryland .....	30	164	791
25. Labrador .....	62	1153	86

Question (2) & (4)

January 1956

Electoral District	Able-Bodied		Sick
	Persons	\$ Cost	\$ Cost
1. St. John's East .....	774	4108	1728
2. St. John's West .....	774	4109	1728
3. Hr. Main—Bell Island .....	681	3417	1382
4. Port de Grave .....	232	1020	279
5. Harbour Grace .....	1051	5478	85
6. Carbonar—Bay de Verde .....	1106	5379	355
7. Trinity South .....	874	4059	1620
8. Trinity North .....	614	3498	2240
9. Bonavista South .....	515	2623	1587
10. Bonavista North .....	124	722	1108
11. Fogo .....	400	2647	1520
12. Twillingate .....	804	4639	985
13. Grand Falls .....	166	611	1055
14. Green Bay .....	335	1693	1052
15. White Bay .....	1145	8857	1958
16. St. Barbe .....	374	1826	732
17. Humber .....	20	100	1304
18. St. George's—Port au Port .....	451	2286	2142
19. Burgeo—La Poile .....	857	4340	790
20. Fortune & Hermitage .....	1828	9130	2457
21. Burin .....	499	2914	1648
22. Placentia West .....	1347	7748	2829
23. Placentia—St. Mary's .....	379	2041	1001
24. Ferryland .....	495	2625	564
25. Labrador .....	722	3860	88

The following information is supplied by the Honourable Minister of Public Works, in reply to Question No. 33 (Mr. Browne) Order Paper of April 3rd, 1956.

#### *Question*

Were tenders called for work now in progress in front of the Colonial Building? Was this work advertised calling for tenders? If so table a copy of the advertisement. Give the names of the parties tendering with the amount tendered in each case. Has there been any variation in the work called for and the work being performed? Out of what vote is this expenditure being made? Has any time been fixed for the completion of the work? If the agreement to perform this work is in writing table a copy of the same.

#### *Answer*

Tenders were called by public advertisement — copy annexed. The tender of Canadian Machinery and Industry Construction, Ltd. of \$120,000 was the only one received. There has been no variation in the work. Expenditure is being met from subhead 40704 of Head IV. It is expected that all work will be completed by 31st May, 1956. The agreement is in writing and a copy may be inspected at the office of the Department of Public Works.

#### *Question*

What work is presently being carried on to improve or decorate the interior of the Colonial Building? Were tenders called for this work? If not why not? How much has been paid for electrical work, painting, etc., since the work commenced? Specify names of persons or firms to whom

payment has been made with amounts paid in each case.

#### *Answer*

The exact extent of the work could not be determined in advance, making it impossible to write a detailed specification. It was not practicable, therefore, to invite tenders. The work was performed by J. B. Ashley & Co. at a cost of \$11,370. Fixtures for the Legislative Chamber were purchased on tender from Canadian General Electric Company at a cost of \$942. Other fixtures were purchased from Modern Electric Company for \$110. Plaster damaged in course of making the installations was repaired by J. Conway at a cost of \$352, and repainting was done by R. J. Green for \$613. All other work was performed by departmental forces.

#### PUBLIC NOTICE

Sealed tenders for the construction of the Electric Fountain to be built in front of the House of Assembly at St. John's, Newfoundland, will be received up to close of business on Tuesday, September 6th, 1955.

Tenders are to be submitted in sealed envelopes addressed to the undersigned with the words "Tender for Electric Fountain" written across the face of the envelope.

Tenders are to be accompanied by an approved accepted cheque for \$250 as a surety that the tenderer will, if successful, carry out the contract for the tendered sum. This deposit will be returned to unsuccessful tenderers when the contract is awarded. The successful tenderer will be expected to deposit further sums to bring the total of his deposit up to 10% of the amount of the accepted tender, to be

held as security for the proper and satisfactory performance of the contract.

Plans and specifications may be inspected at the office of the Building Division and copies obtained on deposit of \$25 with the Revenue Clerk of the Department. This sum will be returned if the plans and specifications are returned and a reasonable tender is made.

The Department does not bind itself to accept the lowest or any tender.

R. Manning,  
Deputy Minister.

Department of Public Works,  
St. John's,

August 22nd, 1955.

The following information is supplied by the Honourable Minister of Public Works in reply to Question No. 26 (Mr. Hollett) Order Paper of March 21st, 1956.

#### 1. Question

Give the names of all Contractors or Contracting Companies with whom contracts were made for the building of Roads and Bridges or for other construction work during the Fiscal Year 1955-56.

Give a description of the nature of the work which was done, and the cost of same in such instance.

#### 1. Answer

(1) J. Goodyear and Sons Limited.

(a) Construction of road Wesleyville towards Gambo — approximate distance 20 miles, approximate cost \$496,000.

(b) Construction of road Carmanville to Main Point, and cutting road right-of-way — approximate distance 9 miles, approximate cost \$200,000.

(c) Cutting right-of-way Buchans Junction to Millertown—\$7,480.

(d) Construction of road Buchans Junction to Millertown—\$103,493.

(e) Construction of road Musgrave Harbour Wharf to Ragged Harbour \$10,000.

(f) Completion of road Doring Cove to Musgrave Harbour and construction of road to wharf — \$18,000.

(2) Grant-Mills Limited.

Construction of superstructure of Bridge, Lower Humber River — \$35,220.

(3) Newfoundland Engineering and Construction Co. Ltd.

Construction of road Goose Bay to North West River—approximately 20 miles, approximate cost \$417,000.

(4) Thistle & Sons Limited.

Cutting right-of-way from Burlington to connect with Baie Verte Road—\$7,200.

(5) Willett Engineering & Surveying Co. Ltd.

(a) Location survey from Gander to Main Point via Gander Bay approximately 27 miles, approximate cost \$12,000.

(b) Location survey Belloram to Pool's Cove—approximately 19 miles, approximate cost \$8,150.

- (b2) Location survey Pool's Cove to the head of Hermitage Bay—approximately 8 miles, approximate cost \$3,600.
- (b3) Location survey the head of Hermitage Bay to Harbour Breton—approximately 23 miles, approximate cost \$10,350.
- (b4) Location survey the head of Hermitage Bay to suitable point on Bowater's Road—approximately 28 miles, approximate cost \$12,600.
- (b5) Location survey from a suitable point on the survey between the head of Hermitage Bay and Harbour Breton to Hermitage — approximately 12 miles, approximate cost \$5,400.
- (6) Newfoundland Lime Manufacturing Company.  
Construction of Causeway at Cobb's Arm — \$9,321.
- (7) Twillingate Engineering and Construction Company.  
Construction of road Purchell's Harbour to Vincent Point on Twillingate Island — \$10,000.
- (8) Canadian Machinery and Industry Construction Ltd.
- (a) Repair and Maintenance work on Ferry Landings, Placentia—\$36,887.
- (b) Colonial Building Fountain grading grounds, etc.—\$120,000.
- (9) Western Construction Company Limited.
- (a) Grading three miles East of Steel Mountain Road to Steel Mountain Road (3.0 miles)—\$190,284.
- (b) Grading Eight Miles East of Steel Mountain Road to Three Miles East of Steel Mountain Road (5.0 miles) — \$364,712.
- (c) Clearing & Grading Southwest Brook to a point eight miles East of Steel Mountain Road (4.1 miles) —\$333,238.
- (d) Construction of Mollichigneck Brook Bridge—\$8,360.
- (e) Construction of Overfalls Brook Bridge—\$22,120.
- (f) Construction of Barachois Brook Bridge—\$77,920.
- (g) Construction of Fishells Brook Bridge—\$146,130.
- (10) Concrete Products (Nfld.) Limited.  
Grading Gander to Glenwood (Part) (3.9 miles)—\$222,516.
- (11) Louis Briffett and Sons Limited  
Cutting & Burning right-of-way Charlottetown to Traytown — \$34,020.
- (12) F. W. McKay & Son.  
Harbour Grace Court House heating—\$3,500.
- (13) Bernard W. Bartle,  
Grand Falls Roads Depot, heating system—\$2,425.

Agreements were also entered into with A.N.D. Company and Bowater's for the construction of approximately 26 miles of road from Trans-Canada Highway leading towards Baie Verte, each Company to carry out construction through its own limits at actual cost and to contribute \$6,500 per mile towards cost of construction.

3. *Question*

If Tenders were called for in any case give the names of the Parties tendering and the amount at which they tendered.

*Answer*

It has never been the practice to give particulars of bids submitted by unsuccessful tenderers.

4. *Question*

Who were present when tenders were opened?

*Answer*

In the case of Trans-Canada Highway projects, tenders are opened in the presence of a committee consisting of the Minister of Public Works, officers of the Department of Public Works, and one or more representatives of the Federal Government.

Tenders for other works are opened in the presence of committees constituted for the purpose.

5. *Question*

What amount of work under each of the said contracts has been done and how much has been paid for same.

*Answer*

1. (a) Approximately 6 miles completed—\$141,328.

(b) 1.3 miles completed and 55.6 acres cut, no payment made yet.

(c) Job completed—\$4,796.

(d) Approximately 15% completed—\$8,895.

(e) Job completed—\$10,000.

(f) Job completed—\$18,000

2. Job completed—\$35,200.

3. Approximately 4 miles completed—\$82,754.

4. 72% completed—\$2,022.

5. (a) 27.3 miles surveyed—\$12,285.

(b1) 21.58 miles surveyed—\$7,769.

(b3) 12.13 miles surveyed—\$4,367.

6. Job completed—\$9,321.

7. Job completed—\$10,000.

8. (a) Approximately 30% work done—\$12,233.

(b) Approximately 15% work done—\$13,117.

9. (a) 2 miles completed—\$140,109.

(b) 3 miles completed—\$149,646

(c) 2 miles completed—\$9,014.

(d) Complete—\$25,031.

(e) 90% complete—\$17,922.

(f) 75% complete—\$55,806.

(g) 50% complete—\$67,613.

10. 0.3 miles completed—\$27,446

11. Nil Nil

12. 80% work done—\$2,380.

13. Completed—\$2,425.

MR. HOLLETT.—QUESTION No. 9 (1)

## FISHERIES LOAN BOARD OF NEWFOUNDLAND

List of Loans Made Since the Inception of the Board on August 1, 1950  
to March 31, 1956

Date and Name	Term of Years	Amount	Rate	Interest Paid
<i>(Period 1951-52)</i>		\$	%	\$
July 16—A. & W. Osmond .....	5	1,088	3½	89.89
Aug. 4—W. & F. Sheppard .....	8	4,850	3½	445.97
Aug 15—W. J. Vaters .....	8	6,000	3½	627.77
Oct. 26—Quirpon Fish Co. Ltd. ....	6	11,000	4½	1,277.87
Nov. 20—M. J. & T. & J. Croke ....	5	3,500	3½	341.94
Dec. 5—F. J. Johnson .....	5	2,585	3½	59.49
Dec. 27—Peter Billard .....	5	938	3½	80.77
Jan. 17—L. W. & E. A. Davis .....	6	12,000	3½	1,051.15
Jan. 16—S. H. Shears .....	10	7,200	3½	695.84
<i>(Period 1952-53)</i>				
May 9—F. P. Bursey .....	5	6,000	3½	584.73
June 10—J. Tobin .....	9	860	3½	59.76
June 12—J. Furlong .....	7	1,350	3½	37.93
June 23—M. & G. & R. Rogers .....	5	4,400	3½	355.88
July 8—Alberto Wareham Ltd. ....	2	17,500	3½	1,426.48
July 9—M. C. King .....	10	1,350	3½	94.54
July 15—S. & E. Farrell .....	10	2,625	3½	275.98
Aug. 9—H. Frampton .....	7	1,275	3½	113.26
Aug. 29—G. Howell .....	5	2,482	3½	197.66
Oct. 15—D. Regular .....	5	1,106	3½	92.18
Nov. 4—A. Northcott Ltd. ....	8	22,000	4½	1,608.30
Nov. 6—L. L. O'Brien .....	10	600	3½	56.70
Dec. 1—W. M. Morry .....	5	5,700	3½	592.89
Dec. 8—E. R. Tucker .....	5	1,040	3½	65.52
Dec. 10—R. Sturge .....	10	4,000	3½	338.40
Dec. 13—V. M. Fiander .....	10	10,000	3½	941.01
Jan 28—F. J. Johnston .....	5	4,285	3½	292.41
Jan. 31—M. J. Burke .....	10	4,875	3½	334.51
<i>(Period 1953-54)</i>				
Apr. 1—G. C. Hayley .....	5	2,800	3½	164.96
July 6—C. J. Price .....	10	5,745	3½	180.48
July 7—W. Street .....	10	4,700	3½	353.67
July 10—J. Kean .....	10	13,500	3½	nil
July 30—J. H. Ellsworth .....	9	3,063	3½	152.52

## FISHERIES LOAN BOARD OF NEWFOUNDLAND

List of Loans Made Since the Inception of the Board on August 1, 1950  
to March 31, 1956

Date and Name	Term of Years	Amount	Rate	Interest Paid
		\$	%	\$
(Period 1953-54)				
Sept. 17—W. C. & V. Hancock .....	10	5,000	3½	95.89
Nov. 4—James Furlong .....	10	1,125	3½	78.74
Nov. 2—A. & R. & B. Vincent .....	10	6,843	3½	508.35
Nov. 19—S. B. Barbour .....	10	2,989	3½	198.72
Nov. 25—R. J. L. Burton .....	5	3,000	3½	191.24
Nov. 27—J. H. Marshall & Brother Ltd .....	8	4,000	4½	269.06
Dec. 3—L. C. & H. W. & E. W. & N. J. & E. L. Spurrell .....	5	6,000	3½	378.35
Dec. 21—R. W. Decker .....	10	6,000	3½	359.95
Jan. 11—Leo Coombs .....	5	710	3½	45.55
Jan. 19—C. J. & J. R. Cheesemand .....	5	3,780	3½	196.44
Jan. 22—H. P. Lake .....	10	17,000	3½	816.95
Mar. 8—R. Buffett .....	10	19,700	3½	1,264.35
(Period 1954-55)				
Apr. 5—P. Hackett .....	10	6,750	3½	234.88
Apr. 5—A. L. Sturge .....	10	11,200	3½	386.13
Apr. 8—M. P. Power .....	10	13,600	3½	673.97
Apr. 20—W. Evans .....	10	20,135	3½	944.97
May 5—W. Smith .....	10	33,750	3½	nil
May 21—J. F. & M. J. & M. R. & B. Bridgeman .....	7	11,250	3½	393.75
May 25—C. Rogers .....	5	4,800	3½	168.00
July 5—D. Downer .....	3	600	3½	22.71
Aug. 5—Aubrey Patten .....	5	1,750	3½	23.74
Aug. 20—W. R. Hussey .....	5	1,025	3½	38.37
Sept. 14—C. M. Kennedy .....	3	675	3½	23.63
Nov. 18—J. Crane .....	2	750	3½	25.03
Nov. 23—J. H. Marshall & Brother Ltd. ....	10	19,400	3½	415.96
Dec. 15—Clifford Shirley & Sons Ltd .....	3	2,500	3½	84.58
Feb. 1—R. A. Smith .....	10	20,146	3½	625.93
Feb. 12—G. S. Burry .....	3	750	3½	22.00
Mar. 8—William Taylor .....	3	750	3½	19.27
Mar. 16—W. S. Gill .....	5	6,000	3½	nil

## FISHERIES LOAN BOARD OF NEWFOUNDLAND

List of Loans Made Since the Inception of the Board on August 1, 1950  
to March 31, 1956

Date and Name	Term of Years	Amount	Rate	Interest Paid
(Period 1955-56)		\$	%	\$
May 19—D. M. Andrews et al .....	5	2,000	3½	42.00
May 30—C. Meadus .....	3	654	3½	12.48
May 30—A. Short .....	3	700	3½	12.35
June 1—W. H. Vater .....	5	6,000	3½	.96
June 1—C. Petten .....	3	1,105	3½	24.15
June 2—H. Petten .....	3	698	3½	13.27
June 4—A. Petten .....	5	1,975	3½	33.63
June 6—C. & G. Porter .....	5	1,500	3½	31.79
June 7—J. M. & W. Glynn .....	3	839	3½	14.16
June 9—C. W. Pride .....	3	800	3½	15.80
June 9—W. J. Lear .....	4	2,200	3½	43.72
June 21—D. Keating .....	5	2,000	3½	33.57
June 22—G. F. Murphy .....	5	1,275	3½	nil
June 23—F. J. Tucker .....	3	592	3½	9.95
June 30—H. J. Blundon .....	3	519	3½	8.43
July 11—A. J. Abbott .....	2	750	3½	10.21
July 14—D. J. & P. J. Hawkins ....	2	385	3½	5.65
July 22—H. Burry .....	5	1,666	3½	23.32
Aug. 3—E. C. Drodge .....	2	300	3½	4.32
Aug. 3—J. F. Flemming .....	10	10,500	3½	134.92
Aug. 3—H. Moulard .....	10	5,000	3½	64.25
Aug. 19—J. T. Miller .....	5	2,000	3½	nil
Sept. 1—W. & F. Sheppard .....	5	2,850	3½	24.60
Sept. 9—R. Hicks .....	10	6,500	3½	60.46
Sept. 9—H. J. Keel .....	10	13,000	3½	nil
Sept. 9—W. Lane .....	10	12,000	3½	nil
Sept. 12—W. L. Aylward .....	3	600	3½	nil
Sept. 13—T. J. & V. Tobin .....	2	486	3½	3.64
Sept. 21—J. R. Moss .....	10	11,600	3½	10.00
Sept. 23—A. A. Durnford .....	3	937	3½	9.97
Sept. 12—C. Beaufield .....	3	700	3½	6.31
Sept. 16—L. B. Pilgrim .....	3	495	3½	nil
Sept. 23—A. D. Beazley .....	5	1,700	3½	nil
Sept. 30—A. Murphy .....	4	1,050	3½	nil
Oct. 11—A. Whiffen .....	10	8,700	3½	nil
Oct. 12—E. Warren .....	4	1,200	3½	nil
Oct. 13—E. Quigley .....	4	1,800	3½	nil
Oct. 17—A. H. Evans .....	10	17,800	3½	nil
Oct. 25—E. Kendall .....	3	1,110	3½	nil

## FISHERIES LOAN BOARD OF NEWFOUNDLAND

List of Loans Made Since the Inception of the Board on August 1, 1950  
to March 31, 1956

Date and Name	Term of Years	Amount	Interest	
			Rate	Paid
		\$	%	\$
Oct. 20—Eli R. Grandy .....	10	16,000	3½	nil
Nov. 12—G. M. Kelly .....	7	2,600	3½	nil
Nov. 17—D. O. Organ .....	2	675	3½	nil
Nov. 21—C. Pittman .....	4	1,100	3½	nil
Nov. 30—J. W. Bungay .....	5	2,300	3½	nil
Dec. 31—W. J. Vater .....	1	1,531	3½	nil
Dec. 30—C. Pardy .....	3	550	3½	nil
Feb. 3—E. Caines .....	3	600	3½	nil
Feb. 2—Clifford Shirley & Sons Ltd. ....	3	5,000	3½	nil
Feb. 10—F. Pink & J. Hatcher .....	4	1,370	3½	nil
Mar. 1—J. Collier .....	7	5,150	3½	nil
Mar. 15—A. Breen .....	2	600	3½	nil

(Mr. Hollett) *Question No. 9 (3)*

THIS INDENTURE made at  
in the Province of Newfound-  
land this                    day of  
Anno Domini, One Thousand nine  
hundred and fifty                    BETWEEN  
in the Prov-  
ince of Newfoundland (hereinafter  
called the "Borrower" which expres-  
sion shall where the context so admits  
include the heirs administrators executors and assigns of the Borrower) of  
the first part AND The Tourist Development Loan Board of Newfoundland  
a body corporate constituted by Section 4 of the Tourist Development Loan  
Act, 1953, the Act No. 18 of 1953  
(hereinafter called the "Board" which  
expression shall where the context so  
admits include the successors in title  
of the Board) of the second part AND  
Her Majesty in right of Newfoundland

represented herein by the Honourable  
Joseph R. Smallwood, Minister of Eco-  
nomic Development (hereinafter called  
the "Government") of the third  
part WHEREAS the Borrower is desirous of engaging in the tourist industry and for this purpose is constructing a hotel containing eleven bedrooms on the land described in the Schedule to this Indenture AND WHEREAS  
the Bank of                    at

in the Province of Newfound-  
land (hereinafter called the "Bank")  
has to enable the Borrower to construct his said hotel agreed to loan  
him on the guarantee of the Government the sum of Ten thousand (\$10,000.00) dollars AND WHEREAS the Borrower has requested the Government to guarantee the Bank repayment of the said loan of Ten thousand (\$10,000.00) dollars AND  
WHEREAS the Lieutenant-Governor

in Council has by Minute of Council authorized the Government to guarantee the repayment of the said loan by the Borrower to the Bank on condition that the said loan be used to construct on the land described in the Schedule to this Indenture an hotel containing eleven bedrooms and in accordance with a plan approved by the Board and subject to the terms and conditions set forth in this Indenture and upon having the same secured in the manner hereinafter appearing AND WHEREAS the Borrower has invested at least Ten thousand (\$10,000.00) dollars in cash and in kind in his said hotel and has agreed to give the Government a first mortgage on the piece or parcel of land hereinafter described as security for the repayment to the Bank of the said loan of Ten thousand (\$10,000.00) dollars AND WHEREAS this Indenture has been approved by the Lieutenant-Governor in Council NOW THIS INDENTURE WITNESSETH:

1. In consideration of the premises and of the guarantee given by the Government to the Bank on behalf of the Borrower to secure the sum of Ten thousand (\$10,000.00) dollars loaned by the Bank to the Borrower (receipt whereof is hereby acknowledged by the Borrower) the Borrower hereby covenants and agrees with the Government and the Board as follows:

(1) That the Borrower will repay to the Bank the said loan of Ten thousand (\$10,000.00) dollars guaranteed by the Government on behalf of the Borrower in quarterly instalments of Three hundred and twelve dollars and fifty cents (\$312.50) each the first of such instalments to be paid on or before the 31st day of March A.D. 1958 and thereafter on or before

the last day of each and every succeeding quarter year until the said loan of Ten thousand (\$10,000.00) dollars has been repaid to the Bank the last of such instalments to be made on or before the 31st day of December A.D., 1965.

(2) That the Borrower will as well after as before maturity pay to the Bank interest upon the said loan of Ten thousand (\$10,000.00) dollars or upon so much thereof as shall be outstanding from time to time at the prevailing rate of interest charged on Government guaranteed loans by the Bank from the date of which the Bank advanced the said loan or any part of it to the Borrower and the interest will be paid in quarterly instalments consisting of all the interest then unpaid to be paid on the 30th day of September A.D. 1956, and thereafter on or before the last day of each and every succeeding quarter year during which the said loan or any part of it is outstanding.

(3) If—

(a) the Borrower becomes insolvent or makes a general assignment for the benefit of his creditors or otherwise acknowledges his insolvency or becomes subject to the provisions of any bankruptcy Act;

(b) the Borrower ceases to bona fide operate the said hotel and the tourist establishment in respect of which the said loan of Ten thousand (\$10,000.00) dollars was guaranteed by the Government;

- (c) an execution or a distress is levied on the assets of the Borrower and remains undischarged for more than thirty days;
- (d) the said loan or any payment of interest or any part of the said loan or payment of interest remains unpaid for thirty days after the date on which it ought to be paid;
- (e) the Borrower without the consent in writing of the Board during the currency of this Indenture sells, removes or otherwise parts with the possession of any buildings erections, improvements, premises fixtures or equipment now situated in or on or attached to the land mortgaged under this Indenture or hereafter brought or erected thereon;
- (f) the Borrower fails to fulfill or perform any of his obligations contracted under this Indenture other than his obligation in regard to the payment of the said loan and the interest thereon or commits a breach of any of the covenants or provisions contained in this Indenture on his part to be fulfilled performed and observed,

then the Borrower will pay to the Government on demand such part of the said loan of Ten thousand (\$10,000.00) dollars as shall for the time being be unpaid and will until the whole of the said loan is paid, pay interest at the rate of five per centum (5%) per annum and will pay to the Government on demand any other moneys payable under this Indenture.

2. For the consideration aforesaid and in order to secure the proper performance by the Borrower of his obligations contracted under this Indenture the Borrower as beneficial owner hereby assigns and conveys to the Government ALL THAT piece or parcel of land situated at \_\_\_\_\_ and described in the Schedule to this Indenture (which Schedule forms part and parcel of this Indenture)

TOGETHER WITH all buildings, erections premises fixtures and equipment now situated in or on the said land or attached thereto and hereafter brought, built, constructed, erected or placed on the said land TO HOLD the same unto the Government absolutely but if the borrower shall pay to the Bank the said loan of Ten thousand (\$10,000.00) dollars guaranteed by the Government and all other moneys payable to the Bank and to the Government and the Board under this Indenture and the interest payable thereon the Government shall at any time thereafter at the request and cost of the Borrower reassign to the Borrower as he shall direct the said land, buildings, erections, premises, fixtures and equipment of the Borrower hereby mortgaged.

3. For the consideration aforesaid the Borrower hereby further covenants and agrees with the Government and the Board as follows:

- (1) that every agreement entered into by the Borrower with a contractor for the construction of the said hotel shall be in a form prescribed by the Board and shall contain such covenants as the Board may require;
- (2) that the design plans and specifications for the construction of

the said hotel shall be prescribed or approved by the Board at or before the execution of this Indenture;

- (3) that the Borrower has invested in his said hotel and in his tourist enterprise in respect of which the said loan was guaranteed by the Government an amount in cash and in kind equal to Ten thousand (\$10,000.00) dollars;
- (4) that during the currency of this Indenture the Borrower shall not; except with the consent in writing of the Board; remove any of the buildings, erections, premises, fixtures or equipment now upon or hereafter brought or erected upon the said land of the Borrower mortgaged under this Indenture or sell, transfer or otherwise part with the possession of any goods, land, premises or other property in whole or in part which is being used or forms part of the said hotel and the tourist enterprise in respect of which the said guarantee was given by the Government;
- (5) that the Board or its representatives may during the currency of this Indenture enter and remain upon any land or premises of the Borrower mortgaged under this Indenture to inspect the said hotel and the tourist enterprise of the Borrower in respect of which the said guarantee was given by the Government and the Borrower shall facilitate and assist the Board or its representatives in the carrying out of the inspection;
- (6) that the Borrower will during the currency of this Indenture

bona fide engage in the tourist industry and will use the whole of the said loan of Ten thousand (\$10,000.00) dollars to construct on the land mortgaged under this Indenture an hotel containing eleven bedrooms and in accordance with the plan prescribed or approved by the Board under paragraph 2;

- (7) that the Borrower will execute in addition to this Indenture such contracts, promissory notes, mortgages, assignments or other assurances and enter into such further covenants with the Government and the Board as in the opinion of the Government or the Board are necessary or desirable to better secure the repayment to the Bank of the said loan guaranteed by the Government and the interest payable thereon and all other moneys payable under this Indenture;
- (8) that the Borrower shall keep full and proper accounts in respect of his hotel and the tourist enterprise of the Borrower in respect of which the said guarantee was given by the Government which shall be subject to the annual audit of the Auditor General or which shall be audited at least annually by an auditor approved by the Board;
- (9) that the Borrower will during the currency of this Indenture keep the said land mortgaged under this Indenture and the buildings erections premises fixtures and equipment now thereon or hereafter brought or erected thereon in good condition and in good and substantial repair and that if the Borrower fails or neglects to keep

the said land, buildings, erections, premises, fixtures, or equipment in good condition and in good and substantial repair or does anything by which the value of the said land shall be diminished, as to all of which the Government shall be the sole judge, the Government may at its discretion and without prejudice to any other remedy which it may have under this Indenture enter upon the said land or any part thereof from time to time in order to repair and keep in repair any of the property the subject of this Indenture without in any case becoming liable as mortgagees in possession and that all the expenses of so doing shall be repaid to the Government by the Borrower and in any such case the said expenses shall be a charge under sub-paragraph (12) of this paragraph

- (10) that no other mortgage charge or other encumbrance of any kind presently exists on any of the property mortgaged under this Indenture and that during the currency of this Indenture no mortgage or other encumbrance of any kind whatsoever will be executed or made without the prior approval thereto in writing of the Government;
- (11) that the Borrower will from the date of the execution of this Indenture and at all times during the currency thereof keep the buildings, erections, fixtures and equipment mortgaged under this Indenture insured against loss or damage by fire for an amount not less than Ten thousand (\$10,000.00) dollars in an insurance office or offices ap-

proved from time to time by the Board and the Borrower will immediately assign the policy or policies of such insurance and all renewals or transfers thereof to the Government as further security herewith and will pay all premiums and sums payable from time to time for the keeping up of such insurance and will deliver to and leave with the Board the policy or policies of insurance and a receipt for every premium or sum payable in respect thereof at least forty-eight hours before the same shall become due and on failure of the Borrower to pay such premiums or sums or to deliver such policy or policies receipt or receipts in pursuance of this covenant within the time hereby limited then it shall be lawful for the Government at any time thereafter to effect insurance on the property for the aforesaid sum and in the event the premiums and other sums paid together with interest thereon at the rate of five per centum (5%) per annum shall be a charge under sub-paragraph (12) of this paragraph: Provided that from time to time as repayments are made on account of the said guarantee of Ten thousand (\$10,000.00) dollars the amount of the said insurance may be reduced by an amount equal to the sum of such repayments but if specific amounts of insurance are carried on any of the said buildings erections premises fixtures or equipment such reduction shall be made so that the amount of the insurance on each item separately insured shall be reduced in the propor-

tion that the full insurable value of such items bears to the full insurable value of the whole;

- (12) that the Borrower will during the currency of this Indenture pay or cause to be paid all taxes, charges, assessments, impositions, fines, or outgoings whatsoever, now or hereafter taxed charged assessed or imposed on the land buildings, erections, premises, fixtures, and equipment, or any part thereof mortgaged under this Indenture and should the Borrower make default in the observance and performance of this covenant the Government may without prejudice to any other remedy provided in this Indenture pay such taxes, charges, assessments, impositions, fines, or outgoings, or any part thereof and the amount so expended shall be repaid to the Government upon demand and until so repaid shall remain a charge under this Indenture and shall bear interest at the rate of five per centum (5%) per annum.

4. For the consideration aforesaid the Borrower hereby further covenants and agrees to hold harmless and indemnify the Government against any liability incurred by it on account of the said guarantee given by the Government in respect of the said loan and the payment of interest thereon.

5. For the consideration aforesaid it is hereby declared and agreed by and between the parties to this Indenture that the Government on default of payment of principal and interest to the Bank by the Borrower for one month may on ten days' notice enter on and lease or sell the said land

mortgaged under this Indenture for cash or credit and that on default of payment for four months such entry lease or sale may be made without notice.

6. For the consideration aforesaid it is hereby further declared and agreed by and between the parties to this Indenture that any notice required to be given under this Indenture shall be deemed to have been served when posted by registered mail and addressed to the party to be served and when notice is required to be served on the Government or the Board it shall be addressed to the Board at St. John's and when notice is required to be served on the Borrower it shall be addressed to him at

IN WITNESS WHEREOF the Borrower has hereunto his hand and seal subscribed and set and the seal of the Tourist Development Loan Board of Newfoundland was hereunto affixed in accordance with the Tourist Development Loan Act, 1953, and the regulations made thereunder and in the presence of its duly authorized officers and the Honourable Joseph R. Smallwood Minister of Economic Development has hereunto his hand and seal subscribed and set the day and year first before written.

SIGNED, SEALED AND DELIVERED

by the Borrower in the presence of:

Witness \_\_\_\_\_ Borrower \_\_\_\_\_

The Seal of the Tourist Development Loan Board is hereunto affixed in the Presence of:

Chairman—	Musgravetown—Bonavista South	3
Witness —	Trinity—Trinity North	2
	Clarenville—Trinity North	1
Secretary —	Grand Falls—Grand Falls	1
	Glenwood—Gander	1
SIGNED SEALED AND DELIVERED	Deer Lake—Humber East	3
by Her Majesty in right of Newfound-	Corner Brook—Humber West	3
land and represented herein by the	Goobies—Trinity North	1
Honourable Joseph R. Smallwood,	Swift Current—Placentia West	1
Minister of Economic Development in	Marystown—Placentia West	1
the presence of:	Bonne Bay—St. Barbe	1
	Tompkins—St. George's	1
_____	Pasadena—Humber East	1
Minister of Economic Development.	Dildo—Trinity South	1
Witness: _____		
		Total 27

CANADA  
NEWFOUNDLAND

## TO WIT:

I, \_\_\_\_\_ of aforesaid  
make oath and say that I was present  
in the \_\_\_\_\_ day of  
A. D. 1956 and did see the Borrower  
named in the foregoing Indenture  
duly sign seal and execute the same;  
and that I am subscribing witness to  
such execution.

SWORN at  
aforesaid \_\_\_\_\_ this  
day of \_\_\_\_\_ A.D., 1956  
before me,

(Mr. Hollet) *Question No. 9 (3)*

List of the Areas in which Loans under the Tourist Development Loan Act are in operation in the development of tourist establishments.

<i>Areas</i>	<i>District</i>	<i>No. of Loans</i>
St. John's—St. John's West		2
Conception Bay—Hr. Main		3
Trepassey—Ferryland		1

Grand Total of Loans \$617,000.

(4) Amount of money to the credit of the Government as of 15th March, 1956 at:

- (a) Bank of  
Montreal .....\$ 804,333.82
- (b) Crown Agents 70,500.00
- (c) Government of  
Canada .....10,940,741.49

(5) There was an overdraft at the Bank of Montreal from 16th May, 1955 to June 9th, 1955. This overdraft began at \$63,288.00 and climbed to a high of \$1,146,280.00. It was covered on 10th June, 1955.

There were no Temporary Loans or other Loans or advances owing to the Bank of Montreal by the Government at 15th March, 1956.

## GUARANTEED BANK LOANS AND CASH LOANS—APRIL 1, 1949 to MARCH 20, 1956

Cash Loans	Date of Loan	Authorized Loan	Loan Actual Cash	Int. Rate Per cent	Received Interest Payments	Interest Refunded	Terms
<b>Economic Development Cash Loans</b>							
Adler, A. of Canada Ltd. ....	20/4/55	500,000.00	350,000.00	5	—	—	Repayable in fifteen equal annual instalments commencing June 1, 1961. Interest payable Dec. 1 1956 but may be deferred by the Company to June 1, 1959.
Armco Drainage Co. of Canada Ltd .....	8/3/55	1,500.00	1,500.00	—	—	—	Repayable in four annual instalments of \$450.00.
Atlantic Films & Electronics Ltd. ....	12/12/52	150,000.00	150,000.00	5	—	—	Repayable in instalments of \$50,000.00 commencing Jan. 23, 1955. Interest due Jan. 23, 1954 and each Jan. 23 thereafter until loan is repaid.
Atlantic Films & Electronics Ltd .....	7/54	50,000.00	50,000.00	—	—	—	This amount was formerly a guaranteed bank loan. Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.
Atlantic Gloves Ltd. ....	10/2/53	350,000.00	350,000.00	5	172.60	172.60	Repayment March 1, 1963. Interest due June 30, December 31. First payment June 30, 1953.
Atlantic Gloves Ltd. ....	1/10/54	279,152.00	279,152.00	—	—	—	Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.

Cash Loans	Date of Loan	Loan Authorized	Actual Cash Loan	Rate Per cent Int.	Interest Payments Received	Interest Refunded	Terms
Atlantic Hardboard Industries Ltd. ....	11/3/52	575,000.00	575,000.00	4½	12,336.13	12,336.13	To be paid within eight years from March 11, 1952. Interest payable June 30, December 31. First payment June 30, 1952.
Atlantic Hardboard Industries Ltd. ....	17/3/53	60,000.00	60,000.00	4½	214.52	214.52	Repayable within fourteen years from March 17, 1953. Interest payable June 30, December 31. First payment June 30, 1955.
Atlantic Hardboard Industries Ltd. ....	22/9/53	285,000.00	285,000.00	4½	—	—	Repayable within fourteen years from September 22, 1953. Interest payable June 30, December 31. First payment December 31, 1955.
Atlantic Hardboard Industries Ltd. ....	31/3/54	278,000.00	278,000.00	4½	—	—	Repayable within fourteen years from March 31, 1954. Interest payable June 30, December 31. First payment June 30, 1956.
Atlantic Hardboard Industries Ltd. ....	1/12/53	40,000.00	40,000.00	4½	—	—	Repayable within fourteen years from December 1, 1953. Interest payable June 30, December 31. First payment December 31, 1955.
Atlantic Hardboard Industries Ltd. ....	1/10/54	308,000.00	308,000.00	4½	—	—	Agreement in course of preparation. Terms of repayment not yet in the hands of the Finance Department.
Atlantic Optical Co., Ltd. ....	20/5/52	150,000.00	110,290.00	4	2,027.63	—	Repaid.

							November 3, 1951. Interest payable June 30, December 31. First payment December 31, 1951.
Eckhardt Mills Ltd .....	30/9/53	387,400.00	387,400.00	4½	—	—	To be repaid 30 September, 1967. Interest payable June 30, December 31. First payment December 31, 1953.
Eckhardt Mills Ltd .....	15/6/55	160,000.00	160,000.00	—	—	—	Formerly a guaranteed bank loan. Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.
Gold Sail Leather Goods Ltd. ....	23/11/53	50,000.00	50,000.00	5	—	—	Repayment on or before December 31, 1967. Interest payable June 30, December 31. First payment December 31, 1953.
Gold Sail Leather Goods Ltd. ....	1/10/54	155,000.00	150,000.00	—	—	—	Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.
Hanning Electric Co., Ltd. ....	2/9/52	325,000.00	325,000.00	5	3,231.20	3,231.20	Repayable within five years from April 1, 1954. Interest payable June 30, December 31. First payment June 30, 1952.
Hanning Electric Co., Ltd. ....	15/4/54	120,000.00	120,000.00	5	—	—	Repayable within three years from April 15, 1954. Interest payable June 30, December 31. First payment June 30, 1954.
Koch Shoes Ltd. ....	2/5/53	750,000.00	750,000.00	5	—	—	Repayable within ten years from June 30, 1956. Interest payable June 30, December 31. First payment December 31, 1953.

Cash Loans	Date of Loan	Authorized Loan	Actual Loan Cash	Rate Int. Per cent	Interest Received Payments	Interest Refunded	Terms
Koch Shoes Ltd.	15/6/55	120,000.00	120,000.00	—	—	—	Formerly a guaranteed bank loan. Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.
Nfld. Asbestos Ltd	8/54	130,000.00	130,000.00	—	—	—	Formerly a guaranteed bank loan. Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.
Nfld. Asbestos Ltd.	10/10/52	250,000.00	250,000.00	5	—	—	Repayable in quarterly instalments of \$12,500. First payment due October 1st, 1953. Interest payable quarterly commencing October 1, 1953.
Nfld. Tanneries (Wm. Dorn) Ltd.	13/9/51	300,000.00	300,000.00	4	17,730.84	17,730.84	Repayable within ten years from September, 1951. Interest payable June 30, December 31. First payment December 31, 1951.
Nfld. Tanneries (Wm. Dorn) Ltd.	9/10/52	60,000.00	58,800.00	6	—	—	To be repaid October 9, 1957. Interest payable October 9. First payment October 9, 1953. Interest unpaid two months from due date is capitalized.
Nfld. Tanneries (Wm. Dorn) Ltd.	27/5/52	8,000.00	8,000.00	5	—	—	To be repaid May 26, 1955. Interest payable June 30, December 31. First payment June 30, 1952.

Nfld. Tanneries (Wm. Dorn)									
Ltd.	5/3/53	25,000.00	25,000.00	4½	342.12	342.12	Repayable September 13, 1961. Interest payable June 30, December 31. First payment June 30, 1953.		
Nfld. Tanneries (Wm. Dorn)									
Ltd.	1/10/54	76,208.00	76,200.00	4½	—	—	Repayable on September 13, 1961.		
North Star Cement Co. Ltd.	16/10/52	4,740,000.00	4,740,000.00	4¾	225,150.00	225,150.00	Repayable in equal annual instalments during period July 5, 1953 to July 15, 1964.		
Superior Rubber Co. Ltd.	2/9/52	1,000,000.00	1,000,000.00	5	10,810.70	10,810.70	Repayable within thirteen years from October 23, 1952. Interest payable June 30, December 31. First payment December 31, 1952.		
Superior Rubber Co., Ltd.	1/10/54	400,000.00	400,000.00	—	—	—	Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department. \$150,000 previously a guaranteed bank loan.		
Terra Nova Textiles Ltd.	7/7/54	298,000.00	298,000.00	5	989.72		To be repaid on or before December 31, 1967. Interest payable June 30, December 31. First payment December 31, 1956. \$185,000 previously a guaranteed bank loan.		
Terra Nova Textiles Ltd.	1/10/54	235,840.00	235,840.00	—	650.69		Agreement in course of preparation. Terms of repayment not yet in the hands of Finance Department.		
United Cotton Mills Ltd.	9/8/51	2,000,000.00	298,618.50	4	16,798.35	9,418.79	Repayable within ten years from August 9, 1951. Interest payable June 30, December 31. First payment December 31, 1951.		

Cash Loans	Date of Loan	Authorized Loan	Actual Loan Cash	Rate Int. Per cent	Interest Received Payments	Interest Refunded	Terms
United Cotton Mills Ltd .....	16/10/53	83,500.00	74,081.21	4½	2,059.55	—	Repayable within fourteen years from October 16, 1953. Interest payable June 30, December 31. First payment December 31, 1956.
United Cotton Mills Ltd. ....	1/10/54	109,000.00	109,000.00	4½	—	—	Repayable in ten equal annual instalments the first payment due December 31, 1956. Interest payable June 30, December 31. First payment June 30, 1955.
			15,393,881.71		361,465.72	348,358.57	

NOTE: During 1953, the Government granted all operators of industrial plants receiving Government loans a deferment of interest payments for a period of two years and of repayment of principal for a period of four years from the date of commencement of construction.

Question relative to Fisheries Development Board and Industrial Development Board loans referred to Provincial Government Loan Boards. For information relative to guaranteed bank loans to Town Councils, etc., the Hon. Member is referred to the Hon. the Minister of Municipal Affairs and Supply.

#### Fisheries Development Cash Loans

Andrews Labrador Fisheries Ltd. ....	15/8/53	120,000.00	120,000.00	5	—	—	This was previously a part of \$160,000 guaranteed bank loan. Repayment \$8,000 on 15/8/53; \$16,000 on 30 April in each succeeding year until retired. Subsequently deferred for review on 31/3/56.
Billard, Gabriel .....	11/1/56	16,000.00	5,000.00	5	—	—	Interest and principal repayable within one year from the date of initial advance.

Bonavista Cold Storage Co. Ltd. ....	27/10/54	1,050,000.00	1,050,000.00	3¼	30,194.70	—	Repayable in ten equal annual instalments commencing 1 April, 1 October, commencing 1/4/55.
Bonavista Fish Meals & Oils Ltd. ....	27/5/52	40,500.00	40,500.00	3½	2,835.00	—	Repayable in ten equal annual instalments commencing 27/9/52. Interest payable 27 Sept. in each year until loan retired.
Bonavista Fish Meals & Oils Ltd. ....	Nov. 1955	18,500.00	18,500.00	3½	—	—	Repayable in nine equal annual instalments commencing 26/9/56. Interest payable 26 Sept. in each year; First payment 26/9/56.
Burgeo Fish Industries Ltd.	5/11/55	650,000.00	650,000.00	3½	—	—	Repayable in equal annual instalments of \$32,500 commencing 4/11/57. Interest payable on 4 November commencing 1956.
Cape St. Francis Co-op Society .....	31/12/54	10,000.00	3,000.00	5	—	—	Repayable in annual instalments of \$1,000 commencing 1/12/55. Interest payable 1 December commencing 1955.
Alexander Duffett .....	4/6/52	20,000.00	20,000.00	4½	1,800.00	—	Commencing 4/7/56 monthly payments of \$500 to be applied against interest and principal until loan is repaid in full.
Fishery Products Ltd. ....	16/7/53	750,000.00	750,000.00	3½	21,543.49	—	Repayable in full on 31/12/1978. Interest due 31 December commencing 1953. \$350,000 originally a guaranteed bank loan.
Fishery Products Ltd. ....	16/7/53	937,000.00	937,000.00	3½	48,930.77	—	Repayable in full on 31/12/1973. Interest due 31 December commencing 1953.

Cash Loans	Date of Loan	Authorized Loan	Actual Loan Cash	Rate Int. Per cent	Interest Received Payments	Refunded	Terms
Fishery Products Ltd. (See Trepassey Fish. Ltd.)	4/4/51	29,000.00	—	Free	—	—	Repayable in fifteen equal annual instalments on 31 March commencing 1953. \$3,866 repaid.
Fishery Products Ltd. ....	1/6/54	1,500,000.00	1,417,700.00	3	5,479.77	—	Repayable in full 31/12/1976. Interest due 31 December commencing 1954.
Fortune Bay Products Ltd. ....	30/9/55	200,000.00	200,000.00	4	—	—	Repayable in annual instalments of \$10,000 on 31 December commencing 1957. Interest 30 September commencing 1956.
Fortune Shipping Ltd. ....	30/9/55	250,000.00	250,000.00	4	—	—	Repayable in annual instalments of \$12,500 commencing 30/9/55. Interest payable 30 September commencing 1956. \$12,500 repaid.
Gaultois Fisheries Ltd. ....	26/5/52	425,000.00	425,000.00	5	—	—	Repayable in annual instalments of \$28,333.34 commencing 28/2/54. Interest due 28 February beginning 1953.
Lourdes Co-operative Society .....	16/2/52	50,000.00	50,000.00	4½	355.22	—	Reduced to \$10,000 in 1953 and repayable in instalments of \$1,428.57 commencing 16/2/55. \$6,856 repaid.
Nfld. Quick Freeze Ltd. ....	24/2/55	40,000.00	40,000.00	4	1,600.00	—	Repayable \$4,000 per annum, first payment due 1/3/57. Interest payable 1 March beginning in 1956.

Guaranteed Bank Loans	Code	Date of Loan	Amt. of Original Guarantee	Amts. Raised Less Repayments	Balance Available	Int. Rate %	Terms and Other Remarks
Northeastern Co-op Fisheries Ltd. ....	—	57,734.00	57,734.00	—	—	—	\$35,000 of this amount was previously a guaranteed bank loan. Society in voluntary liquidation and Govt. has taken possession of its assets.
O'Brien Fisheries Ltd. ....	22/4/55	125,000.00	125,000.00	4	—	—	Repayable in annual instalments of \$8,333.33 beginning 31/3/57. Interest due on 31 March commencing 1956.
O'Brien, John J. ....	2/2/56	10,000.00	4,000.00	5	—	—	Repayable in annual instalments of \$2,000 commencing 23/2/57. Interest due on 23 February commencing 1957.
Olsen Whaling & Sealing Ltd. ....	15/4/54	131,233.00	131,233.00	5	—	—	This amount was previously part of \$425,000—Guaranteed bank loan.
Petite, H. E. ....	13/11/53	15,000.00	15,000.00	5	1,425.00	—	Repayable \$1,500 3/12/54. \$2,000 on same date next four years. \$2,750 next two years. Interest 3 June, 3 December, starting 1953.
Thomsen & Nickles ....	21/6/52	33,500.00	33,500.00	—	—	—	Shares in Bonavista Fish Meals & Oils to the full value of this loan endorsed in favour of the Government.

Cash Loans	Date of Loan	Loan Authorized	Cash Loan	Int. Rate	Payments Received	Interest Refunded	Terms
<i>Other</i>							
Trepassey Fisheries Ltd.	25/9/52	\$16,000.00	\$16,000.00	3/4	5,148.84	—	\$287,000 paid in 1953. Balance of \$29,000 taken over by Fishery Products Ltd. See above.
			<u>6,659,167.00</u>		<u>119,312.29</u>	<u>Nil</u>	
Harbour Grace Town Council	25/2/53	7,112.00	4,078.00	—	—	—	The Government agreed to redeem the outstanding shares at 25/2/53 of \$7,112. \$4,078 has been redeemed to date. Council agrees to repay the loan in equal annual instalments in ten years commencing 18/7/55.
Humber Gardens Ltd.	8/1/55	100,000.00	100,000.00	Free	—	—	Repayable in equal instalments of \$5,000 commencing 1/1/56.
St. John's Memorial Stadium	13/7/50	100,000.00	100,000.00	Free	—	—	Repayable in equal annual instalments of \$5,000 commencing 31/12/55.
St. John's Municipal Council	26/10/50	150,000.00	150,000.00	Free	—	—	Repayable within eleven years in equal annual instalments commencing 31/12/51.
			<u>354,078.00</u>				

## GUARANTEED BANK LOANS AND CASH LOANS—11 April, 1949 to 20 March, 1956.

Guaranteed Bank Loans	Code	Date of Loan	Amt. of Original Guarantee	Amts. Raised Less Repayments	Balance Available	Int. Rate %	Terms and Other Remarks
Alberto Fisheries Ltd.	A	24/ 3/50	65,000.00	50,000.00	Nil	5	Repayable in five equal annual instalments of \$10,000 commencing 18/5/56.
Andrews Labrador Fisheries Ltd.	A	13/ 4/50	160,000.00	—	Nil	—	\$40,000 repaid by the company; \$120,000 repaid to the Bank by Government and converted to a cash loan.
Andrews Labrador Fisheries Ltd.	A	18/10/53	125,000.00	92,000.00	33,000.00	4½	Revolving credit.
Arctic Fishery Products Ltd. ....	A	31/10/52	125,000.00	—	75,000.00	3½	Original loan converted to a revolving credit loan. Balance available reduces at the rate of \$12,500 per annum.
Atlantic Films & Electronics Ltd.	B	29/ 3/54	50,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Atlantic Gypsum Ltd. ....	B	9/11/55	500,000.00	200,000.00	300,000.00	4	Repayable on or before 30 April, 1956.
Atlantic Hardboard Industries Ltd. ....	B	24/ 9/53	40,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Atlantic Hardboard Industries Ltd. ....	B	31/ 3/54	278,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Blackmore, Capt. J. H. ....	A	23/11/24	106,000.00	84,800.00	Nil	5	Repayable in four annual instalments of \$21,200 on 15th November.

Guaranteed Bank Loans	Code	Date of Loan	Amt. of Original Guarantee	Amts. Raised Less Repayments	Balance Available	Int. Rate %	Terms and Other Remarks
Bonavista Cold Storage Co. Ltd.	A	5/ 5/51	600,000.00	407,333.34	Nil	4½	Repayable in thirteen annual instalments of \$31,333.33 on 15th November.
Bonavista Cold Storage Co. Ltd.	A	29/ 9/53	1,050,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Bourne, M. A. ....	C	23/ 8/55	4,000.00	4,000.00	Nil	5	Repayable in quarterly instalments of \$111.12 commencing 30/6/56.
Bowering, Herbert .....	C	18/11/55	15,000.00	15,000.00	Nil	5	Repayable in quarterly instalments of \$416.67 commencing 30/9/56.
Burgeo Fish Industries Ltd. ....	A	3/11/54	650,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Canada Bay Cold Storage Co. Ltd. ....	A	4/ 8/55	100,000.00	57,300.00	42,700.00	5	Revolving credit to be repaid on or before 8/4/56.
Cape St. Francis Co.-op Society Ltd. ....	A	3/ 1/55	10,450.00	7,000.00	Nil	5	\$3,000 paid by Govt. and converted to cash loan. \$450 repaid by Company. Balance repayable \$3,000 p.a. on 1st April.
C. of E. Board of Education, C. Bay South .....		27/10/55	20,000.00	20,000.00	Nil	4	Repayable on or before 31st October, 1960.
Corner Brook Regional High School .....		17/ 8/55	700,000.00	300,000.00	400,000.00	4	Repayable from the proceeds of a bond issue to be made by the C.B.R.H.S. Bd.
Duggan, John F. & Irene .....	C	4/ 8/55	20,000.00	18,000.00	2,000.00	5	Repayable in equal quarterly instalments of \$625 commencing 30/6/57.

Dunphy's Ltd. ....	A	27/ 3/51	45,000.00	9,000.00	Nil	3½	Repayable on or before 31st March, 1956.
Eckhardt Mills Ltd. ....	B	25/ 6/55	120,000.00	120,000.00	Nil	5	Repayable on or before 8th April, 1956.
Eckhardt Mills Ltd. ....	B	26/10/55	195,000.00	195,000.00	Nil	5	Repayable on or before 13th April, 1956.
Eckhardt Mills Ltd. ....	B	7/ 1/56	30,000.00	30,000.00	Nil	5	Repayable on or before 30th April, 1956.
Eckhardt Mills Ltd. ....		30/12/54	160,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Fishery Products Ltd. ....	A	11/10/50	110,000.00	—	Nil	—	Repaid by Company.
Fishery Products Ltd. ....	A	4/ 7/50	350,000.00	232,500.00	Nil	3½	Repayable in annual instalments of \$23,500 in October.
Fishery Products Ltd. ....	A	19/ 2/54	350,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Fishery Products Ltd. ....	A	30/ 9/55	500,000.00	163,351.50	336,642.50	5	Repayable November, 1956.
Fortune Bay Products Ltd. ....	A	11/ 9/54	200,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Fortune Shipping Ltd. ....	A	11/ 9/54	250,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Fortune U. C. Board of Education .....		31/ 1/56	15,000.00	15,000.00	Nil	5	Repayable in semi-annual instalments of \$1,500 each commencing 30/6/56.
Fradsham, W. R. ....	C	15/ 9/55	22,000.00	3,000.00	19,000.00	5	Repayable in quarterly instalments of \$687.50 commencing 30/9/57.

Grenfell Amalgamated School ....	18/ 8/55	10,000.00	10,000.00	Nil	4	Repayable September, 1957.
Hanning Electric Co. Ltd. ....	B 20/10/55	150,000.00	122,443.00	27,557.00	4½	Repayable on or before 30th April, 1956.
Hawco, Mrs. Marion C. ....	C 3/ 2/56	10,000.00	10,000.00	Nil	5	Repayable in annual instalments of \$1,250, commencing 30/9/57.
Hennessey, Leslie .....	C 18/10/55	25,000.00	6,000.00	19,000.00	5	Repayable in annual quarterly instalments of \$694.45 commencing 30/9/56.
Hollett Sons Co. Ltd. ....	A 29/ 3/51	125,000.00	24,450.00	Nil	3½	Repayable in annual instalments of \$6,250 on 1st March.
Horwood, Caroline .....	C 17/11/55	12,000.00	9,500.00	2,500.00	5	Repayable in quarterly instalments of \$375 commencing 30/9/57.
Kawaja, Elias .....	C 5/55	30,000.00	—	30,000.00	5	Repayable in quarterly instalments of \$937.50 commencing 30/6/57.
Koch Shoes Ltd. ....	B 26/10/55	260,000.00	260,000.00	Nil	5	Repayable on or before 30th April, 1956.
Koch Shoes Ltd. ....	B 24/ 2/56	40,000.00	40,000.00	Nil	5	Repayable on or before 31st May, 1956.
Koch Shoes Ltd. ....	2/ 2/55	120,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Layman, Harry .....	C 5/55	15,000.00	15,000.00	Nil	5	Repayable in equal monthly instalments of \$156.25 commencing 30/6/57.
Lock, Gordon .....	C 31/ 5/55	7,000.00	7,000.00	Nil	5	Repayable in equal instalments of \$218.75 commencing 30/6/57.

Lourdes Co-operative Society Ltd. ....	A	8/49	40,000.00	—	Nil	—	Replaced in 1952 by a cash loan of \$50,000.
Mackinsons Ltd. ....	C	4/ 8/55	30,000.00	30,000.00	Nil	5	Repayable in ten annual instalments of \$3,000 commencing January, 1956.
MacLellan, C. F. ....		30/ 1/54	75,000.00	75,000.00	Nil	5	Repayable on or before 29/12/56.
McKenzies Ltd. ....	C	30/ 8/55	70,000.00	70,000.00	Nil	5	Repayable in quarterly instalments of \$1,750 commencing 31/3/56.
				<u>2,702,677.84</u>	<u>1,257,405.50</u>		
Newfoundland Asbestos Ltd. ....	B	20/10/54	130,000.00	—	Nil	—	Repaid to the Bank by Govt. and converted to a cash loan.
Newfoundland Hardwoods Ltd. #1 a/c .....	B	30/ 4/52 to 7/10/54	225,000.00	—	Nil	4½	Repaid to the Bank by Government.
Newfoundland Hardwoods Ltd. #2 a/c .....	B	20/10/54	300,000.00	300,000.00	Nil	4½	Revolving Credit.
Newfoundland Hardwoods Ltd. #2 a/c .....	B	15/ 2/55	185,000.00	185,000.00	Nil	4½	Revolving Credit.
Newfoundland Hardwoods Ltd. #2 a/c .....	B	12/ 5/55	270,000.00	270,000.00	Nil	4½	Revolving Credit.
Newfoundland Hardwoods Ltd. #2 a/c .....	B	7/ 9/55	100,000.00	100,000.00	Nil	4½	Revolving Credit.
Newfoundland Hardwoods Ltd. #2 a/c .....	B	20/10/55	180,000.00	180,000.00	Nil	4½	Revolving Credit.

Guaranteed Bank Loans	Code	Date of Loan	Amt. of Original Guarantee	Amts. Raised Less Repayments	Balance Available	Int. Rate %	Terms and Other Remarks
Newfoundland Hardwoods Ltd. #2 a/c .....	B	24/ 2/56	430,000.00	430,000.00	Nil	4½	Revolving Credit.
Newfoundland Hardwoods Ltd. #3 a/c .....	B	12/ 9/55	220,000.00	131,268.00	Nil	4½	Repayable on or before 12th June, 1956.
Newfoundland Tanneries (Wm. Dorn) Ltd. ....	B	23/ 8/55	58,000.00	58,000.00	Nil	5	Repayable on or before 31/3/56.
Newfoundland Tanneries (Wm. Dorn) Ltd. ....	B	5/ 3/56	55,000.00	10,000.00	45,000.00	5	Repayable on or before 30/4/57.
Northeastern Co-operative Fish- eries Society .....	A	13/ 7/50	35,000.00	—	Nil	—	Repaid to Bank by Govt. and con- verted to a cash loan.
Northeastern Fish Industries Ltd. ....	A	11/ 7/51	400,000.00	200,000.00	Nil	4	Repayable in annual instalments of \$26,666.66 on July 26.
Olsen Whaling Sealing Co. Ltd. ....	A	15/ 4/50	425,000.00	185,363.37	Nil	3½	Repayable in annual instalments of \$37,500 on April 15. \$131,233 has been repaid by Govt. and con- verted to a cash loan.
Parsons, Claude .....	C	4/ 8/55	10,000.00	10,000.00	Nil	5	Repayable in quarterly instalments of \$312.50 commencing 30/6/57.
Penney, John & Sons .....	A	5/11/52	125,000.00	63,000.00	Nil	3½	Repayable in annual instalments of \$9,000 on 5 November.

Quinton, Chalcedony & Mildred	C	13/ 9/55	15,000.00	15,000.00	Nil	5	Repayable in quarterly instalments of \$468.75 commencing 30/6/57.
Richard Ltd.	A	19/ 5/50	250,000.00	—	Nil	—	Repaid to the Bank from the proceeds of a Govt. cash loan. This cash loan was subsequently written off.
Roberts, Edgar L.	C	5/55	16,000.00	14,000.00	2,000.00	5	Repayable in quarterly instalments of \$500 commencing 30/6/57.
Springdale Fur Farmers Co-op Society	A	25/11/50	7,000.00	—	Nil	—	Repaid to the Bank by Govt. Govt. has taken possession of the Society's assets.
St. Lawrence Corporation of Nfld.	B	12/ 9/50	250,000.00	—	Nil	—	Repaid by Company.
St. Lawrence Corporation of Nfld.	B	19/ 3/53	230,000.00	—	Nil	—	Repaid by Company.
Superior Rubber Co. Ltd.	B	14/ 6/54	150,000.00	—	Nil	—	Repaid by company to the Bank from the proceeds of a Govt. cash loan of \$400,000.00.
Superior Rubber Co. Ltd	B	26/10/55	150,000.00	150,000.00	Nil	5	Repayable on or before 30 April, 1956.
Superior Rubber Co. Ltd	B	7/ 1/56	50,000.00	50,000.00	Nil	5	Repayable on or before 30 April, 1956.
Terra Nova Textiles Ltd.	B	18/12/53 to 2/ 6/54	185,000.00	—	Nil	—	Repaid to the Bank by the Govt. and converted to a cash loan.
Tompkins, Stan J.	C	4/ 8/55	22,000.00	22,000.00	Nil	5	Repayable in quarterly instalments of \$687.50 commencing 30/6/57.

Tourist Cabins Ltd. ....	C	4/ 8/55	50,000.00	49,122.80	Nil	5	Repayable in monthly instalments of \$438.60 commencing 31/12/55.
Trinity Cabins Ltd .....	C	15/12/55	5,000.00	4,500.00	Nil	5	Repayable in annual instalments of \$500 commencing 31/12/55.
United Church Board of Education .....		29/ 8/50	40,000.00	—	Nil	—	Repaid by the Board in 1954.
Union Electric Light & Power Co. Ltd. ....		9/54	500,000.00	—	Nil	—	Repaid to the Bank by the company from proceeds of a Govt. guaranteed bond issue.
United Engineers and Contrac- tors Ltd. ....	C	19/ 9/51	75,000.00	—	Nil	—	Company borrowed \$35,000 which has been repaid.
Valley Properties Limited .....	C	25/10/55	40,000.00	40,000.00	Nil	5	Repayable in annual instalments of \$4,000 commencing 31/12/56.
Wellon, Raymond .....	C	5/55	60,000.00	60,000.00	Nil	5	Repayable in quarterly instalments of \$1,875, commencing 30/6/57.
				<u>5,229,932.01</u>	<u>1,334,405.50</u>		

*Code:*

- A. Fishery
- B. Economic Development
- C. Tourist Development

## Mr. Hollett. Question No. 16

(4) Give the location of all licenced Beer Parlours, Hotels,averns, Tourist Hotel in Newfoundland together with the names of the proprietors. Have such licences been revoked since April 1/55 and if so, for what causes.

ESTABLISHMENTS	ADDRESS	PROPRIETOR
<b>Beer Parlours</b>		No Licence issued
<b>Hotels</b>		under such a heading.
Airlines Hotel .....	Gander .....	Dept. of Transport
Airlines Inn .....	Goose Bay .....	Trans Canada Airlines
Bradbury Mrs. Florence .....	Bay Roberts .....	Mrs. Florence Bradbury
Balmoral Hotel .....	Clareville .....	Thornlea Properties Ltd.
Cochrane Hotel .....	St. John's .....	Mr. R. T. Ryan
Crosbie Hotel .....	St. John's .....	Mr. W. Spurrell
Doucette P. R. ....	Black Duck .....	Mr. P. R. Doucette
Glynmill Inn .....	Corner Brook .....	Bay of Islands Hotel Co. Ltd.
Lock Leven Hotel .....	Cross Roads, Trinity .....	Mr. Gordon Locke
Lundrigan's Hotel .....	Colinet .....	Mr. A. Lundrigan
McFatrige's Hotel .....	Stephenville Crossing .....	1955 Mrs. C. M. McFatrige (Relinquished) 1956 Mr. Earl McFatrige
Makinson's Hotel .....	Makinsons .....	Makinsons Limited
Newfoundland Hotel .....	St. John's .....	Canadian National Hotels Ltd.
Pike's Hotel .....	Harbour Grace .....	Mr. L. Pike
Power's Hotel .....	Salmonier .....	Mr. John Power
Power's Hotel .....	Dunville .....	Mr. Gerald Power
<b>Hotels</b>		
Woolfrey's Hotel .....	Notre Dame Junction .....	Mr. H. Smith Woolfrey
White House Hotel.....	St. George's-Port au Port .....	Misses Sadie and Mary White
West Port Inn .....	Corner Brook .....	Mr. M. G. Simms

ESTABLISHMENTS	ADDRESS	PROPRIETOR
<b>Taverns</b>		
Archibald Miss Rose .....	Harbour Grace .....	Miss Rose Archibald
Ash J. M. ....	Harbour Grace .....	Mr. J. M. Ash
Basha J. ....	Curling .....	Mr. John Basha (Building destroyed by fire November 1955)
Byrne J. ....	St. John's .....	Mr. James Byrne
Boulos A. ....	Deer Lake .....	Mr. Albert Boulos (Relinquished Dec. 31st, 1955)
Basha Joseph S. ....	Corner Brook .....	Mr. Joseph Basha
Boland M. J. & Son .....	Stephenville .....	M. J. Boland & Son
Boland M. J. & Co. ....	Stephenville .....	M. J. Boland & Co. (To Nov. 30th, 1955, Relinquished)
Brown Derby Tavern.....	Stephenville .....	Brown Derby Limited
Bowring H. ....	Bay Roberts .....	Mr. Herbert Bowring
Beachview Tavern.....	Stephenville .....	1955 Mrs. C. K. McFatrige (Relinquished) 1956 Mr. Earl McFatrige
Cahill M. ....	Placentia .....	Mrs. M. Cahill
Cameron & Penny .....	St. John's .....	Cameron & Penny
Cranford Mrs. A. B. ....	New Harbour, P.B. ....	Mrs. A. B. Cranford
Corner Tavern .....	St. John's .....	Georgetown Reality Co.
Crosbie C. R. ....	Corner Brook .....	Mr. C. R. Crosbie
Crawley William .....	Holyrood .....	Mr. William Crawley
Cross Keys Tavern .....	St. John's .....	Mr. V. N. Andrews
Davis Mrs. Hilda .....	Holyrood .....	Mrs. Hilda Davis
Dicks Walter .....	Bell Island .....	Mr. Walter Dicks
Doyle M. F. ....	Conception Harbour .....	Mr. W. F. Doyle
Dunne, Thomas Ltd. ....	St. John's .....	Mr. Thomas Dunne
Dunphy P. J. ....	Corner Brook .....	Mr. P. J. Dunphy (Relinquished May 4th, 1955)
Furey Mrs. Albert .....	Harbour Main .....	Mrs. Albert Furey
Fewer Mrs. Mary .....	Avondale .....	Mrs. Mary Fewer
Furey Mrs. W. ....	Holyrood .....	Mrs. W. Furey

## Taverns

Green Lantern Tavern .....	St. John's .....	Mr. C. Doyle (Relinquished April 6th, 1955)
Green Lantern Tavern .....	St. John's .....	Green Lantern Limited
Gill Mrs. Grace (Clipper Tavern) .....	Grand Falls .....	Mrs. Grace Gill (Relinquished to Mr. C. A. Gill May 13th, 1955)
Gill C. A. (Clipper Tavern) .....	Grand Falls .....	Mr. C. A. Gill (Relinquished November 24th, 1955)
Green Gordon .....	Bishop's Falls .....	Mr. Gordon Green
Hiscock's Tavern .....	Kelligrews .....	Mr. L. Hiscock
Hickey J. J. ....	Holyrood .....	Mr. J. J. Hickey
Hutchings Max .....	Bell Island .....	Mr. M. Hutchings (Relinquished Feb. 16th, 1956)
Hollett E. ....	John's Pond .....	Mr. Ernest Hollett
Hutchings F. ....	Corner Brook .....	Mr. Freeman Hutchings
Hillview Inn .....	St. John's .....	Messrs. Cook & Green
Hearn James J. ....	Collier's, C.B. ....	Mr. James J. Hearn
Hamilton Inn .....	St. John's .....	Mrs. Susie Joy
Jim's Tavern .....	St. John's .....	Mr. James White
James Clifford .....	Brigus, C.B. ....	Mr. Clifford James
Janes Guy .....	Chamberlains .....	Mr. Guy Janes
Kelly Mrs. B. (Hilltop Inn) .....	St. John's .....	Mrs. B. Kelly
Liddy Mrs. Mary .....	Torbay .....	Mrs. Mary Liddy
Lang, Mrs. Jean .....	St. John's .....	Mrs. Jean Lang
McCarthy Estate of .....	Corner Brook .....	Mrs. R. O'Reilly
McLean J. ....	Makinsons .....	Mrs. J. McLean
Miller Mrs. G. ....	Curling .....	Mrs. G. Miller
Murrin L. ....	Spaniard's Bay .....	Mr. L. Murrin
McDonald's Tavern .....	Georgetown, Brigus .....	Mr. P. McDonald
Noseworthy A. ....	Bay Roberts .....	Mr. A. Noseworthy
O'Toole Robert .....	Conception Harbour .....	Mr. Robert O'Toole
Parsons R. ....	Avondale .....	Mrs. A. O'Reilly
O'Reilly Mrs. A. ....	Seal Cove .....	Mr. Richard Parsons
Parsons E. ....	Bell Island .....	Mr. E. Parsons

ESTABLISHMENT	ADDRESS	PROPRIETOR
<b>Taverns</b>		
Phalen F. (Cottage Gardens) .....	St. John's .....	Mr. F. Phalen
Pearcey A. ....	Kelligrews .....	Mrs. A. Pearcey (Relinquished, change in property ownership)
Park Inn Tavern .....	St. John's .....	Park Inn Co. (Relinquished, expiration of lease on premises)
Park View Tavern .....	St. John's .....	Mr. J. J. Dawson
Queen Tavern .....	St. John's .....	C. Truscott, Estate
Riviera Tavern .....	St. John's .....	D. A. Mercer (Trustee)
Rowe Mrs. A. ....	St. John's .....	Mrs. A. Rowe
Ryall Miss A. ....	Botwood .....	Miss A. Ryall
Ritz Tavern .....	St. John's .....	Mr. Derek Kearney
Sterling Tavern .....	St. John's .....	Estate of W. Sterling
Sports Tavern .....	St. John's .....	Mr. A. Connors
Slaney H. ....	Bay Bulls .....	Mr. Harry Slaney
Terra Nova Tavern .....	Deer Lake .....	Terra Nova Tavern Limited
Veterans' Inn .....	Torbay .....	Messrs. LeMessurier & Cole
Vail Mrs. E. M. ....	St. Mary's .....	Mrs. E. M. Vail
Walsh Mrs. P. ....	Goulds .....	Mrs. P. Walsh
Williams H. M. ....	Corner Brook .....	Mr. H. M. Williams
Wheeler Mrs. M. ....	Curling .....	Mrs. M. Wheeler
Whalen Brothers .....	Corner Brook .....	Messrs. James & Wilfred Whalen
Tourist Hotels		No license issued under such a heading

## Questions asked by Mr. Hollett, No. (1)-(2)

BRAND	FIRM	AGENT	Purchases from Feb. 28th. 1955 to March 15th., 1956 No. Cases
Lemond Hart Rum	United Rum Merchants	W. J. Newhook .....	2,200
Lambs Old Navy Rum	J. M. Douglas Co. Ltd.	W. J. Newhook .....	1,900
Lambs Palm Breeze	J. M. Douglas Co. Ltd.	W. J. Newhook .....	100
Corby's Royal Reserve Whiskey	J. M. Douglas Co. Ltd.	W. J. Newhook .....	50
Corby's Selected Whiskey	J. M. Douglas Co. Ltd.	W. J. Newhook .....	25
Benedictine	Benedictine, France	Direct .....	25
Western Pearl Rum	Southard & Co.	W. Pattem .....	1,800
Southard's S.R.D. Rum	Southard & Co.	W. Pattem .....	50
Old Niagara Port	Chateau-Gai Wines Ltd.	W. Pattem .....	9,100
Old London Port	Chateau-Gai Wines Ltd.	W. Pattem .....	100
Old Niagara Sherry	Chateau-Gai Wines Ltd.	W. Pattem .....	2,600
Old London Sherry	Chateau-Gai Wines Ltd.	W. Pattem .....	650
Assorted Wines	Chateau-Gai Wines Ltd.	W. Pattem .....	725
Martell's Brandy	Martell & Co.	Baine Johnston & Co. ....	50
Harvey's Amontillado & B.C. Sherries	John Harvey & Sons Ltd.	Baine Johnston & Co. ....	150
Havana Club Rum	Josie Archabala	Baine Johnston & Co. ....	700
Captain Morgan Rum	Capt. Morgan Rum Distillers	Baine Johnston & Co. ....	3,700
Vat 69 Whiskey	Wm. Sanderson & Sons Ltd.	Baine Johnston & Co. ....	300
Seagram's C.R. Whiskey	Joseph. E. Seagram & Sons Ltd.	Baine Johnston & Co. ....	150
King's Plate	Joseph. E. Seagram & Sons Ltd.	Baine Johnston & Co. ....	100
Seagram's V.O.	Joseph. E. Seagram & Sons Ltd.	Baine Johnston & Co. ....	1,850
Seagram's London Dry Gin	Joseph. E. Seagram & Sons Ltd.	Baine Johnston & Co. ....	250
Bols Gin	Erven Lucas, Bols	Baine Johnston & Co. ....	310
Bols Liqueurs and Cordials	Erven Lucas, Bols	Baine Johnston & Co. ....	220
Molson's Ale	Molson's Brewery Ltd.	Baine Johnston & Co. ....	35,300

Purchases  
from Feb. 28th,  
1955 to March  
15th., 1956

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HOUSE OF ASSEMBLY PROCEEDINGS

BRAND	FIRM	AGENT	No. Cases
Newman's Port	Newman's & Co.	Baine Johnston & Co.	12 Pipes
Hudson Bay Rum	Hudson Bay Co.	Job Bros. & Co.	1,700
Hudson Bay Whiskey	Hudson Bay Co.	Job Bros. & Co.	400
Old Grog Rum	S. Davson & Co.	C. Strong	700
Coronation Whiskey	Gddoerham & Worts	C. Strong	25
Bonded Stock Whiskey	Gddoerham & Worts	C. Strong	75
Collins Dry Gin	Gddoerham & Worts	C. Strong	50
Cointreau	Cointreau, S/A France	C. Strong	35
Martini and Ross Vermouth	Martin & Rossi	Toronto Agent	250
Sigert's Bouquet Rum	Dr. J. B. Seigert & Sons	G. Chalker	200
Angostura Bitters	Dr. J. B. Seigert & Sons	G. Chalker	10
Buchanan Club Imperial Whiskey	Buchanan McKenzie & Co. Ltd.	E. Kewaja	75
McGuinness Collins Gin	McGuinness Maritimes Distillers Ltd.	G. Chalker	50
McGuinness Liqueurs	McGuinness Maritimes Distillers Ltd.	G. Chalker	125
Old Polina Rum	White Favell (Vintners) Ltd.	J. W. McGrath	900
London Dock Rum	White Favell (Vintners) Ltd.	J. W. McGrath	400
Royal Oak Rum	White Favell (Vintners) Ltd.	J. W. McGrath	150
Glen Rossie Whiskey	Glen Rossie Whiskey	J. M. McGrath	300
Combiar Liqueurs	White Favell (Vintners) Ltd.	J. W. McGrath	150
Horndale Sherry and Port	White Favell (Vintners) Ltd.	J. W. McGrath	100
Horndale Brandy	White Favell (Vintners) Ltd.	J. W. McGrath	20 Hhds
Young's Old Sam Rum	Edward Young & Co. Ltd.	M. D. Shears	5,600
Calvert's Grand Reserve Whiskey	Calvert Distillers Ltd.	M. D. Shears	50
Lord Calvert	Calvert Distillers Ltd.	M. D. Shears	100
House of Lords Whiskey	Wm. Whiteley & Co.	Montreal Agent	300
Cluny McPherson Whiskey	John E. McPherson	Carnell Agencies	300
Queen Anne Whiskey	Hill, Thompson & Co. Ltd.	Carnell Agencies	600

Younger's Double Century Ale  
 McEwan's Stout and Ale  
 King of Hearts Whiskey  
 Beefeater Gin  
 Orange and Lemon Gin  
 Paarl Brandy  
 Paarl Wort Wine  
 Columbus Rum  
 Silver Bizz Gin  
 Jordan Port Wine  
 Danforth Port Wine  
 Danforth Sherry and Table Wines  
 Gilbey's Spey Royal Whiskey  
 Bell's S/R  
 Gilbey's Dry Gin  
 Gilbey's Orange and Collins Gin  
 Gilbey's Triple Sec  
 Morris Sloe Gin  
 Meagher's Liguers  
 Gland's Ale and Stout  
 Highland Cream Whiskey  
 Old Taylor Whiskey  
 Aristocrat Whiskey  
 London Club Gin  
 Hennessey's Brandy XXX  
 Schenley's London Dry Gin  
 Schenley's Reserve Whiskey  
 Johnnie Walker Whiskey  
 Black & White Whiskey  
 Haig & Haig Whiskey  
 Dewar's Special Whiskey  
 White Horse Cedar Whiskey  
 Gordon's Gin

McEwan-Younger Ltd.  
 McEwan-Younger Ltd.  
 Jas Burrough's Ltd.  
 Jas Burrough's Ltd.  
 Jas Burrough's Ltd.  
 Co-operative Wine Growers Assoc.  
 Co-operative Wine Growers Assoc.  
 Christopher Columbus Rum Co. Ltd.  
 Thomas Adams Distillers Ltd.  
 Jordan Wine Co.  
 Danforth Wines Ltd.  
 Danforth Wines Ltd.  
 W. & A. Gilbey Ltd.  
 Arthur Bell & Sons Ltd.  
 W. & A. Gilbey Ltd.  
 W. & A. Gilbey Ltd.  
 W. & A. Gilbey Ltd.  
 Meagher Bros. & Co. Ltd.  
 Meagher Bros. & Co. Ltd.  
 Gland & Sons Ltd.  
 Wm. Teacher & Sons Ltd.  
 National Distillers Products Corp.  
 Melcher's Distillers Ltd.  
 Melcher's Distillers Ltd.  
 Jas. Hennessey Co.  
  
 Canadian Schenley Ltd.  
 John Walker & Sons Ltd.  
 Jas. Buchanan & Co.  
 Haig & Haig Ltd.  
 John Dewar & Sons Ltd.  
 White Horse Distillers Ltd.  
 T. Gordon & Co.

Carnell Agencies ..... 2,400  
 J. D. O'Driscoll ..... 50  
 J. D. O'Driscoll ..... 50  
 J. D. O'Driscoll ..... 75  
 J. D. O'Driscoll ..... 10 Casks  
 J. D. O'Driscoll ..... 40 Casks  
 Gordon Squires ..... 900  
 Gordon Squires ..... 650  
 Gordon Squires ..... 500  
 Gordon Squires ..... 400  
 Gordon Squires ..... 325  
 P. J. Dobbin ..... 50  
 P. J. Dobbin ..... 400  
 P. J. Dobbin ..... 1,050  
 P. J. Dobbin ..... 1,300  
 P. J. Dobbin ..... 10  
 P. J. Dobbin ..... 75  
 P. J. Dobbin ..... 250  
 P. J. Dobbin ..... 9,850  
 J. Strange ..... 1,400  
 Mrs. W. McNamara ..... 50  
 J. W. McGrath ..... 350  
 J. W. McGrath ..... 50  
 W. A. Reid ..... 75  
  
  
 ..... 25  
 ..... 50  
 C. R. Bell ..... 3,350  
 C. R. Bell ..... 3,100  
 C. R. Bell ..... 950  
 C. R. Bell ..... 1,000  
 C. R. Bell ..... 700  
 C. R. Bell ..... 2,400

BRAND	FIRM	AGENT	Purchases
			from Feb. 28th, 1955 to March 15th., 1956
			No. Cases
Dominion Ten Whiskey	Montmorency Distillers Ltd.	C. R. Bell .....	100
Buchanan Deluxe Whiskey	Jas. Buchanan & Co.	C. R. Bell .....	25
Booth's House of Lords Gin	Booth's Distillers Ltd.	Montreal Agent .....	100
Long John Whiskey	Long John Distillers Ltd.	Montreal Agent .....	300
Cherry Herring	Peter F. Herring	Montreal Agent .....	25
Chianti Rosso Italias D/W	M. Caliss & Co.	Montreal Agent .....	100
Cuntrum Liebfranmilch	Louis Cuntrum	Montreal Agent .....	25
Cantrum Miersteiner	Louis Cuntrum	Montreal Agent .....	25
Noilly Prat Vermouth	Noilly Prat & Co.	Montreal Agent .....	100
Numm's Champagne	G. H. Numm & Co.	Montreal Agent .....	110
Veuve Clicquot Champagne	B. D. Vogue & Co.	Montreal Agent .....	25
Monnet Brandy	J. G. Monnet & Co.	Montreal Agent .....	60
Fernandos Liqueur (Vat 19) Rum	Fernandes & Co. Ltd.	Montreal Agent .....	200
Muscatel Wine	Southard & Co.	Montreal Agent .....	20 Hdhs.
Ron Bacardi (Cuban) Rum	Ron Bacardi S/A	Toronto Agent .....	700
Bacardi Cartar Amber Rum	Bacardi Corp. of America	Toronto Agent .....	700
Highland Queen and Glen Moray Whiskey	McDonald Muri Ltd.	Toronto Agent .....	375
Bulmers Cider	H. P. Bulmer & Co. Ltd.	Toronto Agent .....	100
St. Emilion & St. Julien's Claret	Schroder & Schyler & Co.	Toronto Agent .....	100
Sandeman's Whiskey	Geo. G. Sandeman Sons & Co. Ltd.	Mrs. A. Allan .....	300
Old Hickory Whiskey	Publicker International	Mr. R. A. Murphy .....	25
Frاند Marnier	Marnier Napostalle	Mr. R. A. Murphy .....	25
Canadian Club Whiskey	Hiram Walker & Sons	W. J. Newhook .....	2,000
Walker's London Dry Gin	Hiram Walker & Sons	W. J. Newhook .....	300
Manhattan Cocktail	Hiram Walker & Sons	W. J. Newhook .....	25
Bright's Port and Sherries	T. Bright & Co.	Direct .....	850

Beesieck Champagne  
 Hueblein Creme de Cocoa  
 Hueblein Apricot Liqueur  
 Danish Akvavit  
 Napoleon Brandy  
 Whitley's Rye Whiskey  
 Barnes Concord Port  
 Barnes Sherry  
 Sandeman's Port  
 Sandeman's Sherry  
 Taylor's Cream Sherry  
 Bertram's Biscuit Sherry  
 Valpolicella Red Wine  
 Noonenberg Rhine Wine  
 Drambuie Liqueur  
 Constantine Port  
 Monte Crasto (Dinner Wines)  
 Soegraps Table Wines  
 Guinness Stout  
 Bass Ale  
 Tuborg Beer  
 Kingsbeer  
 Dow Ale  
 Heineken's Lager Beer  
 Carling's Red Cap Ale  
 Brading's  
 O'Keefe's  
 Labatt's Ale  
 Becks Beer  
 India Pale Ale (Local)  
 Dominion Ale etc. (Local)  
 Jockey Club Ale etc. (Local)  
 Jamaica Rum  
 Fromy Brandy  
 Lisbon Wine

Charles Heidsieck  
 G. F. Hueblein Brothers  
 G. F. Hueblein Brothers  
 Danisco  
 Timothy Burns Sales Co.  
 Wm. Whiteley (Canada) Ltd.  
 Barnes Wines Ltd.  
 Barnes Wines Ltd.  
 Geo. G. Sandeman Sons & Co. Ltd.  
 Geo. G. Sandeman Sons & Co. Ltd.  
 The Taylor Wine Co. Inc.  
 Bertram and Constantine Ltd.  
 Fratelli Balla  
 Herman Pabst  
 Drambuie Liqueur Co. Ltd.  
 Sociedade Commercial Senas Ltd.  
 Sociedade Commercial Senas Ltd.  
 Sociedade Commercial Senas Ltd.  
 A. Guinness & Sons Ltd.  
 Export Bottlers Ltd.  
 Tuborg Breweries Ltd.  
 Dow Breweries Ltd.  
 Dow Breweries Ltd.  
 Heineken's Brewery  
 Canadian Breweries (Quebec) Ltd.  
 Canadian Breweries (Quebec) Ltd.  
 Canadian Breweries (Quebec) Ltd.  
 John Labatt Ltd.  
 Beck & Co.  
 Newfoundland Brewery  
 Bennett Brewing Co. Ltd.  
 Bavarian Brewing Co. Ltd.  
 J. Wray & Nephew Ltd.  
 Fromy, Rogee & Co.  
 Nicolai & Co.

W. J. Newhook	25
W. J. Newhook	25
Mrs. A. Allan	25
E. P. Henley	25
Montreal Agent	25
Montreal Agent	440
Montreal Agent	300
Mrs. A. Allan	25
Mrs. A. Allan	25
W. J. Newhook	25
Direct	25
Direct	150
Direct	45
Direct	75
Direct	50
Direct	100
Direct	150
J. L. O'Dea	2,750
J. L. O'Dea	500
D. Baird	650
S. Lake	4,550
S. Lake	8,000
R. Rennie	1,000
A. B. Baird	16,550
A. B. Baird	25
A. B. Baird	21,550
B. Stafford	13,600
Job Brothers Ltd.	300
Direct	9,701
Direct	10,909½
Direct	15,206½
Direct	500 casks
Direct	2 Hhds.
Mon real Agents	20 Pipes

The following information is supplied by the Honourable Minister of Public Works in reply to Question No. 32 (Mr. Browne)—

Order Paper of March 23, 1956.

1. *Question*

What amount has been spent in connection with plans for the new proposed Memorial University. Give the names of the persons to whom money has been paid with the amounts in each case.

*Answer*

\$112,682.	
A. J. C. Paine .....	2,361
W. J. Ryan .....	65,000
Durnford, Bolton,	
Chadwick & Ellwood .....	24,771
Lawson & Betts .....	20,550
	<hr/>
	\$112,682
	<hr/>

2. *Question*

How much has been spent on the repairs to the exterior of the Colonial Building with details of the amounts spent on materials, labour and supervision? Give the name of the contractor performing the work. Were tenders called for this job?

*Answer*

\$100,464.	
Labour .....	30,071
Materials .....	47,388
Supervision .....	12,466
Equipment .....	10,539
	<hr/>
	\$100,464
	<hr/>

Work is being done departmentally.

MR. SPEAKER: The Honourable Minister of Provincial Affairs asks leave to introduce a Bill, "An Act Further to Amend the School Tax Act:"

On motion read a first time—Ordered read a second time on tomorrow:

MR. SPEAKER: The Honourable Minister of Finance asks leave to introduce a Bill, "An Act Further to Amend the Gasoline Tax Act:"

On motion read a first time—Ordered read a second time on tomorrow:

MR. SPEAKER: The Honourable Minister of Public Works asks leave to introduce a Bill, "An Act Further to amend the Department of Public Works Act:"

On motion read a first time—Ordered read a second time on tomorrow:

MR. SPEAKER: The Honourable Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Amend the St. John's Memorial Stadium Act:"

On motion read a first time—Ordered read a second time on tomorrow:

MR. SPEAKER: The Honourable Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan For Municipal Purposes by the Issue of Bonds"

On motion read a first time—Ordered read a second time on tomorrow:

Second Reading — Of Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955:"

MR. SPEAKER: Second reading on this Bill has already been moved, and debate deferred at the request of the Honourable Leader of the Opposition:

MR. BROWNE: Mr. Speaker, I am afraid I left home my Bill today. I did not intend to speak. I wonder if it could be deferred until tomorrow. I have my own copy marked and I have not it available here.

On motion debate on second reading deferred:

Second Reading of Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

MR. CURTIS: Mr. Speaker, this is a Bill on which I do not need to speak at any great length. It is a Bill designed to regulate and to consolidate all the various regulations issued from time to time under the Acts by various authorities.

We find it very difficult for us in the Government, let alone individuals outside, to keep track of regulations, made year after year. Our plan now is to have all these regulations, going back as far as we can, all consolidated and put into book form, so that they will all be available under one cover, and so eliminate the necessity of looking here and there and looking up old Gazettes and going through old records to find out just what the regulations are.

I think this is a Bill which will commend itself strongly to the House. And, Mr. Speaker, I don't think I need give any further explanation at this time.

I move the second reading of this Bill.

MR. BROWNE: Mr. Speaker, the Opposition are certainly glad to see this Bill being introduced here. I know that all the members of the legal profession will be very glad to see the publication when it is published.

The Attorney General has made reference to the great saving of time there will be in having in one volume or two or three volumes the regulations for the various departments, going back a number of years. If he had been in practice this five or six years more than he has been he would realize how serious a handicap it is to have to go and look up regulations through all the Gazettes. Because there is no system whatsoever in the regulations at the present time, and the amazing thing is that nobody has attempted to compile the regulations and collect them into a volume as is being done here at the present time. I suppose that the Government can be excused because nobody ever thought of it before in this country. They did do it in Ottawa in 1949. They put out the Federal Regulations in four volumes at that time.

I hope when these regulations are being collected they will be indexed as well, and not left like the Statutes were, for a couple of years before an index was supplied, they were not very much better. They were better undoubtedly than when in the Gazettes but still were not as good as when they have the index attached to them. I have often gone through the Gazettes for years back looking for a regulation, and then find the copy is missing, taken out for some previous case and cannot be found. Then one has to go to the Gazette's Office. It absorbs an enormous amount of time. Then the regulations have been cancelled so often that I suppose, outside of the Department of the Attorney General, there is nobody who understands what the regulations are in any particular case at any particular time.

So that it is a blessing to know that such a Bill is now being introduced to this House to authorize the Government to collect these regulations and to have them published.

There are some details in the Bill which I think will bear amendment when we come to the Bill itself. One thing that comes to my mind is the date on which the regulations come into effect. In the Bill it says when it is filed with the Minister of Provincial Affairs.

MR. CURTIS: If not otherwise provided.

MR. BROWNE: I did not see that provision. And it seems to me that was in conflict with the usual practice and in conflict with common sense. Filing with the Minister of Provincial Affairs can hardly be called publication of a regulation. And nobody in the country outside the Government, would have any idea of the existence of such a regulation if it were merely filed with him. Even when published in the Gazette the public very rarely becomes aware of a regulation unless published in such a form that there are perhaps thirty, forty, fifty, sixty or even more regulations published at the one time dealing with one subject. It requires, I think, a lawyer, or a person with a trained mind to study them and see the effect of them. So that to have them filed with the Minister of Provincial Affairs will be useless. They will have to be published in the Gazette where the lawyers and the magistrates and judges can have access to them because usually there are penalties provided in these regulations, and a person is liable to a fine or imprisonment for a breach of them. Yet he is supposed to know

the law. The theory is that everyone is supposed to know the law, and it is only a theory because in actual practice it really takes a student of the law to know what the law is on any particular subject. Therefore I feel that when we come to that stage of the Bill, that it will be examined to see that it will be published as formerly in the Gazette.

I am very glad to see this, Mr. Speaker, and will examine it carefully when we get into the committee.

MR. CURTIS: I would just like to say in reply, Mr. Speaker, (to my honourable and learned friend) that he will notice the section which says—"unless otherwise stated therein, the regulations shall come into force and have effect on the date on which filed."

MR. BROWNE: Mr. Speaker, may I ask a question? Does not the Attorney General admit that very often the regulations are given without stating these shall come into effect on publication?

MR. CURTIS: My honourable friend, Mr. Speaker, is speaking of the past. Obviously the future will regulate itself under this legislation, which also requires publication in the Newfoundland Gazette within one month, automatically.

Mr. Speaker, I move the second reading.

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 Election Act:"

MR. SMALLWOOD: Mr. Speaker, in the absence of the Solicitor General and the Minister of Provincial

Affairs, who is due in from Ottawa later today, I beg leave to move the second reading of this Bill.

The purpose of the Bill is to set up a position of Chief Electoral Officer of Newfoundland, a permanent position, and a position that will be filled permanently by a man who would be the full-time Chief Electoral Officer. Under him will come the conducting, the holding of all general elections in the future as well as by-elections. Indeed there is a thought also in the mind of the Government that under the Chief Electoral Officer might very well come the holding of municipal elections in Newfoundland.

Now in connection with municipal elections the House will remember a recommendation made to the Government a year or two ago by the Provincial Conference of Municipalities. They recommended that the election of all municipal or town councils to be held in Newfoundland be held on the same date each time. So that the election of some thirty, forty, or fifty town councils would become a matter of considerable province-wide public interest.

The person who is in fact being appointed and who holds office in this position, if this Act is passed, is adopted, is Mr. Short. Mr. Short has had more experience in the holding of elections than any other person in Newfoundland, perhaps more than any other person in Newfoundland ever did, and certainly more than any present living Newfoundlander. He conducted the holding of the election of the National Convention. He then held the Referendum, the first referendum and the second referendum, which made three elections conducted by him. He then conducted the first provincial general election,

which made four, and finally he conducted the second provincial general election which makes five elections throughout this province supervised and in fact held under the jurisdiction, under the control, under the administration of Mr. Short. And the forthcoming general election as well will be conducted under the administration of Mr. Short. Mr. Short will continue in that office. Following his retirement, which will come one day, someone else will be appointed, because the Act itself provides for the creation of the position.

Section 4 here sets out pretty clearly the duties of the Chief Electoral Officer: He shall exercise general direction and supervision over the administration conduct of the election and enforce on the part of election officers fairness, impartiality and compliance with this Act and (b) issue to election officer such instruction as from time to time he may deem necessary to ensure effective execution of this Act; and perform all other duties that are imposed on him by or under this Act, and for those purposes or any of them he shall have and may exercise all of the powers conferred on a chief electoral officer by or under this Act.

I don't know that I need say much more at the present time, but just to move the second reading, Mr. Speaker:

MR. HOLLETT: Mr. Speaker, I rise to support the principle of the Bill, because I believe a chief electoral officer is absolutely necessary in Newfoundland today where we are likely to get an election at any time, any day or any night. You will remember, Sir, away back in 1952 we had one about two years after the last one. But apart from that there are, as the Honourable Premier pointed

out, the municipal councils and town councils etc. And if that work is to be supervised by the chief electoral officer then I think the chief electoral officer will have plenty of work to do. If it were only to have to do with elections to the House of Assembly, once every five years, he would have a lot of dull moments on his hands. But since the Honourable Premier has decided that there is a possibility that he will be used in other fields, then of course, I support it.

There is just one thing I would like to say while I am on my feet, that is, I have known Mr. Short, Magistrate Short, many years. He is in my opinion one of the most forthright gentlemen that I have had the privilege to meet in this country. He is a gentleman all the way. He is thorough. And one might, I am quite sure, depend on any work that he does. I have nothing but praise for Mr. Short, and I do hope he will be happy in his job.

There is but one other thing, Sir: I believe he was the Deputy Minister of Economic Development prior to this Act. He has now vacated that position, I believe, and the position is held by Mr. Johnson, who we were informed the other day was to receive a salary of ten thousand dollars. Now I want to make this statement in order to avoid having it said that Magistrate Short has been demoted and I want to see that he gets equal salary as a man who supplanted him in that particular job. And I do hope the Honourable Premier and the Government decides on a salary for the Chief Electoral Officer so that he will not be paid under the present incumbent of that department. That is important to the future and

the character of this man, than whom there is no more honest and no more efficient.

MR. SMALLWOOD: Mr. Speaker, the fact that I agree with the Honourable Leader of the Opposition in his tribute to Mr. Short is, I believe, pretty clearly evidenced by the fact, first, that I did select him to be Deputy Minister of Economic Development; that we served happily together for some five or six years and secondly by the fact that I did select him to be the Chief Electoral Officer.

I cannot however agree with the last point made by the Honourable Leader of the Opposition, i.e. with regard to the relative rates of pay to Mr. Short and to Mr. Johnson. Mr. Johnson has accepted the position for a brief two year period, and possibly a bit less or possibly a bit longer. It is an established post and unpensionable. Mr. Short on the other hand is an established post and one that is pensionable. Mr. Short's rate of salary is determined, as is the rate of all established, pensionable servants, by the fact of his being an established and of his being a pensionable civil servant. The rate of pay is in part at least based upon his pensionability. And there is no comparison, no fair comparison to be drawn between the rate of pay to any public servant who is not established nor pensionable and on a purely temporarily contractual basis and who will go out of the job without a dollar and one who has been taken on as an established civil servant on a pensionable basis. I don't think it is fair either to a pensionable civil servant nor the non-pensionable, contractual public servant to compare them because their cases are entirely dissimilar. Mr. Short may or may

not be receiving sufficient salary, a rate of salary that is sufficiently high. Whether he is or not has no bearing on that question. But the rate of pay a temporary post, one might almost say, a transitory public servant, serving under special conditions for a limited period of time is receiving, I don't think there is any relationship whatever between them at all. And I am sure my honourable friend, on reflection will agree, no matter how anxious he is to protect Mr. Short or to depreciate Mr. Johnson.

MR. HOLLETT: No, I—

MR. SMALLWOOD: Not anxious maybe to do either. His argument does not stand the test of logic or reason nor fair play.

MR. HOLLETT: Mr. Speaker, may I say one word—I have no intention and there was no indication on my part of any depreciation of the present Deputy Minister. And I am surprised the Honourable Premier should inject that. Those things do not go unnoticed, and I think it is hardly fair to me to make that statement.

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 Department of Provincial Affairs, Act":

MR. SMALLWOOD: Mr. Speaker, I beg to move the second reading of this Bill, which is one which has the purpose primarily of moving over from the Department of Finance into the Department of Provincial Affairs administration of insurance in so far as insurance is an activity, or the supervision of insurance is an activity of the Government.

It is fairly well known to the House that until now the jurisdiction in this matter has been with the Minister of Finance. And because Mr. Channing who until recently was assistant Deputy Minister there, personally acted as Superintendent of Insurance. He fulfilled those duties. Mr. Channing was recently appointed Deputy Minister of Provincial Affairs. And it has seemed to us in the government that the sound thing now is to have the administration of these duties follow Mr. Channing into the Department of Provincial Affairs.

The House will see in the schedule, that whilst it is perfectly true most of the provisions deal with insurance matters, some of them do not, and are in fact already administered in the Department of Provincial Affairs. Some however, are not as yet administered in that department, and the purpose of this Bill is to have them done in this department.

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

MR. BROWNE: Mr. Speaker, I was under the impression that the Controller of the Treasury, Mr. Marshall, acted as Superintendent of Insurance. Therefore I was surprised when I learned that this activity was being transferred to the Department of Provincial Affairs. If it is correct, as the Premier stated, that Mr. Channing did the work, although he did not sign the reports, then I can understand why that is being done.

Then the other provisions in the schedule are already being done by the Minister of Provincial Affairs and come under his department. I don't see any purpose in disagreement here at all. But the reason for insurance companies being under the Depart-

ment of Finance, I understood, was that these companies had to give large deposits of money and in the Department of Finance provision for security against the indebtedness of life insurance companies. Where will these bonds be kept at the present time? Will they still be kept in the Department of Finance, and will the account in question be transferred to the Department of Provincial Affairs? It seems to me the Government are taking advantage of having a familiar man with the insurance business in the Department of Provincial Affairs to have all the work transferred down there. But what about the other implications in regard to securities of bonds that are on deposit in the Department of Finance?

MR. SMALLWOOD: I spoke from memory when I said that the Superintendent of Insurance was Mr. Channing. It may well be that Mr. Marshall was the Superintendent of that. Mr. Channing was the assistant Deputy Minister and did in fact perform the duties. It is a common practice. One man has the title and another does the work. But the intention of the present Bill is to have Mr. Channing made Superintendent of Insurance and to do the work as well as carry the title.

Now as to the bonds that may need to be deposited, I would imagine (I am pretty confident of this) they would be placed in the Bank of Montreal which is the Government's banker in future as they have been in the past. I don't know that there would be any difficulty in that. The actual accounting may or may not be done in Provincial Affairs. It may continue to be done in Finance, I don't think that matters too much.

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

Second reading of Bill, "An act Relating to Public Examinations in Schools:"

MR. HEFFERTON: Mr. Speaker, in moving the second reading of this Bill may I say it is a replacement of a presently existing Act. And the present replacement is necessary because (largely) of the changing name. The conduct of the public examinations in Newfoundland has been carried out by a person called the "Registrar of Public Examinations." In conformity with the office and comparable positions the name has been changed to "Director of Public Examinations," and that is the main purpose of this Bill.

There are one or two other changes made, however, to clarify, if you like, some of the regulations that have now been incorporated in the Bill. And there is one other change, the remuneration of examiners and entrance fees to be paid by candidates. These are matters to be determined from year to year, as circumstances may permit, by the Lieutenant-Governor in Council rather than by the "Council" itself.

Mr. Speaker, I beg to move the 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 to Consolidate the Law relating to the Establishment and Administration of Local Government:"

MR. BROWNE: Mr. Speaker, to a point of order—We only just re-

ceived this Bill this afternoon. Could we get a chance to study this before we take up a second reading? I have no objection to the Minister beginning now and deferring it.

MR. CURTIS: Yes.

MR. HEFFERTON: Mr. Speaker, this Bill is largely a consolidation of the existing legislation. It is true that the Local Government Act was consolidated in 1952. But I said then, and I repeat now, in a province where Local Government is really in the nature of an experimental programme as it is, it was necessary from year to year, in the light of experience and the knowledge gained, that we should find it necessary to make certain amendments and certain revisions. Now that is true because we have several amendments to that consolidated Act beginning in 1953 and again in 1954 and again in 1955 and there are certain amendments again necessary in this present year.

If we would recall that during the last four or five years there has been annual meetings of the Federation of Mayors and Municipalities, and at each of these annual meetings existing legislation certainly came in for a certain amount of scrutiny. And in the light of that scrutiny certain recommendations have been presented to the Government and we have found that invariably it is necessary to have a new consolidation, and that is presented to this House today.

There are, as I have pointed out, certain amendments brought into this consolidation. Most of these again have been found by experience and in the light of knowledge to be most essential if we want to make this a smooth and efficient machine for the administra-

tion of local government throughout our Province.

It must be borne in mind that the administration of local government is being carried out largely by laymen. And most of them find it extremely difficult to interpret clearly the law. Consequently in as far as possible we try to put our clauses in such a way that they are easy to understand and consequently to carry out as smoothly as possible.

Now the first amendment that comes into this present Bill deals with Clause (3) where it provides that after a first election when a municipality has been established the councillor receiving the highest number of votes shall administer the oath of office to the councillors. Under the present Act the oath of office can only be administered by a Justice of the Peace or by a Stipendiary Magistrate. In several places in our province it is not always easy nor convenient to find a Justice of the Peace nor a magistrate to perform that function. So in order to simplify matters we have made it possible for one member of the elected council to swear in another.

MR. BROWNE: Mr. Speaker, I am wondering about what the Minister is referring to. I cannot find that in Section (3).

MR. SPEAKER: Yes, I am at loss.

MR. HEFFERTON: It is sub-section (4) Section (8), Mr. Speaker.

Then we come on to the next amendment which is in Clause (14). The amendment provides that a councillor is disqualified if without the approval of the Minister he accepts any office under the council to which salary is attached or is employed by the council in any capacity. At the present

time a councillor is disqualified if he accepts a permanent position, a permanent paid position. During the past year we have had two or three instances where councils have referred to us for interpretation of this particular clause. And we have been able to tell them that if the employment is in a temporary capacity he is able to take the employment but if to be employed permanently he was not able to receive emolument. Now there is no provision at the present time enabling the Minister to approve the employment of a councillor. On the other hand we have found in the past three or four years that there are certain places where a member of the council may be the only qualified person to take on the job of work. So we are making provision by this amendment whereby such a person can be engaged if he is the only person available. Otherwise, unless that is done, the council may be put to a direct expense in order to bring someone in from outside.

At the present time there is no provision for appointing a new mayor or a new deputy mayor if those appointed at the first meeting should resign. So there is provision made in Clause 16 whereby when a vacancy occurs the council shall appoint a new mayor or deputy mayor.

Then, Mr. Speaker, we move on to Clause 23 where provision is made whereby (and this is a sort of a usual procedure) a town clerk may be appointed, and we are making provision for it in our councils.

Clause 34—In this clause we are making provision where any member of an outside fire brigade assisting in trying to overcome a fire shall be treated as a member of the ordinary town fire brigade. That has occurred in one or two instances, in places con-

tiguous to American bases, for instance, the American firemen have been helping and consequently we want to treat them exactly the same as members of our own councils for that particular episode. It is a matter of protection.

The next amending Clause is Clause 44, Sections 2, 3, and 4, where councillors are made liable for money borrowed, or if borrowed money is spent for any other purpose than that for which the loan was approved. We find that necessary in trying to run a local government.

Then Clause 45 authorizes the Deputy Minister of Municipal Affairs to certify that municipal debentures are valid and binding and their validity are not open to question. This is a provision which we have copied from mainland practice. It is intended merely to do away with the necessity of submitting original documents to broker's solicitors in order to obtain from them an opinion on the validity of municipal bonds. It is merely a necessary experience in order to cut down some of the delay we experience at the present time.

Clause 54 has another amendment which requires the operator of equipment who shall move any structure, whether on wheels or otherwise, or any vehicle with a flange, rib, clamp or other device attached to wheels or rollers or made part thereof to get a permit from the council before moving the machinery over the roads. A similar provision is in the Highways Traffic Act.

Clause 64 permits municipal fees or taxes to be paid in kind. A man may desire to work two or three days rather than pay the cash.

Clauses 73, 74, and 75 are largely copied from St. John's Municipal Act,

and allow the outport councils to collect their taxes and taxes from non-resident contractors and taxes on insurance premiums exactly the same as the Municipal Council does in the City of St. John's.

MR. BROWNE: That is not all under these sections.

MR. HEFFERTON: Clauses 73, 74, 75 and 76.

Members of the House may recall some time ago an action taken by one outport council against a vendor for selling coal without paying the poll tax in the area. The judgment was awarded in favour of the vendor. Clause 79 makes provision whereby the tax is, we think, collectable in the area. We will deal with that more fully when we come to the committee stage.

Finally Clause 102 provides that the council may act as the agent of the government, the Government of Canada or the Government of Newfoundland, for the management of government properties in the municipality. That amendment is made necessary by the authority given to a Lewisporte organization originally to operate a slipway to be built by the Federal Government. It would also apply, of course, in the management of an airstrip within the municipality.

These are the main amendments to the present consolidated Act. They can be taken up in detail when we come to the committee stage of the Bill.

Mr. Speaker, I move the second reading.

MR. SMALLWOOD: Mr. Speaker, I move the adjournment of the debate. On motion debate adjourned.

Second Reading of Bill, "An Act to Amend the Poultry and Poultry Products Act."

DR. ROWE: Mr. Speaker, this Bill merely provides for a change in definition in the word "Hatchery" and the words "Poultry Products" in the parent Act, Chapter 192 of the Revised Statutes. "Hatchery" was limited to one which handled one thousand eggs. This revision does not place any limitation on the word "Hatchery." It is now any place equipped with an incubator. It is not an incubator of any particular size.

The second amendment is again one of clarification, in that poultry products, in addition to live poultry and dressed poultry would include eviscerated poultry. That was not in the original definition, and there was some ambiguity as a result, particularly in the matter of inspection. The inclusion of this word "eviscerated" will remove any ambiguity or any doubt as to whether or not such poultry as "eviscerated" poultry are included in the Act.

Mr. Speaker, I move the 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 To Amend Chapter 178 of the Revised Statutes of Newfoundland, 1952, Entitled, "An Act Respecting the Safety of Workmen in Mines."

On motion second reading deferred.

Second Reading of Bill, "An Act to Amend the Social Assistance Act, 1954."

DR. ROWE: Mr. Speaker, two years ago at the regular session of the House a Bill was introduced here called "A Social Assistance Act": And because at

that time it was anticipated that there would be some discussion between the Government of Newfoundland and the Government of Canada respecting unemployment assistance or assistance in the form of able-bodied relief, it was decided not to include able-bodied relief under the Social Assistance Act.

Subsequently the negotiations between the two governments resulted in an agreement which was ratified here a few days ago. There is, therefore, no reason for the specific exclusion of able-bodied relief from the Social Assistance Act.

Able-bodied relief in the past was paid under the authority of the Health and Welfare Act, the old Public Health and Welfare Act of 1931, but it is desirable that all forms of welfare assistance would be included under the one Social Assistance Act. As the reason used for the exclusion two years ago is no longer in existence we therefore propose in this amendment to repeal that part of the parent Act which specifically excludes able-bodied relief.

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

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

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

Adjourned Debate on the Speech from the Throne:

MR. SPEAKER: The Honourable Leader of the Opposition will now be the first speaker since the disposal of the amendment.

MR. HOLLETT: I am sorry about that, Mr. Speaker, (that I am the first speaker) I had hoped that there would

have been some expressions of opinion from the opposite side of the House relative to this speech from the Throne, as statements from the other side of the House would have been received with pleasure and might have tended to increase our regard for this Speech from the Throne.

This, Sir, is being described as being delivered at the opening of the seventh session of the 30th General Assembly of Newfoundland, and it starts out by saying—"In this last session of the 30th General Assembly"—so I take it the die is cast. The die is cast, Mr. Speaker, and the election is forthcoming and will be forthcoming very shortly. As a matter of fact, Sir, if we look around as we have been looking around and keeping our eyes open during the last month or so, we must have known that the election is indeed not far off. We have had people streaming in here from north, south, east and west, and we have injected into our thinking by the Honourable Premier and the Honourable Minister of Mines and Resources and other Liberal ministers or injectors, shall I say, injections of hope for the future of the fisheries. And that in itself, Sir, would indicate to us or has at least indicated to me definitely that very shortly we shall have this up-and-coming election.

Now, Sir, I do hope if I am very generous and not too critical of this Speech from the Throne the honourable gentlemen on the opposite side will not think that I am beginning to weaken, but rather hope they will attribute my mildness of expression on this Speech from the Throne to the fact that we have just passed through the Holy period of Easter and Lent and that therefore I am at least somewhat revived by these experiences and my mildness and my probable lack of

criticism will be attributed to that and not to any particular love or affection I may have for the Government.

Sir, last year, September 12th, I believe it was, we had a Speech from the Throne which contained three hundred words. And I figured it out, it cost about \$83.33 a word. That was the celebrated session wherein was brought forth (brought forth is a good word) the Javelin deal, the Wabush Lake Railway deal. The Lake Wabush Railway deal and the Javelin mine down there which is to pay for the medical and dental and optical and other care of our children from the time of birth to the age of sixteen. That Speech from the Throne, I say, cost the people of this country about \$83. a word whilst this present speech, which is about eight times as long as the one in September, is a very cheap one, only costing \$30 a word. But I do hope, Sir, I do hope that which emanates from this Speech from the Throne, will be of a much superior character and of more benefit to our country and to our people than that which we heard on September 12th, 1955. Nothing came of that speech, Sir, nothing whatsoever came of that speech in September but a discredited guarantee, a discredited guarantee of a loan issue to assist Canadian Javelin.

Now, Sir, if I go on to this Speech from the Throne, it refers to the seven hundred separate pieces of legislation which have been considered, debated and passed into law. And the speech goes on to say it is an impressive seven year record. I wonder how it is that right from Biblical times all sorts of things happened in this world are "seven." It is a seven year period of this, that or the other thing.

MR. SMALLWOOD: Five years, not seven.

MR. HOLLETT: An impressive seven year record of work. The number of pieces of legislation is five hundred. I said five hundred separate pieces of legislation, but the reference to the impressive seven year record of work done—and consequently we must expect a seven year period as far as the good that may have accrued to the people of this country. Let us take a look at the seven year record:

I find that this administration and this one previous, that is to say from 1949 to the present time, have spent and guaranteed some three hundred and thirty million dollars. Now that is a lot of money. That is a lot of money. That, Sir, is \$825 for every man, woman and child in the province—This administration (and when I say this administration I mean under the Premiership of the present Premier, under the leadership of the present Premier). They have spent approximately eight hundred dollars for every man, woman and child in this country since they came into office. That means about \$3,330 for every workman in this country, assuming there are one hundred thousand workers in this country. That is what this present administration has spent, \$3,300 for every last one of these workers. What a record of spending. That amounts to thirty-three million quintals of fish at ten dollars a quintal—Just imagine, thirty-three million quintals of fish at ten dollars a quintal. That is five hundred thousand quintals of fish for sixty-six years, each year five hundred thousand. That is approximately the value of five hundred thousand quintals of fish at ten dollars a quintal for a period of sixty-six years, which has been spent since 1949 by the present administration. Yes indeed, Sir, some record—an impressive seven year record.

Again let us look back and let us see what are some of the impressive things which have been done by the present Government. Look at the cost of living today. Let us compare the cost of living today with what it was in 1949, if you wish. You will remember, Sir, that shortly after we came into Confederation with Canada the present administration set up a cost of living inquiry; and they were going to see that the cost of living certainly did not go up, was not going up. That was why they appointed this cost of living Commission. What was the result? Nothing, Sir, except more dollars, and more dollars out of the pockets of the taxpayers of this country.

Take the cost of living here today, Sir, I referred the other day to the fact that milk today in St. John's, and milk is one of the chief foods of our people, our children. If we are going to produce children with healthy bodies and healthy minds, milk is absolutely essential. Today in this country we have to pay 32c a quart for milk whereas, go to Montreal, and in Montreal you will get a quart of milk for 20c, 32c we have to pay for it whereas in Montreal they pay only 20c.

We were supposed, Sir, in going into Confederation to receive some of the benefits. And I maintain that one of the benefits which is absolutely essential to us and to our people and to Newfoundland in the future is a reduced cost of living. Instead we have a greatly increased one. Take Gas: Gas here is taxed at 17c, Sir. Gasoline which today is as essential almost as milk. We don't drink it, we don't eat it but you got to have it to get places. We got to have it to get here.

MR. SMALLWOOD: No.

MR. HOLLETT: Oh, yes. I would say every member, particularly in the

Cabinet, would have to get here in a taxi. He could not be seen walking here to the House of Assembly.

MR. SMALLWOOD: Why not?

MR. HOLLETT: I doubt whether he could walk here, particularly if he has to pay 32c for a quart of milk. We did not have to pay that in 1949, but we have to pay it today. Why do we have to pay 30-32c? Because the farmers got to pay far more for hay and meal and that sort of thing.

MR. SMALLWOOD: The farmer is paying very much less. He gets his feed hauled to town here practically free of all freight charges since Confederation.

MR. HOLLETT: Then why put the prices up?

MR. SMALLWOOD: The honourable gentleman could discuss it with the farmer.

MR. HOLLETT: No. It is definitely the job of the Government to discuss that with the farmers; the insinuation is that the farmers are biting the people drinking the milk.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: I don't believe the farmer is doing that. And I don't believe he is getting his food cheaper than in 1949. If the Honourable Premier produces the figures I shall have to take it.

I was referring to gas, Sir, when we went into Confederation or prior, in Commission of Government days, people in St. John's paid 16c a gallon. Heaven knows that is heavy enough. Whereas in the outports they paid only 14c. I believe today they pay 17c all throughout the country. I think there is 17c tax on every gallon of gas burn-

ed in this country. In other words the people in this country, outside St. John's have to pay exactly three cents on the gallon tax and the price of gas is 48c or 50c or around there. I am not quite sure that is what it is. But I can tell you on the Mainland of Canada and in the United States of America today it does not come up to anywhere near that price.

I just mentioned these two things. We can look at bread. We can look at ham and at eggs. Although I will say this: I believe the Honourable Premier's farm over at Roche's Line is selling eggs here in St. John's at a much reduced price to others who are selling anywhere. I was delighted to find a group of people buying eggs from Roche's Line for 70c. We have to pay \$1.00, and have had to for a long time. The Honourable Premier should get busy on other good stuff since he has done such a good job with eggs. And I congratulate him on being able to sell these eggs at 70c a dozen.

MR. BROWNE: Where did you get them?

MR. HOLLETT: I am not at liberty to say where they were. But I do know in certain establishments here joined together and imported their eggs from Roche's Line and paid only 70c.

MR. I. MERCER: Any duty or tax? Importing them?

MR. HOLLETT: No I don't think there is any duty between Roche's Line and here. I don't think there ever was. Certainly I think it my duty to purchase eggs from the Premier if he is giving them to me for seventy cents.

MR. SMALLWOOD: The Premier has no eggs to sell.

MR. HOLLETT: Well, I am referring to the farm which I think the Premier is interested in.

Now Mr. Speaker, I was referring to the cost of living. Just looking back again, I remember the "Buy Newfoundland Products." Everyone remembers that. That cost anywhere from seventy to eighty thousand dollars—"Buy Newfoundland Products"—What became of it I don't know. It cost seventy or eighty thousand dollars. That is one of the things, of the good things. Then I am forever mentioning this—it cost five hundred thousand dollars—and it is important that our people be reminded of that, because the Icelandic Boats, Sir, in my opinion set the pattern of the present administration with regard to—I don't want to make any further comment on that history of the Icelandic Boats; three men knocked at the door and they are in, and as a result they were given first a loan of one hundred and fifty thousand dollars and then it was discovered they owed that much in Iceland. It was discovered the Icelandic Government was kicking up blazes. And an agreement was made whereby the amount owed on these boats would be paid to the Icelandic Government. They were given another loan, and it finally got up to, I believe, five hundred thousand dollars. Anyway the Honourable Member for Harbour Main has a good knowledge of the Icelandic Boats, and I take it if I make any mistake he will question it. Anyway that is the Icelandic Boats, Sir.

Then let us look back again to the International Basic Economy people; IBEC, I am informed that cost the country two hundred and twenty-five thousand dollars. I believe the Premier says that is not quite the figure. I

would like to know what the figure was.

MR. SMALLWOOD: Seventy thousand.

MR. HOLLETT: Well, let us take the figure seventy thousand. What happened to the report which they made. I think it was given to us here about three years after. They were pigeon-holed for about three years, and no young pigeons came out of them. Nothing came out of them, of course. But they were tabled here two or three years after—what a record—an impressive seven year record.

Then remember the great Rockefeller: It is a record. I don't suppose any government brought in so many famous men, and a few infamous ones, there is no question about that. But they certainly brought in famous ones. They brought in Nelson Rockefeller. And what came of that? Nothing, Nothing whatsoever. Then there came Sir William Stephenson, the chairman of NALCO. Then there was NALCO itself. Impressive! Then there was the learned Dr. Valdmanis—Impressive! I would like to be able to recite some of the stories here today but I am not going to waste the time of this House. I think everybody knows about Dr. Valdmanis. But it is part of the impressive record. Then the eighteen new industries. Sir, the eighteen new industries, what could I say about these and what should I say about them? Then there was the cost of the three Government plants. I think the cost of these three plants, the cement one, I believe, went to four million seven hundred thousand dollars. That was sold. That was sold at a profit, Sir. What a record. Sold at a profit! How was it sold?

Well, I believe the people presently operating it have some sort of an agreement whereby they will service that portion of the loan of ten million dollars that was raised three years ago. In other words they have to pay interest on four million seven hundred thousand dollars. I question whether they paid any on it; and I have not yet seen the answer. It may come in today.

I could go on to the other industries, Superior Rubber Company. I think that was one raised here some time ago, if I remember correctly. I could go on to the machines that are in existence in some of these. And if it is my information, Mr. Speaker, that some of these machines which were brought in here, supposedly appraised by the administration and passed, and freight and duty paid on them, and in one case there was seven hundred and thirty-nine dollars paid for machines.

And my information today is, Sir, that these machines were bought for scrap in Germany. The most of them were bought for scrap. The most of them are out there today obsolete. The most of them are over thirty years of age. Indeed there is one factory in which one machine had a date, manufactured in 1922, and brought in here, Sir, at a cost of approximately eight thousand dollars and with duty and freight another ninety thousand and planted into this particular factory—and that is only one factory—eight thousand dollars paid for rotten, filthy machinery which was obsolete, worthless and worn out—An impressive seven year record. It all adds up—all adds up. I am not blaming any particular man on the opposite side, Sir. I am blaming the Government. I am blaming the Cabinet. They are the ones who are the Government: who

make the decisions. And I remember, Sir, a year or so ago asking the Honourable Premier what if any arrangement had been made for appraisal of this machinery coming in. And I was told, practically, it was none of my business. And finally one of the ministers said he was doing it. And what a mess he made of it. Impressive—A very impressive seven year record.

Then I spoke of the cement plant I refer now to the fifty thousand dollars which the Honourable Premier has told us was paid out to the Cement and General Construction Company (I think that is the name) in New York, fifty thousand dollars for breach of contract; agreed to by the Premier, the Attorney General and Dr. Valdmanis in New York where they agreed to pay fifty thousand dollars for breach of contract. And the draft arrived here before ever the Cabinet was aware of it; before it was even sanctioned by the Cabinet. Finally there was a hasty get-together of the Cabinet and they agreed to pass what had been done; and the fifty thousand dollars was paid over. And I understand it was charged up for cement exploration or something of that kind. The Cabinet, Sir, knew nothing about that at the time. I presume they were told the facts. Here three ministers went to New York and signed a draft that they will pay so many thousand after date, fifty thousand dollars. Where was the authority? Where did they get the authority? Where does one minister or any two or any three get authority to pay a draft of fifty thousand dollars payable to the people of this company? I can find nothing in the Act to indicate this authority. But that is only a minor one, Sir. There are many more things which have been done which were more glaring than that.

All of these industries, Sir, (and I am not going into particular cases) cost some twenty-five million dollars. But that is not the only cost, unfortunately. The twenty-five million are gone—Gone with the wind—in great measure, but the thing that matters that has gone to a certain extent at any rate is the credit of this country, or shall I say the credit of the Government not the country. The credit of the Government has been greatly reduced. We only have to look at NALCO, and the attempt to raise money for NALCO. What happened? Nothing doing. The financiers did not come across. We only have to look at Javelin and Wabush Lake. Last year this House passed a loan Bill for sixteen and a half million dollars. Have they got it yet? Have they got it? I have doubt this country can raise sixteen and a half million dollars, but I am quite convinced, Sir, Javelin and Wabush Lake will never raise it under the guarantee which they got last year. And I am not so sure it is right they should. And I am quite sure, if it were right, that any bunch of financiers should be able and willing. And no doubt they are willing to give money on the credit of this country to the Government but not on the guarantee of the Government to such an outfit as I have spoken of.

A seven year record:—Look at the Commissions: The Forestry Commission, the Walsh Commission, and look at the cost, seventy thousand dollars, ninety thousand dollars and a hundred thousand dollars. What has happened to the Agriculture Commission's Report? What has happened to the Forestry Commission's Report? Are they pigeonholed like IBEC? What is being done? They were brought in here last year and looked to be good reports. But is anything being done to imple-

ment them? Yes, a seven year record alright, Mr. Speaker, and very impressive.

Just listen: Mr. Russell resigned—A seven year record—Russell resigned, Horwood resigned, Pottle resigned, Forsey resigned, James resigned. Drovcr resigned or he did not resign but he walked across the House.

MR. J. R. COURAGE: Horwood did not resign.

MR. HOLLETT: You kicked him out?

MR. COURAGE: No—He did not run.

MR. HOLLETT: He had to run or else be kicked out. Now Janes resigned, Morgan resigned. I suppose they did or were kicked out? And Mr. Button resigned. Valdmanis resigned — I think so — He is at least resigned now to spending another two or three years in the pen. And that is what I call a real genius. He resigned, and when he comes out, Sir, he will go and live in peace and quietness somewhere in the Argentines on the four hundred thousand which he has managed to move. He and Mr. Lurja. Yes, Valdmanis resigned, I believe Mr. Planta resigned. Or was he kicked out? I hope he paid the Government the three or four thousand dollars he owed a year or so ago. The Minister of Fisheries smiled. I take it he is satisfied that it is paid up. Well, Sir, William Stephenson, Rockefeller and IBEC—

MR. SMALLWOOD: Rockefeller resigned. Sir Winston Churchill resigned and Stalin resigned and Malenkov resigned.

MR. HOLLETT: I did not know of Stalin, Mr. Speaker, I had no idea

until this moment that consultations had been held with Stalin and Malenkov by the present Government. I had no idea whatsoever. Well we don't know it all on this side of the House, not by a long shot. Stalin died, you know. Stalin died, Malenkov, I think, is still in the picture. I don't compare these men. They belong to another country.

MR. SMALLWOOD: Don't calumniate them. Stick to Newfoundlanders.

MR. HOLLETT: Well I did not introduce Malenkov or Stalin. I certainly did not.

MR. SMALLWOOD: No stick to Newfoundlanders.

MR. HOLLETT: I am referring to men who are not Newfoundlanders in some interest and men who have to have monuments erected to them. What a record! Koch kicked out—The Liberation of Koch—kicked out. Braun-Wogau, he got browned off and left on his own accord. He was not kicked out.

MR. SMALLWOOD: The honourable gentleman is wrong. He was kicked out.

MR. HOLLETT: I wonder would the Honourable Premier tell the procedure which is followed to kick out the owners of plants?

MR. SMALLWOOD: I hope the honourable gentleman does not have too much experience in that, I mean that sincerely.

MR. HOLLETT: But I am not talking about myself at the present time. That is a question that has to be decided in a different place than that. I am not discussing the Honourable Premier, and I am not suggesting that he is going to be kick-

ed out. I am not discussing any particular person on the opposite side. But when I get kicked out of here, Sir, it will be the people will kick me out. And I am satisfied, Sir, to take their judgement. If they want to kick me in the pants they can do so anytime they like. But while I am here I shall do my best to serve them and try to be helpful to the Government wherever I may. But, Sir, I am talking about this impressive seven year record.

MR. SMALLWOOD: The honourable gentleman left out King Farouk. He got kicked out too or resigned.

MR. HOLLETT: Who is that now? Was he on the opposite side?

Well I am learning an awful lot today, Mr. Speaker, I did not think the Honourable Premier had anything to do with these things.

MR. SPEAKER: For the Honourable Member's benefit, these interruptions are entirely out of order. They could be said to be matters of past history.

MR. HOLLETT: Yes, Sir. That is a seven year record. Dr. Seigheim and Dr. Sennewald and John Fox. They have all faded from the limelight, Sir, and John C. Doyle. John C. Doyle is now as nebulous as the profits from Wabush at the present time.

MR. SMALLWOOD: Don't expect things too quickly.

MR. HOLLETT: Too quickly?

MR. SMALLWOOD: How about some day of this week, Friday of this week.

MR. HOLLETT: Friday of this week, the railway will be built? Then

I shall know more about John C. Doyle?

MR. SMALLWOOD: Probably.

MR. HOLLETT: Well, if the Honourable Premier can convince me that Mr. Doyle and his Javelin and his Wabush have something that we Newfoundlanders should get all hot and bothered about, then I can say the Honourable Premier can move even me. I think there is a hymn that goes that way "Even Me."

Sir, in order to lay a little more emphasis on the seven year record, I want to refer to some abstracts from the manifesto of 1952, if I may. You will remember, Sir, there was a snap election held in 1952, after about two years and a half. And the Honourable Premier then went on the air and he gave his manifesto as all Premiers do, or I believe all Premiers do. But to prove, Sir, that this seven year record is impressive, one of the most impressive we have ever had, I am quite sure the Honourable Premier and the Government will excuse me if I refer to a few of the statements in that manifesto.

The Fisheries Loan Board:—That was to become very active following recommendations of the Royal Commission on Fisheries. And these are the words: "We have sent men to the United States and the Canadian Mainland to study shipping, boats, engineering and gear. And they will come back in a few days from now with such information." What does this all mean? I can imagine now the Honourable Premier as he states that over the air, with a voice, Sir, which probably is unequalled in the country. What does this all mean? I will tell you. "I mean that we have been making a long and very careful investiga-

tion so as to get ourselves ready to launch a big new fishery development programme, nothing less than a new deal, a new deal for fisheries and fishermen. The fishermen are looking to us for help and encouragement."

That was in 1952: The Premier went on the air and then he says: "Our big programme of new industries will take thousands of men out of the fisheries. Our ambition is to take ten thousand men out of the fisheries." They took them out alright, Sir. They took them out alright. But they are not in these new industries. "And give them jobs with good wages in the new industries. Those who remain must be provided with new and better boats, better engines, better fishing gear."

Nafel: What does the Honourable Premier say about NAFEL? What did he have to say in 1951 when he intended to make it more democratic and more efficient. I wonder what the Government did to make it more efficient and to make it more democratic?

Then the Honourable the Premier stated: "Here are the issues in this coming election—We have made agreements with many European Companies, good reliable companies to start new industries in Newfoundland. These will employ about fifteen thousand." That was in 1951. The Honourable Premier said the other day there were twenty-four hundred. I have been trying to find twenty-four in these new industries ever since and cannot get more than seven or eight hundred at the most. Where they are only the Premier can tell.

"They will employ about fifteen thousand running up to thirty million dollars a year in wages. Some five thousand additional people will get jobs running to ten million dollars a

year." In other words twenty thousand new jobs at about forty million dollars. They have the machinery.

That does not look very good now, in view of what I said a few minutes ago. "We will match them dollar for dollar."

And they matched them dollar for dollar.

Then the Honourable Premier said: "We have almost no public debt. Our position is strong." The national debt was then only three and a half million. What is it today, Sir? Forty-three million. A seven year record—Impressive.

Speaking about fish in 1951 the manifesto said: "We will launch a big new fishery development and put new life into the fisheries." Well, where is it five years later? And here is one, Sir, that "takes the cake," if I may use that expression. I don't think it is quite parliamentary but most people in this country know what "taking the cake" means. And that is it: Under the heading of "New Mines;" "The Government are proud of their accomplishment in bringing in mining companies into Newfoundland and Labrador. There are more mining companies in Newfoundland today than ever before in Newfoundland's history, more prospecting and exploring are being carried on this year than in the past fifty years, more money is being spent this year in finding minerals than in all these past twenty-five years." Now here comes "the cake." These are the words of the Premier: "I expect to see new mines operating in the next year or two as follows: In the District of Labrador two mines, in the District of White Bay one mine, in the District of Green Bay three mines, in the District of Twillingate

one mine, Fortune Hermitage one mine, Burgeo one mine, St. George's Port au Port two mines, St. Barbe's one mine," a total of twelve new mines, which the Honourable Premier said in 1951 he expected to see opened in the next year or two. This is five years later. I don't know whether the Honourable Member for Fortune-Hermitage would find it. I don't know where the Honourable Member for White Bay would find it, or White Bay has one anyway. I believe there is one in Green Bay but there are supposed to be three there. There was to be a mine in Twillingate. I am sure the Honourable Attorney General will tell us where that is later. "These are good prospects we know about." These were the ones they knew about, and were going to be opened in a year or two. "Other good prospects will doubtlessly be found in the other districts. I have no doubt about it."

Then: "The present Government has brought an American Oil Company into Newfoundland to explore the oil fields." We know the history of that because the man actually tried, and I refer to John Fox.

"One of the richest men," he said "of the United States has arrived."

Then there was the big programme of hydro electricity producing large amounts of hydro electric power on the watershed of Bay D'Espoir. Would the Honourable Member for the Bay D'Espoir area tell us what has been done? I hope he will have an opportunity to do so. "It is certain that several new industries will be started. Eighty five thousand horse power can be developed near Terrenceville." I have been over there recently but I did not see anything.

Then—"We are working on a programme to encourage the raising of live stock, especially sheep." Five years ago. I wonder if the Honourable Minister of Mines and Resources can tell us the difference in the population of sheep in 1951 and at the present time? He will, no doubt, tell us about that.

"And we will continue our policy financially to have an annual surplus on current account." I only quote this, Mr. Speaker, to emphasize the seven year record of this Government. Sir, is it not pitiful?

Let us look at the financial picture just for a moment. And I am reminded of the fact that when we went into Confederation in 1949, Sir, I suppose we were the best financially of any government of the provinces of Canada or of any government in the world, apart from Alberta. Our national debt was three and a half million. We had the money saved up by the Commission of Government, some forty-two million dollars surplus and realizable assets put us up to practically fifty million dollars, with a little over ten million of that taken by Ottawa. They clamped the hooks on it and kept it there. And it is still up there. What is the picture today: The forty-two millions has been spent, the national debt has been increased to forty-two and a half million. We have borrowed thirty-eight millions of dollars, we have guaranteed and we might just as well pay out in cash twenty-eight millions. And yet today, Sir, I got a report, in reply to one of the questions I asked, and I find last year there were some eighteen thousand people on dole and able-bodied relief.

That was the position, Sir, when we went into Confederation. Since then we have had three loans, one for ten

million dollars, one for twelve million and one for sixteen million dollars. And I would not be a bit surprised, Sir, but what the Government will be looking for another loan. You have to have money, Sir, especially when somewhat of the type of the rich man who had suddenly come into his fortune and goes out into the world and spends it very, very quickly. He does all sorts of things. This Government, Sir, has been very, very spendthrift, I say, over the money which was given into their custody and over the credit, which is more than the money, the credit which was entrusted to their care by the people of this country. Almost overnight we jumped from that debt of three and a half million up to forty-two and a half million. And, Sir, in my opinion, that is disastrous if we continue. And I am afraid we have to continue. If I remember, looking at the public accounts, I believe, of last March 31, we had an overdraft at the bank of two and a half million dollars, last March 31st. But we borrowed sixteen million and paid off that and spent the other fourteen millions. So I would not be a bit surprised, if the Government proceed as they have, we will need anywhere from another ten to twenty millions. We will hear about that, I strongly suspect.

Another thing, Sir, the difference in our taxation and in 1949 is rather grim. For, has our ability in this country to pay taxes increased to any great extent since 1949? This Government, Sir, has imposed taxation of six and a half million dollars, Sir, in addition to everything else for the first three years of union. It was then reduced at the rate of two hundred and fifty thousand dollars. That is pretty nearly exhausted. So what does the Government have to do? They have, Sir, to impose a tax on everything we

eat, practically everything we wear, everything we purchase. If you pay your electric light bill you pay three per cent on it. If you buy a car that is worth sixteen hundred up pay three per cent, if you buy six or seven of them you pay at the rate of about five or six per cent. So the Government imposes a tax, Social Security Assessment, they call it. But it is a retail sales tax and thereby they collected last year some six million seven hundred thousand dollars, out of the pockets of the people. What people? Did they take it only from the man who has the money to pay it? No, Sir, No, Sir, they took it from the fishermen who have very little to pay taxes with. They took from him because he has to eat, Sir, and he has to wear clothes and to clothe his children. And that six million seven hundred thousand dollars came from men like that, the wage earners, the man who works to earn his living, but particularly, Sir, it is a hardship on the people who are not earning high wages nor big salaries.

That was one tax—Then the Gasoline Tax. In 1955 they collected two and a half million dollars on gasoline. I don't object too much to that. It was sixteen here in St. John's and it is now seventeen but it was only 14c in the outports and it is now 17c, in other words a difference of three cents per gallon on every gallon which was bought outside St. John's.

Then I don't know whether to call this tax or not, there is the profit from the Board of Liquor Control, which last year was three million two hundred thousand dollars. In fact, Sir, we have become a very, very wet country. It has been the policy of this Government to spread beer taverns and beer parlours and give hotels licenses all across the country. It has been the

policy of this country to make it possible for every man and every woman and teenagers as well to secure their glass of beer or their glass of rum or their glass of whiskey or what not, and what has been the result? Is it possible this administration which boasts so much of what it is doing for the people of this country finds it must make a profit from liquor? Is it not a fact, Sir, they dole out licenses? And is it not a fact that those who have been receiving these licenses are paying through the nose for them? Where does that money go? Where does that money go? I say, Sir, we know few pockets where it went. But the thing that upsets me, and, Sir I know the evils of drink, unfortunately, and I think every member on the opposite side has some idea of the evils of strong drink. But never did I hope to live to see this country saturated with alcohol as it is today, and is done by this Government, deliberately done, Sir, to turn dollars into the exchequer. I say, if any government cannot pay its way without drink, debauchery and drunkenness in the country it is about time they got out and let someone else try to correct the ills. I blame no man on the opposite side. I blame the Cabinet. I blame the Government. It is wrong. It is absolutely wrong. It is absolutely contrary to the doctrines with which they were brought up.

Sure, if a person wants a drink there must be some way to get it without the Government going into business. This is what is happening. The Government is into the liquor business, right up to its neck, Sir.

MR. SMALLWOOD: Will the honorable gentleman allow me to ask a question? Would he favour the Government going out of it and turning it over to private enterprise, and the Gov-

ernment stepping out altogether? That is an honest question.

MR. HOLLETT: Quite an honest question. Again I say, if private enterprise cannot make a better job of it than the present administration is doing, then by all means hold on to it. But I say that private enterprise—and we had liquor under private-enterprise here before, Sir, and we did not have taverns all along the highroads and every highway and every little settlement in the province to collect the dollars from the people with appetites for liquor. That is what the Government has done. They have planted liquor at every doorstep in this country. And I am quite sure, Sir, any government that does that sort of thing cannot last. Look at France. That is what has happened in France. Look at the nation that was great. I don't know if there is much that this Government can do about it at the present time. But somebody is going to do something about it soon. We sold, I think, somewhere around six or seven million dollars worth of liquor last year, and made a profit of three million two hundred thousand dollars.

Then generous Ottawa comes along—Oh so generous—They come along and give us eighteen million dollars a year, at least they did last year. Then they try to make us believe it is a gift from Ottawa—a gift from Ottawa—these generous souls at Ottawa—eighteen million dollars to poor Newfoundlanders down there—And they take it out of the pockets of our Newfoundland people and double that. Consequently, Sir, we have had to have these loans. The financial record of this country during the past seven years—Impressive, Sir—“Impressive,” says the Speech from the Throne.

Well, when we look at it, and when we remember the promises—taxes were to be reduced. We are collecting today ten million dollars more in taxes from our people than we were in 1949 by outright taxes, not because of prosperity so much, but those are new taxes which were put on. The fisheries were to be prosperous and there would be no dole. These are the promises on which this Government, Sir, are in power. These are the struts, which hold them up. What about those struts—Taxes—no taxes—you got to lower them—that is one strut gone. The fisheries—they are going to be prosperous—there is a strut from under their feet—and there was to be no dole—no dole—and I expect the number on dole is between eighteen and twenty thousand as last year. Dole is dole, Sir, whether it is eighteen thousand or two thousand, but there was to be none.

Tourists—tourists were to be coming into this country by the thousands, by the hundreds of thousands. And look at the record Sir. Is it impressive? Tourists! What have we got in the way of tourists? What has Mr. Vardy done, (and I am not referring to Mr. Vardy except in his capacity as Director of Tourism) What has his department, if I might call it so; done? All that has been done so far as I can see is to pay Mr. Vardy, the Director General, or whatever you call him, of Tourists a nice salary and send him abroad and across the country and across Canada and across the United States of America. Last year his travelling expenses were terrific. And that department, Sir, is costing us all sorts of money. Why is it done? Are we getting any more tourists? All I can find has been done in tourist development, is it in the loan board, they have done a fine

job. Seven years—an impressive record. They have done a beautiful job. Do you know what they do, Mr. Speaker? Some fellow sets up a beer tavern along the road somewhere and people begin to visit it. Then it is found it is not big enough and they have to consider what they are to do. What they do is to come to the Tourist Development Loan Board and get a loan of two hundred and fifty thousand dollars. I had an answer here today, and I checked a couple of times. One here got fifty thousand dollars last year, and another place, not a bit better kept, I believe got sixty thousand dollars. That is your tourist development. Personally I have not seen any records to show me that this Tourist Development under the present setup is of any value whatsoever, and that is to be expected.

I shall refer to roads on another occasion. But how do we expect tourists to come across the Gulf to Port aux Basques and drive part of the way over dirt roads and then walk a few miles and then drive again and then walk six or seven miles? We are not going to get them by putting up beer parlours and licensed places along these roads in anticipation. We were going to have a road I remember, I am quite sure the Honourable Minister of Public Works will correct me if I am wrong, we were going to have a road through this country in three years following 1951 by 1953 we were going to have a through road from Port aux Basques to St. John's — That was stated — prospects for that are not too bright as yet. A seven year record.

HON. E. S. SPENCER (Minister of Public Works): Would the Honourable Member care to state who made that statement?

MR. HOLLETT: Not at the moment — But it was stated that within two years.

MR. SPENCER: The Honourable Member did not attribute the statement to the Minister here?

MR. HOLLETT: No, the Minister did not to my knowledge say that, at least not to my knowledge. I will say this, now that I am on the Minister, or on his department, I will say that the Honourable Minister is doing a very good job in connection with roads, there is no question about that, and his department is doing a very good job. They just don't have the money. They have not the money. They have not the money, Sir, to do the job, they can't plan an overall picture and go out and do it year by year. That is what should be done in the first place. No, Sir, they are getting the money in dribs and drabs and are consequently not able to do as they want to.

MR. SMALLWOOD: Dribs and drabs? Ten million dollars last year, some drabs. What would the honourable gentleman call real money now if that is just dribs and drabs?

MR. HOLLETT: Why did the Honourable Premier say it would be through in two years time in 1951?

MR. SMALLWOOD: The Honourable Premier said no such thing. I would like to see the record.

MR. HOLLETT: You cannot build a road on dribs and drabs, and twelve to fourteen million is only a drib or drab.

MR. SMALLWOOD: Is it a drib or drab, tell us which it is?

MR. HOLLETT: Put the two together and you get what you want.

Then I spoke of the fisheries, Sir, I expect everyone has read that great book called "Great Expectations" and I am quite sure the Honourable Minister of Fisheries must have great expectations from that Walsh Report. What have we got so far? We have three men who are collecting twenty-five thousand dollars a year each as a fishery authority. One of them, I think, gets an extra five hundred to show what authority he has over the two. We have that and four plants including LaScie. Some work has been done on that. And in 1951 the fishermen were going to get a new deal. Some deal — some record. I have a letter here (I have dozens of them) written from Marystown by a man looking for a job. He said: "Well, Mr. Hollett, things are not so bright around here." This is from Marystown. I am sorry the Honourable Member for Placentia West is out. "Things are not so bright." Actually that is not all the story. "I am doubtful they will ever be unless you can find someone to do a little more talking and fighting for us. There are a large number of people right now, Sir, living on relief here, which means little or nothing. Surely people don't live on it they only abide." He then goes on to say, most of us could not help it. And this chap is an ex-serviceman, and he can't get a job. He tried the fishery last year and did nothing. I just refer to that letter to show there are spots in this country which indicate that the policy of this Government during the last seven years with regard to the fishery has been a tragedy. And I need only refer that statement to the members for Placentia West and Burgeo and La Poile, the mover and seconder of this Speech from the Throne. Sir, they know the conditions

which now exist in the districts which they represent, and I am quite sure they would be only happy to do something about it. But they can't do it. They can't get the help they need. And I would say on that particular coast Sir, all along the Southwest Coast, if you like, you will find fishermen the like of which there are none better in the world. And they are living on dole. I had a similar letter from Fortune Bay. I do know about a hundred men from Belleoram and other places going to Lunenburg to fish. Good God, Sir, can we not get these men fishing here? I had a letter from a man in Quebec, and he tells me he pays fishermen—and I am quite sure the fresh fish plants would love to hear this one—he pays fishermen in New Brunswick and other places for fish per pound, for fresh haddock and fresh codfish as they come in from the water. He tells me he was in touch with the members of the Government here hoping that he might come in here and the Government were not interested.

MR. SMALLWOOD: The honourable gentleman is not talking about the poor old mental case, is he? We sent a man to interview him and found he is a mental case. The honourable gentleman is not being fooled by him. I will table the correspondence and let it be published. The poor old gentleman!

MR. HOLLETT: A poor old gentleman?

MR. SMALLWOOD: Yes, a poor old gentleman, an old unfortunate one.

MR. HOLLETT: Is it a fact he is paying four cents a pound?

MR. SMALLWOOD: No, it is not a fact. The man is living in a dream world, about eighty years old.

MR. HOLLETT: Not the one I mean.

MR. SMALLWOOD: We even had a man from St. John's go up and interview him. We left nothing to chance just in case anything he said was anything but a dream.

MR. HOLLETT: The Honourable Premier must be speaking of another firm. The firm I speak of has offices in New York and also in Montreal. Well, I don't want to go into that at the moment. I will say, if it is a fact that four cents a pound will be paid for fish in New Brunswick something has to be done in regard to fresh fish here. I am convinced, Sir, that fresh fish fishermen are not being paid the amount they should be paid. I am convinced that people are making a huge profit. And unless something is done about it by some commission set up by the Government, by this Fisheries Authority—What are they doing? What are they doing? Making odd trips?

MR. SMALLWOOD: If I may, for the honourable gentleman's information. The biggest of them lost three hundred thousand dollars on operations. We know. We have the audited balance sheets.

MR. HOLLETT: That is what they told you.

MR. SMALLWOOD: The auditor told us, the biggest firm, Reid Son & Watson. One firm lost three hundred thousand dollars last year.

MR. HOLLETT: That is the one the Government loaned money. They always manage to lose money. They don't have to pay interest. Sir, I would take some of these reports, with all due respect to the auditors, with a grain of salt.

MR. SMALLWOOD: You would not accept the auditors report? You know better?

MR. HOLLETT: I would like to see the reports. I would like to see what is charged for overhead and what they gave in salaries and what they did in one way and another before I would say they lost three hundred thousand dollars. As the Honourable Premier was saying, all the fresh fish plants in Newfoundland lost three hundred thousand dollars.

MR. SMALLWOOD: I am not saying any such thing. I said one of the biggest ones in Newfoundland, the biggest one.

MR. HOLLETT: Probably mismanagement, who knows. I am not asking for the name of the firm, but I say anyone who loses three hundred thousand dollars in a fresh fish business last year better look into it. They did not pay the employees enough to keep body and soul together. As far as the fishermen, I was talking to a man who brought in over sixty million pounds in the last twelve years in cod and haddock, and he told me that he was talking to another skipper out of Boston, and that man last year brought in several hundred thousand pounds less than this particular man, and yet he made three times the amount of money. He made three times as much as one of our own skippers here, having brought in less fish. How can they lose money at a cent and a half and two cents a pound?

I wonder if the Honourable Premier or any member of the Government knows exactly what is being paid for fish as it comes in the trawlers in Halifax and in Boston? If not I would suggest they make some enquiries.

Mr. Speaker, could I adjourn the debate until tomorrow:

On motion debate adjourned until tomorrow.

MR. CURTIS: Mr. Speaker, I move that all the remaining Orders of the Day to stand deferred, and that the House at its rising do adjourn until tomorrow, Wednesday at 3:00 of the clock.

On motion all remaining orders of the day deferred:

On motion the House at its rising adjourned until tomorrow, Wednesday, April 4, at 3:00 of the clock.

Wednesday, April 4, 1956

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

MR. SPEAKER: At four o'clock this afternoon a plaque will be unveiled in the entrance hall of the House. Members of the House will take up their positions on the staircase. Visitors may stand on the floor of the entrance, but must see to it they are kept out of the way of the official party making the unveiling. There is space for visitors also in the upper galleries.

We have received a letter from the Administrator of the Church of England Diocese in Newfoundland which acknowledges your letter of March 19th, and requests I convey to the House the thanks of the Diocese of Newfoundland and of the family of the Late Bishop for the resolution moved by the Honourable Premier and seconded by the Honourable Leader of the Opposition.

(Letter read by Mr. Speaker and tabled).

March 28th, 1956

Dear Sir:

I beg to acknowledge your letter of March 19th, and to request you to convey to the House the thanks of the Diocese of Newfoundland and of the family of the late Bishop, for the Resolution, moved by the Honourable the Premier, and seconded by the Honourable the Leader of the Opposition, and carried unanimously, expressing the deep sorrow of the House at the death of the Right Reverend Philip Selwyn Abraham, M.A., D.D., sixth Bishop of Newfoundland.

Very faithfully yours,

(Sgd.) J. A. Meaden,  
Administrator.

Henry H. Cummings, Esq.,  
Clerk of the House of Assembly,  
St. John's,  
Newfoundland.

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees:

MR. J. R. COURAGE: Mr. Speaker, I beg to report in behalf of the Committee on Standing Orders that the rules of the House have been complied with with regard to this Bill, "An Act Respecting the Trustee Board of the Presbyterian Church in Canada."

On motion report received.

On motion leave was given to introduce the Bill.

On motion a Bill, An Act Respecting the Trustee Board of the Presby-

terian Church in Canada" read a first time. On motion Bill ordered read a second time on tomorrow.

MR. COURAGE: Mr. Speaker, the Committee on Standing Orders has also examined the Bill, "An Act to Incorporate the Newfoundland Association of Architects" and I beg to report, the Committee finds that in this case the rules of the House have been complied with.

On motion report received:

On motion Bill ordered read a second time on tomorrow.

First reading of Bill, "An Act to Incorporate the Newfoundland Association of Architects." On motion Bill read a first time—Ordered read a second time on tomorrow:

#### Giving Notice of Motion

None.

#### Giving Notice of Questions

Notice of Questions given by Mr. Browne:

#### Answers to Questions

Question No. 34: Question No. 35:

(34) To ask the Honourable Minister of Finance to lay on the table of the House the following information:

Under what section or sections of the Revenue and Audit Act was the special warrant sought to authorize the expenditure of the amount of \$88,200.00 in anticipation of the granting of the Supplementary vote of \$949,300 for the year 1955-56? Is there any precedent for such a procedure? If so indicate the same. For what departments was this money required?

Specify in detail with appropriate sub-heads, giving the purpose for which the money was expended. Table the Reports from the Ministers of the Departments concerned together with the memoranda submitted to the Executive Council explaining the requisition in each case.

(35) To ask the Honourable Minister of Finance to table the statement showing all expenditures for contingencies of the Department of Finance for the past fiscal year.

HON. C. J. POWER (Minister of Finance): Mr. Speaker, I beg leave to table the answers to these questions:

MR. BROWNE—QUESTION NO. 34

Section of Revenue and

Audit Act	Head	Subhead	Purpose Required	Amt. of Special Warrant	
37 (2) (a)	Legislative	20101	Members' Indemnities .....	\$ 15,000	
		2010201	Members' Travelling .....	3,300	
		0203	Books & Binding .....	300	
		0204	Hansards .....	10,000	
		20203	Commonwealth Parliamentary .....	2,000	\$ 30,600
do.	Executive	3010203	Motor Car .....	6,000	6,000
do.	Finance	40404	Railway Pensions .....	900	
		40501	S.S.A. Salaries .....	11,000	
		4040201	Travelling .....	7,000	
		40603	Public Debt .....	7,000	
		40619	Financial Commission .....	15,000	
		45402	P. U. Liabilities .....	17,200	57,800
do.	Provincial Affairs	5010201	Travelling .....	900	900
37 (2) (b)	Public Works	9410303	Air Strips .....	100	
		0304	Wharves .....	100	200
37 (2) (a)	Health	10170302	Treatment in non-Government Hospitals ..	15,000	
		0306	Immunization .....	12,500	
		10200305	Cleaning .....	8,300	
		10220304	Provisions .....	28,700	
		10230304	Provisions .....	2,200	
		0306	Clothing .....	7,500	
0311	Hardware .....	4,000			

		10240304	Provisions .....	37,600	
		10280303	Drugs .....	15,800	
		0304	Provisions .....	25,000	
		0310	Linen .....	16,000	
		102901	I. G. A. ....	112,000	
37 (2) (b)		10440101	Grace Hospital .....	22,000	306,600
37 (2) (a)	Welfare	11070301	Dependents .....	199,800	
		0302	Mothers .....	7,000	
		11090304	Relief .....	275,000	
37 (2) (b)		111613	School for Blind .....	100	
do.		111614	Home for Aged (Private) .....	100	482,000
do.	Fisheries & Co-operatives	14220304	Advances 1953 Catch .....	100	100
					\$884,200

The Honourable Member has asked if there is any precedent whereby, in anticipation of the granting of the Supplementary Vote, the expenditure for which provision is made thereunder is covered on a temporary basis by a Special Warrant.

The Deputy Minister of Finance has informed that this has been standard procedure ever since his occupancy of the chair which he now holds. In the days of Commission Government, the Supplementary needs for the year were approved by Commission, covered by a Special Warrant and submitted to the Secretary of State in London for final approval, after which the Supplementary Supply Act for the year was brought down. This procedure has been followed, with the necessary changes bearing in mind the alteration in the form of Government, since 1949-50. In each year Supplementary requirements were first covered by a Special Warrant prior to submission (of necessity at a later date following the opening of the House) to the Legislature for approval and the grant of the Supplementary Supply involved.

The Reports requested by the Honourable Member have already been tabled (See answer to *Question No. 5*).

As to the tabling of the Submission to Cabinet, this is a privileged document and will not be tabled.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, in connection with *Question 36*, I think, there has been an error in the printing of it. It asks for the copies of the report of NALCO, to which my answer at the moment is the report is not available. The annual meeting of the shareholders of the company, I think, is on 16th of this present month. The practice followed in previous years will be followed i.e. NALCO's annual report will be tabled here immediately after it has been prepared and submitted to the shareholders of the corporation and passed by the shareholders of the corporation.

MR. W. J. BROWNE: Is there any specific time for holding of the annual meeting? Last year it was before this.

MR. SMALLWOOD: Yes, the meeting last year was held somewhat earlier than is being done this year.

*Question No. 37:*

MR. SMALLWOOD: With regard to *Question No. 37*, I fear I have not the answer today. I don't know why it has not been forwarded to me. In fact I don't know who would be immediately responsible unless it would be the Clerk of the Cabinet, Mr. Channing. I don't know where it should be directed, but if the Clerk of the House would take note of this question—I have not the information in my office. I keep very few records in my office, so that if it were burglarized not much would be found.

HON. M. M. HOLLETT (Leader of the Opposition): Is that a hint?

MR. SMALLWOOD: Premiers' offices have been known to be burglarized in years gone by. *Question No. 41* also addressed to me by the Honourable Leader of the Opposition:

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

- (1) Was Mr. C. A. Pippy a Director of Superior Rubber Co. in April 1955? Is Mr. Pippy still a Director?
- (2) How many shares in Superior Rubber Co. are held by Mr. C. A. Pippy?
- (3) Who are the present owners of Superior Rubber Co. Ltd? Is it a private company or a Crown Corporation?

MR. SMALLWOOD: I think—Yes—Mr. Pippy is and was the director of the company. He has no shares. The company is a private corporation. 41 (4), 41 (5) and 41 (6) have already been tabled in this House. 41 (7) has been answered before. 41 (8) I don't know what freight was paid. The company would know that.

MR. HOLLETT: Does the Honourable Premier say all these have been answered before?

MR. SMALLWOOD: Yes. The answer to *Question 41 (8)* I do not know what amounts were paid in freight and duty.

I think *Question No. 42* is wrongly addressed. I think it should be addressed to the Minister of Finance. If my honourable friend would take it as notice.

*Question No. 43:*

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

(1) Who are the present directors of NALCO?

(2) Give a detailed report of the activities of NALCO during the past fiscal year.

(3) Has John C. Doyle any shares in NALCO and if so, how much cash has he paid into NALCO treasury for the shares?

(4) Is NALCO a Crown Corporation or a private Company?

(5) Give the total amount of money to date paid over by the Government to NALCO.

(6) What is the total amount of private capital invested in NALCO up to the present time?

MR. SMALLWOOD: (1) The Honourable Attorney General, The Honourable Minister of Finance, with me as Honourary Chairman. And the private shares are represented on the Board by Mr. John C. Doyle of Canadian Javelin Limited, and Mr. George M. McIntosh of Harriman Ripley Incorporated.

(2) That is, as I said a moment ago, to be available after the annual meeting of the Corporation.

(3) I believe he bought, or his company bought — I am speaking now from memory — I will go very close. I cannot give the precise number and amount in each case, if that is wanted, but I will go very close. This was answered before in the House. There is no change in the situation. They were paid for in cash at the rate of \$5 a share.

(4) NALCO is still a Crown Corporation — no change. It is a Crown Company in this sense, (it is not a Crown Company in the sense of the

Canadian Government Tax Laws. To be a Crown Company in that sense it would have to be owned as to not less than ninety per cent by the Government or the Province.) Within the accepted sense of the word NALCO is a Crown Corporation because the shares are owned by the Government as to some eighty odd per cent, less than ninety but over eighty. I think it is precisely 83 per cent of the shares of NALCO are owned by the Government of Newfoundland.

(5) The original amount that the Government paid for it, nine hundred thousand shares i.e. nine hundred thousand dollars, a dollar a share. The original price of the shares was one dollar, and one million shares were sold at this price.

(6) The answer to that is that when NALCO was originally formed it placed a million shares for sale at a dollar each. The Government bought nine hundred thousand shares at a cost of nine hundred thousand dollars. Certain private corporations, i.e. Harriman Ripley Incorporated of New York, Cement and General Development, Wood Gundy and Company of Toronto, Mr. Michael Lewin of New York City, the Late Littleton Gould of New York City and several others, all of these together bought one hundred thousand of the million shares at a cost of a dollar each. Now that was the original set-up of NALCO, nine hundred thousand and a hundred thousand, making a total of a million dollars. Subsequently some shares were sold at five dollars each and were purchased by the Canadian Javelin Company and by Mr. John C. Doyle and by a group of his financial associates Forget and other financial houses across Canada

joined with John C. Doyle — approximately five.

Question No. 44: These agreements do not need to be tabled. They were passed by the House and are in the Statutes and available to the Opposition and indeed to the general public. It is regrettable to use all this paper. I don't know how much a word it costs to print the questions. The Opposition might figure it out sometime; what it costs to print the questions and how much a word it costs to print stupid questions, in otherwords "surplus gas" on the order paper.

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

(4) Has BRINCO given notice to the Government of its intention to develop any portion of the 50,000 sq. miles in Labrador and the 10,000 sq. miles in Newfoundland over which they have been given exploration rights?

(5) Have any exclusive mining leases been granted (for 99 years) to BRINCO to date?

(6) What areas, if any, of this territory has been surrendered to the Government?

(7) Has BRINCO exercised the option granted by the Government under Clause 10 of the original agreement, re the area covered by the agreement of June 9, 1951 between the Government and Seigheim. If so, what rentals, if any, have been paid?

MR. SMALLWOOD: 44(4) They are obviously not spending the money to exercise their hands writing

cheques, to exercise their forearm muscles but have no intention of developing.

(5) No.

(6) The time has not yet arrived, according to the agreement.

(7) Yes. That is to say they have taken over the Seighiem Concession; They are not required under the agreement to pay any rental. They are required to pay royalties if as and when any of the timber is developed.

Question No. 37: Answer in course of preparation.

Question No. 38: Answer in course of preparation.

Question No. 39: In course of preparation.

Question No. 40: In course of preparation.

MR. BROWNE: Mr Speaker, I believe the Minister of Economic Development stated recently there was a copy of the agreement between Dr. Valdmanis and the Cement and General Development Company knocking around somewhere, and that he would table it.

MR. SMALLWOOD: Mr. Speaker, I am not even sure that there is an agreement and if there is where it is, whether it is now in the possession of Dr. Valdmanis or NALCO, in the NALCO Office or in my office. I doubt it is in my office. And if it is not in Dr. Valdmanis's control or in the possession of his counsel or in the NALCO Office, frankly, I don't know where it is.

MR. BROWNE: Have you looked?

MR. SMALLWOOD: No I have not. If somebody would remind me of that,

MR. BROWNE: Mr Speaker, I received an answer from the Minister of Finance. I wonder if I could ask him a question. It was concerning a large vote of \$744,000 put through in a lump sum under one warrant by His Honour, the Lieutenant-Governor, and I notice that it embraces eight different departments. And I asked was there any precedent of that, and I have been referred to the practice of the Commission of Government. But I don't think it has been done here, at least during the past three sessions that a number of departments have been pooled.

MR. SMALLWOOD: That is how it is done, exactly. For a warrant the Treasury submits a list of overdrafts or amounts by departments which run short and make one comprehensive list and get one warrant from the Lieutenant-Governor to cover it. That has been the practice for the last six years. That is what we have been doing.

MR. BROWNE: I thought it was the practice that each department put in whatever was required.

MR. SMALLWOOD: It does that. Then it is all grouped together in one lot and one warrant is asked to cover it. That may be done several times during the year. They are grouped together in eight or ten or twelve groups through the year.

MR. HOLLETT: Before going on, Mr. Speaker, if I might draw the attention of the Honourable Minister of Welfare to a question asked yesterday in connection with able-bodied relief and sick relief. There was only one month tabled. The others ap-

parently have been inadvertently mislaid. I wonder if the Minister would get the balance?

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker on that point, the papers that were passed around to me yesterday after I tabled the answers, were three copies I received here of the same question. And I drew attention of the page to the fact that they were being wrongly distributed. I think that is the reason for the omission my honourable friend speaks about. I don't think the papers were separated properly for distribution and actually each member received three copies of each question. I passed them back, but I am sure the error was rectified. My honourable friend here tells me he has all the answers to question No. 4.

MR. HOLLETT: One month is all we had instead of twelve. The answer I received in connection with the Board of Liquor Control I notice one page has been deleted. Probably the Minister could inform me why?

MR. POWER: Yes. It has not been the practice to table in the House the profits of the Board of Liquor Control.

MR. SMALLWOOD: No. Never has been.

MR. BROWNE: It was never asked before perhaps.

MR. SMALLWOOD: Every year the question is asked, and it is always refused. Ever since the Board of Liquor Control has been set up everybody wants to know what are the profits. No Government as yet has been willing to tell, except to say it is frightfully high.

MR. HOLLETT: I don't get the point.

MR. SMALLWOOD: My honourable friend is quite well aware. He may look innocent and puzzled. But he knows just as well as I know no government ever gave that information, no government across Canada and no government in Newfoundland's history.

MR. SPEAKER: Order — There cannot be any debate on the reason for answering or refusing to answer questions.

#### ORDERS OF THE DAY

##### Address in Reply:

MR. HOLLETT: Mr. Speaker, I adjourned whilst speaking on the Board of Liquor Control and now in reply to a question, I would point out that the Honourable Minister of Finance has seen fit to debate part of the answer which had been submitted to his department. We don't know what the exact amount of sales were therefore we cannot arrive at the profits. But I would suspect that they were well over three million, two or three million dollars. I am quite sure the Honourable Minister will correct me if I am wrong on that or if I am within a hundred thousand dollars of it. Now these nabobs of liquor — As I look down through the list I am amazed at the spread. There was a time when there were just a half dozen or so who used to supply the various liquors, now we have enough to win an election in the country. Sir, we have enough to win an election in the country. As a matter of fact I would not be a bit surprised if they actually would be

able to contribute enough, if they so desired, out of the profits they make on the liquor sale —

MR. SMALLWOOD: A Tory election — Most of them are Tories, well known supporters of the Tory Party.

MR. HOLLETT: Like Senator Baird.

MR. SMALLWOOD: If they contribute it should be for the Tory Party.

MR. HOLLETT: Senator Baird, thirty-eight thousand cases.

MR. SMALLWOOD: Read out the Tory names.

MR. HOLLETT: Don't be in such a tear. I happened to be looking at the Honourable Senator's name when I was so rudely interrupted — And there is an echo there — I don't see many Tories in this. If they are there I would just as soon they voted for the Liberals.

MR. I. MERCER: Do you see any in the country?

MR. HOLLETT: I see a Tory on the other side that should be over here. A died-in-the-wool Tory who fought for the Tories and fought for the "PC's".

MR. SMALLWOOD: Whilst the light holds out to burn, the vilest sinner may return.

MR. HOLLETT: He is not vile.

MR. SMALLWOOD: No but the vilest sinner may return.

MR. HOLLETT: I think that is nasty. I found looking at this question here that there are in this country today some nineteen hotels which are registered to sell wines and beer,

nineteen hotels. And there are seventy-three licensed taverns all across the country Harbour Grace, Goulds, St. John's, Deer Lake, Corner Brook, Stephenville Crossing, Mackensons, etc., all down the line, Holyrood, Grand Falls, John's Pond, Walsh's Gulch. Incidentally I notice the owner of one is "Hollett." I do hope he is making a good profit whatever else. Colliers, Conception Harbour, Seal Cove, Kelligrews, all across the Island. John's Pond — I have no idea where it is.

**MR. BROWNE:** It is in Arnold's Cove.

**MR. HOLLETT:** While you are arguing about it I will go on. I don't wish to say much on the liquor question, Sir, because it is a bit nauseating to dwell on the stories that have come out about the profits which have been made by certain very prominent people who are well known to the Government, who up to a short time ago at any rate were looking after their taverns and beer parlours and licensed places had shares in them, operating them, and making huge profits.

Some of them now have vacated their seats in this Assembly. It was high time. It is no dishonour to have a tavern, mind you. It is not disgraceful.

**MR. SMALLWOOD:** The honourable gentleman said some of them vacated their seats. Is he insinuating that some one has not vacated his seat who is interested in taverns, some member of this House, if so would he please name him?

**MR. HOLLETT:** I did not insinuate anything. I made a very clear statement of fact. What I said is in

the record. And the Honourable Premier knows well who those people were who were interested in the liquor business. And in my opinion it is one of the reasons why the Honourable Premier has kicked them out, shall we say. He kicked them out in a polite fashion, a polite way. Do I remember the note of resignation. I won't go into that, it might be another insinuation. But I do say Sir, something will have to be done in this country with regard to the liquor question. No people are able to stand up to it, the splashing around of beers and wines all over the place, right under the eyes of the Churches almost, in some communities.

**NOTE:** (Mr. Speaker left the Chair—Mr. Deputy Speaker took the Chair). **MR. HOLLETT:** I feel it is not in the best interest of the Government particularly, Sir, if the Government of the day are going to be interested to such an extent that certain individuals who are representing the people of this country are allowed to run these places.

**MR. SMALLWOOD:** When the honourable gentleman says people who represent this country, does he mean represent in this House; is he referring to members representing the people in this House who sell liquor or so on. Is that what the Honourable Leader of the Opposition is referring to?

**MR. HOLLETT:** The Honourable Premier has heard what was said.

**MR. SMALLWOOD:** I ask the question.

**MR. HOLLETT:** I have the right to answer or not to answer. I am accusing no one on the other side. I make no personal remarks in regard

to anybody in this House. I am not charging any member presently sitting in the House with having anything to do with selling liquor.

MR. SMALLWOOD: Thank you!

MR. HOLLETT: The Honourable Premier knows very well to what I refer. I congratulate him in no uncertain way—It was quite plain to anyone to know what was going on and I am very glad he has done it, and I congratulate him.

There are many unsatisfactory things, Mr. Speaker, but the particular question I have in mind is a man who paid some five thousand dollars in order that he might get a beer license. Now where did that five thousand dollars go?

MR. SMALLWOOD: To whom did he pay it?

MR. HOLLETT: Where did it go? It went into the pocket of the man to whom he paid it.

MR. SMALLWOOD: Let us know that. And tell me the name of the man to whom the five thousand dollars were paid. Tell me the name of the man who paid the five thousand dollars, and I will personally see that he is prosecuted in the courts. Come on—Name both of them.

MR. HOLLETT: Have I the floor or not, Mr. Speaker?

MR. SMALLWOOD: Come on—Name both of them, if you want action. Name the man who paid it and the man who received it.

MR. HOLLETT: It is a bit late.

MR. SMALLWOOD: It is not a bit too late. And if the honourable gen-

tleman knew it before he should have told it before.

MR. HOLLETT: Yes I should have. The Honourable Premier knows to whom I refer.

MR. SMALLWOOD: No. I have not the foggiest notion.

MR. HOLLETT: Mere bluff! I am too long in the business not to know when a man is trying to bluff me. And I say; it is well known on the opposite side to whom I refer, who got the five thousand and who split it up.

MR. SMALLWOOD: Mr. Speaker, did I hear right? That it is well known on this side of the House who got the money and who split it up? Did I understand the honourable gentleman to say that? Would the Honourable Leader of the Opposition say whether he just said "It is well known on this side of the House who got the money and who split it up"?

MR. HOLLETT: The Honourable Premier knows very well what I said, and I have no intention of repeating it.

MR. SMALLWOOD: Did I understand correctly? I understood the Honourable Leader of the Opposition said; "It is well known on this side" (meaning this Side) "who paid it, who got it and who split it up."

MR. HOLLETT: That is a matter for the Honourable Premier to decide in his own wisdom, what he understood—and it is in the record.

MR. SMALLWOOD: Mr. Speaker, to a point of order—The Honourable Leader of the Opposition is either going to make a downright charge and name names or he is going to stop these wicked insinuations, I say so.

And in so far as the authority of the rules allow, in so far as parliamentary practice and precedents will support me we will stop this now. It is one of the two.

MR. HOLLETT: Stop me? I will debate that.

MR. SMALLWOOD: Stop these insinuations.

MR. DEPUTY SPEAKER: Order.

MR. SMALLWOOD: Mr. Speaker, I ask for a ruling on that.

MR. HOLLETT: Oh what?

MR. SMALLWOOD: Stop the insinuations or name names. He refuses to and is trying to smear us on this side—McCarthyism.

MR. DEPUTY SPEAKER: I think that remark of the Honourable Leader of the Opposition imputes dishonest motives to members on the Government side of the House, unless he does name the people concerned. Perhaps the honourable member would clarify his statement.

MR. HOLLETT: Mr. Speaker, I am not making any charge against any individual on that side of the House but against the Government as a whole.

MR. SMALLWOOD: Mr. Speaker, I am a member of the Government. Now I ask, did I receive any five thousand from anybody he knows of or get any part or share—Now I am a member of the Government.

MR. HOLLETT: How do I know.

MR. SMALLWOOD: Does the honourable gentleman know or not know whether I received any part of any five thousand dollars?

MR. HOLLETT: I would say not.

MR. SMALLWOOD: He would say not. But would he say whether I was or not.

MR. HOLLETT: I am not under cross-examination.

MR. SMALLWOOD: I am being smeared. Mr. Speaker, are we going to be faced by another McCarthy, who has not got the guts to talk in plain English but who wishes to smear.

MR. HOLLETT: Mr. Speaker, I rise to a point of order.

MR. SMALLWOOD: You are out of order so long, actually you never get in order.

MR. HOLLETT: The point of order, Sir, I am charged with not having the guts. I say to you, Sir, what I said is in Hansard to be produced. I will not make any addition one way or the other—if the Honourable Premier wishes to adjourn the House to get Hansard he may do so. I want to tell the Honourable Premier I have as much intestinal fortitude (if that is the word) as he, and I don't think he needs to get hot under the collar at what I say. I say I am not charging him and I am not charging any member on the opposite side with having done certain things. But I do say certain things have happened which are obnoxious and objectionable.

MR. SMALLWOOD: Mr. Speaker, to a point of order. In one breath the Honourable Leader of the Opposition says "the members of the Government," and in the next breath says he is not charging anybody on this side of the House. Now which will be reported to the Newfoundland public—"The Opposition said the Members of the Government are guilty" or "the members of the Government are not

guilty"? Now which will be reported to the people? It is my reputation at stake.

SERGEANT-AT-ARMS: Mr. Speaker, I have the honour to inform you His Honour the Lieutenant-Governor has arrived.

MR. SMALLWOOD: Mr. Speaker, I have no understanding His Honour is coming into this House.

MR. DEPUTY SPEAKER: It was agreed unofficially beforehand His Honour would arrive to attend this unveiling.

MR. SMALLWOOD: I don't know if it is in order to announce His Honour's arrival in this House when His Honour is making a private visit to this building and not to this House.

MR. DEPUTY SPEAKER: On the point of order: It is well known in parliamentary practice, and there are numerous decisions given on it, that offensive language is not permitted. Any member who takes exception to offensive language particularly where bribery is concerned rises and demands an explanation. The Honourable Leader of the Opposition knows that, and I would like for him, if it is the pleasure of the House to recess, to explain just what he meant by that. The Honourable Premier has taken exception to it, as well might any member on the Government side of the House take exception, because the remark might be constructed as saying certain members of the House had accepted what amounted to bribery to obtain a liquor license. I think that it could be considered as such. And I would like the honourable member to clarify just what he meant by what, as I just said, might be interpreted as that. It is not quite clear to me. Perhaps the

Honourable Leader of the Opposition would explain what he meant by it.

MR. HOLLETT: Mr. Speaker, I charge nobody with bribery, but what I said I said, and it is in Hansard, and if I said anything offensive I regret it. I am certainly not attributing any bribery to any member of the House at the present time.

MR. SMALLWOOD: Mr. Speaker, to a point of order. What does the honourable gentleman mean when he says "at the present time?" If that is reported to the people of Newfoundland, that the Honourable Leader of the Opposition said: "I am not imputing any bribery to any member of the House at the present time." A little later, when it suits the Honourable Leader of the Opposition—

MR. DEPUTY SPEAKER: I think he meant, any member sitting in the House at the present time.

MR. HOLLETT: That is exactly what I meant.

MR. SMALLWOOD: Is that what the Honourable Leader of the Opposition meant?

MR. HOLLETT: Certainly.

MR. DEPUTY SPEAKER: Is it the pleasure of this House to have a recess to attend the unveiling or to continue?

MR. SMALLWOOD: Would it be the pleasure of the Honourable Leader of the Opposition to cease at this moment from speaking so we could all attend another ceremony.

MR. DEPUTY SPEAKER: If the honourable gentleman would adjourn the debate.

MR. HOLLETT: Mr. Speaker, I am very happy to move the adjourn-

ment of the debate. It may sound a little acrimonious, but I do so.

**MR. DEPUTY SPEAKER:** The House will recess during the ceremony of unveiling.

Pursuant to Recess the Honourable Deputy Speaker returned to the Chair.

**MR. DEPUTY SPEAKER:** Would the Honourable Leader of the Opposition care to resume his speech?

**MR. HOLLETT:** Mr. Speaker, we have just returned from the unveiling of a plaque in honour of the hundredth anniversary of the granting of Responsible Government to Newfoundland. I think it probably would ill-behave me to raise again a matter which seems to raise the blood pressure of Members of the House. I shall therefore leave the liquor where it is and forget all about it, at any rate for this afternoon. I would say this, however, I am not desirous not wanting nor intending to be personal against any person in this House. It is not my policy, not my wish, not my desire, because, Sir, if we are allowed to become personal towards each other we would be dragging skeletons out of the closet willnilly, here, there and everywhere on every individual. We all have skeletons.

Now, Sir, yesterday I believe when I left off I was talking about finances. I had described the financial conditions at Confederation as we see it up to March 1955. And I pointed out our national debt is now forty-two and a half million dollars as compared with three and a half million dollars in 1949. I pointed out that we have guaranteed considerable loans, up to March 1955. Now in answer to a question yesterday I came across some other facts relative to what I believe to be our pre-

sent situation. And I am a bit perturbed to find that we, at least the Government, have been granting other guarantees and loans to a considerable extent. And I am just wondering how much further we can go with regard to this, Sir, over six millions of dollars have been guaranteed since the end of the last fiscal year. I am speaking from memory. I have the facts here but find it difficult to unearth them in this bunch of papers I have. But I believe according to the record and according to the answers to questions, that the present administration, since March 31, 1955, granted guarantees and cash loans of something over six million dollars. Included in that I find reference made to the industrial loans and also to fisheries loans and the tourists loans. And I am surprised to find that even the Superior Rubber Company, which apparently at the moment is not in operation, were granted a couple of loans last year, and one later than quite recently. I have the date here somewhere. It was on the 26th of October, 1955 when they were given a loan of one hundred and fifty thousand dollars. And then no later than the 17th of January, this year, the Government saw fit to pass out to the Superior Rubber Company another fifty thousand dollars as a loan. That rather surprises me in view of the fact that in June or July, I believe it was, the directors of that company were well aware of conditions that existed in Superior Rubber Company. They knew definitely the condition of the machines and other equipment then. And they must have known if it had any chance at all. They must have known it was rather silly to be pouring other money in to try to save the situation. It was reported to the directors at that time the machinery and equipment as to 98% were obsolete and worthless. Why therefore, may I

ask, Sir, in October did the Government guarantee one hundred and fifty thousand dollars loan to that outfit and again on the 17th of January another fifty thousand dollars?

MR. SMALLWOOD: If my honourable friend will allow me—Did I understand him to say that someone discovered in July or sometime last year that the machinery was obsolete? Nobody ever found anything to this moment such as that. It is not true.

MR. HOLLETT: I insist it is true. And I can prove it.

Getting back to these loans again, Sir, of something over six million dollars—I find that several hundred thousand dollars were loaned out on account of tourist development. And I find that most of these were loaned to people who are operating tourist hotels or taverns. Now again I don't want to be personal and I don't want to mention anybody's name in this connection, but I do say, here is an answer to a question that should be published because I know of one or two cases where money was loaned out for tourist cabins, or whatever you call them, which the Government must have known to be absolutely hopeless, useless. It is useless to give certain people fifty or sixty thousand dollars for tourist hotels which after all were nothing less or more, as far as I can see, than hotels where beers and wines and liquors of all sorts could be sold. I find that on the 30th of September, 1955, last year, Fisheries Products were given another loan of five hundred thousand dollars. Now am I right in saying that was the company to whom the Honourable Premier referred yesterday when he said a big concern to whom they had loaned money has lost three hundred thousand dollars? Am I right in saying that particular firm

has dumped a considerable quantity of fish on the Boston Market, on the markets in the United States at 18c a pound, and lost three hundred thousand dollars? I wonder am I right? Well that may be the reason for a further loan of five hundred thousand dollars on the 9th of September to Fisheries Products in 1955.

I come now to Atlantic Gypsum. They on the 9th of November, 1955, were given a further five hundred thousand dollars on loan. This is the gypsum plant which is supposed to be in the "Black," and supposed to be out of the "Red," and supposed to be shipping gypsum and plaster board and all that to the markets on the Mainland, and yet there is a five hundred thousand dollar loan not later than November 1955.

Then, Sir, I come to Koch Shoes: And I am speaking only to 1955: Koch Shoes Limited: In May 1955, or, I am sorry, it was later than that. It was in October 1955 that Koch Shoes received a loan of two hundred and sixty thousand dollars. They had previously received one in January but they were back before long. But having gotten a loan of two hundred and sixty thousand dollars on the 26th of October 1955 they were not content with that because Koch Shoes on the 24th of February, this year, received another loan from the Government of forty thousand dollars.

Hanning Electric is another one of the industries to whom the Government has loaned considerable money prior to March 1955. On the 20th of October, 1955 they received another loan of one hundred and fifty thousand dollars. All these industries were supposed to be in the "Black," doing good, doing fine. There is something that seems to be wrong surely when

things like that are going on. And we have been told these industries are doing fine and are all going to be wonderful.

Take Newfoundland Hardwoods. I thought I had heard the last of Newfoundland Hardwoods as far as loaning money was concerned. I find on the 12th of March 1955 Newfoundland Hardwoods got a loan of two hundred and seventy thousand dollars. Then again on the 17th of September, 1955, Newfoundland Hardwoods received another one hundred thousand dollars loan. Then on the 21st of October, 1955, Newfoundland Hardwoods Limited, received another loan of one hundred and eighty thousand dollars—But wait—In February of this present year the Newfoundland Hardwoods took the great bite from the Government, four hundred and thirty thousand dollars, February 24, 1956, this Year of Our Lord, Mr. Speaker, they received a loan of four hundred and thirty thousand dollars.

MR. SMALLWOOD: From whom?

MR. HOLLETT: The amount of the original guarantee—

MR. SMALLWOOD: From whom?

MR. HOLLETT: I take it from the bank on the Government's guarantee.

MR. SMALLWOOD: Why not say so. Is it not fair to say so? The Government guaranteed it at the bank. They got the loan from the bank. Why not say so. The honourable gentleman did not say.

MR. HOLLETT: All right I did not say it. I let you say it.

MR. SMALLWOOD: That is not helpful. That does not help the Newfoundland people.

MR. HOLLETT: May I ask the Honourable Premier if the Newfoundland Hardwoods paid it back to the bank or to the Government. Is it not a fact the Government had to make good every guarantee so far?

MR. SMALLWOOD: That is not helping the people to understand. It is helping to confuse them.

MR. HOLLETT: It is rather confusing.

MR. DEPUTY SPEAKER: Let me at this point remind the House, in March whilst on this subject, there was an amendment which was pointed directly at the so-called new industries. The debate was concluded and the Honourable Member speaking now must surely expect rebuttal from members on my left. And it will be difficult for me to rule replies out of order if a thorough debate goes on now. It will be really resurrecting a debate which has been concluded. I suggest we avoid too great detail on this question now.

MR. HOLLETT: May I suggest, Mr. Speaker, in all due respect to your ruling, I am talking about finances, and I have to name the company in every case.

MR. DEPUTY SPEAKER: Of course the point is appreciated. But we could get into a thorough debate on the question of industries which has already been done most thoroughly.

MR. HOLLETT: Thank you, Sir.

I am trying to explain where and when and how the Government guaranteed over six million dollars: up to last year they guaranteed twenty nine million dollars and it is now up to thirty-five million dollars—and this in reply to a question to which the answer was tabled yesterday. For instance,

Mr. Speaker, I had to mention Fisheries Products on referring to the three hundred and fifty thousand dollars guaranteed there. And I could go on to these tourists guarantees.

Tourism—Tourism: Sir, it is beginning to turn my stomach a little bit—here in Newfoundland under the present system we have here, unless something is done by the Government to try and clean up the mess with regard to tourism I don't know just where we are going to end up.

Now, Sir, getting back once more for a moment on fisheries—I might say I was referring yesterday to the fact that, in my opinion, sufficient was not being paid to the men who catch the fish. I figure at 2c a pound they could not possibly make it pay and could not live on it. Apparently that must have been on the air last night because I had telephone comments from several places in Conception Bay today which indicate that they were paid some 2c a pound for fish last year, and some of them were long liners. And they found they were not able to subsist at 2c a pound for fish. In consequence, therefore, I would suggest that one of the most important things, if we are going to get our men back to the fishery, is for the Government to some way or another endeavour to up this price to a point of adequate returns, and if they have to do it subsidize it. They subsidize everything else and I cannot see why they cannot subsidize the fishery.

MR. SMALLWOOD: What country would buy it after subsidization? Would the honourable gentleman tell us that. Where would we sell sixty million pounds of filleted fish we subsidized?

MR. HOLLETT: All right, where does Iceland sell fish?

MR. SMALLWOOD: The answer is Russia.

MR. HOLLETT: And the United States of America.

MR. SMALLWOOD: How much?

MR. HOLLETT: To such an extent last year that our people could not sell it.

MR. SMALLWOOD: Iceland does not subsidize the price.

MR. HOLLETT: No but it subsidizes the fisheries.

MR. SMALLWOOD: We are subsidizing the fisheries right and left and centre, but we are not subsidizing the price.

MR. HOLLETT: Not the fishermen. No man can live on 2c a pound.

MR. SMALLWOOD: We don't buy the fish and pay 2c a pound.

MR. HOLLETT: The poor fishermen around our coasts and around our banks fish for 2c a pound and they cannot live on that. And they are going to leave the fishery and we will eventually have the fishing companies and no fishermen. Surely the Government must be alive to that. We have to face the fact in our minds that we have to do something about the fishery and do it quickly or we won't have a fisherman in the country.

We were promised all sorts of things. We were promised first a new deal. There was the Walsh Commission two years ago, and after that again another new deal. Then there was the fishery authority of three men set up at twenty-five thousand dollars apiece, and there were great ex-

pectations again. Look at the record! Last year, Sir, we will find every fisherman in this country was disappointed, to put it mildly and not only disappointed but getting just about fed up, as the Honourable Premier said here, I think in 1950. At that time I think in the Speech from the Throne it was said that the fishermen had been down-trodden through the centuries. They still are being down-trodden. But I am not blaming the Government for that. But the Government is now in a position to do something for our fishermen and the Canadian Government is in a position to do something for our fisheries. And I am hoping that before long the Government of Canada will be able to assist the Provincial Governments on the Atlantic Coast and on the Pacific Coast and devise a scheme whereby fisheries unemployment insurance can come across to fishermen. It is absolutely silly to expect the fishermen to fish and slave eight or nine or ten months a year and then watch the men who wheels the wheelbarrow up over the wharf or woman if you like, on the flake and with frozen cod draw their unemployment insurance while he sits back and takes dole. He is not going to stay at the fishery. And if the great Canadian Government cannot do something about it then it is time we did something about it ourselves. And I maintain, Sir, six or eight thousand fishermen in this country could be given unemployment insurance even though this Government does it themselves. They can throw out five hundred thousand to so and so, a factory or a fish plant and all sorts of things like that, but they do not even attempt to subsidize living conditions of the fishermen in this country.

We only have to look at the statement made the other day by some Fed-

eral authority about conditions in Fortune Bay, and I am sure the Honourable Member for that district must be grieved over the fact that the report is unfortunately true. Conditions in Fortune Bay at that particular time, only a few days ago were worse, it said, than they were at any time in the history of Fortune Bay.

Now the Honourable Premier will come back, I know and say: "Look what we have done. Look at all the money that has come in by reason of Family Allowances and by reason of Old Age Pensions." Very well, does that help the poor fishermen?

MR. SMALLWOOD: No. But there is seven million dollars coming in for Family Allowance. If the Honourable Member had had his way there would not be \$7 let alone \$7,000,000. He fought hard enough to stop it.

MR. HOLLETT: I wonder what the Honourable Premier would do with five dollars to feed a child for a month. Five dollars today is not worth what a dollar and eighty cents was worth five years ago.

MR. SMALLWOOD: Don't run it down.

MR. HOLLETT: And I am not, Wouldn't the Honourable Premier love for me to get into an argument on Confederation. "Look what we brought in—seventy seven million dollars over a period of years." May I point out the Honourable Premier paid out forty million dollars to people who have no interest in this country, or very little interest anyway. May I point out a case where a woman gets Family Allowances for one child and her husband is bedridden and not able to work, and would not be able to find work if he were able to work, and she is starving. May I point a case like

that out to the Honourable Premier while he is boasting about Family Allowances—five dollars a month for that child.

MR. SMALLWOOD: Don't sneer at it. Stop talking about it.

MR. HOLLETT: I say it is not enough and I won't stop talking. I say if they were given five dollars a month in 1944 it should be up to ten now and they should have the Old Age Pensions up to fifty or sixty.

MR. SMALLWOOD: That is different talk from seven years ago when my honourable friend was fighting tooth and nail against both.

MR. HOLLETT: The Honourable Premier's best friend, Wayfarer, the other day in his paper, or I don't know whether it was Wayfarer or the editorial, said: "If we were not in Confederation the revenue of the country would be seventy-five or eighty million dollars." With that I maintain, Sir, the Newfoundland Government could have paid Family Allowances and Old Age Pensions certainly at least equal to what is paid now by the great Federal Government.

MR. SMALLWOOD: And run the railway and public works and light-houses, veterans affairs, unemployment insurance, do it all with seventy-five or eighty million dollars?

MR. HOLLETT: If we would not waste it as is being done now.

MR. SMALLWOOD: My honourable friend should take another look.

MR. HOLLETT: When I touch him on the raw, Mr. Speaker, he does not like it.

MR. SMALLWOOD: He was touched on the raw seven years ago.

MR. HOLLETT: What about the Fishermen's Federation? The Honourable Premier introduced the idea of the Fishermen's Federation, I believe, in 1950 or 1951.

MR. SMALLWOOD: I thought that was introduced by the honourable gentleman's colleague on his immediate right. He claimed credit for it in the House of Commons.

MR. BROWNE: I advocated it.

MR. HOLLETT: I will let them go on, Mr. Speaker.

MR. SMALLWOOD: My honourable friend has said what he has to say and is now going to say it over.

MR. HOLLETT: I wonder, Mr. Speaker, could I have the floor?

MR. SMALLWOOD: What use are you making of the floor.

MR. DEPUTY SPEAKER: I shall have to ask the Honourable Member to continue his speech.

MR. HOLLETT: I will take my time from now on.

I pointed out yesterday that in March 1955 we had an overdraft at the bank and it was not until they got their loan they could pay it off. I don't know what they have this year. As a matter of fact the Honourable Minister of Finance is afraid to let me know how much money they made on the Board of Liquor Control. There comes a time when we have to know. Why should it not be answered now? I do hope there is enough profit coming in to pay off any overdraft there may be at the bank.

Talking about roads, Sir—What has this Government done in regard to roads? They spent lots of money.

MR. SMALLWOOD: We spent dribs and drabs.

MR. HOLLETT: I said dribs and drabs—dribs and drops might be better. Go out to Holyrood or go over the road the Honourable Premier goes quite often. I am sure his heart must bleed as he drives over the road, I am sure it must be a relief to get on the road to Roche's Line where everything is properly kept and the road is smooth. I am quite sure it is not paved but it is much better than a paved road from here to Holyrood. I am sure the Premier longs to get over that rough and miserable bit of road.

MR. SMALLWOOD: No. I would rather be here.

MR. HOLLETT: I suggest a dirt road to Holyrood—then it would be kept up.

MR. SMALLWOOD: My honourable friend says that jokingly. He would not regard the road to Roche's Line beautiful if he had gone over it. I was over it a week ago. It was not beautiful I assure the honourable gentleman—anything but.

MR. HOLLETT: It is fixed now?

MR. SMALLWOOD: No.

MR. HOLLETT: If I were the Honourable Premier I would be getting after the Honourable Minister of Public Works.

MR. SMALLWOOD: The honourable gentleman is not the Honourable Premier, don't forget that.

MR. HOLLETT: I don't forget that. I don't even remember it.

Now, Sir, I am speaking about the impressive record. What have we got

after seven years? We have roads that are impassable.

MR. SMALLWOOD: Look, if my honourable friend will allow me — The Speech from the Throne does not say a word about the Government's record but of the record of my honourable friend and his party and this party, the House of Assembly.

MR. HOLLETT: I was wondering how long it would be before the Honourable Premier caught on. I wonder who put him wise. I spoke all day yesterday and he didn't say so—all the work done and all the great seven year period of this Government.

MR. SMALLWOOD: It does not say the Government.

MR. HOLLETT: We have roads that are practically impassable, Sir, we have the Trans-Canada Highway that today is just a laughing stock—just a laughing stock.

MR. SMALLWOOD: Quite a laugh.

MR. HOLLETT: It cost a lot of money.

MR. SMALLWOOD: Quite a lot of road.

MR. HOLLETT: Being washed away as fast as they can build it.

You got a tourist policy, Sir, up to date—I say William MacCormack tracked across the Island over a century ago—A tourist policy! I looked up the Auditor General's Report and the cost of tourism in this country. It cost last year \$80,500, including salaries of \$27,300 and travelling expenses of over thirty-five thousand and publicity, general publicity, twenty-five thousand.

MR. SMALLWOOD: Look—He is not going to run against you. Forget

him. He is not going to run against you. He will run somewhere else if he runs at all.

MR. HOLLETT: He is going to run, I take it. I think it would be a grand thing if he would run and be elected. It would take him out of the tourist policy, with all due respect, he is a fine man—When was I elected? About four years ago—So he has cost us a quarter of a million dollars. What have we got? A few taverns.

Then in addition to the tourist policy and the Trans-Canada Highway and roads that are impassable we have a fifty million dollars industrial programme that would be a disgrace to industrials of the calibre of North American industries. We have a banking fleet non existent, a destroyed banking fleet. We have a fast disappearing coastwise fleet and an inshore fishery one-sixth the size of what it was when this administration took over from the Commission of Government. What a record. We have a national debt just twelve times what it was on the date of union. It is now forty-two and a half million and guaranteed loans of thirty-five million—a guaranteed loan debt—and we have tax increases of from eight to ten million or twelve dollars a head for every man, woman and child in the country. And lastly we have a condition existing in our finances which to say the least is not an enviable one. Look at the attempt made by the Government to raise money through NALCO, look at their attempt to raise money through Javelin. Oh Yes! I was warned not to say anything until Friday about Javelin. I wonder if that warning still holds? Five hundred pieces of legislation. All right, Mr. Speaker, but don't forget that most of them were amendments though.

MR. SMALLWOOD: Most of them were amendments?

MR. HOLLETT: Yes.

Now, Mr. Speaker, going back to the Speech from the Throne—The Speech brings in the Children's Health Benefits. And it is described in the speech as the greatest system of its kind anywhere to be found in North America—I should read that—"The most important single piece of legislation to engage your studies in this present session will be one which my Ministers will submit for the purpose of giving them authority, and making it mandatory upon them, to introduce and enforce a system of Children's Health Benefits which my Ministers believe will rapidly become the greatest system of its kind anywhere to be found in North America." Why is it everything they touch on the other side is the "greatest," "biggest," "finest," "most wonderful" everything is superlative?

MR. SMALLWOOD: That is because we are such a good Government.

MR. HOLLETT: "The greatest system of its kind anywhere to be found in North America." "My Prime Minister." Is that correct title for the Premier of this country? I always thought it was a "Premier" in the Provinces.

MR. SMALLWOOD: What is the difference? Tell us the difference?

MR. HOLLETT: We do not refer to the Honourable Premier as Prime Minister.

MR. SMALLWOOD: The first Minister of the Crown, "the Prime Minister."

MR. HOLLETT: All right, we won't bother, "My Prime Minister has already announced, by means of television and radio, the broad outlines of

the system which you will be asked to approve and authorize." We have not been told. " . . . from their studies of the facts my Ministers believe that it will cost several millions of dollars to carry out this great Children's Health Scheme."

Well now, everyone agrees that national health, in these present days of socialized effort, is a must. And any nation and any country or any province which is able to bring in, to bring a system of national health, certainly they ought to do it. Because it is in the cards, there is no doubt about it, it is in the cards that not only North America but all European countries are endeavouring to bring in such a system. So, like the baby bonus and like the old age pensions, national health will come to Newfoundland eventually by reason of the fact we are part of Canada. There is no question about that. It was discussed last year in the House of Commons at Ottawa. And they had several committees set up, of course, to enquire into the feasibility and possibility of the plan. And the opinion is expressed that there is no doubt whatsoever that it will come into being. As a matter of fact I have a magazine article which indicated that here—But I won't read that now. We all agree, if we can bring in health and welfare at least health for children and optical and medical benefits for our children then so much the better, but it seems to me that the Government has jumped the gun. They know very well they are going to bring in a scheme that will take care of the whole of Canada. And Canadians know they are going to be taxed to do that, and rightly so. Why did they jump the gun? Why did the Government jump the gun?

Well I am quite sure our people who away back in 1950 were promised

great fishery expansion and promised electricity and were promised twelve new mines and promised all sorts of things—And did they get them? I am quite sure that the people of this country are smart enough to realize that a pre-election promise is not one on which you can sort of base your hopes. As we used to say in the old days: "We have to see it in action." We have to see it in concrete form. And the Speech from the Throne admits it is going to cost several million of dollars. I have been reading since that came out, the history of the Health Programme in Great Britain. They have fifty million people over there. The cost last year was over four hundred million pounds. That would be approximately twelve hundred million dollars. And if you allow for the difference between the value of the dollar in Canada and the value of the dollar in England you will find that four hundred million pounds will come close to fifteen hundred million dollars on this side of the world. And that works out, Sir, at the rate—I forget the amount now but it is a pretty high rate and would work out in this country to an expenditure of about five million dollars just for these children alone. And I estimate for the economy of this country to have to take care of the health of children will cost roughly in the vicinity of five million dollars.

Now the Government, if it is going to produce this scheme, must tell the House where it is going to get the five million dollars before they go to the country for election. They must tell us where they are to get the five million dollars otherwise they cannot bring in the scheme. We have been told the profits from Wabush are to take care of it. Well, we don't see any profits from there yet. And I think

the Government will have to be more explicit if they are going to tell the people of this country, "We are going to bring in a health scheme and we are going to finance it." How? Are they going to increase the taxation on food and clothing, on the Social Security Act, or what? Are they going to increase the gasoline tax? I doubt very much that gasoline can stand a much higher tax. At the present moment it is seventeen cents a gallon. We are taxed on gasoline greater than any other province in Canada. In Ontario I think the tax is around eleven cents. We poor deluded Newfoundlanders here are forced to pay seventeen cents a gallon whereas in Toronto, a great rich province, they pay only eleven cents.

HON. R. S. SPENCER (Minister of Public Works): What do they pay in Britain?

MR. HOLLETT: I don't know. I have not been there since 1947.

MR. SPENCER: About thirty-three cents in our money.

MR. HOLLETT: At any rate it seems to me that we can't go much higher on gasoline than seventeen cents a gallon. Our people cannot afford it. I will check that. I have no doubt that the Honourable Minister is right.

MR. SPENCER: You can be sure that I am right.

MR. HOLLETT: You usually can I will admit that.

I fear therefore, Sir that this has been introduced here at this particular time as election bait. And I don't think anybody on the opposite side will disagree with me when I say it is

election bait. It is very fine election bait.

MR. SMALLWOOD: So that nobody will say by silence we agreed, let me say we heartily disagree.

MR. HOLLETT: Oh yes, I don't expect you to agree with me. I don't agree with you. But I would say it is fine election bait. I would say, as a matter of fact, it is actually as good as the Baby Bonus or Old Age Pensions. I do hope the Government will put it in force and it will be successful. And I assure the Government we will do everything we can and are asked to do in regard to implementing that great scheme. But I wish we had some information—

MR. SMALLWOOD: Wish you had thought of it first.

MR. HOLLETT: As to the way they are to go about it. I think they ought to come across and let it out. I am quite sure when we do come into the health scheme they will talk over this whole affair.

Now, Sir, there is another little bit here which rather amuses me, and that is in the great subject of local roads. It is a great subject. And the Government are going to take care of all local roads in Newfoundland, and they are going to do it with seven hundred and fifty thousand dollars. Now we have here today the Minister of Public Works. And I defy the Minister of Public Works to explain to me or to be able to tell me how he is going to take care of all the secondary roads, the public roads apart from the highroads, in Newfoundland with seven hundred and fifty thousand dollars. If it can be done I would like to see it done. But I am inclined to think the Government ought to be more liberal

and give the Honourable Minister a lot of money.

MR. SPENCER: The honourable gentleman should recall it is three times and a half as much as we have been getting for the last four or five years on the same local roads.

MR. HOLLETT: What is the condition of the roads? They are not there any more. You have to build them again.

MR. SPENCER: It does not mean we have a magic wand and can make every road a paved road, you know.

MR. HOLLETT: There is only one magic wand and that is the dollar.

MR. SPENCER: That does not alter the fact it is three and a half times as much as spent on local roads in the last three or four years.

MR. HOLLETT: Ought to be ashamed of course.

MR. SPENCER: That may be right.

MR. HOLLETT: The next matter that takes the attention of anybody who reads this Speech from the Throne is the Royal Commission on the Revision of the Terms of Union. "For the last year and a half the distinguished citizens who constitute the Royal Commission have been hard at work at their task." We will take a look and see what this thing is costing us, this Royal Commission. It has been sitting now for a year and a half. Including travelling expenses you will find from the Auditor General's report that last year the Royal Commission on Terms of Union cost the people of this country eighty-six thousand dollars. They have been sitting a year and a half, which will mean it will cost approximately a hundred and fifty thousand dollars to date. A hun-

dred and fifty thousand dollars caused by carelessness of the people who went to Ottawa to try to get terms. If they had done the thing in the right way, of course, that would not have been a cost and a charge on the people of this country. I have nothing to say against this Commission. I hope they will be able to put up a claim which will be copper fastened. But don't forget, Sir, Term 29 promises nothing except that they will look into the matter.

Then, Sir, there is another matter, the matter of unemployment assistance, and that agreement whereby the Government of Canada would assume responsibility for one half the cost of the unemployment assistance in Newfoundland. We figured that out the other day. If we have to pay at least two million dollars for unemployment assistance the Canadian Government will pay approximately a million dollars. Now how anybody can term such money coming in from Ottawa as revenue I fail to see. Dole is not revenue. It is an expenditure.

MR. SMALLWOOD: It has got to be a revenue before it can become an expenditure.

MR. HOLLETT: That is right. But I think the expense has to be paid before the revenue in this case. In that case I am correct, because we have to spend the money before we get it back.

MR. SMALLWOOD: We have to get it before we spend it, wherever we get it. It is reimbursed.

MR. HOLLETT: Based on what you spent last month you will get a cheque for that.

MR. SMALLWOOD: We must have it ourselves before we can spend it.

MR. HOLLETT: I come now, Sir, to the matter of BRINCO: BRINCO has spent some millions of dollars in the past three years. Who says so? It is here "BRINCO has spent millions of dollars." How do we know? Has the Honourable Premier access to the books of BRINCO? Could he explain to us just what they have spent the money at and how much have they spent?

MR. SMALLWOOD: Yes, I do.

MR. HOLLETT: Does he know definitely? Could he give a detailed account to this House?

MR. SMALLWOOD: No I will not, but I know.

MR. HOLLETT: He knows. That is what I am trying to get at. It is very easy for the Premier to reach into the clouds at any time and bring down a set of figures to amaze other people, millions and millions and millions. Sir, I am not going to say anything against BRINCO. Today I would like to say something against the principle involved. BRINCO has been given (and perhaps I am out of order there in talking about what they have been given) some sixty thousand square miles of territory in Newfoundland and Labrador, and they have the absolute right to explore, to get permits, to operate mines etc. But nobody else can go in there to explore. And if a person goes in to try to find a mine and he finds one then he has to report to BRINCO. They take over and he gets whatever they mind to pay him. There is no inducement. The point I am getting at is that there is no inducement whatsoever for prospectors to enter in any part of Newfoundland and Labrador. And there is the reason, Sir, no mines are being discovered. These people have a stranglehold upon

the mineral wealth of this country. These people operate mines all over the world. And don't think, Sir, for one moment the directors of BRINCO are going to be foolish enough to put a mine in Labrador which would put a mine in the Argentines, say, or anywhere else in South America out of commission. No. They have the right to hold these territories for a certain number of years, and if they find a mine they will operate it when it suits them and not when it suits Newfoundland. They will open them up when it suits the Treasury of BRINCO and not when it suits the Treasury of Newfoundland. I say, therefore, the principle is altogether wrong. I say a voter, a citizen of Newfoundland, should have the right to go anywhere in this country and prospect for minerals. They are denied that right by this Act giving BRINCO a stranglehold upon the minerals of this country and NALCO. BRINCO and NALCO control practically every inch of land in this country where mineral wealth may be found. There is no inducement therefore, whatsoever for Newfoundlanders nor for any body else to come into this country and go prospecting for minerals. And it is my guess, Sir, that they are not going to bring any mines into operation until it suits them, however much wealth may be there.

MR. SPENCER: Is that really sensible? Don't you think if they discovered a mine they would be only too happy to develop it?

MR. HOLLETT: If it suits them.

HON. L. R. CURTIS (Attorney General): It would suit them.

MR. HOLLETT: I think the Honourable Attorney General must remember BRINCO is made up of some thirty or forty companies. They have mines all over the world. And they are certainly

not going to open a mine here which would be detrimental to some of the mines they operate in other parts of the world. Now you cannot tell me. Sir, in fifty thousand square miles in Labrador there are no minerals, no rich minerals. And they have that now since 1952 or 1953 or 1951 (I forget) and to date they have found nothing except the geiger counter (or whatever you call it) move its hands just once to say there was a little bit of uranium some place or other. They have not told us anything they are doing. They have not done a thing but merely sitting on the nest—sitting pretty.

MR. CURTIS: Mr. Speaker, if I may interrupt—BRINCO is made up of a number of companies, twenty-five or thirty. I think my honourable friend can feel quite happy, if there is any mineral discovered the other twenty-nine companies are not going to be held up to suit the other. They want dividends.

MR. HOLLETT: I hope they have lots of them.

Mr. Speaker, I want to take a look at the last page of the Speech from the Throne. "Never were so many of our bread-winners employed. Never were wages so high. Never were they so well fed, so well clothed, so well housed, so healthy. Never were our people so confident of the future."

"Never were our people so confident of the future." Well Sir, there are ten or twelve thousand fishermen in this country, or there are ten or twelve thousand of these who are fishermen in this country, and is the Government trying to state there that these men are confident of their future in the fisheries? Are the people who are working in the industries which have been brought in here con-

fidant in their future? I think not. Are the men up at the railway dock confident in their future when a few days ago, a few weeks ago they had notice that their work may be terminated and that they will be laid off, one hundred and sixty-eight of them. Are they confident in their future? Is there anything in the Terms of Union to make them confident? What about the twenty thousand who today, I believe, are receiving unemployment assistance? "Never were our people so confident of our future" Whoever compiled this just reached up and took down so many words and threw them down and they went together like that. "Never were people so confident." Look at the railway. Look at the fisheries. Look at the unemployed, some twenty thousand of them.

I have a note here with regard to finance again that on that \$724,200, but my honourable friend on my right is taking up that matter by the way of a question so that I won't touch on that. But, Sir, it is about time that the Government and the people of this Newfoundland of ours woke up to the facts of the present financial condition. Last year this spendthrift Government, I charge, spent thirty-six and three quarter million dollars on current account and on capital account they spent nineteen million dollars, Mr. Speaker, a total of some fifty six and odd millions of dollars. Millions of that had to be borrowed. In 1955 we collected in revenue thirty-eight and a half million on current account and the total expenditure was fourteen and a half million dollars over revenue.

And I strongly suspect that the excess of expenditure over revenue in this year of Our Lord just passed will be as much if not more than that.

And, as I pointed out, last March 31, you had an overdraft at the bank of \$2,163,000. How much longer, Mr. Speaker, can we go on? How much longer can we go on? This present administration went into power on the strength of the Baby Bonus and the Old Age Pensions, are they going to pauperize this country to such an extent that when another government comes into power they will not be able to go on, they will have to go on, they will have to go and look for help from the Federal Government, and it will have to be given. Sir, in another five years if the Government continues as now there will be times as bad as in the 1930's except for Baby Bonus and Old Age Pensions and other social security. Yes, they will come through. But no man can raise a family on the Baby Bonus or social security

**MR. COURAGE:** And he certainly cannot raise a family on the Old Age Pensions.

**MR. HOLLETT:** Nobody can possibly raise a family on that. But I know persons getting the old age pensions and raising families.

**MR. SMALLWOOD:** Yes, that is an experience.

**MR. HOLLETT:** The exception always proves the rule, does it not?

**MR. SMALLWOOD:** Yes, generally speaking.

**MR. HOLLETT:** Last year, Sir, in spite of the prosperity of this country, in spite of the fact we spent fourteen and a half million dollars more than we took in, we had to pay out one and a half million dollars in relief. "Never was our country so prosperous." Over three quarters of a million dollars on able-bodied relief. That is a

hundred and fifty thousand or more individuals orders of five dollars apiece.

I have referred to the cost of living. I have it on good authority that an article costing one dollar here, or at least one dollar on the Mainland cost one dollar and seventeen in Bay Roberts or Bonavista and much more in other places which are further afield from the railway—\$1.17, and the Government knows that. Consequently, I say, instead of giving a man who is on relief in the outports five dollars they should give him a lot more than that. If the regular amount here in the city is five dollars he should be given more because the cost of living farther afield from St. John's the farther you go the greater it becomes. And I am inclined to think, Sir, that a person who is on relief in certain areas (and I am not speaking of certain people who raise cattle or at least have cattle and raise their own vegetables, and there are lots of people who cannot do that or don't do it at any rate) can't buy anything worth a pin on five dollars. And I make this appeal to the Government to see to it when this comes into force, and I believe it is already in force, that some assistance scheme with the Federal Government is worked out. As a matter of fact, I believe the Government is quite happy. They rushed it through the other day. They wanted that million dollars so badly, Mr. Speaker, that it was no joke, I can assure you. They got it and they have that spent now.

I don't know, Sir, why we here in this country have to wait eight years to get the Terms of Union put right. Anyway I don't know if we can ever get them right. There will always have to be amendments, Sir, Surely

the Federal Government knows the hardships imposed upon our people and the situation as it is without resorting to taxes more burdensome. I am telling you Sir, the taxes in this country are much more burdensome when we pay seventeen cents a gallon for gasoline and eleven in Toronto and 32 cents for milk and 20 cents on the Mainland. Incidentally anybody who drinks milk ought to go to a place called Cottrel's Cove. Today I received this telegram, from Grand Falls, I take it. It states Grand Falls fresh milk being sold in Cottrel's Cove for 45 cents per quart.

I give that to the Government. They ought to be proud of that. I must read that again, Sir. I merely glanced at it. "Grand Falls fresh milk being sold in Cottrel's Cove for forty-five cents per quart." Is there anybody here from Cottrel's Cove? Anybody here to deny that?

HON. J. R. CHALKER (Minister of Economic Development): Where is Cottrel's Cove in relationship to Grand Falls?

MR. HOLLETT: The relationship is such they sell milk there apparently.

MR. SMALLWOOD: Somebody pulling the honourable gentleman's leg. Milk being produced in Grand Falls and shipped to Cottrel's Cove. How much is shipped and how frequently are the shipments made?

MR. HOLLETT: I have some doubts about that. Does the Honourable Premier know what milk sells for in Grand Falls?

MR. SMALLWOOD: No.

MR. HOLLETT: He does not know. I put it to him. He might find

out. This bears out what I was saying yesterday and what I say today, the cost of living in Cottrel's Cove or in Bonne Bay or in St. Alban's or any other place is away ahead of what it could be here, Sir, although it is high enough here everybody knows, and it is certainly away ahead of what it is on the Mainland.

MR. COURAGE: What would you do about it?

MR. HOLLETT: What would I do about it? I would certainly do something about it.

MR. SMALLWOOD: The Attorney General says, "buy tinned milk."

MR. CURTIS: Of course, that is what I do now.

MR. HOLLETT: I suppose the Government will set up another Royal Commission on the cost of living. I suggest it would be very well that the Government might set up a Royal Commission on the cost of living in Cottrel's Cove, if you like. Some gentlemen here have not been to their districts for some time, and I am quite sure the cost of living has gone up considerably since they visited. It is all very well for person's earning eight to ten to fifteen thousand dollars a year, but the man who is just living from hand to mouth on wages it is not sufficient. I am sure the cost of living in various places in this country is cruel and the Government is doing absolutely nothing about it. They made a bold face when they came into power in 1950 and set up the Royal Commission on the cost of living. What came of it? Nothing, but it cost the country some seventy or eighty thousand dollars. There were no recommendations made. They came to the conclusion the cost was alright, everything just lovely, grand.

it was a wonderful world. And now the honourable member from Fortune Bay wants to know what I can do about it. I don't have to tell the honourable gentleman here and give away any trade secrets. We are going to have an election tomorrow or the next day. Are we going to give you our answers? Nonsense. We will tell the people in Fortune Bay, Sir, what we are going to do by and by. And I am telling the honourable member he will have to pull up his socks.

MR. COURAGE: I challenge the honourable member to come up and run against me. I challenge him here and now.

MR. HOLLETT: I may accept. I may accept that challenge.

MR. SMALLWOOD: You've got to find somewhere.

MR. COURAGE: I want this to go on record, that I am challenging the honourable member for St. John's West to come up and contest the District against me and see what the reaction will be.

MR. HOLLETT: I will be able to get you for this reaction in a few days, don't forget.

MR. SMALLWOOD: Threatening now.

MR. COURAGE: I hope he does not because I like to see him here.

MR. HOLLETT: I may take a chance in Fortune Bay. The honourable member does not think he is going to be there until he is sitting in his chair not able to get out. I hope he does not think that, with what the people of Fortune Bay put up with in the last seven years.

MR. COURAGE: I know what the

people of Fortune Bay think of the honourable gentleman and his party.

MR. HOLLETT: Mr. Speaker, I know what he thinks of me, I know he is nothing but a talebearer.

MR. DEPUTY SPEAKER: Order. Both honourable gentlemen resume their seats. Surely it must be obvious to anybody with any common sense that mere allegations of fact flung across the floor, "you are this and you are something else"—it is absolutely impossible for me to decide. Will the honourable member please resume his speech and take another paragraph from the Speech from the Throne. The House of Assembly records are for posterity to read — Will the honourable member read that item without blushes?

MR. COURAGE: Mr. Speaker, I think the word talebearer should be stricken from the record.

MR. HOLLETT: The honourable member brought that on himself.

MR. DEPUTY SPEAKER: If the honourable members would be guided by my advice — I can assure them it is sound advice.

MR. HOLLETT: I am not a bit scared of running in Fortune Bay.

MR. DEPUTY SPEAKER: The honourable member should not cross swords?

MR. HOLLETT: I realize that one could keep on talking for a long time and could raise many points which are not very acceptable to the people on the opposite side. One must realize too that our numbers at this moment are small. I can't say what the proportion will be, but it will be bigger after the next election. It is very small now. And three of us

have to talk at length in order to cover the amount of territory that has to be covered. And if we tread on the toes of any members opposite occasionally, all I can ask is don't squeal. Don't squeal, it is not gentlemanly, it is not right. We have had all sorts of promises in the past, Mr. Speaker, about the fisheries and about the markets and what this great Canada was going to do about our markets. We were told Canada would buy all our fish and dump it into the sea, we were told that the cost of living, Sir, would go down immediately we became a member of the great dominion of Canada. We were told there would be no longer any hungry children and that there would be jobs, as a matter of fact, three jobs for every man, and that we would have to bring people to the country to take care of the labour situation. We were going to have twelve mines, Sir, and they went so far as to name the districts in which the mines would be operating. How many are operating? We had promises last year and the year before about Javelin going to do this and that, and by June, I think, of this year they were going to ship out so many hundred thousand dollars worth, and the railway would be built. I don't know if it has been. There is a circular sent out by this great outfit, Canadian Javelin. This is sent out to all people interested in buying shares. And I look across, Sir, I see some of the people who are quite innocent. Some of them did make a few dollars out of it. Here is another letter dated February 16 — Dear Sir /or Madam: — We are enclosing herewith a copy of surveys and listing Canadian Javelin Limited which has come to our attention — Now, Sir, they go on and tell the story of what they are going to do. They don't tell what they have done.

I want the House to listen: "At present the outstanding capitalization of the company consists solely of four million two hundred thousand common shares of which three million and thirty-five thousand shares in the last three years provided the funds—This is the part I want the House to note. A total of eight million has so far been spent on Lake Wabush and on the railway; an additional two million has been spent on the Chilean Property. To complete the Lake Wabush property and railway and place them in operation we require another sixteen million dollars — (and listen to this) The Company has authorized an issue of 16.5 millions of four and a half per cent long term bonds and has arranged to sell them to a group of insurance companies. These bonds are guaranteed by the Province of Newfoundland. That sounds lovely to all Dear Sirs and Madams who want to read. They don't see all the small print over here, in very small print, referring to comments on page 639 under capitalization and finance "We wish to clarify this statement to the extent that although discussions for the sale of these bonds have been progressing satisfactory they are not finalized as yet." Now what kind of company does a thing like that. Here in big print they say they have arranged to sell . . .

MR. SMALLWOOD: Who says that?

MR. HOLLETT: Javelin.

MR. SMALLWOOD: No. The honourable gentleman is just quoting from some periodical.

MR. HOLLETT: Well, of course.

MR. SMALLWOOD: Well now, who said it. Tell us who said it.

MR. HOLLETT: I don't have to tell the Government who said it. This

is a circular of Canadian Javelin sent out — Investigation made by Investors Limited.

MR. SMALLWOOD: Javelin corrected it.

MR. HOLLETT: In a little print the Dear Sirs and Madams can't see. I do hope Canadian Javelin will succeed. But that sort of stuff I read where they have something in big black print what is going to happen, and then in little fine type "Dear Sirs and Madams:" That is a way of taking advantage, and the Honourable Premier knows that just as well as I do. Javelin makes me sick. Friday I hope they make me feel better.

MR. SMALLWOOD: The honourable gentleman will be a lot sicker before he is through.

MR. HOLLETT: What does the Honourable Premier mean by that?

MR. SMALLWOOD: I don't have to tell the honourable gentleman what I mean by that. That disposes of Javelin? Finished with that?

MR. HOLLETT: We will hear what comes on Friday. Friday is a week from "Good Friday." And Mr. John C. Doyle. I would tell a story about John C. Doyle. But won't worry the House now.

MR. SMALLWOOD: Do.

MR. HOLLETT: I won't weary the House at the present moment with what I have in my possession about Doyle—a fine man, a lovely fellow. Who told us about the boat trip out of Montreal and the Attorney General and the Honourable Premier were there with him and Dr. Valdmanis was there. They all know of course, I suppose, what Dr. Valdmanis was offered. Everybody knows about that.

Not everybody but a few of us do. A celebrated boat trip out of Montreal—and fifty thousand dollars and a capital guarantee that were going to accrue. And I am quite sure there are members on the other side who know all about that, John C. Doyle was there engineering that. But Valdmanis fell down on his job, the poor man. We have all sorts. And I have referred to them so often it turns my stomach to refer to them again. But we were to have a hundred jobs in Holyrood and five thousand in the steel mill in Bay Roberts. I don't think, Sir, that I ought to delay the House much longer.

I might point out, Sir, that one of our members is sick today and hopes to speak to the Address in Reply. I have lengthened this out hoping he might be able to get here.

MR. SMALLWOOD: May I say there will be no advantage taken. If another member or two desire to speak ample time will be provided for them. It will not be dependent on when the honourable gentleman finishes.

MR. HOLLETT: Thank you, Mr. Speaker, I appreciate that very much. If it is in order then, I adjourn the debate until tomorrow.

On motion debate adjourned until tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move remaining orders of the day do stand deferred, and that the House at its rising to adjourn until tomorrow, Thursday, April 5, at 3:00 of the clock.

Thursday, April 5, 1956

The House met at 3:00 of the clock, in the afternoon, pursuant to adjournment.

Mr. Speaker in the Chair:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the Firm of Canadian Javelin Limited, has concluded contracts calling for delivery of 3 million tons of pelletized iron ore and concentrates annually from its Lake Wabush Property in Labrador to steel-makers in Germany and England.

The Contracts signed last week are to run for 15 years, but provide for renegotiation of the price clause in 5 years.

A syndicate of all 15 steel firms in the Ruhr Industrial Valley of Germany is to get 2 million tons a year which is equal to 15 per cent of German ore requirements. The British will get one million tons annually, initially but will get another million if they exercise an option for that amount within two years, equal altogether to 15 per cent of British requirements. First deliveries of 500,000 tons are scheduled to be made in the last quarter of 1957.

Canadian Javelin holds a concession on which there is proven one billion tons of ore containing an average of 38 per cent iron, and indicated reserves of three billion tons more.

Arrangements for the financing to bring the property into production have been for practical purposes completed with European Bankers, it is confirmed by John C. Doyle, Chairman of Canadian Javelin. German firms are to provide all the steel needed and all the equipment to be used in the washing and agglomeration plants which are to be constructed on the site.

The washing plant, by a standard flotation process, will produce concen-

trates containing 67 per cent iron and a maximum of 4 per cent silica. The agglomeration plant will produce briquettes containing 65 per cent iron.

The project also calls for construction of a 37-mile rail line to connect with the common carrier railroad now running to the mines of the Iron Ore Co. of Canada at Knob Lake.

The British will haul their own ore from Seven Islands and Canadian Javelin has arranged for the shipping of German ore to North Sea Ports.

Mining at the Lake Wabush is to be by open pit methods in as much as only about three feet of overburden, itself containing 20 per cent iron, must be removed in order to get at the main ore body.

Negotiations are also under way, Mr. Doyle states, to draw up contracts with steel firms in other European countries, mainly Italy and Austria, for a total of an additional one million tons.

The British firm to get the ore is British Iron and Steel (Ore) Ltd. a Government-owned corporation which purchases all of the ore requirements for Great Britain.

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, on a point of privilege — I want to draw attention to a headline in the "Daily News" in connection with something I was supposed to have said yesterday, and reads: "Liberals not dealing in Liquor; Hollett said." Now Sir, I have no recollection of making any such statement whatsoever "Liberals not dealing in Liquor." I certainly did not say that. And why any newspaper should come out with a headline of that nature after the things I did say I am afraid I cannot quite understand.

Incidentally I would say, for the

benefit of the Honourable Premier, here is another one, two days old—Industries pay out 47 millions on a 24 million dollar investment. I think that is not correct either.

Anyway, Mr. Speaker, I am just speaking on a point of privilege to correct the statement. I did not say the Liberals were not dealing in liquor.

That is all I wish to say about it.

MR. W. J. BROWNE: Mr. Speaker, may I ask the Premier a question on the Ministerial Statement just read. Is this information which has been telephoned from Mr. Doyle?

MR. SMALLWOOD: I don't feel at all that I have anything to add to what I have said at this time.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I give notice I will on tomorrow introduce a Bill, "An Act Further to Amend the Highway Traffic Act:"

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Companies Act:"

"An Act to Amend the Law Relating to the Frustration of Contracts."

#### Giving Notice of Questions

Question No. 45: Answer being prepared.

#### Question No. 46:

MR. BROWNE: To ask the Honourable the Minister of Economic Development to table copies of the Balance Sheet of the Superior Rubber Co. as at December 31st, 1954 and as at December 31st, 1955.

MR. SMALLWOOD: The answer to this Question flows out of one I gave yesterday or the day before, i.e., it is a private company. We have no right, I think, to submit their balance sheets.

MR. BROWNE: Well, Mr. Speaker, if I may, I would ask the Premier how he can maintain that this company is a private company.

MR. SMALLWOOD: Mr. Speaker, to a point of order: Is it in order for the honourable gentleman to argue my answer?

MR. BROWNE: I am asking a question. If the Premier declines to answer I cannot do anything more. But, Mr. Speaker, I suggest I am allowed to ask him the question, "How can he maintain this is a private company?"

MR. SMALLWOOD: Mr. Speaker, to a point of order—Is that arguing my answer or not?

MR. SPEAKER: I fear that would be, yes.

MR. BROWNE: Well Mr. Speaker, does the Honourable Premier intend to give us any more information about the Superior Rubber Company, in which the country has lost nearly two million dollars?

MR. SMALLWOOD: Mr. Speaker, is it in order for an honourable gentleman to give information or to ask it?

MR. SPEAKER: The honourable

member was giving information in the first part of the question, yes.

MR. BROWNE: Well, Mr. Speaker, is the Premier going to give us any information about the failure of the Superior Rubber? I will put it that way. May we have an answer to that?

MR. SPEAKER: It is up to the Minister concerned whether to answer or refuse.

*Question 47: Answer tabled by the Honourable Minister of Fisheries:*

*Question:*

MR. BROWNE: (47): To ask the Honourable Minister of Fisheries: What has been done towards the construction of a fresh fish market in St. John's?

*Answer:*

HON. W. J. KEOUGH (Minister of Fisheries:

Over an extended period the possibility of acquiring a suitable location where a fish market might be established for St. John's fishermen has been given close attention, but we were unable to find any suitable location which might be purchased. A further proposal which has been made concerns a building which could be converted into an adequate fish market and which the St. John's Municipal Council may lease and operate for the benefit of our local fishermen. This development would require the co-operation of certain Departments of the Government of Canada and would also involve an expenditure by the Department of Fisheries and Co-operatives of the Government of Newfoundland to defray the cost of the necessary renovations to the building. In order to assist in bringing the present negotiations to a successful conclusion, the Executive Council has decided to recommend the expenditure of a sum

of \$30,000 which, it is estimated, will cover the cost of the renovations necessary to provide proper facilities and acceptable sanitary conditions.

In view of the fact that the negotiations involving the other parties concerned are now proceeding, I do not feel that I can make any more definite statements at this time, although I have every reason to feel sure the negotiations will be brought to a successful conclusion and my Department will co-operate with those concerned in this development project.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I would like to draw the attention of the House to Question No. 42 on the Order Paper of Wednesday, April 4, which was in the first instance directed to the Honourable Minister of Economic Development and then referred to the Minister of Mines and Resources for consideration. I have looked at the wording of it and I have taken up the question with the appropriate officers in the department.

I would draw the attention of the House to the fact that in every agreement made between the Government and any mining company or for that matter between any Provincial Government and any mining company I have been able to find anything about, and I understand any agreement made by any government with any mining company, there is a section which requires the company to submit annually to the Government, (in some agreements it says the Minister and in others the Government) in this particular case it says the Government—"a statement showing expenditures for the previous year."

In all cases in the past the Government has felt that those financial reports were of a private nature. They

contained private information which belonged to that company, and which should not be made available and would not ordinarily be made available to private competitors. In all cases the Government regarded them as private and has never divulged the contents of these reports without the approval of the company concerned. I am then sure that the honourable gentleman on the other side would not want us to make any exception in this particular case.

We feel that we have no moral right to divulge what is essentially private information submitted to us by a private company. And I am sure they will appreciate that our refusal in this case to answer the question is not based on anything we wish to hide but simply because it would not be proper for the Government to divulge private information submitted by a private company.

MR HOLLETT: On that point, Mr. Speaker, I believe the Frobisher Act called for certain expenditures. And the purpose of the question is to find out whether Frobisher has actually and indeed spent the money required by the Act. We passed the Act, and according to that Act they are supposed to spend certain monies. The purpose of the question is to find out whether they have spent the monies.

Whilst I am on my feet, Sir—Part 3 refers to a detailed report of the prospecting and exploration work. I think the House is certainly entitled to know if any and what exploration was done. After all it is for the people of this House to inform the people of Newfoundland.

DR. ROWE: Mr. Speaker, I can assure the honourable gentleman that Frobisher did spend more than

that amount of money required under the Act. That of course will be attested to in due time by the Auditor General. Because all reports of that kind which come in are immediately referred to the Auditor General's Department. As far as that last point is concerned, it may well be that my honourable friend is correct in that particular respect. There is some information which can be given without violating the principle I enunciated. I will give further consideration to that, if my honourable friend would give me some time on it, I would certainly endeavour to make a brief reply covering the point that he had in mind.

MR. BROWNE: Mr. Speaker, arising out of the answer given by my honourable friend, the Minister of Fisheries, in reference to the construction of a fresh fish market in St. John's, I notice here there is no reference to fifty thousand dollars supposed to have been voted by Ottawa towards this project. Has he taken that into consideration?

HON. W. J. KEOUGH (Minister of Fisheries): Mr. Speaker, let me put it this way: In view of the negotiations indicated in the answer I desire to make no further answer at this time in reply to the question.

MR. SPENCER: Mr. Speaker, I beg leave to table the answer to Question No. 33 on the Order Paper of April 3, in the name of the Honourable and Learned Member for St. John's West.

The answers are as follows:

The following information is supplied by the Honourable Minister of Public Works, in reply to Question No. 33 (Mr. Browne) Order Paper of April 3rd, 1956.

*Question:*

Were tenders called for the work now in progress in front of the Colonial Building? Was this work advertised calling for tenders? If so, table a copy of the advertisement. Give the names of the parties tendering with the amount tendered in each case. Has there been any variation in the work called for and the work being performed? Out of what vote is this expenditure being made? Has any time been fixed for the completion of the work? If the agreement to perform this work is in writing table a copy of the same.

*Answer:*

Tenders were called by public advertisement—copy annexed. The tender of Canadian Machinery and Industry Construction, Ltd. of \$120,000 was the only one received. There has been no variation in the work. Expenditure is being met from subhead 40704 of Head IV. It is expected that all work will be completed by 31st May, 1956. The agreement is in writing and a copy may be inspected at the office of the Department of Public Works.

*Question:*

What work is presently being carried on to improve or decorate the interior of the Colonial Building? Were tenders called for this work? If not why not? How much has been paid for electrical work, painting, etc., since the work commenced? Specify names of persons or firms to whom payment has been made with amounts paid in each case.

*Answer:*

The exact extent of the work could not be determined in advance, making it impossible to write a detailed specification. It was not practicable, therefore, to invite tenders. The work was

performed by J. B. Ashley & Co. at a cost of \$11,370. Fixtures for the Legislative Chamber were purchased on tender from Canadian General Electric Company at a cost of \$942. Other fixtures were purchased from Modern Electric Company for \$110. Plaster damaged in course of making the installations was repaired by J. Conway at a cost of \$352, and repainting was done by R. J. Green for \$613. All other work was performed by departmental forces.

#### PUBLIC NOTICE

Sealed Tenders for the construction of the Electric Fountain to be built in front of the House of Assembly at St. John's, Newfoundland, will be received up to close of business on Tuesday, September 6th, 1955.

Tenders are to be submitted in sealed envelopes addressed to the undersigned with the words "Tender for Electric Fountain" written across the face of the envelope.

Tenders are to be accompanied by an approved accepted cheque for \$250 as a surety that the tenderer will, if successful, carry out the contract for the tendered sum. This deposit will be returned to unsuccessful tenderers when the contract is awarded. The successful tenderer will be expected to deposit further sums to bring the total of his deposit up to 10% of the amount of the accepted tender, to be held as security for the proper and satisfactory performance of the contract.

Plans and specifications may be inspected at the office of the Building Division and copies obtained on deposit of \$25 with the Revenue Clerk of the Department. This sum will be returned if the plans and specifications

are returned and a reasonable tender is made.

The Department does not bind itself to accept the lowest or any tender.

R. Manning,  
Deputy Minister.

Department of Public Works,  
St. John's,  
August 22nd, 1955.

*Question No. 39* Order Paper of  
April 4, 1956:

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

*Question:*

(1) The names of persons or companies who tendered for contracts during the year 1955-56 for road construction and/or repair and for other public work.

(2) Give the names of the persons or companies who were awarded these contracts throughout the country and the amount which was accepted for the various contracts of said tenders.

(3) State the location of such work and as to whether or not the various jobs have yet been completed.

(4) State the amount of money thus far paid to such persons or companies as a result of said contracts.

*Answer:*

The information sought has already been supplied in answer to Question No. 26, Order Paper of March 21st, 1956.

MR. SPENCER: This question deals with the names of contractors, etc. The answer is that the information sought has already been supplied. The

answers to *Question No. 26* I wish to table. I have sufficient copies for all concerned.

The following information is supplied by the Honourable Minister of Public Works in reply to Question No. 26 (Mr. Hollett) Order Paper of March 21st, 1956.

*1. Question:*

Give the names of all Contractors or Contracting Companies with whom contracts were made for the building of Roads and Bridges or for other construction work during the Fiscal Year 1955-56.

Give a description of the nature of the work which was done, and the cost of same in such instance.

*1. Answer:*

(1) J. Goodyear and Sons Limited.

(a) Construction of road Wesleyville towards Gambo—approximate distance 20 miles, approximate cost \$496,000.

(b) Construction of road Carmanville to Main Point, and cutting road right-of-way—approximate distance 9 miles, approximate cost \$200,000.

(c) Cutting right of way Buchans Junction to Millertown—\$7,480.

(d) Construction of road Buchans Junction to Millertown—\$103,493.

(e) Construction of road Musgrave Harbour Wharf to Ragged Harbour—\$10,000.

(f) Completion of road Doting Cove to Musgrave Harbour and construction of road to Wharf—\$18,000.

- (2) Grant-Mills Limited.  
Construction of superstructure of Bridge, Lower Humber River—\$35,220.
- (3) Newfoundland Engineering and Construction Co. Ltd.  
Construction of road Goose Bay to North West River—approximately 20 miles. Approximate cost \$417,000.
- (4) Thistle & Sons Limited.  
Cutting right-of-way from Burlington to connect with Baie Verte Road—\$7,200.
- (5) Willett Engineering & Surveying Co. Ltd.
- (a) Location survey from Gander to Main Point via Gander Bay approximately 27 miles, approximate cost \$12,000.
- (b) Location survey Belleoram to Pool's Cove—approximately 19 miles, approximate cost \$8,150.
- (b2) Location survey Pool's Cove to the head of Hermitage Bay—approximately 8 miles, approximate cost \$3,600.
- (b3) Location survey the head of Hermitage Bay to Harbour Breton—approximately 23 miles, approximate cost \$10,350 .
- (b4) Location survey the head of Hermitage Bay to a suitable point on Bowater's Road—approximately 28 miles, approximate cost \$12,600.
- (b5) Location survey from a suitable point on the survey between the head of Hermitage Bay and Harbour Breton to Hermitage — approximately 12 miles, approximate cost \$5,400.
- (6) Newfoundland Lime Manufacturing Company.  
Construction of Causeway at Cobb's Arm \$9,321.
- (7) Twillingate Engineering and Construction Company.  
Construction of road Purchell's Harbour to Vincent Point on Twillingate Island—\$10,000.
- (8) Canadian Machinery and Industry Construction Ltd.
- (a) Repair and Maintenance work on Ferry Landings, Placentia—\$36,887.
- (b) Colonial Building Fountain grading grounds, etc.—\$120,000.
- (9) Western Construction Company Limited.
- (a) Grading three miles East of Steel Mountain Road to Steel Mountain Road (3.0 miles) \$190,284.
- (b) Grading Eight Miles East of Steel Mountain Road to Three Miles East of Steel Mountain Road (5.0 miles) \$364,712.
- (c) Clearing & Grading Southwest Brook to a point eight miles East of Steel Mountain Road (4.1 miles) —\$333,238.
- (d) Construction of Mollichicgneck Brook Bridge \$8,360.
- (e) Construction of Overfalls Brook Brook Bridge \$22,120.
- (f) Construction of Barachois Brook Bridge \$77,920.
- (g) Construction of Fishells Brook Bridge \$146,130.
- (10) Concrete Products (Nfld.) Ltd.  
Grading Gander to Glenwood (Part) (3.9) miles—\$222,516.

(11) Louis Briffett and Sons Limited.

Cutting & Burning right-of-way  
Charlottetown to Traytown—  
\$34,020.

(12) F. W. McKay & Son.

Harbour Grace Court House  
heating—\$3,500.

(13) Bernard W. Bartle.

Grand Falls Roads Depot, heat-  
ing system—\$2,425.

Arrangements were also entered into with A.N.D. Company and Bowater's for the construction of approximately 26 miles of road from Trans-Canada Highway leading towards Baie Verte, each Company to carry out construction through its own limits at actual cost and to contribute \$6,500 per mile towards cost of construction.

### 3. Question:

If Tenders were called for in any case give the names of the Parties tendering and the amount at which they tendered.

*Answer:*

It has never been the practice to give particulars of bids submitted by unsuccessful tenderers.

### 4. Question:

Who were present when tenders were opened?

*Answer:*

In the case of Trans-Canada Highway projects, tenders are opened in the presence of a committee consisting of the Minister of Public Works, officers of the Department of Public Works, and one or more representatives of the Federal Government.

Tenders for other works are opened

in the presence of committees constituted for the purpose.

### 5. Question:

What amount of work under each of the said contracts has been done and how much has been paid for same.

*Answer:*

1. (a) Approximately 6 miles completed \$141,328.
- (b) 1.3 miles completed and 55.6 acres cut, no payment made yet.
- (c) Job completed \$4,796.
- (d) Approximately 15% completed \$8,895.
- (e) Job completed—\$10,000.
- (f) Job completed—\$18,000.
2. Job completed—\$35,200.
3. Approximately 4 miles completed \$82,754.
4. 72% completed \$2,022.
5. (a) 27.3 miles surveyed \$12,285.
- (b1) 21.58 miles surveyed \$7,769.
- (b3) 12.13 miles surveyed \$4,367.
6. Job completed \$9,321.
7. Job completed \$10,000.
8. (a) Approximately 30% work done—\$12,233.
- (b) Approximately 15% work done—\$13,117.
9. (a) 2 miles completed \$140,109.
- (b) 3 miles completed \$149,646.
- (c) 2 miles completed \$9,014.
- (d) Complete—\$25,031.

- (e) 90% complete \$17,922.
  - (f) 75% complete—\$55,806.
  - (g) 50% complete—\$67,613.
10. 0.3 miles completed \$27,446.
  11. Nil Nil
  12. 80% work done \$2,380.
  13. completed—\$2,425.

MR. BROWNE: Mr. Speaker, the Minister referred to 40704. I cannot find any such vote. Is that a new vote provided by special warrant?

MR. SPENCER: I would say not so, Mr. Speaker, however, I am not familiar with all the details of classification numbers of the various votes.

#### ORDERS OF THE DAY:

Adjourned debate on the Speech from the Throne:

MR. HOLLETT: Mr. Speaker, it is not my intention to take up very much more time in connection with this Speech from the Throne.

I have endeavoured to analyze the Speech as well as I could and to bring out the points I thought should be brought out, and I have just about exhausted my comments which I had to make on that particular document.

There is just one set of figures I have taken from one of the answers to questions, which was tabled. If I could go back to the Loans and Guarantees made in 1955-56 and take out these various loans from the answer which was given, five hundred dollars had been guaranteed and loaned by the Government. I am rather interested in that particular aspect of the Government's activity because a few days ago I believe it was stated here

that some of these new industries had paid out wages and salaries to the amount of six million seven hundred thousand dollars I find here NOW that extra money has been paid over by the Government to these various industries in the amount of \$3,200,000. In other words, I take it, these guarantees and these loans ought to be deducted from the amount if we are going to get a true picture. It may be true that \$6,700,000 was paid out by the various companies, Sir, but they had to get guarantees and loans from the Government for \$3,200,000 before they could do that. Now I think that would straighten out that question very well.

I find that there were a number of loans made to various people and concerns for tourist development. And it is rather interesting that there are over six hundred thousand dollars given out for tourist development since March 31, 1955. I remember asking a question last year relative to the amount of loans. And I was told last year there were no loans given out. Apparently they had not yet reached the officer who tabulated them. But over six hundred thousand dollars were given out in loans, I think some seventeen loans, or twenty-six, I am not quite sure. I have it here, and if you, Mr. Speaker, would bear with me for a moment I would see if I could locate it. And all these loans, or a great majority of them, were given out in connection with roadhouses and taverns, so-called. I might as well run through them. \$4,000 Mr. A. Boone. John F. Douggan and Irene (I don't know if Irene is a code word or whether it is his wife or daughter or mother), anyway they got a loan of \$20,000. Then there was on September 15, 1955, Tourist Development, W. R. Fragham, whoever he may be. It does

not give the address. It is important enough to give the address of these tourist development loans or the people who had them but it just gives the names. Then there was one to Marion C. Hawco, \$10,000. I don't know where Marion Hawco is at present nor who or what or why the ten thousand dollars were given or what for except for tourist development. Then there is another one given to Leslie Hennsey on October 18, 1955 for \$25,000 and one for Caroline Horwood for \$12,000. It seems like the ladies are coming into their own with regard to the tourist development. Elias Kawaja got \$30,000 in May 1955 and Harry Layman got \$15,000. Gordon Locke got \$12,000 in May 1955. Mackinson's Limited (that is a familiar name) \$30,000, August 4, 1955. I strongly suspect that has something to do with a gentleman who was formerly in this House by the same name. It pays off to be a member of the Government if you want a loan.

MR. SMALLWOOD: He was never a member of the Government.

MR. HOLLETT: Oh he was not a member of the Government, I see!

The Honourable Premier draws quite a distinction between Cabinet Members and the rank and file. The rank and file are not members of the Government.

MR. SPEAKER: Order--That is not a debatable point. That is true of the entire Commonwealth. The Government is the cabinet. There are supporters of the Government. It is ridiculous to debate that.

MR. HOLLETT: I don't think I was debating it, Mr. Speaker.

MR. SPEAKER: The record will show.

MR. HOLLETT: There was one

for Mackinson's Limited for \$30,000, August 30, 1955. It does not say what for. But in those cases where you have a limited liability company we can always find out from the Registrar of Deeds. One for Claude Parsons and he got \$10,000 and Stan J. Tomkins got \$22,000 and Tourist Cabins Limited \$150,000. The director's name is Hollett. How did the Hollett's get mixed up with that? Philip Forsey (that sounds familiar) and Gordon Scammel (these are the directors of Tourist Cabins) they got \$60,000. Again I say it pays off to be a member of the Cabinet or Government or rather be on the Government side of the House. That is October 1955. It strikes me that was prior to his resignation.

MR. SPEAKER: I think the honourable member is bordering closely on insinuations.

MR. HOLLETT: Well, Mr. Speaker, I usually make blunt statements, if I am insinuating.

MR. SPEAKER: The statement was bordering on it. Personally the Speaker could not care less what the Government does nor the Opposition, if it is within the rules.

MR. HOLLETT: I am perfectly willing to be called to order any time the Honourable Speaker desires to do so.

Then there is Trinity Cabins, or they were always called Trinity Cabins. Before I leave Trinity Cabins I notice Mr. Oliver Vardy was at one time a director, 1952, I believe. Valley Properties, Limited got \$40,000. That is Mr. D. W. Hefferton and Mr. Vail and some lady. They owned it in the first instance and decided to turn it into a limited liability company, and they still own it. They got a loan of \$40,000. The next one is R. Wellon. He got a

loan of \$60,000. All and all some five hundred odd thousand dollars loaned and guaranteed for tourist development in the Year of Our Lord 1955 and part of 1956. So we should hope there will be considerable activity in the field of tourist development in the present year especially in view of the fact, pointed out yesterday, some sixty thousand dollars were spent to keep this department going.

Mr Speaker, I want to refer to another matter which arises out of an answer to a question, that is the amount of fire insurance which is being carried on the various industries. It was pointed out to us, I believe last year, that the amount was \$22 million that the Government has paid out with regard to various new industries. And I believe I pointed out that there are some six million dollars more guaranteed and loans which bring it close up to thirty million dollars. I find that insurance carried at the moment on all these industries is \$11 million. Maybe that is enough. Some of them don't carry any of course. I notice that Adler Limited of London, at least they were of London, carry insurance for \$450,000 and it may be alright. In CMIC they have \$1,230,000. They are just a million short of the total of the full value. Of course nobody gets insurance of full value; and Newfoundland Hardwoods are insured for \$1,852,000. It is interesting to note that since the new operators of the Newfoundland Hardwoods took over last year they have received cash from the Government to the amount of \$60,000 and they have received a guaranteed bank loan, Government guaranteed bank loan to the amount of \$1,685,000. Now that is very good for Newfoundland Hardwoods. I know last

year it was shown to us that under this new management everything was going to be galloping away. I would say it should gallop along at a pretty nice pace when it can get a guaranteed loan by the Government for over a million and a quarter dollars; and a little cash pocket-money, I suppose, of sixty thousand. That, mind you, is since the new operators, I believe a man by the name of Grant took over last year. At any rate I have to point out that on these government-built plants, the Newfoundland Hardwoods Limited, Atlantic Gypsum Limited and North Star Cement Company; Fire Insurance premiums have been paid by the Government. Now it does not say whether anybody else paid them, quite obviously nobody paid them for the Gypsum plant and probably nobody for the Newfoundland Hardwoods. I should think the North Star Cement should have had some insurance. As a matter of fact they carry the huge sum of \$97,000, \$4,700,000 was the amount which this Government paid out in connection with the Cement Plant. And I don't wish to prolong this, Mr. Speaker, but I had a copy which was tabled last year of the sale of the Cement Plant to the company concerned, and I do hope when the museum is properly erected and properly fitted out that we have some good exhibits there and that there will be exhibited this bill of sale between the Government and the North Star Cement Company, whoever they are, and the outfit who are running the Cement Plant. \$4,700,000. Do you remember, Mr. Speaker, that we got a loan of ten million dollars, I believe it was, a couple or three years ago. And at the time it was decided to sell this plant to this outfit.

MR. SMALLWOOD: Mr. Speaker, to a point of order—I don't want to

be unreasonable but for the last five or ten minutes there has been a debate on the industries. We had that disposed of, I thought.

MR. SPEAKER: The honourable member is reviving a debate already concluded. I was about to point it out myself. However, I thought some conclusion would be drawn. That was debated on the amendment that took place a fortnight ago. The honourable member will probably remember.

MR. HOLLETT: Mr. Speaker, I was referring to the industries and the change in the set-up.

MR. SPEAKER: The honourable gentleman was just discussing the sale of the Cement Plant. That has already been covered.

MR. HOLLETT: Not insurance, surely, Mr. Speaker? However, if you so rule I am perfectly satisfied.

I was informed yesterday—Well, there you are, Mr. Speaker, it is hardly possible to speak or talk without referring to these new industries, so I will have to ask you to hear with me if I do transgress.

MR. SPEAKER: I don't agree with the honourable member there, because a long debate was held on the so-called new industries, which debate was concluded. I am not making a rule, but there is a rule that a debate once concluded may not be revived.

MR. HOLLETT: I may be wrong, but the debate was on whether or not we should set up a Royal Commission.

MR. SMALLWOOD: We ranged all over the new industries. The whole field was debated.

MR. HOLLETT: The debate was brought about by an amendment introduced by my honourable friend on

my right, that the Government should set up a Royal Commission to enquire into the new industries.

MR. SMALLWOOD: The origin of the debate. But the debate itself ranged over the whole field and it was open to range over the whole field of the new industries.

MR. HOLLETT: Did anyone bring in fire insurance?

MR. SPEAKER: Order. I must say a word here. When a ruling from the Chair is questioned, it may be questioned before the House and a motion put on it. Now please do not misunderstand me. That is not a threat. Every Speaker I know of—and I am sure I do extend the greatest leeway to the members in the House. Now it is dangerous to go splitting hairs with the Speaker. Yes. For example the honourable member said: "I am referring to insurance," I could very well rule this out of order. I could say, is the honourable member to stand up here and read aloud answers to questions, which because they have been answered are therefore public matters, and call it a speech or a debate. I could call him out of order on that. I did not do so. I will read this amendment so that there is no misunderstanding (Mr. Speaker here read the amendment to the Speech from the Throne). On that a thorough debate took place with all sorts of facts and figures and arguments for and against the whole of the new industries, as stated in this amendment, past, present and future. I say that this is entirely covered, and the House voted on it and divided on it, and I cannot permit any further debate. But let us not have the answers to questions read over.

MR. HOLLETT: I take it we will

have another opportunity to speak on another motion?

MR. SPEAKER: I might say that is a point the honourable member forgets. Once they have the floor it will be their only chance to speak. It is not so. It is a fact, as I said before—

MR. HOLLETT: Mr. Speaker, one point arising out of your statement with regard to public property, I might say the question I referred to was the only one submitted, to my knowledge.

MR. SPEAKER: Surely the honourable member knows that a thing which is tabled is public, it may even go behind the Iron Curtain. If the honourable member stands in his place and takes the answer to a question and reads it aloud and calls it his speech he is guilty of tedious repetition. He could follow on and do nothing else but read aloud answers to questions. Does the honourable member care to resume his speech? I take it he does not. Does any other member wish to speak, if not I shall put the question.

MR. SMALLWOOD: Mr. Speaker, I would like to talk about liquor. And I would like to answer some of the things said by the Honourable Leader of the Opposition on this matter of liquor:

Sir, I happen personally to be a teetotaler. I have yet to taste rum or whiskey or brandy or gin or any other hard liquor. I don't know the taste of hard liquor any more than I know the taste of carbolic acid. I never tasted either, and I don't think I ever will.

Speaking personally, I have always been a strong temperance man. I was secretary of the Vigilance Committee

of St. John's, which was an organization of prominent clergymen mainly, set up by respective Protestant Denominations of St. John's for the purpose of keeping a sharp eye on the enforcement of the Prohibition Law of the Land of that time. I was its secretary. I also attended a number of public meetings called by the late Mr. Warwick Smith for the purpose of advocating some moderation in the law. I voted on every occasion at these meetings. And on two occasions I was quite alone in voting publicly against the proposal to moderate the law, as the law was at that time.

So, Mr. Speaker, I don't think that anyone will call me a booser. I don't think anyone will suspect that I am a secret drinker, and I hope that nobody will suspect that I have any sympathy whatsoever for the liquor industry, the liquor trade, nor for the practice of drinking liquor, because I have no such sympathy at all. What personal experience I have had ("once removed," I must say) of liquor has been highly unfortunate.

I believe in temperance. I do not believe in prohibition. I think that prohibition was a colossal failure. I believe that the great majority of people like to take a drink—the great majority like to take a drink — I believe that the great majority know how to take a drink. I believe they do. I believe the great majority of people know how to take a drink sensibly, without making hogs of themselves or beasts of themselves. I believe they do, the great majority of mankind. I believe that it should be quite lawful for people who wish to take a drink to do so. I think it should be quite lawful. It is lawful for grownups, for adults in this land of ours, in this Province of ours, to take

a drink of alcoholic liquor, if they so desire. It is done and it is widely done, and it is in the most respected circles, circles which it would be not proper for me to mention here in this House this afternoon because it is not done. These circles are not mentioned in public. But in the highest of circles I have seen alcoholic liquor consumed. I was there but I did not consume it. I may take a glass of wine, and that is my limit. It is lawful and it is done, and it is done by the great majority, and it is properly done by them, and they don't make beasts of themselves in drinking. I believe in temperance but I do not believe any more in prohibition. I think it was a terrible failure, and I think it will always be a failure wherever it is tried and whenever it is tried.

Now it seems to me there are two courses to take, only two. I would like to hear of the third one. One is to let anyone who likes make all the liquor he likes; to let anyone who likes sell all the liquor he likes to sell and to let anyone who likes to drink, drink all the liquor he likes to drink. That is one course. That is to say, utter individual freedom to manufacture, sell and consume it without let or hindrance, absolute freedom of individuals in this regard. That is one course that is understandable, easy to state and easy to imagine. That is one course. Now we virtually had that in Newfoundland once, not many years ago, certainly. I say we had it. Anyone who wished to make it right had the right to go and get a license and having a license and paid for it he could make it. Anyone who wished to sell liquor could go and get a license to sell, and got it, and sold it. And anyone who wished to drink it and had the money to pay went and bought it and consumed it. That was the Law of

Newfoundland at one time, just a few years ago. So that is one course to take. The other course (and I am leaving out prohibition because that is so impossible and has been demonstrated throughout the world to be so impossible that it is only a waste of sense to talk about it, pure nonsense.), the only other course is for the Government to take over the liquor business: Now the Leader of the Opposition in his speech here yesterday or the day before taunted the Government because we are in the liquor business. We are in the liquor business, there is no denying that this Government is in the liquor business as the Commission of Government and their predecessors were in the liquor business. The government was in the liquor business since 1917 and every government has been in the liquor business since, without exception and every government in Newfoundland. And we are in the liquor business. And here in his speech the Leader of the Opposition taunted us on that.

**MR. HOLLETT:** Not the Government.

**MR. SMALLWOOD:** Yes, taunted the Government for being in the liquor business, not the individuals. He also said that, but I am not dealing with that at this moment. I am dealing only with taunting this Government as a Government, Her Majesty's Loyal Government, being in the liquor business. He taunted us for that fact. Now I admit that the Government is in the liquor business. We are, yes, we are. So was every predecessor of ours since January 1, 1917. But when the Honourable Leader of the Opposition taunted the Government with being in the liquor business I asked him a question. I asked him if he would yield. He sat down, and I asked him

a question. The question I asked him was: "Would he advocate turning the liquor business over to private enterprise?" Now did he give an answer to that question?

MR. HOLLETT: That is what you have done.

MR. SMALLWOOD: Did he give an answer to that question? He said something which no reporter was able to get because I listened to all the radio stations that night, to all the news-casts by all the radio stations, and next day read the newspapers and saw that not one reporter was able to report his answer, not one. I got his answer because I happen to sit directly across from him. He spoke at least loud enough for me to hear his answer. His answer was that if private enterprise could make no better fist of it than the Government has made, no. No. He would not turn it over if private enterprise could not make a better fist of it or a better hand of it than the Government. Now that was not a very enlightening answer. That was not what could be called a forthright answer. There was no great philosophy back of that answer nor no deep nor profound thought at all.

MR. HOLLETT: Was there behind the question?

MR. SMALLWOOD: There was very much thought behind the question because I spoke as the result of a great deal of thought.

You can leave it to private enterprise or put it in the Government's hands. You can only do one of these things, only one of these two. There is no other course unless you want to consider prohibition as another possibility. I do not do so even as a possibility. That leaves us with two courses,

i.e. let anyone who likes make it, let anyone who likes to sell and let anyone who likes consume it; free enterprise, private enterprise; or for the Government to control it.

Now we in the government have considered the matter. Most of us are temperance people. Most of us on this side of the House are temperance men, and strong leaders in temperance, some of us utter teetotalers and nearly all strong temperance men. We are not alcoholics. Some of us, I understand, take a drink like anyone else, but do not get boosey, don't get roaring-mad drunk but just take a drink like any other ordinary human being, others don't take anything at all. But we are all temperance men. And we have sat in the Cabinet again and again on a hundred different occasions in the last seven years and have considered and debated this question of liquor. We have debated it and have sat in Cabinet and discussed it and what should be our attitude. We know what our attitude should be, and that is what it is: That in regard to liquor (notwithstanding the unspeakable horror that some people have for it, people who don't see straight but go berserk, go right off the deep end at the mere mention of liquor, My honourable friend knows that to be true. He personally was brought up in a circle where the mere mention of liquor was enough to make people see red, I have heard so many times people say: "If only God would remove liquor from the earth, and the memory of it and the secret of how to make it and the desire to drink it. If that could only be removed from the earth completely what a blessing from Heaven it would be for mankind." Now I am inclined myself to believe that. I believe it, and my honourable friend on my right, the Attorney-General, believes it

—If God in His wisdom would remove from the whole earth all liquors and the memory of it and the secret of how to make it and the taste for it so that never again on earth would there be even a thought of liquor that would be a blessing from Heaven. But the Almighty God has not done that. People do know how to make it. They do remember the taste of it and the effects of it on them. And we have to deal with the human race a great majority of which do like to take a drink. Therefore we have come to the conclusion that prohibition is silly. Let me give the House an example:

In a certain part of Labrador they have prohibition right now, not by law. There are no taverns within a hundred miles of it. There are no liquor depots within a hundred miles of it; and last week (just last week) three men in that part of Labrador, three Newfoundlanders, went into a factory where they found some alcohol, some industrial alcohol. And they drank the alcohol. Five of them drank it. Three of them are dead now as a result and two of them are permanently disabled. The three who are dead burned the complete interiors of their bodies out, burned out their stomachs completely and vomited every last ounce of their blood out on the ground and died. There was no beer, no liquor, no wine nor whiskey so the five of them drank this lethal alcohol, industrial alcohol. They are dead. One of them left twelve children. That is prohibition, in that part of Newfoundland.

We have come to the conclusion in this Government that we don't believe in prohibition. If the people of Newfoundland want to turn us out of office in the forth-coming election because we don't believe in prohibition they will have to turn us out that is

all there is to it. We do not believe in it, and we are not going to bring in any law and we have no intention of ever bringing in a law to this House and ask this House to pass a law to bring about prohibition. We have no intention of doing it. We don't believe in prohibition. Furthermore we have no intention of bringing in a law to let liquor be made by anyone who likes to make it, sold by anyone who likes to sell it and consumed by anyone who wants to consume it. We have no intention of doing that either.

MR. BROWNE: No. It is only sold by Liberals.

MR. SMALLWOOD: I will deal with Liberals and Tories too! Two-thirds of the establishments in St. John's at this moment selling any kind of intoxicant, two-thirds of them are Tories. Two out of three are Tories. And not only are two out of three Tories but one of them is a prominent official of the Tory Party, in fact, a man who goes around soliciting funds for the Tory Party. They can put that in their pipes and smoke it!

MR. HOLLETT: Mr. Speaker, I don't know, I have some little prominence in the Tory Party, so called, but I know of nobody going around soliciting money who has any interest in liquor business. Probably the Premier has the inside slant of it. I don't know personally. I know nothing of it.

MR. SMALLWOOD: The Honourable Leader does not know about it. I hope he will continue not to know about it.

MR. HOLLETT: I certainly do not.

MR. SMALLWOOD: We will not bring in legislation to open up an unrestricted sale of liquor nor legislation to prohibit it. What we will do is

what we have done, because we think it is the only possible way it can be. We think our policy is the right policy, the only one. There is not another. And I throw out now to Newfoundlanders at large this challenge or this invitation (let me withdraw the word challenge, if I may, and substitute the word invitation). I now extend on behalf of the Government an invitation to all in Newfoundland to give the Government a better policy than the one it has on this question of liquor. And if they will give us a better policy, whatever influence I have in the Government, and while I continue to be its leader I will continue to have some influence, I will use to get that better policy adopted by the Government. Then if the Government adopts, I am sure, as we command a majority of the House, the House will adopt it. I throw out that invitation now to all Newfoundland and to all the churches; If they can give us a better policy than our present policy, which is clear enough that the Government is in the liquor business and the Government has made a monopoly of it except in so far as the licenses for certain places to sell beer and wines and liquor and except in so far as it does that it is a government monopoly.

The Leader of the Opposition, with his voice ringing, here the other day, and I have no doubt whatsoever with great sincerity because one understands that the Leader of the Opposition feels passionately on this subject of liquor. He is not perhaps as objective as I, and as he ought to be. Or perhaps we are both of us a little unobjective and a little selfish perhaps in our views on liquor; so with his voice ringing he spoke of Newfoundland under this Government as being saturated in liquor. That

is what the Opposition Leader said the other day here in his speech — Under the present Government, the Smallwood Government, the Smallwood Administration, the Liberal Government, Newfoundland is saturated with liquor. Now I will admit that is good politics for a while, a day or a day-and-a-half until answered. It is very good politics because everyone in Newfoundland who has a horror within himself or within herself for liquor will nod and say yes, "God Help Us!" Whatever that man Hollett is or whatever he is not there he spoke the truth." But it is not true. Oh Nol That is the trouble with him. He makes those sweeping statements knowing that an hour later or a day later his statements are going to be proven to be childishly wrong, as I am now going to do today, just a day and a half after he made the statement. I am going to show to his own admission that it is childishly wrong. He will have to admit it is himself.

"1910;"

James Stokes, Water Street; Jack Dobbin, Water Street; Daniel Flynn, Water Street (not loud enough?) Richard Burne, Water Street, Henry Brownrigg, Water Street — (Liberal member counted names as called).

MR. HOLLETT: Mr. Speaker, to a point of order— I don't think we can have this going on.

MR. SMALLWOOD: I admit this is going to be awfully hard to take, but the honourable gentleman will have to take it.

MR. HOLLETT: We could have one on this side.

MR. SPEAKER: Order — I rule this counting aloud and a gentleman

having the floor at the same time out of order.

MR. SMALLWOOD: Maybe we could have one on each side.

MR. BROWNE: May I ask the point?

MR. SMALLWOOD: I will show the point, never fear.

Patrick Shea, Water Street; Garry Brownrigg, Water Street; Shortall, Kielly, Strang, Lash, Ring, Sinnot, O'Rielly, O'Neil, Collins, Tobin, Coady, Baird, McKay, Allan, Phalen, Hayward & Co., Mulloy, John Kelley, Water Street;

There is a total of thirty-five on Water Street.

MR. HOLLETT: Thirty-five what?

MR. SMALLWOOD: I will tell in a moment what. My honourable friend could not have lived in St. John's thirty or forty years ago or he would not need to ask what. Every old-timer knows who these were.

MR. HOLLETT: I was here in 1910.

MR. SMALLWOOD: He must have been very young, and naturally would not know who these were. That is correct. Seven on Duckworth Street and two on New Gower Street, and O'Reilly on Gower Street. Power, Cochrane Street and Edward Kielly, Prescott Street; Harvey Road one, Farrell; Mary Corbett, LeMarchant Road; Gillett, South Side.

There is a total, Mr. Speaker of fifty-six open saloons.

HON. M. M. MURRAY: (Minister of Provincial Affairs): You did not count Kitty Gauls.

MR. SMALLWOOD: That was not

on Water Street but a little further west. Fifty-six open pubs, retail saloons with thirty-five of them on Water Street. Fifty-six in St. John's, open saloons selling every kind of spirituous liquors, beers and wines. What was the famous sign over the door "Wines, Ales and Spirituous Liquors." Thirty-five of them open saloons on Water Street and fifty-six altogether in St. John's, a town of thirty-two thousand two hundred and ninety-two souls. Now my honourable friend has not heard one quarter of it yet.

MR. HOLLETT: How much did they sell?

MR. SMALLWOOD: I am coming to that. That is another part of the story.

Now in addition to those fifty-six retail stores there were fourteen wholesale grog shops. There were fourteen big wholesalers, grog wholesalers and fifty-six grog shops in a town of 32,292. That is fewer than half the population here now.

MR. HOLLETT: There is only the Government now.

MR. SMALLWOOD: My friend will sink lower and lower and his voice will recede further and further as I go along.

MR. HOLLETT: I am not interested in 1910.

MR. SMALLWOOD: Now let me tell my honourable friend this: In 1910 when the population of Newfoundland was less than one half of what it is today, just slightly less than half what it is today more liquor was drunk than today. Now what does my honourable friend say to that? Let me give him the figures for 1910: Rum 69,000 gallons; Gin 2,800 gallons; Whiskey 24,000 gallons; and so it goes

on brandy etc. And the total 104,000 gallons, which is considerably more than that was consumed in all Newfoundland last year, 1955.

MR. HOLLETT: How much beer was there in those days?

MR. SMALLWOOD: Beer? In those days you could go along with a bucket and buy a bucket of draft and walk up the street or with one on each side, a couple of buckets of beer on draft. It flowed like water. It was used then for chasers.

MR. HOLLETT: You were not here.

MR. SMALLWOOD: I was here. I was ten years old. I remember the pubs. I remember the grog shops. I can remember them now. Going along Water Street the doors are open and as you pass the smell came out and would lift you up and sink you down again, the atmosphere coming out through the open door.

MR. BROWNE: You still get that.

MR. SMALLWOOD: No. You don't get that any more. That you do not get any more.

Now just the significance of it: Since 1910 our population has doubled yet we are drinking less with more than double the population than we did in 1910 with less than half the present population. Now, Mr. Speaker, that is the comparison with ourselves in 1910.

But now let us compare ourselves with other parts of Canada for a moment:

(And these figures I am going to distribute so that there will be a copy for everyone who needs it). These are the actual sales of liquor, 1954,

the latest year for which we have all these provinces.

Nova Scotia	\$26,852,000 (call it
	\$27,000,000)
New Brunswick	\$17,750,000

(Now will the House remember that the population of Nova Scotia is far less than double our population, and the population of New Brunswick is about half as much again as we have, about fifty per cent more population.

MR. BROWNE: May I point out to the Premier, as I think I have done before, there is a very large tourist population going through the Maritime Provinces, at least a million people a year going through there.

MR. SMALLWOOD: Quite so. That is absolutely true. Yet a few go through Newfoundland too, although not to the same extent. That is absolutely true. But look at the difference in the figures.

Prince Edward Island	\$ 3,000,000
Nova Scotia	\$27,000,000
New Brunswick	\$18,000,000
Newfoundland	\$ 7,000,000

Work it out. If we were drinking as much as New Brunswick or Prince Edward Island are drinking how much would we be drinking? It would be twice seven million dollars worth.

Now let us take it per capita:

Every living soul in Ontario, without exception, taking the whole population of Ontario, every living soul. Last year or 1954 they drank an average of \$57 worth of liquor.

MR. BROWNE: But as was before, there are millions of people going through Ontario.

MR. SMALLWOOD: That is ab-

solutely right. And lots of Ontario people go across the border to the United States, equal the number coming into Ontario.

MR. BROWNE: I would say not.

MR. SMALLWOOD: The difference in the number of Canadians crossing into the United States and the number of Americans crossing into Canada is very slight, so that is no argument. In Ontario in 1954 every man woman and child drank \$57 worth for the year. British Columbia \$50 worth, Alberta \$49, Manitoba \$24 worth and Saskatchewan the same, and Quebec \$40 worth, Nova Scotia \$39 worth, New Brunswick \$32 worth, Prince Edward Island \$28 worth and Newfoundland \$16 worth. Against \$16 worth in Newfoundland there was \$28 worth in Prince Edward Island. How many millions of tourists went to Prince Edward Island?

MR. BROWNE: A great many more went than came. Does this cover the sales of beer?

MR. SMALLWOOD: All consumed liquor, wine, beer, every kind except industrial alcohol, the kind these five men drank the other day.

MR. HOLLETT: May I ask another question? Does the Honourable Premier take into account the three or four times addition of water?

MR. SMALLWOOD: That is all taken into account. We are talking about the amount of money, whatever the proof is. I am talking about the amount of money people pay for it. What the people of Newfoundland paid was an average of \$16 for the whole year per person against \$28 for Prince Edward Island, \$32 in New Brunswick and \$40 in Nova Scotia. Here are the figures. This is how

much Newfoundland is saturated in liquor.

There is an interesting figure: Out of every hundred thousand persons in British Columbia 2,500 were alcoholics; In Quebec 1,800, Ontario 1,600, Nova Scotia nearly 1,300, New Brunswick 1,100 Saskatchewan 1,100 — Now we begin to come down. Alberta 900, Prince Edward Island 675, and away down at the bottom, Newfoundland with 501. In Canada as a whole, out of every hundred thousand persons there are in Canada sixteen hundred are alcoholics. That is the average for all Canada. It goes higher in some parts and lower in some parts. Newfoundland is the lowest with only 501. Are we saturated in liquor?

MR. HOLLETT: Yes.

MR. SMALLWOOD: Yes. Figures don't mean anything, not where politics is concerned. Yes we are saturated when we have the lowest consumption of all Canada, when we spend less per capita than all Canada, when we have the smallest per centage of alcoholics of all Canada — "Yes," he says, "We are saturated."

Now finally liquor as profits, liquor as revenue:

These figures are for 1953, the latest year in each case for which the figures are available.

Nova Scotia 20 % of every dollar of revenue of Nova Scotia comes from the sale of liquor or profits, twenty cents to the dollar, one fifth. Prince Edward Island 16%, Manitoba 15%, New Brunswick 14%, Ontario 13%, Quebec and Saskatchewan 12%, Alberta 11%, Newfoundland 9%. Here again we lead all Canada in this regard. Of all our revenue this Government takes in the smallest proportion that comes from liquor. Here in

Newfoundland it is 9% only of our revenue is made from liquor, the lowest in all Canada. Yet the honourable gentleman says we are saturated in liquor.

I recommend to the Honourable Leader of the Opposition this book which has just come out, published in 1955 by the Government of Manitoba. The Government of Manitoba appointed a liquor commission of enquiry. Now the Honourable Leader of the Opposition and his friend who sits there with him ought to respect this report because it was written by a commission the chairman of which was until the other year national leader of the Tory Party of Canada. He was replaced by Mr. Drew. In fact when I first began going to Ottawa I got to know Mr. Bracken very well. He was then the Leader of the Tory Party in the House of Commons, National Leader of all Canada, and the Premier of Manitoba some years before. In fact I got to know him very well, and used to go out at nighttime to his farm. And many a night I stayed there with John Bracken and his wife there on the lawn in front of his house we sat and talked or went out on his farm.

MR. HOLLETT: He did not do a good job on you.

MR. SMALLWOOD: I think he was a little old or I would have made a good Liberal out of him. John Bracken was the Chairman of this Commission. This will be the Bible, the Holy Writ, for all persons in Canada for many years to come whether pro-liquor, anti-liquor or prohibition or just temperance, whatever they are, if they have any interest at all, this will be the Holy Writ for the next twenty years in Canada. It is the most magnificent work that has pro-

bably been written in a long time on the question of liquor. Every aspect is covered. The Royal Commission consists of five members, John Bracken as Chairman and four others. Let me quote one or two things:

"Alcohol has been a problem child in every generation since man first found fruits and cultivated cereals and other crops." Let me repeat that: My honourable friend must not think, you know, because he is a Leader of the Opposition he has got to snite this Government hip and thigh because he has a strong personal dislike for liquor. He has suddenly discovered the liquor problems. He has not. This liquor problem was here a long time. "Alcohol has been a problem child in every generation since man first found fruits and cultivated cereals and other crops."

MR. HOLLETT: I thought a woman first found fruits.

MR. SMALLWOOD. "Wide extremes of administration at different times in every land and have had the unwelcome experience in their charge and each have failed in some degree to keep it from running wild. The modern state has no reasonable choice but to accept control of the inheritance which has fallen to its care. After fifty centuries the world still holds liquor as one of its great controversial issues, and Manitoba's experience" (let us substitute Newfoundland there) "of less than four centuries has changed the verdict of the past. For more than fifty centuries this liquor problem has confounded and baffled the best Governments that ever were."

MR. HOLLETT: It is worse than the fishery problem.

MR. SMALLWOOD: Yes, because

it is much older. Over fifty centuries old. Now here is what John Bracken himself says: "In order of importance it would appear that the best methods of obviating antisocial behaviour, of promoting temperance and avoiding abuse in the large percentage of people who wish to drink are" (here are his suggestions) This is not for those who do not drink. This is for those who do. To encourage them to restrict their drinking to their home. He puts that first. To encourage them to restrict their drinking to their own home. Most everyone agrees that the family atmosphere is conducive to a more sober pattern of behaviour.

To encourage them to drink preferably with meals. The association of food has the advantage of delaying absorption of the alcohol as well as of lessening the capacity and appetite for alcohol. So he recommends that people be encouraged, if they are going to drink, drink in their homes, and secondly with their meals, and thirdly to discourage drinking in large crowds and to substitute for this the small group or club environment, simulating as closely as possible the family group. In other words groups of friends sitting around and drinking a glass of whiskey or a glass of wine or a bottle of beer in a friendly atmosphere. And to make more easily available. Now they advocate this, remember, to make more easily available, not more difficult to get but more easily available those drinks which contain a lower concentration of alcohol and on the contrary those having a higher concentration to delay the opening of public outlets for the higher concentration of liquor as late in the day as possible. One has only to review the experiences of Europe to agree on the benefits of this division.

No. I am sorry. These are the recommendations of another member of the Commission, Dr. L. Vileureu (or some such name) a medical officer, who from the sound of his name is French. He is very cultural and tolerant and broadminded type of man, being a medical doctor. "To make low concentration beverages easily available and close to home for purchase in small quantities and to make available in public places alcoholic beverages in association with meals and to avoid making these liquors available in places designed primarily for drinking and to limit the size of drinking establishments in as far as possible to family, community or small club atmospheres and to retard until close to noon hour the opening of any public outlet of on-the-premises consumption of low concentration liquor and until close to the supper hour of higher concentration beverages; and so it goes. After nearly three years of hard work in which they studied the liquor system of every part of the whole world, do they have a magic cure? They do not. Have they got a key that when you have it you can unlock the problem and solve it? No. They have not. Five especially intelligent, decent, civilized people for three years studied this question. This was brought to me, I may say, by Mr. Neaves, the head of the Temperance Federation here, who has a number of copies. He is tremendously impressed by it as are the temperance people all over, tremendously impressed by it. And everyone who has read it is tremendously impressed by it because it is not fanatical. It does not approach the problem and say it is a simple, easy thing that anyone with a little brains can solve. They do not approach it in that spirit because as cultured and

educated men and women they know themselves this has been a problem child for fifty centuries. My honourable friend may for politics' sake get up here and attack this Government as though we were doing something different from any other Government in the world and trying to saturate Newfoundland in liquor. He must say that for politics' sake. But that is not helping us here in this House to solve the problems. It is not helping the Newfoundland people to make up their minds, if it is possible to make them up finally as to what they want to do. It is not helping to do that, and not even the poor fellow who can't drink at all. There are some, as you know, who cannot take a drink but if they take one they must take two and it is not even helping them. It is not helping anyone to get up and make out here we are a pack of scoundrels trying to soak Newfoundland in liquor when it is not true — not true.

Do you know, Mr. Speaker, we have a hundred thousand more population, practically, since Confederation; In the last seven or eight years. And at the same time this huge new population has come into Newfoundland there has been a huge new prosperity. And that prosperity is not only for the hundred thousand newcomers but it is also for the three hundred thousand who were here before. So that you have side by side, in the seven years, a vast increase in population (we have the fastest growing population now of any part of Canada) and a vast increase in prosperity.

What is the result? Here is the result: From 1949 up to 1955, just six years here is what has happened: The sale of liquor in Newfoundland four and a half million, five million three hundred thousand, six million one

hundred thousand, seven million four hundred thousand (now watch) seven million one hundred thousand, six million eight hundred thousand, and this year will be down again. In other words what has happened is this: We began as a Province of Canada seven years ago. And that with the population which it had and with the prosperity which we had we consumed or we spent four and a half million dollars of our money on liquor. For the next three years after that, in other words for the first four years of Confederation, with our new prosperity, sudden and new, almost unexpected, and the new rapid growth in our population we did go a little, just a little but only a little, to extremes and we consumed more liquor with each year for four years. Now we got to the peak in 1953. But now it begins to fall back and last year it was seven million one hundred thousand, a drop of three hundred thousand then to six million eight hundred thousand; and Mr. Muloney tells me that from all indications, including the sales he made up to now, the sales for this year 1956 will be below what they were last year. In other words the upward trend reached its peak four years ago and began to fall off. Now what does that mean? That means that the swing of the pendulum, that the excitement of the last seven years, the Opposition roaring and bawling about the new industries and getting everybody excited about the new industries and all the prosperity we have had in those years and the rapid increase in population and people tending to drink a little, levelled off four years ago. And the population has gone up, remember, and the prosperity has increased. It is not for lack of prosperity they are drinking less, because there has been increased prosperity while the consumption has fallen off.

It is not for the lack of people because the population has been increasing in number. So while the population continued to go up and prosperity continued to increase the consumption of liquor began to decline. The swing of the pendulum.

MR. BROWNE: How far back do you expect to go?

MR. SMALLWOOD: I don't know that. I won't say anything more at the moment about liquor, because I think really I have covered it fairly well.

Let me say this: I confess openly now to all Newfoundland without shame but with considerable embarrassment; I confess that this liquor question is the most vexatious question that confronts the government. If we were not known temperance people we would not find it a bit vexatious or troublesome. It would not bother us in the least if we did not have a conscience. But we have. I personally, speaking for myself, have the old-fashioned Methodist Conscience, like my honourable friend, the Leader of the Opposition, the same kind of conscience. He is an old type Methodist, too. And if I tend to forget my honourable friend's Methodist Conscience in the matter of liquor or the conscience of my honourable and learned friend, the Attorney General, who is the son of one of the greatest Methodist Ministers who ever preached in Newfoundland then he is there to remind me. And if he does not remind me I can tell the honourable gentleman his wife does so, I get lots of reminders. If I tended to forget that this is a vicious and dangerous thing—But as far as we are concerned, if we do what we think is best, and if we act honestly, if we are not cleaning up money ourselves on liquor—On that point let me say this—On this side of

the House there are no members—we have no members on this side of the House who have any interest, good, bad or indifferent (get that) good, bad or indifferent, any interest, any pecuniary interest, any money interest, any financial interest in any liquor establishment anywhere on the face of the globe, good, bad or indifferent, direct or indirect, except the Laurier Club.

MR. BROWNE: Since when?

MR. SMALLWOOD: Always to my knowledge. I can certainly speak as of this moment, while I am speaking now, not one scrap of interest financially in any place selling any kind of liquor, beer, wine nor any kind of intoxicating drink. No member on this side of the House has any share nor any member of his family has any share—nobody on this side of the House, at least that is close members of his own family—No member on this side of the House—No member. I am not answerable for those on that side. Because I may tell the Honourable Leader of the Opposition I have been hounded and tormented by members who sat on that side of the House (not members who sit but members who sat on that side of the House since Confederation) hounded and tormented by them for licenses for beer taverns. But they did not get them, at least as far as I know they did not. But I will say for this side of the House—

MR. BROWNE: Why did they not get them?

MR. SMALLWOOD: I really don't know that. I don't give them. I really don't have anything to do with it. There is a Board of Liquor Control, which I trust completely. I trust Mr. Anthony Mulloney as being a man of honour, integrity and honesty, a man of sincerity and a man of very fine

common sense. He is a good Liberal yes, who no doubt would be fired out of his job if there was a change of government.

MR. HOLLETT: No.

MR. SMALLWOOD: But notwithstanding being a good Liberal, he is an excellent chairman, having the confidence, I believe, of the temperance people and deservedly so. He has two men and his assistants who are members of the board. I am quite happy to leave it to Mr. Mulloney and his commissioners, Mr. Vincent and Mr. Bansfield, two good Liberals, and I might say two good members of the National Convention and strong advocates of Confederation. One is from Bonavista, my own native Bay, and one from Bay L'Argent. They are two excellent men, and I am quite happy to leave the administration of these matters to them, always preserving the right, as I am ultimately responsible for anything that goes wrong. I must therefore reserve the right to overrule them or even to remove them from office or to move His Honour will be pleased to remove them from office. And His Honour takes my advice because I am chief Minister. I must take the responsibility as leader of the administration, but short of that ultimate responsibility I am happy to leave the administration of these matters in the hands of the Board, which has the confidence of everybody concerned.

Now there will be Liberals. I don't know that there is anything wrong about a Liberal selling beer to the Board of Liquor Control. I don't know that there is anything wrong nor any moral taint to a Liberal selling beer wholesale to the Board than a Tory. What is the difference? I don't know there is anything wrong about a Liberal having a license to run a tavern

any more than a Tory having a license to run a tavern. What is wrong with the Liberals? Are they pariahs? Have they no rights?

MR. BROWNE: Has there been favouritism in giving the licenses?

MR. SMALLWOOD: Not in the slightest, to my knowledge nor belief.

MR. BROWNE: Perhaps you don't know.

MR. SMALLWOOD: Well I don't know. I certainly have no knowledge of it. Now I am supposed to be an expert in politics. I know I am said to be. But there are so many experts around, all sorts of new experts springing up all around, masters, wonderful advisers to my honourable friends opposite. I will be happy as long as they continue to advise them and my honourable friends will be content to accept their advice.

MR. HOLLETT: Experts get \$25,000.

MR. SMALLWOOD: The kind I mean get all kinds of things. They get various things. However, I say, the best politics to play in this matter is not to play politics—Is not to play politics. We feel that when next January rolls around we can refuse a license to every single individual holder of a license who holds one at this moment. Of course two-thirds of them are Tories. Two-thirds of them are strong adherents and supporters of the Tory Party. That is generally well-known.

MR. HOLLETT: Tick them off here.

MR. SMALLWOOD: No. My honourable friend would like to compare his list with mine. If I know a man is a Tory, I don't want him sometimes to know that I know. I like him some-

times to think he got me fooled in thinking he is a good Liberal when I know in fact what he is. I will not give my list to my honourable friend opposite. He will have to find out as best he can who his friends are.

MR. HOLLETT: Your friends got licenses.

MR. SMALLWOOD: No. The friends of my honourable friend opposite. Two-thirds of them are the ones who get licenses.

MR. BROWNE: What is the justification for that statement?

MR. SMALLWOOD: I know them to be Tories.

MR. BROWNE: You are only saying that.

MR. SMALLWOOD: Yes, I know. But I have a shrewd idea around this town who is a Liberal and who is a Tory, I have a shrewd idea.

MR. BROWNE: Why not start on Water Street or Duckworth Street?

MR. SMALLWOOD: On Water Street and Duckworth Street nine-tenths of them are Tories, nine-tenths of the businessmen are Tories. Not literally but figuratively they would like to hang me, and if they do not they would prefer a more painful death. They would like to see me gibbeted, nineteen-twentieths of them on Water Street and Duckworth Street, beer taverns and all. They never did like me and never will like me and as a matter of fact they don't make much bones about it. My policy in this matter is that the best politics to play is not to play politics. Consequently all up and down Water Street you will see that the Tory firms, the firms that my honourable friend gets money from to help run his new party paper, the

same Tories from whom my honourable friend will get money to help finance his campaign, the Government has done millions upon millions of dollars worth of business with in the last seven years. Why that is the only business we have done, up and down Water Street. So amongst the Liberal businessmen there is a sort of standing complaint—"What is the good of supporting this Liberal Government, they give all their business to Tories up and down Water Street. I make a prophesy now—that one of the leading Tories on Water Street who has taken hundreds upon hundreds of thousands of Government business and who will continue to take hundreds of thousands will go out on polling day and will be either a Tory candidate or if not he will nominate a Tory candidate as he has done in the past. But we don't care. What do we care? Are we so lacking in support in this Province, are we so short of friends that we won't even do business with a few Tories up and down Water Street? They spent money like water in the referendum and I trimmed them. I licked them. I defeated them did I not? What did they do to me? What can they do to me? I can tell you what they can do to me. They can grind their teeth if they have any left to grind and if not they can grind their gums. That is all they can do. If they are men given to blasphemy they can do a little private blaspheming and cursing and swearing. They can come out and nominate Tory candidates. I hear even one of them is talking of coming out. I do hope he comes out as a Tory Candidate and we will trim him and teach him another lesson.

MR. SPEAKER: The honourable member has allowed himself to be decoyed away from the subject.

MR. SMALLWOOD: Yes, Mr. Speak-

er, I have been decoyed, but it is a beautiful decoy, a delightful subject. If only we could get a few Water Street gentlemen to come down to Bonavista, Trinity or Conception or Placentia Bay or on the Southern Shore or in Burin District or for Hermitage or Bay D'Espoir or up on the Southwest Coast or in Bay St. Georges or Port Aux Port or Bay of Islands to Bonne Bay or St. Georges or Labrador or White Bay or Green Bay or Notre Dame Bay, if we could only get them outside of St. John's, if we could only get some of this gang they would get a trimming they would remember. Now I hope if this is recorded they will get good and mad and instead of slipping in a hundred dollars make it two hundred a man, that they will really get big. They are a big crowd when they begin to contribute to the coffers of their party and the newspaper. I am sure my honourable friend has found how generous they are, what big-hearted, big-spirited people they are. They dig their hand down and it gets glued and they cannot get it out. What big people they are!

On motion the House recessed for ten minutes.

Mr. Speaker returned to the Chair:

MR. SMALLWOOD: I don't think I have anything to say on the subject of liquor. I think I covered it pretty well as much as it needs to be covered.

I do want, however, to deal with one or two other points that have been raised in the speech by my honourable friend, the Leader of the Opposition. Mr. Speaker, I have noticed one extraordinary trait or habit in the Opposition, and it is especially noticeable, to me at least, in the Honourable Leader of the Opposition himself. I have noticed over a period of two or three years. It is understandable, I sup-

pose that the Leader of the Opposition will more or less dislike the Government. I don't mean to say personally dislike the individual members of the Government. I don't mean that he would personally have an animosity or personal dislike for every individual member of the Government as individuals. But I suppose it is natural to expect that he would dislike the Government as such, as a Government. That he would take a dark and foreboding view of it and that he would sternly repress all the fine instincts of a soldier and a gentleman and sternly blot out of his mind and absolutely refuse to see the good side of the Government, with determination never yielding or seldom yielding to the ordinary human tendency to say, "Well, after all the Government are just about like any other group. There are good ones, poor ones, smart ones, stupid ones, fast ones, and slow ones amongst them. They are just like any other group of men you find." But no, don't give in to that. That is weakness. That is fatal. If you once get to have that feeling about the Government how can you get in and smite them, how can you work up any real feelings against them. So I think the habit is rather noticeable that the Leader of the Opposition, rather humorously (or not humorously but humorlessly) attacks us over here. Now that, I say, is understandable and perhaps that it is as it should be. Perhaps if he fraternized with us over here on this side of the House he would not be able to work up the necessary righteous indignation a Leader of the Opposition should have. How is he otherwise to persuade a people that they are being governed by scoundrels if he fraternizes with them and begins to see their good points? It is not reasonable. All that I can understand. It is very sensible. But what I cannot understand is why he

feels as evidently as he does, that he has got to extend his smiting, hip and thigh, his expressions of dislike beyond the Government to anyone who has anything to do with the Government. Yes, my honourable friend has not noticed perhaps. Perhaps that has crept upon him. Perhaps he has fallen into this thing without knowing it.

For instance, and this is just one instance of many I could cite: We have in Newfoundland a gentleman, Arthur Monroe. He is the son of a former Tory Premier of this country, when it was a separate country, the Honourable W. S. Monroe who, although he was a Tory Premier, Tory Leader of this House, was nonetheless, I think, a fine gentleman. Arthur Monroe is head now of a firm known as "Fishery Products Limited," which, I would say, next to the Government of Newfoundland, next to the Government of Canada, next to the CNR and Bowaters (and Bowaters only if you include the loggers) next to the AND Company (and the AND Company only if you include the loggers) next to these Arthur Monroe comes as the biggest employer of labour in this whole Province. Fishery Products Limited, happens to be one of the biggest fishing concerns in the whole world. They have a number of properties in Labrador and they have fish plants at St. Anthony and Greenspond, Valleyfield, Badger's Quay, Trepassey, Long Harbour, Change Islands and Joe Batts Arm and at Burin the biggest in Newfoundland and one of the biggest in the whole world; one at Isle aux Morts. That is ten. Now if Fishery Products Limited, consisted only of one of these plants, any one you like, that company would just in consequence of having that one (any one) be one of Newfoundland's most important industries, or industrial concerns, But they have nine more. Now in addition to

these ten they are building a huge plant at Catalina and another huge plant at Twillingate. There will be twelve of these. This company already employs thousands and is passing out millions. Arthur Monroe has, and I think I can say this without laying myself open to the charge of attacking him, because I have not attacked Arthur Monroe—On the contrary—

MR. HOLLETT: Neither have I.

MR. SMALLWOOD: Arthur Monroe is a hard man to get along with, a man of very strong personality, a very strong person indeed, a very strong person. He is a man who is very determined, very self-willed. But Arthur Monroe is, to say the least of it, one of the most dynamic of all the men in the fishing industry. He is a man sufficiently able and versatile and dynamic to take his place in the fishing industry of this continent because he is one of the biggest in this continent. He ranks practically with the MacMillan Fishing Empire of the Pacific Coast and the Canadian Fishing Company, and these are the two biggest ones of Canada. He ranks with the greatest fishing empires of North America.

The Government have lent him four or five million dollars. That is his mistake. Because for no other reason than that, for no other reason I know of, he is not a Liberal, he is a Tory and the son of a Tory Prime Minister, so it cannot be because he is a Liberal, it can only be because this Government lent him that money, no opportunity is lost in this House to sneer at him and at his company. Two or three days ago when I said the biggest fishing company in Newfoundland had suffered a loss of three hundred thousand dollars last year (I did not name the company), promptly, promptly, my honourable friend, the Leader of

the Opposition (whom I interrupted when I made the statement) sneered (if I may say the word) "Ha Ha!"—Yes that is the outfit to whom the Government lent money is it not? No wonder they lost the money, no wonder they lost the money. Then I added: "We have seen their balance sheets and the balance sheet of every concern to whom they lent money, everyone. We have the balance sheets of that company, running back, I think, for ten years. And we keep careful records. As a matter of fact we are represented on their boards by a member of the Fisheries Development Authority.

So we have five million dollars of public money lent to that concern. We are sorry there are not half a dozen other concerns in Newfoundland to whom we could lend equal amounts if they would accomplish equal results, if they too would build up the fishing industry as that company has done, and so I remarked yesterday. They lost this money because I have seen their balance sheets. And immediately the sneers and the skepticism came out together in the question: "Ha! Ha! Who audited their accounts?" Then I said; "Chartered accountants." He said: "But I would like to see what is charged up to this and to that."

All of which, Mr. Speaker, if it means anything, if it is not just words, if it is not just wind, means and must mean only this; that they are probably a pack of crooks. Why? Because the Liberal Government lent them money they must be crooks.

I suggest to the honourable gentleman that he must see office a long way off only when he can be that irresponsible. Because if a man expects to take office he will be dealing day to day, week to week, month to month and year to year, with these irresponsi-

ble businessmen. He will have to confer with them and to come to decisions. Surely he would have a sense of responsibility. And it is not from a sense of responsibility that that type of remark comes. I have noticed repeatedly, it seems to be enough in the eyes of the Opposition to condemn any concern if they have anything to do with this Government. It seems to be enough evidence. No more is needed, that is sufficient to condemn any outfit, if they have had anything to do with this Government. Now that presupposes two things, that attitude: First that the Government are corrupt and rotten and filthy, truly a pack of scoundrels and secondly that the outfits who deal with the Government must be tarred with the same brush.

Now that I have drawn that to the attention of the Honourable Leader of the Opposition I am going to make a suggestion to him, and the suggestion is that the average man is honest. The average longshoreman is honest, the average politician is honest, the average miner is honest, the average fisherman is honest, the average shopkeeper is honest. The average person is honest. Dishonesty, crookedness is the exception. I am going to suggest that to the Honourable Leader of the Opposition.

MR. HOLLETT: May I say we have had a lot to do with the exception.

MR. SMALLWOOD: We have had to do with some of the exceptions. But we have had a lot to do. We have done a lot. We have been a Government of action. We have been a Government that did not just talk, we did. We do. And a Government that deals with hundreds of people, with thousands of people by the ordinary law of averages is going to meet up with some crooks. We have, in our experience in seven

years, met up with some crooks, we have indeed. Yes, we have. But does that mean that everyone we dealt with is a crook?

God help you if you are a contractor, for example, if you build roads and if you tender in competition with others and you get your contract, your bid is accepted and you perform your job and get paid for it, God help you. You are a contractor. You deserve no mercy then, no quarter, you are a contractor. You manage somehow to get the connotation of "Highwaymen."

MR. HOLLETT: Who said that?

MR. SMALLWOOD: No one said. I am saying. I am summarizing an attitude, using my words to summarize the attitude of others.

MR. HOLLETT: In your opinion.

MR. SMALLWOOD: It is not legitimate to be a contractor. That is not legitimate. There is some crookedness about that. Now let me say something about contractors while I am at it:

I don't care how far afield this statement goes. In fact I would be rather pleased if it went far afield. I have noticed this about the Government of Canada, the governments of the provinces of Canada—I notice that it is something virtually unheard of in Nova Scotia, for instance, for the Government of Nova Scotia to give a contract to build roads or buildings or bridges or any kind of contract to any contracting firm that is not domiciled in Nova Scotia. I have noticed that in New Brunswick, in Prince Edward Island, in Quebec, in Ontario, in Manitoba, in Saskatchewan, in Alberta and in British Columbia, I have taken particular notice of it, I have enquired, I have made it my business to find out, and I have noticed as a result in vir-

tually none of these provinces ever does the government of the province award a contract for any type of construction to a contracting firm which is not domiciled in that province, in other words, a contracting firm from some other province. Now we have tried it both ways in Newfoundland. We started off with the feeling that it was much better for us to do it ourselves, let the Newfoundland Government do it. Personally I was unhappy and discontented about the costs of doing things as these when they were done by ourselves as a government. So I veered around to the idea of trying contractors. Then we said: "If we are going to do it through contractors had we not better patronize local enterprise, local industry, had we not better give it to our local contractors if it is possible at all."

Now I am ahead of my story. We passed an order in Council, in the first month or two after taking office, which stands to this moment. When we buy manufactured goods for the institutions, the Mental Hospital and all other places where we have to buy food, where we have to buy any clothing and other things, we said we would buy it from a local concern if it does not cost any more than twenty per cent more than we would have to pay for it if we bought it from the Mainland. I think 20 per cent was the figure. Or I believe it was 15 per cent of the figure—provided it did not cost over 15% above the price we would have gotten it for on the Mainland we would buy it locally. Now we did that deliberately. We said: "We have our Newfoundland to look after, our Newfoundland economy to build up and not Nova Scotia. We have not noticed them tearing their pants to buy Newfoundland products." So we

said: "We will buy Newfoundland products."

And we adopted the same attitude with regard to contractors. Now we carried that policy on for several years. And the prices seemed to be high. And again we grew unhappy and we did some serious thinking and we decided to waive it, to change our policy, and we began admitting contractors from outside Newfoundland who were not domiciled here. Their offices were in their hats. When they walked out and got aboard a plane their offices disappeared from Newfoundland. Seven of them have gone bankrupt in Newfoundland. Seven mainland contracting firms have come in here and underbid our local contractors and got the contract because of underbidding. In some cases we had nothing to do with it. It was private enterprise. But in the case of the town councils, for instance, putting in water and sewerage we are guaranteeing the bonds and we control the situation and they bid lower. We said: "All right, in God's name let them have it." Seven mainland contracting firms amongst many others, seven have gone in and gone bankrupt. And everyone of them have gone out of Newfoundland having unpaid debts in large amounts running up into many hundreds of thousands of dollars.

So we have changed again. We are back where we started. We say we have a limited number of contractors in Newfoundland. They are Newfoundlanders. They are here domiciled in Newfoundland. They have their offices, their warehouses, their stores and all their personnel are local persons who live here, raise their families. When the wages are paid to them they spend them in Newfoundland. They are here to build up Newfoundland's

economy. And when the winter comes and the road work closes down and construction work closes down these, not all of them but quite a number of them, and the key-men are kept on throughout the winter months by these contracting firms and paid wages and the money is circulated here in Newfoundland. We are thus keeping our money home in Newfoundland.

Now it costs a little perhaps to do it. But I don't know any other way to build up Newfoundland. I frankly do not know any other way. I mean speaking of a principle. There are hundreds of other ways but all along the same principle. The way to build up Newfoundland, the way to develop Newfoundland, the way to develop Newfoundland is to give the preference all the time to the people who are here. I don't say they must be native-born Newfoundlanders. I have not that feeling. I am completely without that feeling. If a man comes from the other side of the earth and settles in Newfoundland and makes his home and he is a good, God fearing citizen, I don't care what nationality he was. If he is willing to become a Newfoundland we will treat him alright so long as he is decent. We only turn against him if he ceases to be decent. We are like that here in Newfoundland. We take strangers to our hearts very quickly. We are not suspicious, we are not rude. We take strangers and make them welcome. And as long as they act decently they will always be welcome. But we turn on them with hatred and suspicion the moment they act anyway out of the way. So I say, whether they are born in Newfoundland or whether they are Newfoundlanders by adoption, so long as they are here, so long as they are domiciled then we will give them our preference.

My colleague here has handed me a very good example: A year or two after we came in office we were a little discontented with the bids we were getting from local contractors. We felt we should try the experiment of accepting contractors from outside. During this particular period there was a case of a firm in Montreal about which my honourable colleague reminds me here, a firm in Montreal, which bid to do a huge job or part of a job on a huge building, the Mental Hospital plumbing. This Montreal firm were the lowest contractors. We accepted their bid. They were the lowest bidders. We accepted. It was around three hundred thousand dollars. But the local plumbing firms did not bid as low as that. So we gave it to the Montreal concern. Now that Montreal concern never from that moment to this put in another bid. They bid. They were below the local firms. They got the contract, lost money on it and never bid since. Now that is just in passing. That was in 1950, a year or so after we came into office.

I do want to suggest sincerely to my honourable friend two thoughts, simple little thoughts, very simple, small and plain and easy to understand. The first is that the Government are not necessarily crooks and rogues and scoundrels, not necessarily. The Government are ordinary decent people with all the faults and failures, God knows, of human beings. I have lots of them. I can speak with authority on that. I have lots of them. And I suspect sometimes that my colleagues too have their faults and their failings. But we are ordinary, decent Newfoundlanders. We are at least that. At least we are that much. That much at least must be said of us.

Secondly, people are not necessarily rogues and crooks because they do

business with us. They may be ordinary, decent businessmen or ordinary decent people and still do business with the Government.

MR. HOLLETT: May I ask the Honourable the Premier—Is he insinuating that we regard the members of the Government as rogues and crooks? If he is he is certainly misunderstanding in that regard. We don't regard the members on the opposite side as rogues and crooks.

MR. SMALLWOOD. I am glad of that. And if I have done nothing else than bring that admission from the Leader of the Opposition, I cannot say how happy I am to see that is his attitude. Then my speech is worthwhile. But I have never accused him of calling us crooks and scoundrels and rogues. I only draw his attention to the fact that we are ordinary, decent people with little faults and flaws, but they are ordinary flaws, not grievous, not hideous, just ordinary flaws, ordinary failings of very ordinary Newfoundlanders. That was my first thought. The second was equally true, that firms and individuals are not necessarily crooks because they do business with us. Then there is a third and final thought for this part of my speech—Inevitably a lot of people who do business with us will be like us because of the fact that a lot of the Newfoundlanders are Liberals. An extraordinary proportion of the Newfoundland people happen to be Liberals. And unless we are going to exclude them, unless we are going to say "No Liberals Need Apply," unless we are going to send them notices there is no good in their coming in to do business with us unless you are a "Tory," if we are not going to do that, then in the ordinary course of affairs a good many of the people who do business with us will be Liberals,

but they won't necessarily be crooks and we won't necessarily be crooks. So that in the dim and distant future when Toryism gets another chance for three or four years to show its hand as to how it can govern. That is the dim and distant future.

MR. HOLLETT: It will be too late then.

MR. SMALLWOOD: It will be too early whenever it is and not too late. My honourable friend is mistaken. The Tories will find that after all their long years in Opposition that they will be ordinary decent Newfoundland people and the great majority of the Newfoundlanders with whom they deal as a government will also be ordinary decent Newfoundland people. Will the Honourable Leader of the Opposition remember that in future when he makes his speeches?

MR. HOLLETT: In the dim and distant future?

MR. SMALLWOOD: No, now, in the very next speech he makes—that he is dealing with ordinary decent people.

Mr. Speaker, I move the adjournment of the debate.

MR. CURTIS: Mr. Speaker, I move the remaining orders of the day do stand deferred, and that the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock;

On motion all remaining orders of the day deferred.

On motion the House at its rising adjourned until tomorrow, Friday, April 6, at 3:00 of the clock;

Friday, April 6th, 1956.

The House met at 3:00 of the clock,

in the afternoon, pursuant to adjournment.

#### Presenting Petitions

MR. C. BROWN: Mr. Speaker, I have before me a petition on behalf of the voters of Brig Bay and Bird Cove in the District of St. Barbe.

The petitioners request that some two miles of road be constructed between the two communities to permit passage of trucks. They request that it be done as soon as conditions will allow. The road would also service St. Margaret's Bay leading West from Plum Point. The petitioners also point out that the terrain is suitable for machinery to work there.

I have much pleasure, Sir, in presenting the petition and ask that it be placed on the Table of the House and forwarded to the department concerned.

On motion petition received for reference to the department concerned.

#### Presenting Reports of Standing and Select Committees:

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I beg to table the annual report of the Department of Health for the calendar year 1954.

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I have the additional copies of the Report of the Workmen's Compensation Board.

#### Giving Notice of Motion

None.

#### Giving Notice of Questions:

Notice of questions on tomorrow given by Mr. Browne:

**Orders of the Day**

**HON. M. M. HOLLETT** (Leader of the Opposition): I understand the Honourable Minister of Provincial Affairs was to table an answer to a question.

**MR. SPEAKER:** I would like to say it is rather annoying: The Speaker calls an item from the agenda and none of the honourable members are listening. I called for the answers to questions and nothing happens. If the honourable members would pay just a slight attention to the Orders of the Day, business would take place in the proper and normal way.

**HON. L. R. CURTIS** (Attorney General): Mr. Speaker, with the permission of the House I would like to ask the House to go into Committee of the Whole on Supply:

**MR. W. J. BROWNE:** Mr. Speaker, before the Orders of the Day I would like to ask the Premier about the statement yesterday on the arrangements for the purchase by European Banks. He read that. I would like to ask the Premier if that refers to the Government guaranteed loan of sixteen and a half million dollars.

**HON. J. R. SMALLWOOD** (Prime Minister): Yes.

**MR. BROWNE:** Are the European Bankers non-British bankers?

**MR. SMALLWOOD:** Yes. Swiss.

**MR. BROWNE:** And I should like to ask—May the Minister of Provincial Affairs or the Premier be able to tell me when the Hansard for 1952 is likely to be published?

**MR. SMALLWOOD:** Within the next month, I think.

**MR. HOLLETT:** Whilst on the

point, I wonder could the Honourable the Premier inform me the reason why we cannot get the Hansard at the beginning of the next fiscal year rather than have to wait—The last one I believe was 1951.

**MR. SMALLWOOD:** Yes. Very often the delay is caused by the failure of some honourable members to return to the Editor of Hansard the typescript of their speeches. As the honourable gentleman knows, the practice is for typescript drafts of the speeches to be submitted to honourable members of the House to enable them to look over the script with a view to making corrections of a verbal character, not of a factual character, of course, but corrections in grammar and in construction with a view to having more chaste English. If they would return these scripts promptly to the Editor of Hansard the business of printing the book would be expedited greatly. But I don't think there has ever been a time in the history of this House when all members did that promptly. I don't think there has ever been a time when the publication of Hansard and the distribution was not delayed considerably from that cause.

Then there are various causes, getting proofs read and getting them back from the printers. I have not gone into the matter in any detail.

**MR. HOLLETT:** On that point, Mr. Speaker, may I ask the members of the Government and private members of the Government do they receive these typewritten scripts. I have been here four years in this House and I have not as yet seen any scripts of anything I said. I dare say I would be ashamed of some things I said, but I have not seen any script whatsoever.

**MR. SMALLWOOD:** I am very sur-

prised to hear that. I have known of cases where delays were caused by members of the Opposition in this General Assembly failing to provide a quotation where a quotation was used by an honourable member and the Hansard Reporter did not get it down. Members have been asked to provide it, or sometimes it is figures which the Hansard Reporter did not manage to get down. Members have been asked for them later, and it has sometimes caused a delay of many months.

MR. HOLLETT: Mr. Speaker, may I ask if I may have a script of any talks I made here during the last four years?

MR. SMALLWOOD: That question would properly be addressed to Mr. Speaker. From my own knowledge certainly there is no difficulty at all about it. I am greatly surprised to know the honourable gentleman has not already had a typescript of all his speeches, submitted to him for verbal and minor corrections. I am quite surprised.

MR. BROWNE: Mr. Speaker, has the Premier made any enquiries recently about the 1952 issue? Because I was speaking to some printers last year. They told me, I believe, they had the 1953 issue ready for publication then.

MR. SMALLWOOD: No I have not.

MR. CURTIS: Mr. Speaker, before I was interrupted I asked if I might have the unanimous consent of the House to waive the motion and now have the House move into considerations of Supply:

On motion leave granted.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I beg to in-

form you that I have a letter from the Lieutenant-Governor.

Letter Read by Mr. Speaker:

*The Honourable the Minister of Finance;*

I, the Lieutenant-Governor of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1956-57, a vote on account of five million two hundred and forty-two thousand dollars, calculated on the basis of approximately one-tenth of the total vote for the year 1955-56 to meet essential public services, be provided by the Provincial Legislature.

(Sgd.) Leonard Outerbridge,  
Lieutenant-Governor.

On motion Mr. Speaker left the Chair:

Mr. Courage, Chairman of the Committee of the Whole on Supply:

MR. HOLLETT: Mr. Chairman, I wonder if the Honourable the Minister of Finance would make a statement on that Bill.

MR. CHAIRMAN: He probably would do that on motion of the first clause.

*Clause 1 Read:*

(1) From and out of the Consolidated Revenue Fund there may from time to time be issued by the Minister of Finance sums not exceeding five million two hundred and forty-two thousand dollars, \$5,242,000, and the said sum so issued shall be paid and applied by the Departments in respect of the year extending from the first day of April one thousand nine hundred and fifty-six to the thirty-first day of March one thousand nine hundred and fifty-seven towards defraying

the charges and expenses of the Public Service of Newfoundland as set forth in the Schedule.

MR. HOLLETT: Before you go on, Mr. Chairman, I think it is customary for a statement to be made at this particular time.

MR. CHAIRMAN: The honourable member is not quite right. When I put the clause the honourable member may get up and give an explanation. He must speak to a motion.

Motion—Shall this clause carry:

MR. POWER: Mr. Chairman, I do not imagine that requires much explanation. The figure is approximately one-tenth of the vote for 1956-57. Any drop balance there will be swept up in the main vote. We are quite certain we will have the estimates down and the main votes through before this amount is used.

MR. BROWNE: Mr. Chairman, I would like to ask the Minister of Finance, at this time, when he is going to bring in supply. The question I asked the other day about the special warrants signed by the Governor in anticipation of supply.

MR. POWER: The Finance Department is now preparing the supply.

MR. BROWNE: Could you tell us how much that is likely to be?

MR. POWER: Not off-hand. I could get you that information.

On motion Clause carried:

MR. CHAIRMAN: It has been the practice to put each item of the schedule separately. Honourable members, I take it, would want to follow that same procedure and then discuss each item, as the item is put.

Legislative—\$25,000:

MR. SMALLWOOD: Mr. Chairman, may I say, covering all these items, in the Hansard of the House of Commons at Ottawa I was reading the other day the annual speech by the Minister of Finance on the request of interim supply to this one day. I noticed with great interest (it happened to be the first time I ever did read this and I was very much interested in reading it). (I was already aware of the practice in Ottawa and in Westminster too) when the main estimates are not ready and the budget not brought down, and the end of the year is approaching or passed and they are into the new year and need authority from Parliament or the Legislature to vote to spend some money pending the coming of the main estimates, I know it was the practice to ask for interim supply. But not until a few days ago did I know it was the practice of the Minister of Finance to make a statement very briefly to this effect. In asking the House to vote the interim supply, he wished to assure the House they are doing so, their voting the interim supply, did not in any sense or degree limit their right, when the main estimates came, to debate every item, even the items that are contained in the interim supply. The granting of Interim Supply to Her Majesty is not to be regarded as an abridgment of the right of Parliament, and in our case the right of the legislature, to complete freedom of speech and the opportunity to debate, when the main estimates come down. In other words the principal right of Parliament is to control the expenditures and that there is no attempt and although we have not been in the practice of saying so, it has not been the practice to do so, I think my honourable friend, the Leader of the Opposition, will agree there has never been any attempt, because of the bringing down of interim

supply and the granting of it, to limit debate. It has not in any way affected adversely the right of the House to any degree of debate they want.

Now I notice in the House of Commons in passing interim supply in all its stages it is read without a single word of debate because the debate comes on the estimates and supply, this being merely an interim thing. I don't suggest we have to follow the practice of the House of Commons. I don't suggest for a moment that we have to follow the practice of the House of Commons in that regard. But it is interesting to know what they do. My honourable friend, the member for St. John's West, is doubtless more familiar with the practice in the House of Commons than we are from merely reading about it. I think we can confirm that there at any rate the practice is to put through interim supply without any delay or debate, the debate being reserved for the main estimates.

MR. BROWNE: That is true. That is true. But Mr. Chairman, if there is any matter about which any member wishes to ask questions he may do so. Whilst they don't do so very often they have the right. It is only because there are some things there that had not been answered that we are going to ask the questions now. If I may anticipate the vote, the only vote, that is changed from last year, may I have permission to do that, Mr. Chairman?

MR. CHAIRMAN: The Chair is quite content to follow the usual procedure. If the honourable member wishes to have a debate at the end or now as we go along. At the present moment we are on "Legislative." We might settle that point, discuss only "Legislative" and then

take each point, each item and take a separate vote.

On motion "Legislative," twenty-five thousand dollars carried:

On motion "Executive Council," ten thousand dollars carried:

On motion "Finance," one hundred ninety thousand dollars:

MR. HOLLETT: Mr. Chairman, on that, I wonder if the Honourable Minister of Finance would give us some information with regard to the item which appears in the Auditor General's Report on Finance under 406-10—Fees and Expenses that year, 1954-55 were thirty-three million six hundred seventy-six thousand and eighty dollars. I take it is in order to ask a question about that although we are not debating it now. I look at a note made by the Auditor General and he says that was to pay for attendance on one occasion only by an officer of Peat Marwick Mitchell & Company.

MR. POWER: Well all I know is that people from Peat Marwick & Mitchell Company were at the Finance Department during the year. One visit may be a week or a month.

MR. HOLLETT: It does not mean just one day?

MR. POWER: No.

MR. SMALLWOOD: Not only that. It might mean a man coming from Montreal, Mr. Thompson himself spent two weeks, night and day.

MR. HOLLETT: On that point again. Is it not possible that we have a firm of Auditors in Newfoundland that could audit that account.

MR. SMALLWOOD: They introduced our whole system of account-

ing and every year they review it and organize it and improve it.

MR. HOLLETT: It is absolutely essential to have somebody come in from the Mainland?

MR. SMALLWOOD: They don't always come in. They have offices here.

MR. HOLLETT: Oh, that being so I won't question the matter at all.

MR. BROWNE: Mr. Chairman, I would like to ask the Honourable Minister of Finance, the amount is stated as being one-tenth. Last year the current estimate of expenditure was thirty-eight million dollars, which brought it down to three point eight million dollars instead of five point three millions. Does that mean there is another loan of sixteen million this year?

MR. SMALLWOOD: Yes. Not sixteen millions.

MR. HOLLETT: How much is it?

MR. SMALLWOOD: I think fourteen million dollars. I am speaking from memory.

MR. HOLLETT: I wonder, Mr. Chairman, would the Minister state just what the exact amount is being paid to Mr. Goldenburg and his associates and also Peat Marwick and Mitchell, in connection with the Commission on the Terms of Union?

MR. SMALLWOOD: My honourable friend will agree the time to have this is on the estimates, where the Minister would have the information at his fingertips. This is not the time to debate these questions. We have not the answers, not here in the House with us. When we are debating it we will bring in all kinds of information, and anything the hon-

ourable gentleman wants to ask will be answered promptly. The Deputy Minister will then be here with all the information. But on this here my honourable friend could spend the next ten days just asking questions.

MR. HOLLETT: We have the right.

MR. SMALLWOOD: Of course you have the right. But it is not customary in view of the fact we know we are going to have a complete opportunity to debate these matters in great detail, full detail, just next week, it will likely begin on Monday, as early as that.

MR. HOLLETT: Mr. Chairman, that is the reason I asked the question on that. We are better fitted to debate it we are now in Committee of the Whole, which is the time to ask questions. If that were done we would be in a better position to debate the estimates when they come down, if we have the answers to some of these questions.

MR. POWER: I am quite sure the honourable gentleman does not think I carry around in my head what everyone gets. But if he is anxious to know I will bring him the information tomorrow.

MR. BROWNE: Mr. Chairman, I have only one question which I was concerned with. It was partly answered by the Premier when he stated this one-tenth is not only of current expenditure but capital expenditure as well. Now in his department the current expenditure is something like a hundred and fifty thousand dollars, and he asks for a hundred thousand dollars. Does that imply there are going to be any loans for industries this year?

MR. SMALLWOOD: We don't

know of any. What has been done. We take a round figure of ten per cent. I don't think that is to be taken that is the exact amount for any particular department for a year. These are very round figures. The details will be here on Monday. If the House does not like it we will call it off and wait until Monday and not spend any money until Monday. It is really not important. I debated in my mind whether we wanted it or not. When the Controller of the Treasury said that the Supreme Court is going on circuit and wants a few dollars to pay jurors. They ought not to go out empty-handed. They ought to have a few dollars in their pockets. But in general terms of speaking it is not important.

MR. BROWNE: The answer to it not being important is that only a little while ago they voted themselves over eight hundred thousand dollars.

MR. SMALLWOOD: That was last year. We cannot spend a cent this year, 1956.

MR. BROWNE: Does the Premier mean to say there is no money being spent?

MR. SMALLWOOD: Not a cent. Oh we can pay bills authorized by the House for last year.

On motion "Finance one hundred ninety thousand dollars" carried:

On motion "Provincial Affairs seventeen thousand dollars" carried:

On motion "Education one million dollars" carried:

On motion "Attorney General two hundred fifty thousand dollars" carried:

On motion "Mines and Resources

two hundred fifty thousand dollars" carried:

On motion "Public Works one million dollars" carried:

On motion "Health one million dollars" carried:

On motion "Public Welfare one million dollars" carried:

On motion "Board of Liquor Control forty thousand dollars" carried:

On motion "Municipal Affairs and Supply one hundred thousand dollars" carried:

On motion "Fisheries and Co-operatives two hundred fifty thousand dollars" carried:

On motion "Economic Development one hundred thousand dollars" carried:

On motion "Labour ten thousand dollars" carried:

On motion the Committee rose to report progress on passing of these resolutions:

On motion report received:

On motion said Resolutions read a first time, read a second time and concurred in:

MR. SPEAKER: The Honourable Minister asks leave to introduce a Bill based on the said Resolutions:

On motion Bill read a first time:

On motion Bill read a second time:

On motion Bill read a third time, ordered passed and title be as read:

#### Address in Reply

MR. SMALLWOOD: Mr. Speaker, I noticed a strange thing yesterday

and the day before and the day before that while my honourable friend, the Leader of the Opposition, was speaking (three days he spoke, or at least for the part of three days, ending early yesterday afternoon) and I noticed that whilst he was speaking I made a strong effort to pay attention to what he was saying. I thought that as Leader of that side of the House common courtesy required me to make a very special effort to concentrate on listening to my honourable friend.

MR. HOLLETT: You were not bored, were you?

MR. SMALLWOOD: No I was not bored. But I listened intently, I made a strenuous effort to concentrate on listening to his speech, but in spite of myself my mind wandered.

MR. HOLLETT: I wondered what you were going to say.

MR. SMALLWOOD: My mind wandered. It wandered just as my honourable friend was saying "Koch Shoes" got another seven thousand dollars, and then again that some other plant got five hundred thousand dollars and the Birch Plant got two million (or it might be three or four or one) or some large sum of money. Just at that point my mind wandered and I thought of other things, and I ceased for a while to listen to my honourable friend, for five or ten minutes. Then out of the dim his voice emerged again. Which means, of course he had been speaking all the time but I had not heard him. As I said, my mind wandered. When my mind came back what I heard him say was "Koch Shoes got another sixty thousand and the Gypsum Plant got another million dollars and the Birch Plant got half a

million dollars." I listened to that a little while and then my mind wandered again and I thought of a number of things for say twenty minutes or a half an hour. I was actually figuring out certain matters of importance to which I have to find a reply. Then my mind came back, about an hour after the first time it wandered, and my honourable friend was saying "Koch Shoes got ninety thousand and the Birch Plant got fifty thousand the Battery Plant got fifty thousand and the Gypsum Plant got another million." Thus inexcusably I did not lose interest exactly but my mind just wandered for another half hour or three-quarters of an hour. Then suddenly out of the dim void in which I was living for the time being, I heard my honourable friend again (this time about one and a half hours after my first wandering) and I heard him say "the Gypsum Plant got another five hundred thousand dollars." (Now I don't remember the figures. Maybe I am attributing wrong amounts to the right concerns or the right concerns to the wrong amounts but that is what it sounded like to me "Koch Shoes got another two hundred and ninety thousand dollars and the Gypsum Plant got another million (or it may have been seven hundred thousand or something like that) and the Birch Plant got another one and a half million." Mr. Speaker, after three days of that, hearing my honourable friend reel off these figures I asked myself this question — "Is my honourable friend just reading the same figures over and over again ad infinitum, ad nauseam? Are these the same figures or does he make them up? He always holds up a big sheet of paper and reads them out. Is it the same sheet of paper? Are they the same figures? Are they just re-

peated repeatedly? Yes I know it is a large impressive piece of paper. I wonder if they are the same figures over and over endlessly and for what purpose? For what end? Not for a moment do I suspect that my honourable friend seeks this end. But I do suggest to my honourable friend that he cease as of now, from now on, to use figures. It is a very special art. He has the classical mind. I am sure my honourable friend could quote us Greek or Latin with ease and with grace and with charm. But when he indulged in figures he goes overboard. He gets lost, and that causes me to get lost, and the whole House is lost. I don't mind that much. What I do mind is when my honourable friend acts that way he confuses the general public. They don't know what to say. They get lost in the millions."

I might say there is only one thing that saves the general public from going mad after hearing my honourable friend. It is this: When he repeats these figures fifty or sixty times like this one million two hundred sixty-four thousand dollars; one million seven hundred thousand dollars; one million two hundred seventy-six thousand two hundred eleven dollars and sixteen cents; one million seven hundred eighty-six thousand twenty-seven dollars; the only thing the public remembers is the sixteen cents and the twenty-seven cents. They forget all the millions.

MR. HOLLETT: You tell them.

MR. SMALLWOOD: I don't confuse the figures. I try to speak with the utmost clarity. I never use figures without knowing how to use them and what they mean. I suggest he, when quoting Latin and dealing in Greek and dealing in the clas-

sics, being a graduate of Oxford University he is very much at home, but when he begins to talk economics and deal in figures and statistics I don't think he knows what he is doing. I think he gets lost. I think he should have a guide.

What did his honourable friend tell him to say now? I saw him touch him on the arm and whisper. What did my honourable friend advise him to say?

MR. HOLLETT: What he said had nothing to do with it. May I suggest to the Honourable the Premier he is all wrong. My strong point is not Greek nor Latin but rather mathematics, in which I have two degrees.

MR. SMALLWOOD: My honourable friend would be safer if he used the past tense. His strong point used to be mathematics but I don't think it is now.

MR. HOLLETT: You don't think it is now?

MR. SMALLWOOD: Was it Oxford or Cambridge?

MR. HOLLETT: The Honourable the Premier ought to know. It is Oxford.

MR. SMALLWOOD: Oxford is not noted for mathematics but for classical work.

Mr. Speaker, I want to talk now about Labrador: Yesterday I made a statement here in the House about Canadian Javelin and their iron mine at Lake Wabush. I have here the annual report of the Labrador Mining and Exploration Company for the last year, 1955, up to the end of 1955, to December 31st, 1955. This report has been audited. I am sure the House

will be tremendously interested in this:

The Labrador Mining and Exploration Company was formed some ten or twelve years ago by Mr. Jules Timmins, to operate entirely in the Labrador, nowhere else, just Labrador. I would like the House to be clear on that. That the Labrador Mining and Exploration Company deals only in Labrador. It has no property anywhere else. At the same time he formed another company called, I believe, the Hollinger and North Shore Exploration Company, which operates solely in Quebec. In short, Mr. Speaker, these great deposits of iron ore found there by Burnt Creek and Knob Lake straddles the boundary. It was on both sides of the boundary in Labrador and Quebec. So two separate companies had to be formed, one for Newfoundland and one for Quebec.

The Newfoundland Company, i.e. the Labrador Mining and Exploration Company came to the Government of Newfoundland and got a concession. The other one went to the Government of Quebec and got a concession. So that there were two separate concessions. Now I want the House to understand the distinction between these two companies which were formed ten or twelve years or more ago, the Labrador Mining and Exploration Company on the one hand and the Iron Ore Company of Canada on the other hand.

The Iron Ore Company of Canada is a thing that was recently formed, three or four years ago. It was made up of six United States Steel Companies and Iron Companies, and it was made up also of a few Canadian Companies such as Mr. Timmins, Hollinger Consolidated Gold Mine Company and the Labrador Mining and Exploration Company

became a shareholder of the Iron Ore Company of Canada and so too did the Quebec North Shore and Exploration Company, and there are some other shareholders, no doubt of the Iron Ore Company of Canada. It is the Iron Ore Company of Canada which built the railway and not the Labrador Mining and Exploration Company. It is the Iron Ore Company of Canada which mines the ore down at Burnt Creek and Knob Lake and that section. They don't own the ore. They don't own the mines. They are entirely owned by Labrador Mining and Exploration Company when in Labrador and the Quebec North Shore Exploration Company when in Quebec. That Iron Ore Company of Canada pays a royalty on the Labrador ore they take out and ship and sell. They pay a royalty on the Labrador ore to the Labrador Mining and Exploration Company and on the ore they take out of Quebec they pay a royalty to Quebec. Now I hope the House has the point clear.

Nevertheless, although it is the Iron Ore Company that does the mining and shipping of the ore and sells it, the Labrador Mining and Exploration Company also sell iron ore but it does not mine any, the Iron Ore Company mines it for them. So that the Iron Ore Company of Canada in Labrador are mining ore for themselves and shipping it away and paying a royalty on it to the Labrador Mining and Exploration unit, and the Iron Ore Company of Canada mines ore on behalf of the Labrador Mining and Exploration Company and sells it for them, and charges a fee for doing it. So that the income of the Labrador Mining and Exploration Company is in two ways (1) they get royalty on every ton of their ore in Labrador that the Iron Ore Company mines

and ships which is, as far as I can see here, fifty-three cents a ton and (2) the profits they make on the ore they sell.

Now having made that necessary explanation, let me give the House the first year's results of the Labrador Mining and Exploration Company. They sold (they did not mine it. I have already explained that) five hundred forty-four thousand (call it half a million) tons of iron ore. That is according to the balance sheet submitted here for 1955 in connection with the annual report of the company. The balance sheet is dated 31st. December, 1955. It is duly certified by the company's auditor and also the General Manager. Net profits clear net profits from the sale of half a million tons of iron ore for the account of the Labrador Mining and Exploration Company, amounted to one million seven hundred thirty-seven thousand dollars (call it one and three-quarter million dollars.) That is \$3.20 a ton clear profit. twenty dollars clear profit a ton. That is half of a million tons which the Iron Ore Company of Canada mined for them and shipped for them and on which they, the Labrador Mining and Exploration Company, made one million seven hundred and thirty-seven dollars.

Now in addition to that they received royalties from the Iron Ore Company of Canada from the shipments of three and a half million tons. Now let us get that clear — the Iron Ore Company of Canada last year, 1955, mined in Labrador (we are not talking about Quebec) the property in Labrador of the Labrador Mining and Exploration Company, three and a half million tons. They mined and shipped that amount. They paid royalties. It is not theirs, you see,

They got it only by royalties to those who owned it i.e., the Labrador Mining and Exploration Company. They paid royalties amounting to one million eight hundred and forty-eight thousand dollars (again roughly one and three-quarters of a million) which is an average, it seems to me of fifty-three cents a ton royalty. Now that brought, therefore into the coffers of the Labrador Mining and Exploration Company two amounts of money last year, profits on the ore they sold, a half million tons of three thousand twenty dollars a ton, one and three-quarter millions and royalties at fifty-three cents a ton on ore they allowed the Iron Ore Company of Canada to mine on their property, one million eight hundred forty-eight thousand dollars, giving them a total profit for the year of three and a half million dollars, \$3,585,000.

Now, Sir, it is not to be supposed, I imagine, that the Iron Ore Company of Canada made less per ton, made less profit per ton on the three and a half million tons they shipped on their account than did the Labrador Mining and Exploration Company on their half million that they sold. They made three thousand twenty dollars a ton net profit. I would imagine the Iron Ore Company of Canada made at least the same. But they had to pay out of that three thousand twenty dollars a royalty of every ton to the Labrador Mining and Exploration Company who were the owners of the ore, which would bring them down to two thousand sixty-seven dollars a ton, which is a profit of nine and a quarter million dollars for the year for the Iron Ore Company in Labrador. I am only talking today about the Labrador. I am not talking about Quebec, you can double that figure to include Quebec because they took

about half, roughly from the Labrador side and from the Quebec side. So that there was nine and a quarter million dollars profit last year for the Iron Ore Company and three and a half million for the Labrador Mining and Exploration, which is twelve and three-quarter million dollars on four million tons of iron ore. They did not actually ship eight million tons but a little less than eight million tons, seven million and something. So that it is a fair inference that they made twenty-five million dollars clear profit last year by the three companies, the Labrador Mining and Exploration, the Quebec North Shore Exploration and the Iron Ore Company of Canada. They made at least twenty-five million dollars clear profit in their first year of operation, the first full year of operation.

Now in this year of Our Lord, 1956, they are going to ship twelve million tons of iron ore as against seven or nearly eight millions last year. It is told here that they are going to step up their sales to a million tons, that is the Labrador Mining and Exploration Company. Of twelve million tons six will come from Labrador, if not more probably a bit more, but we will call it only half, six million tons, i.e. one million from the Labrador Mining and Exploration Company, on which they should make three point two million dollars this year 1956; and five million tons from the Iron Ore Company of Canada, which is a total of sixteen point five million profit that the two separate companies will make out of Labrador alone and they will make at least another equal amount of Quebec, which will mean thirty-two million dollars profit this year, in this present year.

Now by the next two or three years they should be taking ten million tons a year from Labrador alone, and making a profit, a clear profit of thirty million dollars a year. It seems to me from the figures I have that in the first five years of Iron Ore production and sale in Labrador they should make a hundred and twenty million's net, counting last year, the first year and this present year, the second.

MR. BROWNE: May I ask a question with respect to the net profit — Do you mean net after making allowances for depreciation, interest on the money they owed and the sinking fund and all the rest?

MR. SMALLWOOD: Yes indeed, but not before taxes. Net means everything paid except taxes. They pay taxes on what is left. But until they do pay taxes they have a profit of a hundred and twenty millions. Then on that of course, is what they will pay their taxes to the Government of Canada.

MR. BROWNE: How much do we get of that.

MR. SMALLWOOD: We get five per cent. Not of that but of their profits not as they define it in the ordinary course of business. It is a different net. It is a net that is laid down in the contract they have with the Government, made in 1938 by the Commission of Government and amended from time to time. The last time it was amended, I believe was in 1942.

Now Sir, this means that overnight the Province of Newfoundland has become one of Canada's really great mineral producers. This year for example, from Bell Island they will ship something less than three million tons.

Bell Island has been operating for sixty-odd years, and they will be up this year, I think, close to three million tons. In that same year from Labrador they will be shipping six millions in this year 1956.

MR. HOLLETT: Do I take it that Bell Island will make a profit in proportion?

MR. SMALLWOOD: Now I am not talking profit, I am talking about tonnage. I don't know what they will make and have not their balance sheet as I have the sheet of the Labrador Mining and Exploration Company here before me now in my hand.

Newfoundland has become overnight one of Canada's great mineral provinces, because of this iron ore in Burnt Lake, Burnt Creek, Knob Lake and that general area.

Yesterday I announced the progress of the Canadian Javelin Company which is immensely more important and interesting to us as Newfoundlanders and to us as a Government than the Iron Ore Company of Canada or the Labrador Mining and Exploration Company for this reason: All we get and all we can get as a Government from the Labrador Mining and Exploration Company and the Iron Ore Company of Canada is what is laid down in the law passed before we came in at all. Whereas what we will get from the Canadian Javelin at Lake Wabush is very much more and is what we here in this House at the instigation of the Government defined in our contract with Canadian Javelin, or at least in our contract with NALCO, NALCO in turn having made a direct contract with Canadian Javelin.

Mr. Speaker, in 1953, two years ago, Great Britain imported ten and a half million tons of iron ore, in 1954, eleven

million tons, in 1955 twelve million tons and a half. It has gone up two million tons in three years. In this year, 1956, Great Britain will import twenty million tons a year of iron ore—twenty millions a year . . .

MR. BROWNE: If the same rate of progress continues.

MR. SMALLWOOD: That is the forecast of the steel industries in Great Britain. The West German imports of iron ore in 1954 (I have it for a year later) was ten millions. In 1955, last year, it was sixteen million tons and this year 1956, it will be eighteen million tons. Eighteen million tons. Eighteen million tons this year in West Germany and fourteen million in Great Britain. By 1958, two years from now, their imports will be forty-two million tons of ore—or two years after this year Great Britain and West Germany will be importing between them forty-two million tons of iron ore a year. So that in four years, from 1954 to 1958, in the two countries their imports of iron ore, between them will have gone from twenty-five million tons to forty-two million tons, a gain of seventeen million tons a year, which, Mr. Speaker, must first exist somewhere in the ground and which must then be mined and then be shipped, seventeen million tons per year increase.

But when you want to see the colossal nature of this iron ore industry you must turn to the United States. In 1948 the United States imported three million tons of iron ore, in 1952 five million tons, in 1953 fifteen million tons, in 1954 or 1955, last year, twenty-three million tons, in 1960 their estimate is forty-five million tons and in 1965 is fifty-three million tons a year and in 1970 it is sixty-eight million tons a year. 1970 sounds a long time

off but how long is it? Fourteen years.

MR. HOLLETT: You are talking about millions now.

MR. SMALLWOOD: Yes millions of tons.

MR. HOLLETT: It was yesterday, only it was dollars.

MR. SMALLWOOD: Yes—Well in about three and a half years time from now when we will be about half way through our next term, or a little more than half way, in three years time Great Britain and Germany and the United States between them will import seventy-two million tons of iron ore a year, which is a jump of thirty-two million tons a year. If that means anything it means that when you talk now of iron ore you are talking of one of the most colossal of all the world's industries, absolutely colossal.

Here is a publication of January 21st, this year. It is a publication of the Government of Canada—"Foreign Trade and Commerce:"

I am just going to read two paragraphs:

1. "There is a general agreement in the United States that domestic production of iron ore has reached a plateau from which it will recede gradually in the years to come. The domestic requirements for iron ore: While the production has now reached a plateau and will begin to recede, the requirements of iron ore in the United States will increase steadily to match the expected growth of steel manufacturing capacity. While the production of American iron ore has levelled off and is about to recede steel productions will go up because the population of the United States will go up, the economy of the United States probably will expand and this expanding steel pro-

duction will have to be matched. Thus the requirements of iron ore will increase steadily to match the expected growth in steel manufacturing capacity and these additional supplies of iron ore will come from sources outside the United States, and Canada will become increasingly important as a source, probably the chief outside source.

The United States Bureau of Mines estimates that Canadian shipments of iron ore to the United States will rise steadily to an annual rate of thirty-eight million tons, (that is Canadian exports going to the United States) by 1970, and this figure will represent twenty-one per cent of the estimated total requirements of the United States at that time."

Now that is one paragraph: Here is the other one:

2. "It is estimated, perhaps conservatively that the annual consumption of iron ore in the United States, presently about a hundred and forty million tons a year will expand gradually to about one hundred and eighty million tons; the consumption of iron ore in about 1975. At that date steel capacity is expected to be a hundred and sixty million tons compared with a hundred and twenty-six million tons at the present time . . ."

Mr. Speaker, I would say that the production of steel in the United States will be greater than all the other countries in the world put together. It is to Labrador, in the main, that the United States must turn for her supplies of iron ore. Indeed, Mr. Speaker, it is not much of an exaggeration to say that the very economy (because we know what steel means in the economy of a great industrial nation) depends on iron ore. Try to picture some industry in the

United States that can do without steel. Steel is basic in her economy. It might not be too much of an exaggeration to say that the future industrial greatness of the world's greatest industrial power depends on the iron ore of Labrador.

The Financial Post of Toronto, March 13th, 1956, calls iron ore the backbone to Canada's growth. Listen to this: "It is evident that the United States Steel Industry is calling the time in the ore business. Steel output is undergoing rapid expansion in Canada."—"Steel production is undergoing rapid expansion in Canada, the United Kingdom and Japan."

Talking about Japan. The ambassador was down here in Newfoundland not long ago and he and I had a discussion on the matter of iron ore. I did not know I was talking with an expert. Japan is now paying nineteen dollars a ton, cost insurance and freight for iron ore and even at that price anticipates trouble getting its requirements of seven million tons for 1956. He was tremendously interested in the iron ore of Labrador.

"The rapid expansion in Canada, the United States, the United Kingdom, Germany, Japan and elsewhere, but especially the expansion of the great United States steel industry is changing the complexion of the iron ore business."

At the beginning of World War II the United States steel industry had an average capacity of eighty-one million tons of steel and the Massabi Iron Range out there in Minnesota looked good for a long time to come as prime supplier of iron ore. Today steel capacity has gone to a hundred and twenty-six million tons a year from eighty-one million at the outbreak of World

War II. Today the industry is working at top capacity and is also working on expansions right now. Installation of new production capacity in various mills in the United States amount to fifteen million tons a year increase to be completed in the next three years. Here in Canada as well a one hundred million dollar programme is expanding existing steel producing facilities which gave an output of four and a half million tons of steel in 1955. In the United States it has been estimated that the United States steel requirements may reach two hundred sixteen million tons by 1970. Canadian consumption at the same time is estimated by the steel companies at twelve million tons in Canada itself.

Now, Mr. Speaker, we come to a fact of staggering importance to our future as Newfoundlanders. With the great countries of the world expanding their need for iron ore, their consumption, their use of iron ore, obviously they are going to dig terribly deep into the main bodies of good iron ore in the world. It is questionable how long even these vast deposits of high grade ore will hold out at this pace of consumption. So that two things have happened: (1) The price of iron ore has gone sky rocketing, shooting ever up and up and (2) concentrating ores as distinct from shipping ores, once scorned by steel manufacturers, are now getting the big hand. For the benefit of those members of the House who don't know, if there are any such members, I ought to say this: shipping ore is ore sufficiently good just to ship right to the steel mills. Concentrating ores is ore not good enough to ship as it is. The iron in it has to be concentrated by eliminating the things not wanted, rock and dirt and all the other elements taken out and what is left is a higher proportion of iron. Probably

the most important factor about concentrating ores is the high grade premium product you now get by taking what is a low grade iron ore and with the German Lurgi Pellet Process compressing it into pellets, or other processes—With such a process a high grade ore can be turned out which rates as No. 1 product with the steel people, so much so that it commands a premium when such a pelleting process is available.

Reasons for the popularity of such prepared pellets are not hard to find; carrying a higher grade ore than the Massabi ores such raw materials mean an increase in steel producing capacity and a lower consumption of fuel. Notice that point! A lower consumption of fuels. If you feed into a steel furnace pelletized iron ore you don't need as much fuel to smelt it, you reduce your fuel consumption.

Now, Sir, when it comes to low grade ore we have to abandon the use of the word "millions" unless we put in front of it the word "hundreds" or, hundreds of millions and thousands of millions. Because at Wabush Lake alone it is up in the billions of tons of low grade or relatively low grade iron ore. In addition to Wabush Lake which Canadian Javelin has from NALCO on the south shore of the lake, on the north shore of the same lake the Labrador Mining and Exploration Company has billions of tons more. Now I will tell the House something:

When I was in Seven Islands last, when I was there for the little ceremony of shipping the first iron ore from Labrador, the present Secretary of the Treasury of the United States of America, Mr. George M. Humphries, was there and he and Jules Timmins and myself had a private meal together

in the private car as we went down the railway seventy or eighty miles from Seven Islands, over the new railway; Mr. Humphries said (calling me by my first name) which he does because we are fairly good friends, at least we are on terms of some personal intimacy, let me put it that way, "Joe, this is a big day." I said, "Yes." He said, "It is a big performance." I said, "Yes." He meant it was a big performance getting the iron ore mine opened up, getting the railway built, getting the great dock built, getting the ore shipped out and loading the first steamer. It was a great performance, yes.

Then he said, "We have not even started yet."

"Oh," I said, "What is next?"

"I will tell you what is next. This is all wrong, to be shipping thirty million tons of fifty-two per cent iron. That is forty-eight per cent rock. It is useless. You can get all the rock you want without going to Knob Lake. You do not have to go down 365 miles into the heart of Labrador and ship out thirty million tons of ore of which forty-eight per cent is rock, fourteen million tons of rock. That does not make sense."

"Why," I said, "it makes a lot of dollars" (which is now proven to be correct). "It is making a lot of dollars."

"Well," he said, "here is what we are going to try to do, as of today, beginning today, we are going to find the way to ship out steel not iron ore. To smelt that iron ore right on the job with the mighty power of Grand Falls, on the Hamilton River. We will start in today, we will spend millions of dollars to find the way to smelt this ore."

That was three years ago. This year, this coming summer it is three years. A few months ago I had a visit to St. John's from Mr. Jules Timmins and Mr. Bill Darrol and five or six directors of that company. They flew down in a private plane and came into my office to see me. Mr. Timmins said: "Mr. Premier, I have some news for you. Do you remember what Mr. Humphries said to you on the day we opened at Seven Islands?"

I told him I did indeed.

"Well," he said, "I have a report now. The work has been going on from that day to this. We are working very hard to find the economic process to smelt that iron ore."

I said, "Jules, what are your prospects? Are they hopeful?"

He said, "We are very hopeful."

We went on from there to talk for a while about electric power and the development of electric power. I will come to that in a moment. Then he gave me the second piece of news. "You know we have drills in at Lake Wabush, on our property not the Javelin property, but on the opposite side of the Lake."

I said, "Yes, I know that." He said, "When we find a way to smelt the iron ore, the ore we smelt will be the ore at Lake Wabush."

Now the whole House knows, the whole province, the whole of Canada knows that BRINCO have been given the first shot at developing the Hamilton River power potentials. It is now well known that they have spent some millions of dollars already, millions of dollars surveying the waterpower of that watershed, the Hamilton River watershed. It is not generally well

known (as we are not a people, Mr. Speaker, who go to much trouble to inform ourselves about our country and our province and especially about the Labrador part of our province) not generally well known therefore that the Hamilton River is one of the greatest rivers of this continent.

MR. BROWNE: That has always been known.

MR. SMALLWOOD: No. It is known to my honourable friend and me. To hundreds and thousands of others, but of the four hundred twenty-five thousand in Newfoundland how many know? Not many know that the great Hamilton River is one of the greatest of this continent and one of the greatest rivers in the world.

It is known that BRINCO have already spent millions of dollars to make a survey of that river, that fact is known. It is known because I announced the fact and the fact is that BRINCO has now decided to build a road half way across Labrador, a hundred miles of highway to get into Grand Falls. I heard last night the firm who have been given the contract. It has gone that far. They are now just waiting for the breakup so that they can commence the construction of that road.

Who would have thought three or four years ago, who would have been so mad or so crazy, say, three years ago, to say that three years from now they will be building a road into the Grand Falls on the Hamilton River in the heart of Labrador? There are not a hundred men on the surface of the earth who ever saw Grand Falls. There may be not even fifty. Who would have said three years ago they would be building a road into the Grand Falls in three years?

Everybody knows that we are going to get fifty cents a horsepower for the millions of horsepower that will be developed. We are going to get fifty cents apart from any other profit that BRINCO may make on many other things. Is it so crazy to picture that in the next three, four, five, six, eight, ten or twelve years, I don't know how many, I don't try to put a limit on it, to picture this vast iron development there four or five times as big as it is, to picture a thousand million dollar hydro-electric development, a billion dollar hydro-development, to picture another billion dollar smelting plant, that will cost at least a billion, a thousand million dollars. If they find, if they crack that open, if they can find the technique of how to smelt the iron ore economically with electricity, if they find that it will cost a billion dollars to install it. In Heavens name how much will they make shipping out steel practically? Iron ore concentrated to a degree that all you can call it is steel, probably shipping out eighty or ninety per cent iron, almost more valuable than gold.

But, Mr. Speaker, from the beginning of time industry has gone where the power is. It must follow the power. You cannot bring power very far so you must bring the industries to the power. You must bring the raw material to the power. You cannot bring the power to the raw material.

In Lake Melville, near Goose Airbase is the Hamilton River. What is there in essence to prevent this, when the power is developed up the river, up the stream, at Grand Falls and Muskrat Falls, to bring the power down into a plant at Tidewater, to which you would bring perhaps most of the uranium produced in Canada or produced in the eastern part of Canada, bring it there for what purpose? If you have

eight million or nine million horsepower of electricity and say you use a couple of million of them, two or three million of them in a great, huge aluminum industry, another Kittimat there, and still have six or seven million horsepower there, of four Niagara Falls put together, have that left over. What is wrong with building a vast plant there at Tidewater and use that electricity and take the uranium there and carry it one if not two steps further along using the water of the river itself generating the power and use that same water as the refrigerant. Because it is the only large body of fresh water flowing into the Western Hemisphere, the only large body of flowing water which reaches Tidewater where you can build—that is cold water—Get that! That is the only large body of flowing cold water in North America which outflows at a point where you can have construction take place and manufacturing take place. So that very water which generates the electricity can be used also as the cheapest refrigerant known to man because it is there so cheap, it is free. It is just a matter of it flowing into the factory and out again. In the manufacture of atomic energy there are several steps. There is the raw pitchblende. They take uranium out. They use something. I don't know what it is called. I am not a scientist. From that they turn it a step further and from that they go still a step further. Now what is to be done, wherever it is, it has to be done, why not at the greatest known source of hydro-electric energy on the earth. There is no greater I have ever known about or read of than the Hamilton River. It is an immense quantity of immensely cheap power, and at an immensely low cost. What is to prevent its being done?

Then we come to uranium: I notice that nobody on that side of the House to this moment (and there is only one left to do it, the honourable and learned member from St. John's East. I would be interested to hear him doing it) nobody up to now on that side referred whatsoever to this part of the Speech from the Throne. "We will all, I feel," His Honour said, "be deeply pleased by the encouraging news we have heard with regard to the British Newfoundland Corporation, that impressive combination of almost thirty large financial, industrial and mining companies of the United Kingdom and Canada, BRINCO, as it is popularly known, have come into Newfoundland and Labrador with great stores of experience and capital and have from the commencement pursued their survey and prospecting with skill and vigor. They have spent some millions of dollars in the past three years or less, and propose to spend millions more, on their programme of intensive prospecting and drilling. We look forward eagerly to the early development of the vast hydro-electric potential of the Hamilton River watershed in Labrador, and even more eagerly to the outcome of this coming season's drilling in the Monkey Hill and the Stormy Lake regions of Labrador where profoundly impressive deposits of uranium bearing pitchblende have been found. "It is coming to be widely recognized that Labrador is almost certainly the greatest single storehouse of undeveloped natural wealth existing anywhere today in the whole of North America. Any Province of Canada, indeed any state of the United States of America, would be happy to have within its boundaries so vast and rich an area as Labrador. My ministers have striven, and continue to strive, to expedite

the development of this great storehouse of wealth."

Now to repeat just one sentence: "... even more eagerly to the outcome of this coming season's drilling in the Monkey Hill and Stormy Lake regions of Labrador where profoundly impressive deposits of uranium bearing pitchblende have been found."

Sir, if you take any mining paper published in any part of North America you will see repeatedly stories about uranium and discoveries of uranium deposits. I have read them literally in dozens. But I have yet to read one single story about a find of uranium except in this Province, where the content of the uranium ran as high as one per cent—Not one case have I read — I have read dozens of cases where it is point six hundred seventy-three per cent or point nine hundred sixty-eight per cent, but never where as much as one per cent, never, not once. I am not saying it does not exist. I only say I have never read of it except in this Province. In this Province the best informed men we have in these matters are our own Government Geologists, Dr. Baird and Mr. Gover, Dr. Baird is our Provincial Geologist and Mr. Gover, who is the Deputy Minister of Mines and before that was the provincial geologist and is now a special man for BRINCO. This professor at the University, Professor Lee who was interviewed on the air the other night and who when asked about the prospects of mineral in the Labrador, with one word, one word is all he used, he said; "fantastic." "Fantastic"—A pregnant word.

MR. HOLLETT: Fantasy.

MR. SMALLWOOD: No it does not mean fantasy. My honourable friend will never get anywhere depre-

ciating his own native province and its prospects, and sneering at them. When Professor Lee said these prospects were fantastic my honourable friend's only comment is "fantasy." is that sneering or is it sneering or what? What is it?

MR. HOLLETT: You have been indulging in fantasy the whole afternoon.

MR. SMALLWOOD: All right "fantasy." That is the only description of Professor Lee's description of the possibilities of the Labrador.

W. H. Darrol says, speaking of Labrador; "besides the iron ore base metals deposits containing one or more of several copper, lead, zinc, nickel have been located in two main piles, one pile lies to the East of the main iron belt and extends from Central Labrador the other belt lies to the South-east. Within Labrador other metals have also been located although none have been found in quantities to approach economic amounts. At present there is sufficient to indicate the area of Labrador is at least favorable and that future exploration might be successful in locating economic bodies. In addition it must be realized that large areas have received little or no exploration and the mineral potential for such areas cannot be assessed."

Mr. Timmins tells me that he has not any doubt at all. The Chief Geologist of the Iron Ore Company of Canada tells me, and they all tell me the same thing. Bill Darrol tells me that Labrador is a great storehouse of minerals — a great storehouse — and these geologists, Gover, Baird, House, Lee, whom I suppose we all admit are the most knowledgeable men we have in Newfoundland in the matter of geol-

ogy and mines and minerals at least there is no one else who knows more, and I don't think there is anyone who knows as much as these men. They are thoroughly excited about the uranium finds.

My statement on the discovery of uranium for me was made by them. It is not my statement at all. I only attached my name to it. It is their statement. Finally, the final sentence was written verbally by them. They chose the words. That is not all. It was their idea to put in that final sentence. When that sentence was prepared I took it and went in another office to a typist and asked to have six or eight copies and explained some words in my writing as they dictated and drafted it. I brought it down and they said, Mr. Premier, we decided you should add another sentence. We have it written. They handed it to me. What was that last sentence of the statement? "This region or province" — the word used is "province." The word "Province" is used only in Canada where the area is so great — and the sentence—"This uranium province ranks in importance with Beaver Lodge and Blind River." Now these are the two great uranium provinces of Canada. Beaver Lodge is in Saskatchewan and Blind River in Ontario.

Now I did not know that. How would I know whether Stormy Lake and Monkey Hill and eighty-five miles lying in between would rank with Beaver Lodge and Blind River? How would I know that? The answer is that I would not and did not know. I did not even think of it. It was their idea and their wording. But did that prevent the sneer? Not at all.

There are people who know far more. For instance there are people

that know this: That this whole thing amounts to merely this: a few traces of pitchblende containing possibly (the word possibly is quite entertaining) a few traces of uranium. That is how it was described by one radio station, "a few traces of uranium." That was one radio station. They went right on talking about someone who broke his leg. They just dismissed it. That was "VOCM." The cultured and learned gentleman who operates that station and the Firm of Harvey and Company who sponsors that news and whose employees down in Harvey's office writes it, passed judgement as he had every right to do. He was not going to be impressed by anything that came from this Government, still less by anything that came from the Premier, when it was so obvious to them that there were so many other men more worthy to be Premier. How obvious that is to them. So they were not going to be impressed. I remember exactly what and how it was said:

"Good Evening," the actor said. "Good Evening, the great announcement has been made that was going to shake the earth. The next voice you will hear is that of the Premier." That was the next voice, a recording. When my voice stopped the actor came on again:

"There you have it Ladies and Gentlemen, the great statement that was going to shake the earth. A few traces of pitchblende containing a few traces of uranium. A man broke his leg in Come-By-Chance this morning."

Now he was not to be outdone—not he—he was no monopoly on superior authority. He was no monopoly on an unfathomable, a bottomless pit of inferiority complex masquerading as superiority. He was no monopoly on

that. So he was not going to be outdone. But he was outdone by someone who tells us that it is all a "cod," it is all a joke, all wind, nothing to it. Anyhow uranium is a thing of the past. It is gone. There is no use for it anymore, they have more than we can use. He knows. He knows. He knows.

MR. BROWNE: Mr. Speaker, I wonder if I could ask the Premier a question—It was stated, I believe over "CJON" by Mr. Jamieson as one of the well kept secrets that BRINCO made this discovery two years ago.

MR. SMALLWOOD: No, not two years ago. Last year they made it. The first year they were down there in Labrador they had a short season. They had, remember the right to stake fifty thousand square miles and the holding of fifty thousand square miles for a short time. But to pick fifty thousand then to look at, say, a hundred thousand or at ninety thousand, say, and they had therefore to discard forty thousand. But before discarding the forty thousand they wanted to look at it first. They went to the least promising parts to take a quick look so that they could reject it. In doing that they saw a slight but not too impressive evidence of pitchblende, inside of Monkey Hill. That was late in the season. So they went back last year, the first chance they got last year, and they made a pretty good investigation. It was not drilling now but a very good investigation and tracked down these traces.

MR. BROWNE: The Premier smiles. But I think he must admit that the Premier does not give very much information, about what BRINCO is doing, to the House of Assembly.

MR. SMALLWOOD: That may be correct. But what has that got to do with the uranium find?

MR. BROWNE: You make your announcement over the air and not to the House of Assembly. This is the first time you talked about it here.

MR. SMALLWOOD: That is no thanks to the Opposition. They did not deign to take up the matter. They talked on everything under the sun, but not this, and this is one of the principal items of the Speech from the Throne.

MR. HOLLETT: We are not on the inside.

MR. SMALLWOOD: The honourable gentleman does not have to be on the inside. He talked about so many things he is on the outside of and knows nothing about. Nevertheless he is not debarred from discussing BRINCO.

MR. HOLLETT: Did you read the "Northern Miner" on it?

MR. SMALLWOOD: Yes I read it.

Look, the answer is this: BRINCO decided to sell a couple of million shares for six million dollars, at \$3 each. And in half an hour — they did not advertise it. Their shares are not listed on any stock exchange. They did not advertise it but in less than half an hour twenty million dollars were offered. That is the answer.

Mr. Speaker, they have not even begun let alone scratched the surface. They have not even begun to scratch the surface of the things for which they will use atomic energy. The U.S. Government built a submarine powered by atomic energy. Who doubts that fleets of submarines will be operated by atomic energy? Who doubts that the

fleets of the merchant ships and naval ships in the world will be powered with atomic energy? Who doubts that trains will be operated with atomic energy? Who doubts that aircraft will be powered by atomic energy? Who doubts that tens of thousands and hundreds of thousands of mills and plants and factories will be powered by atomic energy? Who doubts it? Does the Opposition doubt it?

MR. HOLLETT: What about the fisherman's stomach?

MR. SMALLWOOD: The world has not even begun its use of atomic energy, it has not even made a start.

It is perfectly true that the price may not be the ten dollars and fifty cents a pound which the Canadian Government is said to be paying for it right now. It is in the "Financial Post" here, \$10.50 a pound. I have it here, the "Financial Post" of March 31, 1956.

MR. BROWNE: March 29, 1956. Now the price may not stay at \$10.50 a pound. It may not stay at \$7 a pound (I mean sixteen ounces) It may not even stay \$5. a pound nor \$4 a pound—So what? So what? You do not have to get \$4 a pound for any mineral or any metal if it is in sufficient quantity — If it is in sufficient quantity. We cannot say at the moment, and before this year is over we won't know precisely what the quantity or tonnage is. We won't know until then. We will have a pretty good idea of the quantity by the end of the year, by the time they have done some tracing and drilling, and other scientific methods, we will have some idea of tonnage and then too some idea of quality. No one supposes for a moment from grab samples of five and up to six and a half per cent—It is not one half of one per

cent and not three-quarters of one per cent but five and six per cent—No one supposes that the general average is such. But these are grab samples. But I could read stories of uranium discoveries across Canada where grab samples run three-quarters of one and one-half of one per cent and one third of one per cent. Grab samples. This is five and six per cent. Five per cent means that in two thousand tons of ore that would be taken out that would mean a hundred pounds. There is quite a difference in a hundred pounds and ten pounds. And the price fall quite considerably and that would still be mighty rich ore, a mighty rich and valuable and profitable ore. And don't forget this Government gets  $8\frac{1}{2}$  per cent before taxes of the profits of that.

Put it all together, Mr. Speaker, the Iron Ore Company of Canada and the Labrador Mining and Exploration Company, these two great companies, the Wabush Lake, about which there will be more here later on, because we are going to introduce and ask the House to pass a slight amendment to the Bill as it stands, a very slight amendment, mainly to guarantee the bonds not in dollars but in Swiss Francs, because the Swiss banks want this, making another opportunity to discuss the Canadian Javelin. We know that development will return very considerable sums of money to Newfoundland's Treasury. There is no doubt of that at all—electric smelting, hydro-electric development on a vast scale, the biggest single scale in all Canada, several times bigger than Niagara Falls, by far the biggest power development in Canada, and then uranium. Put it all together — In the next five years, six or ten years and is it so difficult to imagine income to our Newfoundland Treasury any-

where from five to ten million dollars a year.

Not a word has been spoken about it, not a word by the Opposition. Not a word, not one syllable. It is not worthy of their attention. It is not worth making a reference to it. But to Superior Rubber, to Dr. Valdmanis, to the industries — My honourable friends, about five years from now on the eve of the next election after this one, will still be talking about Valdmanis and talking about the Superior Rubber and still be talking about Max Braun-Wogau and Koch and trying to say what a crowd of scallywags we are to have had anything to do with them—five years from now. They will have as much prospect five years from now of winning what will be the imminent election as we have now an imminent election.

MR. HOLLETT: Don't kid yourself.

MR. BROWNE: But you said all these fine things about Valdmanis and Koch.

MR. HOLLETT: And still might be wrong.

MR. SMALLWOOD: So what? So I praised Valdmanis. The honourable gentleman had better not allow me to do any praising of him because it seems to be the fate of anyone I praise to land in jail. I made a mistake on Valdmanis. Does that make me a crook?

MR. HOLLETT: Who said you are?

MR. SMALLWOOD: Nobody said. Valdmanis turned out to be a crook. I discovered it and put him in jail. What does that make me? It does not make me a crook, a scoundrel, dishonest. It does not mean I be-

trayed the Newfoundland people. It does mean Valdmanis took me in. There is no denying that. He took me in. He took the Newfoundland Government in. He took in Newfoundland. He took in hundreds of people he met. He took them in in the United States and in Montreal. I saw Valdmanis deal with the biggest bankers in New York. I could list a number for you of the biggest people in New York who were tremendously impressed by Valdmanis. Don't forget Valdmanis is a man of towering ability even if he is a great crook. He deceived me. But when I found out what did I do? I could have hidden it. I could have hidden my own shame. But I did not. I put him in jail, knowing that my honourable friend, the Leader of the Opposition, would not lose a chance to taunt me about it.

MR. HOLLETT: Do you blame me?

MR. SMALLWOOD: No I don't blame the honourable gentleman. I am now going to give him a tip. The tip is this: Don't try to formulate a creative policy for Newfoundland. Don't do that. Don't try to create a good solid policy for the development of Newfoundland. Don't do that.

MR. HOLLETT: You tried it.

MR. SMALLWOOD: Let the honourable gentleman not do it. Let him confine his time and opportunity to talking about liquor, talking about Valdmanis, to talking about Koch, to talking about Max Braun-Wogau, and he will stay where he is, that is if he gets elected. At the most he will only be in the Opposition if he gets elected at all. Because while he is doing that he won't have a policy; the people won't pay any attention to him, not in the least. They will

only say — Well, he is pretty good criticizing the Government, maybe we should keep him there so that he may go on criticizing the Government. But he has no policy himself so that it is no good putting him into the Government. Let him stay in Opposition. Maybe that is my honourable friend's ambition, to stay in Opposition. He is certainly going about it in the right way.

MR. HOLLETT: While you are in the Government I hope to remain here.

MR. SMALLWOOD: That is interesting. He hopes to remain there as long as I am here. That is good. I wish my honourable friend nothing worse than that. I am with him all the way, I hope he will be here as long as I am. I hope he will stay right there in the Opposition. And I would not say, after he has had another twenty years of it, he might not be good enough to come over on this side. He might in twenty years time.

Mr. Speaker, I suggest a recess of ten minutes.

MR. BROWNE: Mr. Speaker, before recess, I wonder if the Premier would let us see the report from the Iron Ore Company of Canada — The one he had there today, the Labrador Mining and Exploration Company.

MR. SMALLWOOD: Yes, certainly, by all means!

On motion the House recessed for ten minutes.

Mr. Speaker returned to the Chair:

MR. SMALLWOOD: Mr. Speaker, I move the adjournment of the debate:

On motion the debate on the Speech from the Throne adjourned until tomorrow:

**SERGEANT-AT-ARMS:** Mr. Speaker, I have the honour to inform you that His Honour the Lieutenant-Governor has arrived to assent to the Bill:

Mr. Speaker, leaves the Chair:

His Honour the Lieutenant-Governor in the Chair:

**MR. SPEAKER:** Your Honour, it is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects and faithful commoners in Newfoundland to present to Your Honour a Bill for the appropriation of supply granted in this present session:

**MR. CLERK:** "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first day of March One Thousand Nine Hundred and Fifty-Seven and for other Purposes Relating to the Public Service."

**HIS HONOUR:** In the name of Her Majesty I thank her loyal subjects, I accept their benevolence and assent to this Bill.

His Honour the Lieutenant-Governor left the Chair:

Mr. Speaker returned to the Chair:

**MR. SPEAKER:** I have the honour to inform the House that at five-thirty of the clock this afternoon His Honour the Lieutenant-Governor, was pleased to assent to a Bill, "An Act for Granting to Her Majesty etc.

#### THIRD READINGS:

A Bill, "An Act Further to Amend the Memorial University Act," on motion read a third time, ordered passed and title be as on the Order Paper:

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act," on motion read a third time, ordered passed and title be as on the Order Paper:

A Bill, "An Act Further to Amend the Cancer Control Tax Act," on motion read a third time, ordered passed and title be as on the Order Paper:

A Bill, "An Act to Further Amend the Registration of Deeds Act," on motion read a third time, ordered passed and title be as on the Order Paper:

A Bill, "An Act to Amend the Agricultural Societies Act," on motion read a third time, ordered passed and title be as on the Order Paper:

#### FIRST READINGS:

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Restrict the Use of White Canes to Blind Persons." On motion read a first time, ordered read a second time on tomorrow:

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Amend the City of St. John's Act." On motion read a first time. Ordered read a second time on tomorrow.

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils." On motion Bill read a first time, ordered read a second time on tomorrow:

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Law Relating to the Frustration of Contracts." On

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

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Companies Act." On motion Bill read a first time, ordered read a second time on tomorrow.

Honourable the Minister of Public Works asks leave to introduce a Bill, "An Act Further to Amend the Highway Traffic Act." On motion Bill read a first time, ordered read a second time on tomorrow.

#### SECOND READINGS:

Second reading of Bill, "An Act Respecting the Trustee Board of the Presbyterian Church in Canada:"

MR. SPEAKER: This is a private Bill;

MR. SMALLWOOD: I move the second reading of this Bill. And I ask the indulgence of my honourable friends opposite in giving this second reading at this time because of the fact that it has to go to a select committee of the House, and that might take a little time. It is a completely non-controversial Bill. It is a request of the Presbyterian Church of Canada that a trustee body be set up and vested with certain rights. And I don't think there is any disposition on the part of any one here to question the desires of the Presbyterian Church, and I think we can accept the Bill in principle knowing that it will then go to the select committee where it will get more detailed consideration.

On motion Bill read a second time.

MR. SPEAKER: According to the Standing Orders this Bill must now be referred to a select committee and all petitions for and against the Bill

will be referred to the committee and any argument for or against the Bill takes place in committee.

I have to name a select committee to take charge of the Bill: There is such a small number of private members in the House it is rather difficult to appoint a select committee for this purpose. I suggest that the Member for Fortune Bay Hermitage be a member of that committee; the Honourable Member for St. John's West; the Honourable Member for Bonavista South and the Honourable Member for Burgeo and Lapoile; the Honourable Member for Port De Grave.

Second Reading of Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955:

MR. BROWNE: Mr. Speaker, I wonder could we defer that until Monday.

MR. SMALLWOOD: Yes, the honourable minister is very co-operative. It is deferred again.

MR. SPEAKER: The debate was deferred on the 21st of March. Do I understand it is agreeable to have it deferred again?

MR. SMALLWOOD: Yes, Mr. Speaker.

On motion debate on second reading of Bill deferred:

Second Reading of Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

MR. SPEAKER: This Bill received second reading and the debate deferred.

MR. HOLLETT: Mr. Speaker, there has been no motion for second reading of that Bill — I don't recall it.

**MR. HEFFERTON:** Mr. Speaker, I gave my explanation on second reading and on motion of the honourable member for St. John's West I deferred it.

On motion second reading of Bill deferred.

Second Reading of Bill, "An Act Further to Amend the School Attendance Act."

**HON. J. R. CHALKER** (Minister of Education): Mr. Speaker, this Bill provides for two amendments (1) that a child who attains the age of seven years in any time of the school year. The original Act stated the compulsory school age to be over seven and under fourteen years of age. The later age limit was moved to fifteen years, with the provision that if the child reached the age of fifteen after the twenty-fifth of October in the calendar year he had to attend school during the ensuing year. A school may be seriously disrupted if a child does not attend school until the age of seven. Such children could demand enrollment during the school year, and it would be impossible to fit the children into the school. Therefore it would benefit the children if the Act made it compulsory to attend school in September of that year. These sections of the Act are therefore amended to take care of the proposed amendment, Sections one, two, three, four, five and six represent the rewording of the amended sections.

The second amendment is that the School Attendance Act may have provisions whereby the Board of Education may be permitted to charge fees without at the same time permitting the Board to debar children from attendance to school because of non-payment of such fees. That amendment

is considered necessary as there is a conflict between the present section fifteen of the present School Attendance Act and 101 of the Education Act. "101-4 (n) To make arrangements for a proper supply of fuel for the schools, and for the cleaning of all schools for which purpose the Board is empowered to charge the pupil a special fee over and above the regular fees."

Mr. Speaker, I move the 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 Department of Public Works Act."

**HON. E. S. SPENCER** (Minister of Public Works): Mr. Speaker, in moving the second reading of this slight amendment, I think it does not require very much time, and I will not occupy the time of this House very long.

Honourable members will see that it is merely an amendment of Section two, which has been deleted and the following substituted:

"Municipal Authority" means the City of St. John's and the City of Corner Brook and, as the context indicates, a municipality or a Local Improvement District or Council or a Board established under the Local Government Act, 1956, and a community or council organized or established under the Community Councils Act, 1956. Honourable members will understand this is merely to include the additional city to the city of St. John's the city of Corner Brook and other municipal councils which may come into being from time to time.

Mr. Speaker, I move the second reading of this amendment:

MR. HOLLETT: Mr. Speaker, on that point, is it usual to move second reading of a Bill which refers to an Act which is not already passed. I note that the Local Government Act, 1956, has not yet had second reading and the Community Councils Act, 1956 I don't think has even been introduced. I am wondering about the propriety of introducing this Act. We have nothing against the principle of the Act at all.

MR. SPENCER: Mr. Speaker, should we have it deferred?

MR. SPEAKER: It had not occurred to me, but it does seem to me to be rather impossible to amend something which has not been introduced.

HON. L. R. CURTIS (Attorney General): On that point, Mr. Speaker, if two Acts come before the House and each one deals with the other, you must take one of them first. What objection would there be to accepting the principle now and then have them both read the same day? I cannot understand.

MR. SPEAKER: Yes, I see nothing against second reading. I mean to carry the Bill through all stages would be impossible.

MR. HOLLETT: There is no such thing as yet as the Community Councils Act, 1956; nor the other one mentioned in the Bill.

MR. SMALLWOOD: On the other hand, if the Bill passes and the other two do not, will it refer to Acts that do not exist. It cannot do much harm.

MR. HOLLETT: It is a waste of time that is all.

On motion Bill read a second time,

ordered referred to a Committee of the Whole House on tomorrow:

MR. SPEAKER: I might point out of course, no amending Act can do any amending until it becomes law. We are only approving the principle.

Second Reading of Bill, "An Act to Amend the St. John's Memorial Stadium Act."

MR. HEFFERTON: Mr. Speaker, there are three simple amendments to the existing "St. John's Memorial Stadium Act." The first amendment is merely a restrictive or limiting clause, adding only the words "not more than" before the word "eleven" in the said section, so that it is impossible to have more than eleven members constituting the St. John's Memorial Stadium Commission.

The second amendment merely gives to the Stadium Commission the authority to make regulations for the control and maintenance of the surroundings around the stadium as well as in the stadium itself.

The third amendment merely changes the financial year of the Stadium so that it shall be the calendar year, the same as the Act of the Municipal Council of St. John's itself.

I move the second reading, Mr. Speaker.

MR. HOLLETT: Could we have this deferred, Mr. Speaker? We just got the Act, now, a moment ago. We have not had a chance to even see it.

On motion debate on second reading deferred:

Second Reading of Bill, "An Act to Amend Chapter One Hundred Seventy-Eight of the Revised Statutes."

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I wonder if I could have the

indulgence of the House and ask that this Bill be taken off the Order Paper. It is a series of small and not very important amendments, but a little bit premature. I understand our men are doing a little more work on that and during the summer will go into it a little more fully and will bring in another amendment next year. I would like to withdraw that amendment at the present time, if the House will agree, and next year bring in a more comprehensive amendment to the Act.

MR. BROWNE: Mr. Speaker, may I say I read this Bill and was puzzled. I did not know the conditions taken for granted existed, and I can understand now why the Minister wishes to withdraw the Bill.

On motion (leave of the House) the Bill was withdrawn.

MR. CURTIS: I move all remaining Orders of the Day, Mr. Speaker, do stand deferred.

On motion all further Orders of the Day deferred:

MR. CURTIS: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Monday, April 9th, at 3:00 of the clock:

MR. SPEAKER: Before I put the next motion I want to remind the House of the Private Bill we have just referred to a select Committee. According to the Rules, no action can take place in the Committee until one week after the notices have been posted on our board.

On motion the House at its rising adjourned until tomorrow, Monday, April 9th, at 3:00 of the clock.

Monday, April 9, 1956.

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

### Presenting Petitions

MR. STRICKLAND: Mr. Speaker, I beg leave to present a petition from the residents of Greater Happy Adventure and Pool's Cove. The petitioners request that the local road leading from the Federal wharf in Lower Happy Adventure to the Upper Cove in Happy Adventure be designated a secondary highway.

The petitions point out, Sir, that during the winter months they are deprived of the use of snow-clearing equipment and in summer have to depend on the local road gang, which proved inadequate for the purpose.

The petitioners also point out that some fifty homes are located on the road, and they demand their right of access by motor transportation connecting with the main road leading to the Alexander Bay section.

Mr. Speaker, I have pleasure in supporting this petition, and ask that it be placed on the Table of the House for reference to the department concerned.

MR. HOLLETT: Mr. Speaker, I rise to support that petition, which is being presented by the honourable member for Bonavista South.

I have been made aware of the conditions of the roads in that area and I am quite sure the petitioners are in dire need as far as road transportation is concerned. There the road facilities are very meager, and I am quite sure we on this side of the House are glad to support the petition so ably presented by the honourable member.

On motion petition tabled for reference to the department concerned.

MR. HIGGINS: Mr. Speaker, I beg leave to present a petition on behalf

of the residents of Torbay for the widening of local roads in and around Torbay.

This petition, Mr. Speaker, is signed by 425 adult residents of Torbay. And the petitioners point out the deplorable conditions of the local roads in as much as at the present time they are too narrow to enable fire trucks or fire fighting equipment to operate over them. During the winter time it is impossible to have the local roads cleared satisfactorily, and when the snow is not there the roads are in such a condition that they are very dangerous to traffic.

Now these people, Mr. Speaker, are prepared to give "quid pro quo." They are asking for this attention but they also on their part each and all of them are undertaking that if they are granted this petition they are prepared to move back their fences from the centre of any of those local roads to a point of ten feet, if the Department of Public Works would undertake to resurface, repair and maintain the roads. That would be without compensation, I may say, Mr. Speaker.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I wonder if I might ask the honourable gentleman to specify a specific distance.

MR. HIGGINS: Fourteen feet from the centre, from each road on which the department would undertake to work. I hope, now that I have a nibble, the honourable Minister might be prepared to act and we might be able to work out a distance acceptable to his department.

Mr. Speaker, I beg leave to place the petition on the Table of the House, and ask that it be referred to the proper department.

MR. W. J. BROWNE: Mr. Speaker, may I rise to say a few words in support of that petition. I happened on several occasions to visit Torbay on professional business, and to go on the local roads in Torbay. And I am sure, Sir, they are now in the worst condition that they ever were since they were first built. They are very narrow, in very many places only just the width of the car and if you meet anything you have to back up. They are really in a frightful state.

Torbay is an agricultural settlement where there is a great deal of land under cultivation, and it would be most beneficial to the people if the roads were widened.

I have much pleasure, Mr. Speaker, in giving my hearty support to this petition.

MR. SPENCER: Mr. Speaker, may I just say a word in connection with this; I was very pleased to hear the honourable gentleman who represents St. John's East present that petition and give the understanding that the people in the area would willingly move back their fences. That is why I asked the honourable gentleman to specify or rather to repeat the figure given. I now understand it is fourteen feet from the centre of the road. I merely wish to point out to the House that would only give 28 feet for a main road. This topic of widening the roads is not alone in any one district but applies all over Newfoundland. As every individual member of this House knows in the outlying settlements our roads were built in the horse and buggy days, shall I say, and today the motor vehicle has taken over. Now under the old Crown Lands Act there was no road laid down in Newfoundland less than thirty feet in width. I would like to point that

out. That is merely a half a chain. And where that road is connected with a through road to other communities the limit is for sixty-six feet width.

I heartily congratulate the people of Torbay. They are willing to move back, I take it, I have no doubt, if they say they are prepared to move back for ten feet they may very well be prepared to move back the required distance before the Department of Public Works could undertake it. I merely wish to point out that 28 feet would not make the road sufficiently wide to make for the protection of the property on either side and then allow the road machinery such as the snow-clearer to pass through.

We have had actual cases in court, in fact there is one pending right now, where our snow-clearing men have been accused of breaking down fences. I merely mention that fact. I am sorry if I have taken up too much time of the House in my effort to make it very clear that 28 ft is insufficient for a motor road.

**MR. HIGGINS:** Mr. Speaker, if I may, I would like to thank the honourable Minister for his evident interest in this petition. In so far as the fourteen feet is concerned, well I am not authorized to make any binding offer but I think we may regard, fourteen feet, shall we say, a basic figure.

On motion petition received for reference to the department concerned.

#### Giving Notice of Motion:

None.

#### Giving Notice of Questions:

Notice of questions given by Mr. Browne.

#### Answers to Questions:

*Question No. 48:* In course of preparation.

*Question No. 49:* **MR. BROWNE—**To ask the Honourable the Minister of Economic Development to lay on the Table of the House the following information: What was the arrangement, if any, by which Mr. Chester Dawe was relieved of his position as Manager of the Newfoundland Hardwoods Ltd.? Has he any shares in this Company at this date? Did the present operators invest any money of their own in this plant or pay the Government anything for their right to operate the same? What are the respective interests of Mr. Chester Dawe, the present operators and the Government?

**MR. SMALLWOOD:** Mr. Speaker, this question is broken into a number of sub-questions. "What was the arrangement if any by which Mr. Chester Dawe was relieved of his position as manager of the Newfoundland Hardwoods Limited?" I don't know what is meant by "arrangement." The fact of the matter is that Mr. Chester Dawe decided and we agreed he was right in deciding that he would relinquish his contract with the Government. He went out. The contract he had was a management contract for the plant.

He has no share in the company at this date.

The present operators have an agreement with the Government to operate the plant, not to buy it but to operate it. We don't pay them for operating it. They operate it without payment from us except that they are permitted under the agreement to use half the profits, half the profits, to pay off the full costs of the plant, whereupon,

having paid off the full cost of the plant, the plant will become their property. In the meantime they are not allowed to draw any money ever until the plant is fully paid off. They are not allowed to draw from the plant any money for payment nor compensation or dividends nor fees nor anything of that nature for themselves. They are allowed only to draw half the profits and pay these to the Government as purchase price on the plant. And if, and as, and when that plant is fully paid for by them, out of earnings, using half the earnings only for the purpose, they will then have a title to the plant.

Mr. Dawe has no interest.

The operators are as I have described. And the Government are the owners of the plant.

MR. BROWNE: Mr. Speaker, I wonder if I could ask two or three sub-questions? Mr. Dawe had \$25,000 in shares. I would like to find out whether he was compensated or whether they were cancelled? The other question I would like to ask is, would the honourable the Premier table the agreement between the new operators and the Government?

MR. SMALLWOOD: I think so.

MR. BROWNE: That was promised last session, and we did not get it. The other question, has the operator of this company got a settled agency to which the products of this factory are marketed?

MR. SMALLWOOD: With regard to the agreement—We will gladly table, if my honourable friend will put it on the Order Paper so that it will go through the regular routine and go to the necessary department.

MR. BROWNE: They have a com-

pany, I understand, marketing the product?

MR. SMALLWOOD: I think that is correct, and not only marketing the products of the birch plant but as far as marketing outside the province is concerned, also the products of Atlantic Hardboards, Limited.

MR. BROWNE: They get their remuneration in that way. They are not working for nothing. They must get something. They are not working for nothing.

MR. SMALLWOOD: They undoubtedly get a commission on the sales. They don't get any commission on the sales of either plant in the province, only on sales outside. They get few commissions, and I doubt that is the basis of their interest.

MR. BROWNE: Do they get their expenses?

MR. SMALLWOOD: They get their travelling expenses, of course, while travelling on company's business, like any other employees. But they don't get any salary.

*Question No. 51:*

MR. SMALLWOOD: The Agreement will be tabled at the time the Loan and Guarantee Act is brought in. That has been the practise right along, and will be followed. The agreement will be tabled.

*Question No. 52 and 53 are wrongly addressed.*

MR. BROWNE: That is a mistake. Would the honourable Minister take notice of these questions as being addressed to him in his capacity as Premier?

MR. SMALLWOOD: I think they had better be re-addressed so they

will go through the regular routine. Actually I know nothing about it until they appear on the Order Paper, and when someone gives me the answers I table them. So it would be better to have them tabled now as new questions so that they would appear on the Order Paper tomorrow in the right way.

MR. BROWNE: All right. Mr. Speaker.

*Question No. 50:*

MR. BROWNE: To ask the honourable the Minister for Fisheries and Co-operatives to table a statement showing the amounts spent by the Fisheries Development Authority for entertainment purposes with details of amounts spent.

(Answer tabled by Mr. Keough).

MR. BROWNE: Mr. Speaker there was a question on the Order Paper of March 21, which had to do with the vouchers for expenditure on the Rubber Plant in Holyrood and Koch's' position in Koch Shoes.

MR. SMALLWOOD: Yes, I will have to find the answer to that and bring it in, possibly tomorrow or the next day.

MR. BROWNE: And about the agreement?

MR. SMALLWOOD: Well I thought I would have found that just going through the files kept by Dr. Valdmans but we did not. What we found was a proposed agreement, which he proposed, or was proposed, after this one. But the one actually made I cannot find. It is not in the Finance Department although I thought that in fact the Attorney General's Department said they sent it up to Finance.

Finance admitted that they received it but claimed that they sent it back to the Attorney General, and there is a dispute between them as to who last had it. They are still trying to settle that. They will probably find it. As soon as it is done I will table it.

MR. HOLLETT: Mr. Speaker, we must remember that in connection with that the Government paid out fifty thousand dollars, as a result of that agreement. Surely the agreement can't be lost. I hope the honourable the Premier will uncover and discover it.

MR. SMALLWOOD: Possibly the thing was tabled and that is why it is lost. I would not guarantee it was not tabled here. Maybe that is why it is lost. Maybe the Opposition has it or had it.

MR. HOLLETT: Mr. Speaker, that is begging the question.

MR. SMALLWOOD: Is this in order, Mr. Speaker, arguing on answers to questions? Are they allowed to do that?

MR. SPEAKER: Are there any answers to other questions?

HON. W. J. KEOUGH (Minister of Fisheries & Co-operatives): Mr. Speaker, I beg leave to table the answer to *Question No. 38*:

MR. HOLLETT: Mr. Speaker, we have not yet received an answer to *Question No. 3*, and to *No. 11*. I would like the appropriate ministers to take notice please.

The following information is supplied by the Honourable the Minister of Fisheries and Co-operatives in

reply to questions by Mr. Malcolm Hollett, No. 38 of 2 April, 1956.

- (1) (a) Copy of an Agreement between the Crown and Burgeo Fish Industries Limited, dated 4 November, 1954, respecting a loan of \$650,000.00, is attached.
- (b) Copy of an Agreement between the Crown and Fortune Bay Products Limited, dated 15 September, 1954, respecting a loan of \$200,000.00 is attached.
- (c) Copy of an Agreement between the Crown and Fortune Bay Shipping Limited, dated 22 September, 1954, respecting a loan of \$250,000.00, is attached.

(2) Q. Who are the Directors of these three several firms?

A. The latest information available to my department is as follows:

*Burgeo Fish Industries Ltd.*  
Mrs. Marie S. Penny, Ramea.  
Spencer G. Lake, St. John's.  
Margaret Penny, Ramea.  
Harold Lake, St. John's.  
Aiden Maloney, Ramea.  
Douglas C. Hunt, St. John's.  
*Fortune Bay Products Ltd.*  
J. R. Dixon, Fortune.  
J. Roy Duggan, Georgia.  
Benj. O. Johnson, Spartenburg.  
Robt. A. Don, New York.  
Simon Rose, — —  
G. N. Banfield, Bay L'Argent.  
Harold Luscombe, St. John's.  
Harry G. Dunstan, — —  
(Govt. Representative) :  
*Fortune Shipping Ltd.*  
John R. Dixon, Fortune.  
W. J. Abbott, — —  
L. L. Russell, — —

(Representing Fortune Bay Products Ltd.)

Harry G. Dunstan, St. John's.  
(Government Representative.)

(3) Q. If these amounts were guaranteed loans, what effort, if any, was made by the said companies to raise the loans. On what date did the Government take up its guarantees and for what amounts in each case.

A. Burgeo Fish Industries Ltd.  
11 November, 1955—\$650,000.00  
Fortune Bay Products Ltd.  
18 October, 1955—\$200,000.00  
Fortune Shipping Ltd.  
18 October, 1955—\$250,000.00

(4) Q. Table all agreements relative to terms and conditions of repayment to the Government of these several loans.

A. Information is contained in Agreements, see (1) (a), (b) and (c).

THIS AGREEMENT made at St. John's in the Province of Newfoundland this 4th day of Nov. 1954

BETWEEN Her Majesty the Queen in right of Newfoundland represented herein by the Honourable William J. Keough Minister of Fisheries and Co-operatives (hereinafter called "the Crown") of the one part AND Burgeo Fish Industries Limited a company organized and existing under the laws of Newfoundland and having its registered office at Burgeo in the Province aforesaid (hereinafter called "the Company" which expression shall where the context so admits include the persons deriving title under the Company) of the other part. WHEREAS the Company has been

formed to prosecute the fishing industry in Newfoundland and in particular to acquire from Fishery Products Limited its fish plant situate at Burgeo in the Province aforesaid and to buy trawlers for the supply of fish to the said plant; AND WHEREAS subscribed capital of not less than fifty thousand dollars has been paid in cash and the Company has issued the equivalent shares AND WHEREAS the Government has agreed to give financial assistance to the Company on the terms and conditions hereinafter set forth, NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1. (1) The Crown will guarantee to the Bank of Nova Scotia at St. John's aforesaid (hereinafter referred to as "the Bank") repayment of such amount not exceeding a total of six hundred and fifty thousand dollars (\$650,000.00) (hereinafter referred to as "the loan") as the Bank may advance to the Company for the following purposes that is to say:
  - (a) Purchase of fish plant from Fishery Products Limited at Burgeo in the Province aforesaid an amount not exceeding one hundred and seventy-five thousand dollars (\$175,000.00);
  - (b) Renovation of the said plant an amount not exceeding one hundred thousand dollars (\$100,000.00);
  - (c) Purchase of two or more draggers to supply fish to the said plant an amount not exceeding three hundred and seventy-five thousand dollars (\$375,000.00).
- (2) The Crown will within one year from the date of the first advance by the Bank to the Company under paragraph (1) pay to the Bank such total amount not exceeding the amount of the loan as the Bank shall have advanced to the Company under paragraph (1) but the Crown will not pay to the Bank any amount advanced by the Bank to the Company for any of the purposes set forth in paragraph (1) in excess of the amount to be advanced for such purpose.
2. In consideration of the premises and of the covenants and agreements to be performed by the Crown, the Company hereby covenants and agrees with the Crown as follows:
  - (1) That the Company will pay to the Crown the said sum of six hundred and fifty thousand dollars (\$650,000.00) in equal annual instalments commencing two years after the date of the first advance that is to say a first instalment of an amount not less than thirty-two thousand five hundred dollars (\$32,500.00) on the 4th day of November, A.D. 1957 and thereafter further instalments each of an amount not less than thirty-two thousand five hundred dollars (\$32,500.00) to be paid on the 4th day of November in each and every succeeding year until the whole sum of six hundred and fifty thousand dollars (\$650,000.00) shall be repaid.
  - (2) That, subject to paragraph (2) of Clause 5, if in any year the Company pays an amount in excess of thirty-two thousand five hundred dollars (\$32,500.00)

the amount will, at the option of the Company, in any subsequent year be applied against the annual instalment then due if the Company pays in full the balance of that annual instalment.

(3) That the Company will as well after as before maturity pay to the Crown interest from the 4th day of November, A.D. 1955 at the rate of three and one-half per centum ( $3\frac{1}{2}$ ) per annum upon the said sum of six hundred and fifty thousand dollars (\$650,000.00) or upon so much thereof as shall from time to time be outstanding and interest will be paid in yearly instalments in the manner following that is to say a first instalment consisting of all interest then unpaid to be paid on the 4th day of November, A.D. 1956 and thereafter further instalments each consisting of all interest then unpaid to be paid on the 4th day of November in each and every succeeding year while the said sum of six hundred and fifty thousand dollars (\$650,000.00) or any part thereof remains unpaid.

(4) If after any money has been advanced or guaranteed under this Agreement by the Crown to the Company

(a) a winding up order is made or an effective resolution is passed or a valid instrument of dissolution is executed for the winding up of the Company or the Company becomes insolvent or makes a general assignment for the benefit of its creditors or

otherwise acknowledges its insolvency or becomes subject to the provisions of any bankruptcy act;

(b) any floating charge on the undertaking of the Company now or hereafter executed by the Company in favour of any person partnership or corporation shall become fixed;

(c) an execution or a distress is levied on the assets of the Company and remains undischarged for more than thirty days;

(d) the Company ceases to operate the said plant in accordance with paragraph (1) of clause 4;

(e) the principal sum of six hundred and fifty thousand dollars (\$650,000.00) or any payment of interest or any part of the said principal sum or payment of interest payable under this Agreement remains unpaid for thirty days after the date on which it ought to be paid; or

(f) the Company fails to fulfil or perform any of its obligations under this Agreement other than its obligations in regard to the payment of the principal sum of six hundred and fifty thousand dollars (\$650,000.00) and the interest thereon or commits or threatens to commit a breach of any of the covenants or provisions contained in this Agreement and on its part to be ful-

filled performed and observed;

then the Company will pay to the Crown on demand such part of the said principal sum of six hundred and fifty thousand dollars (\$650,000.00) as shall for the time being be unpaid and will until the whole of the said sum is paid pay interest at the rate of three and one half per centum (3½) per annum and will pay to the Crown on demand any other moneys payable to the Crown under this Agreement.

5. For the consideration aforesaid the Company further covenants and agrees with the Crown as follows:

- (1) The Company will use the loan for the following purposes, that is to say:
  - (a) Purchase of fish plant from Fishery Products Limited at Burgeo aforesaid an amount not exceeding one hundred and seventy-five thousand dollars (\$175,000.00);
  - (b) Renovation of the said plant an amount not exceeding one hundred thousand dollars (\$100,000.00);
  - (c) Purchase of two or more draggers to supply fish to the said plant an amount not exceeding three hundred and seventy-five thousand dollars (\$375,000.00)

PROVIDED THAT if the Company uses less than the amount specified in any of sub-paragraphs (a), (b) or (c) for the purposes

specified therein and wishes to use an amount additional to the amount specified in any of the other sub-paragraphs for the purpose specified therein it may do so with the consent of the Newfoundland Fisheries Development Authority (hereinafter referred to as "the Authority") to the amount of the unused portion of the advance or portion specified but nothing contained herein shall authorize or be deemed to authorize a total advance under sub-paragraphs (a), (b) and (c) in excess of six hundred and fifty thousand dollars (\$650,000.00).

- (2) The Company will co-incident with the execution of this Agreement and at its own expense execute and deliver to the Crown a duly registered Deed of First Mortgage on all its lands, premises, buildings, erections, wharves, plants, machinery and equipment located at Burgeo aforesaid and on the said draggers.
- (3) The Company will at its own expense produce a good title to the lands, premises, buildings, erections, wharves, plants, machinery, equipment and draggers referred to in paragraph (2) of this clause and the mortgages referred to in that paragraph will be in a form satisfactory to the Crown.
- (4) The Company will at all times at the request of the Crown do and execute all such lawful assurance and things as may be necessary for further or more perfectly assuring the subject matter of this Agreement to the Crown.

- (5) The lands, premises, buildings, wharves, plant, machinery, equipment and draggers referred to in paragraph (2) of this clause are free and clear of all mortgages, liens, charges and other encumbrances of any kind whatsoever and during the currency of this Agreement the Company will keep the said lands, premises, buildings, wharves, plant, machinery, equipment and draggers free and clear of all mortgages, liens, charges or encumbrances of any kind whatsoever except the mortgages to be executed under this Agreement.
- (6) The Company will from the date of the execution of this Agreement and at all times thereafter during the currency thereof keep all the buildings, plant, machinery, equipment and draggers referred to in paragraph (2) of this clause in good and substantial repair and condition or arrange to have them so kept and if the Company fails or neglects so to do the Crown may at its discretion and without prejudice to any other remedy which the Crown may have under this Agreement enter into and upon the said buildings, plant, machinery, equipment and draggers in order to repair them or keep them in repair without in any case thereby becoming liable as mortgagee in possession and all the Crown's expenses of so doing shall be repaid to it by the Company and in any such case the said expenses shall be a charge under paragraph (9) of this clause.
- (7) At all times during the currency of this Agreement the Company will keep all the buildings, wharves, plant, machinery and equipment situated on the lands and premises referred to in paragraph (2) of this clause fully insured against loss or damage by fire under a policy or policies of insurance of a type and for coverage approved by the Authority and taken in an office or offices approved by it from time to time and the Company will immediately assign the policy or policies of such insurance and all renewals or transfers thereof to the Crown as further security herewith and will pay all premiums and sums payable from time to time for the keeping up of such insurance and will deliver to and leave with the Authority the policy or policies of such insurance and a receipt for every premium or sum payable in respect thereof at least forty-eight hours before the same shall become due and on failure of the Company to pay any such premium or sum or to deliver any such policy or policies receipt or receipts in pursuance of this covenant within the time hereby limited then the Authority may at any time thereafter effect such insurance and in such event premiums and other sums paid therefor together with interest at three and one half per centum (3½%) per annum shall be a charge under par-

agraph (9) of this clause and during the currency of this Agreement the Company will keep all its buildings, wharves, plant, machinery, equipment and vessels, other than those specifically covered in any Agreements now in force or which may come into force, insured against loss or damage by fire or marine risks.

- (8) (a) The Company will from the date of the execution of this Agreement and at all times thereafter during the currency thereof keep the said draggers fully insured against loss or damage by fire and loss or damage through any marine risk under an all risk policy (Lloyd's form including four fourths "running down" clause) or under a policy or policies or insurance prescribed or approved by the Authority and taken in an office or offices so prescribed or approved from time to time and the Company will immediately assign the policies to the Crown as further security herewith and will pay all premiums and sums payable from time to time for the keeping up of such insurance and will deliver to and leave with the Authority the policy or policies of such insurance and a receipt for every premium or sum payable in respect thereof at least forty-eight hours before the same shall become due and on failure of the Company to pay any such premium or sum or to deliver any such policy or policies receipt or receipts in pursuance of this covenant within

the time hereby limited then the Crown may at any time thereafter effect such insurance and in that event the premiums and other sums paid therefor together with interest thereon at three and one half per centum (3½%) per annum shall be a charge under paragraph (9) of this clause.

- (b) The Company will not do or suffer or permit any act to be done whereby any insurance on the said draggers shall or may be suspended impaired or defeated and will not suffer or permit the said draggers to engage in any voyage or to carry any cargo not permitted under the policies of insurance in effect without the consent in writing of the Authority and without first insuring the said draggers for such voyage or the covering of such cargo for an amount and under a policy or policies of insurance satisfactory to the Authority and taken in an insurance office or offices approved by the Authority and the Company will not permit the said draggers to be operated in any manner contrary to any law of Canada.
- (9) The Company will during the currency of this Agreement pay or cause to be paid all taxes, charges, assessments or impositions, fines or outgoings whatsoever now or hereafter taxed, charged, assessed or imposed on the lands, premises, buildings, wharves, plant, machinery, equipment and draggers to be

mortgaged under paragraph (2) of this clause or on any part thereof or on the Company in respect thereof and should the Company make default in the observance or performance of this covenant the Crown may without prejudice to any other remedy provided by this Agreement or by the mortgage to be given thereunder pay such taxes, charges, assessments, impositions, fines or outgoings or any part thereof and the amount so expended shall be repaid to the Crown by the Company upon demand and until so repaid shall bear interest at the rate of three and one half per centum ( $3\frac{1}{2}\%$ ) per annum.

(4) For the consideration aforesaid the Company further covenants and agrees with the Crown as follows:—

(1) Upon the execution of this Agreement the Company will with all reasonable diligence and efficiency proceed with the enlarging and equipping of its plant at Burgeo aforesaid and thereafter during the currency of this Agreement the Company will operate the said plant mainly for the production of processed fish and fish products in accordance with market requirements; provided that the Company shall not be required to operate the said plant when scarcity of fish, market conditions, weather or any other factor beyond the control of the Company should render economic operations impossible.

(2) The Company will not during the currency of this Agreement sell transfer or change the flag of the said draggers except with the approval in writing of the Authority.

(3) The Company will during the currency of this Agreement keep the said draggers actively engaged in the fishing industry.

(4) One person nominated by the Crown will be appointed to the Board of Directors of the Company in each year during the currency of this Agreement and the Company will if required to qualify him for such appointment transfer one share in the Company to the Director so nominated.

(5) While the said sum of six hundred and fifty thousand dollars (\$650,000.00) advance or guaranteed by the Crown under this Agreement or any part thereof or any interest or charges payable in respect thereof remains outstanding the Company will not except with the consent in writing of the Authority.

(a) declare dividends nor distribute profits by any method whether in cash or in kind;

(b) transfer or assign the fixed assets of the Company nor dispose of the same by any method whatsoever;

(c) seek an increase or a reduction in its authorized share capital;

- (d) distribute its capital assets to its shareholders;
- nor
- (e) sell its undertakings.
- (6) The Authority may at all times authorize its duly appointed representative to enter into and upon and to make an inspection of the lands, premises, buildings, erections, wharves, plants, machinery, equipment and draggers of the Company and the Company will permit such visits and inspections and shall facilitate the work of inspection in every way.
- (7) The Company will keep full and proper accounts which will be audited at least annually by an independent auditor to be approved by the Authority and will in each year submit to the Director appointed on the nomination of the Crown a true copy of its balance sheet and profit and loss account showing the result of the previous year's operations and of the auditor's report thereon, including, during any year in which moneys advanced under this Agreement are expended, a statement signed by the auditor showing the purpose or purposes for which the said funds were used.
- (8) The Company will make all such changes in its Articles and obtain from its shareholders such agreements as shall be necessary to give effect to the undertaking of the Company set out in this Agreement.
- (9) Sales of any products by the Company will be made at not less than current market values wherever the sales are made and payment will be made to the Company in full after deductions for freight, duty and selling costs and any other normal disbursements made by selling agents for or on behalf of the Company.
- (10) (a) Subject to sub-paragraph (b) except with the written consent of the Authority no commissions, management salaries (except to the plant manager) or any such similar disbursements in excess of ten thousand dollars (\$10,000.00) in any one year shall be paid during the currency of this Agreement.
- (b) In any financial year of the Company when net profits are sufficient after full depreciation allowable under the Income Tax Act (Canada) for that year has been provided for and after provision has been made from profits to anticipate payment of principal and interest during years when no instalments of principal are due under this Agreement or after payment of instalments of principal and interest when due under this Agreement has been made, management fees may be distributed up to an amount not exceeding two per cent (2%) of net sales at the discretion of the directors.
- (11) Subject to quality of fish marketable specie and the maximum capacity of the

said plant the Company will purchase from all fishermen operating in the area of Burgeo within economic distance for delivery to the plant by themselves or under any collection system maintained by the Company all available fresh fish caught by fishermen-owned and operated vessels which are home-based in the said area and are fishing within economic distance for delivery to the plant and the expression "economic distance" used in this paragraph means a distance to be mutually agreed upon between the Company and the Authority.

5. It is hereby further declared and agreed by and between the parties to this Agreement as follows:

- (1) When the Company pays in full the principal, interest and other charges secured by and under this Agreement the Crown will, at the request, cost, and expense of the Company release to the Company the lands, premises, buildings wharves, plant, machinery, equipment and draggers to be mortgaged under this Agreement freed and released from this Agreement, the provisions herein contained and the mortgages to be given hereunder.
- (2) The Company may at its option pay to the Crown at any time during the currency of this Agreement all or whatever portion of the principal sum which may be outstanding under this Agreement together with interest thereon as well as such other moncy as may

be payable thereunder and upon payment by the Company as aforesaid the Crown will accordingly discharge the security to be given under this Agreement.

IN WITNESS WHEREOF The Honourable William J. Keough Minister of Fisheries and Co-operatives has hereunto his hand and seal subscribed and set and the Common Seal of Burgeo Fish Industries Limited was hereunto affixed in accordance with its rules and regulations and in the presence of its duly authorized officers the day and year first before written.

SIGNED SEALED AND DELIVERED

on behalf of the Province of Newfoundland by the Honourable William J. Keough, Minister of Fisheries and Co-operatives in the presence of

(Sgd.) P. Lloyd Soper  
Witness

Common Seal of Burgeo Fish Industries Limited was hereunto affixed in the presence of

(Sgd.) W. J. Keough  
Minister of Fisheries and  
Co-operatives

(Sgd.) Marie S. Penny  
DIRECTOR

(Sgd.) D. C. Hunt  
DIRECTOR

(Sgd.) Patricia Ryan  
Witness

THIS AGREEMENT made at St. John's in the Province of Newfoundland this 22nd. day of September Anno Domini One Thousand Nine Hundred and Fifty-Four BETWEEN Her Majesty in right of Newfoundland represented herein by the Honourable William J. Keough, Minister of Fisheries and Co-operatives (hereinafter called the

"Crown") of the one part AND Fortune Bay Products Limited a company organized and existing under the laws of Newfoundland and having its registered office at Fortune in the Province of Newfoundland (hereinafter called the "Company," which expression shall where the context so admits include the persons deriving title under the Company) of the other part:

WHEREAS by an indenture made between Fortune Bay Products Limited and The Royal Trust Company dated the 1st day of November, A.D., 1952 and registered pursuant to The Companies Act on the same date and registered at the Registry of deeds for Newfoundland at St. John's on the 29th day of November, A. D., 1952 in Volume 253, Folio 1 (hereinafter called Indenture No. 1) the Company gave the Royal Trust Company a first mortgage and a floating charge in the amount of one million one hundred and sixty thousand dollars (\$1,160,000.00) on all the fixed assets, future assets and undertakings of the Company;

AND WHEREAS the proviso to paragraph (1) of Clause (2) of Indenture No. 1 states: "Provided it is not in default hereunder, and for a proper corporate purpose, the Company shall have the right to borrow moneys totaling in the aggregate not more than \$200,000.00 upon the security of a first mortgage or pledge of any of its assets, such mortgage or pledge to be superior in lien to this Indenture and to the Bonds secured thereby, and upon the request of the Company, signed by the President, Vice-President, Secretary or Treasurer, accompanied by a certified copy of a supporting resolution of the Board of Directors of the Company, the Trustee is authorized to execute and deliver such in-

struments as shall be necessary to effect such subordination save and except as aforesaid the Company shall not be entitled to create any further mortgage or charge ranking in priority to or pari passu with the charge hereby created."

AND WHEREAS the Company proposes to enlarge its premises and install additional equipment to increase production at its plant at Fortune and to continue to operate the plant in the commercial production of processed fish and fish products in accordance with market requirements;

AND WHEREAS the Company has begun the enlargement of the premises and installation of the equipment.

AND WHEREAS the Company is desirous of obtaining from the Crown financial assistance in the amount of Two hundred thousand dollars (\$200,000.00);

AND WHEREAS the Company is not in default in its obligations incurred under Indenture No. 1 and has agreed to have the Royal Trust Company deliver and execute all instruments necessary to enable the Company to give the Crown a first mortgage in the amount of two hundred thousand dollars (\$200,000.00) on the assets of the Company;

AND WHEREAS the Company has agreed, having obtained authority from the Royal Trust Company, to give the Crown a first mortgage on all its assets in the amount of two hundred thousand dollars (\$200,000.00);

AND WHEREAS the Crown has agreed to make financial assistance available to the Company to the amount of two hundred thousand dollars (\$200,000.00) in the manner and subject to the execution by the Company of a first mortgage in the said

amount of Two hundred thousand dollars (\$200,000.00) on all assets of the Company and subject to the terms and conditions set fourth in this Agreement.

NOW THIS AGREEMENT WITNESSETH as follows:

1. (1) The Crown will guarantee to the Bank of Nova Scotia the repayment by the Company of such an amount as the said Bank may advance to the Company in respect of the said enlargement of the premises of the Company and the said installation of additional equipment to increase production at its plant at Fortune up to an amount not exceeding Two hundred thousand dollars (\$200,000.00).
  - (2) The Crown will advance to the Company at a date within one year from the acquisition of the above loan from the Bank of Nova Scotia such an amount as may be required to retire the advance to the Company from the said Bank up to an amount not exceeding Two hundred thousand dollars (\$200,000.00).
2. In consideration of the premises and of the convenants and agreements to be performed by the Crown, the Company hereby convenants and agrees with the Crown as follows:
- (1) That the Company will pay to the Crown the said sum of Two hundred thousand dollars (\$200,000.00) in equal annual instalments in the manner following, that is to say, a first instalment of an amount not less than Ten thousand dollars (\$10,000.00) on the Thirtieth day of September, A.D., 1957 and thereafter further instalments each of an amount not less than Ten thousand dollars (\$10,000.00) to be paid on the Thirtieth day of September in each and every succeeding year until the whole sum of Two hundred thousand dollars (\$200,000.00) shall be repaid.
  - (2) That the Company will as well after as before maturity pay to the Crown interest from the day of September, A.D., 1955 at the rate of four per centum (4%) per annum upon the said sum of Two hundred thousand dollars (\$200,000.00) or upon so much thereof as shall from time to time be outstanding and interest will be paid in yearly instalments in the manner following that is to say, the first instalment consisting of all interest then unpaid to be paid on the 30th day of September, A.D., 1956 and thereafter further instalments each consisting of all interest then unpaid to be paid on the 30th day of September, in each and every succeeding year while the said sum of Two hundred thousand dollars (\$200,000.00) or any part thereof remains unpaid.
  - (3) If after any money has been advanced or guaranteed under this Agreement by the Crown to the Company (a) a winding up order is made or an effective resolution is passed or a valid instrument of dissolution is executed for the

winding up of the Company or the Company becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency or becomes subject to the provisions of any bankruptcy act;

(b) any floating charge on the undertaking of the Company now or hereafter executed by the Company in favour of any person, partnership or corporation shall become fixed;

(c) an execution or distress is levied on the assets of the Company and remains undischarged for more than thirty days;

(d) the principal sum of Two hundred thousand dollars (\$200,000.00) or any payment of interest or any part of the said principal sum or payment of the interest payable under this Agreement remains unpaid for thirty days after the date on which it ought to be paid; or (e) the Company fails to fulfil or perform any of its obligations under this Agreement other than its obligations in regard to the payment of the principal sum of Two hundred thousand dollars (\$200,000.00) and the interest thereon or commits or threatens to commit a breach of any of the covenants or provisions contained in this Agreement and on its part to be fulfilled, performed or observed;

then the Company will pay to the Crown on demand such part of the said principal sum of Two hundred thousand dol-

lars (\$200,000.00) as shall for the time being be unpaid and will until the whole of the said sum is paid pay interest at the rate of four per centum (4%) per annum and will pay to the Crown on demand any other moneys payable to the Crown under this Agreement.

3. For the consideration aforesaid the Company further covenants and agrees with the Crown as follows:—

- (1) The Company will co-incident with the execution of this Agreement and at its own expense execute and deliver to the Crown a duly registered Deed of First Mortgage on all the lands, premises, buildings, erections, plants, machinery and equipment located at Fortune.
- (2) The Company will at its own expense produce a good title to the lands, premises, buildings, erections, plants, machinery, and equipment referred to in paragraph (1) of this Clause and the mortgage referred to in that paragraph will be in a form satisfactory to the Crown.
- (3) The Company will at all times at the request of the Crown do and execute all such lawful assurances and things as may be necessary for further or more perfectly assuring the subject matter of this Indenture to the Crown.
- (4) Subject to Indenture No. 1 the lands, premises, buildings, plant, machinery and equipment referred to in paragraph (1) of this Clause are free and clear of all mortgages, liens, charges and other

encumbrances of any kind whatsoever and during the currency of this Agreement the Company will subject to Indenture No. 1 keep the said lands, premises, buildings, plant, machinery and equipment free and clear of all mortgages, liens, charges or encumbrances of any kind whatsoever except the mortgage to be executed under this Agreement.

- (5) The Company will from the date of the execution of this Agreement and at all times thereafter during the currency thereof keep all of the buildings, plant, machinery and equipment referred to in paragraph (1) of this Clause in good and substantial repair and condition.
- (6) At all times during the currency of this Agreement the Company will keep all of the buildings, plant, machinery and equipment situated on the lands and premises referred to in paragraph (1) of this Clause fully insured against loss or damage by fire under a policy or policies of insurance of a type and for coverage approved by the Minister of Fisheries and Co-operatives and taken in an office or offices approved by him from time to time and the Company will immediately assign the policy or policies of such insurance and all renewals or transfers thereof to the Crown as further security herewith and will pay all premiums and sums payable from time to time for the keeping up of such insurance and will deliv-

er to and leave with the Minister of Fisheries and Co-operatives the policy or policies of such insurance and a receipt for every premium or sum payable in respect thereof at least forty-eight hours before the same shall become due and on failure of the Company to pay any such premium or sum or to deliver any such policy or policies receipt or receipts in pursuance of this covenant within the time hereby limited then the Minister of Fisheries and Co-operatives may at any time thereafter effect such insurance and in such event premiums and other sums paid therefor together with interest of four per centum (4%) per annum shall be a charge under paragraph (7) of this Clause and during the currency of this Agreement the Company will keep all of its buildings, plant, machinery, equipment and vessels, other than those specifically covered in any Agreements now in force or which may come into force, insured against loss or damage by fire or marine risks.

- (7) The Company will during the currency of this Agreement pay or cause to be paid all taxes, charges, assessments, impositions, fines or outgoings whatsoever now or hereafter taxed, charged, assessed or imposed on the lands, premises, buildings, plant, machinery and equipment to be mortgaged under paragraph (1) of this Clause or on any part thereof or on the Company in

respect thereof and should the Company make default in the observance or performance of this covenant the Crown may without prejudice to any other remedy provided by this Agreement or by the mortgage to be given thereunder pay such taxes, charges, assessments, impositions, fines or outgoings or any part thereof and the amount so expended shall be repaid to the Crown by the Company upon demand and until so repaid shall bear interest at the rate of Four per centum (4%) per annum.

4. For the consideration aforesaid the Company further covenants and agrees with the Crown as follows:—

(1) The Company will invest the said sum of two hundred thousand dollars (\$200,000.00) advanced or guaranteed to it by the Crown under this Agreement to pay for installation and equipment now installed or being installed and listed in Schedule A and in capital assets required for the commercial production of processed fish and fish products in accordance with market requirements;

(2) Upon the execution of this Agreement the Company will in consultation with the Newfoundland Fisheries Development Authority arrange for a survey of its plants to be made at its own expense by a mutually satisfactory plant engineer whose recommendations will be implemented if after consultation with the Newfoundland Fisheries Development Authority they are deemed to be in the best interests of the overall efficiency of the operations of the plant.

(3) Subject to paragraph (2) of this Clause, upon the execution of this Agreement the Company will with all reasonable diligence and efficiency proceed with the enlarging and equipping of its plant at Fortune and thereafter during the currency of this Agreement, the Company will operate the said plant mainly for the production of processed fish and fish products in accordance with market requirements; provided that the Company shall not be required to operate the said plant when scarcity of fish, market conditions, weather or any other factor beyond the control of the Company should render economic operations impossible.

(4) While the said sum of Two hundred thousand dollars (\$200,000.00) advanced or guaranteed by the Crown under this Agreement or any part thereof or any interest or charges payable in respect thereof remains outstanding the Company will not except with consent in writing of the Newfoundland Fisheries Development Authority:

(a) declare dividends nor distribute profits by any method whether in cash or in kind, except as to amounts payable under the terms of the said Trust Deed;

(b) transfer or assign the fixed assets of the Company nor dispose of the same by any method whatsoever;

(c) seek an increase or a reduction in its authorized share capital;

(d) distribute its capital assets to its shareholders; nor

(e) sell its undertakings.

(5) The Newfoundland Fisheries

Development Authority has the right at all times to authorize its duly appointed representative to visit and make an inspection of the premises, buildings, erections, wharves, plant, machinery and equipment of the Company and the Company will permit such visits and inspections and will facilitate the work of inspection in every way.

(6) One person nominated by the Crown will be appointed to the Board of Directors of the Company in each year during the currency of this Agreement and the Company will if required to qualify him for such appointment transfer one share in the Company to the Director so nominated.

(7) The Company will keep full and proper accounts which will be audited at least annually by an independent auditor to be approved by the Newfoundland Fisheries Development Authority and will in each year submit to the Director appointed on the nomination of the Crown a true copy of its balance sheet and profit and loss account showing the result of the previous year's operations and of the auditor's report thereon.

(8) The Company will make all such changes in its Articles and obtain from its shareholders such agreements as shall be necessary to give effect to the undertaking of the Company set out in this Agreement.

(9) The Directors of the Company shall recommend to the bond holders that redemption of the bonds dated November 1st, 1952 and maturing November 1st, 1962 shall be deferred for a period of five

years from the date of execution of this Agreement and if the bondholders agree the Company will effect the necessary changes in paragraph (4) of Clause 3 of Indenture No. 1 to enable the Company to defer redemption of the said bonds.

(10) Sales of any products by the Company will be made at not less than current market values wherever the sales are made and payment will be made to the Company in full after deductions for freight, duty and selling costs and any other normal business disbursements or expenditures made by any selling agents for or on behalf of the Company.

5. It is hereby further declared and agreed by and between the parties to this Agreement as follows:—

(1) When the Company pays in full the principal, interest and other charges secured by and under this Agreement the Crown will at the request, cost and expense of the Company release to the Company the lands, premises, plant, machinery and equipment to be mortgaged under this Agreement freed and released from this Agreement, the provisions herein contained and the mortgage to be given hereunder.

(2) The Company may at its option pay to the Crown at any time during the currency of this Agreement all or whatever portion of the principal sum which may be outstanding under this Agreement together with interest thereon as well as such other moneys as may be payable thereunder and upon payment by the Company as aforesaid the Crown will accordingly discharge the security to be given under this Agreement.

IN WITNESS WHEREOF the Honourable William J. Keough Minister of Fisheries and Co-operatives has hereunto his hand and seal subscribed and set and the Common Seal of Fortune Bay Products Limited was hereunto affixed in accordance with its rules and regulations and in the presence of its duly authorized officers the day and year first before written.

SIGNED SEALED AND DELIVERED on behalf of the Province of Newfoundland by the Honourable William J. Keough, Minister of Fish-

eries and Co-operatives in the presence of

(Sgd.) P. Lloyd Soper, Notary Public  
Witness

Common Seal of Fortune Bay Products Limited was hereunto affixed in the presence of

(Sgd.) W. J. Keough

Minister of Fisheries and Co-operatives

(Sgd.) J. R. Dixon, Director

(Sgd.) Harold A. Luscombe, Director

(Sgd.) Gordon Stirling, Notary Public  
Witness

#### SCHEDULE A

Sea Wall to Protect Plant Foundation .....	\$ 2000.00
Tables & Accessory Equip. for Breaking Operation .....	300.00
Breeding Machines and Hobart Mixer .....	7000.00
Storage Room Extension .....	\$54000.00
Less: Federal Bait Subsidy .....	10000.00
Receiving Room Extension .....	6000.00
Machine Shop Improvements & Facilities .....	8000.00
Improvements to Meal Plant (Penthouses on Roof, Cyclones, etc.) .....	1000.00
Elevated Platforms in Mair Processing Bldg. ....	1000.00
Fish Boxes .....	5000.00
Discharge Facilities—Wharf .....	1000.00
Spiral Conveyor for Ice and Ice Shed on Wharf .....	500.00
Fans and Ventilators .....	300.00
Separate Power Line to Meal Plant .....	1000.00
Platform to Support Flake-ice Machines .....	300.00
Fish Stands for Receiving Shed .....	1100.00
Electric Hoist for Wharf .....	1200.00
Rosefish Scaler and Haddock Scalers .....	3000.00
Machine Stitcher for Cartons .....	750.00
Concrete Pens in Meal Plant .....	1000.00
Fuel Tanks and Installation Costs .....	9000.00
Pipe Covering Throughout Plant .....	500.00
Improvements to Engine Room .....	300.00
Day Tanks for Fuel Oil in Meal Plant & Diesel Room .....	500.00
Fuel Hose and Fire Hose .....	1000.00
Fire Fighting Equipment .....	1000.00
	<hr/>
	\$96750.00

THIS AGREEMENT made at St. John's in the Province of Newfoundland this 18th day of September Anno Domini one thousand nine hundred and fifty-four BETWEEN Her Majesty in right of Newfoundland represented herein by the Honourable William J. Keough, Minister of Fisheries and Co-operatives (hereinafter called the "Crown") of the first part AND Fortune Shipping Limited a company incorporated under the laws of Newfoundland and having its registered office in care of Fortune Bay Products Limited at Fortune in the Province of Newfoundland (hereinafter called the "Borrower" which expression shall where the context so admits include the persons deriving title under the Borrower) of the second part and Fortune Bay Products Limited a company incorporated under the laws of Newfoundland and having its registered office at Fortune aforesaid (hereinafter called the "Company" which expression shall where the context so admits include the persons deriving title under the Company) of the third part;

WHEREAS the Borrower is desirous of purchasing two draggers for use in its fishing operations;

AND WHEREAS to assist the Borrower in purchasing the said draggers the Crown has agreed to advance or guarantee to the Borrower the sum of Two hundred and fifty thousand dollars (\$250,000.00) in the manner described herein and subject to the terms and conditions set forth in this Agreement;

AND WHEREAS the Company has agreed to join in this Agreement and to make the covenants agreements and guarantee and to observe the provisions made by and relating to it;

NOW THIS AGREEMENT WITNESSETH as follows:

1. (1) The Crown will guarantee to the Bank of Nova Scotia the repayment by the Borrower of such an amount as the said Bank may advance to the Borrower for the purchase of the said draggers in an amount not exceeding Two hundred and fifty thousand dollars (\$250,000.00);

(2) The Crown will advance to the Borrower at a date within one year from the acquisition of the above loan from the Bank of Nova Scotia such an amount as may be required to retire the advance to the Borrower for the purchase of the said draggers from the said Bank up to an amount not exceeding Two hundred and fifty thousand dollars (\$250,000.00).

2. In consideration of the promises and of the covenants of the Crown the Borrower hereby covenants and agrees with the Crown as follows:

(1) The Borrower will pay to the Crown the said sum of Two hundred and fifty thousand dollars (\$250,000.00) in annual instalments in the manner following that is to say a first instalment of an amount of not less than Twelve thousand five hundred dollars (\$12,500.00) on the Thirtieth day of September, A.D. 1955 and thereafter further instalments each of an amount not less than Twelve thousand five hundred dollars (\$12,500.00) to be paid on the Thirtieth day of September in each and every succeeding year until the whole sum of Two hundred and fifty thousand dollars (\$250,000.00) and any additional amounts owing under this Agreement shall be paid.

(2) The Borrower will as well after as before maturity pay to the

Crown interest from the Thirtieth day of September, A.D., 1955 at the rate of Four per centum (4%) per annum upon the said sum of Two hundred and fifty thousand dollars (\$250,000.00) or upon so much thereof as shall from time to time be outstanding and interest will be paid in annual instalments in the manner following, that is to say a first instalment consisting of all interest then unpaid to be paid on the thirtieth day of September A.D. 1956 and thereafter further instalments each consisting of all interest then unpaid to be paid on the Thirtieth day of September in each and every succeeding year while the said sum of Two hundred and fifty thousand dollars (\$250,000.00) or any part thereof remains unpaid.

(3) If after any money has been advanced or guaranteed under this Agreement by the Crown to the Borrower

(a) the Borrower or the Company shall become insolvent or subject to the provisions of any winding-up order or The Bankruptcy Act or shall go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise engage in insolvency;

(b) the Borrower ceases to prosecute the fishing industry;

(c) any floating charge on the undertaking of the Borrower or the Company now or hereafter executed by the Borrower or the Company in favour of any person partnership or corporation shall become fixed;

(d) an execution or a distress is levied on the assets of the Borrower or the Company and remains undischarged for more than thirty days;

(e) any of the instalments in repayment of the principal sum of Two hundred and fifty thousand dollars (\$250,000.00) or any payment of interest or any part of the principal or payment of interest payable under this Agreement remains unpaid for thirty days after the date on which it ought to be paid;

(f) the Borrower or the Company fails to perform any covenant or condition contained in this Agreement on its part to be fulfilled or observed other than those specified in sub-paragraphs (a), (b), (c) (d) and (e) of this paragraph then the Borrower will pay to the Crown on demand such part of the principal sum of Two hundred and fifty thousand dollars (\$250,000.00) as shall for the time being be unpaid and will until the whole of the said sum is paid pay interest at the rate of Four per centum (4%) per annum and will pay to the Crown on demand any other moneys payable to the Crown under this Agreement.

3. For the consideration aforesaid and in order to secure the repayment of the indebtedness of the Borrower to the Crown the Borrower and the Company hereby covenant and agree with the Crown as follows:

(1) The Borrower will at its own expense execute in favour of the Crown a first mortgage on the said draggers bearing even date with this Agreement to secure the payment by the Borrower of the said sum of Two hundred and fifty thousand dollars (\$250,000.00) and the mortgage shall be registered forthwith;

(2) The Borrower will during the currency of this Agreement keep the said draggers actively engaged in the fishing industry.

(3) The Borrower will during the

currency of this Agreement keep the said druggers which are to be mortgaged to the Crown in pursuance of this Agreement in good and substantial repair and condition or arrange to have them so kept and if the Borrower fails or neglects so to do the Crown may at its discretion and without prejudice to any other remedy which the Crown may have under this Agreement enter into and upon the said druggers in order to repair them or keep them in repair without in any case thereby becoming liable as mortgagee in possession and all the Crown's expenses of so doing shall be repaid to it by the Borrower and in any such case the said expenses shall be a charge under paragraph (7) of this Clause.

(4) The Newfoundland Fisheries Development Authority has the right at all times to authorize its duly authorized representative to enter into and upon and make an inspection of the said druggers and the Borrower will permit such visits and inspections and will facilitate the work of inspection in every way.

(5) No mortgages liens charges or other encumbrances have been executed on or attached to the said druggers and no such mortgages liens charges or encumbrances of any kind whatsoever except the mortgage to be given to the Crown under this Agreement will during the currency of this Agreement be attached to or made on the said druggers.

(6) (a) The Borrower will from the date of the execution of this Agreement and at all times thereafter during the currency thereof, keep the said druggers fully insured against loss or damage by fire and loss or damage through any marine risk under an all risk policy (Lloyd's form includ-

ing four fourths "running down" clause) or under a policy or policies of insurance prescribed or approved by the Newfoundland Fisheries Development Authority and taken in an office or offices so prescribed or approved from time to time and the Borrower will immediately assign the policies to the Crown as further security herewith and will pay all premiums and sums payable from time to time for the keeping up of such insurance and will deliver to and leave with the Newfoundland Fisheries Development Authority the policy or policies of such insurance and a receipt for every premium or sum payable in respect thereof at least forty-eight hours before the same shall become due and on failure of the Borrower to pay any such premiums or sum or to deliver any such policy or policies receipt or receipts in pursuance of this covenant within the time hereby limited then the Crown may at any time thereafter effect such insurance and in that event the premiums and other sums paid therefor together with interest thereon at Four per centum (4%) per annum shall be a charge under paragraph (7) of this Clause.

(b) The Borrower will not do or suffer or permit any act to be done whereby any insurance on the said druggers shall or may be suspended, impaired or defeated and will not suffer or permit the said druggers to engage in any voyage or to carry any cargo not permitted under the policies of insurance in effect without the consent in writing of the Newfoundland Fisheries Development Authority and without first insuring the said druggers for such voyage or the covering of such cargo for an amount and under a policy or policies of insurance satisfactory to the Newfoundland

Fisheries Development Authority and taken in an insurance office or offices approved by the Authority and the Borrower will not permit the said druggers to be operated in any manner contrary to any law of Canada.

(7) The Borrower will during the currency of this Agreement and of the mortgage to be given hereunder on the said druggers pay or cause to be paid all taxes, charges assessments, impositions fines or outgoings whatsoever now or hereafter taxed charged, assessed or imposed on the said druggers or the Borrower in respect thereof and should the Borrower make default in the observance or performance of this covenant the Crown may without prejudice to any other remedy provided under this Agreement or the said mortgage pay such taxes charges, assessments, impositions, fines or outgoings or any part thereof and the amount so expended shall be repaid to the Crown upon demand and until so repaid shall bear interest at the rate of Four per centum (4%) per annum.

4. For the consideration aforesaid the Borrower and the Company further covenant and agree with the Crown as follows:

(1) The Borrower will not during the currency of this Agreement sell transfer or change the flag of the said druggers except with the approval in writing of the Newfoundland Fisheries Development Authority.

(2) The Borrower will at all times at the request of the Crown execute and do all such assurances and things as may be necessary for further and more perfectly assuring the subject matter of this Agreement to the Crown.

5. For the consideration aforesaid

and in order further to secure the proper performance by the Borrower of his obligations under this Agreement the Company hereby guarantees to the Crown the repayment of the said sum of Two hundred and fifty thousand (\$250,000.00) advanced or guaranteed to the Borrower by the Crown under this Agreement and agrees with and guarantees the Crown that the Borrower will in all respects perform, fulfill and observe all of the covenants agreements and provisions set forth in this Agreement and on the part of the Borrower to be performed fulfilled or observed.

6. For the consideration aforesaid the Borrower and the Company further covenants and agrees with the Crown as follows:—

(1) The Borrower will expend the whole or such amount of the Two hundred and fifty thousand dollars (\$250,000.00) as is advanced or guaranteed to it under this Agreement in the purchase of the said druggers.

(2) The Borrower will upon the execution of this Agreement proceed with the purchase of the said druggers with all reasonable diligence and efficiency.

(3) The Borrower will not during the currency of this Agreement without the consent in writing of the Newfoundland Fisheries Development Authority.

(a) declare dividends or distribute profits by any method whether in cash or in kind;

(b) seek an increase or reduction in its authorized share capital;

(c) distribute its capital assets to its shareholders or

(d) sell its undertakings.

(4) One person nominated by the Crown will be appointed to the Board of Directors of the Borrower in each year during the currency of this Agreement and the Borrower will be required to qualify him for such appointment transfer one share in the Borrower to the Director so nominated.

(5) The Borrower and the Company will keep full and proper accounts which will be audited at least annually by an independent auditor to be approved by the Newfoundland Fisheries Development Authority and will in each year submit to the Director appointed on the nomination of the Crown a true copy of its balance sheet and profit and loss account showing the result of the previous year's operations and of the auditor's report thereon.

(6) The Company will make all such changes in its Articles of Association and obtain from its shareholders such agreements as shall be necessary to give effect to the undertaking of the Borrower and the Company under this Agreement.

(7) The Company hereby declares and agrees to guarantee during the currency of this Agreement the operating losses of the Borrower, after depreciation, on the two druggers to be purchased with money advanced or guaranteed by the Crown under this Agreement and the Company will pay the Borrower the said operating losses on the said druggers, after depreciation, annually.

8. It is hereby declared and agreed by and between the parties to this Agreement as follows:—

(1) The Crown will release the said druggers from the mortgage to be given the Crown under this Agree-

ment as soon as the Borrower pays to the Crown in full the principal, interest and other charges secured by and under this Agreement.

(2) The Borrower may at its option pay to the Crown at any time during the currency of this Agreement all or whatever portion of the principal sum which may be outstanding under this Agreement together with interest thereon as well as such other moneys as may be payable thereunder and upon payment by the Borrower as aforesaid the Crown will accordingly discharge the security to be given under this Agreement.

IN WITNESS WHEREOF The Honourable William J. Keough, Minister of Fisheries and Co-operatives has hereunto his hand and seal subscribed and set the Common Seals of Fortune Shipping Limited and Fortune Bay Products Limited were hereunto affixed in accordance with the rules and regulations and in the presence of their duly authorized officers the day and year first before written.

SIGNED SEALED AND DELIVERED

on behalf of the Province of Newfoundland by the Honourable William J. Keough, Minister of Fisheries and Co-operatives in the presence of

(Sgd.) W. J. Keough

Minister of Fisheries and Co-operatives

(Sgd.) H. G. Duxan.

Witness

The Common Seal of Fortune Shipping Limited was hereunto affixed in the presence of:

(Sgd.) J. R. Dixon, Director  
President

(Sgd.) W. J. Abbott, Director  
Secretary

(Sgd.) Gordon M. Stirling  
Notary Public

Witness

The Common Seal of Fortune Bay Products Limited was hereunto affixed in the presence of:

(Sgd.) J. R. Dixon  
President

(Sgd.) Harold R. Luscombe  
Director

(Sgd.) Gordon M. Stirling  
Witness  
Notary Public

The following information is supplied by the Honourable the Minister of Fisheries & Co-operatives in reply to questions by W. J. Browne, Q.C., numbered 50.

Question:— To ask the Minister of Fisheries & Co-operatives to table a Statement showing the amounts spent by the Fisheries Development Authority for entertainment purposes with details of amount spent.

Answer:— In the accounts of the Newfoundland Fisheries Development Authority, entertainment expenses are not distinguished from travelling expenses, the two being lumped together except as indicated below.

When the report of the Auditor General, covering the financial statement of the Authority to the 31st March, 1955 came to my attention some months ago, I took particular note of the following paragraph:

"Paragraph (iii) of the amendment dated 17 January 1953 to Treasury Circular P-2, stipulates that approval for the payment of entertainment expenses is to be subject to mutual agreement between the Comptroller of Finance and the Head of the Department concerned as to the amount involved. In a number of cases, claims for entertainment expenses incurred by members of the Authority, were

paid without supporting vouchers and nothing to indicate that the requirements of paragraph (iii) of the amendment to Treasury Circular P-2 were being complied with."

I asked the Chairman of the Authority to secure from the Auditor General a detailed account of the expenses referred to.

The Auditor General indicated that the expenses were as set forth below and indicated opposite each amount is the comment of the Chairman of the Authority indicating the purposes for which these expenses were incurred.

\$66.96—In January, 1954, members of the National Research Council of Canada visit St. John's. The facilities of this organization are available to the trade and others in Newfoundland and accordingly we decided to have a small dinner, to which we invited representatives of the fishing industry, so that they might meet the visitors and be given an opportunity to explore the possibility of obtaining assistance in some of their problems.

\$23.18— In May, 1954, Mr. James Bordinaro of Empire Fish Company, Gloucester, Mass, visited Newfoundland accompanied by his Chief Engineer, Mr. Richard Oberling. These men were investigating the possibility of establishing a plant in Newfoundland and during their visit we felt it was desirable to entertain them.

\$4.70— In May, 1954, Mr. Young travelled to Quirpon via St. Anthony on business. An expenditure of \$4.70 was incurred in connection with persons who were helpful to him in these places.

\$34.00—The cost of a business dinner incurred by Mr. Young on official business in Ottawa in July, 1954.

\$26.36—In November, 1954, Mr. Windsor visited 18 places between Gaultois and St. Georges in connection with the problems of the fisheries in this area. Sundry entertainment expenses of those who assisted him in his investigations on this trip amounted to \$26.36.

\$51.70—During a trip to Ottawa, Chicago, Leamington and Halifax in March 1955, Mr. Dunstan incurred sundry entertainment expenses of \$13.70 and also entertained Mr. George Clark, Deputy Minister of Fisheries and associates at dinner involving an expenditure of \$38.00.

\$206.90—Total.

The requirements of paragraph (iii) of the amendment to Treasury Circular P-2 require that the payment of entertainment expenses is to be subject to mutual agreement between the Comptroller of Finance and the Administrative Head of the Department concerned. (In this case, the Chairman of the Authority). The Chairman of the Authority has explained that previous to receipt of the Auditor General's report for the year ending 31st March, 1955, the Authority was unaware of the requirements of paragraph (iii) of the amendment to Treasury Circular P-2. The Auditor General's itemization of the entertainment expenses referred to in his report, together with the comments of the Chairman of the Authority as set forth above were referred subsequently to the Comptroller of Finance and confirming authority for expenditure of the amounts involved was received from the Comptroller immediately the request was made. If a separation of entertainment expenses of the Authority over and above what is indicated

in this memorandum is required, it will take some time to prepare.

(Sgd.) W. J. Keough,  
7-4-'56  
April 9, 1956.

*Address in Reply:*

MR. SMALLWOOD: Mr. Speaker, in justice to the Opposition I will amend in advance what I am about to say by reminding the House that two of the honourable members of the Opposition have not as yet spoken in this debate. For that reason what I am about to say is not wholly true. It does not represent the whole truth. It is not false but it is not the whole of the truth. And when the honourable gentlemen who have not yet spoken in this debate do so they may change the situation that exists at the present moment. The situation that exists at this moment is one that leaves me quite disappointed in the Opposition, in this present debate. I think it will be agreed that when I say that the two honourable gentlemen who have spoken are the principal members of the Opposition, because certainly it will be agreed that the Leader of the Opposition is the most important member of the Opposition, naturally. And he has spoken. Also the honourable and learned member for St. John's West has spoken. And I think it will be agreed that he is not only one of the most important members of the Opposition but that he is one of the most important members of the House. Because he was a former member of the House and a former member of the House of Commons. So I think it is fair—I don't think I am being unfair when I say that the two most important members of the Opposition have spoken in this debate. They have taken their part. They have done their part. We cannot hear any more from them. They have

completed their statements of their views. And I say; it leaves me for one quite disappointed.

Remember, Mr. Speaker, that this is a debate on the Speech from the Throne. The occasion of the debate is an Address in Reply. Whilst the Address in Reply says merely—"We thank Your Honour for the gracious speech with which Your Honour has opened the present session." That is all the Address in Reply is. We are not debating that. What we are debating is the Speech from the Throne, and the Opposition so far have not done so.

In the first place, there are six very substantial matters dealt with in the Speech; very substantial matters. One: The Children's Health Plan. I don't think the honourable and learned member for St. John's West even as much as mentioned it.

MR. BROWNE: Yes, I did.

MR. SMALLWOOD: Well, he just about did so. Barely mentioned.

MR. BROWNE: For ten or fifteen minutes.

MR. SMALLWOOD: He hardly spoke for ten or fifteen minutes in his whole speech. That is an exaggeration I do agree. But he did not devote any ten or fifteen minutes to the Children's Health Plan. He did not speak any more than an hour altogether.

MR. BROWNE: Mr. Speaker, I think I spoke for over two hours.

MR. HOLLETT: Mr. Speaker, if I may—I would like to remind the Honourable the Premier he admitted a day or two ago, he was dreaming for two days while I was speaking. He could not expect to hear me.

MR. SMALLWOOD: And not only dreaming. It was a nightmare! It was a nightmare.

MR. HOLLETT: That is the new industries.

MR. SMALLWOOD: The honourable and learned member for St. John's West barely mentioned it, no more than that.

MR. BROWNE: Mr. Speaker, on a point of order—I submit I did refer to it and I spoke at some length on that point in the Speech from the Throne. And I spoke, I think, about two hours if not more.

MR. SMALLWOOD: I say, Mr. Speaker, I must accept the honourable and learned gentleman's statement. I cannot call him a liar, and I don't want to call him a liar, and have no desire to call him a liar, and certainly no intention. I must accept his word. But I must repeat, it is my own distinct impression. I listened carefully, naturally I do to all speeches made in this House, I listen with great attention I never miss a single syllable, not one whatever else I may be doing I don't miss a single syllable spoken no matter who speaks. So I noticed especially the honourable and learned gentlemen barely touched on Children's Health Programme.

MR. BROWNE: Mr. Speaker, I will not allow that to go on record uncontradicted. It is not true. I spoke on the matter and did so at some length.

MR. SMALLWOOD: I did not say the honourable and learned gentleman did not speak. He did speak but barely touched on it. That is my impression. And as for his Leader he scarcely mentioned it. He did mention it and that is about all, barely—he scarcely mentioned it, barely and scarcely.

MR. HOLLETT: Mr. Speaker, I rise to a point of order to contradict that statement. I remember now the Honourable the Premier talking to the Honourable the Attorney General most of the time. I say I mentioned it. And Hansard is there to produce—In any case you said you were going to start in by telling lies when you got up today.

MR. SMALLWOOD: Now that is one of the six points that at the very most they skimmed, they merely made a skimming reference to it; a skimming reference. They did not debate it. You referred to it but did not debate it though. The whole House knows.

MR. HOLLETT: Did I not refer to the English system.

MR. SMALLWOOD: The whole House knows the Opposition did not debate it, the subject of Children's Health Scheme. They merely touched on it, skimmed and no more. The whole House knows that. They called it an election bid, and dismissed it.

MR. BROWNE: Mr. Speaker, on a point of order—Is it not reasonable when we know legislation is coming in on the matter not to go into it at full length until we get this matter brought to us in full detail.

MR. SMALLWOOD: Is that a point of order?

MR. BROWNE: I submit, Mr. Speaker, we are not supposed to keep on talking for days on points in the Speech from the Throne.

MR. HOLLETT: I rise to a point of order too—This is it—If the Honourable the Premier persists in this I want the Hansard produced. And I would like therefore, if possible, to adjourn until Hansard is produced, and see what we did say — If the motion is in order I so move. I

cannot allow the Honourable the Premier to state such things merely for the press, to get across to the people—merely making politics.

MR. SPEAKER: I personally think the main point under discussion is really trifling—How long did a certain honourable member speak. One honourable member said he spoke for so long and the other says no. That is a point easily settled. I can tell any honourable member how long he spoke and when. And Hansard, of course, will show what any honourable member said. As to how I am to rule on another honourable member's opinion of the remarks made I don't see. A member has the right to call for Hansard.

MR. BROWNE: Mr. Speaker, the Premier has stated that I spoke for a very short time. I think he said fifteen or twenty minutes, and barely touched on this subject, and did not debate it. I have my notes here of my speech with all the different things I said—And I think, sir, you might tell the House, if you have the information, how long I did speak.

MR. SPEAKER: An hour and fifty-five minutes. The honourable member spoke on the 19th March, he began at 4.55 p.m.

MR. SMALLWOOD: And spoke disparagingly of the subject.

MR. BROWNE: When the Premier got up he said he was going to tell lies and is certainly now doing it.

MR. SMALLWOOD: When did I say I was going to tell lies? I ask Your Honour to rule that the honourable and learned member for St. John's West will now withdraw the statement that I said I was going to tell lies, and that I was doing it. "The Premier said he was going to tell lies, and is

now doing it." I ask Your Honour to order that be withdrawn.

MR. BROWNE: Mr. Speaker, I withdraw the statement — (If the Premier would sit down) — he was going to tell lies. He did say he was not going to tell the whole truth.

MR. SMALLWOOD: I did not such thing. I did not say I would not tell the whole truth. I said I was going to make a statement about the Opposition, which because of the fact that two members have not spoken, would not be the whole truth. I could not say they did that when in fact only half of the four, two, spoke. And when the two spoke did not cover the Children's Health Plan, I could not say the Opposition did not do so. They could not be the whole truth. Does that suggest I am lying? Is that their idea to say that I am about to lie and have an intention to deceive?

MR. HOLLETT: That is what he is doing now—to the press.

MR. BROWNE: Yes—That is what you are doing now.

MR. SMALLWOOD: Mr. Speaker, I am now accused of an intention to deceive. May I request Your Honour that that be ordered to be withdrawn. Is that in order? Is that parliamentary?

MR. HOLLETT: Before you rule on that, Mr. Speaker, I would like to say I spoke for—

MR. SMALLWOOD: Is that in order—To my point of order—I request Your Honour to order the gentleman withdraw.

MR. HOLLETT: Are you on a point of order?

MR. SMALLWOOD: I am on this point of order. The Honourable Leader is not. He is on some other point of

order. My point of order is quite clearly and plainly this—They are now saying I am lying. They are now saying I am deceiving. I ask that this be ordered to be withdrawn.

MR. HOLLETT: Before you rule on that, Mr. Speaker, the Honourable the Premier stated we barely touched, we skimmed it. That is not the truth.

MR. SMALLWOOD: That is not my point of order.

MR. SPEAKER: I can assure the honourable members if they allow these words of heat to cool there will be little to rule about?

MR. SMALLWOOD: Here is what I am asking Your Honour. I am asking it very clearly. The honourable and learned member for St. John's West and the Honourable Leader of the Opposition in chorus just declared I am now deceiving the House and deceiving the press. They just made the statement I am deceiving the House and deceiving the press.

MR. HOLLETT: So you are.

MR. BROWNE: So you are.

MR. SMALLWOOD: Now, Your Honour, is that in order, and have they got to withdraw?

MR. HOLLETT: No.

MR. SPEAKER: Order! I must confess that I am puzzled by the way this arose. I don't see how I can answer. First we began with a statement which was certainly not meant to be taken seriously. Then words of heat arose. The honourable member for St. John's West said something he did not mean to say and promptly withdrew it when pointed out to him. Exception was taken to the remark by the Honourable the Premier that a speech had

merely been skimmed or lightly touched on some subject. That is a matter of opinion, of course. Argument as to the length of time a speech occupied is merely allegation of facts. Now it is clearly laid down that it is not correct procedure for one member to provoke another into saying things—I really don't see how the earlier remarks could be taken seriously. Were they not made in the heat of the moment arguing about insignificant points? It is true, the Premier said he would not be telling the whole truth because of certain reasons. It is easy to see how that could be twisted. Then the honourable members on my right said "he is now deceiving the House for the benefit of the press." These are unparliamentary expressions. I must agree there. I merely cite the facts, as they are. I am not going to suggest that certain members were led into saying things by a sort of cross-examination. I suggest both these things be withdrawn—and let the Honourable the Premier begin his speech. The only other alternative is to have Hansard produced, which means we shall have to recess.

MR. SMALLWOOD: An alternative to their withdrawing their accusations that I am deceiving the House? There is no alternative to that, is there?

MR. SPEAKER: I did not say that. I said these things were provoked by a complete disregard of the Chair by both sides arguing across the House. I am suggesting too, that I am quite sure they were not sincerely meant. They were said in the heat of debate. How can it be an attempt to deceive a House to make a comment about another honourable member's speech, which may be read in Hansard?

MR. BROWNE: When, Mr. Speaker, in four years?

MR. SPEAKER: That I have no control over. I assure the honourable and learned member for St. John's West that he may have a copy of his speech any time he wishes it. To say an honourable member is deliberately misleading the House is, I say, an unparliamentary expression.

MR. SMALLWOOD: And as such I ask to have it withdrawn.

MR. HOLLETT: Mr. Speaker, before you make any ruling, I may say, I do not intend to withdraw anything that I said because what I am saying is based on a statement which; I am not saying he did deliberately, Mr. Speaker, but I am saying he did it, the Honourable the Premier made. I know how long I spoke on that particular thing. I referred to the Health Scheme in England.

MR. SMALLWOOD: Mr. Speaker, this is another subject altogether now. It is out of order. The subject in order now is, are the honourable gentlemen opposite, right in accusing me of deceiving the House? That is the only issue right now. I want a withdrawal.

MR. SPEAKER: The point is clearer now. Honourable members who are not joining in debate will realize the difficulty of my position. I was practically ordered by an honourable member to ask for a withdrawal. That, of course, I could not do. Something must be left to my own knowledge and discretion. Now I had reached a point where I said a certain remark is unparliamentary. And I have said thousands of times from this Chair that I am not concerned whatsoever by whether a remark is true or false but whether it should be made. Now the honourable member says he has no intention whatever of withdrawing it and repeats it. I must ask him to withdraw because he has admitted it. It

is unparliamentary to say any honourable member is deceiving and misleading the House.

MR. HOLLETT: Would the Honourable the Speaker tell me the exact words I would have to withdraw?

MR. SPEAKER: The words I heard—the Premier is deceiving the House.

MR. HOLLETT: Deceiving the press, I said.

MR. SMALLWOOD: Deceiving the House.

MR. SPEAKER: I said it was an unparliamentary expression. I had hoped that on consideration of it, it would have been freely withdrawn.

MR. HOLLETT: Mr. Speaker—

MR. SMALLWOOD: And certainly both of them said it, not only the Leader of the Opposition but also the honourable and learned member for St. John's West said it. The two of them said it.

MR. SPEAKER: The honourable member for St. John's West had withdrawn his previous remark.

MR. SMALLWOOD: But since withdrawing that he made additional remarks on two occasions, that I was deceiving the House.

MR. BROWNE: Mr. Speaker, may I speak to this point of order? And to remind the House what the Premier said. I pass over his parliamentary observation he was not going to tell the whole truth. We know what he meant by that. Then he comes to the question of the Speech from the Throne and he refers to this provision in the second paragraph, that legislation is going to be introduced to give the Minister authority, making it manda-

tory upon them to introduce and enforce a system of children's health.

MR. SMALLWOOD: Mr. Speaker, to a point of order—Is the honourable gentleman speaking to the point of order before the House? I have a point of order.

MR. SPEAKER: An honourable member rises and says he is about to speak to a point of order. I must hear so many words before I can form an opinion, if it is to be a point of order or not.

MR. SMALLWOOD: My point of order is simple—The Honourable Leader of the Opposition and the honourable member (for St. John's West, both, in chorus, and on two occasions, and both of these occasions since the honourable and learned member withdrew the first statement he made, since that both of them, on two occasions, in chorus, said I was deceiving the House. That is the point of order I ask the statement be withdrawn.

MR. SPEAKER: I uphold that point of order. The honourable member—

MR. BROWNE: I maintain an honourable member is entitled to point out his own attitude towards the point of order raised by the Premier. The Premier accuses me of saying he was deceiving the House, and I want to show what the Premier did say, and leave it to the Speaker, if you like, to say what he was doing. In my point of view he said in the first place.

MR. SPEAKER: I don't think the honourable member quite has the point, which is not whether anything is true or not, but whether it is parliamentary or not.

MR. BROWNE: The facts were true or not? That is why I intervened.

MR. SPEAKER: I maintain it is not important.

MR. BROWNE: It is not important whether it is true or not?

MR. SPEAKER: Not at all. But is it parliamentary? A matter of libel outside the House is something quite different. I am not concerned with the truth of a remark here but whether the remarks ought to be made. And I can only ask the House to recess while I see Hansard to see what is true. The honourable member said he said so and so. The Honourable the Premier said he did not. I have only the word of one honourable member on my left and one on my right.

MR. SMALLWOOD: There are lots of other members in the House who either heard or did not hear the two honourable members; and they are on both sides. They either heard or they did not hear the two honourable members make that statement.

MR. BROWNE: Is this a point of order? Well you would not let me state my point of order.

MR. SMALLWOOD: This is the same point of order.

MR. BROWNE: You want everything your own way. Want but not going to get it.

MR. SMALLWOOD: Mr. Speaker, still on that point of order—I have been accused, I claim, of doing something, which if it is true I am doing it, if I am deceiving the House, then I am not fit to be in the House. And I am accused, I claim, by the two honourable members opposite, of deceiving this House. Now that statement was heard by members on this side or from that side or it was not heard. And, sir, I don't think there is any

necessity of going to Hansard. There is not any need of that delay. Let the House say whether the statement was heard on two different occasions, in chorus, by the two honourable gentlemen. There is no need of going to Hansard for something we heard.

MR. HOLLETT: Mr. Speaker, you have made a ruling for recess. May I suggest I would like to have a copy of the Hansard on what I said relative to the Children's Health Scheme, I would ask you to consider that before making a ruling.

MR. SPEAKER: I can't see that that has anything to do with the point of order. Objection was taken to certain words used; and I said the words I heard were unparliamentary.

MR. BROWNE: Mr. Speaker, objection was previously taken to what the Premier said. I objected to the Premier putting on record that statement in question.

MR. SMALLWOOD: I said I accepted the honourable gentleman's word that the statement was incorrect.

MR. BROWNE: You did, in very bad grace.

MR. SPEAKER: May I say the position is, I have already ruled the expression alleged to have been used by the honourable members as unparliamentary. I have asked to have it withdrawn.

MR. HOLLETT: Mr. Speaker, if I have said anything unparliamentary I withdraw it.

MR. BROWNE: Mr. Speaker, that leaves me. And I must be permitted, Mr. Speaker, to explain my attitude in this matter. The Premier started off by saying I made no mention of this legislation at all, made no mention of

it in my fifteen or twenty minutes speech, he said. Now I am not a Marathon speaker, and can't speak for a week, and don't think it fair to the House to speak a week. But I did speak for an hour and a half to two hours. And I did refer to that as one of the points. I have here the notes that I had for my speech. Then the Premier said I skimmed it, barely touched upon it. Well, Mr. Speaker, I must confess to having the impression that the Honourable the Premier intended to make political capital out of the length of the reference I made to that. And that is what I objected to going on the record.

MR. SPEAKER: The honourable gentleman may object, but it cannot be a point of order. How could one rule on a comment made on the length of the honourable gentleman's speech?

MR. BROWNE: Because, Your Honour, what the Premier said was not true, and I cannot allow him to make a statement—

MR. SPEAKER: The Chair sees only one way to satisfy that, that would be to read the honourable member's speech again.

MR. BROWNE: I don't suppose it is very nice to read again, but I am satisfied to have that again.

MR. HOLLETT: May I ask for a copy of the Hansard before the Honourable the Premier continues with his speech?

MR. SMALLWOOD: Withdraw the statement! Why ask for that?

MR. HOLLETT: I have withdrawn any unparliamentary remark. I am now objecting to the statement made.

MR. SPEAKER: I don't think it is reasonable to ask for Hansard right

off the bat so to speak, honourable members know that would be impossible. The remarks have been withdrawn. Is the House satisfied?

MR. SMALLWOOD: No, Mr. Speaker, only by one honourable gentleman opposite, by the Leader of the Opposition. The other honourable gentleman made identically the same statement in the same terms and on the same occasion.

MR. BROWNE: Mr. Speaker, my recollection, and the Premier can correct me if I am wrong; he said we had skimmed this matter, and I objected to it; and then he said; to a point of order, they are accusing me—am I deceiving the House?

MR. SMALLWOOD: I did not ask that.

MR. BROWNE: You asked a rhetorical question and we said yes.

MR. SMALLWOOD: Mr. Speaker, that is not it at all. Here is what happened:—I said at the outset of my speech, what I am going to say will not be the whole truth. Only two have spoken and two have not. Therefore the two who have not spoken I cannot include. Then I am accused of being a liar, then the word "lie".

MR. HOLLETT: Did anybody on this side of the House call the Premier a liar?

MR. SMALLWOOD: I said "a lie". You mean I am deceiving. I have no intention to deceive. I am no liar. And they both said: yes you are deceiving the House. Now they both said it. One has withdrawn. The other has not.

MR. SPEAKER: That is the remark on which the ruling was made; they were unparliamentary expressions. I

said the honourable member who used it should withdraw it. That is what I said. It is just a matter of unparliamentary expressions being used.

MR. HOLLETT: Mr. Speaker, I have withdrawn. I have no recollection, but I have withdrawn any unparliamentary remarks. But I still maintain the Honourable the Premier said something which is not true.

MR. SPEAKER: That has nothing to do with the point. The honourable gentleman seems to be trying to confuse the point while I am waiting for that remark to be withdrawn.

MR. BROWNE: Which remark? Because it was when the Premier said, am I deceiving the House, and I said yes.

MR. SMALLWOOD: You did not say "yes." You said "You are deceiving the House." If you just said "yes" I would not mind.

MR. BROWNE: And I still maintain you were deceiving the House whether intentionally or not now I cannot say.

MR. SPEAKER: In my recollection it was not so simple as that. The remark was used, yes. Anything unparliamentary in one honourable member is unparliamentary in another. And I ask that remark be withdrawn.

MR. BROWNE: What is the remark? I have no recollection of any particular remark.

MR. SMALLWOOD: I remind the honourable gentleman he said, as did his Leader, in unison, and said it twice, "Yes, you are deceiving the House right now."

MR. HOLLETT: That is what you asked us. You asked a question and we answered it.

MR. BROWNE: Well, Your Honour, I am afraid I cannot withdraw that. He was, the Premier was deceiving the House. If Your Honour rules I go out of the Chamber I will have to do that. I am quite satisfied that is what the Premier intended to do, misrepresent what I said here in connection with that matter.

MR. SPEAKER: As I said before, I cannot see the force of that argument. The honourable member's speech has been given here, printed and reviewed, and any comment after, cannot alter the speech, I am merely concerned with the remark to which objection was taken. The remark has been repeated ad nauseam now by both honourable members, and withdrawn by the Honourable Leader of the Opposition. And I can't let one honourable member withdraw and not ask the other to do the same.

MR. BROWNE: Mr. Speaker, I have done it before, withdrawn remarks I feel I can't conscientiously withdraw. I believe now the Premier is deliberately deceiving the House, and I cannot withdraw it, Mr. Speaker.

MR. SPEAKER: The honourable member knows that is an unparliamentary remark.

MR. HOLLETT: Mr. Speaker, may I, sir, inject this:—"If any honourable member on the opposite side of the House throws a question to this side—"Am I a liar"? "Am I deceiving the House"? and if an honourable member on this side says, yes or no, must he not accept that. Is it parliamentary for an honourable member to ask that question Is that parliamentary?"

MR. SPEAKER: It was not quite so simple as that, I shall have to ask the honourable member to withdraw the statement he just made.

MR. BROWNE: I am sorry, Mr. Speaker, I cannot withdraw the statement.

MR. SPEAKER: The statement the honourable member just made—He repeated, the Premier deliberately deceived the House.

MR. BROWNE: Yes, Your Honour. That is my belief, I cannot withdraw.

MR. SPEAKER: The honourable member knows an unparliamentary remark ought to be withdrawn and ought not to be made, and knows he can only leave me one recourse.

MR. BROWNE: Whatever the rule of the House is must take its course as far as I am concerned. I have put up with too much from that gentleman, and I am not going to put up with any more.

MR. SPEAKER: I shall be forced to name the honourable member.

MR. BROWNE: Yes, Your Honour. Do whatever you think is just to do. I hope you do it. But I am not going to withdraw, I am not going to be bulldozed by the Premier to withdraw anything else that I think is true about him.

MR. SPEAKER: I am left no alternative then to call on the honourable member by name. It gets to be more than an argument between one honourable member and another when it comes to an argument with the Chair. Does the honourable member insist? I shall have to name the honourable member.

Mr. Browne, will you withdraw the remark made? If you have anything to say, say it now.

MR. BROWNE: What I have to say is this, Your Honour. When the Pre-

mier began his speech this afternoon he stated that he was not going to tell the whole truth. When he did get into his speech he accused me of making no reference in my fifteen or twenty minute speech to the new legislation coming in here, when I had the notes here in my hand, in my possession, of what I had said. And I consider that he was doing it for a political purpose. And I refused to allow it to go on the record in that way. The Premier continued and then we got into a heated argument, I agree. And he said: "Am I deceiving the House?" And I said, "Yes". And I am afraid, Mr. Speaker, I can't come to any other conclusion than that he was deliberately deceiving the House.

MR. SPEAKER: The honourable member sees then, I shall have to ask him to withdraw.

MR. HOLLETT: If I may, Mr. Speaker, I am not objecting to your ruling whatsoever.

MR. SPEAKER: The honourable member has a perfect right to object if he wishes.

MR. HOLLETT: I have a perfect right to object?

MR. SMALLWOOD: Mr. Speaker, to a point of order, is it in order to debate Your Honour's ruling? Is there any order in debating Your Honour's ruling?

MR. SPEAKER: I just asked if the honourable member wishes to object.

MR. SMALLWOOD: The only thing is to ask that the House sustain or not sustain Your Honour's ruling.

MR. HOLLETT: Mr. Speaker, I am not debating it.

MR. SMALLWOOD: Debating is to stand up and talk about it.

MR. HOLLETT: I am not debating Your Honour's ruling.

MR. SMALLWOOD: Now, Mr. Speaker, I will resume my speech.

MR. SPEAKER: There is the matter of the member that has been named. It is competent now for a motion to be made regarding the honourable member as to whether he will be suspended, or does the House wish to pass it over

MR. SMALLWOOD: Mr. Speaker, as the aggrieved party perhaps I am not the one to suggest what ought to be done. Perhaps in this House there is someone who can suggest something. If I were not the aggrieved party I would know what I would suggest.

MR. COURAGE: Mr. Speaker, I will try to clarify the position. I do now move the words objected to be taken down by Mr. Clerk, I would like to say in doing so, I am not concerned with the truth of what the honourable member for St. John's West said or not, I am merely concerned, were the words used in this Chamber unparliamentary or not. And if a member uses unparliamentary language and he is ordered by Mr. Speaker to withdraw these words and he does not withdraw them, some member must rise in his place and move that the words be taken down by Mr. Clerk, and I submit—

MR. HOLLETT: What words?

MR. SMALLWOOD: The words are "Yes, you are deceiving the House right now." Those are the words.

MR. SPEAKER: Order. The words were quite clearly stated by the honourable member before he left.

MR. HIGGINS: Mr. Speaker, I am not an aggrieved party, and am one of

the people who were especially exculpated before the debate resumed this afternoon. And I am not for a moment attempting to debate Your Honour's ruling. I do respectfully suggest, Your Honour, that the enormity of the offence will probably diminish quite rapidly once we get a breath of fresh air. In the short time I have been in this Chamber I have heard much more serious statements made, I have heard people compared to Judas Iscariot and various other things, and I have no recollection of these people being driven beyond the pale. I would respectfully suggest, Sir, that the member who has been named this afternoon be suspended for the remainder of the afternoon session and be allowed to take his seat tomorrow.

MR. CURTIS: If that is a motion, I notice it is not seconded, Mr. Speaker.

MR. HIGGINS: I so move.

MR. HOLLETT: I second that motion.

MR. CURTIS: That being so, I would move an amendment—That the honourable member be suspended for two days, Tuesday and Wednesday, and be allowed to resume his seat on Thursday. The traditions of this House must be looked after; and if Mr. Speaker's ruling has not been enforced I don't see any point in suspending a member for the afternoon.

DR. ROWE: I second that motion.

MR. HOLETT: Mr. Speaker, are we allowed to debate that?

MR. SPEAKER: No debate.

The motion was that Mr. W. J. Browne be suspended from the services of the House for the remainder of the afternoon to which an amendment is offered, "The remainder of the

afternoon" be deleted and the words "Tuesday and Wednesday of this week" be there inserted. The motion now is that: "the words, 'this afternoon' do stand part of the question." All who vote "Aye" will be voting for the original motion and all who vote "Nay" will be against it.

MR. HOLLETT: May I ask a question on that? If the honourable member who has just left the House decides to withdraw the remarks, whether it would make any difference to the suspension from the House?

MR. SPEAKER: That would be for the House to say. The Chair has no alternative other than to do what it is doing.

MR. SMALLWOOD: Mr. Speaker, I don't think it is clear, the effect of "Aye" or "Nay."

MR. SPEAKER: The motion is that Mr. Browne be suspended for the remainder of the afternoon, to which an amendment is offered that instead of the words "for the remainder of the afternoon" the words "Tuesday and Wednesday of this week" be inserted. The voting then is on the words "the remainder of the afternoon," that they do stand part of the question. Those voting "Aye" will be voting for suspension of the remainder of the afternoon only.

Motion is, that the words "the remainder of this afternoon" do stand part of the question:

MR. SPEAKER: "Nays" have it.

MR. HIGGINS: Division.

MR. HOLLETT: Division.

MR. SPEAKER: A division has been called by two members.

MR. HOLLETT: Mr. Speaker, could I make a request from you that Han-

sard relative to all remarks that I made on the Speech from the Throne be handed to me at the earliest possible moment.

MR. SPEAKER: Yes.

DIVISION:

MR. SPEAKER: Will all those honourable members who voted "Aye" stand and resume their seats upon their names being called by Mr. Clerk.

"Aye": Honourable Leader of the Opposition, Mr. Higgins.

MR. SPEAKER: Will those who oppose the motion please stand and resume their seats as their names are called.

"Nay": Hon. the Premier, Hon. the Attorney General, Hon. Minister of Finance, Hon. Minister of Education, Hon. Minister of Fisheries and Co-operatives, Hon. Minister of Provincial Affairs, Hon. Minister of Labour, Hon. Minister of Municipal Affairs and Supply, Hon. Minister of Public Works, Hon. Minister of Mines and Resources, Mr. Norman, Mr. Brown, Mr. Courage.

MR. SPEAKER: The "Nays" have it, thirteen to two.

The motion now is that the words "Tuesday and Wednesday of this week" be inserted.

Motion carried (Opposition voted "Nay").

Motion carried as amended.

MR. SMALLWOOD: Mr. Speaker, may I suggest that it might suit the convenience of the House to have a recess for ten minutes, before I resume my speech.

MR. SPEAKER: I should just like to add one thing to the business which

has just passed. I ask the House to take notice that the attitude taken by the Chair could have been none other. "May" distinctly says: "Charges of uttering deliberate falsehoods or misrepresentations of language are to be withdrawn or published." "Beauchesne" says: "Unparliamentary phrases must be withdrawn. Such phrases as that an honourable member is uttering libel in the House, that he has been guilty of gross misrepresentation or that he is telling lies, or that he does not believe the statement that has been made."

The House then recessed for ten minutes after which Mr. Deputy Speaker took the Chair;

Deputy-Speaker in the Chair;

MR. SMALLWOOD: Mr. Speaker, I was about to point out that the Speech from the Throne contained six separate matters at least of first class importance to the people of Newfoundland. There are other matters not of such great importance, it is true, but of some importance. But there are six matters of the utmost importance to the Newfoundland people. And these six are: The Children's Health Plan; the announcement of the Government's intention to introduce the new local road system; the Revision of the Terms of Union and the announcement of the Government's intention to call this year for the appointment of the Royal Commission under Term 29; the Unemployment Assistance Plan which has just been signed with the Government of Canada, a brand new Federal-Provincial social security measure which will bring each year into the Treasury of this Province at least one million dollars; the Fisheries Development Programme and the statement that two large fishing companies are negotiating with the Government for financial as-

sistance to construct large new salt fish plants, and finally the reference to BRINCO and the great hydro-electric development about to take place and in connection with which a contract has been let by BRINCO for the building of a hundred mile road across the heart of Labrador, from the railway running between Seven Islands and Knob Lake into Grand Falls. And also the discovery of uranium-bearing pitchblende deposits of a remarkable rich quality in so far as the grab samples are concerned.

Now, Sir, these are six matters of prime importance to the people of Newfoundland; the Children's Health Plan, the new local roads system, the calling for the Royal Commission this year on the Revision of Terms, the new unemployment assistance plan which brings a million dollars a year into our Treasury, the latest development in the Fisheries Development Programme, and BRINCO's great hydro-electric and uranium development. These are six great matters discussed in the Speech From the Throne. And what do we find?

We find that the two leading members of the Opposition, that is to say, the Honourable Leader of the Opposition and the honourable and learned member for St. John's West, who admittedly is one of the most important members of the House, have completed their parts in this present debate. They spoke, in the case of one, for part of three different days, and in the case of the Leader of the Opposition, for parts of three separate days running and in the case of the other honourable member for something between one and two hours, with just a brief break for the usual afternoon recess, which the House has.

Yet in the speech of the Honourable Leader of the Opposition, which occu-

plied the best part of three days, three sittings of this House and in the speech of the honourable and learned member for St. John's West the references to these six matters, these six prime matters that I have just named, were, I think, against the background of their speeches in general, compared with the length of time each of them occupied, their references to these six matters occupied a minimum of time. They could not very well have devoted much less time than they did to these six topics. Instead both of them devoted the bulk of their time to the new industries—the new industries.

MR. HOLLETT: Mr. Speaker, I must rise to a point of order. I spoke for the best part of three days, the Honourable the Premier submitted — And I say now I spent the best part of two days on the Speech from the Throne. I want that clear, Sir, beyond all doubt.

MR. SPEAKER: That is not a point of order.

MR. HOLLETT: The point of order is, Mr. Speaker, that the honourable the Premier is not telling that which is true.

MR. SPEAKER: That is an allegation of fact.

MR. HOLLETT: That is not a fact, what he said. I ask for Hansard. Surely I can get that. That is not going into the record without denial from me, Sir. I know I spent two days at it.

MR. SMALLWOOD: But the honourable Leader of the Opposition spent not two but part of three days on this Speech from the Throne. He spoke on it on the opening day, when he began his speech. He spoke on it the day that followed, and also, if I am not

mistaken, he spoke on it the day that followed that. There might have been a day in between. He certainly occupied a large part of three different sittings of the House, each sitting, of course, taking place on different days. Therefore he occupied, I submit, all of the debating time of three days on the Speech from the Throne. And in spite of that fact these six great and important matters that are mentioned in the Speech from the Throne received only the scantiest reference from the Honourable Leader of the Opposition. Instead of devoting a great part of his speech to the Children's Health Plan—

MR. HOLLETT: Mr. Speaker, again on a point of order—I wish to say that is not correct.

MR. SMALLWOOD: The honourable member cannot debate with me.

MR. SPEAKER: I must inform the honourable member, that is not a point of order. There is no point of order here. One member says one thing and another makes a statement correcting him. That is not a point of order. A point of order is where some breach of the Rules of the House is being objected to.

MR. HOLLETT: Mr. Speaker, may I not at any time draw the attention of the Premier to mis-statements he has undoubtedly inadvertently made?

MR. SPEAKER: No.

MR. HOLLETT: Am I to allow to go on record what the honourable the Premier has said?

MR. SMALLWOOD: After I am finished the honourable gentleman is entitled by the Rules, by a point of privilege under the Rules, to stand to a point of privilege and make such corrections as he cares to make within

reason and within the limits of my statements. But he is not permitted to stand up and make a running debate with me as I proceed with my speech. That is out of order unless I am prepared to yield.

MR. SPEAKER: I have just so informed the honourable member. And of course, as the honourable the Premier just said, any member may say, "Would the honourable gentleman yield," or "Mind a correction on that point," or later on rise to a point of privilege.

MR. SMALLWOOD: Now, Mr. Speaker, I am going to repeat my misstatement—For all of the debating period of three days.

MR. HOLLETT: During which you were asleep.

MR. SMALLWOOD: I was not asleep. The honourable Leader of the Opposition debated the Speech from the Throne for all the debating time the House allowed. He occupied three days. And notwithstanding the fact he devoted—

MR. HOLLETT: How long are you?

MR. SMALLWOOD: The same time—part of three days. He devoted a minimum of all the time he used, a minimum of it, to these six principal topics that are in the Speech from the Throne, the Children's Health Plan, the new local roads system, revision of the Terms of Union, the new unemployment assistance plan, the fisheries development programme and BRINCO's hydro-electric and uranium development. He devoted an absolute minimum of time to these six topics. Instead he devoted most of his time to discussion of the new industries. Indeed there was an amendment brought

in to the Speech from the Throne. I am not permitted to go over that debate. That would be out of order. I am allowed to say there was an amendment. An amendment was proposed to the Address in Reply, dealing with the new industries. And that amendment was debated pretty thoroughly. It was moved by the honourable and learned member for St. John's West and seconded by the Honourable Leader of the Opposition. And he spoke to it.

MR. HOLLETT: Mr. Speaker, I beg to rise to a point of order. I did not second the motion, Mr. Speaker.

MR. SPEAKER: If the honourable member would forgive me, it is not a point of order.

MR. HOLLETT: A point of privilege.

MR. SMALLWOOD: However, he did not second it. But he did speak to the motion. And he made a considerable speech in which he discussed the matter of the new industries. And that amendment having been put and lost in this Chamber he then spoke to the main motion, which is that An Address in Reply be sent to His Honour the Lieutenant Governor. All right, even in that speech he devoted most of the time to a discussion of the new industries, not all, but there was more about the new industries than about any other topic. And in both speeches put together he devoted a minimum of his time to these six major subjects of importance to the Newfoundland people. And so likewise did the honourable and learned member for St. John's West.

Now that is the whole truth about one-half of the Opposition.

With regard to the other half of the Opposition, that is the honourable and

learned member for St. John's West and the honourable member for Bell Island-Harbour Main, they have not spoken as yet so that I cannot accuse them of neglecting these topics. We cannot accuse them of ignoring these six topics nor of damning them with faint praise. We cannot accuse these two honourable members because they have not spoken as yet. So that it is not the whole truth about the Opposition to say they have ignored these six topics. But it is the whole truth about half of the Opposition, and with regard to the other half it is not in any degree true. They have not spoken as yet.

MR. HOLLETT: The honourable the Premier said "the whole truth" is that we ignored completely these six issues.

MR. SMALLWOOD: I did not say completely ignored but relatively compared with the amount of time taken and the number of words used, the amount on these six topics is very small. Indeed they devoted only a small portion of time and words to these six major subjects. And they devoted most of their time to the new industries.

Now that is why I say, I hope that the other two members of the Opposition, when they speak, will devote part of their time, a respectable part of their time—I suggest to the honourable and learned member for St. John's East, who has undoubtedly a reasonable mind, and I don't believe his political feelings run very deeply, I think he is a pretty reasonable-minded man—I suggest sincerely to him, when he speaks, if he does in this debate, if he participates, that he take these six subjects of prime importance, I claim (in view they are of major importance to our Newfoundland people) in the

Speech from the Throne, which is what we are debating here in this debate. That is the chief topic of this debate, the six of these, the Children's Health Plan, the new local roads system, the revision of the Terms of Union, the new unemployment assistance plan, which brings us a minimum of a million dollars, cash, a year, new cash which we were not getting before and the Fisheries Development Programme and BRINCO's hydro-electric and uranium discoveries. Now my honourable friend may feel a little sensitive talking about BRINCO. And he won't mind if we keep rubbing in to him the fact that once in this House he called it "BUNKO." That I think was probably just a debating point, and won't hold it against him. I think he must be impressed by the record of BRINCO. And I do hope when he participates in this debate he will repair the omissions of his leader and of his very superior colleague in that party, the honourable and learned member for St. John's West. I do hope that he will repair these omissions and that he will try to balance the thing out by quitting this endless talk about the new industries and giving the House the benefit of his knowledge and the benefit of his thinking on these six primary questions of importance to the Newfoundland people.

Sir, I said that I was disappointed in the Opposition. I will tell you why I am disappointed in the Opposition. And I would like the Leader of the Opposition, if he would listen in good will, because what I am about to say is said with good will, to listen carefully to what I am about to say: What I am about to say is that the parliamentary system in Newfoundland is in danger. It is in danger because of the fact that the Opposition Party is so

weak. The Parliamentary system in this Province is in danger and it is in danger because the Opposition Party, the "Tory" party or the "Progressive Conservative" party or whatever name we may wish to put on them, the "Opposition" we will call them, are weak. And that is making the parliamentary system weak, and is putting it in a certain degree of danger in this Province, so much so that when the forthcoming general election is held, and the votes are all counted there is serious danger that that party, the present Opposition Party, will consist not of four members of which it presently consists but only of three members, and that in a House of 36 they may have only 3 members with 33 over on this side.

Now that, Mr. Speaker, would not be good for Newfoundland.

MR. HOLLETT: Let us not have elections at all just sit here—

MR. SMALLWOOD: That would not be good for Newfoundland if that happened. However, it would be stupid if we quarrelled with the Newfoundland people for voting that way. It would be stupid to quarrel with the Newfoundland people for having elected 33 Liberals and 3 Tories. It would be a mistake to quarrel with the people for that. It would be far wiser to look elsewhere for the cause. And I suggest to you now, Sir, where the cause lies. But before I come to that let me say why I consider it to constitute a danger that there may be only 3 Tories and 33 Liberals, why that would be a danger to our parliamentary system in this province.

In the first place I think that you must have an Opposition. And I think furthermore that you must have a pretty good Opposition to have continued good Government. Now I say

that you can have good Government without any Opposition at all. But for how long? I say to have continued good Government, protracted good Government over the years, it is indispensable to have a good Opposition. Now a good Opposition does not necessarily have to be a big Opposition, not necessarily. If they are made up of men of average brains and average ability it is better that they be rather larger in number. However, if they are made up of men of great brains and ability they can be fewer in number.

Mr. Speaker returned to the Chair.

MR. SMALLWOOD: They can be fewer in number and still be a good Opposition. But whether they are good because of their number or good because although small they are exceptionally able men, it is imperative, I hold, that there be a good Opposition. It is imperative to good Government that there be a good Opposition. I say, as one who has led a Government for six years or seven years now, in this very Chamber and who has seen many previous Governments in Newfoundland and previous Opposition, I say it is bad for the Government to have a poor Opposition.

I will tell you what I mean by that, Mr. Speaker. They tend to become more careless than they would otherwise be in governing.

MR. HOLLETT: Say that again.

MR. SMALLWOOD: My honourable friend does not need to be sarcastic.

MR. HOLLETT: Just naturally.

MR. SMALLWOOD: There is no need of it. It does not get him anywhere. I asked him to listen in good will as I intended to say something in good will. Alright, let us have this thing in good will. I am speaking from

a position of strength. I think that will be recognized. So I can speak very candidly, and I am in fact speaking sincerely. The Government itself tends to become too cock-sure if the Opposition is weak and small, tends to become more careless than it would be if there was a substantial opposition. I don't mean an opposition so big that there is danger every day of the Government falling. You cannot get good Government in that way. You cannot get good Government if the Government majority is so small that at any moment by losing a man across the floor you lose the administration. That does not make for good Government. If the Leader of the Government never goes to bed without wondering if he would wake up premier in the morning. By that he meant, of course, there was a continuous effort, an effort that never stopped, to bring men across the floor of the House and break and smash the Government.

It is better that a Government have a substantial majority but that there be also a substantial Opposition. And I say they can be superior either in their numbers or in their ability, one or the other. That welds the Government together, and welds not only the members of the Government together but welds together the supporters of the Government, if attacked from the Opposition, if that attack is reasonable. When that attack is not but is actually silly, when it is obviously foolish it does not, but when it is sensible and when it is constructive it means that the party on this side of the House, whoever they may be, whether they be Liberal now and another party twenty years from now, whoever they are on this side of the House they are given their baptism of fire, so to speak. My honourable friend, the Leader of the Opposition, who is an old soldier,

knows all about that. I was never a soldier but I have read and he knows of his own personal knowledge that a battle-seasoned regiment or battalion or company or a battle-seasoned corps, a battle-seasoned army which has gone through its baptism of fire and has been under attack more than once, that army pulls itself together and there is an "esprit de corps" in it, a loyalty in it. There is a cohesion in it that probably would not be there without the attack. And if you have not got an opposition strong enough to make us sit up over here and take notice we will tend to grow careless. If we have an opposition that only bores us to death, bores us to tears, if we have an opposition that makes us groan in spirit—

MR. HOLLETT: That is more like it.

MR. SMALLWOOD: I am not referring to the present Opposition. I said: "If you have that kind of opposition." I am trying to keep this in good will and give my honourable friend some pretty powerful argument, more powerful than he has ever used himself, in favour of a stronger opposition. If he says, if he argues to the people of Newfoundland in favour of a stronger opposition in this coming election the people will say—"Of course he would argue that way. Naturally! He is the leader of the Opposition. But when I use that argument, as leader of the Government, in favour of a stronger Opposition I think perhaps more notice should be taken of my argument, coming from me, than his coming from him.

MR. HOLLETT: We are going to argue for the Government not to have the Opposition.

MR. SMALLWOOD: Well, I don't know.

MR. HOLLETT: That is no joke.

MR. SMALLWOOD: Now, Sir, we are going to have an election this year.

MR. HOLLETT: When?

MR. SMALLWOOD: I am not referring to the election held last fall, that the honourable gentleman said was going to be held. Nor am I referring to the election that was held last spring, that the honourable gentleman said was going to be held. Nor am I referring to the election that was held in the fall before last that the honourable gentleman prophesied. I am referring to the one that is going to be held this year. And certain people who are smiling had better not smile. They prophesied the same thing and named the month and date two years ago. They will learn to know after another ten or fifteen years when not to go out on a limb prophesying elections, after the next two or three general elections that I will have something to do with. Oh they will learn not to go out on a limb prophesying elections.

I am saying, in this election that is coming up this year sometime and I know that my honourable friends opposite, at least some of them are quite confident it is going to be held in two or three or four or five or six weeks. They are confident of that. I say there will be an election this year, and if only three "Tories" are elected —

MR. HOLLETT: "P. C's."

MR. SMALLWOOD: All right "P.C's." I don't see why they are ashamed of the word. It is an historical party.

MR. HOLLETT: We are not ashamed.

MR. SMALLWOOD: Well, don't be always denying what you are. The Tory Party.

MR. HOLLETT: We are not denying it, but that is not our official title.

MR. SMALLWOOD: That is the first time I have heard them admit it in seven years. It is an honourable title, and honourable name, "Tory." If I were not a Liberal I might be a Tory. There is nothing particularly involved in being a Tory. It is just the viewpoint you have and the ideas you have in mind, as held in about the middle of the seventeenth century. If you wake up and grow up in the twentieth century naturally you would be a "Liberal." However that is by the way. If only three "Tories" are elected in the coming election and the Opposition of three—

MR. HOLLETT: If there are only three I hope there will be none.

MR. SMALLWOOD: There will then be a very positive and very definite incitement on the part of every crackpot, every political crackpot (and we are beginning to have a few crackpots around) mental defectives in politics, and every crackpot, if there are only three Tories elected, will be launching a new political party. Because it would be easy to form a party then, would it not? And the last state would be worse than the first.

I say that for the political stability, so that the people of Newfoundland will have a clean-cut choice between two parties. Let the Tory party gird its loins and prepare to do battle not to go out shadow-boxing but to go out and put up a genuine campaign for the people's support.

Now let me give you ten things to do: I am going to give you ten things to do to wage a campaign that the people will take with some seriousness.

(1) Stop — Stop all petty criticism. Stop it dead in its track. Never again any more petty criticism.

(2) Never again — Now I mean never again, (beginning with the honourable gentleman who is to be the next speaker in this debate, it is not too late to begin nor is it too early). Never again refer to the new industries. It just bores the people blue. It bores them to death. Believe me it bores them. Oh a few rabid, stinking Tories would cut our throats, they revel in it, they love it, but the general public are bored to tears by it, believe me.

(3) Never again— Never again sneer at Family Allowances nor Old Age Pensions nor any other social security benefits and never anything that can be construed as sneering or mistaken as a sneer. Speak of them always with the utmost respect and affection because the people think of them with respect and affection. The people do.

MR. HOLLETT: Have we done that on this side?

MR. SMALLWOOD: I am giving good advice, if my honourable friend would listen and learn. He sometimes talks too much. Then he cannot listen. Just listen carefully:

(4) Never again—Never again make any reference to the way Confederation was brought about. That turns peoples stomachs. They don't care now how it was brought about. They could not care less. It turns their stomachs. They wish we had found the way we did find to bring it about twenty years before we did find it.

(5) Never again say the Terms were inadequate. Of all the jokes — a thing as dynamic as the Terms of Union, Sir Wilfred Laurier said: "There is no finality in the Terms of Confederation." They are dynamic. They keep changing down through the years and down through the decades — and to speak of them as being inadequate.

(6) Never again say the terms were not properly negotiated. I don't like the way Confederation was brought about. The terms were inadequate — If that does not turn even those who voted against Confederation, these motley arguments and moth-eaten. Don't ever use them again.

(7) Not another word about liquor. Not another word about liquor

MR. HIGGINS: Hear! Hear!

MR. SMALLWOOD: Except to come forward with a better scheme than we have got. Not another word on liquor.

(8) Not another word on the fisheries. Not another word except to tell the Government, something better than there is now and how to do it.

(9) Formulate a sound policy, a sensible policy on public problems, and then advocate it in season and out of season—Your own policy—Get one of your own and advocate it in season and out.

(10) Finally, after criticizing the Liberal Government for the past seven years in season and out, no more criticism, no more condemnation, no more tearing down. You know, Mr. Speaker, the Opposition have succeeded in convincing the Newfoundland people that they are against the Liberal Government. They have succeeded after seven years. The people are convinced of it. You don't have to add another

syllable to convince our people you are against us. The people know that now. Not another syllable is required. They are as convinced as you are. Now is the time to show what you are for, after taking seven years to show what you are against; everything we have done, that is what you are against; everything we have ever said, that is what you are against. Now show what you are for. Take these ten points to heart, Mr. Speaker, and you will come back, at least if you don't come back you will deserve to come back a lot stronger in this House than you are today at least. "It is not given to mortal to command success." It is not given to mortal to command success, but you can do better, you can deserve success.

Let me say that while there may be a certain amount of joking in what I have said, I certainly believe in us, in ourselves. I believe we are the right Government for Newfoundland, or I would not be here. In God's Name, there must be an easier way for me to earn a living — There must be somewhere an easier way for me to earn a living than in this job. And I would not be here if I did not believe in ourselves and our policy; with all our mistakes, and we have made lots of them.

We will go out and we will fight. We will fight to win every one of our thirty-six seats. But we will fight to win them all with a strong hope in my heart that we won't win them all. I don't think that would be good for Newfoundland. I don't think it would be good for this Government. But what can I do? I cannot go to my district, I can't even go to St. John's East and I cannot even go to St. John's and say to them: "Look, ladies and gentlemen; don't vote for the Liberal candidate. Vote for the Tory." My

honourable friend can do that but I cannot. I can only ask all of the people to vote Liberal because I believe in Liberalism. I think we are the right Government to go into office. I think we are the best for the people of Newfoundland, in spite of our mistakes. But for God's sake, you people do something to get a few men elected to your side so that I won't have to come back here for the next five years after this election and face—What will I be facing? What will we all be facing? We will all go cracked if we have nothing over there to stir up—I won't say it. I had better leave it unsaid.

MR. HIGGINS: That is rather an oblique way of getting at it.

MR. SMALLWOOD: Yes. Look, I am going to finish my speech, but I must say something else, because I have had a number of letters and telegrams about it, and I must clarify the matter now, if I can:

In the Speech from the Throne it says: "A second matter of considerable importance which you will be asked to consider is my Minister's desire to introduce drastic changes in the present system of maintaining purely local roads." For the greater part of a century, prior to the system of Government by Commission, the Government of Newfoundland was solely responsible for the upkeep of all roads in Newfoundland, including those within the borders of all the towns and settlements. The Commission of Government introduced what was for Newfoundland a completely new feature of road policy when they announced that they would no longer be responsible for the upkeep of roads within the boundaries of the settlements. The most the Commission of Government were prepared to do was to make matching

grants to those settlements which took steps to have local Road Committees.

My Ministers now propose to reverse the policy, and to readopt the policy that always existed before the system of Government by Commission was instituted in 1934. The policy which you will be asked to approve and authorize will be one in which the Government will again be responsible for the maintenance of all local roads, and you will be asked to approve an appropriation of nearly three-quarters of a million dollars for the purpose in the present year. As it will take a year or two to get the new system working smoothly my Ministers do not propose to ask your authorization of a larger amount for the present year, but feel that this sum will suffice for the coming road season. My Ministers who believe strongly in the development of the system of local self-government, do not propose that the new system or rather the restoration of the old system shall be permitted to discourage the continuation and expansion of the system of Town Councils and Community Councils and their proposals take this consideration fully into account as will appear when the details are submitted to you. My Ministers believe that the present system of maintaining local roads while it had merit in the times and under the conditions that existed in the Newfoundland of 1936, is now hopelessly, even absurdly, out of place in the prosperous and fast-growing Province of 1956.

Now here is what I want to say about that: The last thing in the world we want to do as a Government is to hurt or damage the system of local self-government or to discourage it or to put any obstacles in its way or to institute a system of local roads which would have that effect. Therefore our intention is that we will take

this three-quarters of a million dollars, if the House votes it to us, and the estimates are brought down, we will take that three-quarters of a million dollars and we will divide it by the population of the Island, where it is to be spent, the part of the Island where it is to be spent we will divide the population into it and come to so much a head, say \$2 or \$2.10 or \$2.20, regardless of whether the district is Liberal or Tory, wherever it is.

MR. HOLLETT: Holyrood?

MR. SMALLWOOD: The Honourable Leader of the Opposition knows there are certain parts of Newfoundland including within the city limits of St. John's, and Gander and Stephenville and some other places where we feel that the Government of Newfoundland ought to be called upon to help maintain their local streets. By having done that in, say, Wesleyville (I take Wesleyville because it is in my own district) or Greenspond, in both of these places there are town councils, and we grant to the town councils, just as though they were never heard of, they will get the \$2 or \$2.10 or \$2.50 or \$3. a head or whatever it may come to year after year, depending on what the House votes. But apart from that, just as though that never existed they will get the amount it is normal for them to get as town councils. Is that clear? All community councils will get the amounts that are normal for them to get. In addition to this they will get their normal amount from the Government.

Now the idea is this: Everyone in Newfoundland is to get something for the local roads. But those who go to the expense and the trouble of maintaining town councils or community councils will get the additional grant that will not go to the people who

don't have community councils or town councils. Now that is the method we have devised of encouraging people to continue town councils if they already have them, and to go and get them if they have not got them. Because in addition to the local roads grant of so much a head paid out every year there will be the additional grant made to the towns that have some form of local self-government.

My honourable friend, the Deputy Minister of Public Works has been kind enough to give me some facts here. I regret that time does not permit me to make use of them except to say this: There was a Local Affairs Act of 1916. I believe it was passed at the suggestion of Sir William Coaker in this Chamber. Or "The Local Roads Act." And under the Local Roads Act, in every settlement of over a hundred souls, a local road board was elected, and the Government voted each year so much money for the local road boards. These local road boards went out in 1931. The reason they went out in 1931 was that beginning in 1931 the Government had no money to give them. That was when we fell on evil days. That is when Newfoundland practically went broke, bankrupt. And as there was no money for local roads the local road boards just vanished, died away, and that was the end of them. In 1937 a local administration act was passed by the Commission of Government, hoping that communities would take advantage of it to form local councils. But they did not do so and the Act of 1937 never amounted to anything. But in 1943 the present system of local road committees was born in a conference of which perhaps the honourable Leader of the Opposition was at that very day a delegate. It was born in a conference of the magistrates. In those days the practise was to

bring magistrates into St. John's for a conference. And after a number of years of discussion it was advocated by the magistrates that a system of local road committees be set up. That was done in 1943. That system has continued to this day. Now, after all, when Newfoundland was sort of hard up and there was not much work and there was not much employment and not much cash going around for wages you could get a local road committee in the settlements. And a man might go and work a day for fifty cents an hour and the next day work free and then again the next day work for fifty cents an hour and again the next day work free. It was very little. But it was better than nothing. So that you did get hundreds of places in Newfoundland where they formed these local road committees. But today it is just plain silly to expect that the average settlement of this province have men who are going to go and work free on the roads. You might get the very oldest men of the communities, and that is all. But any able-bodied man who can go and get a job for cash wages of a dollar an hour up to two dollars an hour, depending on where he gets the job, is not going to stay at home and work for the local road committee. Yet these roads are a necessary part of civilization. And I feel myself that Newfoundland has become strong enough and prosperous enough to abolish a system which at best could only be appropriate in a very poor country or a very poor province.

That is why we are re-establishing the "status quo", the thing that was before. That is why the Government now wants to end this archaic and silly and stupid and inadequate and unsuccessful method and restore the "status quo." So we are rather proud of it. We are proud we have reached the

point where our revenues are sufficiently buoyant and our prospects as a province and a people are sufficiently bright to enable us to take this chance of reassuming a responsibility which our predecessors got rid of in 1943. We are not taking on the responsibility for the maintenance and repairs of local roads in Newfoundland.

Mr. Speaker, there are so many more things I would like to say on this Speech from the Throne, but there are colleagues of mine in this House who wish to express themselves, and I don't want to cut in on their time nor to deny them nor be the means of denying them the opportunity.

I do hope we will hear from the remaining members of the Opposition. And I do hope they will take my advice to heart, these ten points. Incidentally if my honourable friend, the Leader of the Opposition, wants the ten points I have them written down and will send them over.

MR. MURRAY: Table them.

MR. SMALLWOOD: No. I want them to be the property of the honourable Leader of the Opposition. I don't want them to be just anyone's property. I want them to be taken to heart by the honourable Leader of the Opposition. And then maybe for the next five years we will face each other across the Table here and make Newfoundland, in spite of us and in spite of our weakness, a place truly fit to live in.

On motion of Mr. Keough, the debate was adjourned until tomorrow.

MR. HOLLETT: Mr. Speaker, I would like to say that I am very grateful to the honourable the Premier for giving us the astute advice he has given us and which he has been good enough

to write out and send over here. I assure him we will study it carefully. Anyway, I thank him very much for sending this over here.

MR. CURTIS: Mr. Speaker, I move the remaining Orders of the Day do stand deferred.

On motion Orders of the Day deferred.

MR. CURTIS: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Tuesday, April 10, at 3:00 of the clock.

Tuesday, April 10, 1956

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

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, before beginning the business of the day there is a point I wish to raise in connection with the accuracy or inaccuracy, as the case may be, of press reports of the proceedings in this House. And I want in this connection to draw to your attention (and this is the third time I have had to draw attention to inaccuracies in reporting in the Daily News.)

Now, Sir, it goes against my grain to appear to interfere or to say anything which would reflect upon the reporters. I was a reporter myself at one time for three or four years, and I know how difficult it is to hear these things which are being said by members of the House, particularly when they are speaking in heat, if you like. I don't like the word "heat", although still we get heated now and then.

Now I want to draw your attention, Mr. Speaker, to the "Daily News" of today's date and to a statement which was made here, and which whilst it has perhaps no political implications, is a

statement which is not true, not accurate. And I maintain, Sir, that press reports in all cases should be accurate as possible. Accuracy is one of the things we must demand both on our side and on the Government side. I am quite sure that the Honourable the Premier will agree that accuracy is the thing we want, and I refer to an article under the heading 'Premier's Advice to Opposition. And it ends up like this: "When the House adjourned for the day, Mr. Hollett crossed the floor and congratulated the Premier on his speech."

Now the Premier would be the first in this House to get up and say that is not correct. I spoke to the Premier. Surely, I did have nothing against the Premier. I went out to speak to the Attorney General, on his request. I think the Attorney General would back me up on that. As far as congratulating the Premier on his address, I did not. Not that I would not, Sir. The Premier made a very fine address. There is no question about that. There were certain things in it which were obnoxious to us. But who does not make statements with which the other fellow does not agree. But why, I ask, Sir, would any reporter have to stick that on to any article—"When the House adjourned for the day, Mr. Hollett crossed the floor and congratulated the Premier on his speech?"

I ask again, Sir, how can any reporter possibly know that I crossed the House and congratulated the Premier? How would he know it? It is absolutely inaccurate, Sir, and I take very great exception and I am quite sure you do, Your Honour, in your capacity.

Let us be reported accurately, for goodness sake, or don't let us be reported at all. I have no patience with people who come here with the idea of

putting in something which is not true and which they don't know for a fact. There was no one man in the press box who knew what I might have said to the Premier unless somebody told him, and I am quite sure neither the Premier nor anybody else on that side told the reporter that I had congratulated the Premier.

Now Sir, the only reason I mentioned this was the unfortunate circumstances of yesterday afternoon for which we are all very sorry. But anybody reading that statement there would say: "What was the matter"? "What was Hollett doing, congratulating the Premier on having one of his members fired out or something"? That is the obvious inference, Sir. What I do want, Sir, is to draw to our attention the absolute necessity and urgency of all press reporters to give us accuracy, if they cannot give us anything else. I have nothing but praise for the press all the time, but this is three times almost in as many days in which I have had to draw attention here, and I want to draw this to your attention, and I want to go on record, no such a thing ever happened—and I object very strongly to such inaccuracies.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I confirm what my honourable friend, the Leader of the Opposition said. He said nothing whatever to me by way of offering me congratulations, not a word. Furthermore, I can say, I can only guess as to how the reporter in question could have inferred that the Leader of the Opposition was offering me congratulations. My guess is this: When the House rose the Honourable Leader of the Opposition crossed the floor to speak to the Attorney General about some matter or other. In doing so he passed by me, and offered his

hand and I shook hands with him. And there was not a word spoken. I took it merely as a gesture of good will, that after the hard fight of the afternoon there were no hard feelings. And as I had no hard feelings I was glad to see from him that he had none. But I certainly did not take it to mean congratulations on my speech nor on the unfortunate event that had occurred. Because for him to offer congratulations clearly would have been an act of treachery towards his own colleague, and I don't suppose for a moment he intended anyone to think that, and if he had felt it he would not have shown it. I don't think he felt it, certainly did not feel it. I think that was a natural mistake on the part of a reporter who sees the Leader of the Opposition shake hands with the Leader of the Government after a speech, and assumes that it is because the Leader of the Opposition was congratulating the Leader of the Government whereas in fact there was not a word spoken, and it was merely a human gesture between two men who had been fighting hard earlier in the day and who must go on facing each other here again today. And if they are not going to be on speaking terms, it is going to be a little difficult to run the House if the two Leaders of it are not on speaking terms. That is all I took the handshake to mean.

MR. HOLLETT: In that connection I would like right now to express my thanks to the Honourable the Premier on his magnanimity in the statement he has just made.

MR. SPEAKER: It is not, I infer, the intention to refer this to a Committee, but merely that it would be concurred in.

#### Presenting Petitions:

MR. SMALLWOOD: Mr. Speaker, I beg leave of the House to present a petition from the people of Point of Bay, Cottrell's Cove and Fortune Harbour in the District of Green Bay. The reason I hesitated, Mr. Speaker, is that I find I have two, one an exact duplicate of the other, or the same petition with two lots of names.

The people of Point of Bay, Cottrell's Cove and Fortune Harbour pray for the continuation of a road from Northern Arm on the Botwood Road to Phillips Head, which was built by the Canadian Army and then since 1949 the Government continued that road approximately three miles to Point of Bay and also put a snowmobile road through from Point of Bay to Cottrell's Cove. The Government have also reconditioned the road from Cottrell's Cove to Fortune Harbour, which is now passable in summer but not in winter, because it is only a dirt tract, and for some other reasons I don't quite understand.

I beg leave to have the petition laid on the Table of the House and, with my support, referred to the Department to which it relates.

MR. HOLLETT: Mr. Speaker, I would like to support that petition, if, for no other reason than that the people of that area have to pay 45c a quart for milk.

On motion petition tabled for reference to the Department concerned.

#### Presenting Reports of Standing and Select Committees

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, these are some copies of a report I have previously tabled, and there was a request for additional copies.

HON. G. J. POWER (Minister of Finance): Mr. Speaker, in conformity with the Civil Service Act, 1953, I submit herewith, the report of the transaction of affairs of the Civil Service Commission for the fiscal year ending March 31, 1956. May I ask that these be tabled?

Report tabled.

#### Giving Notice of Motion

MR. POWER: Mr. Speaker, I give notice I will on tomorrow ask leave to move the House into a Committee of the Whole on Supply. I also give notice I will on tomorrow ask leave to move the House into Committee of the Whole on Ways and Means:

#### Giving Notice of Questions

None.

#### Answers to Questions

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I have the answer to Question No. 54 on the Order Paper of April 10th. I wish to draw the attention of the House to the fact that Section (b) of the question is ambiguous as far as the Department is concerned. I have a note here, and I will leave it to my honourable friends to decide whether they want to repeat the question with some modification.

#### Question:

(a) What was the cost of obtaining the special report on the boglands of Newfoundland by the Norwegian expert? Give answer in detail.

Answer:

Transportation to and from Newfoundland .....	\$636.90
Room & Board at Newfoundland Hotel .....	54.93

Travelling via helicopter .....	150.00
Travelling in Newfoundland including expenses of Departmental official who accompanied the expert .....	280.00
Typing report .....	15.00

\$1,136.83

#### Question:

(b) How many persons took out mining licences for the year 1955?

Answer:

There is no reference to a mining licence in the Act. There is a Miner's Permit, sometimes referred to as a Prospector's Licence and a Mining Claim, sometimes referred to as a Mining Licence. To which does the question refer?

While on my feet, Mr. Speaker, if I may, I have the answer to Question No. 48 (Mr. Browne) on the Order Paper of April 9th, dealing with the Farm Loan Board.

#### Question:

(a) The names of all persons or companies in receipt of loans from the Farm Development Loan Board.

(b) The amount or amounts of said loans.

(c) The date when each loan was made.

(d) The purpose of the said loans.

(e) The nature of the security for the said loans.

(f) The rate of interest and the times payable.

(g) The term for which the loans have been issued and if repayable by instalments, when same are due.

(h) If any of the borrowers is in default in regard to principal or interest.

## ANSWER: LOANS AUTHORIZED BY THE FARM DEVELOPMENT LOAN BOARD

Name—Address	Amount of Loan	Date Loan Approved	Purpose of Loan	Security Offered	Currency of Loan	Rate of Interest	Method of Repayment
B. W. Allen—Doyles .....	\$ 750.00	Apr. 26/54	Land development	Land & bldgs.	10 years	Amortized at 3½% Int per annum.	In equal annual in- stallments from date of issue
John Alley—Harbour Grace .....	1,300.00	Aug. 30/54	Purchase farm equipment	Equipment	5 years	"	"
G. M. Button—New Melbourne .....	750.00	Nov. 30/53	Land development	Land & bldgs.	10 years	"	"
F. W. Brown—Musgravetown .....	2,000.00	Jul. 14/54	Land development	Land & bldgs.	10 years	"	"
Hayward Bradbury—Shearstown .....	3,000.00	Oct. 8/54	Livestock	Land & bldgs.	2 years	"	"
B. & C. Bull—Eastport .....	2,500.00	Sep. 16/54	Equipment	Land & bldgs.	5 years	"	"
Ed. P. Careen—Point Lance .....	500.00	Mar. 26/54	Livestock	Livestock	5 years	"	"
James Cantwell—Torbay .....	2,300.00	May 27/54	Equipment	Land & bldgs.	5 years	"	"
Joseph Careen—Point Lance .....	500.00	June 29/54	Livestock	Livestock	5 years	"	"
Horace Fry—Charleston .....	800.00	Apr. 21/54	Livestock	Land & bldgs.	2 years	"	"
G. M. French—Clarke's Beach .....	3,000.00	Sept. 25/54	Livestock	Land & bldgs.	2 years	"	"
F. H. Greening—Musgravetown .....	2,000.00	Apr. 21/54	Equipment	Land & bldgs.	5 years	"	"
Lawrence Gladney—Clarendville .....	600.00	July 3/54	Livestock	Land & bldgs.	3 years	"	"
Fred Hancock—Sandringham .....	1,826.00	Apr. 3/54	Equipment	Land & bldgs.	5 years	"	"
Thos. Haggood—Sandringham .....	1,900.00	Aug. 9/54	Equipment	Land & bldgs.	5 years	"	"
Isaac Hunt—Sandringham .....	400.00	Aug. 9/54	Land development	Land & bldgs.	5 years	"	"
Aug. O'Keefe—Coley's Point .....	3,500.00	July 9/54	Livestock	Land & bldgs.	2 years	"	"

Name—Address	Amount of Loan	Date Loan Approved	Purpose of Loan	Security Offered	Currency of Loan	Rate of Interest	Method of Repayment
						Amortized at $3\frac{1}{2}\%$ Int. per annum.	In equal annual in- stallments from date of issue
Ray LeShane—Lower Island Cove .....	550.00	Apr. 20/54	Livestock	Livestock	5 years	"	"
G. L. Lingard—Bishop's Falls .....	3,500.00	Mar. 8/54	Livestock	Livestock	5 years	"	"
T. D. Legge—Heatherton .....	400.00	July 7/54	Livestock	Livestock	5 years	"	"
Kenneth Lush—Gambo .....	1,500.00	Oct. 7/54	Livestock	Land & bldgs.	2 years	"	"
Harold Mouland—Bonavista .....	1,500.00	Feb. 16/54	Livestock	Livestock	5 years	"	"
John Maynard—Flatrock .....	500.00	Feb. 22/54	Livestock	Livestock & chattels	5 years	"	"
G. F. Mackinson—Mackinson's .....	2,750.00	Mar 9/54	Equipment	Land & bldgs.	5 years	"	"
J. E. Moore—Lakeview, H. Main .....	3,000.00	May 28/54	Livestock	Land & bldgs.	2 years	"	"
Eldron Oldford—Musgravetown .....	2,000.00	Aug. 7/54	Equipment	Land & bldgs.	5 years	"	"
Samuel Roberts—Spaniard's Bay .....	300.00	Feb. 11/54	Land development	Land & bldgs.	5 years	"	"
Hubert G. Roberts—Kenmount Road .....	500.00	June 29/54	Land development	Land & bldgs.	10 years	"	"
E. J. Russell—Roaches Line .....	3,500.00	May 28/54	Livestock	Land & bldgs.	5 years	"	"
John Spence—Whitbourne .....	600.00	Apr. 20/54	Land development	Land & bldgs.	5 years	"	"
George Soper—Harbour Grace .....	3,000.00	June 29/54	Equipment	Land & bldgs.	5 years	"	"
Allan Taylor—Kelligrews .....	700.00	Aug. 12/54	Land	Land & bldgs.	5 years	"	"
D. J. Voisey—Mount Pearl .....	1,000.00	Apr. 12/54	Livestock	Livestock	5 years	"	"
Edmund Wiseman—Shoal Hr. ....	1,800.00	Apr. 12/54	Equipment	Land & bldgs.	5 years	"	"
Walter Williams—Goulds .....	3,500.00	May 21/54	Livestock	Land & bldgs.	2 years	"	"

Walter Cook—Portugal Cove Rd. ....	1,000.00	Sept. 9/54	Livestock	Livestock	3 years	"	"
Roland Cook—Portugal Cove Rd. ....	1,000.00	Sept. 9/54	Livestock	Livestock	3 years	"	"
Howard A. Moore—Chapel Arm Rd. ....	1,600.00	Nov. 8/54	Livestock	Land & bldgs.	2 years	"	"
James N. Kennedy—Foxtrap, C.B. ....	1,330.00	Nov. 3/54	Equipment	Equipment	5 years	"	"
E. J. Duff—St. John's .....	3,000.00	Oct. 29/54	Equipment	Land & bldgs.	5 years	"	"
E. J. Duff—St. John's .....	3,500.00	Oct. 29/54	Livestock	Land & bldgs.	2 years	"	"
Donald Sharpe—Corner Brook .....	3,000.00	Oct. 1/54	Equipment	Land	2 years	"	"
Hillcrest Farms Limited—St. John's ....	2,500.00	Nov. 30/54	Equipment	Land	5 years	"	"
Wm. R. Adams—Bishops Falls .....	2,500.00	Nov. 5/54	Livestock	Equipment	5 years	"	"
James Sparkes—Shearstown .....	3,000.00	Jan. 19/55	Equipment	Land & bldgs.	2 years	"	"
Malcolm Brown—Musgravetown .....	2,000.00	Jan. 6/55	Land development	Land & bldgs.	5 years	"	"
Trinity Mink Ltd.—Blaketown .....	25,000.00	Jan. 5/55	Ranch construction	Land, bldgs. & Equipment	5 years	"	"
Guy Eveleigh—Comfort Cove .....	1,750.00	Dec. 15/54	Equipment	Equipment	5 years	"	"
A. H. Simmonds—Bishop's Falls .....	750.00	Jan. 19/55	Livestock	Land & bldgs.	2 years	"	"
G. W. McNeill—Blaketown .....	34,000.00	Feb. 28/55	Ranch construction (mink)	Land, bldgs. & Equipment	5 years	"	"
O. W. Francis—Blaketown .....	34,000.00	Dec. 11/54	"	Equipment	5 years	"	"
William Dawe—Blaketown .....	25,000.00	Feb. 28/55	"	Equipment	5 years	"	"
Donald L. Mitchell—Baketown .....	12,500.00	Feb. 28/55	"	Equipment	5 years	"	"
G. E. Gould—Blaketown .....	11,000.00	Jan. 8/55	"	Equipment	5 years	"	"
G. G. Holden—Blaketown .....	15,000.00	Jan. 13/55	"	Equipment	5 years	"	"
Ralston Kerr—Blaketown .....	25,000.00	Mar. 8/55	"	Equipment	5 years	"	"
Ken Butterfield—Blaketown .....	25,000.00	Feb. 28/56	"	Equipment	5 years	"	"
Alex Morgan—Kelligrews .....	1,200.00	Mar. 15/55	Land	Land & bldgs.	5 years	"	"

Name—Address	Amount of Loan	Date Loan Approved	Purpose of Loan	Security Offered	Currency of Loan	Rate of Interest	Method of Repayment
						Amortized at 3¼% per annum.	In equal Int. annual in- stallments from date of issue
Victor Kowalski—Blaketown .....	8,000.00	May 11/55	Ranch construction (mink)	Land, bldgs. & Equipment	5 years	"	"
John McNeill—Blaketown .....	25,000.00	Feb. 28/56	"	Equipment	5 years	"	"
Peter Greenslade—Kelligrews .....	980.00	June 16/55	Equipment	Equipment	5 years	"	"
Fred J. Tiffley—Seal Cove .....	2,200.00	July 11/55	Equipment	Land & bldgs.	5 years	"	"
Charles Winsor—Seal Cove .....	2,200.00	July 11/55	Livestock	Land & bldgs.	2 years	"	"
Gus Kelsey—Kenmount Road .....	2,200.00	July 15/55	Equipment	Land & bldgs.	2 years	"	"
Harold Oake—Corner Brook .....	2,200.00	July 15/55	Livestock	Land & bldgs.	5 years	"	"
W. J. Holmes—Shearstown .....	1,400.00	Aug. 1/55	Equipment	Land	5 years	"	"
Harold Squires—St. Phillips .....	1,513.00	June 19/55	Equipment	Equipment	5 years	"	"
Bertram W. Bishop—Foxtrap .....	1,200.00	Aug. 16/55	Equipment	Land & bldgs.	5 years	"	"
Robert Peddle—Lethbridge .....	2,100.00	Aug. 26/55	Equipment	Land & bldgs.	5 years	"	"
Matthew P. Whelan—Colliers .....	2,250.00	Sept. 22/55	Land development	Land & bldgs.	10 years	"	"
H. W. S. Atkinson—Pasadena .....	3,500.00	Nov. 23/55	Livestock	Livestock	5 years	"	"
Ray LeShane—Lower Island Cove .....	3,000.00	Aug. 14/55	Construction (mink)	Land, bldgs. & Equipment	5 years	"	"
Peter Murphy—Portugal Cove .....	1,000.00	Oct. 3/55	Livestock	Land & bldgs.	2 years	"	"

Ches. Sparkes—Shearstown .....	1,500.00	Aug. 8/55	Equipment	Land & bldgs.	5 years	"	"
L. J. McCarthy—Marystown .....	1,500.00	Dec. 13/55	Livestock	Land & bldgs.	5 years	"	"
J. B. Butler—Kelligrews .....	800.00	Dec. 20/55	Equipment	Land & bldgs.	5 years	"	"
Leo Stapleton—St. Phillips .....	1,850.00	Oct. 16/55	Equipment	Equipment	5 years	"	"
R. Bradley—Terra Nova .....	1,800.00	Aug. 5/55	Equipment	Land & bldgs.	5 years	"	"
Abel C. Stead—Musgrayetown .....	1,500.00	Oct. 28/55	Livestock	Land & bldgs.	5 years	"	"
Norman W. Oake—Glenwood .....	1,500.00	Dec. 1/55	Livestock	Land & bldgs.	2 years	"	"
Leace Critch—Pasadena .....	2,500.00	Dec. 22/55	Equipment	Equipment	5 years	"	"
Jasper Butt—Brooklyn, B.B. ....	2,150.00	Dec. 7/55	Equipment	Land & bldgs.	5 years	"	"
H. C. Parsons, Mount Pearl .....	6,500.00	Feb. 3/56	Livestock & Equipment	Land & bldgs.	5 years	"	"
Gordon LeFeuvre—Burin .....	2,100.00	Oct. 27/55	Equipment	Land & bldgs.	5 years	"	"
S. Neary—Portugal Cove .....	1,750.00	Jan. 20/56	Equipment	Equipment	5 years	"	"
T. L. Gahney—Colliers .....	2,400.00	Jan. 6/56	Equipment	Land & bldgs.	5 years	"	"
V. Sheppard—Blaketown .....	10,000.00	Jan. 16/56	Mink ranch Construction	Land, bldgs. & Equipment	5 years	"	"
Hedley Rowe—Blaketown .....	12,500.00	Jan. 22/56	"	Equipment	5 years	"	"

Re Question (h) "If any of the borrowers is in default in regard to principal and interest?"

*Answer:*

(a) One borrower who received a loan for mink ranch construction decided to abandon ranching. The land and buildings held under Mortgage have, by order of the Supreme Court, been repossessed by the Board.

(b) Two other borrowers who received loans from the Board for the purchase of livestock have decided to give up farming and have defaulted on the payment of principal and interest. Steps have been taken by the Board to realize on the assets held under Mortgage in each case.

MR. SMALLWOOD: Mr. Speaker, I would like to inform the Honourable Leader of the Opposition, in connection with a question, notice of which has been given by his colleague, the honourable and learned member for St. John's West, with regard to an agreement of the sale of the cement mill with the group in New York City. I have instituted an enquiry in my own department, the Department of Economic Development and in the Department of the Attorney General and in the Department of Finance and the Department of Provincial Affairs. So far, in those four departments we have not found the agreement nor even a copy of the agreement for the sale of the cement mill before it was built to the group in New York, consisting of the officers of the Cement and General Development Corporation and Mr. Michael Lewin, Mr. Freeland Thomas, Michael Hill and Lewin of New York. There was an agreement they would buy the cement plant, and it was largely that agreement that we could sell

the mill that induced us to build the mill. We felt we were not taking too big a chance to build it when we had already sold it when built. After building we found it cost more than we would have gotten if we had sold it to that company in New York and we therefore got out of the agreement, as the House knows, but the actual agreement we have not as yet found.

MR. HOLLETT: Would it be registered?

MR. SMALLWOOD: No. The Government does not register agreements. There is this much about it. It would be passed by Cabinet. If my colleague, the Minister of Provincial Affairs, would make a note he could find the date of the Order in Council confirming the agreement, and that might lead to the discovery of the agreement. But I cannot find a copy of it so far. I don't keep copies of these agreements nor I don't keep these agreements. And there is a dispute on between the Attorney General's Department and Finance, they charging they sent it to Finance and Finance admitting that but claiming they returned it. And now there is a suggestion that it was tabled in this House. If it were it would not be the original, and as we would not have tabled the original it must be somewhere. I think, it is up to the Attorney General to find it, myself.

HON. L. R. CURTIS (Attorney General): I must say, Mr. Speaker, we in our department send all available documents of that nature to the Department of Provincial Affairs. They have a safe or a vault.

MR. HIGGINS: The museum, I think the Museum Board might be able to help us.

MR. SMALLWOOD: It would save me a lot of bother if somebody were able to find it.

MR. POWER: Mr. Speaker, I would like to table the Answer to Question No. 25, but before doing so I would draw attention to answers to Section 4 of that question. The answer is \$75,000. Now that may seem to be a large amount until we realize that it represents travelling claims for all

civil service, welfare officers, school inspectors and all other inspectors who travel for the Government, also the members of the Government. At any given time, I would say, a similar amount is in suspense account. The main reason for that is that the Comptroller of the Treasury scrutinizes all these charges very carefully and that results in innumerable letters back and fourth and resultant delays.

(Mr. Hollett)

QUESTION NO. 25 (1) and (2)

TRAVELLING EXPENSES

APRIL 1st, 1955—March 15th, 1956

	Amount	Total
<b>Legislative:</b>		
Allowance to Members .....	6,250.00	6,250.006
<b>Executive Council</b>		
Premier's Office .....	1,230.50	1,230.50
<b>Finance:</b>		
Minister's Office .....	2,447.85	
General Office .....	3,437.92	
Auditor General's Department .....	4,247.44	
Social Security Assessment .....	26,909.68	
Central Accounting & Pay .....	214.73	
Civil Service Commission .....	687.67	37,945.29
<b>Provincial Affairs:</b>		
Minister's Office .....	125.00	
General Office .....	552.34	
Museum .....	1,271.82	1,949.16
<b>Education:</b>		
Minister's Office .....	1,601.98	
General Office .....	3,743.29	
Supervisory Services .....	22,252.90	
Vocational Training .....	169.15	
Adult Education .....	1,559.88	
Audio Visual Education .....	630.87	
Public Examinations .....	637.65	
Curriculum Services .....	1,583.52	32,179.24

	<b>Amount Total</b>	
<b>Attorney General:</b>		
Minister's Office .....	3,284.52	
General Office .....	1,500.24	
Magistrates .....	13,734.87	
Constabulary .....	503.51	
Fire Commissioner .....	473.58	
District Courts .....	691.02	20,187.74
	<hr/>	
<b>Mines and Resources:</b>		
Minister's Office .....	2,618.18	
General's Office .....	1,519.65	
Accounting Office .....	176.82	
Forestry .....	29,885.90	
Agriculture .....	20,481.14	
Crown Lands & Surveys .....	237.28	
Wildlife .....	15,784.67	
Mines .....	3,748.23	74,451.87
	<hr/>	
<b>Public Works:</b>		
Minister's Office .....	499.90	
General Office .....	1,914.70	
Accounting Office .....	80.20	
Registration of Motor Vehicles .....	1,784.03	
Buildings .....	11,145.14	
Roads and Bridges .....	14,219.73	29,643.70
	<hr/>	
<b>Health:</b>		
Minister's Office .....	1,420.34	
General Office .....	4,746.08	
Registrar of Vital Statistics .....	275.00	
Headquarters Medical Staff .....	2,215.50	
Nursing Services .....	5,807.93	
Health Inspection .....	2,611.89	
Business Management .....	1,152.02	
General Health Services .....	8,299.38	
Laboratory .....	789.93	
General Hospital .....	6,775.71	
St. John's Sanatorium .....	472.43	
West Coast Sanatorium .....	1,410.02	
Hospital for Mental & Nervous Diseases .....	634.67	
Gander Hospital .....	1,127.97	
Botwood Hospital .....	306.95	
Cottage Hospital & Nursing Stations .....	13,403.87	51,449.69
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	<b>Amount Total</b>	
<b>Public Welfare:</b>		
Minister's Office .....	1,879.37	
General Office .....	1,418.62	
Accounting Office .....	25.00	
Regional Welfare Services .....	70,019.02	
Child Welfare .....	311.68	
General Assistance .....	286.26	
Federal-Provincial Allowances .....	624.36	
Boys' Home & Training School .....	717.50	
Girls' Home & Training School .....	107.67	
Family Court .....	841.45	
Northern Labrador Affairs .....	2,450.66	
Corrections .....	392.79	79,074.38
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<b>Board of Liquor Control:</b>		
Administration .....	1,480.03	
General Office .....	2,988.97	
Sales and Miscellaneous .....	1,535.03	6,004.03
	<hr/>	
<b>Municipal Affairs &amp; Supply:</b>		
Minister's Office .....	482.00	
Municipal Affairs Administration .....	280.03	
Local Government Affairs .....	14,151.33	
Housing .....	3,054.34	
Purchasing .....	17.10	17,984.00
	<hr/>	
<b>Fisheries and Co-operatives:</b>		
Minister's Office .....	111.70	
General Office .....	107.21	
Fisheries Protection Engineering .....	2,617.57	
Fisheries Economic Research .....	1.79	
Vessel Construction & Inspection .....	4,196.96	
Fisheries Training School .....	6,548.67	
Co-operative Extension .....	14,268.22	
Co-operative Registry .....	5,700.55	33,552.58
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<b>Economic Development:</b>		
Minister's Office .....	3,259.15	
General Office .....	158.35	
Tourist Development .....	6,563.39	
Economic Development .....	10,088.01	20,068.90
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	<b>Amount Total</b>
<b>Labour:</b>	
Minister's Office .....	1,205.30
General Office .....	1,331.25
Boiler Inspection .....	5,820.68
Apprenticeship .....	1,903.78
Trainees .....	676.21
Minimum Wage .....	2.50
	10,939.72
Total expenditure on all Travelling Votes,, not including advances charged to Suspense, as to which see (4) below .....	\$422,811.60
(3) Travelling costs charged directly to "open votes" ....	\$156,293.60
(4) Travelling advances not yet accounted for and charged to Suspense .....	\$ 75,835.48

HON. W. J. KEOUGH (Minister of Fisheries & Co-operatives): Mr. Speaker, I have checked on the outstanding questions in my name, and will be able to have the answers by tomorrow.

MR. SMALLWOOD: Mr. Speaker, before you call the Orders of the Day, may I say in connection with Question No. 56 and 57 on today's Order Paper, now readdressed, but formerly addressed to the Minister of Economic Development, these answers will be forthcoming.

#### Orders of the Day

Address in Reply:

MR. KEOUGH: Mr. Speaker, when this debate began I had not intended taking part in it, but meantime something has come to mind and something has come to pass, both of which have made me think that I should.

The thing that has come to mind is this — That I am reminded that this is the last opportunity I shall have, indeed it is the last opportunity that

any member of this House will have, of speaking in the Throne debate in the 30th General Assembly. With a General Election scheduled for sometime later this year, this is almost inevitably the last sitting of the 30th General Assembly of Newfoundland, and as far as I am concerned I am desirous of having a parting word. In putting it this way I am not anticipating that this is the last time that my voice will be heard in this Chamber. I have been in public life in Newfoundland now for ten years, having come in with my election to the National Convention in 1946.

It has been a great privilege, a high honour and an exhilarating experience to have been so close to the great events and to the historic events of the last decade. And if God gives me the health and strength and my constituents give me the votes, I have every intention of being here in my place in this Chamber for at least another decade.

The thing that has come to pass is that one or two comments have been made from the opposite side of the House which I think call for some comment from me in reply. But before I go on to that, I should like first of all to refer to something which passed almost unnoticed but which, nevertheless, formed part of the record of what the Government has wrought during the past year. I have in mind the appointment of Commander Desbarats as Chairman of the Power Commission.

Now this action, which, as I said, went almost unnoticed, is something of more immediate consequence to my constituents on the Port au Port Peninsula and in the area west of St. George's, of more immediate consequence than the discovery of uranium in Labrador and all the mines in Christendom or the success or failure of all the new industries. My constituents, being human, are mainly concerned about the things like a piece of road that runs past the front door, and the need to have electricity, light in the barn, and things of that order.

For some years now I have been dinning into the ears of everyone and anyone the need to take such steps as might be necessary to electrify the Port au Port Peninsula and the area west of St. George's, including the Godroy Valley. At the moment the West Coast Power Company serves that part of my district from St. George's around the bottom of St. George's Bay and on to Aguathuna, with part of the area including the communities of St. George's, Stephenville Crossing, Stephenville, Port au Port and Aguathuna. I must say that we have been receiving every co-operation from that company in the requests that I have addressed to them to extend electric

power to the fringe settlements of the area, such as Barachois Brook, Shallop Cove and St. George's. Last year the company, at my request, extended its power lines so as to serve the community of Boswarlos on the Port au Port Peninsula. And this year the company has undertaken that it will further extend its power lines on to Port au Port Peninsula along what is called the "Front Road" so as to serve the communities of Felix Cove and Campbell's Creek, and if possible push on its power lines in the general direction of the Bill of Cape St. George.

MR. HOLLETT: Excuse me, Mr. Speaker! Did I understand the Honourable Minister to say it came at the Minister's request to do so and so? Is that customary? Is that what the Honourable Minister said — "The company at his request did so and so?"

MR. KEOUGH: Well I certainly did request them and they did it subsequently.

MR. HOLLETT: The Government has nothing to do with it? It is just a matter of the individual Minister trying to get electrification?

MR. SMALLWOOD: Minister or members of the House.

MR. KEOUGH: In this particular case I called on the President of the Western Power Company and had discussions with them. And I understand, as I said, this year they are to push on their power lines further in the direction of the Bill of Cape St. George so as to service the communities of Ship Cove. As a matter of fact they have gone further and told me they would further extend their lines on the Port au Port Peninsula so as to service all of the communities that can be serviced on a commercial basis. And

whilst this programme will take some years to complete, nevertheless now it seems to be but a matter of time before all the communities on the peninsula, which can be serviced on a commercial basis, will have electric power.

The difficult part of my district to electrify is the area west of St. George's to, and including, the Codroy Valley. I have been told that to electrify that part of the district is not a commercial proposition, consequently anything that Commander Desbarats and his Power Commission may be able to do to bring about the electrification of that area will be of great interest and of great consequence to the people who live therein.

Now west of St. George's, in my district, lie two of the finest agricultural areas of the province, the Heather-ton to Highland area and the Codroy Valley area. And I suggest to the House that both of these areas have a case for electrification that is at least as urgent as is the case of any other section of the Province, and more urgent than is the case for most of the other sections of the Province.

The farmers west of St. George's, like all the farmers of the Province, have to depend upon a purely local market. I think that any possibility of our ever having an export market for agricultural products is remote beyond imagination. In the meantime, just across the Gulf from my farmers in Heather-ton, Tompkins and O'Regans lies Prince Edward Island, ready and able to pump a load of potatoes in here at any time or any old day of the week, and all sorts of agricultural produce come into our local market unencumbered by either tariff or quota. The farmers west of St. George's thus have to compete for the local market with the highly mechanized farmers of the

Mainland, who have paved roads flowing past their pastures and who have electric power to do everything except smoke their pipes. And in their attempt to compete, the farmers of the west have been handicapped by a lack of roads, and a lack of power. Well, I think we have the road problem pretty well solved now, at least to the extent that the Trans-Canada Highway put an end to the terrible isolation of the Codroy Valley area and the Heather-ton to Highlands area, and the farmers can now move their produce to the markets by trucks from these areas. There remains the problem of power. And in this day and age you cannot make a farm successful and at the same time compete in the business with the best in Canada for purely local markets unless power can be made available. And if the power cannot be made available, then somebody is going to be able to pick up a lot of good farms up my way pretty cheaply pretty soon.

The development of the West Coast, west of Corner Brook, has been held back for years by the lack of roads and the lack of power. With the roads now built the West Coast, west of Corner Brook, is bursting at its seams to grow, and if the power can now be made available, I have every confidence and I look forward to great development throughout that whole general area in the years that lie immediately ahead.

My honourable friend, the Minister of Public Works, is a pretty popular fellow out in my district these days. What with the Trans-Canada Highway having just been built through the district and a number of other roads constructed and reconstructed. As a matter of fact, I would just as soon not have him running against me in the next election.

MR. HOLLETT: Did I understand that remark, Mr. Speaker?

MR. KEOUGH: No you did not.

MR. HOLLETT: I thought I heard what the Honourable Minister said, but I think there was something left out.

MR. KEOUGH: However, if the Minister of Public Works wishes to enshrine himself forever in the hearts of my constituents — and incidentally to win my next election—there is another matter he could do something about. I suggest to the Honourable Minister that the highway from Stephenville Crossing to Port au Port should be paved, and I suggest to the Minister and to the House there is a better case for paving this particular piece of road than for paving any other stretch of road in Newfoundland. For over the greater part of it, over that section from Stephenville Crossing to Stephenville and maybe over the whole of it, but certainly over the greater part of it, there is a heavier flow of traffic than over any other dirt road in Newfoundland. And I venture to bet that particular stretch of road has made an end of more cars to the mile during the past ten years than any other piece of dirt road in Newfoundland.

Honourable members may remember the immortal words of somebody or other that go something like this: "Little fleas have smaller fleas upon their backs to bite them and smaller fleas have lesser fleas and so ad infinitum." Well those lines remind me of the conditions of the road from Stephenville Crossing to Port au Port. During the past few years (and I can say this in the presence of the Minister of Public Works because he has not been responsible for the maintenance of that particular stretch of road during the last few years) the condition

of that particular stretch of road reminds me of that quotation for this reason: the bigger potholes have smaller potholes in them and the smaller potholes have lesser potholes in them and so on ad infinitum. I have heard taxi men say the estimated life of any car on that particular stretch of road is ten thousand miles. And whilst it is not inconceivable that might have been exaggerated somewhat, you would not think so as you "dippy dilled" over the washboards and estuaries. At any rate I do hope it is a matter about which the Minister of Public Works may be able to do something. And I say this: "If he undertakes to pave the road from Stephenville to Port au Port Crossing, I will undertake to build a monument to him on Indian Head.

MR. HOLLETT: Another monument.

MR. MURRAY: We have one to spare.

MR. KEOUGH: We in Fisheries have been urging upon the proper Federal authorities the need to provide harbour facilities somewhere in Codroy and somewhere in Port au Port Bay. Since there is no harbour between Port aux Basques and Bay of Islands this need for increased anchorage in that general area stands on its own merits. In the meantime, if adequate harbour facilities could be provided at Codroy and somewhere in Port au Port Bay, then at the Provincial level we could move to bring about some measure of fishery development at these places based upon the wide variety of fishes to be had in these waters.

MR. HOLLETT: Here! Here!

MR. KEOUGH: And such development would prove an assurance and provide an insurance against the day

when operations at Harmon Field may level off. As the House is aware, for the last decade and a half, Ernest Harmon Air Force Base has been a great source of employment, not only for my constituents, but for a great many other Newfoundlanders. But some day construction work at Harmon Field must come to an end. It must come to an end because some day they will run out of territory on which to build new installations. And if the levelling off process should involve the discharge of any considerable number of Newfoundlanders then the crisis might well be precipitated in certain parts of my district. The economy of Stephenville, for instance, is a base economy, and if anything were to happen to disrupt the employment situation at Harmon Field, it would immediately reflect in the economy of the town. Also today and for a number of years back, a considerable number of the residents of Port au Port Peninsula have been obtaining employment at Harmon Field. And if the situation becomes such that they no longer could obtain employment there, then a critical situation might well be precipitated. As a matter of fact, there is an urgent need for the inauguration of new industries in the Port au Port area as a safety valve, and the same is just as true and just as urgent of the general area of St. George's. And if some measure of fisheries development could be brought about somewhere in St. George's Bay and somewhere in Port au Port Bay, then the alternative industry would thereby be provided. I am sure we will have the approval of the House in this, and the sanction of the House to continue to press the matter at the Federal level.

Now I would like to mention in passing that I have been keeping a watch for my constituents upon the

pressure that is being brought to bear upon the Minister of Transport of the Government of Canada to permit the "William Carson" to carry cars and passengers on the Sydney to Argentia run. Now I suspect that the Minister of Transport suspects what we all know, that this pressure is only the thin end of the wedge, and that if the "Carson" is ever permitted to carry passengers and cars on the Sydney-Argentia run, that is just exactly what she will continue to do as long as there is a "Carson." If the service is permitted to get started it will never be permitted to be stopped—All of which leads me to say this: Out in my district we have no objection to the people of Avalon coming to have a carrier on the run between Sydney and Argentia if the Federal Government want to make one available, but not at the expense of there never being a carrier operating from Port aux Basques. West of Corner Brook lies that part of the Province which is most attractive for tourists. With a car ferry on the Gulf and tourist traffic originating at Port aux Basques and geared to the west east flow, then tourists would come from that part of the Province first. If on the contrary the tourist traffic originates at Argentia, with no car ferry outlet to the Mainland from the west, then the tourist traffic will get dammed up on Avalon and precious few tourists will ever see the west. As a matter of fact we would have the same objection to Corner Brook being made the terminal for the "Carson," for tourist traffic would flow eastward from there and precious few tourists would ever see the country west of Mount Moriah.

In any case, written into the Terms of Union itself, written into the Constitution of Canada, is the clause that we are to have a car ferry operating

into Port aux Basques. And that is the way most of the people west of Corner Brook want it to be. And if, as soon as there are adequate facilities at Port aux Basques we don't get a car ferry operating at Port aux Basques, there is going to be a wacking row. The Premier spoke some months ago of trying to lead Newfoundland out of Confederation, well, unless, as soon as there are adequate facilities at Port aux Basques, we get a ferry operating out of Port aux Basques, I am going to try to lead the district of St. George's out of Confederation. Unless he wants to build another "Carson," I say Mr. Mayhew had better stick to his guns.

MR. HOLLETT: That is true.

MR. KEOUGH: Now I should like to go on to say a few words about fish and the fisheries, but not until I say that I stand up to be counted as favouring the proposal to provide for all children up to the age of sixteen years with free medical, dental and optical care.

In seven years this Government have moved in many ways to try and improve the circumstances of the Newfoundland people, but this proposal stands alone without equal, a great and glorious concept, that formula for a whole new generation of Newfoundlanders, strong with a strength that has been protected from the cradle.

"Never again a hungry child": In the years, Sir, since the Premier said that there have been no hungry children, at least to our knowledge. But if there have been there should not have been, for the machinery to avoid such a tragedy has been available to all parents. Now, "never again a child without complete health care"—An ambitious undertaking, granted. And yet what more obvious thing to do than

that we should seek to safeguard the health of our children that they may be strong in the land after us.

Now we have come a long way since those dark days in the bitter 1930's when in a one-room shack on the other side of this Island, I watched an anemic woman, a widow, prepare dinner for her family of children, two. With no shoes, rags on their backs, one with a hair lip and another with a festered eye, running pus, and the meal on the menu for that particular day, sour dough, being cooked on the top of a red hot sawed off oil drum, because there was no pan to bake it in and because there was no stove anyway. Now—"Never again a hungry child" and "Never again a sick child without a doctor, never again a child with its teeth rotted down to its gums without the services of a dentist, never again a child with its eyes gone dull in their sockets for lack of glasses." Yes, we have come a long way, a long, long way indeed, since that bitter day twenty years ago.

I have had a bone to pick with the honourable and learned member for St. John's West, but I am rather diffident about raising the matter since he is not in his seat. Still I am afraid I must deal with it because I will have no other opportunity of doing so.

The honourable and learned member took the Government to task for (how shall I put it) not having moved in on the Federation of Fishermen as soon as it was organized; and started to beat the drums about the co-operative movement. Well, I am not at all so certain, if we had done that it would have been welcomed either by the Federation or by the Opposition of that day. As a matter of fact, I am pretty certain if we had done that

we would have been told both by the Federation and by the Opposition to mind our own business.

The Newfoundland Federation of Fishermen arose out of another one of these conferences the Government has called from time to time, although I don't remember that back in those days anyone raised any hue and cry about the whole thing being illegal. I don't remember that anyone raised any hue and cry about there being involved any illegal expenditure of public funds. I do remember that the Leader of the Opposition of that day got in on the act. That conference was called, another one of these conferences, called in the middle of the winter, our winter, sometime in April. The House of Assembly was meeting and the Parliament of the people was adjourned in order to give the Parliament of Fishermen an opportunity to meet.

I remember that members of the House were invited to attend that conference. I do not remember the extent to which the members of the Government did attend, but I do recall that the Leader of the Opposition was present at and did address the fishermen at the opening session.

Now the Opposition of that day were quite convinced that it was another political dodge of the Government. I remember the Opposition warning the Government not to try and use the Federation as a political instrument. I remember the Premier speaking at the opening session of the conference, and I remember his repeating and re-emphasizing this point all the way through; that the Federation should stay out of politics, and I remember the fishermen repeating and re-emphasizing that same thought to themselves, that the Federation should stay

out of politics. And I am glad to say that at no time since has the Government ever attempted to use the Federation as a political instrument. As a matter of fact, all the Government has ever done has been to recommend to this House once each year that it should vote a certain sum of money to the Federation to enable it to finance itself.

Now I am not at all so certain that the Federation is nearly as frustrated and disorganized as the honourable and learned member seems to think that it was. I remember that the morning after he spoke here at the opening of this debate I telephoned the General Secretary of the Federation and said to him: "Look here, old man, what else have you fellows been doing down there during the last five years besides being frustrated?" And after he had digested that one, he gave me an account of some of the Federation's activities, not all of them, but some of them, and I should like to acquaint the House generally with what he told me:

During the last two years the Federation has been responsible for the organizing of lobster pools in Notre Dame Bay, Bonavista Bay and in Placentia Bay West. In consequence of these pools having been organized, the fishermen, in addition to the current prices, have received in Notre Dame Bay and Bonavista Bay, 2c a pound extra and in Placentia Bay 3c a pound extra. Now anybody who is particularly familiar with that pool technique will know the mere collection of lobsters during the first two years is only a stepping stone to greater things. Practically since the Federation has been organized it has been responsible for the organization of and the maintenance of an island-wide policy of the

cod oil business that fishermen have to dispose of. Thus no longer do fishermen sell cod oil by the individual gallon nor even by the five gallon lot, they sell it in drums. When the Federation was organized drums cost seven dollars each. Last year the price was down to as low as \$3.50, and I am told by the General Secretary of the organization that substantial price increases have been obtained and that the fishermen have benefited in terms of dollars, thousands of dollars in consequence of the organization of that cod oil pool.

Last year the Federation was responsible for arranging the purchase of salt for their locals on the Northeast Coast. They arranged for direct shipments, and consequently the sales to fishermen of locals involved ran to no less than one dollar a hoghead.

For the past three years the Federation has been responsible for having fishermen pool their catches of dried codfish in at least one of our bays. In consequence of that pooling the fishermen have been able to obtain fifty cents a quintal extra.

The Federation has also arranged and does arrange for the pooling of catches of seals both in regard to pelts and fat. And wherever that is practical the Federation is on the big end of arranging for pool buying of such things as large quantities of ropes lines, twines, fish hooks, diesel batteries, rubber clothing, rubber boots, pine tar and sulphur, at a saving, I am told, of from seven to fifteen per cent, and in the instance of marine engines it has been as high as twenty per cent.

So it will be seen from what I have just said, which is not by any means a complete accounting of their activity in the Federation, that they are far

from being a frustrated body. It will be seen also that whilst they have not undertaken to call the techniques that they employ co-operative techniques nevertheless that is in essence what it is. And I am quite certain that when the fishermen are ready for formal co-operative organizations they will take that step.

Now, Mr. Speaker, I should like to have a word about fish in general:

Fish in Newfoundland is like the weather. Everybody talks about it nobody does anything about it, not even the Fisheries Development Authority, if we are to judge by certain comments we have had from across the House and certain comments appearing every now and then outside the House. Indeed it would appear that there seems to be a concept growing in the popular mind that the fisheries development programme has broken down and is getting nowhere. In that regard I would like to repeat to the House something that I said several weeks ago to the South Coast Conference:

Today in Newfoundland, if you mention fisheries development, there immediately flashes into most peoples' minds four words and not much else; "LaScie", "Quirpon", "Merashen" and "Seldom". Most people don't seem to have any idea of what is supposed to be going on in these places. They think of "LaScie" as a sort of "New Jerusalem." And because none of these projects have as yet been finalized to a point where it actually receives fish from fishermen, most people get the impression that the fishery development programme has broken down and nothing very much has happened.

Now it so happens that is not so. There is a great deal more to the fisheries development programme than

"LaScie," "Merashien," "Quirpon" and "Seldom," and a great deal more has been happening and is happening. The House has already been told that the Government has made available some ten million dollars. They have made available some ten million dollars for fishery development purposes. Now here is what has been accomplished: Twelve new fish plants have been built and equipped. Nine existing plants have been improved and expanded. The purchase of three other existing plants was assorted so that they might continue in operation, and some twenty odd new draggers were able to be purchased.

Some idea of the impact that all of that has had, can be seen in terms of the employment statistics that are involved. Thus in 1950 the firms that have been assisted by the Government were employing ashore and afloat, ashore some fifteen hundred persons and afloat not quite two hundred. In 1954 they were employing ashore thirty-five hundred people and afloat somewhat over four hundred. And here is the most vital statistic: In 1950 these plants were taking the fish off some seven hundred inshore fishermen. In 1955 they were taking the fish off some forty-five hundred inshore fishermen. Thus in the short space of five years you have had employment ashore and afloat doubled, and in the five year period the fish was taken from eight times as many inshore fishermen. I don't remember the figure for 1950 but in 1949 the annual capacity for the production of frozen fish from Newfoundland was of the order of twenty-five million pounds. In 1955 this was of the order of sixty million pounds. But in 1955 there was only token production at Grand Bank and there was only token production at Trepassy. And when these two new

fish plants come into production and when the great new fish plants at Catalina, Twillingate and LaScie come into production, Newfoundland's annual capacity for the production of frozen ground fish will be of the order of a hundred million pounds a year.

Now it so happens that all of that is fishery development, and a rather phenomenal amount of fishery development to have been brought about in the short space of five years. That is all very well, you may say, that is frozen fish. What about salt fish? What has been going on in that field?

Most people seem to be under the impression that nothing very much has happened in the salt fish industry for the last two centuries. And if you except the last decade and particularly the last half of the last decade, that is for the most part true. But during the last five years a great deal of thinking has been going on as to what we should do about the problems with which we are confronted in the salt fish industry, and a great deal of planning. Whilst people have been waiting for the verdict of certain death, expansion in the salt codfish industry has also been going on. Today in consequence of the planning and all the thinking that has been going on I have knowledge of certain projects which are now afoot, which are now in the planning stage, which when they materialize in terms of plants this year and next will put Newfoundland in the position that we will have adequate plants producing adequate plant capacity for the production of salt fish, until we know where new markets are coming from. And when I say that I base that statement upon these facts and this knowledge: For instance I know that right now nine small salt fish operators are planning the instal-

lation of driers or drier units, single units which will have a capacity for thirty-six thousand quintals per year. I know that right now nine small salt fish operators are planning the installation of driers or drier units, single units which will have a capacity for thirty-six thousand quintals per year. I know of three or four medium-size operators who are thinking and are planning in terms of installing of driers that will total twelve drying units and have an annual capacity of forty-eight thousand quintals a year. And I know of some half a dozen large operators who are planning actively large fish plants which will have an annual capacity of two hundred and fifty thousand quintals a year. So that the total of these now in production, and with every possibility of their materializing, these new plants, and when these plants are completed we will have a capacity to handle an annual production in plants of three hundred and fifty thousand quintals dry salt codfish.

This, I think, is a field in which we are going to catch up pretty rapidly. There are other achievements in fishery development which could be pointed to: For instance the Naval Architect of the Fisheries Development Authority.

MR. HOLLETT: Excuse me! If the Minister would allow me — I wonder would the Minister inform us where these plants are to be located?

MR. KEOUGH: Well, Mr. Speaker, I would have to answer that I am not at liberty right now. I have knowledge from private firms which I am not at liberty to divulge.

The Naval Architect of the Fisheries Development Authority has, for instance, developed a whole range of

new boat types, designed specifically for fishing in Newfoundland waters, thirty-six feet long liners and forty-eight feet long liners and sixty-foot and thirty-eight feet combined trap-fish and long liner. Now the development of these types of boats designed specifically to fish in Newfoundland waters is fishery, development, as too, is our programme of fishermen training programmes whereby several hundred fishermen have, during the past two or three years, received instructions in elementary navigation and elementary diesel engineering, which training, incidentally, follows the fishermen down to their boats in the summer time to give instructions on the job. That is fisheries development also. Fishery development also has been going on in the fields of exploratory and experimental fishing. These are fisheries development as too are a great many other things that have been going on. Nevertheless we must admit that things have not moved as fast as some people thought they would. And anyone who has taken a good look at the nature of the fishery development programme will be able to tell why.

It will be recalled that in 1953 we heralded the receipt of the report of the Fishery Development Commission with a blast of triumph which could be heard from Cape Pine to Cape Chidley and every last fisherman in every forgotten cove began to have visions of selling fish fresh to plants to be built on the point across the way next year. It so happens fishery development does not come about as easily nor as quickly as that.

The Fishery Development Programme as put together by the "Walsh Commission", whilst it was a comprehensive document had necessarily to be couched in most general terms. The

committee enunciated certain general principles, but to plan how these general principles would apply to fishery development in general terms has not been an easy matter. It has become the job of the Fisheries Development Authority to plan how the general principles laid down by the committee would be realized in terms of plants, marine works, wharves and driers and other visible evidence of fisheries development. And that has proven to involve a rather monumental amount of work. Take the project at LaScie, for instance: LaScie was thought of originally as a substantial modern fishing community to be built up around the salt fish operation with a fresh frozen fish operation to be added. I say it was thought of because it was not thought through. But when it was, then considerations of economics dictated a complete about face. Thus today LaScie is planned as a fresh fish operation with a salt fish operation also to be added in due course. But that pattern for LaScie would not be determined until after the recommendations of three different departments had been worked out and after intensive investigation took one member of the committee to Europe.

That all takes time, but when the plant is finally built we have this: a frozen fish operation geared to a six month operation—a six month's operating season that will be an economic operation and that will be something entirely new in Newfoundland.

What has been true of LaScie has been true of Quirpon, Merasheen and Seldom. Each plant will involve specialized planning for a particular place. We could not take the operation that was contemplated for Quirpon, multiply it one and a half times and apply it to Seldom, and we could not take

the operation planned for Seldom and reproduce it in Merasheen. There are problems and peculiarities to be met with on that island which are different altogether from that met with for instance on Fogo Island, and so it goes through the piece. You may build a cement plant in Germany and put it down in Corner Brook and it will work fine but when dealing with the instruments and fishermen from a community aspect you are up against another entirely different set of circumstances. Fishery development in this Province involves a different set of problems for every different area. To try and evolve a programme in line with our capacity to pay and make certain we shall have an economic operation and get one geared to serve the general welfare is something which is going to take time and calls for complete and continued application of skill, perseverance and hard work. Thus one of the things I cannot see coming about overnight is not a New Jerusalem in fisheries. But what I can see coming about, what I do know is looming, is that our fishery industry is making gains on many fronts. Time was, and it was not so very long ago, when our economy was a very misery-ridden thing, i.e. there was wrong with it just about everything you could imagine. All our eggs were in one basket, and our measure of good times was when a quintal of fish could provide a barrel of flour. Today our economy has been broadened out considerably. Our fishing industry is much diversified and consequently exerts a much more robust impact upon our economy and upon our lives. And notwithstanding who says what, our fishing industry and our fisheries show a decided improvement and there is every indica-

tion that is a condition which will continue.

MR. HIGGINS: Mr. Speaker, I rise to join in this debate for the same reason as had been advanced by my honourable friend, the Minister of Fisheries and Co-operatives, in the main and secondly because of the fact that, if I did not speak after yesterday's debate it might have been assumed (and it is very dangerous to leave anything open to assumption these days) that perhaps there was a schism in this happy band on this side of the House.

But I don't propose to get into any unnecessary argument on the matter. I would like to say to the two honourable gentlemen who have moved and seconded the motion that, as was to be expected, they had accredited themselves well. That particular chore is not new to either of them, and they discharged it in a manner that this House has learned to expect from them.

Now yesterday it was suggested that perhaps there were certain outstanding points in the address or in the Throne Speech rather, which should have been referred to. Whether or not they were referred to in detail is not a matter that concerns me greatly just now. It is a matter for each individual speaker to decide what he is going to talk about. I do agree with the statement that there were six major points made in that Speech from the Throne. With the health scheme I don't think that any comment is necessary. On opening day my leader, as soon as he heard the reference to the health scheme officially in this House, speaking for the Opposition, said, yes, he thought it was a good idea, and that it was the intention of the Opposition to support it in every aspect of its operation which is proven feasible. Nothing more could

have been expected. Nothing less was given.

The ramifications of that scheme have not as yet, Sir, I suggest been fully explained to this House. In another place and at another time the statement was made that the scheme would be financed out of the profits to result from a mining operation. Now that statement was made, as I say, outside the House. Subsequently this House was informed; well now, that is only one aspect of it. It is true there will be great wealth coming from the mine, but it will be out of the general revenue.

Now, Sir, I say the health scheme is certainly one in which this Government or any Government which introduces it can take legitimate pride. I subscribe to the expression of the honourable the Minister of Fisheries and Co-operatives when he described it as genuinely humane legislation.

But to chide the Opposition for not being more enthusiastic about it is, I think, beside the point. Because, although that reproof was delivered I seem yet to have failed to have heard anything more about it afterwards. And I think, Sir, when a thing is manifestly good there is no necessity to gild the lily. I believe the House subject to any flaws that may develop when the matter is more fully explored certainly at this time can honestly say that the principle of the legislation is sound, and we in the Opposition give the Government our blessing, and I think I can say our promise of active support.

With respect to the local roads policy a great deal of pleasure was expressed, a great deal of enthusiastic support was expressed by speakers from the Government side at the Govern-

ment's decision to introduce drastic changes in the present system of maintaining purely local roads. We are told now that we are going back to the policy which had historically obtained prior to the advent of the Commission of Government. And the Government proposes to spend something like three quarters of a million dollars this year. And I was very glad yesterday to hear the honourable the Premier explain one of the earlier obstacles which would occur, in just hearing the bold statement that this is going to be done without in any way interfering with the the system of the expansion of town councils and community councils.

That is at first flush—Here there is simply the bold statement that it is going to be done without discouraging the continuation and expansion of the system of town councils. But how it was going to be done has not been explained, and indeed until yesterday no clarification had been given of that bold statement. If it can be done in that way then there is no doubt then it is a thing that is in tune with the times.

The only thing that is at all strange about it is the fact that it has taken the Government almost seven years to find out that the system which had been in operation for the past twenty-two years was so absurdly out of place. It is possibly pure coincidence, a very happy coincidence that this discovery has been made in this election year of 1956. And it is a matter in which any member on the opposite side of the House can take pleasure to know that there will be three quarters of a million dollars spent this year on local roads because by another coincidence every member of the Government side of the House happens to have a con-

stituency which stands to benefit from this new system.

MR. SMALLWOOD: So does my honourable friend.

MR. HIGGINS: I was going to say that. It is a very happy thing to say that at least part of the riding which I presently represent comes in for the same benefits, and it is indeed a matter which this House can well take note, that the first community to take advantage of the Government's announced intention is the progressive district of Torbay, the town of Torbay, who have come to this House yesterday with a petition, which I had the honour to submit on their behalf, and despite the Government's beneficence the people of Torbay, as was to be expected, don't want something for nothing. They are prepared to meet the Government a certain way. How far that way may be has not as yet been determined. But I have reason to believe from the sympathetic attitude of the Minister of Public Works that the solution down there will not be too long in being found, and that the local road programme, the new local road programme, may well see its first manifestation down in St. John's East.

MR. SMALLWOOD: We hope to win St. John's East yet, you know.

MR. HIGGINS: Well that's a hope. Like the honourable the Premier, Mr. Speaker, I cannot say I entirely share, but adopting his own words, if the man who comes down there works hard he may not command success but he may deserve it. I think that is a reasonable attitude. And I will say this; whoever comes down in St. John's East will be given a fair show. There is no rough stuff down there. We play the game straight.

Now, as I was saying, Sir, that is very well in so far as local roads are concerned, but whilst I am talking on St. Johns East — and this is the time, when following the cue given me by the last speaker, I can speak particularly for my own district — and I would direct the attention of the House and in turn the attention of the department concerned to the conditions of the highroad in the whole district of St. John's Extern. In that district about thirty years ago you had a very fine network of highroads laid out; the Marine Drive was a set of roads which were used very very much by tourists. It is in this day and age when the Tourist Bureau is spending so much time and so much money on fixing up things that they have so far allowed the department to allow that fine network of roads to fall into the present abandoned condition in which they are. It is something I find difficult to understand. Now I want to be fair — I do know that the department has in the past year or more been doing some work on the widening of the road leading from Torbay to Pouch Cove. That has involved a lot of work because the roads were narrow there. But that is a very slow process, Sir, and in the meantime a lot of other roads are still in a shamefully neglected condition. And I do bespeak with some confidence and draw the attention of the Department of Public Works to that particular section.

Now the speech does refer to two other points — The revision of the Terms of Union and the intention of the Government to appoint or to ask for the appointment of the Royal Commission. And there has been some suggestion — Well, now look, the Opposition ought to take some interest in that. With all respect, Mr.

Speaker, I do suggest that that is essentially a matter for the Government in power. That is essentially their job, indeed that is nothing less than their obligation. We have a Government there, which I think I am not overstating the facts, which was prominently identified with the idea of Union in the first place. It is the obligation of that Government to see that Union is carried out, that the terms of that Union are made as acceptable and as beneficial as possible to this country. But to say that the Opposition has to go into raptures over the announcement that the Government is going to do its job is asking a little bit too much of human nature.

Mr. Speaker, it has just occurred to me, the House has been in session now for an hour and a half with one reporter. I wonder if we could have a ten-minute recess?

On motion the House recessed for ten minutes after which Mr. Speaker resumed the Chair.

MR. HIGGINS: Mr. Speaker, as I was saying when we took a recess, the Government referred in the Throne Speech to the Terms of Union and to the decision to seek the appointment of the Royal Commission. These are things which whilst of interest are really matters which are nothing less than the job that the people put them in to do.

There are two other points on which emphasis have been laid. And it is really these two things that I propose to refer to for the next few minutes: The Government now says that it is anxious to interest reputable people in the salt fish industry. And it says indeed, "my Ministers are anxious to extend sound financial and

other assistance to any reputable persons, companies or corporate groups who wish to play a more active part in the development of the salt fish industry. It is the firm belief of my Ministers that one of Newfoundland's greatest present day necessities is for enterprising persons or groups to engage more energetically than ever in an industry which is far from collapse or extinction."

Now that is the firm belief of this Government in 1956. That is the same Government, Mr. Speaker, which in 1951 stated as one of its objectives that it wanted to get at least ten thousand men out of the salt fish industry and put them in the new industries. It is only five years ago, in this very House, that statement was made by the Leader of Her Majesty's Government. However, time brings many changes.

MR. SMALLWOOD: There are about that many out since then. That is just about the number now out.

MR. HIGGINS: And in the new industries.

MR. SMALLWOOD: No, out of the fisheries.

MR. HIGGINS: The last figure we had, Mr. Speaker, was a total employment of two thousand people. That is only a percentage of one-fifth, twenty per cent. That I would not regard as being tremendously progressive, unless it is in so many other things, that it is always to the future that we must look. Is the fate of Newfoundland and the Newfoundland people to be, as "Pope" says: "Man never is but always to be blessed." Is that what we have to look forward to? It has not been accomplished yet, but it will be sometime.

Now speaking of the new industries, and I don't propose to speak of them at any length, we have been told that loans were advanced by the Government to some eighteen plants aggregating in all some twenty-four million dollars, and that by the end of this year in wages and salaries and local purchases there will have been spent by these same industries some thirty-four million dollars. Now there was no breakdown at all of these figures. If my memory serves me correctly the way that these figures were introduced was that the Premier said: "I have what figures I need for my purpose" — his purpose being to explain what the yield has been against the investment.

In the light of other developments one has to be careful to weigh the motive one ascribed to a statement, and I assume it was to show what we got back on our investment of twenty-four million dollars. Up to the end of 1956 there will be thirty-four million dollars come back under various categories. And that statement as it stands is unchallengeable. It must be accepted. But I do say this, Sir, that before these statements can be accepted at face value much more detail is required. It is not sufficient merely to say that twenty-four million dollars were loaned and thirty-four million dollars will have come back by the end of 1956. The whole thing requires much more detailed analysis than I for one, am able to initiate. Indeed you want a cost accountant's breakdown of the thing. So that I do say that I for one, and I think I can speak for my colleagues here, am not prepared to accept the bold statement that has been made as being the complete answer

However the industries of themselves do not strictly speaking form part of the present debate, and I shall not trespass on your indulgence, Sir, by speaking at any length about them. But I do feel that BRINCO merits more than a passing reference. Not my reaction to BRINCO — Sir, when I hear that word BRINCO my reaction is what the Premier's is or at least should be when he hears the name "Superior Rubber." When I hear the name BRINCO rolled around as it has been, and as, unless I am deeply mistaken, I will hear it for many years to come, I feel almost as uncomfortable and it sounds just as ominous as when I hear my honourable Leader refer to "Braun-Wogau." It has got a sound that I don't like. However there is this important distinction, Sir, that the criticism, if one could call it that, the translation (and translations is not perhaps the best word but the House will understand what I mean) of BRINCO to BUNKO was made on the basis of incomplete information. We, of the Opposition and indeed the public at large were given only very slight information. I am not talking about statements in the sense of predictions and prophesies. I am talking about actual hard facts, we were given only, as I say, what the Government at that time saw fit to give us. And if, in the light of that, uninformed criticism was made. I submit that the Government cannot escape some of the blame attaching to that, if it can be called blame.

The Government on the other hand, Sir, when they sponsored these various new industries, knew it had at its command, or it should have had, complete and detailed information. When the Leader of Her Majesty's Government spoke in this House on the prospects of this Superior Rubber

Company, when we had described for us the scope and magnitude of the operations which were going to commence, who can not but remember even the magnificent construction we were to have, that saw-tooth roof so that the workers would be bathed in sunlight from morning to evening and everybody would be happy. These statements were made and made with an air of authority. One could hardly be blamed, listening to these statements, from assuming that these statements were based on informed opinions. And on that basis the predictions that were made could be accepted. But, Mr. Speaker, when we contrast the reality that is known to be now in 1956, with the prophesies of some three years ago, when we see the present unhappy state of the Superior Rubber Company is it to be wondered that when anything is introduced into this House, when we hear such glowing prophesies of what is going to happen on Monkey Mountain or anywhere else that there is a certain amount of scepticism? Now, Mr. Speaker, I do say this, and I say it honestly, I do hope that BRINCO will live up to the predictions that have been made for it. It is at least an aggregation of undoubtedly great reputation. It is an aggregation of companies which has the refreshing difference in so far as our dealings are concerned of having its own money, and of needing no financial backing from Newfoundland. And whilst I speak of BRINCO, Sir, BRINCO means largely the Labrador, and I cannot help thinking of that other great company, which has not been mentioned in the Throne Speech, the Canadian Javelin Company, Limited. Nothing is said about it in the Speech from the Throne. But since the Throne Speech was delivered we have

learned that once again all is well with Javelin. Javelin, Sir, is a company which has had a short career, but a career which I suppose might be likened to that old-time figure, "the picture of Pauline." It is a company which disputes the facts. It has one of the richest if not the richest deposits of its kind in the world. It has had to fight against most extraordinary difficulties. This House will remember, Sir, the gallant fight that Mr. John C. Doyle waged alone against the unscrupulous combines of the iron ore industry, how this gallant man held aloof from them.

You could not break into this cartel — and it was only after this legislature had voted the loan, the guarantee, last year that Mr. Doyle was able to break that solid front. Now then came the curious thing. Up to that time he could not get into the American market. Once the guarantee was made the predictions came, the bulletins came, the releases came that they were tripping over their feet trying to interest Mr. Doyle, indeed he was so embarrassed with offers, I believe, that he was one time reported as saying he had something like forty-nine propositions from the various American interests. We heard only a few months ago that Cleveland Clift were going to have some dealings. The Cleveland Clift dropped out. Now happily Mr. Doyle has gone and he has gotten clear of these interests again, and apparently he has returned to his earlier convictions that these people were not good to deal with, they might lock up these fabulous deposits for years. So he has gone to Germany and he has gone to England and he has arranged contracts. And sometime, in the last quarter, I believe, of 1957, he will start deliveries.

Now it is generally supposed that our guarantee instead of being in dollars will be in Swiss Francs. I don't know if that is going to mean that in addition to being international travelers the responsible members of the Government will have to become international financiers — It is an interesting thought —

Now, Mr. Speaker, all these other companies as I say, with the exception of BRINCO — BRINCO is the one shining exception — and I still have not come completely around to the belief that BRINCO is entirely a philanthropic institution. They have been given sixty thousand square miles of territory in Labrador and Newfoundland, and the Hamilton Waterpower. I say this not unkindly, but sometimes when we are told about the wonderful things that BRINCO has found we are almost asked to believe that they found the Hamilton Waterpower down there. Of course anybody who would believe that would be gullible enough to believe anything. However, as I say — Despite that very minor criticism, BRINCO is the shining exception in an array of rather down-at-heel companies and individuals who have come here to do business. All of which would, I suggest, Mr. Speaker, indicate a certain lack of financial acumen on the part of the Government.

The present Government — and the facts are there, not to be disputed — have had to extend financial assistance to almost every concern be it individual or corporation with whom they have done business. In other Provinces of Canada capital of that type of venture is in the main provided either from the United States or Canadian investment or from the sales of bonds to the general public.

That is not so here. Now that is a peculiar thing, Mr. Speaker, because one of the things we were told back in the days when Union was being discussed, one of the strong points and one of, I would say, the attractive points in favour of Union was the statement that consequent on Union there would be an influx, a considerable influx, of Canadian investment capital into Newfoundland.

Now, Sir, that has not been the case, I suggest. And why has it not been the case? One possible explanation Sir, may be (and I don't make this as a statement of fact but I make it as a speculation) or can it be, that the Government through its dealings with so many shady characters, so many strange characters — and I don't want to use names — we have had these names — so many odd people have appeared on our local scene and have received assistance from the Government and have departed under peculiar circumstances. Can it be, Sir, that we are acquiring a reputation in the rest of Canada that we are freak-ing in this business.

MR. SMALLWOOD: The word Pottle used was "Bizarre."

MR. HIGGINS: Well I do not wish to emulate any other gentleman. I like to go my own perhaps rather wavy furrow. Can it be we have that reputation — That crowd down there is cracked —

MR. SMALLWOOD: The Tories of Nova Scotia don't think that way of us. They say; copy Newfoundland.

MR. HIGGINS: With the Tories in Nova Scotia I suppose it is the same as in every country — far away cows wear long horns. Incidentally talking of Tories and Oppositions —

There was a remark made here yesterday whilst the Honourable the Premier was speaking, in spite of the good-will — Well, look, this business of opposing or opposition only makes a battle-hardened group, it only develops the "esprit de corps." They tend to stick together more. Now "esprit de corps" was a very nice way of describing it. It could be described, Sir, or could be applied with equal force to the fact that it could create a spirit of a pirate ship — We have got to hang together or we will hang separately — I say it depends on one's point of view. However, that is merely by the bye. To say, Sir, that it is significant that all our assistance in the financial field has had to be provided out of the Newfoundland Treasury that is something that I do suggest calls for proper explanation or certainly some discussion from the other side of the House.

Finally, Sir, the point to which I did refer earlier, the fisheries. As I mentioned earlier, the Speech from the Throne indicates that the Government now shows an interest in the salt fish industry. And that, Sir, is a good thing. The Honourable Minister of Fisheries who spoke this afternoon is an authority in that field. I don't propose to discuss the fisheries from the technical point, but merely from that of the interested layman.

Now for several years, Sir, that was a hectic effort, indeed almost a frenzied effort to convert our fish production to mechanical plants turning out this fresh frozen fish. I think it is a matter with which we are all agreed that this policy was definitely high-lighted by the series of loans that were made to the North East Fisheries (is it?) or anyway Mr. Arthur Monroe's company — Fishery Products —

rather — of over three million dollars. Now I am not interested in Mr. Monroe. I am not interested in his politics. I don't know the gentleman beyond being able to pass the time of day with him. It is said that he is a leader in his own field, and I for one am not prepared to challenge that. His reputation, as far as I know, is good. He has developed in the United States a big market, which has been, I think, a decisive factor in our frozen fish trend. But I do hope, Sir, that it is not the Government's intention to, for the next few years to continue or sponsor any further expansion on a large scale of the fresh frozen fish industry. Because when all the plants that are now under construction go into full production we are going to be pretty close to, if we don't exceed, the limit of our presently available markets, the markets we have today in sight.

When all these plants are going as I hope they will, at full speed, we may have more fish produced than our present markets can absorb. Unless I am misinformed, our fresh fish markets at the present time, are mainly, if not entirely, in the United States. Now if that market should collapse where would we be? It is a precarious market, at very best it is a highly competitive market. It is subject to import taxes and quotas. Only a couple of years ago there was the threat of the New England Lobby. They were looking for a prohibitive quota, I believe. In the morning's paper or yesterday's I saw a similar dispatch to the effect that the New England interests are again raising the question of a quota against Canadian fish, and that means Newfoundland fish, because it is our fish mainly that is going there. Sir, if that should come to pass — I don't know myself,

but I had hoped today that the Minister might have made some reference to it. He may not have had a chance to see the article in question. It may be nothing but a newspaper story. But I do hope, Sir, that the Government will see that what can be done within our limited sphere at least will be done to protect that particular market.

Therefore, Mr. Speaker, accepting that position, if that threat, if it is a threat, passes over it is only averted. It is never completely removed. It always hangs over us. It is therefore, I suggest, Sir, imperative that we should attempt to find other outlets to diversify our markets. I know that there are probably a lot of obstacles to it. It is all very easy to say; sell our fresh fish to the South American markets and sell it to the Caribbean markets and sell it to Europe, but there may be obstacles, there may be the question of transportation and there may be the question of refrigeration. These are things on which I am not sufficiently informed to express a reliable opinion. But I do say, Sir, that it is most necessary that these things be considered. I can only hope that they are being considered at the present time, and that active steps are being taken and have been taken to investigate markets on and along such lines. However that is one aspect of it. That is the fresh frozen fish industry.

Then there is the other one that is mentioned more particularly today in the Throne Speech, that is the salt fish industry: Now I don't think anybody can question the fact that we can produce this product, the salt fish to a more standard grade, to a grade that is more acceptable to the market and to a grade that the over-all aver-

age quality is better. If we can do that, as I say, better now by mechanical means than was the case when we used the traditional hand manufacturing methods — The Honourable Minister of Fisheries referred to some of these — and that, Sir, is an aspect of the salt fish industry to which I would direct the Government attention. I firmly believe that the Government should assist in the mechanization of the salt fish industry. I believe they should do it on exactly the same scale and with exactly the same enthusiasm that they put into the fresh fish industry. Now this is where this Fishery Development Authority, if it is going to justify its existence at all, can play a very important part. That is where our existing markets, Sir, can be consolidated, and I see no reason why they could not be enlarged with this policy. I don't believe that any thinking man on the other side of the House will disagree.

Now, Sir, these are the points which mainly arise out of the Throne Speech. I do feel that with all respect to the natural enthusiasm of the Government which drafted the Speech that the Health Plan is sufficiently good in itself to stand on its own two feet. The mechanics of it are something to be worked out. The Local Roads Plan certainly has the virtue, as it should have, of making the whole of the country a whole lot happier about local roads than has been for the last twenty-three or twenty-four years.

The Terms of Union is a matter entirely for the Government and the same thing (I omitted to mention it before) the Unemployment Relief Plan. It is a strange thing in the economic sense that Unemployment Insurance seems to be regarded as an

asset. They tell me this is sound. And certain it is that Bill which was brought in here was sufficiently good to command the approval of the Opposition without any debate at all. Indeed if I remember the debate correctly it was only a question as to which particular school of political philosophy was entitled to the credit.

So I do say, Sir, the two important things for discussion in this debate have been BRINCO Development, the Labrador Development and the fisheries. And I do feel, Sir, that the fisheries, with all due respect to the mining industry, is the one in which this country is traditionally best fitted to play its part. The mines are there, but we might as well face up to the fact, Sir, that as long as foreign capital is controlling the thing our share will be by way of royalty and on a very limited scale. But in the fisheries, Sir, we are, I submit, to a very great extent the architects of our own destiny. And if the Government can come up with any scheme for fisheries, for the development of salt fish, which they can work hand in hand with fresh fisheries, we on this side will give them not only our support, but I will go as far as to say our admiration.

MR. CURTIS: Mr. Speaker, I wish to move the adjournment of the debate, not because I want to speak when the debate is resumed but because I want to combine with the motion, a further motion — The House will be aware that the Honourable Minister of Finance gave notice this afternoon that on tomorrow he proposes to move the House into a Committee of the Whole on Supply and also into a Committee of the Whole on Ways and Means, which means the delivery of the budget speech.

Actually according to our rules I do not think we should go into the budget or appoint these committees until the Address in Reply is finally disposed of. One of the honourable members of the Opposition has not as yet spoken, and the invisible member for White Bay has not yet spoken and there may be some members on this side of the House who would like to speak. And I am sure the House would not wish to curb debate. At the same time I think the House would like to see the estimates and have the budget speech heard. So I would move, Mr. Speaker, that the debate be adjourned, and further that the rules of the House relating to the time of setting up the Committee of Supply and the Committee of Ways and Means with reference to the Address in Reply to the Speech from the Throne be relaxed to permit these committees to be set up before the Address in Reply is disposed of, as agreed to — In making this motion, Mr. Speaker, I wish to be clearly understood. The Government has no wish at all to curtail debate, and that we will not ask the House to proceed with the budget debate until the Address in Reply has been disposed of.

**MR. SPEAKER:** The House is in possession of the motion.

**MR. HOLLETT:** Mr. Speaker, there is one point that strikes me — Any other members who will speak to the Address in Reply after the budget has been brought down, I take it they will not be allowed to encroach upon the budget in any way?

**MR. SMALLWOOD:** They will not debate on the budget.

**MR. HOLLETT:** Just the Speech from the Throne—In that case we agree.

**MR. SMALLWOOD:** There will be no debate on the budget until the Address in Reply debate is finished.

Motion carried:

*Second Readings:*

Second reading of Bill, "An Act to Incorporate the Newfoundland Association of Architects."

**MR. SPEAKER:** This is a private Bill.

**MR. COURAGE:** Mr. Speaker, this is a Bill which like the "Dog Act" traditionally comes in every year. Last year, I believe it got through second reading, but it was towards the end of the session, and the House did not have the time to consider it fully.

This Bill is an Act to Incorporate the Newfoundland Association of Architects. And the principle of the Bill might be stated in the words of the Bill—the objects for which this Association is to be set up—to promote and increase the knowledge, skill and proficiency of the members of this Association in all things relating to the profession of architecture, and to advance and maintain a high standard in the practise of Architecture in the Province of Newfoundland, and to those ends to establish and maintain classes, schools, exhibitions or lectures in, and to promote public appreciation of architecture and the allied arts and sciences.

I believe, Sir, that the architects of Newfoundland should have the same right as the lawyers as the public accountants and other reputable professions, of incorporating themselves into an association by Act of the Legislature. I want to make it quite clear that it is not my intention that this Bill should be rushed through. And I hope that any person who has any wish

to appear before the select committee that will be set up to study this Bill will do so. And I feel certain that any objection or suggestions that will be made in relation to this Bill will be given consideration by that committee and by this House. I therefore, Sir, move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I did not have the time to look through this Bill at all. I wonder if the honourable member would permit it to be deferred for further discussion.

MR. CURTIS: It has to go through a select committee.

MR. SMALLWOOD: It is not a Government measure.

MR. HOLLETT: I see. Alright.

On motion Bill read a second time and ordered referred to a select committee.

MR. SPEAKER: According to Standing Orders this Bill is now referred to a select committee. People who wish to be heard opposing the Bill will give their evidence before the select committee;

The mover of the second reading; the Honourable Member for Bonavista South; the honourable and learned Member for St. John's East; the honourable and learned Member for Port de Grave (who is absent from the House on circuit of the Supreme Court) and the honourable Member for Burgeo and LaPoile.

I must ask these honourable members to take notice of that. And no member who is opposed to the principle of a private Bill may act as a member of the select committee. Therefore if any member who has been called is opposed to the principle of the Bill he will inform the clerk and a substitution for his name will be made.

Second Reading of Bill, "An Act Further to Amend the Highway Traffic Act."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, in moving the second reading of this Bill I would like to take this opportunity to explain it briefly as it has been explained to me by the officials of the department who actually administered the Bill.

I find that the purpose of the amendment is comparatively brief. There are just a few points to which I want to refer. The first one is the amendment of Paragraph (f) of Section (2) which is for the purpose of including the City of Corner Brook and a board established under the Local Government Act, 1956.

The Amendment of Section 63 is to allow the delegation to the St. John's Traffic Commission, which has recently been appointed, to be given the power to make regulations governing traffic in the City of St. John's.

Sections 106 and 109 and 110 and 111 inclusive have now been amended three times. The amendments are so extensive that the part of the Act relating to the Unsatisfied Judgement Fund has become rather difficult to follow. Consequently the department feels that they should now be consolidated. And the opportunity has been taken in this amendment to consolidate the original sections, and the amendment therefore but no further changes have been made.

Sections 109A on to 109 (4) on page 14 are new entirely. And this House will be asked to pay particular attention to them. It has been found, through the use of the Unsatisfied Judgment Fund, a very great service is being provided to the motorists and

to the community in general. The Unsatisfied Judgement Fund allows payment to be made on account of persons suffering bodily injury or death through hit and run accidents. In the past this was not so.

The House will recall several reports of hit and run accidents, where the offender has not been found, and so the victim has had no redress. In other Provinces of Canada this is being taken care of. I will point out that if the identity of the driver or the owner of the vehicle involved is subsequently ascertained the driver or the owner or both, as the case may be, becomes fully responsible.

This legislation is patterned on that in force in the Provinces of Ontario and Manitoba. It simply means then that these two particular clauses will protect the victim against hit and run drivers who may not be perhaps contacted or who may have escaped the official observation of the police or of the citizens generally.

Since the inception of this Act some forty-eight claims have been referred to the Unsatisfied Judgement Act and some forty-eight claims have been paid out of this Unsatisfied Judgement Fund, totalling seventy thousand dollars. This has really been a very material benefit in alleviating the distress of victims who otherwise would have no redress whatsoever. If they were the victims of a driver who has limited or very limited means, it follows they would be unable to obtain the necessary funds or compensations. Hence this seventy thousand dollars has been paid out on these claims, as at the thirty first of March. And this is rather important, Mr. Speaker, as at the thirty-first of March there remained to the credit of the fund \$85,000.

It is considered that there should be some financial redress available for these injured or killed by the hit and run drivers. And there is no reason to doubt that the fund can in future take care of this particular effort. There was some thought if we just continued without adding any future benefits that this year we may have been able to withdraw the payment or reduce the payment of one dollar by licenced drivers. But in view of the fact that this great need appears to be and in this province several of our citizens have already suffered very serious difficulties — I need hardly refer to the very unfortunate incident in the case of the Crotty boy. Had this Act been in force then we in the Department of Public Works, by means of this fund, could have been of some assistance to this very much injured family. It is for that purpose that we recommend this new section.

Mr. Speaker, I have much pleasure in moving the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, it is a very important amendment to the Bill. I would appreciate it if we could have it deferred, because I have just seen the Bill for the first time. Would it be in order to ask for an adjournment of the debate?

MR. SMALLWOOD: I would feel so, Mr. Speaker, in view of the fact that my honourable friend is unaccompanied at the moment by either of his legal colleagues, the adjournment of the debate would be very proper. If Your Honour would allow I would so move.

On motion debate deferred.

Second Reading of Bill, "An Act to Restrict the use of White Canes to Blind Persons."

MR. CURTIS: Mr. Speaker, I wish to now move the second reading of this Bill because I think it is one my honourable friends could agree to without having to take advice from his legal departments.

This is a Bill, Mr. Speaker, to restrict the use of white canes to blind persons. And it is patterned on legislation already in use in Ontario, and is being introduced at the request of the Canadian Institute for the Blind.

The legislation is very simple. It provides that a white cane means a cane or walking stick the major portion of which is white. And it provides that no person other than a blind person could carry or use a white cane in any public thoroughfare, public conveyance or public place.

The Act applies only to residents of Newfoundland and does not apply to visitors who may come to Newfoundland and be unaware of these restrictions. The Act makes it an offence for any person who is not a blind person within the meaning of the Act to carry a cane of this type.

I have pleasure, Mr. Speaker, in moving the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I am in favour of the principle of this Bill, very much in favour — In that particular section in regard to persons who are not residents of Newfoundland, I think there ought to be a time limit there. I know persons residing in this community for a number of years who are not really residents although they have been here a considerable time. I think they ought after a certain time be restricted in this manner also.

MR. SMALLWOOD: I think we might make it "Not domiciled."

MR. HOLLETT: The word resident is not defined there. Perhaps the honourable minister could define "resident" in the Act. But we are certainly in favour of the principle of this 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 to Amend the Companies Act."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, this Bill is introduced at the request of the Municipal Council of St. John's. According to the provisions of their charter, of course and the Provincial Government, when it comes to raising a bond issue it was requested by the Municipal Council in order they might be able to carry on a much more extensive programme in road work and other things pertaining to the services of the city than they may be able to do under current revenue. This Bill itself merely calls for an enactment whereby an issue of three million dollars can be raised on the credit of St. John's.

MR. SPEAKER: I must interrupt the honourable Minister. It seems to me there is a confusion here.

MR. CURTIS: I asked for Item 19 — That is "A Bill, An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal purposes by the Issue of Bonds, No. 25."

MR. SPEAKER: I will correct that now. The order called was Item 19, Bill No. 25:

MR. HEFFERTON: The other clauses in the legislation, Mr. Speaker, are matters dealing with the loan provisions for sinking funds and the appointment of trustees and other

incidental things which go into the floating of a bond issue. These details can be ironed out in Committee of the Whole stage, Mr. Speaker, and I move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, I presume we are all in favour of getting better roads in St. John's. I may say the roads at the present time are in a most awful condition. I will say a word of praise for the Municipal Council. I think they have done an excellent job on the improvement of the city in the past few years. I agree they have a tremendous job to try and keep our streets in condition. I don't know what is wrong though. There must be something wrong with the paving or with the way the thing is being paved, because each winter after the snow has gone we find that the streets are full of holes and ruts and all sorts of things. If each year now after a period of years — and I am wondering if possibly we were getting the best kind of paving, the proper kind of paving for our streets, because in some parts of St. John's at the present time a man is at the risk of his life, not only his car but his life to drive through. Now I say that without any reflection whatsoever on the Council because I do agree they have done an excellent job with regard to the city, and the streets and roads they have repaired them. But they have to do the same work over and over and over year in and year out and sometimes twice a year. So that I am a bit at a loss to know why each year in particular streets have to be done over again.

And here is another point that has struck me. I am glad I got to my feet because I am inclined to think that it is about time that somebody took into consideration the matter of

putting a ticket on or getting after huge trucks with chains on after all the snow is gone. I saw a very funny thing the other day; one of the Department of Public Works trucks with chains on, a tremendously huge truck, coming up over McBride's Hill, towing a car or a small truck owned by the Department of Health. And the Public Works truck had these chains on — I think it was the Department of Public Works. Anyway it was one of the Government Department trucks towing another truck over McBride's Hill. You remember that little place coming up past the Bank of Montreal. And here this huge truck had chains on and not a bit of snow anywhere near, and it was just grinding up the concrete. Maybe he was making a job for himself, I don't know. But I think that people who keep chains on after the spring should be checked on. It would be much better to do that than by giving people tickets for parking opposite the Court House, for instance, like I got one time when I went in to see the Minister of Justice. But in my opinion somebody could take care of that because chains on huge trucks like that or on anything but particularly on huge trucks at this time of the year while towing other people around, that to my mind tears up the roads more so than anything else.

Yes, the Council has done a very good job, I think. I notice this gives them wide powers. They can be applied towards the financing of any municipal water or sewer projects or any unicipal projects or improvements for the benefit of the city and within the powers of the Council. For any of these projects this three million dollars can be used. I think that is quite in order. It is quite different from something I saw the other day

in one of the Bills which have to go through yet. I cannot speak very much about that, but in that particular case the Council could borrow money but could only use it for a purpose approved by the Minister. I notice, and perhaps it is perfectly in order, the Minister has not to approve expenditures in this Bill.

**MR. SMALLWOOD:** In this case it is a full city charter.

**MR. HOLLETT:** I quite understand that. That is the difference between a municipality who runs a city with a charter and the municipality who runs a council or municipality. What is the difference between their men. Some of them have just about the same problems with regard to roads and sewerage as the municipality with the charter. But we will come to that in time.

I am not speaking against the Bill at all, Sir. I wish to pay this compliment to the Council, and I wish to say also that they will have one awful job on their hands right from now on, and I think they are going to need the three million dollars.

**MR. SMALLWOOD:** Mr. Speaker, I have not as yet had the opportunity to pass without saying a word of praise of the Mayor and the members of the City of St. John's Municipal Council for the very progressive and even daring policy represented in this present Bill, which is one asking the House to guarantee or to authorize the Government to guarantee a bond issue of three million dollars that the city proposes to float for the purpose of financing pretty substantial improvements in the public services of the city.

I have not as yet had the opportunity to read the account of the state-

ment made by the Mayor in his press conference when he spoke for the Council and himself. But I caught on one of the radio stations a reference by him to this effect that the problems of St. John's in the past have been problems of poverty whereas now the problems of St. John's are the problems of prosperity. And I thought how true that is. That is precisely the case with Newfoundland in general. The fast rising flood of prosperity in this Province has created a tremendous increase in the number of demands, and in the demands of the public. And to meet these demands for more roads and better and for all kinds of other public services and conveniences has become for the Government of this Province and for the Government of the city of St. John's, the Capital City, and for the Government of Corner Brook, the new city, and indeed for the Government of all the places that have Town Councils or Community Councils or any form of local self-Government, a problem, Sir, in every case that is true compared with problems of twenty years ago, and yet feeling them and solving them is extremely pleasant. Dealing with the problems of prosperity is so much more pleasant than dealing with the problems of poverty.

I congratulate the City Council on its very progressive move in going into debt to the future, banking on the future prosperity and progress of this city, because in doing so they are undoubtedly banking on the future of this Province. They know that St. John's cannot prosper unless Newfoundland prospers, and a gamble on the future of St. John's is a gamble on the future of Newfoundland. And they cannot sell Newfoundland short. They must assume that Newfoundland is going ahead. And I congratulate

them on it, and it is a personal pleasure to me as one member of this House to have this Bill here and to give it my unhesitating support.

MR. HIGGINS: Mr. Speaker, I would like to say one word in connection with the financing of this loan. It may be of interest to the House to know that the City of St. John's shares with no other city in the whole Dominion of Canada the distinction in the past twenty-three years (the Minister of Provincial Affairs could correct me if I am wrong) for the past twenty-three years we were one of the three cities in the whole Dominion that has operated in its financing, pay as we go. And I do feel that it is a measure that as has been said reflects the belief of the City in the continued progress of the Province.

Whilst I am on my feet I cannot help but remark that despite the political protestations sometimes emanating from the Government, the City of St. John's has been extremely well treated by the Government presently in power. And it would be less than justice if I did not say that. From a statesman-like angle, apart from political ramifications, St. John's has been extremely well treated by the present Government.

MR. HOLLETT: That is the present Government.

MR. HIGGINS: I don't care what it is.

MR. SMALLWOOD: It is poor politics for us.

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

MR. CURTIS: Mr. Speaker, I move that all the remaining orders of the day do stand deferred:

Motion carried:

MR. CURTIS: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Wednesday, April 11, at three of the clock.

On motion the House at its rising adjourned until tomorrow, Wednesday, April 11, at three of the clock.

WEDNESDAY, April 11, 1956

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I wish to make a statement prepared for distribution to the press and radio. And in distributing them to the press and radio I wish to make a special request, i.e. that they shall not be published before tomorrow. The reasons that I have been asked by my informant not to have them released before tomorrow is that they are to be simultaneously released in St. John's and Toronto on tomorrow, Thursday. The date of the release is on the statement. Perhaps the press and the radio will be good enough to be guided by the date suggested.

On the authority of Mr. M. J. Boylen I am happy to announce that the Boylen-sponsored Tilt Cove copper mine of the Maritime Mining Corporation, Limited is now to be operated on a vastly larger scale of activity than anything contemplated earlier. This great new increase in the scale of production at Tilt Cove will have highly important implications for the future prosperity of our Province.

It is the sensational ore developments in recent months at the Tilt Cove mines that have led the management to a sharp upward revision of their original production proposals.

When the overall production plans of Maritime Mining for both its Tilt Cove and Gull Pond properties are fully implemented this company will enjoy an ultimate mill capacity exceeded only by a very few copper producing companies in Canada.

President M. J. Boylen of the Maritime Mining Corporation has advised me that the enlarged production plans now call for the installation at Tilt Cove of a mill capacity of 2,000 tons a day over and above the original plans. It is therefore proposed to increase the capacity at Tilt Cove to 3,000 tons a day about a year after production is reached, which will be next year. This will thus give Tilt Cove a daily ore production rate three times greater than originally scheduled.

While production plans for the Gull Pond subsidiary of Maritime Mining Corporation, namely, the Gullbridge Company, have not been finalized, the management has expressed the belief that the Gullbridge property can be brought into production at a 1,000 ton rate in 1958 or '59 and that a later stepup to 2,000 tons a day appeared to be feasible in view of the large tonnages of ore indicated.

Over \$1,000,000 has already been spent by the Boylen interests on the Tilt Cove and Gull Pond projects to date, and a further expenditure of \$7,200,000 on development of the Gull Pond property, where a 4-compartment shaft has already been collared.

The annual operating profit for the Tilt Cove operation, based on 2,000 tons per day and 45-cent copper, has been estimated at \$7,770,000 a year. The company plans to increase the Tilt Cove mine tonnage to 3,000 a day in 1958 and to bring the Gull

Pond property into production at the rate of 1,000 tons per day in 1958 or '59. The total tonnage from the two properties will then be 4,000 tons a day, and the estimated annual operating profit has been computed at \$13,667,000 with copper at 45 cents a pound.

The Foundation Company of Canada have been given the contract to construct the concentrator and the dock at Tilt Cove. The plans for these are almost completed and all the heavy equipment is on order.

The townsite plan is well under way. The plans are completed for the construction of the two power developments, namely, at Venam's Bight and Snook's Arm, and the heavy equipment for these developments is on order.

I am informed that the ore reserves at Gull Pond are 1,958,000 tons of 1.93% copper; or taking lower-grade material, at 4,350,000 tons of 1.24% copper.

In announcing these greatly expanded plans of Maritime Mining Corporation I wish to pay tribute to the aggressive expansion programme carried out by the Boylen interests. It is this aggressive expansion policy that has outlined the ore upon which this expansion at Tilt Cove is based. After the initial investigations, and at the time the 1,000-ton mill was announced for Tilt Cove, the management of Maritime Mining Corporation expressed the hope that further work would show 4,000,000 tons of copper ore to be available for treatment. By March 1st of this year, however, ore reserves exceeded 9,000,000 tons grading between 1.8% and 2% copper, plus recoverable quantities of zinc, pyrite, magnetite, gold and silver.

Even after the intensive expansion programme that has been carried out I am glad to say that only a relatively small portion of the area favourable for ore deposition has yet been investigated in detail and the possibilities for further expansion of ore reserves are thus considered to be most promising.

Truly Newfoundland is going ahead.

Mr. Speaker, as I said before, this statement, at the request of the Boylen Company is to be released simultaneously in St. John's and Toronto not before tomorrow, Thursday. I am releasing it today for publication tomorrow, to enable the members of the press to have the matter properly set up and properly prepared for presentation to their respective mediums.

MR. JACKMAN: Mr. Speaker, I wonder if the Premier would answer two questions I would like to put to him? I would like, Mr. Speaker, for the Premier to give us a statement as quickly as possible on Pilley's Island and Little Bay.

MR. SMALLWOOD: I can only say, although my honourable friend has not given me any notice of the question, I think I can nevertheless say that we have the greatest hopes for all of that part of the Island of Newfoundland, that is to say, Green Bay and the Baie Verte Peninsula, which lies between Green Bay and White Bay. We think that that whole part of our Province is very heavily and richly mineralized, and has a great future.

MR. JACKMAN: Mr. Speaker, I would like to have something definite with regard to Pilley's Island from the Premier. Is it true that Pilley's Island will be developed by an American Company?

MR. SPEAKER: The honourable member should keep his question until question time.

MR. JACKMAN: I am sorry, Mr. Speaker, I just could not wait any longer.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion

None.

#### Giving Notice of Questions

Notice of questions given by Mr. Hollett.

#### Answers to Questions

MR. SMALLWOOD: Mr. Speaker, I have two answers to questions, Question No. 56 and Question No. 57, asked by the honourable and learned member for St. John's West. Perhaps the Honourable Leader of the Opposition would be kind enough to accept these answers on behalf of his colleague. These were the two questions wrongly addressed, and upon my advice then addressed properly and appeared on the Order Paper of yesterday as No. 56 and No. 57.

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

What has been the cost of the Commission preparing Newfoundland's case for presentation to the Royal Commission on the Terms of Union? Specify amounts paid for salaries, travelling and other expenses in detail.

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

What has been the cost of preparing the submission of Newfoundland's brief to the Royal Commission on Canada's future needs? Give details of payments made on this account.

**Mr. Browne — Question 56.**

Cost of the Commission preparing Newfoundland's case for presentation to the Royal Commission on the Terms of Union

**April 1, 1954 to March 31, 1956**

H. C. Goldenburg, Q.C., and Associates — Fees .....	\$31,821.00	\$
Expenses .....	4,267.05	36,088.05
	<hr/>	
	<hr/>	
Peat, Marwick, Mitchell & Co. — Fees .....	33,545.50	
Expenses .....	2,791.90	36,337.40
	<hr/>	
	<hr/>	
Salaries: Hon. P. J. Lewis, Q.C. ....	27,290.32	
D. C. Hunt, Esq., L.L.B. ....	13,500.00	
Clerical etc., assistance .....	10,066.24	50,856.56
	<hr/>	
	<hr/>	
Travelling: Hon. P. J. Lewis, Q.C. ....	1,183.80	
P. Gruchy, Esq., C.B.E. ....	2,420.11	
G. S. Doyle, Esq., O.B.E. ....	309.52	
H. C. Hunt, Esq., L.L.B. ....	758.86	
A. B. Perlin, Esq. ....	335.30	
J. C. Crosbie, Esq. ....	106.04	5,113.63
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Historical review to Commission's report :		
Prof. M. O. Morgan .....	750.00	
Prof. G. O. Rothney .....	750.00	1,500.00
	<hr/>	
	<hr/>	
Eastern Provincial Airways .....		1,128.33
Miscellaneous and office expenses .....		1,308.15
		<hr/>
<b>Total .....</b>		<b>\$132,332.12</b>
		<hr/>
		<hr/>

**Mr. Browne — Question 57.**

Cost of preparing the Submission of Newfoundland's brief to the Royal Commission on Canada's future needs

January 4, 1956 to March 31, 1956

Fee — H. C. Goldenburg, Q.C. ....	\$8,200.00
Transportation .....	420.00
Stencils, duplicating and book-binding .....	475.55
	<hr/>
	<b>\$9,095.55</b>

I may say, in connection with the report to which I have just referred, we have been flooded with requests from all across Canada and parts of the United States for copies of our report to the Royal Commission, and we have had the report printed and reprinted five different times. The last time, I think, we got a group of a hundred additional copies. There has been a tremendous demand for Newfoundland's brief to the Royal Commission on Canada's Economic Future, because it made a great impression, and created a very favourable impression all across Canada. Every Government, every colleague, every university, public library, banks in Canada and insurance companies every financial house and bond house, every newspaper and magazine, everyone across Canada of any importance in these fields has sent asking for a copy of our brief. And we think it is going to do Newfoundland a great deal of good.

MR. HOLLETT: Are we to see the brief?

MR. SMALLWOOD: I thought I tabled it. I can certainly, and will gladly table it. It is almost public property. We have had many many hundreds of them printed. And if they have not been tabled I am surprised and sorry to learn they have not

been tabled in the House. I will be glad to table them if they have not, but I have a feeling they have been.

MR. HOLLETT: I understand that was just one copy, I believe, that was brought in here. We did not get an opportunity to see it.

MR. SMALLWOOD: I thought it had been tabled. Now I will see that enough will be tabled for all members to have it. It has been circulated to the newspapers and radio stations here, I believe, at the time it was presented to the Royal Commission in this very chamber. As the House will remember, the Royal Commission began its work in this very chamber. They started here and went right across Canada.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, before we go on I would like to table the reply to Question No. 3: Question 3:

The following information is supplied by the Honourable Minister of Fisheries and Co-operatives in reply to questions asked by Mr. Malcolm Hollett, M.H.A.

(1) QUESTION: The total amount of moneys paid to the Newfoundland Fisheries Development Authority since its appointment, the amounts to cover

the costs of salaries, wages, and travelling expenses, item by item. Give the names of persons and amounts paid out under these headings.

ANSWER: Salaries and Wages to 29th February, 1956 — \$220,995.94.  
(H. G. Dunstan, D. C. Winsor, R. Young, A. Story, P. Thistle, P. Courage, P. Moore, M. Mercer, S. Penney, G. W. Hynes, R. W. Pike, F. K. Spencer, C. Thistle, E. Hiscock, W. Jancs)

Travelling Expenses to 29th February, 1956 — \$24,939.48.

(H. G. Dustan, R. Young, H. C. Winsor, C. Planta, H. J. Jansen, P. Schoeler, G. Hynes, D. L. Cooper, R. Pike, J. B. Rendell, Eng. Service Co. Ltd., Canadian National Railways, Pike's Hotel, Eastern Provincial Airways, Trans-Canada Airlines, United Helicopters Ltd.)

(2) QUESTION: How much has been paid out for technical services, salaries and expenses, including sundry expenses in connection with the Newfoundland Fisheries Development Authority?

ANSWER: Technical services to 29th February, 1956 — \$19,985.58  
Sundry Services — \$16.39

(3) QUESTION: What amounts have been paid out under the following headings from the Authority Grant?

Fishing Demonstrations  
General Engineering  
Commercial Pilot Plants

ANSWER:

Fishing Demonstrations—18,103.39  
General Engineering — 14,302.40  
Commercial Pilot Plants—719.40.

(4) QUESTION: How much money has been spent for Fishery Development by the Authority at the following places?

Quirpon, LaScie, Seldom, Valleyfield,

Badger's Quay, St. John's, Merasheen, Change Islands, Joe Batt's Arm, Twillingate, Catalina, Trepassey and any other Fish settlement?

ANSWER: "A"  
Quirpon — \$70,352.73 Fish Plant  
LaScie — \$70,736.43 Materials Pipe Line  
Seldom — \$3,497.86 Expropriation, etc.  
Valleyfield—Badger's Quay —  
St. John's —  
Merashcen — \$54,215.99 Part cost plant  
Bay de Verde — \$31,740.74 Expropriation  
\$230,543.75

(Change Islands, Joe Batt's Arm Twillingate, Catalina Trepassey—Fishery Products Ltd.)—\$1,417,700.48.

Lance au Clair—Community Stage—26,135.00. Total—\$1,674,379.23.

In addition to the foregoing, the Newfoundland Fisheries Development Authority has enabled moneys for Fisheries Development being made available by way of direct or guaranteed bank loans to some ten to fifteen firms.

(5) QUESTION: Give details as to just what work has been accomplished in these places?

ANSWER: See "A" Question 4.

(6) QUESTION: Give a detailed account of the number of fishermen now engaged in (a) Salt Cod Fish (b) Fresh Frozen Fish Industry, to include the names of each settlement, the number of fishermen there and the total number of quintals of Salt Cod landed in each settlement. The number total number of quintals of Salt Cod cured and the total number of quintals shipped away as Heavy Salted and the place to which this Heavy Salted fish was shipped.

ANSWER: As regards the first part of this Question, it is not practicable to

distinguish between fishermen engaged in the salt cod fish industry and those engaged in the fresh frozen fish industry; while many fishermen may engage wholly in either one or the other, there are also many fishermen who supply both industries from time to time.

No reliable current statistics are available of numbers of fishermen or quantities of salt fish landed in each settlement; I understand that estimated figures are compiled from time to time, but that they are not regarded as being sufficiently accurate to warrant their publication; their value is merely that of a rough guide to the activity in a particular settlement or area.

Preliminary figures, for the calendar year 1955, of total production of salt cod and of shipments of salt bulk, are:

(1) Overall Production

Light Salted—Dry .....347,011 Qtls.  
Heavy Salted—Wet .....381,411 Cwts.

(2) Shipments (Saltbulk) Cwts.

Canadian Mainland .....245,606  
United States of America .... 9,974  
Italy ..... 8,683  
Denmark ..... 495  
Trinidad ..... 5

264,763

(7) QUESTION: Give the location of all Fresh Frozen Fish Plants in Newfoundland and also the quantities (in

millions of lbs.) of fish processed by these plants since April 1, 1955. The number of men and women employed in each said plant.

ANSWER: (a) Fresh Frozen fish plants are located in:—

St. Anthony, Englee, Lewisporte, Joe Batt's Arm, Change Islands, Greenspond, Bonavista, Harbour Grace, St. John's, Witless Bay, Fermeuse, Trepassay, Long Harbour, Burin, Fortune, Grand Bank, Gaultois, Ramea, Burgeo, Isle aux Morts.

(b) Total production during the calendar year 1955—60 million pounds.

Note: A figure for the period from 1st April, 1955, to date is not immediately available.

(c) Estimated total number of persons employed in fresh frozen fish plants—3,500.

Note: It is not the practice to make public statistical information of an individual plant, without prior consent of the operator.

(d) Part only

List the names of all (such) plants who secured a loan from the Government showing the amount of said Loan and the rate of interest being paid and the portion, if any, of the Principal which has been paid back to the Government.

## ANSWER:

Name of Company or Individual	Amount of Loan	Interest Rate of	Principal paid back
Billiard Gabriel .....	\$16,000.00	5	1st Payment—1957
Bonavista Cold Storage Co. Ltd. ....	1,050,000.00	3¼	1st payment—1964
Bonavista Cold Storage Co. Ltd. ....	470,000.00	4½	\$62,666.66
Burgeo Fish Industries Ltd.	650,000.00	3½	1st payment—1957
Canada Bay Cold Storage	100,000.00	5	Secured by Fishery Products
Fishery Products Ltd. ....	350,000.00	3½	117,333.33
Fishery Products Ltd. ....	937,000.00	3¼	Due 1973
Fishery Products Ltd. ....	110,000.00	3¼	110,000.00
Fishery Products Ltd. ....	750,000.00	3¼	Due 1978
Fishery Products Ltd. ....	1,500,000.00	3	Due 1976
Fishery Products Ltd. ....	29,000.00	—	3,866.66
Fishery Products Ltd. ....	500,000.00	—	Due 1976
Fortune Bay Products .....	200,000.00	4	1st Payment Sept. 1957
Fortune Shipping Ltd. ....	250,000.00	4	12,500.00
Gaultois Fisheries Ltd. ....	425,000.00	5	Nil
Newfoundland Quick Freeze Ltd. ....	40,000.00	4	1st Payment March, 1957
O'Brien Fisheries Ltd. ....	125,000.00	4	1st Payment March 1957
Penny, John & Sons .....	90,000.00	3½	27,000.00
Salt Fish Plants			
Andrews Labrador Fish- eries Ltd. ....	160,000.00	5	40,000.00
" .....	125,000.00	5	Secured by Fishery Products
O'Brien, John J. ....	10,000.00	5	1st Payment Feb. 1957

(8) QUESTION: Give the total amount of moneys which have been loaned by the Government to (a) All Fresh Frozen Fish Plants, (b) All firms or individuals for the purpose of Salt Fish Production. In the case of the latter, list the names of Companies or Individuals.

ANSWER: See answer to Question 7.

MR. SMALLWOOD: I have much pleasure in sending a copy of the brief now to the Honourable Leader of the Opposition, as one of my colleagues happened to have a copy with him.

MR. SPEAKER: Is it the wish of the House to proceed to Motion No. 27? The honourable minister to move the House into a Committee of Ways and Means:

The budget speech was read by the Honourable the Minister of Finance:

On motion debate adjourned until a later date:

MR. SPEAKER: The Honourable the Minister of Finance to move the House into the Committee of Supply:

MR. POWER: Mr. Speaker, I beg to inform you I have a message from His Honour, the Lieutenant-Governor:

Read by Speaker:

**The Honourable the Minister of Finance:**

I, the Lieutenant-Governor of the Province of Newfoundland, transmit Estimates of sums required for the public service of the Province for the year ending the 31st March, 1957, aggregating Fifty-Three Million, Eight Hundred and Sixty Seven Thousand, One Hundred Dollars (\$53,867,100), and, in accordance with the provisions of the British North America Act of 1867, as amended, I recommend the Estimates to the House of Assembly.

(Sgd.) Leonard Outerbridge,  
Lieutenant-Governor.

April 11th, 1956.

MR. POWER: Mr. Speaker, I move that you do now leave the Chair.

On motion Mr. Speaker, left the Chair.

Mr. Courage, Chairman of Committee of Supply.

MR. POWER: Mr. Chairman, I beg leave to table copies of the Estimates.

On motion Copies of the Estimates tabled.

MR. POWER: Mr. Chairman, I move the Committee rise, report, progress and ask leave to sit again.

On motion the Committee rose to report progress and ask leave to sit again.

Mr. Speaker, returned to the Chair.

MR. COURAGE: Mr. Speaker, the Committee on Supply has considered the matter to it referred, made some progress and asks leave to sit again.

On motion report received. Committee on Supply ordered sit again tomorrow.

MR. POWER: Mr. Speaker, I would like to invite members of the House to be present on the other side of the House.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day do stand deferred.

On motion remaining orders of the day deferred.

On motion the House at its rising adjourned until tomorrow, Thursday, April 12, at 3:00 of the clock.

## BUDGET SPEECH BY HON. GREGORY J. POWER

### MINISTER OF FINANCE

Mr. Speaker:

Honourable Members are fully aware of the fact that the Terms of Union between Newfoundland and Canada are to be revised next year. These Terms are to be revised so as to enable this Government to continue the levels and standards of public services we have reached.

Honourable Members can therefore see how important it is to Newfoundland that these levels and standards of public services should be as high as possible at the time of the revision of the Terms.

The Government have been striving to raise these levels and standards, and quite deliberately, as a conscious policy, we spent last year almost to the limit of our actual revenue. We had to balance the Budget, of course, and this we have done; but instead of ending the year with a surplus of nearly half a million dollars, we decided to cut down that surplus to a nominal figure by spending the equivalent amount on the roads of Newfoundland other than the Trans-Canada Highway.

The outturn for the year just passed was as follows:

Revenue .....	\$39,340,000
Expenditure .....	39,338,000
Surplus .....	\$ 2,000

For the present year, into which we have just entered, we have decided, for the same reasons, to follow the same policy; namely, to balance the Budget, but to do so without accumulating any substantial surplus. Again this year we shall strive to raise the levels and standards of the public services in readiness for the revision of the Terms of Union.

I estimate the Budget for the present year as follows:

Revenue .....	\$42,755,000
Expenditure .....	42,574,000
Surplus .....	\$ 181,000

I warn the House that if our skill enables us to do so we may in actual fact reduce that surplus to a nominal figure by spending the difference to improve the public services in this present year.

No new taxes are to be imposed, and no existing taxes are to be raised in rate.

	Amount	1956-57	1955-56	1953-54
Source of Funds	(In thousands)	%	%	%
Taxation .....	\$11,270	26.4	25.0	22.7
Sales and Services .....	5,881	13.8	13.6	12.4
Contributions, other Govts. ....	3,257	7.6	6.3	6.0
Privileges, Licences, etc. ....	2,307	5.4	5.0	5.2
Interest .....	1,047	2.5	3.2	2.2
Non-revenue Receipts .....	384	.9	1.1	1.0
Other Income .....	371	.8	.8	.7
Fines and Forfeitures .....	131	.3	.3	.2
Total, own resources .....	24,648	57.7	55.3	50.4
Canada, Subsidies .....	18,107	42.3	44.7	49.6
Grand Total .....	\$42,755	100.0	100.0	100.0

**Capital Expenditure**

Our Capital Account expenditure for 1956-57 is estimated in a gross total of \$15,734,000 or a reduction of \$5,474,000 upon comparison with the total estimate of \$21,208,000 of the previous year.

Broadly speaking, this amount may be set out under the following headings:

	Amount	1956-57	1955-56
	(In thousands)	%	%
Roads .....	\$ 6,510	41.4	56.8
Fisheries Development .....	2,413	15.4	17.1
Manufacturing Development .....	1,974	12.5	7.8
Building:			
Schools, etc. ....	1,970	12.5	6.1
Public .....	826	5.2	3.7
Other .....	428	2.7	.9
Wharves, Ferries and Air Strips .....	345	2.2	1.3
Miscellaneous Services .....	1,066	6.8	5.4
Sundry Development .....	202	1.3	.9
	<b>\$15,734</b>	<b>100.0</b>	<b>100.0</b>

I am sure the House would like to have this year again, brought up-to-date, my annual explanation of the disposition of our Financial Surplus Account receipts and expenditures from the date of Union with Canada.

We began, as a Province, with a cash surplus of ..... \$ 40,283,147  
 To this amount there will have been added, in the period  
 1 April, 1949, to 31 March, 1957: By turning the non cash  
 surplus into cash (net additions) during the year

1949/50 to 1954/55 (Actual) .....	\$ 4,103,009	
1955/56 (Revised estimate) .....	104,300	
1956/57 (Estimate) .....	150,000	4,357,309

By excesses of current revenue over expenditure

1950/51 to 1954/55 (Actual) .....	13,846,099	
1955/56 (Revised estimate) .....	2,000	
1956/57 (Estimate) .....	181,000	14,029,099

By flotation of Provincial Bonds

1952 .....	9,850,000	
1954 .....	12,000,000	
1955 .....	16,000,000	
1956 .....	14,000,000	51,850,000

Making a grand total for eight years of ..... \$110,519,555

Including the accumulation of Current surpluses and of the proceeds of four Provincial bond issues, we will have taken into our Financial Surplus Account during the eight years ending on the 31st of March, 1957, a grand total of one hundred and ten million, five hundred thousand dollars.

This total sum will have been disbursed in the same eight years in the following manner:

Current Account Deficit 1949/50 .....	\$ 3,735,875	
Extension of the Public Services and Economic Development ..	96,355,707	
		<u>\$100,091,682</u>

Having taken in one hundred and ten-and-a-half millions and spent one hundred million, we still have some ten-and-a-half millions which lies at our credit on deposit with the Government of Canada and draws interest at the rate of 2½ per cent.

The \$96,300,000 previously mentioned as expended, or rather to be expended within the eight years ending on the 31st of March, 1957, will have been disbursed for the extension and improvement of the physical assets of the public service and on economic development as follows:

**Public Services:**

Grants and Loans to Town Councils .....	\$ 2,291,000	
Public Housing and Slum Clearance .....	1,558,000	
School Buildings and Equipment .....	6,570,000	
Construction of Public Buildings .....	6,978,000	
Construction and Equipment of Hospitals .....	2,226,000	
Roads and Bridges, Ferries and Air Strips and Wharves .....	36,681,000	\$56,304,000

**Economic Development:**

Loaned to the Loan Boards .....	\$ 1,516,000	
Surveys of Natural Resources .....	603,000	
Invested in NALCO Shares .....	900,000	
Loaned to Fish Companies .....	5,848,000	
Invested in Crown Industries .....	11,989,000	
Fisheries Development .....	3,982,000	
Loans to new industries .....	12,854,000	\$37,692,000

Miscellaneous .....		2,359,700
		<u>\$96,355,700</u>

As Capital Account revenue is very largely comprised of recoveries from Canada in respect of jointly shared services, and as our expenditures on Trans-Canada Highway Account show such a heavy reduction in comparison with the year just ended, it is not surprising that Capital receipts in a total of \$1,999,000 should show a net reduction of \$2,995,000.

Our expenditure on Capital Account which we will be required to finance in 1956-57 is thus \$15,734,000 of expenditure with a revenue offset of \$1,999,000 or a net of \$13,735,000.

To provide funds for the financing of the Capital Account expenditure 1956-57, I propose to enter the money market and raise \$14,000,000 by the sale of Provincial bonds. Legislation to authorize this additional borrowing will be introduced into this House in due course.

Mr. Speaker—The flood of prosperity continues to rise, carrying our people to levels of physical well-being never dreamed of in the past. Each year since 1949 has been a year of economic increase. Each year has greatly exceeded the year before. Nineteen-fifty-one made the people much more prosperous than they were in 1950; and 1952 made them more prosperous again. Nineteen-fifty-three greatly exceeded '52, and 1954 was abundantly more prosperous than '53. The year just past, 1955, was a far more prosperous year than the year which preceded it.

And the year upon which we have entered, 1956, will be distinguished by a level that will leave all previous years well below this new high-water mark in the flood of our prosperity.

In the first year of our history as a Province of Canada our people pocketed a grand total sum of \$120,000,000. That was the total of their wages and salaries, what they received for their fish and other products, and all receipts from Family Allowances, pensions, and indeed all other sources of income. It appeared to all of us, at the time, as a very respectable, even impressive, figure—\$120,000,000. For the seven years of Confederation the figures are as follows:

1949	.....	\$120,050,000
1950	.....	140,100,000
1951	.....	158,554,000
1952	.....	185,577,000
1953	.....	211,767,000
1954	.....	233,000,000
1955	.....	262,000,000
1956	.....	294,000,000

The figure for 1956, is, of course, an estimate.

This table shows that in the seven years from 1949 to 1955 inclusive our people pocketed from all sources a grand total of well over a billion dollars; to be exact, one billion, three hundred millions of dollars. The total in 1954 was almost twice what it was in 1949, and last year it was more than twice the figure of 1949.

These figures are impressive enough as figures, but what really must impress us is what the cash itself enabled our people to do. In these past seven years our Newfoundland people have used their fast-growing income to buy veritable mountains of clothing, of food, of furniture, of many hundreds of other good and useful articles for their personal use or consumption. They have eaten more food, worn more and better clothing, given themselves many

thousands of radio sets, refrigerators, electric irons and vacuum cleaners, and other items too numerous to mention. Our people have bought just under three million dollars' worth of television sets, notwithstanding the fact that it is still only six months ago since our only television station began to operate. In few parts of the world can the standard of living have risen so dramatically as here in this Province of Newfoundland, in so short a space of time.

In this orgy, as I might term it, of spending, it is pleasant to notice that our people have not limited themselves entirely to acquiring articles of personal consumption; but have used a very encouraging share of their income to provide themselves with new or improved homes, and other things that have enduring use and value for them. In the past seven years the vast sum of \$110,000,000 has been spent on housing in this Province. This hundred and ten million dollars is probably more than was spent on this purpose in the preceding twenty-five years. The building of so many new houses, and the repair and extension of so many others, created a great amount of employment in the construction industry, and in the associated trades and industries. The cement, plaster-board, plywood and flooring and fibreply factories, and the saw-mills, all shared in the building boom, as did also all those engaged at the electrical, plumbing, painting, roofing, brick-making and a dozen other activities in this Province. Indeed, it would be difficult to think of another industry whose prosperity could mean so much to so many workers in Newfoundland, or whose benefits reached out into so many directions. And besides the economic importance of all this house-building activity of the past few years, there is the pleasure that the thoughtful Newfoundlander must derive as he sees the thousands of new families and new homes that are springing up in our native land. This is true prosperity. This is true wealth.

It is indicative of our great Newfoundland prosperity that at least twenty million dollars have been spent since Confederation to furnish the homes of Newfoundland. These new furnishings have gone into old as well as new homes.

Two very remarkable things have been happening side by side in Newfoundland these past seven years, since we became a Province of Canada. Either one of the two would be very satisfactory; the two together spell genuine progress. The first is the phenomenon to which I have already referred, namely, the vast income of our people and their vast expenditure on what the economists call consumption goods—food, clothing, and the like. The other is the vast expenditure that has been made, these past seven years, on the other side—on capital account. The first expenditure, that of consumption, is of course of prime necessity in any society. People must eat and wear clothes, for these are utterly fundamental, even primitive, needs that must be met. People can be so improvident that they waste all their substance—that is, spend all their income on such consumption goods. Or their income can be so meagre as to permit of hardly any other kind of expenditure. For a great part of our Newfoundland history our people's income was rarely enough to enable them to spend enough on straight consumption goods, let alone capital goods; for our standards used to be very low indeed. But as soon as their income is such as to allow it, provident people do not fail to spend a substantial portion of their income on capital goods: that is to say, on things that enable them to produce

more and have more. It is very pleasant to see the income of our people rise as it has risen, and as it continues to rise, to enable them to live better than they ever did before. It is highly satisfactory when, in addition to that, that income rises enough to enable that other, that more fundamental kind of expenditure to be made. What has happened in the past seven years, under this heading, is little short of astonishing.

I give now a table showing the total amount of money spent in this Province on capital account since Confederation:

#### Industrial and Commercial

Mining Industry .....	\$139,000,000
House Construction .....	110,000,000
Motor Vehicles (including commercial garages, oil companies' installations) .....	88,000,000
Pulp and Paper Industry .....	42,000,000
New Industrial Plants .....	35,000,000
Power Development .....	21,202,000
Home Furnishing .....	20,000,000
Secondary Industries .....	19,000,000
Fish Industry .....	17,841,000
Mineral Surveys .....	8,000,000
Telephone Systems .....	4,437,000
Natural Resources Surveys .....	3,600,000
Radio and Television .....	2,135,000

If we pause at this point we find that the total amount of money spent on creating or enlarging our factories and industries generally so as the better to enable us to earn our living has been over half-a-billion dollars in the seven years—to be exact, \$510,000,000. Inclusion in this table of the large amount spent on housing may be questioned, but I include the figure on the simple ground that a house in which to live is as necessary an instrument of production of wealth as the factory machine at which a man works, or the boat from which he fishes.

There may be some surprise over the figure for the mining industry, until I point out that \$110,000,000 of this is represented by the vast expenditures on the iron ore development in Labrador as distinct from what has happened across the boundary in Quebec. The remaining \$29,000,000 in the total represents what has been spent in Newfoundland itself.

The next sub-heading of the table is:

#### Public and Private Services:

Roads and Bridges .....	\$39,000,000
Hospitals, etc. ....	12,075,000
Schools .....	9,271,000
Water and Sewer Systems .....	7,218,000
Public Buildings .....	5,000,000
Churches .....	5,500,000

I need hardly say that these figures represent entirely new roads or bridges built, or the value of rebuilding done on old roads, as well as entirely new schools or hospitals built, and so forth. Nothing is included for ordinary account; that is to say, for the day to day and year to year operation and maintenance of these services, but only for the provision of entirely new services.

In short, this seventy odd millions of dollars is the value of entirely new services that did not exist at all seven years ago. It will scarcely be denied that our Newfoundland economy has been greatly strengthened by the creation of these new services. I suppose it is unnecessary for me to add that the figure shown for Churches represents expenditures made, not by the Government, but by the Churches themselves; and made entirely on church buildings in which public worship is practiced.

The final sub-heading is:

*Government of Canada*

Wharves, breakwaters, marine works, airports, air strips, ferries, etc. ....	\$85,000,000
Railway and coastal services .....	50,000,000

It is, I think it will be agreed, quite unnecessary to argue that the provision of all the new public wharves and breakwaters and other aids to navigation, and of the numerous other federal services represented in this figure, has vastly strengthened our Newfoundland economy. Clearly, it is easier to do business, it is easier to produce and distribute wealth, since these new services were provided, than it was before. Newfoundland is truly better off, and is economically stronger, because of these capital expenditures by the Government of Canada.

And the new rolling stock, new locomotives, new telegraph wires, new railway station buildings, new coastal steamships, new road-bed installations and improvements, and the many other new things represented by the figure of \$50,000,000 capital expenditure made by the Canadian National Railway in Newfoundland have obviously improved and strengthened our economy enormously.

And so it is, Mr. Speaker, that it is almost a new Newfoundland that we have today as the result of the spending of this huge sum of over seven hundred million dollars on capital account in the past seven years. It is a larger sum than was spent in the previous twenty-five years, and possibly longer.

We have now a great new stake in Canada's great mining industry, and we confidently expect to have a vastly larger stake in the next two or three years. Our pulp and paper industry has grown much bigger and stronger these past few years, and we plan great new things for it. We have many brand new industrial plants that did not exist at all seven years ago. These have had their trials and tribulations, some of them, but there they are, still operating, still producing, still employing many people, still pouring many millions of dollars into our economy, and gaining momentum and strength every month that passes. And the secondary industries—the factories and mills that were here

before Confederation—have for the most part greatly improved and enlarged, by the expenditure of nineteen million dollars, a sum which cannot be far short of equalling the total of their capital expenditures up to the date of Confederation. Great new and domestic power output has been brought about since Confederation, and the fish industry has seen a very great expansion and improvement of modern plants and facilities in the frozen side of the fishery. Great amounts of money have been spent on the search for minerals, and on the measurement of other natural resources.

The building of so many hundreds of miles of new roads, bringing over 100,000 of our population for the first time in history into road connection with the rest of the Island; the building of so many new hospitals, nursing stations, hospital boats, and clinics, and the provision of air ambulances and other hospital and medical services that did not exist before; the building of so many hundreds of new schools, the building of so many public buildings, and the provision of so many water and sewer systems—all of which did not exist before—all of these new additions and improvements have helped to change the very face of Newfoundland these past seven years.

Very obviously, Mr. Speaker, this is not the Newfoundland that used to be. This is not the Newfoundland in which we in this House were brought up. This is not the poor Island, with the feeble economy, and the lack of confidence in the future, that we used to know, those of us who have reached our thirties and forties. This is a Newfoundland that has strength, that is going ahead, that has boundless faith in its future.

Mr. Speaker, there is not a man in this House, and there is scarcely a man in Newfoundland, but knows in his heart that the present happy position of our native Province is very much the result of the vision, courage and hard work of the present Premier of Newfoundland. He planned for this progress, and he worked for it, and—it might just as well be admitted—he gambled for it. His gambling paid off for Newfoundland, for not only is Newfoundland prosperous and confident today, but the future beckons brightly and irresistibly for our whole population. Nothing can hold us down, now. Nothing but world economic collapse can stay our swift progress.

I have shown earlier in this Speech that the capital investment made in Newfoundland in the past seven years, apart from what the United States Government invested in defence establishments, has been of the order of seven hundred million dollars. The House might be interested to hear my estimate of the capital investment likely to be made in the next seven years. I refer here, of course, to the capital that will be invested to build or enlarge factories, mines, mills, fishplants, hydro-electric development; and on the building or rebuilding of roads and bridges, schools, hospitals, houses, and numerous other public services of a Provincial character; as well as the building of wharves, breakwaters, ferries, railway improvements; and a host of other things that will greatly improve the standard of conveniences and increase our people's opportunities to make a living.

I believe that capital investment in the next seven years will greatly exceed that of the past seven. In my review of capital investment of the past seven years I broke the table down into three classifications, the first of which was "Industrial and Commercial," and the total was just over five hundred million dollars. I estimate that the total under this heading will be double that figure, for I expect to see great investments in the mining industry and in the development of hydro-electric energy, not to speak of the pulp and paper industry and the fishing industry. I think the expenditure on roads and bridges, hospitals, schools, and the like, which came to just under eighty millions in the past seven years, will not be much less than double that figure in the next seven. And I shall be surprised if the one hundred and thirty-five million dollars spent on railway and coastal services, wharves, breakwaters, airports and the like is not doubled in the seven years ahead.

If our population continues to grow as it is growing; if the standard of health continues to rise as it is rising; and if the amounts of money invested in the creation and expansion of industry and public services are as I picture them, then it is easy to see that this Province is in for a great round of growth and prosperity that should carry us forward to heights never dreamed of in the past.

A great deal of thinking in Newfoundland has been conditioned by the poverty of the past. We have truly known hard times in our history, and prosperity is so new a thing that many of us find it hard to believe that it can last. But we must all realize clearly that it is a new age in which we live: a new age of vital action, an age of dynamic energy in Government and people, an age of new values, an age of development. Some of our people may still be lacking in faith, but the majority have caught a new vision of Newfoundland's possibilities. They have come to realize that the world now at last needs and demands the natural wealth that went a-begging in the past. We are leaving our inferiority complex behind us, and we reach out to the stars.

I turn now to a matter which, for the next year or two, must inevitably engage a large part of our attention as public men. Most of the burden will have to be borne by the Government, but the matter is of such importance to the whole population that no thoughtful Newfoundlander can afford to ignore it. I refer to the forthcoming revision of the Terms of Union.

I shall not pay much attention to the shallow argument that is sometimes heard, namely, that this need for revision is evidence of neglect or failure on the part of those Newfoundlanders who negotiated and signed the Terms of Union. It requires no more than the most cursory glance at the facts of the situation to impel the inevitable conclusion: that is to say, that it was humanly impossible for those who negotiated those terms to foresee with any exactness or reality the impact that Confederation would have upon the finances of the Government of the new Province. It is silly to pretend that there was anybody, either on or not on the delegation that did the negotiating who could have foreseen what no man foresaw or could foresee. Only time could tell.

This fact was quite frankly seen and stated by the negotiators, and so with wisdom they provided for the situation that this inability produced. They pro-

vided that there should be a period of approximately eight years within which the Government of the new Province would feel its way and the Province's financial affairs would at least begin to take shape. And then, toward the end of this trial period, the Government of Canada would set up a Royal Commission charged with several responsibilities of the most vital importance to Newfoundland. These were as follows:

1. To ascertain what level and standard of public services has been achieved by the Government of Newfoundland;
2. To ascertain the burdensomeness of the taxation required to maintain that level and that standard;
3. To ascertain the burdensomeness of taxation obtaining in the neighboring Provinces of Nova Scotia, New Brunswick and Prince Edward Island;
4. To compare the burdensomeness of taxation required in Newfoundland to enable that level and that standard of public services to be continued with the burdensomeness of taxation obtaining in the three neighbouring Provinces, after relating the burdensomeness of taxation to capacity to pay in each case; and
5. Having made that comparison, to recommend to the Government of Canada what additional financial assistance the Newfoundland Government will need to receive each year in future to enable that Government to carry on those public services without imposing more burdensome taxation than that found in the Maritimes.

Mr. Speaker, the Government of Newfoundland, with full knowledge of this important Term in the Terms of Union, and with full knowledge of the fact that the Royal Commission would be set up in 1956 or 1957, had imposed upon it from its very birth certain obligations which, in common sense and common justice to the people, it dared never to forget. The chief of these obligations was to raise the levels and standards of public services as rapidly and as thoroughly as sound financial practices and policies would allow. Whatever other factors there may be that the Royal Commission will consider, certain it is that they will take the level and standard of public services at the time of their examination to be at least part of their yardstick for determining the size of the additional subsidies they will recommend for us. It will be at least in part the continued maintenance of that public service that will constitute the measuring rod of future financial aid from Ottawa.

I think it is inevitable that the Royal Commission will find that the levels and standards of our public service are lamentably lower than all other parts of Canada, though they are truly well above what they were at the date of Union. I think they will find that after taking into account our capacity to pay, our burdensomeness of taxation, when compared with that found in the Maritimes (which have had the benefit of Confederation for so much longer than we) is such as very clearly to demand considerably increased financial assistance for Newfoundland.

I am quite confident that when the next Budget is brought down in this House it will include, on the revenue side, provision for considerably increased

annual subsidies from Ottawa as a result of the review that will be made by the Royal Commission.

The Government of Canada have the right, in this connection, to expect that the Legislature of Newfoundland will have imposed upon the people of Newfoundland a fair and reasonable level of taxation. This level of taxation could not be expected to be such as to bear harshly upon our people, or to be such as to destroy the people's initiative, or to be a serious stumbling-block to economic progress. If the Legislature of Newfoundland has imposed that fair and reasonable level of taxation on the Newfoundland people, that is as much as they can fairly be expected to do.

Mr. Speaker, that has been done. It is not to be thought of that higher rates of taxation could be imposed upon our people, and it is not to be thought of that any new taxes could be imposed. This Legislature has performed its full duty in that respect, and the Newfoundland people are performing their full duty. The levels of taxation are already high enough. It may even be necessary, in some cases, to lower the rates. I have studied carefully some of the work of our own local Royal Commission which is preparing Newfoundland's case for presentation to the larger Royal Commission which is to come, and I know whereof I speak when I say that there exists a good case for reduction of some rates of taxation in this Province.

I pay tribute to my Colleague, the honourable Member for Hr. Main, whose work as Chairman of our local Royal Commission which is preparing our case has been of the most distinguished character. Newfoundland will owe him a debt of gratitude, as indeed it will owe to all of the fine citizens who constitute the Royal Commission. Newfoundland will go before the forthcoming Royal Commission very thoroughly prepared, and for that we must thank these patriotic Newfoundlanders.

Mr. Speaker, there are those who proclaim that all this prosperity of the past seven years is a mere flash in the pan, a will-o'-the-wisp, something that has no "last" to it. I shall not waste time replying to them for the old saying is true enough: "None so blind as those who will not see." I shall now turn for a moment to the future, our future; our Newfoundland future.

I am not by nature or temperament an optimist, and if I am hopeful about hopeful it is only because I am driven to the conclusion that Newfoundland possesses the ingredients, the raw materials, of prosperity and development. I am driven to this conclusion by a veritable cloud of witnesses; and when I say that I am referring to the long procession of new facts that have been coming to light about our Province's natural wealth. Scarcely a week has passed for the past three years without revealing some new evidence of that natural wealth, for when the story is told at last the thing for which this Government will be praised most is its success in bringing about the greatest organized search for natural wealth we have ever known in Newfoundland. This search has been gathering momentum, so that more of it is being done in one season than was done in ten just a few years ago. As might be expected, this greatly accelerated search has greatly increased the indications and evidence of natural wealth, particularly minerals.

And so it is that, as I have said, it is not an optimistic temperament that makes me so hopeful for Newfoundland's future. It is rather the rapidly accumulating evidence that great deposits of mineral wealth exist beneath the surface of our own Island of Newfoundland and the great territory of Labrador.

There are many areas of both Labrador and Newfoundland that inspire confidence in our future as a mineral-producing Province, but three in particular are attracting much attention. The first of these is the great iron ore area of Labrador, and it is no exaggeration to call it "great," for by all accounts it is one of the great iron-rich centres of the world. The Knob Lake—Burnt Creek area being worked by the Iron Ore Company of Canada, and the Lake Wabush area of the Labrador Mining and Exploration Company, and the Lake Wabush area of Canadian Javelin Limited contain, between them, thousands of millions of tons of iron ore, all of which can be worked by the open-pit method. It must be perfectly obvious to all that the fast-increasing consumption of iron ore in the United States, Canada, Britain and Europe makes a market of vast proportions for the iron ore of Labrador.

The second is the great Baie Verte Peninsula of Newfoundland itself. Some of our Newfoundland geologists hold that this is even more promising than Labrador. This area is known to be very rich in copper, lead, zinc and asbestos. A start is about to be made at production, for Tilt Cove is in this section of the Island.

The third is the Monkey Hill-Stormy Lake section of Labrador, a wide strip of territory that runs inland from the outer Atlantic coast of the Labrador peninsula. Here the discovery, by British Newfoundland Corporation and by Frobisher, Ltd., of profoundly impressive indications of uranium has attracted attention to a new sector of Labrador that is believed to be exceedingly rich in mineral wealth. A very early start is to be made on a very intensive programme of drilling in that area this season, and by the coming autumn the Monkey Hill-Stormy Lake section of Labrador may well be one of the most significant mineral regions of the continent. The two discoveries of uranium are eighty-five miles apart, and as the whole of the intervening distance closely resembles the extremes in geological formation it may not be too much to hope for a series of new mines in the near future.

It is by now common knowledge that the British Newfoundland Corporation have had large-scale surveys made of the hydro-electric potential of the Hamilton River watershed of Labrador, and that it is now solidly established that millions of horsepower of low-cost electricity can be developed from it. A hundred-mile road is to be constructed across the heart of Labrador to Grand Falls, on the Hamilton, this present year. There is every evidence now that great hydro-electric development is about to take place in Labrador, and when we recall the common, almost universal practice of industry to go to sources of industrial power we may be excused for hoping that this hydro development will bring very important industrial development to Labrador in the course of the next few years.

We have only to remember that the Lake Melville, Sandwich Bay and Alexis Bay areas of Labrador contain from 50,000,000 to 70,000,000 cords of growing timber to realize what additional wealth there is in our great Labrador territory. The big Corner Brook pulp and paper mill in Newfoundland, and the other big mill at Grand Falls, own between them about 30,000,000 cords of growing timber on the Island of Newfoundland itself. The Corner Brook mill, producing 1,000 tons of newsprint paper every day, and the Grand Falls mill producing 750 tons daily, are amongst the largest mills of their kind in the world. This fact will give a pretty good idea of the magnitude of these great stands in Labrador. The measurement of timber in cords may not be commonplace across Canada, and it may be useful if I express it in terms that will be more familiar outside this Province. The Labrador timber amounts to something between 4,500,000,000 cubic feet, and 6,300,000,000 cubic feet. It is, undoubtedly, from the standpoint of size, one of the last great stands of unexploited growing timber left in North America. As for its quality, it is known to be exceedingly high. It is made up almost entirely of black spruce, and it is a very slow-growing timber. These two factors together make this timber a paper-maker's ideal.

Is it reasonable to suppose that these great stands of precious timber wealth will much longer escape the magic touch of modern industrialism?

I give it as my opinion, and as the opinion of this Government, that the time draws rapidly close when a strong and solid start will be made at putting the timber stands of Labrador to profitable economic use. We are as a Government straining every effort to bring about the establishment of a new pulp and paper mill in this Province, and we are greatly encouraged by the progress being made in the realization of this drive.

What of our great fisheries? Have they a place in our future? Is the wealth of the sea to find no customer anywhere in the world? Has mankind no need of the protein-rich food that can be taken from the sea that surrounds us? I think that to ask these questions is to answer them, for I refuse to believe that a world which finds it increasingly difficult to feed itself to a standard of health and physical efficiency will reject the good things of the sea. I believe that there will be a return to the fisheries, and I believe that we yet shall find our fishermen making a decent living from them.

And so, Mr. Speaker, it is the hard, undeniable facts of the case that drive me to the position of optimism I take in regard to the future of Newfoundland.

I believe that our mining industry will grow greatly.

I believe that hydro-electric development will be on a gigantic scale.

I believe that we shall soon see a great increase in timber and pulpwood and paper-mill activity in this Province.

I believe that our population will grow rapidly, that our prosperity will grow rapidly, and that the fisheries and the secondary industries will benefit enormously from all this industrial growth and population increase.

I believe that our great store of natural wealth, both in Newfoundland itself and in Labrador, shapes our destiny as a Province and as a people, and I believe it is our destiny to become one of the truly great Provinces of Canada.

Thursday, April 12th, 1956.

The House met at 3:00 of the Clock, in the afternoon, pursuant to adjournment.

Mr. Speaker in the Chair:

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

Giving Notice of Motion

None.

Giving Notice of Questions:

Notice of Questions on tomorrow given by Mr. Hollet.

Answers to Questions

Question No. 58:

HON. M. M. HOLLETT (Leader of the Opposition): To ask the Honourable Minister of Economic Development to lay on the table of the House the following information:

1. Has any application for loan been made to the Government or the Tourist Development Board by the Tourist Cabins Ltd. of Swift Current, since the first of September 1955? If so for what amount?

2. Is the Tourist Cabins Ltd. in debt to the Government or any Department of Government for any amount of money due on account of the loan guarantee of \$50,000 which was made to them in August 1955?

3. If any application for loan has been made since 1955, was it granted and for what amount?

4. Who are the present directors of the said Tourist Cabins Ltd.?

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker I have not

had a formal reply typed and handed to me, but I believe I can answer the question. The question is under four headings: I might perhaps explain best by saying in reply to (4) that there is a complete reorganization of this company, with some of the old directors going off the board and going out of the company altogether as shareholders, and a new group has taken over. At present, I believe, the head of the company is Mr. McCarthy, the Architect, and Mr. Don Hollett of Burin and Mr. Jack Beck who used to be the manager of it.

The company has had, as I say, a complete reorganization in the last month or six weeks. The loan that was made was fifty thousand dollars, made by one of the banks to the company on the guarantee by the Tourist Development Loan Board. Since then there has been an additional amount of ten thousand dollars loaned to them, since the reorganization, and indeed forming part of the whole reorganization, making the total loan now advanced to them sixty thousand dollars. The loan is advanced by the Bank of Nova Scotia and not by the Government but guaranteed by the Government's Tourist Development Loan Board.

Now there are one or two directors besides Mr. McCarthy, Mr. Hollett and Mr. Beck. But there was a director on it who was a substantial shareholder who has ceased to be both a director and a shareholder. I refer to Mr. Forsey. The reorganization involved his going out of the company in every sense, both as director and shareholder. That was the principal nature of the reorganization. A new group took over with new additional loans, with that gentleman no longer in any sense of degree or in any way whatsoever associated with the company.

I may say that since the reorganization the company now are very confident that they will make a great success, we feel ourselves that it is the best tourist establishment we have in Newfoundland. The conduct of it might not have been in the past what we believe it will be now under the new management, under the new control.

**MR. HOLLETT:** Mr. Speaker, on that question, is it not a fact that Mr. Beck was the manager of that in the first instance and is now again manager?

**MR. SMALLWOOD:** That is so. But the essential control, as the honourable member realizes was never in Mr. Beck but in the honourable gentleman who has now ceased completely to be associated with the company. Now in these circumstances Mr. Beck's active management of it should be a more efficient thing than it was.

**MR. HOLLETT:** Mr. Speaker, on that again, if I may, could the Honourable the Premier tell me if any of that original loan of fifty thousand dollars went to the establishment.

**MR. SMALLWOOD:** Yes it all went in.

**MR. HOLLETT:** What exactly was done with it?

**MR. SMALLWOOD:** A whole second storey was built on. It was doubled in size, practically.

**MR. BROWNE:** Mr. Speaker, just one question arising out of that; has the Tourist Development Board authority to guarantee as well as make loans?

**MR. SMALLWOOD:** I may say this in reply to my honourable and learned friend: the procedure is that a man or a person (and I would like that fact

to be generally known) or a company or a group wishing to establish a tourist catering place in Newfoundland and wishes to get Government assistance to do so (any group of persons whether they need Government assistance or not have to get a Government inspector who must go and approve of the plans) to get financial assistance the procedure is this: The applicant approaches the Tourist Development Board. The chairman of that board is Mr. O. L. Vardy, as is pretty generally known. If it passes the Tourist Development Board the application then goes to the Tourist Loan Board which is a thoroughly different thing. I don't think Mr. Vardy is even a member of that board. It is made up of primarily the Deputy Ministers of the Crown, the Tourist Loan Board. If it is approved after careful analysis and careful examination of the property there and the investment that is being made by the applicant himself. If they approve it then comes before the Executive Government, and the Executive Government approves or disapproves. Normally we approve because it does not come to us unless it has previously been approved by two different boards, the Tourist Development Board and the Tourist Loan Board. So when it comes to us it is largely a formality, and if it has passed these two boards we normally say, yes without any further debate.

**MR. BROWNE:** For the loan or for the guarantee at the bank?

**MR. SMALLWOOD:** Well we don't make any cash loans to the Tourist Loan Board. It does not lend cash. It may have done it in one or two cases, but it normally merely guarantees a bank loan, the bank being very glad to make a loan.

**MR. HOLLETT:** On that point, Mr. Speaker, is it not a fact that

some thirty-three hundred dollars has to be made good by the new management?

MR. SMALLWOOD: There was no indebtedness to the Government. There was indebtedness to the bank. The loan was made on the guarantee of the Tourist Loan Board. There was a default of principal. The interest was paid. The interest falls due twice a year, and once a year a payment by way of reduction of principal falls due. They paid the interest but the payment of the first installment of principal was not met. But now the company have paid off all debts and given the whole thing a new lease of life.

MR. HOLLETT: Thank you!

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I ask leave to table the answer to Question No. 55. *Question No. 55:*

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

How many persons licenced to sell beers and wines and spirituous liquors had their premises closed since Jan. 1st, 1955? Give the names of the premises, the addresses, the names of the licencees, the periods for which they were closed and the offence for which they were closed.

MR. BROWNE: I asked a Question No. 19 on the Order Paper. I would like to know if the honourable Minister intends to answer that?

MR. HOLLETT: Mr. Speaker, I have had no reply to Question No. 11. *Question No. 19:*

MR. BROWNE: To ask the Honourable the Minister of Economic Development to lay on the table of the House the following information:

2. Does Mr. Koch presently hold any position with Koch Shoes Ltd.? If so, state the nature of the same. Why did Mr. Koch leave Newfoundland and does he intend to return? What is the nature of his interest in the shoe plant and the leather goods plant? Who are the present managers of these plants?

3. Does Mr. Eckhardt presently hold any position with Eckhardt Mills Ltd? When did Mr. Eckhardt leave Newfoundland and why, and does he intend to return to Newfoundland? What is the nature of his present manager of the said plant and what is his salary?

MR. SMALLWOOD: Mr. Speaker, I can answer right off sub-questions (2) and (3) of Question No. 19 on the Order Paper of March 21st.

The answer to (2) is no. He is merely a shareholder. He does not intend to return. He left for reasons of his own. His interest in the Shoe plant and leather goods plant is that he is a shareholder. The Manager of Koch Shoes is Baxter Morgan and the manager of Gold Sail Leather, the other two companies, is a young German. I forget his name. But if that is wanted I can get it.

19 (3) The answer is, no. He does not intend to return, let me put it that way. He will not be returning. He left Newfoundland some months ago. As to why, I would prefer him to answer.

MR. HOLLETT: The "Boot"?

MR. SMALLWOOD: Let us say the "Slipper."

MR. BROWNE: A golden slipper.

MR. SMALLWOOD: No. His present interest is as a shareholder. The present manager of the plant is a lady,

the headlady who was brought to Brigus from Austria by Mr. Eckhardt. She is now actually managing the plant with an accountant and with a Government Auditor checking all the accounts and acting as a sort of controller. With a Government Auditor acting as a sort of controller, one of the auditors of the Government service, and with an accountant, a Brigus man, and the actual management of it in the hands of the lady brought there from Austria by Mr. Eckhardt. And I may say she has almost got the thing running in the black. It is now almost in the black, so close to it as not to make too much difference. The plant is almost paying its way now. That is on operating account.

**MR. BROWNE:** He is a member of the staff of the Auditor General?

**MR. SMALLWOOD:** He is a member of the staff of the Auditor-General on loan to the Minister of Economic Development three or perhaps four auditors. With Mr. Pushic, the Director General of Economic Development and Mr. Arthur Johnson, the Deputy Minister of Economic Development, the person in immediate command as distinguished from the Minister who is only in the general sense in command. These, the auditors, are seconded to the Department of Economic Development and are acting as financial controllers over a number of these plants, not all of them. They are acting as financial controllers in the case of the Tanneries at Carbonear, the Leather Clothing Plant at Carbonear, the Glove Factory at Carbonear, and Koch Shoes and Gold Sail Leather; and of the Eckhardt Mills at Brigus and United Cotton and Terra Nova Textiles at St. John's and Atlantic Hardboards Industries Limited, that is the fibreply plant at St. John's. All these plants are under the financial supervision of

auditors seconded for the purpose to the Minister of Economic Development and answerable to him, not to the Auditor General, because while they are at this they are not servants of the Auditor General, they are employees of the Department of Economic Development. It is a simple matter of financial control for all disbursements, payroll accounts, all cash accounts all bank accounts all vouchers. These all must go through these financial controllers, and answerable to the Director General of Economic Development and to the Deputy Minister of Economic Development and beyond them answerable, of course, to the Minister of Economic Development.

**MR. BROWNE:** Mr. Speaker, that is a new development?

**MR. SMALLWOOD:** That is roughly a year old.

**MR. BROWNE:** Mr. Johnson has not been there a year. Does that mean that any more information will be given than formerly to the House, since public servants are now in charge of the financial affairs of these companies?

**MR. SMALLWOOD:** No, I don't think any more. These men are acting in a supervisory—I can't find the right word—it is not supervisory. It has nothing to do with management of the company but they are purely keeping an eye on the finances, nothing else, and we don't feel that it is proper for us to reveal any more of the affairs of these companies than we have done. We know ourselves a little more than we did, thanks to the activities of these men, but we don't feel that we are called upon any more than we were called upon to reveal the private affairs of these companies to the House nor to the public.

**MR. BROWNE:** The Minister did not answer part (1) of that question. Does he intend to answer that?

**MR. SMALLWOOD:** I don't know whether we have any vouchers. I would have to ask Mr. Pushie. I know that the Government itself, under the authority of the Act which enables the Government for industrial purposes to acquire land, did step in and take certain parcels of land in Holyrood which was intended to be used by the Rubber Company. The owners were compensated under the terms of that Act. In other cases I believe the company itself stepped in and purchased land.

**MR. BROWNE:** Mr. Speaker, may I point out that there is no record in the Registry of Deeds of the company having purchased any land.

**MR. SMALLWOOD:** Well I am not sure of that. The Government bought some, I know because I signed the order. I have to sign the order of expropriation of land when it is to be taken for public purposes. Then an arbitration board is set up to fix the rules, and the prices. I will gladly get the information. I am only speaking from memory. Anyhow we have no reason not to give it.

**MR. HOLLETT:** Mr. Speaker, I would like to ask the honourable minister in connection with various industries like Eckhardt Mills, am I to understand why they are no longer private companies but are now public owned companies under the supervision of the Government Auditors?

**MR. SMALLWOOD:** No. Mr. Speaker. The honourable gentleman is not so to understand.

Orders of the Day

Adjourned debate on the Address in Reply:

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): Mr. Speaker, I wish first to offer my congratulations to the mover and seconder of the Address in Reply. They have performed that important and historic function in a most commendable manner and deserve the congratulations of the whole House.

My second word, today, Mr. Speaker, is to refer very briefly to my own constituency of Labrador. Normally I would have been speaking in some detail on Labrador, but already the House has heard a lengthy and most inspiring report on the great developments that are already taking place there and which are about to take place in the months and years to come, I am sure, Mr. Speaker, that the House will appreciate that one of the causes for satisfaction that I have in hearing and knowing about these great developments in Labrador is the fact that it will inevitably mean an improvement in the living conditions and general welfare of those people who have supported me so loyally during the past four years.

I am very happy that the House has seen fit to divide the great district into two districts. Not, as somebody suggested that I wish to carry a very safe seat for myself in Labrador South, but because an area so great and with such tremendous potentials in this province cannot be looked after by one man adequately, even if he does spend most of his time in the district.

I have no doubt, Sir, that within the next ten years and probably sooner than that, that this House will be called upon legitimately and practically to make further divisions (political divisions that is) in that great area.

The honourable gentleman who opened the debate for the Opposition made a number of references and comments which I propose to deal with today. Amongst other things he said, rhetorically I take it, at least it sounded like a rhetorical question, and it was certainly uttered in a critical tone of voice—"What is the Government doing about the agricultural report of the Royal Commission on Agriculture and what is the Government doing about the Royal Commission's report on forestry?"

I am going to ask the indulgence of the House for a short time to deal with these two questions. The Report of the Royal Commission on Agriculture is a very voluminous document. Incidentally it has now been printed, and I hope that we will have sufficient copies before the House closes to have them tabled here in the House for the benefit of all honourable members, but that report may be condensed very briefly and very successfully in this way — The Commission recommended eleven main points and these were: (1) that we should make every effort to reclaim the bogs and marshland of Newfoundland; (2) that Newfoundland was a natural fur-farming area and that we should go all out in an attempt to build up a great mink farming industry in this Province and (3) that our policy of land clearing by using heavy equipment should not only be continued but should be increased; (4) that we should endeavour to experiment with the great barrens and native pastures of this Province which we have always regarded if not as a liability at least something which was absolutely useless (6) the introduction of more modern farming equipment both owned by Government and farm-

ers (7) the expansion of live stock (8) that specific soil surveys be carried out in various parts of the Province (9) an improvement and certain changes in the administration and expansion of our services to farmers and (10) they urged a great effort in agricultural education and lastly they made available recommendations regarding specific crops, these crops which they felt would be of the greatest economic benefit in the long run to this Province. That was less than a year ago, Mr. Speaker, yet one almost has the impression that a great report, a great Bible, on agriculture can be implemented in nine or ten months. I don't say that in an apologetic manner — Actually the recommendations of that report will require in some cases perhaps as much as ten years to implement fully.

But already in every one of the eleven categories I have just enumerated, in every one of them, substantial work has been done. For example: In marshland reclamation we did as the commission suggested. We had our Deputy Minister, and a great Canadian agriculture expert, in the person of Dean Shaw, go over to Ireland and Norway, where they have already done great work and also to Scotland where they have done great work in this matter of marshland and bogland reclamation. As a result they were able to bring back here the world's leading authority in the person of Dr. Loddesl. I have already tabled this report. The result was that we should go ahead. But without that we had already started experimenting with boglands, and last summer men and machinery were put to work on the boglands of Newfoundland.

The Honourable the Premier has reminded me, and I am glad he has,

as I was about to forget — We have already brought in from Ireland a man who has spent his lifetime so far in that great work of bog reclamation in Ireland. He will head up the work here. He is already out in the field, at work heading up that great project here in Newfoundland.

The Commission recommended that we go fur-farming:

We did not wait for the report — We anticipated it. In fact they gave us an advance copy of some section of their report. As a result we implemented, in spite of the sneers and jeers of our opponents, a great fur farming policy, which is already attracting the attention of the world. In that policy we utilised our native fish and whale meat. We have centralized the industry in the Dildo Area. We have encouraged to come in here, not novices, not beginners, in the field of fur farming, but eleven of the leading fur farmers in all Canada, who have come here and established themselves and have brought in here nine thousand prime mink.

In the space of one year we have been able to establish a cold storage with a two million pound capacity. We have a training programme for young Newfoundlanders. We have at this moment twenty young and alert Newfoundlanders learning the fur business from some of these world experts. They are not learning it the way some boys tried to learn it fifteen years ago on a hit-or-miss method, which usually missed. We have brought here Dr. Kennedy who is regarded in the fur circles in Canada as the leading veterinarian in the field of mink medicine. Twenty-five residents of that general area, that is, Newfoundland residents, have themselves gone into mink farming. By July of this sum-

mer we shall have in this Province thirty-five thousand mink, and in addition to the twenty-five persons now learning mink business we will have forty more.

Some of the members of the House I am sure know the reports of the newspapers as to what happened in the great fur market of New York and Montreal last year when fur from our mink ranches was put on the market. The furs compared favourably with any furs from any part of Canada or the United States.

I wish I had the time — If I spent the time I should like to on this I would have to reject some other things.

MR. HOLLETT: We would like to hear about it — Go ahead.

DR. ROWE: In the field of land development, for example, this past year we cleared more land for the farmers of Newfoundland, full-time farmers and part-time farmers, than was ever cleared in any year in the history of Newfoundland. We have been able to interest the Federal Government, partly as a result of the fact that we have that great agriculturist here, Dean Shaw, in the matter of land clearing. Already they are making substantial grants to assist us. This year we expect even more than the past year when we received \$75,000 from them on that one item alone. It could go on. We are now going ahead in leaps and bounds in the field of poultry expansion.

Yet, Mr. Speaker, just a little more than one-quarter of the eggs that are consumed by Newfoundlanders are produced in Newfoundland. The potential there is terrific. We have already taken active and practical steps to encourage more interest in the poultry activities. We hope to get a chick-

en hatchery established. In the field of live stock we have been able to expand our policy and continue bringing in pure-breed sheep and cattle, which are made available to our farmers in different parts of Newfoundland.

Just one other item before leaving the matter — The Commission recommended that instead of going ahead in a haphazard manner, instead of taking some man's word for it, that the soil is good in a certain part of Bonavista or in a certain part of Notre Dame Bay, that we would undertake specific soil surveys. That report was made last spring, and this month we had started that work not only on our own but in combination with the Federal Department of Agriculture. We started, incidentally, in one of the most promising parts of Newfoundland, Bonavista South. We began in the Musgravetown area; and as a result eventually in that and other areas we will be able to tell men who want to go into farming whether they should spend time and money, sweat and labour on ground that may not return to them their investment.

Then again, Mr. Speaker, the question was asked — What have you done about the Forestry Report, costing so many thousand dollars? What have you done about it? Well, there again, Mr. Speaker, certainly my impression was that the inference was that nothing had been done.

Mr. Speaker, when the Forestry report, made by the Commission which was led by Major-General Kennedy, who headed up the Royal Commission Report for Ontario was received it recommended a great many things. For example: It pointed out to us and recommended that we would immediately undertake a programme of de-

veloping community forests around the Province. That work has already started. It pointed out that we should take steps immediately to salvage what they estimated to be one million cords of timber which is in danger of being lost to the Province completely, timber which is damaged by winds or by fire or by infection. This very year, the season just passed, we were able to let out, give licences to a total of forty operators in this Province to salvage the timber in amounts ranging from the smallest one, two hundred fifty cords and the largest one, forty thousand cords.

The report recommended that we would take further steps to reorganize the fire protection services of the Province. Within weeks after the report was received negotiations were started with the two great paper companies and with the Newfoundland Forests Protection Association with a view to improving and expanding our finest fire services.

But the most important, certainly from the standpoint of dollars and cents, the most important recommendation in that report was this: It recommended that an effort be made to induce the two great paper companies to come together and by making use of the remaining timber on our Crown Lands they should investigate the possibilities of establishing a third paper mill. Now that was a recommendation. What is being done? Mr. Speaker, I would like to point this out: It is impossible for any member of the Government, whether it be the Premier or anybody else, to have somebody lean over his shoulder to speak of to give out to the people a blow by blow account of what is being done, consequently what I am going to say now may come as a surprise to some

in this House. What I have to say involves the Premier. But I asked him this morning whether he would give me permission to make reference to these matters concerning him directly; and so I now make a statement on them.

Within one week of the presentation of the Royal Commission's Report the Honourable the Premier contacted, with the knowledge of course of the Government, Sir Eric Bowater and Lord Rothemere, who were of course respectively the heads of Bowaters Newfoundland Pulp and Paper and the Anglo-Newfoundland Development Company, and drew their attention to the appropriate chapter in this report, and asked for their reactions to it.

They came back specifying their interest and offered to go in with the Government of Newfoundland on what was, as pointed out in the report, an integral prerequisite to the establishment of a new paper mill, namely a detailed inventory of all the timber on Crown Lands. We ascertained that such an inventory would cost three hundred thousand dollars and would occupy something like at least two years and perhaps part of three years. When speaking of years I speak of seasons, of course. Again within weeks that inventory was actually under way, and we have already received an interim report on large areas. I should point out that in order to determine whether or not a mill is economically feasible three years will not be required. All that will be required will be a survey, an inventory of some of the major areas which, in fact, we are confident we will have this year.

MR. HOLLETT: Is it not a fact that the IBEC Report dealt with the amount of timber on Crown Lands?

MR. SMALLWOOD: In Newfoundland; no.

DR. ROWE: Mr. Speaker, in answer to that question — There has never been an inventory of timber on Newfoundland Crown Land; there have been some estimates; but an inventory that will determine the amount of timber as a result of scientific investigation and give in exact details of every bit of timber on these Crown Lands. I want to emphasize the point again, this inventory which is valuable in itself and is absolutely necessary, it is a pity it was not done in Commission of Government days or even earlier; this inventory has a very practical purpose, and that practical purpose is the establishment of a third paper mill. Both Lord Rothemere and Sir Eric Bowater understand that if timber can be taken economically from our Crown Lands and enough of it to permit continued operations for a reasonable length of time, then a third paper mill will be established.

What have we done about the Forestry Report?

If time permits I would like to say a word about our wild life:

The Honourable the Premier has drawn to my attention the fact that there might be some misunderstanding regarding the statement I just made a moment or two ago. I want to make that quite clear: That as a necessary prerequisite to the consideration of a third paper mill an inventory must be made. But this inventory is being made with the hope that, if the timber is found there in sufficient quantity and can be exploited properly then a third paper mill will be established.

I would like to say a word also on the wild life report :

Something over a year ago we had a wild life report made by another world famous authority, Dr. Gabrielson formerly head of the Fish and Wild Life Division of the United States of America. The question has been asked, what has been done about that?

I am not going into detail now, but let me say this, we have right now for the use of the people of Newfoundland the finest body of moose that exists anywhere in the world. We have three wild life biologists right now in the department who are engaged in surveys on Caribou of Newfoundland, and also on the ptarmigan or partridge population of Newfoundland. We hope to have a report on that this year. We are also actively investigating the possibility of introducing other game birds to Newfoundland, which would take the place of our partridge in the event those birds do not come back in their former numbers.

In making reference to that, Mr. Speaker, I would like to point out that no department of Government can be expected to give day by day or week by week accounts of what is going on. But it is evident from what I have said that the reports of these commissions of enquiry were not just something to stall, something to gain time. They were honest, sincere, efforts to enquire into some of the basic facts of our province with a view to taking steps which would improve the lot of our people in the final analysis.

I am going to make reference now to another aspect of Government policy, which does not actually come under the department that I have to

administer but in which I am deeply interested as a member of the Government and as a citizen. I had rather a sense of injustice when I heard what I considered to be one of the unfair critical comments directed towards our policy in this Province, the money spent, so much money spent for travel. What do we get for that? A reference to Mr. Vardy which was not at the least complimentary.

I think this should be said: When the present director of Tourist Development was appointed he could have achieved an easy publicity and popularity by simply going out and encouraging people on the Mainland by the thousands and tens of thousands to come to Newfoundland because they were anxious to come here. He had to spend more time—I know this for a fact—he had to spend more time discouraging people from coming in here than encouraging them because we did not have (and I think every fair-minded person will agree with us) the basic facilities needed to accommodate any large number of tourists who might come here. We had to wait for transportation facilities and for hotel accommodations. That is easy enough to say: "Why don't we get hotel accommodations?" The whole world is crying out for that, countries like Turkey and Spain and other countries whose Governments have gone to the United States and have indeed hotel magnates to come into their countries and establish hotels there. Over and over again the Government, through the Director of Tourist Development, has been in encouraging contact with hotel operators only to find that instead of coming here they have been attracted somewhere else. After all if a hotel combine has to choose between establishing a hotel in Ontario and in Newfoundland we know

that generally speaking the choice will be Ontario.

However, as a result of the director's efforts and as a result of the efforts of the Department of Economic Development a great hotel programme for Newfoundland is already under way. I want now to pay my tribute to the contribution of our Tourist Development in that great work. We cannot see the results overnight, but in ten years time when we are enjoying a revenue of perhaps thirty or forty million dollars, as in Nova Scotia—I believe their revenue from tourist last year was forty millions—when we are enjoying a comparable revenue from that source then we will be able to see just what the director's efforts have amounted to for Newfoundland.

In the course of some of the comments from the other side I think it was my honourable friend from St. John's West who made some reference to welfare and drew attention to the fact that it was Bismarck in Germany who first introduced a great welfare programme. Bismarck, the Iron Chancellor of Germany. However my honourable friend did not mention the motive that activated Bismarck. I would submit the motive was somewhat different from the motives which activated the Government of Canada in recent years in the implementing of a great welfare programme.

My honourable friend also drew attention to the great welfare benefits we have received as a result of our entering the Canadian Nation. He has done it on a number of occasions. We agree with him on that. But there is something else that is necessary to be said over and over and has not been said, i.e. that the Government of Newfoundland has implemented a great welfare programme, which is costing us

in addition to contributions from Canada, six million dollars of the revenue that comes into the Treasury of this Government. Six million dollars of that revenue goes out in welfare benefits for our people.

The Honourable Leader of the Opposition made some reference to relief and the relief fare. He took one or two specific cases. I want to point out the average cost of relief per person and social relief per person in Newfoundland is over ten dollars a month per person. It is obviously not enough for a person to live on. I pointed out earlier, I think, and would like to do so again, that it is most exceptional where any family is expected to or has to live on the amount they receive for relief. For example: The family of eight referred to by my honourable friend—and incidentally there are a number of factors which cannot be made known. After all welfare workers have to respect the confidence of their clients. They just cannot come out at any time and say the things they would like to say or could say. Nevertheless, take the family of eight, that family could receive a total of eighty-six dollars a month and a special ten dollars a month, Sir, for any person or persons in the family who might be entitled because of illness to a special food order.

MR. HOLLETT: Then why did they not?

MR. ROWE: Mr. Speaker, I cannot answer. I do not know the family referred to. I am just taking a family of eight. I would guess though, Mr. Speaker, there are some factors about that that my honourable friend does not know. However, if at any time he has any specific case of that nature, while I am the Minister of Welfare, I

will certainly have the case gone into. We cannot ignore the fact that such a family is also receiving thirty-six dollars in family allowance, which is for the use of the family. Then again we have to take into consideration that honest, hardworking individuals usually are able to build up a bit of credit for themselves and usually they have friends and neighbors and if not, some other connection through philanthropic and charitable organizations, and particularly through their churches, which can assist him in times of stress and emergency.

My honourable friend also drew attention to the fact that we still have a great deal of unemployment in Newfoundland. Nobody can gainsay that. I think though we should present a fair picture to the outside world and to our own people. We should point out that this proportionately large number of our people, unemployed people, are unskilled labour. We just have them. There has been no shortage of work in these last five or six, seven and eight years in this Province for teachers, nurses, welfare workers, stenographers, plumbers, electricians, sheet metal workers, garage mechanics etc. There was not one of the loggers in the Town of Lewisporte unemployed last year because logging is a skilled operation. I am given to understand that at times there has been trouble trying to recruit sufficient loggers. Of course there is seasonal employment in logging too. To work twelve months out of the year is just out of the question.

I would point out, Mr. Speaker, that this problem of unemployment in Newfoundland has plagued every Government since Newfoundland was Newfoundland. It has plagued every administration. It has plagued us

the least, and for well-known reasons. This problem is not a simple thing. It is a problem that is linked up with our isolation, linked up with our history and it is linked up with the geography of Newfoundland. It is linked up with the lack of educational facilities in the past, and it is linked up with the psychology of some of our people.

MR. BROWNE: Mr. Speaker, I wonder if the Minister would explain about the six million dollars we receive from Ottawa, I wonder if I misunderstood?

MR. ROWE: I am afraid I did not make myself quite clear.

I said: apart from any reimbursements from the Federal Government, the Government of Newfoundland last year itself spent over six million dollars on welfare. We here in Newfoundland have a vast social welfare programme of our own. Most people seem to forget that. As a matter of fact I was privileged in 1949 to be with the Premier on the occasion of an election campaign when he enunciated for the first time a vast social welfare programme for the Newfoundland Government, a programme, incidentally, implemented almost to the letter.

Now, Mr. Speaker, the honourable and learned member for St. John's West made what to me were some surprising references to the recent regional conferences which the Government called. They were surprising in the first place because it did not seem his impressions or beliefs were shared by all of and certainly some of his party. He said; in effect he accused the Government of using these conferences for political purposes. He spoke of the unnecessary expenditures in the middle of the winter. He referred to districts standing pat for five years and

now trying to catch up. Now the Honourable the Premier has already stated, (so I can say this) I was the chief culprit in the matter in that it was I who suggested that a conference be called to deal with Labrador Affairs. (The honourable member said it was for political reasons. I know of no district that has been standing pat for five years, i.e. that anybody has not been paying any attention to for five years and I am certainly quite confident that accusation could not be made with regard to Labrador.

Does the honourable gentleman think we have any doubts about the political feelings of the people of Labrador? Or to put it another way:—If we wanted to use these regional conferences for political purposes, would not it be more logical and sensible to go to the districts where there was sizeable minority in the Opposition. If we wanted to make political use of these conferences surely we would not go to the districts like Labrador, where, Mr. Speaker, if you paid me one million dollars at this moment I could not name one person down there—there must be a couple, but I could not even suggest one person in Labrador who will vote against us. Now there must be some, by the laws of average, there must be a handful down there. I could not name them. I know nobody. Why in Heaven's name would we bring missionaries and doctors from Labrador and people from Labrador to come up here for political purposes? The idea, Mr. Speaker, is absolutely absurd, absolutely ridiculous.

MR. HOLLETT: I wonder if the honourable Minister would clarify that? Is he referring to Southern Labrador district or Northern Labrador?

DR. ROWE: I am referring, Mr. Speaker, to Labrador. I would not withdraw that either. My honourable friends may be wrong, you know, in saying that I carved out a safe little district for myself in Southern Labrador. As a matter of fact the majority of the representatives who were here came from Northern Labrador, as it happened, because there for obvious reasons, we have our Esquimaux and Indian people down there.

These conferences, Mr. Speaker, in my opinion, introduced a new technique in the relationship between the Government, the people, and I predict that they will be in use in twenty years time no matter what Government is in power. We hope within the next few weeks to make public at least in a semi-public way, the reports of these conferences, summaries of what went on at these conferences. I have already read one of the reports, and the Premier read one of them and one or two other members of the Government, the first one Labrador. No person could read that without feeling that they are something which in the long run will be of immeasurable benefit to these people. This is a blue print, the recommendations of people who live and work in Labrador for the Federal and Provincial Departments of Public Works and of Fisheries as to what are the great and peculiar problems of the fisheries in Labrador.

I want to say just a word, Mr. Speaker, and it will be just a word, on this matter of Economic Development. Of all the people who have criticized it, who have searched around for things about it that would arouse suspicion, that would create fears in the minds of our people, nobody appears to recognize this simple fact, that here in 1950 or 1951 when we started, the

Premier was introducing into Newfoundland a revolutionary concept—When I lived in New Brunswick nobody ever thought nor talked of new industries coming into New Brunswick because everybody assumed New Brunswick and the East were condemned forever more to agriculture, perhaps milk, certainly not to manufacturing nor industries. When I lived in Toronto every day one saw in the papers about great new industries coming into Ontario, and they are still doing that. I know. But in 1950 as far as Newfoundland was concerned a new doctrine was developed, and as a result the whole thinking of Eastern Canada has changed on this matter of industrialization. So that we have New Brunswick and Nova Scotia singing out and the people of these provinces clamoring at their Governments for a policy which is in principle the same as ours.

People are no longer possessed of the idea that we can never have down here a standard of living and a way of life comparable to that in Central Canada.

This great concept of industrialization here in Newfoundland, of getting away from our dependence on one or two basic industries this great concept was a courageous and logical one, and I have no doubt whatever that years to come will prove it absolutely valid. It will take years for some of these things to be consolidated. There will be failures, without any doubt whatsoever.

**MR. BROWNE:** Do you think the standard of living in the Maritimes is lower than in Newfoundland?

**DR. ROWE:** I would not say that, Mr. Speaker. I would not want to get into a debate at this time. I would say, of course it is not. We must remember a number of other factors in

the picture from the Maritimes. They were well developed and well administered a hundred years before we were.

**MR. HOLLETT:** May I ask the honourable Minister a question? Did I understand the honourable Minister to say the principle of introducing new industries in New Brunswick and other provinces is the same as the principle adopted here?

**MR. ROWE:** Mr. Speaker, I did not say that. I said the people of Nova Scotia and New Brunswick too are looking at Newfoundland and saying to their Governments, we have to get busy. I will repeat what I did say, Mr. Speaker, "That concept of industrial development of transferring the emphasis or at least removing part of the emphasis from one or two basic aspects of our economy is a novel and courageous concept which is absolutely logical and which in years to come will prove to be completely valid." I think it is true we need a period of consolidation. Perhaps we need a period of that right now for a year or two. But it is my opinion that every Government in years to come will have to continue this policy. When I say policy of industrialization I am not thinking of a few factories but the whole bold scheme, the whole concept—

**MR. BROWNE:** The Government take over everything?

**DR. ROWE:** I was coming to that, Mr. Speaker, my honourable friend made a comment in this debate which I found to be intensely interesting in fact so interesting I wrote it down as he said it. "How much further liberty will our people have to give up in this search for security."

**MR. BROWNE:** I was quoting someone else.

**DR. ROWE:** The thought that came into my mind was—I am quite sure, Mr. Speaker, we are all opposed to Communism. We are all happy that Communism has never gained any roots in Canada, none at all that I know of in Newfoundland. We are all happy about that. We are all alarmed at the spread of Communism in certain parts of the world. "In this search for security how much liberty will our people have to give up?" I wonder if anybody has ever asked himself why five hundred million people in China have adopted Communistic way of life.

**MR. BROWNE:** Adopted?

**DR. ROWE:** They have it.

**MR. BROWNE:** They have it imposed upon them.

**MR. SMALLWOOD:** The honourable member was a member of the China Lobby. He knows.

**DR. ROWE:** Following the last world war, why one or almost one half of the people of Greece, the product of one of the oldest and greatest civilizations in the world, almost one half of its population went into the booths and voted for Communism; and why something like one-third of the people of Italy voted for Communism and why in Spain millions of people were turning towards Communism and why in other parts of the world people were turning to Communism? Yet in those parts of the world where social welfare schemes and programmes were known and enjoyed, there was no appreciable movement towards Communism whatsoever. How many Communists are there in New Zealand? How many real Communists are there in England compared with the population? How many are there in Canada and in the United States

for that matter? Basically the reason for the spread of Communism is that Governments, no matter what kind, Democratic Governments for that matter, although very few of them were democratic governments, no matter what their origin or their nature, they were Governments that failed to heed the warnings of the philosophers, the thinkers, starting with the Old Testament and on down to, certainly to Leo XIII, who warned Governments over and over again that people would not be satisfied with a way of life which brings nothing else but "There will be bread in the sky by and by." Where people lost hope they went to Communism. Where they are losing hope today they are going to Communism. I submit, the reason why the great Democracies have been able to keep clear of Communism in the main, Sir, has been precisely because the Governments have recognized the need of the people.

**MR. BROWNE:** Don't you think they have lost hope in Communistic countries too?

**MR. ROWE:** If they have lost it it is too late.

Mr. Speaker, it is of course problematic and open to question whether or not the people who have Communism today would wish to rid themselves of it. Some are not any more against Communism than five years ago, it is open to question.

**MR. BROWNE:** What do you think?

**MR. SMALLWOOD:** He is not a member of the China Lobby. He does not know. Only members of the China Lobby know—and they do know.

**MR. ROWE:** Mr. Speaker, I would now go for a very short time into one or two matters, which as these won't take me a very long time I am not

going to ask for a recess at this point. I think I should be finished in another ten minutes or so.

I want to make reference to what I consider two or three dangerous developments in Newfoundland in recent years. Two or three trends that we should be afraid of. The first one is an important one and an unfortunate one. A better word has already been referred to the first one—"McCarthyism."

Now what is McCarthyism? Somebody, I believe the Premier, has already given one definition:—Essentially McCarthyism is an attack upon basic truth, because it is the technique of the lie, not an open lie—

MR. HOLLETT: May I be allowed Mr. Speaker, to ask the Honourable the Minister of Mines and Resources; is he aware of the fact that I was accused of McCarthyism by the Honourable the Premier?

DR. ROWE: Mr. Speaker, I did not recall it at the time. I am not referring to any individual. I am referring to a very dangerous trend which all of us should recognize, this trend, this invasion of the rights of the individual, this lie, for example, which is not an open lie but a whispered lie, a half-lie, this distortion of evidence. It even took the form, as we know, in the United States of fabricating or changing photographs, cutting parts of a photograph so as to give the wrong impression—a wrong meaning. A technique that says, here is some man opposed to you on some grounds. What do you do? Face him openly? No. Go back and look into his past and see what dirt you can dig up about him in school, in college and see what clubs he belongs to or belonged to twenty-five or thirty years ago.

MR. BROWNE: How many Communist Organizations did he divulge?

DR. ROWE: I suppose there are very few men in the world, Mr. Speaker, who have not at some time or another, particularly in their youth made mistakes, committed errors great and small. There was a quotation from Shakespeare. In "Measure for Measure" I think it was. I tried to remember it today. I remember the play alright but I do not, Sir, remember the exact words. You will recall the heroine goes to the duke and pleads for mercy for her brother and said: "Go to your bosom, knock there and ask your heart what it doth know that is like my brother's fault."

That quotation has often come to my mind during the past year or two. Because I am of the opinion that this trend towards McCarthyism is spreading in Newfoundland.

MR. HOLLETT: It has been here a long time. It was here when they put the notices up on the church doors in Confederation days.

DR. ROWE: I am wondering if we are not; as a matter of fact my honourable friend across the way, the honourable and learned member for St. John's West, I wonder what he meant several times in this House, looking across here to us on this side and saying (I am paraphrasing). You know such a thing is wrong. Surely there must be members on the Government side who see it is wrong, see the wrongness of this. I appeal to the members on the other side. I remember that phrase and other similar ones. We were even offered gratuitously the example of certain members on this side of the House to follow. I trust that the honourable member is not introducing or trying to introduce, and

I don't think he is, a new trend, a new code of political ethics.

**MR. BROWNE:** Another dangerous development, is it?

**DR. ROWE:** I wonder what is meant by that—"I appeal to the other members on that side of the House"—appeal what?

There is a programme on the radio. I don't know the name of it. It was apparently based on the life of "Walpole," the first Prime Minister and the institutor of the cabinet system of Government in Britain's parliamentary system. Somebody asked this question (it was a fictitious account apparently) "What is the meaning of the Cabinet System of Government? The other person, a brother-in-law attempted to explain—it struck me then how many people really appreciate the great principle underlying the principle of the Cabinet System. The principle, for example, of Cabinet Solidarity. I think it is perhaps worth referring to, Mr. Speaker, this principle that in a Cabinet meeting where there are ten or twelve members something may be introduced and nine members may agree and the other men may be against it. Nevertheless it is agreed that it should be made into law. Then the man who is against it is expected, unless it is a matter of conscience, to be able to stand up here in this House and defend that. There is nothing wrong nor unethical about that.

**MR. HOLLETT:** Even though he does not believe?

**MR. ROWE:** My honourable friend does not even still understand the principle I said; "assuming it is not a matter of conscience." If I am quite sure for example, (oh, I will take an example—an absurdity) if this Government were to try to bring in here at

this session of the House, or the Cabinet tried to get introduced a measure to eliminate the present system of education and make it completely secular, divorce it entirely from the Church and not to permit any church nor any member of the church to have anything to do with education. I am quite sure there are members on this side of the House who would go to the Premier and say:—"Mr. Premier, this is a matter of conscience. I am sorry, I have to oppose it. Not only must I oppose it but I must leave your party if you insist on it." In fact it might well be that some would be impelled to move to the other side of the House in order to oppose that. It is a perfectly logical thing. It has happened over and over again in the history of British politics. But if my honourable and learned friend means that a man should come and sit on this side of the House and support every measure and pretend to be a supporter of every measure that goes through, and then for some notion, some reason best known to himself he decides that not only will he leave the ship, not only to desert ship but in going try to scuttle the ship and knife the captain at the same time—if that is what we are invited to do, I have a feeling nobody on this side of the House is interested.

There are other trends that I do not like, Mr. Speaker—and I know what I am saying.

**MR. BROWNE:** Is that one of the dangers you are talking about?

**MR. ROWE:** No. I know what I am saying is not exactly palatable to members on the other side. I spoke of McCarthyism. I can also speak of the trend of the "Informer"—the anonymous person who goes and reports on another person.

MR. HOLLETT: You have them on your side. There is no doubt about that.

MR. ROWE: I am going to be frank about this, Mr. Speaker. Two weeks ago I visited, with the Premier and one or two others, a half dozen of our industries around the Bay. In one of them somebody offered me a very small memento, a token for my visit. It was the first time I had been there. I would be willing to warrant, Mr. Speaker, that within three hours the members of the Opposition knew that I want to congratulate them on their espionage system.

MR. HOLLETT: Mr. Speaker, may I say right off, I have no notion whatsoever but would like to know what the present was. I might get one.

DR. ROWE: My honourable friend knows what I am talking about. If he does not, he knows the principle I am enunciating—this "Trial by Gossip." Over and over again we are told—"It is reported"—"It is rumored"—"I have heard it." There, Mr. Speaker (again in my opinion) these may be perfectly acceptable techniques. I don't know. I know I don't like them and never will. I think they are wrong. I think they are a danger to the good of this Province.

Finally, Sir, I would like to make a very brief reference to these persons living in our midst who are not of the Anglo-Saxon nor Celtic races. Ninety-nine per cent of us are of these races. There is one per cent who are not. Some have come into our Province within recent years. Mr. Speaker, I can say this, and I think I can say it without being accused of any object to gain; as far as I am able to ascertain my people were completely Anglo-Saxon. My mother's people came from

Somerset and my father's people came from Devon. I hate any reference to racism of any kind. I hate even reference to a name being Anglo-Saxon. I believe that some of us at any rate have been guilty, to put it mildly, of a lack of hospitality. To put it more strongly, some of us in Newfoundland have been guilty of gross cruelty in our attitude and dealings with some of those who come in here and are not Anglo-Saxon nor Celtic. In Heaven's Name let us recognize the fact that we were new-comers some time or another in our history whether fifty years ago, last year or a hundred years ago. We need new blood in Newfoundland. We could do with new blood just as Newfoundland and Canada and England and every country in the world which has benefitted by an influx of new blood. We too can absorb—in fact this should be a part of our policy to try to absorb for Canada as a whole and Newfoundland as well, to try and absorb each year a number of persons who are not Anglo-Saxon.

MR. HOLLETT: May I ask the honourable member, if he is aware of the fact that two thousand men this very day are walking the streets of St. John's out of work.

DR. ROWE: I am more aware of it than my honourable friend. I have more intimate knowledge of it than he has. I have not time to go into it, Mr. Speaker, but I think it could be shown that a sound immigration policy has always reacted for the benefit of everybody in the community or country or nation. It has not created unemployment but is apt to solve unemployment.

One other aspect of political life I would like to make a brief reference to, Sir, before I finish, is this: The

role of the politician in Newfoundland. Over and over again we see this or we hear it. Men of high calibre should go into politics, honest men, industrious men, etc. I recall one of the Premiers whose portrait is on this wall left politics because he could not remain because he thought it was too dirty—at least he said so. I recall a well-known lawyer, now dead, who after a brief spell in politics got out because it was too dirty. He could not take it and his family could not take it. Mr. Speaker, I would submit to you that amongst politicians as amongst doctors, as amongst lawyers, as amongst businessmen, as amongst any class there will be a certain number of misfits, a certain number who will be guilty of skulduggery of some kind or another. I have heard of doctors in this Province who have made fortunes overnight, figuratively speaking. Nobody condemns all doctors because of that. We have all known and heard of and no doubt there have been dishonest lawyers. Nobody condemns a lawyer nor a doctor because one doctor or lawyer has been dishonest. Because one doctor has been guilty of unethical practice other doctors are not held up to ridicule and their families are not held up to ridicule, their private lives are not held up to ridicule. Over and over for a hundred years that has been true of politics in Newfoundland and it is as true today as it ever was. I don't know how many members of this House would want to encourage their sons to go into politics. Some will I dare say by the laws of average, and some of their sons will. I wonder whether I would encourage any of my sons to go into politics. I will submit to you, Sir, that it is time for us Newfoundlanders to grow up in that matter of our attitude towards politicians.

MR. HOLLETT: Hear! Hear!

DR. ROWE: My last reference today, Sir, is to the leadership that has been provided by the Premier. The day before yesterday I was thinking about these men down there on the wall, these portraits. I thought of Bond. When we think of Bond we think of the great critics of 1890 which he met head on, we think of Grand Falls.

MR. BROWNE: 1890? He did not become Premier until 1900.

DR. ROWE: I was not thinking of him as Premier. If my honourable friend will go back to history he will find the economic blizzard struck Newfoundland in 1890 and was solved in part by Sir Robert Bond, then Colonial Secretary, placing his own private fortune to buttress the economy of Newfoundland. I thought of Sir Edward Morris and the branch railway and the programme of agricultural development and of Mr. Monroe and his programme of public works, Sir William Whiteway and the railway and Sir Richard Squires and the Humber. That is what most of us remember him for. I remember him also as being the great pioneer in modernizing education in Newfoundland. They all made a contribution little or great, some not very much perhaps because of the time in which they lived. I thought of our own Premier, and in this reference I am not speaking of somebody in the past tense. The Premier is still a young man. He is still fifteen or twenty years younger than the Prime Minister of Canada. Nevertheless I could not help thinking that sometime in the future, perhaps in twenty-five years his picture too will be up there. I thought of all the criticism and the attacks that have been made on him during the past nine years, since he came out and advocated what was to

be a new deal for Newfoundland, because I was one of those who came out in the beginning in public and supported Confederation. All the world knows that since then I have been identified with the Government. I know what he has gone through, what he has had to put up with and the attacks being made on him. Yet think of Bond and Grand Falls and Whiteway and the Railway.

Perhaps in twenty-five years time some of us or perhaps our sons will be looking at the portrait there of the Premier. They will be looking at a man who did more for the labour relations than any previous Premier, who did more in the field of Municipal Government than any previous man, who did more in Newfoundland in the field of public works and welfare than anyone or in fact all of those put together, who did more for public health, for hospitals in Newfoundland than all of them put together, who did more for education, who headed an administration which did more for education than anybody there, who did more for a road programme for our Province than all of them put together, not one or two; who did more to promote agriculture, who did more to promote manufacturing, who did more to promote the economic welfare of our people than any man there — and I am still talking in the present, something dynamic, not something that happened three years ago but something presently going on and will, I pray God, go on for some time. I am talking about a great contribution the sum total of which is as great as from all those there on that wall. One thing more than anything else he gave to the people of Newfoundland, he gave them hope.

I thank you, Mr. Speaker.

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Speaker, I move the adjournment of the debate.

On motion the debate was adjourned.

On motion the House recessed for ten minutes after which Mr. Speaker returned to the Chair:

Second Reading of Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955:"

MR. SMALLWOOD: Mr. Speaker, before you call the order may I table first, the first part of that question on property in Holyrood for Superior Rubber?

By leave of the House answer tabled:

MR. BROWNE: Mr. Speaker, this Bill is introduced to amend the Act which was passed last year by which the Frobisher Company were given four hundred ninety-eight miles of territory in Labrador, not given them permanently but given them for a period of seven years.

I believe I am correct in saying that the Minister, when he was moving the Second Reading of this Bill, said that they omitted one area. (He can correct me if I am wrong in that) that is what I gathered from his statement, that they omitted one area, and that happened to be an area of two hundred ninety-eight square miles. In my opinion it was a fairly grave omission. Now the Frobisher Company were given prospecting rights and exclusive prospecting rights over an area of seven thousand. That agreement expired in mid 1954. In April 1955 there was another agreement. We passed it last year. That is the one to which I am referring now.

It appears that during the summer of last year they made a new discovery of pitchblende. I don't know which end of the area they made the discovery in, but I imagine it was more in the interior of Labrador than BRINCO's find. I understand also that they are a member of this British Newfoundland Corporation. I saw references to say that was so, and that BRINCO holdings ran one end and Frobisher had an area at the other end. Now they are looking for more.

I happen to have — I don't remember where I got it — but I happen to have a map of Labrador showing the concession areas. The part that is shaded is this part that is owned by BRINCO. It can be seen that BRINCO has control at the present time over half of Labrador, fifty thousand miles, I believe. That area which was given last year to Frobisher consisted of these three comparatively small areas, coloured green, containing in all four hundred ninety-eight square miles.

The Minister has been kind enough to give me a little information about them which I may say that I did not have. The areas amounted to, respectively, one of ninety-four square miles, one of three hundred seventy-eight square miles and one of twenty-four square miles.

Now, Sir, it sometimes happens in these times that everybody is so busy, and there is so much prosperity, that nobody bothers to look up a Bill or compare the measurements on a Bill with the measurements that have been granted. I wonder if the Minister himself realizes that what is asked for in this Bill here today, this three hundred ninety-eight square miles actually take in the ninety-eight square miles given them last year. I have

here a description in this Bill, two hundred ninety-eight square miles which begin, and I have here a description of this Bill — two hundred ninety-eight square miles which begins at a point at the intersection of latitude 54°. 24' North (I have here on this plan) and then it goes to the junction 54°. 24' latitude and longitude 61° West — Comparing with the one last year, the comparison shows it is on the same line of longitude— This new Bill then runs north twenty-seven and seven-tenths miles of 54° North and takes in most of this ninety-eight square miles.

DR. ROWE: I wonder if the honourable gentleman would permit a question? That map the honourable is using —

MR. BROWNE: It is called Labrador Concession Areas as of January 1955 — Now this map of January 1955 showed the areas given to Frobisher in April 1955. No that cannot be, or how it can be I do not know. Actually it is and it has on it "BRINCO," "Crown Lands" and "NALCO." It is put out by the department, I think the Mines Branch of the Department of Mines and Resources. That would be the Department over which my honourable friend, the Minister of Mines and Resources presides, so I think he should know something about it.

Now, Sir, the Government has done many things by which it will be remembered. One of the things for which it will be most remembered is the large concessions, the vast concessions, that it has given to corporations. The amount given to Frobisher is comparatively small — I propose to make a comparison between the policy of this Government and the policy of the Government in Ontario which hap-

pens to be a Conservative Government, and where, I think, the mining that is being carried on will compare favourably with the mining that is being done in Newfoundland and even in Labrador.

Now, Sir, I know that the Government has been very anxious to promote the development of the Newfoundland and Labrador, the mineral development and industrial development. It has spared no pains to do that. In fact it has gone far too far in trying to induce people to come in by giving away vast areas for very inconsiderable returns. We get the labour. We get the employment eventually. We will not get the returns we should get or which we would get if a different policy had been adopted.

MR. SPEAKER: Before the honourable gentleman goes too far in this argument I suggest that this is an Act to amend an existing Act, and it would not be competent in the debate to go into entire policy. The debate ought to be confined to the principle of this Bill in so far as it affects the parent Act.

MR. BROWNE: Mr. Speaker, this is a Bill to give two hundred ninety-eight square miles to the Frobisher people to have exclusive exploration rights over it, and in that was similar to the original Bill which gave them four hundred ninety-eight square miles. So while the principle is merely one of amendment it still involves the concession of a very considerable area of what might turn out to be extremely valuable property. Therefore, the principle, I submit, is whether the House of Assembly should endorse what I believe to be an agreement by the Government with Frobisher Limited, that having made a discovery outside the area given to

them, they should not be entitled to come in here and receive this one hundred ninety-eight square miles to cover that area where the discovery has been made. It seems to me that on that I am entitled to speak on the principle of giving areas at all.

MR. SPEAKER: Yes, I admit that the principle is there — I suggest that there is danger of wandering far afield and criticizing the entire policy of the Government.

MR. BROWNE: Well, Sir, I do not intend to criticize the entire policy. I made a reference to it — what I want to point out is, Your Honour, — that here is a company which has made a discovery right outside of the area on which it holds exclusive concessions — it has been treated differently from any other person that made a mineral discovery. If you or I were to make a mineral discovery on some Crown Land, we are entitled to go down to the Department of Mines and Resources and take out a licence for that particular piece of land, I believe, amounting to some forty acres, or some very small amount. But we are not allowed here to go down there and prospect. We are not allowed, now that Frobisher have made a discovery. They are going to be given the one hundred ninety-eight square miles, and nobody else can come into that area at all.

It seems to me, Mr. Speaker, that raises a very broad principle, which I feel I should be allowed to discuss.

So, Sir, I think that the Government are really placed in this position, that to concede what they want to Frobisher Limited, for the Minister to say — “You have made a discovery good — we will give you one hundred ninety-eight square miles so that nobody

else can come in." Therefore I want to make a comparison with what has been happening in Ontario and to show the startling difference and the effect of an open policy which would permit miners to take out licences and prospect freely. I heard Professor Lee on the air the other day speaking about the fantastic discoveries that have been made in Labrador. I know that he was called upon to give some primary instruction to people who wished to be prospectors. I remember hearing Senator Pratt a couple of months ago begging people to take up this work of prospecting, that they were short of prospectors. No wonder they are short of prospectors, because if a prospector makes a find on BRINCO concessions BRINCO owns the mine and if he makes a find on NALCO property NALCO owns the mine or a find anywhere, except on Crown Land — that map is so blocked today that the Crown Land is almost inaccessible except by going over areas which have already been granted to BRINCO or NALCO or the American Metal Company.

Now prospecting is almost a profession. They have their annual conference. For some reason or another somebody sends me an invitation every year to this annual conference of prospectors, held in Toronto. This year they had a very big and a very successful meeting with hundreds of prospectors there. It is an existing business, the business of prospecting. We saw in the paper recently of a Newfoundlander who is going around with a geiger counter looking for uranium. He has been doing it for years, looking for minerals. There used to be lots of men in this country spending their time around with a hammer and taking off a piece of mineral and bringing it in to the Gov-

ernment Geologist, Mr. Davis, to have it examined. That seems to have gone out of existence.

MR. SMALLWOOD: How many were there? How many mines did they find?

MR. BROWNE: I don't know how many there were. I know that now, Sir, they have no chance of getting anything. I don't know if there is any rise in the number of prospectors — because there is no encouragement for them.

DR. ROWE: If the honourable and learned gentleman really wants to know I can tell him. In 1952, 1953, 1954, the most prospectors in Newfoundland in any year since Confederation was two.

MR. SMALLWOOD: Yes, before that — one—

MR. BROWNE: Very well, take it that is right. I submit it is all the more shame to the Government that they did not begin the prospecting classes years ago and not leave them until now. Professor Lee was sent down and had a class of twenty or thirty far beyond his expectations — he said — Why were not these things brought to the attention of people who would be interested years ago? At any rate last year in Ontario and in Quebec, for that matter, but in Ontario especially, it was a record year. The value of the mineral produced was \$578,000,000 an increase of seventy-five million over the previous year, the number of mining licences granted in Ontario was fifteen thousand eight hundred fifty and the number of claims that were staked by them was fifty-seven thousand three hundred sixty-seven. How many claims have we in Newfoundland? Two — We got one by Frobisher and one by BRINCO.

and we only got two prospectors. So that you can see that in comparison to the number of licences, two here, fifteen thousand six hundred and fifty in Ontario, two claims being brought to our attention here and fifty-seven thousand claims staked in Ontario. The same number of claims was seven thousand two hundred more than in the previous year.

Now here is an interesting point — How many miles does the honourable Minister know, how many miles are covered by this fifty-seven thousand claims? The number of miles covered by this fifty-seven thousand claims is only three thousand five hundred miles. Here this afternoon—and I question how many members of the Government are aware of what this means we are giving one hundred ninety-eight square miles to Frobisher because they made that discovery last year.

(Mr. Speaker left the Chair —Mr. Deputy-Speaker took the Chair):

I would like to point out, Mr. Speaker, in Ontario there is about forty acres to the claim. Now, Sir, the claim which Frobisher has made is for uranium. We were told recently by the Premier, in one of his regular announcements, of the great finds in the Labrador. Naturally it is a pleasure to everybody to know that any particular mineral especially a highly valuable one is here in Newfoundland. We are all anxious on this side of the House as well as on the other to see the country prosper, and when the new discovery is made we are glad and happy about it. I want to point out that in Ontario the activities in regard to uranium are even greater — I am quoting now from the Ottawa Journal for March 29th.

“Since the original uranium discovery in the area two years ago more than a hundred separate properties are under development.” I do not want to read too much of this but I want to draw the attention of the House to an observation which was made by the Premier — Mind you I do not know whether he is correct or not, but I have a suspicion that he may be making a mistake. He made the observation over the radio and he made it here. He said that he had heard of uranium mines that gave a percentage of .005 and .1 and .6 but he had never heard of a mine that gave 5 per cent as I believe he said that this discovery by either BRINCO or Frobisher Limited had.

MR. SMALLWOOD: If he would permit me, I would like to correct the honourable gentleman. I am sure he would like to be correct. I said that the average uranium of all the uranium mines operating in Canada, the average uranium, runs one-half of one per cent uranium. I also said the grab samples taken generally across Canada run from one-half per cent to one per cent but that grab samples taken by BRINCO averaged in one case five per cent and in another six and a half per cent uranium. Both here and on the air that is what I said.

MR. BROWNE: I am grateful to the Premier for his having stated that. I think he knows Mr. J. P. Duncan who is the general manager of the Rio Tinto Mines, who has just bought the controlling interest in uranium at Blind River. He made a statement recently, to be found in the Financial Post, for I think, February 4th, or the week previous, in which he said that he has not seen the Belgian Congo deposits but he thought this Blind River deposit was the greatest in the

world. The percentage there was point one-tenth of one per cent.

MR. SMALLWOOD: That is right.

MR. BROWNE: The Premier confirms what I have stated.

MR. SMALLWOOD: He is talking, of course, about tonnage. There is higher than that in Canada. Beaver Lodge is higher than that.

MR. BROWNE: Well, that is his statement. He thought it was the best in the world.

MR. SMALLWOOD: Not the highest content.

MR. BROWNE: Mr. Speaker, interpret it as you like, this is the general manager of Rio Tinto; a member of BRINCO, states what he bought in Ontario is the best in the world.

Now this paper says that unquestionably the most important single feature of 1955 was the enormous development in uranium in the area around Blind River. Then it mentions the four mines have already negotiated agreements with the Canadian Government for the purchase of forty million dollars worth of concentrates by 1968. Now I know the Premier is aware, and also the Minister that the Federal Government has changed the deadline — it was to be 1962 but there were so many discoveries of the uranium that they altered the deadline to 1957. So that any company not in a position to sell uranium to the Government by March 1957 won't be included in the agreement to purchase uranium products for the Federal Government at the price that has been fixed.

Now I am not sure whether any members of the Government — perhaps the Premier himself realized — that these great discoveries were all

over the place with so many mines are naturally bound to bring down the price. It cannot but have an effect of bringing down the price for the time being; anyhow whatever may happen in the future.

"The investment of private capital in developing the mines of the area (this is the Church Lake Area now) in Ontario has been enormous computed roughly at more than a hundred million dollars at the end of 1955."

So that there is a province where mining is open, where any man can take his pickaxe, take his axe and go out in the field and get his samples and, if he finds a mine, go into the Department of Mines of Ontario and take out his claim which he can sell. Many are the examples of men who have made fortunes in that way. Here it is all tied up, nobody can get any claims in Newfoundland.

DR. ROWE: That is not so.

MR. BROWNE: No I know that is not quite correct. I have not finished yet. Nobody can conveniently get to the Crown Land in Labrador. I will put it that way. Therefore it has been a monopoly which the Government has created — a monopoly the Government has created — I think it will probably be remembered for that as much as for anything else.

Now, Sir, what conclusion should be drawn from that fact, which I have stated? The conclusion to me is that the Government has made grave errors in giving to giant corporations such large concessions as they have given. I won't mention the Hamilton River, that tremendous waterpower that has been given into the control of BRINCO but the mining concession which could have brought wealth to many Newfoundlanders residing here. Labrador which may some

day justify its name, which means in French "The Arm of Gold," with its fabulous, fantastic space, is practically a closed area to the private prospector. No independent prospector need apply, unless the Government repents and takes advantage of the opportunity that is now there of telling Frobisher that they cannot give them this two hundred ninety-eight square miles which they are looking for, but that they must be governed by the ordinary law which entitles them to go to the Department of Mines and Resources and stake out a claim like any other citizen of this or any other province. The Government should say — "Because you have made a discovery we are not going to give you an area so great that nobody else would be allowed to prospect within these two hundred ninety eight square miles."

If the Government goes ahead and does this, gives this two hundred ninety-eight square miles to this company, they are closing the door, I would say all the time they are in office, and no prospector from any I believe my honourable friend here, other province will want to go there the Honourable Leader of the Opposition, can tell of a party that was anxious to go to prospect in Labrador and was unable to do so, although he has made great preparations, because of the situation which existed down there.

Now, Sir, the observation I made at the beginning, that the Government was sparing no pains to see that there would be industrial development and mining development— they spared no pains—they were too anxious to have that development take place during the present term of office. They wanted to see things happen right away. They could not wait. They would not wait like other prov-

inces waited. So they went out and gave concession.

Now here is another article taken from the Ottawa Journal which deals with the principle of the function of the Department of Mines, particularly to service to aid in development and the progress of the Canadian Mining Industry. It describes the work which was done by the Federal Department of Mines and the particular service in the mapping of seventy-one thousand square miles of the North West Territory, stated in 1952—an area of fifty-seven thousand square miles was done and fourteen thousand square miles were found to show great mineral promise. I have a recollection of having read a speech by the Honourable the Premier in which he asked the Federal Prime Minister at a conference, why could not the Government of Canada do for Newfoundland what they were doing for the North West Territory. Mr. Speaker, they would do for Newfoundland what they were doing for North West Territories if they were allowed to do it. They are certainly not going in on NALCO and Frobisher and BRINCO and American Metal Company and do it of private corporations to whom the Government has given such large concessions.

The result of the policy in Ontario and the result of the policy in Quebec has been to create a shortage of miners. Here is an article taken from a Toronto newspaper, April 4th, which states that the Canadian Mining Association is sending a representative to Britain and Europe to recruit miners. I got this article from the "Evening Telegram" but it is a "Canadian Press" dispatch from Toronto.

"The industry faces a serious man shortage"—"We have been having almost a mine a month coming into pro-

tario. I agree that it is the best policy for Ontario. I agree that it has produced the best results for Ontario. I say further that the policy in Ontario would be as wrong as wrong could be for Newfoundland for topographical, geographical and historic reasons.

Now let us take the geographical and topographical reasons to start with:

The island of Newfoundland is covered to perhaps twenty or twenty-five per cent of it by water, by lakes. It is covered as to another great part of it by swamps and bogs. It is covered as to another large part by timber. Practically none of it is exposed. It is the most difficult part of North America to prospect. There are no roads traversing it, virtually. There are no rivers traversing it or criss-crossing it, virtually. You cannot prospect Newfoundland by canoe. You can prospect Newfoundland by river or by truck or by car. You cannot prospect Newfoundland on foot. So, Newfoundland was never prospected. There never were prospectors in Newfoundland. We never had them.

I remember Mr. Cantwell from Briggs who did a little scratching about here and there. I remember a prospector from the Southern Shore who has lived in Ontario for thirty years and came down here in the first year of Confederation and did a little prospecting. We have the case my honourable friend mentioned, out in Port aux Port. These are three—Newfoundland never had prospectors and for a very good reason—

Historically—because Newfoundland was not regarded as a great and promising place for prospecting.

Topographically or geographically because it is a place in which it is practically impossible for the individual prospector or sour dough to get

around and prospect. What is true of Newfoundland is very much truer of Labrador. Can you picture an individual prospector, can you picture a man with a pick-axe and his bag and little prospector's pick going down to prospect Labrador? Can you picture it? If he has a great corporation behind he can. If he has got all the organization that a great corporation are able to put behind him. But how many men on the face of the earth today, men who take chances, who gamble, who will grub stake an individual prospector to go down in the heart of Labrador, at Stormy Lake, at Monkey Hill and start picking the rocks after he has first of all removed ten or fifteen feet of bog? How many individual prospectors are going to remove ten and twenty and thirty feet of bog and swamp?

(Mr. Speaker returned to the Chair.)

No, Sir, the difference between Newfoundland, and Newfoundland including Labrador, and Ontario is vast in this regard. But, Sir, the Government of Newfoundland were not confronted by a simple choice. If we had been confronted when we came into office by two possibilities—and I say possibilities—one that there were—one that there were hundreds, just hundreds and not thousands, but just hundreds of men, individuals, who wished to go prospecting and if on the other hand we were confronted with great corporations with their great resources—If we were confronted by these two then perhaps we might have taken the individual prospectors. I think we would have been wrong, but we could have done it, at least we could have had the choice. But we did not have the choice. We were not confronted by a number of prospectors. They did not exist for us. We knew that there was duction."

Now, Sir, there is what happens in a country, in a province, where it is possible for mining prospectors to take out their mining licences and go into the bush and do their own prospecting.

I do not understand, and perhaps the Minister can tell me why it is that the Government did not take advantage of the services that are supplied by the Federal Department of Mines and Technical Services, and get all the assistance they possibly could before they were prepared to give any away in such large concessions. By having one big corporation there like that in it is tied up anyhow—it is bound to be tied up—it is going to be confined to their activities and we are not going to have as much mineral development as we otherwise would.

For these reasons, Mr. Speaker, we feel that this Bill should not pass today.

Once again I must appeal to the members of the Government and the members on the Government side of the House to consider the reasonableness of that position. Why should you treat this corporation, Frobisher, differently than anyone else who makes a discovery in Newfoundland? A citizen of this Province makes a discovery tomorrow at Topsail or Bell Island or any other Crown Land anywhere in the country just must come into the Department and take out his licence or mining claim, stake his claim, and take his forty acres or whatever he is prepared to pay for, but there is no question of the Minister coming in and saying that John Jones made a discovery in a particular area and he wants two hundred ninety-eight square miles, and we think we ought to give it to him. This agreement last year only involved twenty-five thousand dollars for

two or three years. That is not a very great expenditure, certainly not something for which the Government should give away two hundred ninety-eight square miles of territory, which, according to the Premier, has uranium at five or six per cent, worth seven dollars an ounce, or is it a pound? That is what he is being asked to give away, and this is what this Bill is supposed to be giving away.

Therefore, Mr. Speaker, I move, seconded by my honourable and learned friend and member for St. John's East, that all the words after "that" be stricken out and the following substituted—"that this Bill be read a second time six months hence."

MR. SMALLWOOD: Mr. Speaker, I don't know to what extent the honourable gentleman was in order—

MR. SPEAKER: The Honourable the Premier is now speaking to the amendment?

MR. SMALLWOOD: Yes, Mr. Speaker, I don't know to what extent the honourable gentleman was in order in discussing the principle he has discussed. Certainly if he was in order I am at least equally in order when I take issue with him, frankly, head on, I think he is as wrong as a man can conceivably be on this question. I think the Government is as right as a Government could conceivably be in the policy we have adopted in connection with mineral development in Newfoundland, which of course includes Labrador.

Sir, I remind you that Newfoundland is very different, topographically and geographically from Ontario. I remind you further that Newfoundland is very different historically from Ontario. I agree that the policy they have in Ontario is a good one for On-

one way to get Newfoundland prospected, one way and one way only, and that was to get great corporations to come in and to get great corporations to come in who were prepared to spend hundreds of thousands of dollars — not millions of dollars — to spend millions of dollars you have to get men like Mr. J. B. Lyons. One of the most creditable things to this Government was to bring Mr. J. B. Lyons to Newfoundland. He is going to spend millions of dollars in Tilt Cove and Gull Pond. He has already spent a cool million cash and is now about to spend seven million two hundred thousand dollars, close to eight million to bring a mine into production. Now how many prospectors could do that? How many prospectors have a million or a quarter of a million? How many could have spent a hundred and fifty thousand? How many could have spent one thousand?

If you depend on individual prospectors to get Labrador developed you will wait another thousand years. We cannot wait because we have several elections in the next one thousand years, not only one this year but another five years hence. Yes, we always remember that we must go back to our masters, the people of Newfoundland, the toiling masses.

**MR. BROWNE:** The toiling corporations.

**MR. SMALLWOOD:** If we bring these corporations in here chiefly because we think that is the best way to help the toiling masses and not to bring in individual prospectors, the individual sour dough with the pack on his back and the pick in his hand. The way to get Newfoundland prospected and the way to get Labrador prospected is by the use of aircraft carrying magnetometers and other highly tech-

nical and highly expensive instruments for detecting minerals. You don't, in Newfoundland or in Labrador, find minerals with a little pick. You find the minerals under thirty feet of bog, surmounted by moss or even scrub. Underneath that you find your minerals. It is not found with a prospector's pick but by aircraft flying a thousand feet above it and trailing a magnetometer fifty feet under her tail. That is how you find minerals—and having thus found indications you then have to get down and dig and then put up a diamond drill—all of which costs a tremendous sum of money—tremendous.

Let us put it this way—Before Frobisher came in, Labrador was wide open for the prospectors. But there was not one single prospector on the face of God's green earth, not one, who wanted, so far as we had any knowledge of it, to go into Labrador—not one—Out of the two billion population of the earth not one human soul that we ever heard of—and we would have heard of him—he would have come to us and asked for a prospector's licence—but not one wanted to go to Labrador, a hundred and ten thousand square miles.

If now Labrador has a great iron mine it is because of Jules Timmins and George Humphries. They are not sour doughs. They are not penny-happy outfits.

**MR. BROWNE:** Who made the discovery in the first place?

**MR. SMALLWOOD:** The discovery was made in the first place by the great and famous Sir William Dawson, the great geologist of Canada, and subsequently made after that and after that still made. Today Labrador is attracting the attention of the world as

a great source of iron ore thanks to John Doyle, Canadian Javelin. If today Labrador challenges attention as a new source of uranium it is thanks to BRINCO, and thanks to Frobisher and not to our individual, pack-on-the-back pick-in-the-hand sour dough who has been ground staked to three hundred dollars by some fellows taking the chance on him. No, it is because many, many millions of dollars have been spent that individual prospectors cannot spend.

Furthermore, take BRINCO: BRINCO it is true has these large areas:—My honourable and learned friend says—"The Government has given away vast areas." We have not done any such thing—My honourable friend said "vast areas"—Then he added: "for nothing or next to nothing" and then; "too little" and then "to BRINCO." The Government has not given away any areas vast or great. We have given for a limited period of time not in perpetuity but for a limited period of time we have given great corporations the sole right to prospect over certain great areas. That is all we have given; the right to prospect, the sole right, and for a limited period of time, on certain terms and conditions. Now if that is giving away Newfoundland I am happy to give it away, and I will give away all I can get people to accept on the same terms and conditions.

A three year concession Frobisher had—three years—the honourable gentleman knows but that does not stop him saying the Government has given away vast areas for too little. That has not stopped him saying the Government had made a serious blunder in giving large corporations that great area of land. I say we have made no blunder. We have done a wise thing

for Newfoundland and a patriotic thing for Newfoundland. We have done the only thing that could have gotten prospecting done, the only thing that could have gotten it. Nothing else could have gotten it.

Now let us look for a moment at BRINCO—BRINCO itself, it is perfectly true has fifty thousand square miles in Labrador. Incidentally it has fifty thousand out of one hundred and twelve thousand, that leaves sixty-two thousand still. Some of that has gone to the Labrador Mining and Exploration Company and some has gone to others. But how long is BRINCO getting this fifty thousand square miles and this ten thousand square miles in Newfoundland Listen to this: In 1959 they have got to pass back eighteen thousand square miles of it to Newfoundland whether they like it or not. In 1963 they have to surrender another ninety-six hundred square miles. They got to pass this back to us and in 1973 they will be down to twenty-two thousand and eight hundred square miles in both Labrador and Newfoundland. As rapidly as they can prospect it and do it by spending millions of dollars they will do so. That is all we want done is to have the areas prospected.

But another point about BRINCO is this—They have just recently found a new corporation, a wholly owned subsidiary of their own. This new subsidiary company is "BRINCO Exploration Company Limited" or some such name. This corporation has already made contracts with other great mining companies. They have made contracts just the other day with a mining company in Canada whose name is famous in Canada, and in fact whose name is famous in the United States—It is an American-Canadian Corporation. It has just signed an agreement

with this corporation to move in and start explorations of one section of the BRINCO Concessions on this Island of Newfoundland. They will make many such other agreements. When we get a great corporation such as BRINCO with the great prestige they command in the world, with the famous names that are associated with them, they can say for instance—"We want to sell two million shares at three dollars each, thirty-six million dollars—and in a half hour they have twenty dollars over subscribed. BRINCO can do a thing like that—They can go to twenty or fifty of the great mining companies of the earth and ask if they want a sub-concession and they will come running.

Now what is wrong with that. We do not give this away. We only give it temporarily and for a very short while, and we give it on excellent terms and conditions, as the House knows. Does the House not remember we get from BRINCO on everything that BRINCO may develop, whether they do it themselves or through a subsidiary makes no difference, we get eight per cent before taxes and then we get our regular taxes—but we get eight per cent of their profits. But they have to pay taxes to the Government of Canada and after they do that they then pay taxes to the Government of Newfoundland. We get on top of that, in addition to that, fifty cents for every horsepower they develop on Grand Falls.

So my honourable friend says—"Look what they have given away, the Hamilton River Watershed"—No we have, in a sense—we have given the right to the development. Who would say we should not have given that right to develop it? He has not said so—He has not said we should not do it, nor did he say how we should have given

it to these sour doughs with a pack on their backs.

It cost nearly two millions to survey it. How else could we have done that, except through the Government of Newfoundland? Do the Opposition advocate that the Government of Newfoundland should go in and develop the Hamilton River?

MR. BROWNE: I raised the point about the Department of Mines and Technical Services in Ottawa.

MR. SMALLWOOD: The Department of Mines and Technical Surveys is not, in my opinion, empowered to go in and in two years spend two million dollars to survey the Hamilton River. If that was to be done it had to be done by the Government of Newfoundland. We had a corporation to whom we have the right in return for fifty cents a horsepower profit.

I cannot conceive of any other policy to get the minerals of Newfoundland discovered and to get them measured and to get them developed. I cannot imagine any other Government which would not have done it. I cannot picture it. We wasted in this country whole centuries. Whole centuries passed before we could get the kind of development about to take place. Whole centuries we have wasted. Now we are beginning to get some results—The Opposition can see a flaw in that too—Even in that connection they can see a flaw—We are giving it away—The corporations are too big—We are giving too much.

Then the honourable and learned gentleman talks about Ontario. Mr. Speaker, in Ontario in connection with minerals you have exactly the same situation that you have in connection with industries. If you are a wealthy American or Swiss or Englishman or

Frenchman or anyone from anywhere around the world and the thought came into your mind that you would go to Canada or invest money in Canada, what is the last part of Canada you will think of? What is the first part? The last part is Newfoundland and the first part is Ontario. Why is it that since the war ended four thousand five hundred new companies and industries have started in Ontario but forty-five in Newfoundland? It is Ontario you think of if you think of investing a thousand, a million or a billion or a couple of billion dollars or five or eight or ten million, as are being invested in Ontario and Quebec. You think of Alberta. You do not think of little Newfoundland. Every time we get a million dollars brought into this Island we are defying the laws of nature, almost, we are defying almost every economic law, almost the laws of gravity. Every time you get a million dollars brought into Newfoundland you can always get on your knees and thank God for it—It is an uphill fight every single inch of the way to get capital brought into Newfoundland. The same thing applies whether it be for factories or mining or development of agriculture. My honourable friend looks at me so quizzically, knowing in his heart I am talking common sense. If that is true, if that is common sense, do you think you are going to get it in the normal way if we are willing to wait? We came into office seven years ago. If we were willing to wait as our predecessors, the Commission of Government—They had lots of patience and the Governments before them had lots of patience—But we did not.

MR. BROWNE: May I ask a question? Do you not think what we are witnessing in Labrador and in Newfoundland is only at the same tempo

as is going on in Ontario and Quebec today?

MR. SMALLWOOD: Yes, but the fact we are sharing it with Ontario is a great Newfoundland miracle. That is the miracle that has happened that we and Ontario and the United States, like the mosquito and the elephant are both going into the Act together—a flea and an elephant going in together, the two of us making a pair, Newfoundland and Ontario. The fact that we are sharing the same tempo with Ontario that is our Newfoundland miracle. That is the miracle of this Liberal Government of the last seven years. I say, Mr. Speaker—"God Grant that we can get fifty other companies like BRINCO, Frobisher and Canadian Javelin and Ventures Limited—fifty more and we will be here for fifty years more on this side of the House."

MR. BROWNE: You haven't much to give them.

MR. HOLLETT: Mr. Speaker, I just want to say a few words—There are not very many minutes left—besides the Honourable the Premier seems to have become radioactive or something, I suppose it is the uranium down there. How the Honourable the Premier works up his enthusiasm on such a matter—well, it must be something to do with uranium, as far as I can see. I have not heard such a spirited address since Confederation, therefore I think there must be something really worth while being anticipated.

Now we have to remember that only last year we gave Frobisher four hundred ninety-eight square miles in which they could prospect on which they could take out a mining licence if they so desired. Nobody can tell me that Frobisher or anybody else could properly prospect four hundred ninety-

eight square miles in Labrador since last summer. If they could they are pretty smart and must be using an awful lot of these planes with trailers or with geiger counters or whatever you call them. Now this Bill comes in whereby they are to be given an extra one hundred ninety-eight square miles simply because some fellow found that his geiger counter began to run up when he passed over a certain part of the land in that area.

MR. SMALLWOOD: "Some traces of pitch blende sometimes containing traces of uranium."

MR. HOLLETT: I am not a geologist and would not know pitch blende from pitch. I do know pitch very well, and often put it on the bottom of a boat, I think, Mr. Speaker, I have not quite time to finish. So, with your permission, I would like to adjourn the debate.

On motion debate on second reading adjourned:

MR. SPEAKER: This debate, I understand now, is on what is known as a six months hoist.

MR. SMALLWOOD: Mr. Speaker, I move the remaining Orders of the Day do stand deferred; and that the House at its rising do adjourn until tomorrow, Friday at 3:00 of the clock:

FRIDAY, April 13, 1956.

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

#### Presenting Petitions

MR. JACKMAN: Mr. Speaker, I beg leave to present the following petition: The Petition of the undersigned, duly qualified electors and citizens of the East End of Bell Island, residing in the vicinity of a main highroad known as Quigley's Line, East End Road,

HUMBLY SHEWETH AS FOLLOWS:

WHEREAS: The said Quigley's Line, East End Road is an important thoroughfare in the industrial and social life of the community and is used by numerous motor vehicles daily as well as a great number of pedestrians including school children of all ages.

AND WHEREAS the said Highroad is presently in a very dilapidated condition and urgently in need of major repairs,

AND WHEREAS only a minimum amount of money has been spent for repairs and maintenance etc. of roads in this section during recent years,

AND WHEREAS your petitioners humbly feel that a much larger allocation is necessary in order to do an adequate road-building programme reconditioning, maintenance, etc. on said roads.

YOUR PETITIONERS therefore humbly pray that this matter be given every consideration and a thorough job be undertaken, and as in duty bound Your Petitioners will very humbly pray, etc.

Dated at Bell Island this 3rd day of April, A.D. 1956:

Mr. Speaker, this petition is signed by a large number of people who are miners and producers.

Last week, Sir, we concluded an agreement in Bell Island, wherein there is an escalator clause covering production. In that respect our production now is just about twelve thousand tons, and that production will possibly within a reasonable period of time rise to fourteen thousand tons. And, Sir, in that connection the Government, I believe collects a royalty—I don't know if it is eight or ten cents.

**MR. SMALLWOOD:** Ten cents and then eight cents.

**MR. JACKMAN:** It has averaged nine cents for years. And presuming production will be twelve thousand tons, that will be ten hundred thousand dollars. Furthermore, Mr. Speaker, there is also a clause in the working agreement which gives the workers a retroactive payment, dated back to December 1954, and I can give you as a reliable figure, will exceed nine hundred thousand dollars. I merely mention that retroactive payment, Mr. Speaker, to point out that apart from the taxes on the ore which the Treasury receives, the Treasury also receives a considerable amount due to the Social Assistance Tax, and due to the Gasoline Tax and also due to the Liquor Tax. All these together amount to a considerable amount of money. And I would urge, Sir, that this money should be used not only to fix up the road mentioned but all roads on Bell Island. They all need quite a lot of fixing as they are all in a deplorable state. And I would like to ask that this matter be given favourable consideration by the parties concerned.

I move, Sir, that this petition be tabled and passed along to the authorities concerned.

**MR. SMALLWOOD:** Mr. Speaker, I support the prayer of the petition, but not for the reason my honourable and good friend from Bell Island has given. I don't think it is sound to argue that the amount of money the Government spends in any one place or in any one of thirteen hundred places in Newfoundland should depend upon how much revenue that place contributes to the Government. I think the Government has to spend the money it collects, wherever it collects it, whatever the source may be,

not on the basis of how much it collects in each place but on some other basis altogether, the basis of need stacked up against the amount of to spend in the thousand and eleven hundred little places scattered all over this Island. Nevertheless, I do support the prayer of the petition.

I support the prayer of the Petition, Mr. Speaker, presented by my honourable friend, and I know that on reflection he will realize, that if we spend in Corner Brook what we collect from Corner Brook; and in Grand Falls what we collect from Grand Falls; and in Buchans what we collect from Buchans; and in Gander and Bell Island what we collect from these places, there won't be much money.

**MR. JACKMAN:** I thank the Honourable the Premier, Mr. Speaker.

**HON. E. S. SPENCER** (Minister of Public Works): Mr. Speaker, I rise to support the petition. I am very happy that the Honourable the Premier has made an explanation regarding the collection of revenue and that kind of thing, and it is unnecessary therefore for me to refer to that. But I would like to assure the honourable member for Harbour Main, Bell Island that the area of which he speaks is well known to me. The old name of Quigley's Line struck a very pleasant note in my memory, not because the road is so good but because of the very kind people that live in that area. I would like to point out, however, that that road was under the jurisdiction of the municipality of Bell Island or the Town Council or whatever it is designated until a very short time ago, when at the request of the said Council the Department of Public Works again agreed to accept responsibility for it. That was the beginning of last year, and a certain amount of work was done to try and improve it. I agree

with the honourable member the road does serve a very considerable number and deserves considerable attention as well as many other roads on Bell Island and in fact many thousands and scores of roads throughout Newfoundland.

The matter will receive the utmost consideration in our Department and I trust that in due time some improvement may be effected.

I merely wanted to point out that the road has not been the responsibility of the Department of Public Works for some several years whilst it was under the jurisdiction of the Town Council, but today we accept the responsibility for it.

MR. HOLLETT: Mr. Speaker, I don't suppose there is any necessity for my support at this time. As a matter of fact there is almost an assurance that this particular road will be attended to in view of the fact that the honourable the Premier and the honourable Minister of Public Works favour and support it. But I have one or two reasons why I ought to get up and say a word or two. First and foremost I was a magistrate on Bell Island for six years, prior to the last war, and I know the way in which these people work, I know the way in which they had to go to work in those days and I know that today they are earning more money and that most of them today are able to have cars. They just have to drive. It is not a question today whether you are able to, but you just have to drive to work in a good many instances, and particularly does that apply to Bell Island. Therefore a dirt road on Quigley's Line is not the thing that is required, and I certainly support the idea of extra attention be given this particular road, and that it ought to be paved, and I don't only apply my remarks

to Quigley's Line but all the roads on Bell Island. We have to remember there are some two thousand men, practically, working over there, and they are turning in an awful lot of revenue not only to this Government but also to the Federal Government. And it is most important that that island, which is isolated in one sense of the word but possesses a large number of cars and trucks, that something definite should be done in order to improve the travelling conditions over there. There are various reasons why one ought to support that, particularly do I think of the amount that these people are contributing to the revenue.

They are lawabiding citizens over there. They pay revenue in to this Government in huge amounts, and Sir, I have great pleasure in supporting this petition and I do hope, I do hope, that the Honourable the Premier coupled with the Honourable Minister of Public Works do carry some weight in the Cabinet and will be able to induce it to spend some money in Bell Island in this coming year.

On motion petition tabled for reference to the department concerned.

MR. COURAGE: Mr. Speaker, I beg leave to present a petition from some 68 electors of Grand La Pierre, asking that a road be constructed joining Grand La Pierre with Terrenceville.

Now, Sir, Grand La Pierre is a very pretty place down towards the bottom of Fortune Bay, some four miles from Terrenceville. At the present time it has about forty families and its population is increasing. It has doubled its population in the past six or seven years.

I don't think it would be too difficult to construct a road from Terrenceville to Grand La Pierre, and I

have much pleasure in supporting the prayer of this petition.

Now, Sir, I hear honourable members complaining because their roads need to be repaired. In Fortune Bay we have a greater complaint than that because we don't have and never have had roads, and I expect I shall have to bring in many more yet.

This, Sir, would not be an expensive undertaking, and I hope that the Government will see fit to construct this road.

I have much pleasure in supporting the prayer of this petition, Sir, and I ask that it be laid on the Table of the House and referred to the department concerned.

On motion petition tabled for reference to the department concerned.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the City of Corner Brook Act, 1955."

HON. M. MURRAY (Minister of Provincial Affairs): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum."

Notice of Questions on tomorrow given by Mr. Browne:

Notice of Questions:

#### Answers to Questions

Question No. 59:

HON. W. J. KEOUGH (Minister of Resources): Mr. Speaker, I am afraid

that I have to suggest to the honourable Leader of the Opposition that he has addressed the question to the wrong Government. This question would be more properly addressed to the Minister of Fisheries of the Government of Canada.

MR. HOLLETT: Surely Mr. Speaker.

MR. SMALLWOOD: Is that in order, Mr. Speaker, for an honourable gentleman to argue about the reply of the Minister?

MR. HOLLETT: I am about to ask a question if I may be allowed.

MR. SPEAKER: To ask a question, yes.

MR. HOLLETT: The question is whether any fishermen have been convicted in that particular area of St. Georges, and if they were not, were they compensated or not for damage or loss on account of their nets having been taken? Surely the Minister of Fisheries would be able to tell me whether these nets were allowed to rot, and also I am quite sure the Minister of Fisheries would be able to tell me that a dory was seized or not, with nets and lobster pots etc. That, I think, is a fair question. I don't see what the Federal Government has to do with it. I would ask the honourable Minister if he could reply to that.

MR. KEOUGH: Mr. Speaker, the Province of Newfoundland does not have jurisdiction over the tidal waters of Newfoundland. As a matter of fact we don't have jurisdiction over our fisheries, as far as jurisdiction is concerned it is vested in the Government of Canada. The action the Government of Canada may take to enforce regulations and any consequence flowing from such matter is a proper mat-

ter for raising in the House of Commons and not in the House of Assembly. It is just as easy for the honourable member opposite to stick it in an envelope and address it to the Honourable George Drew as it is for me to stick it in an envelope and address it to Mr. Sinclair.

MR. HOLLETT: Has the honourable Minister no interest in the fisheries of this country? And if asked a question should the Minister not answer me?

MR. SPEAKER: Order — The remark is out of order. Members may ask questions. Ministers may reply. There is no debating about it.

MR. HOLLETT: No, Mr. Speaker, but I ask if it is not the duty —

MR. SPEAKER: That is not the question.

MR. HOLLETT: May I ask the Honourable Minister that question?

MR. SPEAKER: No it is a statement put in the form of a question.

MR. BROWNE: Mr. Speaker, I wonder if the answer has as yet been given to Question No. 48. I was not here for a couple of days.

DR. ROWE: Mr. Speaker; to that point — The answer was tabled. I regret that the honourable member was not here. As far as my memory goes, the answers to all questions addressed to the Minister of Mines and Resources and the Minister of Public Welfare have been answered. Incidentally I might point out, I believe the answer to that question was tabled yesterday or the day before, and contains some of the information the honourable member is looking for right now.

MR. SPEAKER: The answer to Question No. 48 was tabled on the 10th of April.

#### ORDERS OF THE DAY

Adjourned debate on the Address in Reply.

HON. M. MURRAY (Minister of Provincial Affairs): Mr. Speaker, I rise to take part in this debate on the Address in Reply. In doing so, Sir, I may say that I have paid more than particular interest to the debate as it has progressed thus far, particularly to the contributions made to it by the honourable members opposite.

As we see, Sir, from the first page of the Speech, this is the Seventh Session of the Thirteenth General Assembly of Newfoundland. It is also, as we all know, the last session of this Thirteenth General Assembly. I thought, Sir, that in view of the fact that it is the last session, and in view of the events that are impending, that the honourable members over opposite might be stimulated a little into saying something original. I thought, Sir, that the knowledge of impending events should induce them to change the tactics which they have pursued during the life of this session.

In the Artillery, Sir, there is a tactic known as Harrassing Fire. It is a tactic which is not supposed to bring about victory, not used like a general barrage before the two armies engage. A Harrassing Fire is supposed to molest the enemy and cause what inconvenience it can. And I suggest, Sir, that is exactly the type of tactics that the honourable members have engaged in so far in the life of this session. But I thought, Sir, in view of the fact that within a few months we will be going to the electorate, I thought there might be a change of

tactics and that the honourable members opposite might come forward with some concrete proposals or with some constructive suggestions if they had any; at any rate that they would outline the policy which they aim to bring before the electorate in a few months time. However, Sir, as we all know, that has not been the case, and if there has been any constructive criticism or concrete suggestions I am afraid they passed over my head, and if the Opposition has outlined what policy it would pursue if it were to take over office from us, I am afraid Sir, I have not heard it.

There have been unquestionably criticisms of a minor nature. Certain aspects of the Speech from the Throne have been referred to by the honourable members, but I suggest Sir, that the cardinal principle the fundamental principle of the debate has been altogether disregarded. And that cardinal principle, Sir, I suggest is well set forth in the very last paragraph of the Speech from the Throne. It says, Sir, "that all Newfoundlanders rejoice in the never-ending growth of the prosperity with which our Province and people have been blessed almost from the commencement of Confederation with Canada. Not all Newfoundlanders enjoy the standard of living which, as Canadians, they are entitled; there are still some sectors of our Provincial economy that badly need strengthening, but it is scarcely to be denied that in broad outline Newfoundland is moving rapidly ahead. Never were so many of our bread-winners employed. Never were wages so high. Never were they so well fed, so well-clothed, so well-housed so healthy. Never were our people so confident of their future." That, I suggest to you, Sir, is the cardinal issue with which we will go to the electorate when we do go, within a

few months time. The cardinal fact in Newfoundland today, Sir, is that we are witnessing, undergoing a revolution; that we are witnessing the greatest transformation that the people of this island have ever seen. Never since John Cabot came in through the Narrows of this country has this country taken such mighty strides forward as it has done in the past seven years, never have so many far-reaching events come to pass nor so many gigantic events been put into motion, never has our economy been so buoyant and so vibrant as it is today. We can gauge it, Sir, by whatever index we will, but whatever indices economists use to put yardsticks on prosperity, whether it is in the number of people employed or the amount of money going into their pockets or whether it is by the level which our public services have attained, by all these standards, Sir, we have enjoyed a prosperity which we have never before envisaged. And more important still, in the past seven years, in the seven years that this administration has been in power, we have made gigantic strides to reach these levels. We have, Sir, I might say, vaulted from pinnacle to pinnacle of prosperity within the past seven years, and still the summit is not in sight. That, Sir, is the cardinal fact with regard to this administration, and the fundamental fact we have to use when we go to the country in a few months time.

Now, Sir, the statements I have made, I think are unarguable, and I am prepared to say a lot of these happy results I have just outlined may have been brought about to some extent by fortuitous causes, by causes over which we as a Government had no control and which we cannot as a Government take credit for. I am ready to admit that, Sir, I am ready to admit the present world-wide

prosperity which all the western world is enjoying might have had something to do with it. I am ready to admit that the presence here of our American friends might have something to do with it. There is no question about it that these bases are a great stay to our economy. But granting all that, Sir, I still say the main contributions to this prosperity, the main contributions to this wealth which we are enjoying today has been a result of deliberate planning. It is the result of deliberate and continuous effort. And that, Sir, is a tremendous statement to make. I would say, Sir, that there are two major factors accounting for the prosperity which we are enjoying today and the levels which our public services have reached.

(1) Confederation and, (2) the dynamic action, the informed speculation the sometimes almost inspired action which this administration has taken in the past seven years.

Take Confederation — I don't propose, Sir, to deal with Confederation at any great length. It is a tale that has been often told.

MR. BROWNE: We are not allowed to speak about it.

MR. MURRAY: But, Sir, I am going to say this; Confederation has made a major contribution to the prosperity we are enjoying today. Only a fool would argue against that — and a fool would say, Sir, that Family Allowances and Old Age Pensions —

MR. HOLLETT: That is the point.

MR. MURRAY: Yes, Sir, it has made a tremendous contribution to our economy, to the well-being of our citizens not alone, Sir, in all these welfare services but in actual expenditure on capital account which Confederation has brought about; the ex-

penditures made towards wharves, towards breakwaters, towards the railway. A hundred and thirty million dollars has been actually expended on capital account by the Federal Government since Confederation came in. I say, Sir, that is a major factor in the prosperity we are enjoying today.

Now, Sir, the point about Confederation that I am trying to make now is that Confederation just did not happen, did not come about of its own volition. Confederation was brought about by deliberate planning, by continued activity by work and energy by some people in this part of the House — and it is a major contribution to the present well being. But, Sir, the great factor, I would say, of the happy state of affairs we are enjoying today is the actual administration we have had during the past seven years. There has been the dynamic planning and the energy with which this administration has put into this country during the past seven years, which is one major factor in the prosperity on all sides which we are enjoying today.

I say, Sir, that during the past seven years that this Government has intervened, in every aspect of Government in every part of Government in every avenue in which a Government should intervene this Government has intervened.

MR. HOLLETT: And some it should not.

MR. MURRAY: It has intervened, Sir, dynamically and with energy, and as a direct result of this intervention, the way things were carried out, we have the happy state of affairs we are enjoying today.

Sir, in order to fully appreciate the gigantic strides we have made during

the past seven years I suggest it would not be out of place if we go back seven years and look at what the situation was then and to see what had to be done. There were certain objects we had to attain. We needed more and better schools. We needed more and better roads. We needed more and better hospitals. We needed more attention to our indigent, to our disabled and to our infirm. We needed more attention given to local Government. We needed more attention given to slum clearance and housing of our people. Sir, as I say, in all these fields this Government has intervened energetically and dynamically, and it has brought about a virtual revolution.

Sir, I have here with me some facts and figures which I would like to read to the House to support the contention which I make. Take education — At Confederation there were 78 thousand children in schools in Newfoundland. Today we have over a hundred thousand. At Confederation, seven years ago, when this Government came into power, we had twenty-three hundred teachers in Newfoundland, today we have three thousand. Since Confederation the churches have built 213 new schools, enlarged two hundred schools, making a total of nearly 800 new classrooms built in the past seven years. Surely, Mr. Speaker, that is a major contribution made towards education in Newfoundland. I say it is a direct result of the energetic policy followed by this administration.

MR. HOLLETT: Go back ten years before Confederation.

MR. MURRAY: These schools which I speak about, these 800 new schoolrooms, have cost this Province two and a half million dollars of

Government money, which has been expended on schools alone.

At Confederation, seven years ago, three schools in Newfoundland had a radio. Now there are over six hundred classrooms equipped with radio.

MR. HOLLETT: Did they get them from the Government?

MR. MURRAY: Yes, Sir — provided by the Department of Education. Seven years ago teachers' salaries in Newfoundland came to two million dollars a year for all the teachers in Newfoundland. In 1952 this was three and a quarter million dollars and in 1955 it was six million dollars, an increase, Sir, in six years of 300 per cent. Surely, Sir, in this field of Government, the present administration intervened to advantage. The Government of this Province has spent on education in Newfoundland ten million dollars per annum in the last year. Three and a half million dollars was the amount allocated to education when we came into office seven years ago. It rose, Sir, as follows: 1950-51 from three and a half million to four and a half millions; in 1951-52 to five million dollars; 1952-53 to six and a half million dollars and in 1953-54 to six and three quarter millions and in 1954-55 to nine million dollars per annum, and this, last year, 1955-56 the expenditure on education, the annual expenditure on education by the Provincial Government was ten million dollars. It went from three and a half million dollars when we took office to ten million dollars, a terrific advance, Sir, in seven years.

In the seven years since this Government came into office on education alone the total amount which this Government has spent is fifty five million dollars — a grand total of

fifty-five million dollars on education.

Now let us turn to roads: Since union, during the past seven years 650 miles of new roads have been built across Newfoundland at a cost of thirteen and a quarter million dollars. Three hundred and four miles of old roads have been rebuilt at a cost of four million dollars and two hundred and ninety miles of snow-mobile roads have been constructed and eighty-seven bridges built at a cost of one million dollars. One hundred and ninety-five miles of the trans-Canada Highway has been constructed at a cost of nine and three quarter million dollars. That is a total, Sir, of 1,443 miles of roads at a cost to this Province of \$28,000,000 in seven years. Adding to this nine and three quarter million, Sir, the matching grant from Ottawa and we have, Sir, a total of \$37,000,000 spent on roads in Newfoundland during the past seven years since this administration came into office.

In these seven years the roads we have built have connected one hundred thousand of our people with some form of transportation and communications; one hundred thousand of our people who formerly were living in isolation. Twenty-five per cent of our people have been hooked up at some time during the past seven years with some method of communication. In addition to this huge sum we used to build or to rebuild roads, we spent just to maintain the roads we had another fourteen and three quarters of a million dollars in the past seven years, making a grand total on roads and bridges of fifty-two million dollars. Fifty-two million dollars have been spent by the Department of Public Works under this present administration in the past seven years on roads in Newfoundland.

Before leaving this great subject of roads I think I can illustrate very graphically the virtual revolution that is proceeding in Newfoundland before our eyes. Take snow-clearing alone, which is a question with which I suppose every member of the House has had something to do during the past couple of months. At union 318 of our highways were snow-cleared at a cost of \$85,000. The year before last (the figure for the past year is not available) twenty-four hundred miles of roads were cleared during the wintertime at a cost of four hundred thousand dollars a year. That, Sir, is the way in which this Government has intervened in just one aspect of Government alone, the question of road construction, bridge construction and road maintenance.

In some ways, Sir, I think what has happened in Public Welfare, in the great Department of Public Welfare, is the most impressive of all. This has become a great new activity of the Newfoundland Government; Old Age Assistance and Mothers' and Dependents' Allowances and Allowances to widows and orphans, to the infirm and disabled persons, money spent on child welfare such as advances made to our orphanages — in 1955 twenty-five thousand of our people were receiving benefits from the Department of Public Welfare, from the Provincial Government Welfare altogether apart, Sir, from the Medical Assistance and Family Allowances and Old Age Pensions which the Federal Administration spent. Our own Newfoundland Government has paid out in the past seven years, since this administration has taken over, a grand total of fifty-eight million dollars spent in the field of Welfare alone.

If I might express a purely personal opinion, Sir, it is that our greatest

development has taken effect in Newfoundland in the field of Public Health. It is an effort of which every Newfoundlander, I am sure, can feel proud.

Since Union we have had twenty-five per cent of all the hospital beds in our Province added. As honourable members may know, the first hospital in Newfoundland came into being in the year 1810 under the inspiration of the great Doctor Carson. From 1810 to 1950 seventy-five per cent of the hospital beds existing in Newfoundland were provided and from 1950 to 1956 the other twenty-five per cent have been made available. In five years twenty-five per cent has been made available and in a hundred and sixty years, or whatever it is, seventy-five per cent had been made available. Surely, Mr. Speaker, it must be agreed that the Department of Health has certainly intervened in a most remarkable way in Newfoundland in that field of endeavour.

We have spent, Sir, on health in Newfoundland in the past seven years — that is our Provincial Government has spent during the past seven years on health in Newfoundland some forty-one million dollars. In addition to this we have spent another five million dollars which we have received from Ottawa, a total of forty-six million dollars spent in Newfoundland on health alone.

Sir, to summarize: In these four fields alone, in the past seven years, we have spent these following great sums:

Public Health .....	\$41 million
Public Welfare .....	\$58 million
Roads and Bridges .....	\$52 million
Education .....	\$55 million

a total, Sir, on these four public ser-

vices of \$206,000,000 in seven years. Surely that is an accomplishment to which we can point with pride.

Now take local Government: We have, Sir, presently functioning in Newfoundland two fully incorporated cities. We have three local district councils and we have 37 town councils and 20 community councils, a total of 67 communities in all enjoying the benefits of local Government. Seven years ago when we came into office there were thirteen. We have sixty-four town councils and local district councils including one city which have come into existence in the past seven years since this administration has taken over.

These, Sir, I submit are gigantic accomplishments. These, Sir, point to the statement which I made when I started, that in the past seven years this Province has made gigantic strides forward. But, Sir, that is only part of the accomplishments of this administration in the past seven years.

Public Health, Sir, is all very well, but to maintain public health services wealth has to be created. In other words, our natural resources have got to be developed. And in that, Sir, I think nobody will quarrel with me when I say that this administration has followed a most vigorous, a most dynamic policy of industrial development during the past seven years, with some of the results which I will point to in a moment.

Sir, here again we have to go back to seven years ago, to cast our minds back to when this Government came into office and to the time when we started to embark on a programme of industrial development. We were embarking on uncharted seas because, Sir, there was comparatively little or no chart for it.

About our natural resources we had all heard, Sir. As a reporter in this House I had heard about our great natural resources, about the potentialities of our great natural resources. But there was never up to the time this administration came into office any organized effort to define and find out what in actual fact these resources were. We had to get a blueprint to work on before we could start to build. We had to get a set of blue prints prepared to see where we were going. And, Sir, that is just exactly what this present administration did.

A Royal Commission was set up in Agriculture and a Royal Commission was set up in the Fisheries and a Royal Commission was set up to study Forestry and to report back. The most intensive exploration and investigation into our mining possibilities had been undergone, apart from these surveys made by the commissions which have been set up. And Sir, I am going to outline how, very briefly, some of the results have already been attained and more of what we hope to attain as a result of this information which we have received.

Take Agriculture: My honourable colleague over here yesterday outlined the beginning of an agricultural policy in Newfoundland. We have been hearing for years, Sir, about our agricultural possibilities, I know I have myself — I grew up on a farm. I am old enough to remember hearing as a very, very small child the phrase going around about the Southside Hills would be white with sheep. But between that time and the time this administration took over very little or nothing has been done by any Government about Agriculture in Newfoundland, until the time that this Government brought these experts together. Dean Shaw one of the leading

authorities on agriculture in all Canada and perhaps, in the world; Professor Drummond from Ontario; and a man with some local knowledge to form a commission to sit down and to decide what exactly were our potentials in agriculture and to submit this to the Government. And, Sir, as my honourable colleague pointed out yesterday, since this report has been received immediately a beginning has been made towards implementing its recommendations. More land was cleared last year under the land reclamation scheme than was ever cleared in any year before. Surely, Sir, that is something which any administration should be proud of. And in addition to that a new attempt is being made.

MR. BROWNE: Mr. Speaker, I wonder if I could ask the honourable Minister how much land actually was cleared last year?

MR. MURRAY: I am only quoting from what was given out yesterday by my honourable colleague.

MR. SMALLWOOD: More than any other year in history — It is easy to get the answer.

MR. HOLLETT: Mr. Speaker, I would like to ask the honourable Minister exactly how much land was cleared during Commission of Government days in these land settlements, and make a comparison.

MR. MURRAY: Mr. Speaker, what I am doing at the moment is citing another statement made by my honourable colleague, the Minister of Mines and Resources, in this House.

MR. SMALLWOOD: Why not have asked the Minister of Agriculture yesterday? Afraid the answer might be given? The Minister does not carry that information.

MR. HOLLETT: Perhaps the honourable Minister will yield — I want to ask the Honourable the Premier if he could give us the figure.

MR. SMALLWOOD: The honourable minister has the floor.

MR. SPEAKER: The honourable Minister of Provincial Affairs has the floor.

MR. MURRAY: Sir, in dealing with agriculture — a recommendation, according again to my honourable friend, the Minister of Mines and Resources, another recommendation of this commission has immediately been implemented, and that, Sir, is fur-farming. He told us yesterday that as a result of the recommendations made by the Royal Commission on Agriculture and as a result of the work put in by his department that we have the beginning of one of the greatest fur-farming industries in all Canada.

MR. BROWNE: In the world.

MR. MURRAY: In the world. Sir, I don't know if the honourable gentleman has ever been over to Dildo to see what is going on over there in the past three years. They have over there, Sir, one of the best-planned pieces of organization, I think, that I have ever seen. There is nothing haphazard about the beginning of this new industry in Newfoundland, mink-raising — It is being well planned, well-thought out and has followed along in a logical sequence. And, Sir, the Minister was able to get up here yesterday and say that by next fall there should be in Newfoundland thirty-five thousand mink, as a result of putting into effect the recommendations made by the Royal Commission on Agriculture and as a result of the planning and hard work done by his deputy.

MR. BROWNE: I wonder if the honourable minister would allow me to ask why some of the mink farmers have already abandoned the scheme?

MR. MURRAY: No, Sir, I don't know any of the individuals.

MR. SMALLWOOD: Only one an alcoholic — drunk from the time he landed to the day he went out. That was the only one. He landed here and started drinking and stayed drunk until he left on the plane. He was still drunk when carried off. That is the only failure.

MR. MURRAY: Mr. Speaker, I don't know if the honourable member over opposite is satisfied with that explanation or not. It seems to be a reasonable one.

MR. HOLLETT: I asked the honourable Minister and not the honourable Premier.

MR. MURRAY: I did not know quite frankly.

MR. HOLLETT: Well, you found out.

MR. SMALLWOOD: Put the detectives, the espionage at work.

MR. SPEAKER: No honourable member has a right to ask a question of an honourable member who is speaking. He only answers by courtesy.

MR. HOLLETT: The honourable gentleman granted the courtesy.

MR. SPEAKER: Will the honourable member proceed.

MR. MURRAY: I am attempting to deal, Sir, with the tremendous strides which have been made in industrial development in Newfoundland in the past seven years under

this administration. I have dealt briefly with the question of agriculture. I am going to deal just as briefly with forestry. I am quoting again, Sir, or calling to mind the statement made yesterday in this House by my honourable colleague, the Minister of Mines and Resources. We know just as in agriculture the same sound and sensible policy was adopted with regard to our forests. Before embarking on anything the first thing necessary, I suppose, the first sane and sensible plan considered would be to have an adequate, proper, scientific survey made of our forestry resources by the best experts obtainable to see what recommendations these experts would make and to go on from there. And that precisely, Sir, is what this Government has done. As a result one of these recommendations is, as the Minister informed us yesterday, that an inventory is being made of our forest resources. That was one of the recommendations made by that Commission. And as soon as the recommendation was made it was immediately put into effect, and this inventory is going on. It started last year and is going on at the present time. And I am sure, Sir, all of us sincerely hope that on whatever side of the House we are, all of us sincerely hope this inventory will show that there are enough forest resources in Newfoundland to justify a third paper mill. And, Sir, if this inventory does show that, I have no doubt at all, none whatsoever, in view of the previous record and previous performance of the present administration, that once the way is charted this administration will lose no time whatever in going ahead with the idea and getting this third paper mill into effect.

As to mines: I would say, Sir, that

since this administration came into power one of the greatest, one of the most outstanding, one of the best searches for mineral wealth during the past seven years has been going on, Sir, not only in this Province but in every province in Canada has ever seen. A terrific amount of money, spent on a gamble if you like, eight million dollars, spent by this present administration during the past seven years on mineral exploration and investigations. And, Sir, how has it paid off? This Speech from the Throne, Sir, shows how it is paying off even after seven years of investigation. The great iron deposits on Labrador, the great uranium deposits in Labrador, at Monkey Hill, the great mineral deposits at Baie Verte, these things, Sir, have been brought to light by this intensive exploration and investigation which this Government, this administration, put into motion, and which it has been carrying on so vigorously for the past seven years. That, Sir, I think, is something of which we can be proud.

Take our fisheries: Here again before a beginning was made on fishery development we followed the same sane and sound and sensible policy which we had followed with regard to our agriculture and our forest resources, A Royal Commission was set up to point, to sort out the way we were going to go, to lay a blue print, if you like. That Royal Commission, Sir, sat under the Chairmanship of Sir Albert Walsh, and in 1951, a few years ago this report was laid on the table of the House. As a result of this report ten and a half million dollars have been spent on the fishery development in Newfoundland. This ten and a half million dollars has brought 22 fresh fish plants into operation, some presently under

construction, but twenty-two new plants have been brought into being as a result of this ten and a half million dollars which has been advanced by the Government.

This ten and a half million dollars has directly resulted in seventy-five million dollars being paid out, in wages to seventy-five hundred people. That is a result of this ten and a half million dollars invested in these fresh filleting plants. I will just read out the bold figures and let them speak for themselves:

In 1947 this Province exported ten million pounds of fresh frozen fish. In 1952 the Province exported thirty-five million pounds of fresh fish. In 1955 we exported sixty million pounds, and when these plants I spoke about, these twenty-two plants which are presently in operation or building, come into full operation we will be exporting one hundred million pounds of fresh frozen fish a year. As a result a hundred and fifty million dollars will come into the pockets of our fishermen, paid out to ten thousand people.

In the same fishing industry we have been following the recommendations of the Walsh Report in Quirpon, Seldom, LaScie and Merasheen. These plants are being built as a direct result of recommendations made in that report.

In addition, Sir, as my honourable friend, the Minister of Fisheries, pointed out when he made his address the other day, there are at the moment nine other salt fish drying plants building, four medium and six large. When these plants are constructed and come into operation they will be the means of taking care of three hundred and fifty thousand quin-

tails of salt fish — A hundred million pounds of fresh fish and three hundred and fifty thousand quintals of salt fish—Surely that is a major contribution to be made to our fishing industry in the past seven years, or four years, Sir, since the Commissions report was tabled. It is a greater contribution, Sir, I say without any doubt at all, a far greater contribution made to our fishing industry in these few years than was made in centuries and centuries that our fisheries have been carried on before.

In addition to these new salt fish plants which are being built and these fresh fish establishments which have been set up, according to my honourable friend here, the Minister of Fisheries, twenty new draggers have been subsidized, providing work for forty-five hundred men. And in addition to that (there has been designed 38 feet draggers, 48 feet draggers and 60 feet draggers), and in addition to that, fishery training schools have gone around the island, and, Sir, judging from my own district, they really have been beneficial. Surely, Sir, that is an accomplishment. Surely, Sir, in the field of the fisheries, this administration during the past seven years when it has been in office has intervened to some purpose.

Now, Sir, what I set out to say was this. I made the statement when I began to speak that at the present moment Newfoundland is enjoying a prosperity which it never before dreamed of, regardless of what way you look at it, whether from the standpoint of public services, whether from the amount of money going into the people's pockets whether it is the disposition of this money, the way people are spending this money, whatever way you look at it, there is no question about it that at this moment

Newfoundland is at the best period in its history. I say further, Sir, that to reach this level which we are presently enjoying, gigantic strides have been made during the past seven years. Terrific strides, I say, Sir, have been made to reach this level which we are enjoying and have been made principally by an energetic and vigorous Government which has been given to this country during the past seven years. That is the proposition, Sir, I lay down, and that is why I introduced these facts and figures which I did bring forward to prove the statement that I made. And I think, Sir, it proves the proposition without any degree of doubt, without any cavilling at all. The thought and energy and hard work and vision and dynamic force which has been put in by this Government in the past seven years is the major, the principle reason for bringing about the state of affairs which exists in Newfoundland today.

There has been action, Sir, on every front, in every field of Government in which a Government should intervene, we have intervened in the past seven years. And this intervention has brought about the result that I have been speaking about.

Sir, what contribution have the honourable gentlemen over opposite made to this happy state of affairs? Here we have been undergoing the seven most terrific years this country has ever seen, and a revolution has been going on before our eyes. This country is being transformed before our eyes. And what contributions have the honourable gentlemen opposite made to it? A few snide remarks, a few jeers, a few wisecracks. That is the contribution of the Opposition to this tremendous advancement during the past seven years. That, Sir, is a barren policy, sterile, and will pro-

duce nothing. It won't even produce votes.

MR. HOLLETT: Don't criticize! Don't criticize!

MR. MURRAY: We have had a few wisecracks to contribute to the general welfare of Newfoundland over the past seven years—"Bunko." I don't care, Sir, what Brinco is called when we read in the Speech from the Throne that as a result of this magnificent planning a hundred miles of road is to be constructed and laid down in Labrador. That is a thing which, if anyone told you five years ago, you would say he was a madman.

But why? Hydro-electric development—Hydro-electric development as a result of this planning; as a result of this great aggregation of wealth gathered together and put down in Newfoundland Labrador. We are having hydro-development now in Labrador on a major scale. We are having industrial development. Uranium mines have been discovered. It is tremendous, Sir. Of all the achievements of this Government, of all the things the Premier has to feel proud, and he has a great many, I think the formation of BRINCO is his proudest achievement. I think, Sir, it was an act of consummate and far-seeing statesmanship to go over to Britain and get together huge aggregations of wealth and put it in that wilderness and bring the wilderness to light. Call it "Bunko" or "Superior Rubber" or "Sinko" if you want to wisecrack, but, Sir, the idea behind industrial development is right. There may be mistakes, and there will be mistakes. There will be trials and tribulations but the main principle behind industrial development is right and inevitable. We could not do any-

thing else in this country. We cannot do anything else but have industrial development. Every man who ever gave any thought to this country realizes it. Moses Monroe when he started the rope-walk and the nail-factory realized it a hundred years ago. We must have industrial development in Newfoundland. The idea behind this industrial development is sound and not only sound but inevitable. We are driven to it. And, Sir, if in the process any big mistakes are made, if some factories fail, it does not matter. It is the principle of the thing. And the principle is right. It is a gigantic thing to put in force in Newfoundland. Newfoundland is not an ideal climate for industry to grow up. We all know that. It is not like Ontario nor Quebec. For people to come into Newfoundland and start industries special inducements have to be given. And I say, Sir, the vision, foresight and planning and energy utilized to put that into effect is one of the proudest achievements of this Government and certainly one we have every reason to feel proud about.

Sir, in the Speech from the Throne, apart from this main, cardinal fact I have just gone into, i.e. the present state of prosperity in Newfoundland, there were five or six other matters of major importance; the childrens' health scheme; the matter I have just referred to about a contract being let for road building in Labrador; there are two new commercial fish plants, which could open up a discussion on all the fishing industry; there is a local road board legislation which has been foreshadowed; there is mention of the unemployment assistance which we are about to receive from Ottawa; there is mention of the Commission which is to be set up to review the Terms of Union—Still the gentlemen over op-

posite, with two of these matters, momentous as they are, and far-reaching as they are in their effect in Newfoundland, unemployment assistance and the review of the Terms of Union, they have had little or nothing, so far as I remember, to say about them.

MR. HOLLETT: Mr. Speaker, I would like to advise the honourable gentleman, if I may, at least I did speak about both these things, and probably the Honourable Member for St. John's West.

MR. MURRAY: I don't recall it, Sir.

MR. BROWNE: Perhaps you were not here—You may have been in Ottawa then.

MR. MURRAY: Sir, I was not in Ottawa during the time the House was open. I have not missed one session of this House, Sir.

MR. SPEAKER: Is that a major point of this debate?

MR. HOLLETT: The Honourable the Premier said he was.

MR. MURRAY: The honourable gentleman was up to Ottawa also. I don't know if he will ever get back there again or not. Sir, this Commission which is to be set up to review the Terms of Union—that is most momentous news, an announcement like that in a Speech From the Throne.

MR. HOLLETT: That is not news. That is old.

MR. MURRAY: That a commission is to be set up next year, Sir. This Commission is to decide what financial aid, if any, we are to receive so as to enable us to continue the levels shall have attained at the time of the and standards of public services we

commission, having regard to our capacity to pay without resorting to taxation more burdensome than that relating in the Maritime Provinces. The setting up of this Commission is, I say, a momentous piece of news. The recommendations of this Commission can have a terrific bearing on the future of our country. I do not propose to go into any particular discussion of that part of the Speech from the Throne. I understand the honourable and learned Member for Harbour Main-Bell Island is about to follow me, and he is eminently more qualified to deal with it. But I will say this: it does show admirable foresight on the Government's part to set up this Commission to prepare our case. I will say this was farsighted statesmanship also in view of the tremendous importance, and in view of the tremendous impact which this Commission, which is to review the Terms of Union, will have upon our future. I say it was tremendous foresight on the administration's part to set up this commission to prepare our case and to appoint my honourable and learned friend and patriotic citizens who are helping him to prepare our case.

With regard to unemployment assistance, Sir, as the honourable gentleman over opposite said—he did make some reference to it—if he did it must have been the briefest possible. Frankly I have no recollection of it, Sir. This is a most momentous piece of news. It means that one million dollars a year, an additional one million dollars a year is going to come into the Treasury of Newfoundland. Surely it is worth a passing mention. Sir, I remember not too long ago when I was a reporter in this House, when the Government had to decide whether or not they would put Newfoundland in hock to the Imperial Oil for something

between two and three-million dollars, they were looking for a loan from Imperial Oil for three million dollars and in return the whole revenue of this country was going to be pawned, going to be put in hock.

MR. SMALLWOOD: It was done.

MR. BROWNE: A gasoline tax.

MR. MURRAY: All our revenue, Sir, was going to be put in hock to a private company.

MR. SMALLWOOD: No, it was not a gasoline tax.

MR. MURRAY: No, the customs revenue.

MR. BROWNE: No, a gasoline tax.

MR. MURRAY: Sir, I was a reporter here in this House. What could they hope to get out of a gasoline tax twenty-five years ago? It was the customs revenue of the country at that time.

MR. HOLLETT: Nonsense—Nonsense.

MR. MURRAY: To be put in hock to Imperial Oil as security. Sir, twenty-five years ago that is the state we were driven to. Today an additional million dollars a year comes into Newfoundland and it is hardly worth a passing mention from the gentlemen on the other side.

MR. HOLLETT: I wonder could the Honourable Minister yield a moment—Could he tell us exactly what the tax on gasoline was at that particular time?

MR. MURRAY: I could not, Sir.

MR. HOLLETT: You can't?

MR. MURRAY: I don't know if the honourable gentleman opposite thinks

he has made a major point. Can the honourable gentleman opposite say what the tax on gasoline was in 1902 or 1904? Sir, if the honourable gentleman thinks he has made a point I am prepared to concede it.

The question of local roads has been dealt with in the Speech from the Throne. And we have been told that a new policy is about to be embarked upon. I would say that this is good legislation, this new Act, from what I know of conditions in my own district. The old system of the half-and-half was brought in by the Commission of Government. And there is no question about it they meant well at the time. And at the time it was felt it would be a sort of breeding ground for local Government. But it has not turned out that way. During the times when times were bad men would go to work on the roads half time. But, Sir, that present system is outmoded and it would be, I would say, a mockery to perpetuate it. I would say that the legislation which is being brought in at this present session, whereby local road boards will be set up and a per capita grant made to these local road boards is a proper approach to this problem. It should mean that more work will be done. It should mean that it will create a responsibility in people to take over more and more of their own local affairs. And I hope, Sir, that that too will be a breeding ground for local Governments, and that when these boards get into operation that they will be the ameba from which town councils will grow.

We have heard, Sir, some debate on the Children's Health Plan: This plan, and I suppose it is only a continuation of our social welfare policy and a continuation of our educational policy which I have spoken about earlier. It

is in line with the policy which calls for ten and a half million dollars to be spent on our schools. Because I suppose, Sir, whatever our natural resources one of the greatest assets any country possesses is its children. And for children to grow up with sound bodies and to insure as far as Government can do that they will grow up with sound bodies and good education, as good as we can provide them, is sound Government, as sound as any administration could introduce. It is a most far-reaching measure, Sir. It is going to be a very beneficial measure and I am sure it is going to be a greatly appreciated measure. For these reasons I was a bit surprised that the gentlemen opposite did not greet it more warmly. They made some comment on it, something in the way of carping criticism even, but if there was any great enthusiasm amongst the gentlemen opposite about this progressive measure they did not give me that impression.

MR. HOLLETT: Mr. Speaker, I must object to the statement that we made carping criticisms.

MR. MURRAY: I got the exact words the gentleman used, the gentleman over opposite, speaking of the health plan dismissed them with words like "election bait." Sure it is election bait. Good schools are election bait; good roads are election bait; good hospitals are election bait; good welfare measures are election bait. Does the honourable gentleman opposite argue that because the Government brings in good measures and gets votes from them we should stop them—election bait—if that is not a carping criticism.

MR. HOLLETT: Your speech?

MR. MURRAY: The other honourable and learned gentleman also dealt

with this health plan. He informed us that the Iron Chancellor, Bismarck, had brought this in years ago in Germany. I don't know what he had intended to prove by that, Sir. The conclusion I would draw is that there would be very few of our local "Bismarcks". Newfoundland Tories, would ever bring in measures of that kind. The honourable gentleman also went on to tell us that such legislation had been in existence in Australia and New Zealand for something like fifty years, and has been in effect in Britain, for the past ten or twelve years, since the Beveridge Plan put it in operation. Then he went on to say, after saying it had been in Germany for eighty years and in New Zealand and Australia for fifty years and in England for ten or twelve, and he blamed us for bringing it into Newfoundland. How long does the honourable gentleman think we should wait before we bring such a measure in? Then, Sir, the honourable gentleman went on to ask how much liberty we were surrendering by bringing in such a measure. The answer, Sir, to that question is to go and ask the mothers if he wants to know how much liberty we are surrendering, ask the mothers whose children are in hospital under such a scheme and see what the answer will be. Liberty—Freedom—With many in the old days in Newfoundland it meant freedom to starve. And, Sir, apparently the honourable gentleman is disturbed that there will be an infringement on that kind of liberty, this Government is making inroads on this particular kind of freedom we had in the old days in Newfoundland.

**MR. BROWNE:** May I ask the honourable gentleman a question? Will he admit we were given very little information about this, and will he not admit there are many ways in

which this scheme could be put into effect and certain ways by which the rights of parents could be trespassed upon? What are we to say about a thing when we get so little information?

**MR. MURRAY:** Mr. Speaker, as you know, the ordinary procedure which obtains in every House in the world is followed in this Speech from the Throne, foretelling the legislation which the administration is to bring in during the coming session. And that is what the debate is all about. And it was said that during the course of the session a Bill involving a public health plan for children with dental, medical and optical care was to be brought in, and put into effect.

**MR. HOLLETT:** Was to be started.

**MR. MURRAY:** I don't know what notice the honourable gentleman expects. There were also some comments from the other side on the reference to BRINCO which was made in the Speech from the Throne. I don't know if it was deliberately intended but an impression was conveyed to me that it was intended to put over the idea that all Labrador would be given away, that the Hamilton River had been given away, and a statement was made about the sixty thousand square miles concession on the Labrador and the concession of the Hamilton River—Well, Mr. Speaker, the House knows as well as I do the concession over these sixty thousand square miles is not a concession in fee simple. Sixty thousand square miles have been given away to nobody. What is given away is the exploration rights.

**MR. BROWNE:** To a point of order, Mr. Speaker. The honourable gentleman is referring to a speech I made yesterday? That is what it sounds like.

MR. MURRAY: I am not referring at all to a speech the honourable gentleman made yesterday. The statements were made when some of the honourable gentlemen opposite spoke on the Speech from the Throne. I don't know what they intended to convey, but the statements, I say, could convey that sixty thousand square miles of Labrador were given away in fee simple to BRINCO.

MR. BROWNE: Nobody said that, Mr. Speaker. Nobody conveyed that idea nor had any intention.

MR. MURRAY: There was no intention to convey that impression. I was wrong. Sixty thousand miles have not been given away. Exploration rights for a specific period of time have been given away, under which these concessions have to be gleaned. The ultimate result will be, we hope, when mines and minerals are discovered the actual sites of these mines will be granted to the concessionaires in fee simple. The same thing applies to the Hamilton River. It has not been given away to BRINCO. BRINCO has only the right of first refusal. We are not giving them the right to sit on the Grand Falls forever. What they are given is the first right to put in operations. If another company comes along and says we are prepared to do that, BRINCO must either develop or get out. That is not giving anything away. They have the right of first refusal, and the company that does take over the Hamilton River Development takes it over subject to all the conditions which BRINCO is under, 50c a horsepower to Newfoundland. Is that, Mr. Speaker, giving anything away?

The honourable gentleman also talked in a very deprecatory way about massive concessions being given away to giant organizations. I would say

personally that the more giant they are, the greater they are the better, provided they are men of property provided they are people of integrity provided they are people with a financial accumulation and experience—the bigger they are the better. It is a gigantic undertaking and only a gigantic organization could take it on and seek to develop one hundred and ten thousand miles of wilderness. To whom if not to gigantic organizations are these concessions to be given? Mr. Speaker, the waters of the Hamilton River have flowed over the Grand Falls since the dawn of creation, millions and millions of years. That uranium and this iron ore has been locked there in the bowels of the earth since the dawn of creation. And it will be still there until this earth goes back to chaos if gigantic organizations do not come in and develop them. How else can it be done?

MR. HOLLETT: The Liberal Government.

MR. MURRAY: What is going to be done with the Knob Lake and the Uranium Mine? Gigantic corporations are the answer. Or do we have the Makovik Missions take over the Grand Falls and the Happy Valley Co-Operative Society take over the uranium mines, is that the answer?

MR. SMALLWOOD: That is hard to answer.

MR. HOLLETT: It is Happy Valley alright.

MR. MURRAY: Mr. Speaker, there has been some reference made by the gentleman over opposite to our fishery policy.

MR. HOLLETT: Mr. Speaker, I object to the term "gentlemen over opposite." There are two here most of the time.

MR. MURRAY: The honourable and one learned.

MR. SMALLWOOD: You asked for that you know.

MR. MURRAY: There has been some reference, Sir, made by the honourable members of the Opposition to our fishery policy and ten million dollars given to merchants, one member said. He seemed to deplore it. He does not seem to think there is something quite right about it. Well Sir, I don't know about the fishermen in the other parts of Newfoundland but I do know about the fishermen in my own district. I know what the Government has done in my own district. There is a plant operating now at Trepassay, one of the best plants in all the world, one of the most modern plants in the world. There is a plant operating in Fermeuse run by Cy Moores from Carbonar. There is a plant operating in Witless Bay run by Ron O'Brien, all financed by Government money. There is a salt fish plant in operation run by Mr. Len Bartlett. This year we hope to see two new dryers operating in Cape Broyle and we hope to see a small dryer set up and operating this year in Ferryland. And we hope, Sir, that these plants, financed with Government money will handle about twelve million pounds of fresh fish and about forty thousand quintals of dried fish or salt. I say, Sir, if that comes to pass it will be nothing but an unmitigated blessing for the fishermen up in my district. The honourable gentlemen over opposite said these measures are not designed to make our fishermen independent.

MR. HOLLETT: Mr. Speaker, may I rise to a point of order? In referring to the honourable gentleman, if it is I, I said no such thing, I said

nothing against grants to fishermen except in one case.

MR. MURRAY: It was the honourable and learned gentleman I was referring to.

MR. HOLLETT: That is different. I have to defend myself.

MR. BROWNE: Well, Mr. Speaker, I think the Honourable Minister will agree that I knew nothing about the drying plants he is talking about, which are a very much smaller matter than Fisheries Products obtaining five million dollars in loans.

MR. MURRAY: Mr. Speaker, I gather that it is only the fresh fish plants that the honourable and learned member objects to.

MR. BROWNE: I don't object to any plants. I object to the way in which the policy of the Government is being carried out in regard to fishermen.

MR. MURRAY: The honourable and learned gentleman apparently seems to have some fear about the independence of our fishermen. That is what I am getting at. Well, Sir, I would say to the honourable gentleman to do this; go out in the time of the trap fishery and see fishermen come in and leave their fish on the wharf and get 2½ cents and 2½ cents a pound fresh, and tell them they are losing their independence; and they will fire him over the stage-head. They are not worried about it.

MR. BROWNE: Not worried about their independence?

MR. MURRAY: They are not worried. I will tell you when they would be worried; if they got to get up on their flakes and haul out their wives and daughters and granddaughters and stick them on the flakes and come in

in the fall and try to get rid of their fish and crawl on their bellies to the merchants and try to get supplies. Then they would be worried about their independence, and they would have good reason.

MR. HOLLETT: Go up to Marystown and look at it.

MR. MURRAY: Mr. Speaker, these things about BRINCO, NALCO, about the Children's Health Plan etc. the honourable gentleman spoke of I don't take too seriously. What they have to say; after all they have to say something, they have to take part in the debate, and these, I would say, were merely debating points. But there are other statements the honourable gentlemen have made, I don't know whether each or all of them but some of them have anyway, whether it is the learned one or the man who does not profess to be learned — But, Sir, certain statements have been made to which I take absolute objection; by a gentleman on the other side — And these are the statements which refer to beer taverns and refer to Valdmanis; Sir, there is a technique (the honourable Minister of Mines and Resources spoke about it yesterday). It is not a new technique. I will explain the technique. Make a statement. Make a sneer, Make an allegation. Make an insinuation or a sly sort of innuendo. Just make it. People can get up and answer it and dispose of it. They can wipe it out of existence as far as all reasonable people are concerned. But don't mind that. Keep on saying it, disregarding any answer being made, disregard any explanation being made. Keep on saying it. Keep on repeating it. What will happen? A number of people will believe. It is not a new technique. Mr. Hitler brought it to a high state of perfection. There is

nothing new about it. But it is not a nice technique.

MR. HOLLETT: The Liberal technique.

MR. MURRAY: Sir, as far as beer is concerned, a statement was made in this House that no member of this Government is connected with beer taverns. Now I want to make that statement myself. I am no better than I should be, and I would not like to have my life placed under a microscope any more than even the most pious one here would like to have every motion of his life examined. But I say and I expect to have it believed and I don't want to repeat it. I can personally say, and far more, none of my colleagues have anything whatever to do with the beer business. Now I say that absolutely, unequivocally, categorically.

MR. HOLLETT: Did the honourable Minister say have or has?

MR. SMALLWOOD: The honourable gentleman is completely out of order. Sit down and listen.

MR. HOLLETT: And read it in Hansard three or four years from now;

MR. SPEAKER: Order.

MR. MURRAY: Mr. Speaker, I say this — I am no better than I should be, God help me, but I can say this, since I came into this House as a public man and as far as my public record is concerned and as far as my behaviour is concerned as a public man I have got nothing in the world to be afraid of from anybody, and I state that absolutely, definitely and categorically, and I expect to be believed about it.

Now, Sir, there is Valdmanis — Valdmanis whose name comes up in the House ten thousand times. The Speak-

er, himself, expressed himself as sick and tired of it. But there is just one thing I want to say about it, then I am done. Valdmanis is a self-convicted crook. He was not convicted by a jury or judge. Out of his own mouth Valdmanis convicted himself. He is a self-confessed crook. Now as far as we are concerned we were taken in by this rogue. There is no question about it. We were humbled, betrayed, humiliated, if you like, but there it began and there it ended.

**MR. HOLLETT:** No it did not. It did not end.

**MR. MURRAY:** Now, Mr. Speaker, I say this: If there was any shadow of a suggestion at all that any member of the Government was mixed up with Valdmanis, if there were any collusion with Valdmanis, if anything were going on and condoned, we should be kicked out of office, would not deserve to stay another minute. But the moment it was found out immediately things were put in motion to arrest him and send him to jail. What did we do? We took the humiliation, and there it is, and that is all. Politically or any other way anything could be made — we were betrayed — So what? People were betrayed before. There was a Judas in the twelve apostles. Does that prove Christianity wrong?

I was reading in "Time" the other day of an old lady in the States about sixty, very respectable, worked in a Trust Company, and everyone in town thought her a paragon of virtue. They found that for years defalcations were going on. Now then, should this trust company go out of business? Is there any reason it should be hounded for the rest of its existence because one of its trusted employees turned out to be a rogue?

Sir, the Valdbanis case is dead politically, sterile, barren and cannot produce anything. But here is what I am trying to get at and tell if this is McCarthyism or not. Last year in this House a question was put on the Order Paper, I don't remember it exactly, but this is how it went — What lawyer, it said, went down to Valdmanis when he was in jail and awaiting his trial, what lawyer? What lawyer of the prosecution prosecuting the case went down to jail to see Valdmanis while he was awaiting his trial? That question was put on the Order Paper. Now what can that mean? First of all it was hinting that some lawyer, did not say any one lawyer — went for what purpose? To bludgeon him into saying something, to brainwash. Is that what was intended to be put over, or what other conclusion could be drawn from such a statement? What kind of statement was that to make?

**MR. HOLLETT:** You are making it.

**MR. MURRAY:** I am stating a question placed on the Order Paper last year. In the same session of the House another question came up — Who took Valdmanis out on a fishing trip? What was the idea? Failing bludgeoning, failing brainwashing he is to be coddled now. To induce him to do what? To say something or to keep him from saying something he should say, or to say something he should not say. These questions were asked in one session of this House. I am not going to yield, Mr. Speaker, until I am finished.

**MR. HOLLETT:** I am rising, Mr. Speaker, to a point of order.

**MR. MURRAY:** Mr. Speaker, I am not yielding.

MR. BROWNE: Mr. Speaker, to a point of order he has to yield.

MR. SMALLWOOD: If it is a point of order.

MR. HOLLETT: It is not for the honourable the Premier to decide. Mr. Speaker, is it correct to refer to debates in the House in the last session?

MR. SMALLWOOD: It is correct, yes.

MR. HOLLETT: I am not asking the honourable the Premier.

MR. SMALLWOOD: There is no need to ask anyone. You should know. It is sheer ignorance not to know the answer.

MR. SPEAKER: Perhaps in the eyes of honourable members the Speaker is not competent to answer questions. If the honourable member means it is not proper to refer to things said last year — I would ask him, if it is not proper to refer to things said last year, I would ask him to imagine what debate could be possible. Of course it is not out of order. It is out of order to refer to debates in this present session.

MR. HOLLETT: Not last session?

MR. SPEAKER: Will the honourable member please continue.

MR. MURRAY: Mr. Speaker. I have nothing more to say about last year. I have said enough. I have made my point. This year again, forget last year, there was some discussion in this House about Valdmanis being taken to Holyrood and wined and dined while his trial was on. What is the suggestion? What is the innuendo that was being put over? When people see things like that — What is the innuendo? Valdmanis has something

to say that we are trying to control, to do everything in our power to hush him up, because if we treated him as an ordinary prisoner he would talk and get us all in trouble. If that is what was intended to be conveyed; when words like that are used, they are intended to convey something. If that is what they were intended to convey then I say that is McCarthyism in its worst form.

MR. HOLLETT: Was that in the Speech from the Throne?

MR. MURRAY: Another thing, Mr. Speaker, I know there is a case sub-judice, a case that is to come before the court, and I am not going to say anything at all about it which would prejudice anybody. But I am going to say this — That is being used, and I will tell you how — "Oh, this is under sub-judice. We cannot talk about the Miag case and nothing about the Bennochilde." There was nothing about the Bennochilde case that implicated the Government. That was proven conclusively beyond a doubt. There was nothing to implicate the Government. "But now if we could talk about the Miag case. If we could only talk about what will come out in the Miag case." It is mentioned again and again. And in the same breath it is said; we cannot talk about it, it is sub-judice. What is the idea? What is meant to be put over?

I say this, and I considered well whether I should say it or not. I know I am talking about a thing I know something about. I know the Miag case, and I am not going to say anything to prejudice anybody. I do know it inside and out and am acquainted with every document in it. I am saying this categorically; no more than in the Bennochilde case.

is there anything in the Miag case to implicate any member of the Government.

MR. SPEAKER: I don't think the point ought to be discussed. It is obviously impossible for me to know whether what the honourable gentleman is saying is subjudice or not.

MR. MURRAY: I have said nothing, Mr. Speaker. I have given a considerable amount of thought to this, and there is nothing in Miag anymore than in the Bennochilde case to implicate any members of the Government in any shape or form, not a shadow of anything to support such a contention. Why people keep mentioning Miag — "if we could talk." "If our lips were not sealed." That is what I object to. And I say, if anyone honestly or dishonestly tries to put over such an idea it is McCarthyism in its worst form, and I am condemning it as I have a perfect right to do.

Mr. Speaker, I have very little else to say, except to say this: I remember quite well the day I came into this House. The way I came in was not easy. I had a very hard row to hoe. Therefore I remember it perhaps better than some members who found it easier to get in here. But, Sir, I remember saying in the first speech I made here, in Committee of the Whole; after all the difficulties that I had in getting in I was proud to come in to represent the district I am representing. I was proud to come in under such a leader and I was proud to be a member of this Legislature and of the Government when such great events are in progress and when such a revolution is going on in Newfoundland. Well, Mr. Speaker, four years have gone by since then. Time passed very quickly. And I have

no reason to change one word of what I said then. As far as the people in my district are concerned, in those four years I have gotten to know them better and have gotten to like them better. I hope there is a reciprocal feeling. As far as that is concerned, they are a fine people, they are an industrious people, honest and God-fearing and they are reasonable people to get along with. I don't suppose ever any man from my district ever came in looking for something he was not really entitled to, and if he was not I explained it, and that was all the difficulty there was.

As far as my association with the Premier is concerned these four years have only enhanced the admiration I have for him and for the job he is doing. The Premier is doing a terrific job in Newfoundland. All the vision, all the foresight, all the energy which the Premier has put in during the past seven years in the administration of this country is now just beginning to pay off. And personally I feel proud to be associated with him in such small way as I am. And, Sir, as I say, there is a transformation going on before our eyes in Newfoundland, there is a revolution going on before our eyes bringing great events in its train. And as the Honourable Minister of Finance said the other day in his speech, we have come to the point when we can reach out for the stars. And, Sir, I am glad to be in a small way associated with an administration when so many gigantic and historic events are in train and on the market.

MR. LEWIS: Mr. Speaker, I beg leave to adjourn the debate.

On motion debate adjourned.

**MR. SMALLWOOD:** Mr. Speaker, could we have a recess for ten minutes?

On motion the House recessed for ten minutes.

Adjourned debate on Second Reading of Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

**MR. SPEAKER:** The debate on second reading is now on the amendment. The honourable Leader of the Opposition is speaking:

**MR. HOLLETT:** Mr. Speaker, it is not my intention to delay the House nor to devote any considerable time to this amendment. Anyway I would be a bit dubious about speaking this afternoon after hearing the oratory we did hear within the last hour and a half or so. If it were not out of order I would have to congratulate the honourable member who just spoke. It is one of the finest speeches I have ever heard in this House in a long, long time. I congratulate him and I congratulate the Government on having such a powerful speaker. I do say he is one of the most able speakers I have ever heard. There are, not to be envious at all, some good speakers on the opposite side of the House who only occasionally get to their feet.

**MR. SMALLWOOD:** Thank you! Thank you! Very witty.

**MR. HOLLETT:** If I paid a gratuitous compliment I am quite happy. There are some of the ablest speakers over there only they do not often get to their feet. In regard to this Bill, Mr. Speaker, I have to say that we are definitely against the principle which is involved. And it was so very well explained by my honourable colleague on my right yesterday that, if I repeat some of

the things which he said, I hope I shall be excused.

I want to say that I think it is bad for Newfoundland and bad for the Government to dish out 298 square miles as they are doing here whether to Frobisher or to Brinco — incidentally Brinco has been given sixty thousand square miles and Nalco the rest, and any little dribs and drabs of Crown Land are now gradually being given to the other people. You will remember, Sir, prior to this Act last year they got 498 square miles in Labrador in which to explore. They had exclusive exploration rights there. Now we have not heard what they did with that at all. We have heard in effect that they spent a certain number of thousands of dollars. We have nothing to prove they have. But nothing has been said as to what they found in the 498 square miles during the last twelve months. We have heard that somebody in some of the exploration parties wandered outside the limits and the geiger counter indicated that there was some mineral of some mysterious kind, a mineral, Sir, which to speak of alone rises the blood pressure of our honourable friend on the opposite side — Uranium — I do not know whether they found any uranium or not. All we do know is that somebody decided that in a couple of places they found traces or indications of uranium.

Now mind you that is outside the limit. What right did they have to explore in this particular region I do not know. I would like to ask that question now, but I do not expect an answer. Did they have any right to explore in this particular area? Has any man a right to prospect unless he gets a licence? I am not sure he has. But our information is that Frobisher Limited explored territory

in which they had absolutely no right whatsoever. They explored and prospected on Crown Land. And as a result they decided they wanted, in addition to the 498 square miles, another 298 square miles.

All right, suppose they found gold there or silver or suppose they found indications of uranium. They want therefore to block every person in the world from ever going into this particular area, 70 x 70 miles, I believe it is, anyway, 298 square miles. They want for a period of a number of years to keep everybody else out.

Now, Sir, is that the way that mines and minerals start? Is that the way that minerals are being discovered? Is that the way they found it in the Klondyke or in the North West Territories?

The Honourable the Premier stated yesterday, there never were any prospectors, there never were any such things — we would never get our country developed in that manner — It could not be done in Labrador because of the terrain. He talked about Newfoundland being twenty-five per cent bog and the rest, I think, overgrown with timber. He asked — How could any individual go there and prospect?

I wonder, Mr. Speaker, how prospecting went on in the North West Territories or in the Klondyke seventy or eighty years ago? How does it go on anywhere in the world except by intestinal fortitude and determination of the men who go out to prospect. How does Frobisher find it in this 298 square miles. They find it because somebody gave a fellow two million dollars to find it? No. They found it because somebody strayed outside the limits of the territory they had, and he had a geiger count-

er, or whatever they have, in his possession, which showed some indications. And they thought they had something and immediately came back to the Government and said they wanted another 298 square miles. They want exclusive exploration rights in that particular area. Now we have the Bill here to give it. I maintain, Sir, it is not right — it is not right — if there is uranium in that area why not I as an elector and as a citizen of this country and why have you not, Sir, as a citizen of this country, why have you not the right to go there and look for uranium. A uranium mine does not cover the area of 298 square miles. It is usually a much smaller area. But it is there somewhere, somewhere, perhaps. If fifty people or a hundred people go there they are more than likely to find it. It does not matter a hang to us, Sir, you and me or anyone here, it does not matter who finds it as long as it is found. It does not matter whether Frobisher or Brinco or whether it is the honourable member for Labrador. That does not matter a hang — What does matter is finding it, and what matters is, how can the people of this Province benefit from it.

Now, Sir, this Frobisher has 498 square miles, and they are going to be given more simply because somebody thinks there is uranium there. I do not think that is right. I do not believe any right-thinking man, including the Honourable the Premier, would agree that it is right. Talk about no roads and no rivers in Labrador. Nobody walks on roads while prospecting. We are told prospecting by canoe is impossible because there are no rivers on Labrador. Well I do not know. I have been on the Labrador, when a very little boy. When I was down there I saw lots

of rivers, and I saw territory exactly similar to the territory we have here. I walked over it. Yet we are told there are no rivers and a man cannot go with a canoe and prospect. You got to have an airplane. Why cannot the Honourable Minister of Mines and Resources, in his personal capacity, fly over that and trail his geiger counter over it and see what is there? Or why cannot I do that? I know when he is in a political mood and goes down to try and win votes he is not going to Northern Labrador. There is good reason why — I should not say —

MR. SMALLWOOD: Say it.

MR. HOLLETT: It has nothing to do with uranium.

DR. ROWE: Don't be a McCarthyist now — come on, say it.

MR. HOLLETT: I get sick of that McCarthy business.

DR. ROWE: So are we. Why stop suddenly — Is it too sinister to mention? Perhaps I robbed a bank down there.

MR. SMALLWOOD: Why not say why he does not dare go.

MR. HOLLETT: He knows darn well he won't get elected if he goes down there. Is that McCarthyism?

MR. SMALLWOOD: No. Not when you say he won't get elected.

MR. SPEAKER: I suggest the honourable member resume his speech.

MR. HOLLETT: Where was it I left off in my very excellent address? I was saying that the Honourable Minister of Mines and Resources ought to have the right to go and prospect wherever he pleased in this Province of ours, as they have in On-

tario and as my learned friend pointed out yesterday, there were some seven thousand claims and fifteen thousand licences issued last year in Ontario. There is no reason in the world why the Honourable Minister in Labrador cannot take out twenty claims — As a matter of fact now that I am on the subject I could tell the Honourable Minister of Mines and Resources where he can locate a fluorspar mine on Labrador away ahead of St. Lawrence.

MR. SMALLWOOD: Why does not the honourable gentleman do that?

MR. HOLLETT: I will tell you exactly why I don't do it, Sir. It is because the particular land is under the control of Nalco.

MR. SMALLWOOD: Why did not the honourable gentleman do it before it was under the control of Nalco?

MR. HOLLETT: That is not the point; I do not have to answer that question.

MR. CURTIS: NALCO would give you a concession.

MR. HOLLETT: And they take the profit and the Government get nothing in the end.

MR. CURTIS: They would give you a concession. Sure, send your application — There is a meeting Wednesday.

MR. HOLLETT: I am allowed to open a mine?

MR. CURTIS: Sure, go there with a pick and everything.

MR. SMALLWOOD: Would the honourable member stay there if he went?

MR. HOLLETT: I have been there. I harboured there almost before the Honourable the Premier was born — See my gray beard — And we brought back samples from it — and we thought it was only junk. I have had it analysed by the Department of Mines and Resources, and it is first class fluorspar.

MR. SMALLWOOD: I can tell the honourable gentleman that two years ago that would have been worth almost as much as a gold mine.

MR. HOLLETT: Get Mr. John C. Doyle to take it over. He might touch fluorspar even.

MR. SMALLWOOD: I think he will stick to iron.

MR. HOLLETT: I do know, Sir, why these people seem to develop a very, shall I say, effective, manner of putting a person off the beaten track when he gets to a point which is rather awkward for them to cross over. In other words they have to build a bridge to get me or themselves over it. So they try to divert my attention and make me go across the river in a canoe or something like that. That is a very effective means and is used very effectively. But I am not as yet off the track in any way, shape or form.

MR. SMALLWOOD: What track?

MR. HOLLETT: The railway track you are going to build down in Labrador.

MR. SMALLWOOD: That is terrific.

MR. HOLLETT: I have here in my hand a letter from people on the mainland to tell me of plans which they have made, and they have been three years making the plans and raising the money and getting the

money raised to go in to the thing — They have formerly prospected in Baffin Land and they have prospected in certain places in Labrador. This year they had planned to prospect in areas held by Brinco and by Nalco. They have their engineer. The engineer is an American citizen. They had ships already to go there, and these ships are taking down huge amounts of freight. And they intend to go prospecting in certain areas. Now they have discovered, they tell me, that the land they want to prospect they cannot get at because of the fact that Brinco and Nalco have exclusive rights, and they cannot get prospecting rights.

MR. SMALLWOOD: I can tell my honourable friend, if he will allow me, that both Nalco, and I am Chairman of the Board of Nalco, and Brinco Exploration will be happy to deal with my honourable friend's friends if they want a concession or a sub-concession. Either Nalco or Brinco would be delighted to deal with them if they are any kind of reputable —

MR. HOLLETT: On what terms?

MR. SMALLWOOD: On very reasonable and rational terms — Until they apply they cannot say —

MR. HOLLETT: That is getting away from the principle — Why should they have to confer with Brinco and Nalco when that land is the property of the people of this country, and over which this Government is supposed to have jurisdiction? Why can they not come to this Government here and ask them for the right to prospect?

MR. SMALLWOOD: We will give them rights.

MR. HOLLETT: You got to go to Brinco and these great big British companies in Brinco.

MR. SMALLWOOD: If they come to the Government direct we will be happy to give them sole exploration rights over thousands of square miles.

MR. HOLLETT: Will the Honourable the Premier point out to me the thousands of square miles left?

MR. SMALLWOOD: As many thousand as needed — In both Labrador and Newfoundland, many thousands of square miles.

MR. HOLLETT: They are most inaccessible.

MR. SMALLWOOD: They are not inaccessible.

MR. HOLLETT: The map here shows exactly where we are. All the coastline many miles and anywhere from twenty-five to seventy-five miles from the coastline are held by Brinco and nobody can touch it, nobody can get near it without the permission of Brinco. A man goes down there, say, and puts his ship in Sandwich Bay, off Hopedale, has got to track seventy-five miles before he can start to use his geiger counter or start to examine the rocks there. To my mind Nalco and Brinco are barriers to progress on the Labrador. It is all very well to talk about the great Hamilton River and all that sort of thing, and the power which is going to come out of it, Sir, you have to have some reason for purchase before anybody would be foolish enough to put money into development of the water power on the Hamilton River or anywhere else. And I say this legislation and not only this but others before it, which I cannot refer to at the moment — the whole idea of this legislation — I do not say the Govern-

ment did consciously — I don't believe the Government wanted to keep prospectors out but I say they have, and they have debarred them — and for that particular reason we are against this Bill.

I am reminded by my honourable and learned friend from St. John's West of a school that was being conducted down in North West River, by Professor Lee, I believe, who had a sufficient number interested there to give a course in prospecting. They must be of some use or they would not be training them. They are being given a training, anyway, in prospecting. And it leaked out to them or had been told to them at any rate, not by the professor perhaps, but by somebody that even if they got the knowledge they needed to prospect, and if they got the necessary certificates as prospectors, if one is needed, it would be no value to them in Labrador because they could not go out and gamble. My honourable friend, the Premier, is a great man for gambling — He has gambled this country and everything in it; he has gambled with the finances and with the money taken out of the people — and he is proud of it — He admitted it — "Gambled" is, I believe, the word in the Speech from the Throne — Oh yes, and the Honourable Minister of Finance talked about the gamble paying off. Anybody who has played poker knows it pays off occasionally, but I have yet to see a gambler win every time — Some people play and get paid off and get out — Perhaps that is what my honourable friend means to do, gamble and then get out.

We are gambling, Sir, with the natural resources of this country, with the Crown property of this country — And that is not correct —

It is not right, not a right thing to do. When these students discovered that they would not be able to go to these various areas shown on this map here, held by my learned colleague, they decided to give up the course and forget the idea of prospecting. That is common knowledge around the world now; that no other person need apply in this huge area. I believe it is a storehouse of minerals but what kind of minerals we don't know. We know there is some iron ore, lots of iron ore down there — There is lots of ore around Bell Island too — But there are more valuable minerals down there than iron ore, I hope. And why in the name of God then, should the explorations in these particular areas be given to Brinco and Nalco — As a matter of fact, speaking of Nalco, Mr. Speaker, it is very difficult to know just who Nalco is at the present time, or whether it is a Crown Corporation.

DR. ROWE: Mr. Speaker, to a point or order — Is the honourable member permitted now to start a debate on Nalco.

MR. SPEAKER: No. The honourable member interrupted me as I was about to call attention to that — It could hardly be included in this Bill — To show reason why the Bill should not be adopted, yes.

MR. HOLLETT: Mr. Speaker maybe I am wandering a little bit — But the principle in this Bill is exactly the same as that involved in Nalco and Brinco, and if I do stray for a moment to Brinco and Nalco I do not know why the Honourable Minister of Mines and Resources should be so touchy — It is all of Newfoundland we are talking about — and, you know, in Opposition we are still part of the Government and we still represent the people of the

whole of Newfoundland, as an Opposition. And I think if we want to talk about either one of these big corporations —

MR. SPEAKER: The honourable member is mistaken there. That is not the point — The point is what may be discussed at certain given, specific times. And on this occasion it is not proper to discuss Nalco or Brinco as such.

MR. HOLLETT: Mr. Speaker, the principle of this then, Sir, is the thing to which we object, the fact that we are giving to Frobisher the exclusive right to prospect in an area of two hundred and ninety-eight square miles for minerals of all kinds simply because in two small areas they have, they think, discovered traces of uranium. The principle that we are objecting to is that all sorts of people should not be allowed to go in there and prospect and endeavour to find this uranium and to find, if you like, the mother lode—I do not care who the company is, it is not to be expected that they are going to cover that whole area as quickly as it could be covered if people, real honest to goodness, bona fide prospectors could go in there. It is no trouble to find uranium, not a bit in the world, all you want is a certain machine and walk along with your hands in your pockets. If it is there it will find it. But as the Honourable the Premier says, that is a little bit out of date — You can get an airplane and fly over it and have some sort of thing trailing behind, and a machine in the airplane tells you exactly what is there. I suppose it comes out in big black or red letters — "Iron Ore," "Uranium" and so on.

MR. SMALLWOOD: And a sort of television reflection in the Cabinet to look at.

MR. HOLLETT: That is how easy the Honourable the Premier found it in that country to find uranium. Now if it were as easy as that, Sir, there would be no objection to giving to Frobisher anymore than to Mr. Doyle or to anybody else. But it is absolutely wrong to take away from the private citizen the right to go all over the Crown Limits and look for wealth. It would be just as legal, Sir, and just as right to give Fisheries Products, if you like, or Brinco, the right to mine the Atlantic Ocean for two or four or twelve months, all along the Newfoundland and Labrador. It comes to exactly the same thing. Happily at the moment every man can go in a boat, a skiff, a long-liner, a banker and mine for fish. So should it be with the land. No Government, no, even this supreme being (I was going to say "so called Government") should not have that right. They are abnegating, Sir, the Divine Right — The Divine Right is this; The products of the sea and the soil are there for man and not for any limited liability company to make all the profits in the world they like. If they find some mineral, all right, they form a company and operate it — And it is all very well for the Honourable the Premier to laugh and sneer and jeer — He is so used to doing that — He thinks, Sir, that he is next to the Almighty absolutely. I am not so sure that he is next to him or whether he thinks it is on top or whether below.

DR. ROWE: Don't you think you have somebody in your party next to the Almighty.

MR. HOLLETT: You are to speak afterwards — I hope the Honourable the Minister of Mines and Resources takes the responsibility for the things that are going to happen

with this present policy. I insist the thing is wrong, absolutely wrong, and we are definitely against the Bill.

DR. ROWE: Mr. Speaker, if it is in order and if no other honourable member wishes to speak on this amendment I shall close the debate, on what I consider to be the silliest motion or amendment since I have been in this House for four years.

MR. SPEAKER: Before the honourable member begins his speech I would point out; I was absent from the Chamber when the motion was made — This is an amendment to read the Bill six months hence. Now there is an honourable member here on my right, I understand, seconded the motion, but without speaking. It will be obvious to any honourable member here that in speaking to the amendment or in speaking to the main question the speech must not be the same. If he wants to say he is opposed to the principle of the Bill — Therefore I want to make sure the honourable member for St. John's East does not intend to speak before I call the debate to close.

MR. HIGGINS: He has learned enough to say nothing.

DR. ROWE: Mr. Speaker, I can only conclude the amendment is brought in in order to give the Opposition so much needed ammunition by referring to a number of extraneous matters which have no bearing whatever. Now, Mr. Speaker, you did not call my honourable friend out of order when making a couple of references, so if I could take a moment.

MR. SPEAKER: I cannot give the honourable member carte blanche like that — There will be no discussion on Nalco. I did call to order on that.

DR. ROWE: Thank you, Mr. Speaker. May I say that this matter is a source of personal interest to me because I represent Labrador North and South. I want to take the opportunity right now, right this moment, Mr. Speaker, because of that interest, to extend a challenge to the Honourable Leader of the Opposition to come down this year for the elections and run against me in Labrador North. I will guarantee my sessional fee to him that I will get ninety per cent of the votes. If he gets ten per cent of the votes he also gets \$3,000 from me. That is a public challenge to the Honourable Leader of the Opposition—take that or shut up about Labrador North—put up or shut up—

MR. HOLLETT: If I may be allowed, I cannot be shut up, Mr. Speaker, but I shall put up and I shall accept the challenge to have a man go to Labrador. He will be my representative.

MR. SMALLWOOD: No, the honourable gentleman himself.

MR. SPEAKER: Order! Order! The honourable Minister is entirely out of order. We cannot make nor place bets here in the House of Parliament. Besides the remarks of the honourable Minister are merely allegation of facts — there is no general election—to decide is obviously impossible.

MR. HOLLETT: Believe me, Sir, I cannot run in Fortune Bay too.

DR. ROWE: I do happen to have private property, which I bought with my own money, which I own and on which there is some heavy timber. It was my desire to cultivate a bit of that land, and decided to clear the timber off and rather than burn it or

destroy it I decided to give somebody a chance to clear it off. I presume the cutting, of course, makes me a timber merchant. That is the only explanation. However, I do extend to my honourable friend, any time he wishes, an invitation to come in and visit me there.

Firstly; first of all I want to enunciate once more what the principle involves here. Here the Government introduced in this House a Bill in 1955, which gave Frobisher seven thousand square miles for a period of three years. I want to emphasize that: for a period of three years — For what? To take it lock, stock and barrel and carry it across the Atlantic, or to take away in their pockets — seven thousand square miles, for a period of three years to go in and look for minerals. Nobody else was in there, no prospectors such as my honourable friend was talking about. To hear my honourable friend talk about prospectors you would think there was a great iron curtain. When on the continent of North America there was a tremendous search for minerals of all kinds the number of prospectors coming into Newfoundland or Labrador searching for minerals or wanting to was exactly and positively none, not one. The number in 1949 was four and there was one in 1950 and in 1951 it was two. Nobody heard of prospectors wanting to come to Newfoundland. Nobody would come here until this Government passed a few Bills here which made it for the first time possible to get real exploration, then some organization on the mainland had something to say, and passed a motion at one of its conferences which in effect chastised this Government; whatever business it was of theirs what this sovereign Government did with the people's territory. In effect they chas-

tised the Government for its policy, and one of the trade papers carried that and editorialized it. That is, I presume, where the honourable gentleman got the information.

MR. HOLLETT: I did not.

DR. ROWE: So much for the prospectors — Or may I say to my honourable friend who just spoke, he was guilty of misrepresentation here whether deliberate or not. This school for prospectors in North West River, which was inaugurated by the Department of Mines and Resources, a few months ago, similar to one which was inaugurated last year, was done at the request of the people of Northern Labrador and at the request of the great corporations, particularly Brinco, because the majority of the men in North West River area employed last year and previously by Brinco and other corporations in prospecting and surveying and these corporations obviously if going to employ the men to come in for prospecting work to have two or three weeks of basic training. Obviously such men were going to be more valuable to the corporations. What was the result? We expected a dozen men to come and take that course. And before Professor Lee got there, there were twenty-four men ready to take it and within twenty-four hours he had more.

MR. HOLLETT: And what happened?

DR. ROWE: They took the course, of course.

MR. BROWNE: Was it not a fact they were very downhearted when they found out if they made any discovery they would not own the discovery.

DR. ROWE: If that is so it is the first I have heard of it, and I pre-

sume nobody in the department ever heard of it, to this very moment.

MR. BROWNE: You should inquire about it.

DR. ROWE: I have no doubt that when you bring a bunch of men together —

MR. BROWNE: Does he want to know where and when?

DR. ROWE: It is immaterial for present purposes. I have no doubt that when you bring a bunch of men together like that, who do not know too much about technicalities they may have erroneous ideas. Every day of their life somebody arrives up in our department with some mineral in their hand which looks promising. They are brought in and the samples examined, and they may have traces of valuable minerals. And he is despondent if he cannot claim it even though it comes off his neighbour's property.

Frobisher was given, for a period of three years, the exclusive prospecting right to seven thousand square miles, and at the end of three years they say they have reduced it to this particular area comprising several hundred square miles. And last year in this House we ratified a Bill which give them three years' rights to prospect on that area. And over and over again my honourable friend got up here, and I must assume for political purposes, said over and over —

MR. BROWNE: Mr. Speaker is the honourable member entitled?

DR. ROWE: If that is a point of order? If not, sit down.

MR. BROWNE: Mr. Speaker, the Honourable Minister should address the Chair. I rise to a point of order — I know very well it is three years,

and if I said five I meant, to give exclusive rights for three.

DR. ROWE: It is not a point of order as I see it. Mr. Speaker, over and over again the Honourable the Premier and I have reminded the honourable gentleman that these are short-time concessions, three years of five — Has he ever used it — No not in this House. He gets up and says the Government has given away Newfoundland given away Labrador.

MR. BROWNE: Where should we say that, outside?

MR. SMALLWOOD: That is not a point of order.

DR. ROWE: The honourable member made it right here in this House.

MR. HOLLETT: Don't get so hot — Hold on to your hair!

DR. ROWE: Now when Frobisher started out on this reduced area they found very encouraging — not a uranium mine but very encouraging deposits or indications of deposits coming right down to a certain point. But they could not go beyond that point because they had no right there. And they came to the Government in July of last year and they told us they had come down there to a certain point but it was not enough to give them any additional encouragement, not enough at any rate to spend large sums of money. They needed further areas because the indications are that this, whatever it is, goes down in that area. They applied to the Government, and the Government said, yes, we agree to give you right to go in there and prospect. They then asked us whether we would incorporate it into their agreement. So that is what we are doing. We have brought in this amendment in-

corporating that additional area into that agreement.

Now, what does that mean, Mr. Speaker? It means that far from having given away it means that for two years Frobisher can have the exclusive prospecting rights there, and when these two more years are up they lose any rights they have to that as well as to the other three areas, unless in the meantime they have taken out their regular development mining licence in any part of that area. That is all provided for under the Crown Lands Mines and Quarries Act.

What is given away, Mr. Speaker? Exclusive exploration rights for two years to a great company. Suppose I ask this question? What if today the House were to cancel the whole Frobisher Agreement and nobody knew anything about uranium in that area? Remember when they came to us there was no question of uranium. If there was nothing about uranium and we cancelled the whole agreement, how many prospectors would there be in that area next year or for the next two years?

MR. HOLLETT: Who knows? You would be there, sure, prospecting down there now.

DR. ROWE: We can only go by the past, and in the past there was not one. Now my honourable friend over there is making use of a map. I presume I am the guilty party. I must have passed it over to him last year, I forget for what purpose.

MR. BROWNE: Do you want to see it?

DR. ROWE: That map was not prepared in connection with that amendment or this debate. My honourable friend who is a great lover

of tradition will probably be using that map for the next twenty-five years in this House. There is no overlapping, none whatever. This is a map which was prepared for me today.

MR. HOLLETT: Is that colour "Brinco?"

MR. SMALLWOOD: That is the colour the honourable gentleman will be when the votes are counted — Hold it up and see the "pink."

DR. ROWE: Mr. Speaker, I do not know what has gotten into the honourable gentleman to pop up and down so and ask irrelevant questions. That is not relevant to this matter we are discussing. We are not discussing BRINCO. I would point out that this map contains and shows the four areas that we have given or are proposing to give to Frobisher. I have a statement from the Department of Mines that the area does not go outside the original "A" which they held under the original agreement nor overlap any areas held by any other company. In other words my honourable friend is one hundred per cent wrong when he said there was some overlapping.

MR. BROWNE: I have here the map and have the two descriptions. Will the Honourable Minister show me where I am wrong.

DR. ROWE: Mr. Speaker, when we go into Committee, which we must eventually, I will give an answer. I am quite prepared to give an answer. Mr. Speaker, the members on the other side when they spoke on this amendment were wrong when they say that the Government has given away those great areas. They are wrong. Unless that statement is qualified it only has one purpose and

that purpose is to deceive the people.

MR. BROWNE: Mr. Speaker, I am tired saying I did not say they gave it away. If I did I certainly made a mistake when I did not qualify it. I intended also to qualify it — giving it for exploration.

DR. ROWE: Mr. Speaker, I accept the honourable gentleman's explanation and only regret he did not qualify it before.

MR. BROWNE: There again they won't accept my explanation.

DR. ROWE: I accept the explanation, Mr. Speaker. They are wrong on the matter of the prospectors too. They could not be more wrong. They are one hundred per cent wrong on that. And they are wrong on the matter of areas overlapping. There is no overlapping at all. And finally as far as the principle itself is concerned, there are lots of things, Mr. Speaker, that persons in Government and politics sometimes have their doubts about, they cannot reconcile themselves with, always they think they know, but if there is one aspect of the Government's policy of which I am absolutely sure in my own conscience that we are right about it is this matter of endeavouring to bring about the development of our natural resources by encouraging great corporations to come in to the Province. If we did not do that, if we sat down here as we did for years and decades waiting and hoping and praying God that somebody might come in and have a look at things, we would be wrong.

Mr. Speaker, I am against the amendment.

MR. SPEAKER: The main question is that this Bill be now read a second time, to which an amendment has been offered in effect, that the

word "now" be deleted and the words "six months hence" be added. The voting will be on the question that the word "now" do stand part of the question.

On motion amendment lost.

MR. BROWNE: On division, Mr. Speaker — Recorded as a division.

DR. ROWE: I don't think the honourable gentleman asked for a division but just want to have it recorded on division.

MR. SPEAKER: I see, naturally it would not be recorded unless requested. Is the request made? Is that the request of the honourable member?

MR. BROWNE: Mr. Speaker, I request that it be recorded on division it was passed.

Motion that this Bill be now read a second time, carried (Opposition voted "Nay").

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

MR. SMALLWOOD: Mr. Speaker, I move the remaining Orders of the Day do stand deferred, and that the House at its rising do adjourn until tomorrow, Monday, 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, Monday, April 16, 1956, at 3:00 of the clock.

MONDAY, April 16, 1956

The House met at 3:00 of the clock, in the afternoon, pursuant to adjournment.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions

#### Giving Notices of Questions

None.

#### Answers to Questions

Question No. 60:

DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, the answers to these questions are in course of preparation.

MR. W. J. BROWNE: Mr. Speaker, I wonder if the Honourable the Minister of Economic Development has been able to find that agreement?

HON. J. R. SMALLWOOD (Prime Minister): No. I have not thought of it since, to be quite honest. It is in the hands of the department, and if they succeed in finding it —

#### Orders of the Day

Adjourned debate on the Address in Reply:

HON. P. J. LEWIS (Minister without Portfolio): Mr. Speaker, it is a pleasure for me to associate myself with the complimentary remarks that have already been expressed by the previous speakers in this debate to the mover and seconder of the motion of the Address in Reply. I know that is a stereotype thing to do, but the motion in this session, I submit, Sir, has a particular significance in that both the mover and the seconder are representatives of that great area of the Province which we know as "The Southwest Coast." It was, I think, a happy thought on the part of the Premier to select these gentlemen to perform that particular service in this particular time because of the

transient situation of the area which they represent and which has received quite recently sincere attention from this Government in that quite recently there was called together a conference of people, representatives of all walks of life in that great area. It must also have been a pleasure to those representatives who were privileged to be here at the opening session to see their representatives in action on the floor of this House, and also on the opposite side, as Leader of Her Majesty's Opposition, one of their native sons. I think, Sir, it was a tribute to him as well as to the people themselves that they should have in this House as Leader of Her Majesty's Opposition a native son, a man of great parts, a man who has carried the responsibility which goes with Leadership of an Opposition in a most worthy way. I think, Sir, I express the feeling of all of us on both sides of this House and the sincere admiration which we feel towards the Honourable Leader of the Opposition, and I think too that it is only right and fair and just that we should express our appreciation of the gentlemanly way and the statesman-like qualities which he displays in leading a party which is small in number but in performing his duty, which is difficult in view of the circumstances, and I think it is only right to say he does it in a most worthwhile way.

I think, Sir, that what was done here on opening day in asking the representatives of the South West Coast area to be present at the opening session will foreshadow the implementation in the future of a policy of helpfulness and reconstruction which will result in the economic betterment of the people of that great area. Sir, the South West Coast of

Newfoundland is a most important section in our whole economic structure, particularly when we consider its importance in relation to the fisheries of this Province both present and prospective.

I have said in another place, and I would like to say here now, Sir, that on the South West Coast, particularly in Fortune Bay, this Province has a treasure which is unique and which should be preserved at all costs. I refer to the fast-disappearing band of deep-water fishermen who are to be found within the confines of Fortune Bay. It is a fact that there in that area is the last stand of a type of man that cannot be found in any other part of the North American Continent. And I submit, Sir, with all respect, that the preservation, the encouragement, the expansion and development of that nucleus of deep-water fisherman that are still to be found in the coves and hamlets of Fortune Bay should be preserved at all costs, whether through the Federal or through the Provincial authorities of this country. The deep-water fisherman, particularly the type that we know and have known in the past as the "Bank Fishermen" are fast-disappearing, and in fact have disappeared in so far as Newfoundland itself is concerned, and as the contributing factor in carrying on what was once a great industry in this country. Today there is not one deep-water dory fisherman operating out of any part of Newfoundland. But still it is a fact that the Nova Scotia deep-water fleet is dependent entirely and absolutely for its manpower upon the fishermen of Fortune Bay. And each year as soon as the month of March comes around the vessels sail from Nova Scotia and come to Fortune Bay and pick up their crews. At the

present time there are as many as ninety men out of one small settlement i.e. Harbour Breton, who are serving as crew members in the Nova Scotian fleet. And if it were not for Fortune Bay the Lunenburg fleet would have failed, would have followed the same course and be in the same straits as the banking fleet of Newfoundland.

It is true that we have replaced it to a certain extent by mechanized fishing which is known locally as a dragger and trawler operation. But, Mr. Speaker, that type of fishing is geared entirely to a fresh fish operation and a mechanized fish production while the old time dory fisherman, the deep-water trawler has disappeared from the scene and places like Garnish, Grand Bank, Belleoram, St. Jacques, Harbour Breton, English Harbour West and Gaultois no longer outfit such vessels, and those of our fishermen who were serving in the local fleets are serving in the capacity of servants to tycoons of the fishery, to big capital. The industry is not geared in the same way as it was in the past where the small merchant, the local supplier, was in a position to supply the saltfish production. Let me say here, Sir, if I may, that in addition to that nucleus of deep-water fishermen, which is so fast disappearing we also had in this country as a result of that industry an economic product that was unsurpassed and cannot be duplicated in any part of the world nor any type of fishing other than that heretofore carried on by the deep-water dory fisherman, and I refer to the light-salted, large, sun-dried, Maderia cured fish.

We hear today a lot about driers, mechanized production and so forth and so on, but many steps have yet to be taken and a great space has yet

to be covered before we will be in a position to produce again in Newfoundland the type of fish that was cured and shipped from places like Grand Bank, Burin and these ports in Fortune Bay to which I have already referred where that fish was cured by the natural sun's rays.

Within a few days time we will see within the Harbour of St. John's a majestic fleet of deep-water dory fishermen, the greatest in the world, an inspiration to anybody who has any salt left in his blood, a fleet which will have sailed across the Western Ocean to fish the Grand Banks and then on to Greenland and back to their homes in Portugal. These are all salt-fishermen. They will be all manned by dories, the type of men that we once were so proud of in Newfoundland. These vessels will represent countless thousands of dollars by way of capital investment. They will produce hundreds of thousands of quintals of fish. But, Mr. Speaker, they will be circumscribed by virtue of the fact that the product that they will produce will of necessity have to be a heavy salted product. That will be so because of the fact, Sir, that you cannot catch fish on the Grand Banks of Newfoundland in the month of May and keep it in the hold of your vessels for discharge in Portugal in September or October unless that fish is heavy salted. As a result an article is now supplying the Portugese market that is an imitation, and a very poor imitation at that, of the sun-dried cure that once was produced on the flakes and beaches of Fortune Bay.

It is nice to see these vessels. They leave a lot of money in Newfoundland. It is a good thing too and a grand thing to see the fresh fish operations developing in Newfoundland

and nobody would dare criticize the policy of the Government to give every aid they can towards a stimulation and expansion of fresh fish production in Newfoundland. But nevertheless, Sir, there still remains the fact that we have as a God-given heritage the greatest fishing grounds in the world on our doorstep. We have the means whereby the resources of these fishing grounds could be turned to the best account, and we still have the nucleus of men who can make it possible provided a constructive policy is directed towards the resuscitating of an industry which I think Sir, can do more for the rehabilitation of the South West Coast of Newfoundland than any other policy that may be adopted by this or any other government.

Now, Mr. Speaker, it is not my intention to prolong my remarks in relation to the Speech from the Throne, because the ground has been most adequately covered by the speakers who have preceded me. Some of these addresses have been most incisive, eloquent and trenchant. I propose to deal with only one or two of the salient features of that speech, and specifically and particularly one feature which has to do with a matter in which I am directly concerned. However, Sir, I think it is no less than just that I should comment upon the inauguration of the new Health Scheme which is envisaged in the Speech from the Throne.

The inauguration of such a policy as outlined in the Speech from the Throne in an area so circumscribed as Newfoundland it constitutes, I suggest, Sir, a bold and progressive but nevertheless a most essential step in social development. An analysis of the health standards, life expectancy, infant mortality, maternal mor-

tality and the ability of our people to pay for hospitals and medical expenses establishes the absolute necessity of a universal policy whereby hospitals and medical services can be made available to our people generally. The relative amount paid by our people per capita for hospital and medical services as compared with the Mainland Maritimes shows a broad discrepancy in favour of the Mainland. This House, Sir, might be interested to know that the average amount spent per family across Canada for health and medical services is \$82 whereas the average spent in Newfoundland per family for health and medical services is \$28. In the Maritimes Mainland Provinces the contribution towards medical and health services per capita is 250 per cent higher than the same contributions in Newfoundland and the all Canadian average of contributions towards health and medical services is 350 per cent higher per family than it is in this Province.

These differentials, Mr. Speaker, establish two points of great significance (1) the limited ability of our people to pay for hospital and medical services and (2) the lack of facilities even if they were in a position to pay them. The first indicates an economic want; the second a social service need.

An examination of the health standards of our people also discloses two shocking and startling facts (1) that the incidence of infant mortality is higher in Newfoundland than any other part of Canada and (2) the incidence of maternal mortality is in the same category. Indicative of this, but complementary thereto, is the crying need for adequate facilities to combat this terrible state of affairs. This want applies to hospital and medical

facilities particularly but also and of not less importance is the lack of adequate nursing services. Because of the geographical, physical and economic conditions, the population of this Province having been established on the perimeter of the Island, without adequate means of communications or transportation, has suffered, does suffer, and will continue to suffer from the inroads of disease and premature death until such time as normal medical and hospital facilities are provided for the people. The lack of these services, which in all other parts of Canada are normal amenities available to Canadian citizens as a matter of course, marks the great exception in relation to Newfoundland. We are out of step and lagging far behind in the march of social service progress in Canada.

Then again, Sir, the history of tuberculosis in Newfoundland is a tragic chapter. The incidence of tuberculosis in this Province was and still is the highest in all Canada, notwithstanding that the progress made in combatting this menace over the past twenty years has been nothing short of miraculous. There is a lesson to be learned from the results that have been achieved in the combatting of tuberculosis in Newfoundland. Improved economic conditions, intense and incisive medical and nursing investigations and professional care added to by the discovery of certain new drugs have brought about a most astounding result in this field of prevention and curative medicine.

What has been done in regard to tuberculosis can be done and must be done in relation to infant mortality and maternal care. In the case of tuberculosis the services at the central institutions were expanded to provide adequate bed facilities for

those needing hospital care. Field work involved investigations and detection carried out under the auspices of the Newfoundland Tuberculosis Association through the instrumentality of the "Christmas Seal" brought the medical doctor and professional nurse to the homes of people and to the root of the disease. An application of the same policy to medical health administration generally will produce like results.

The cost involved in providing the facilities required to take care of the hospitalization and treatment of all children up to sixteen years of age, no doubt will reach a staggering sum. The ability of this Province to provide it may well indeed present insuperable obstacles. However, no one can argue against the need for the services and neither can it be contended that given the service the desired results cannot be attained. Thus it is, Sir, that the matter will fall solely for solution into the realm of dollars and cents. Then it becomes a simple sum in proportion wherein the health and strength of the children of this Province must be weighed in the balance against the cost of ensuring that they are given equal rights with Canadian children generally to be born to thrive, and to prosper in the same way, with the same opportunities as children born in other parts of Canada.

The question raises the problem of Canadian citizenship and the obligation of the Central State to provide that all its citizens should have equal right of survival. It is a challenge to those in authority which they must meet either now or in the future. Canada as a nation cannot afford to ignore the challenge, if in fact the Government of this Province finds itself unable to provide free hospital

and medical care to the children of Newfoundland under sixteen years of age.

The re-institution, Sir, of the old policy of paying full value for services rendered towards local road construction needs little comment for justification. The raising of the issue however gave an opportunity to stress the importance of road communication whether local or otherwise to Newfoundland.

No territory on the North American Continent suffers so much from isolation and lack of communications than does Newfoundland. The backwardness of our services, the low standards obtaining generally within the Province all can be traced to the lack of communication within the Island. Thousands of our people for hundreds of years have lived and died in situations of isolation stark and absolute. This way of living brought with it hardships and deprivations which have been reflected in the overall standard of living in the Province and upon the outlook of our people generally. Thousands of them have lived and died without the services of doctor or priest. Children by the hundreds have died at birth because of the lack of the services of doctor and nurse. Mothers too may be counted by the hundreds in that great army who have paid the price down through the years because communications were lacking to provide the aids and assistance in their hour of needs and extremity.

Small wonder is it therefore that nobody dares raise a voice of protest against any policy which has as its object the improvement of communications and the elimination of isolation within and around Newfoundland.

Mr. Speaker, reference was made in the Speech from the Throne to the work and functions of the Commission set up to prepare Newfoundland's case for presentation to the Royal Commission.

It will be appreciated by the House that any reference at this stage to the nature and extent of the work performed by the Commission set up to prepare the case for Newfoundland of necessity must be very general. This is so because it is not proper to anticipate at this time what will ultimately be the subject of evidence for submission to, and consideration by, the Royal Commission. It can be said, however, that a great deal of work has been done. Every field of investigation has been explored, all with a view to establishing Newfoundland's right to revision of her position under the Terms of Union.

In this connection it is only just and right that tribute should be paid to the members of this Commission, Mr. Doyle, Mr. Grouchy and Mr. Perlin, for the faithful and worthwhile services they gave and are continuing to give to Newfoundland towards the preparation of her case. For more than two years now these gentlemen have been attending meetings of this Commission, at a great inconvenience to themselves, and even outside of meeting time they have devoted time and effort towards the consideration and preparation of Newfoundland's case. When the matter is concluded, we hope with success, I trust that the contribution made by these gentlemen towards Newfoundland and its future will be fully recognized.

I think that perhaps at this time I should impress upon the House the total volume of work which the mem-

bers of the Commission have been required to do. I have said that this work has been going on now for sometime more than two years. I may add that in these two years more than two hundred meetings have been held and that on three separate occasions there were daily meetings, morning and afternoon, for five and six consecutive days. I mention this merely to indicate to the House the volume of work involved and to voice assurance that the Commission is fully conscious of its responsibility and is not sparing itself in its fulfilment.

It is hoped that as a result of the investigation that has been carried on and the proofs that have been prepared that a comprehensive and convincing case will be presented to the Royal Commission to consider Newfoundland's rights under Term 29 of the Terms of Union.

Whilst the Commission is bound by its Terms of Reference to what may be obtained under Clause 29, it is not unmindful of the fact that the reason for the insertion of that Clause in the Terms of Union was to give Newfoundland the right to reopen the Terms, and that it will seek, therefore, to have the broadest possible interpretation of the Clause accepted by the Royal Commission and the Federal Government.

The Commission has approached the problem involved in Term 29 by endeavouring to analyze what is intended by that section. They have come to the conclusion that under it the Province is entitled to certain financial assistance as a legal right, provided that certain conditions stipulated in that Term are fulfilled. They have also concluded that by the implication the Province is entitled in

equity to ask for additional financial assistance in order to bring the standards of her public services up to the tolerable minimum level recognized in Canada generally.

As to the first, namely, the contractual rights, this depends upon our being able to establish: (1) Newfoundland's capacity to pay as compared with the Maritime Mainland Region, and (2) that the burden of taxation being carried by the Maritimes is not greater than that carried by Newfoundland.

In order to ascertain the comparative position, both from the standpoint of capacity to pay and the burden of taxation carried by the two regions, it was necessary for us to make a thorough exploration of many factors entering into the computation of ability to pay and the burden of taxation carried. To this end the services of Mr. Goldenburg were enlisted. He in turn retained the services of other eminent economists to constitute a team. This team has made a thorough and scientific examination of the fiscal position of the Mainland Maritimes and also of Newfoundland. They have prepared a report which has been presented to us embodying these findings.

It should be said at this stage that this is the first time in history that an investigation of the capacity to pay of any region in Canada has been undertaken. Thus it will be apparent that in carrying out this inquiry, our experts have had to break new ground. In this connection they have devised a formula which they advise our Commission will stand up to the test of the most incisive and exhaustive cross-examination. They have advised us too, that they are prepared to go on the witness stand to develop

and to justify the figures their report discloses. It will be appreciated that anything said at this time in relation to these matters must be of a very general nature. It will be understood that the time and place for the development of Newfoundland's case will be when her witnesses appear before the Royal Commission. Caution must be exercised in the interim not to disclose facts and principles which must be advanced as the fundamental basis of Newfoundland's claim for the first time when her case is being formally heard. It is no breach of confidence, however, to state that the contractual or legal side of Newfoundland's case will depend very greatly upon the evidence of our economics and our financial advisor, Mr. Thompson.

The report which we have forms the basis of the proof of these expert witnesses. They will be produced and they will develop on a factual basis the evidence in support of our claim. This evidence will, we hope, be irrefutable, and fully documented, and based, in so far as personal deduction is concerned, upon the result of investigations in the field. It will be authenticated in so far as documentation by reliance upon the Dominion Bureau of Statistics and official documentation where verification of the facts are required.

These witnesses have covered in the course of their investigation every branch of economic significance in both the Maritimes and Newfoundland. They have made a study specifically of the comparative earning capacity of our people, and in this connection have investigated each and every branch of industry and primary production. They have made an examination of personal money income in both areas, so that they are

in a position to show the comparative positions existing in this field. They have investigated the cost of living both in the Mainland and regions in Newfoundland and indeed have gone further and made investigations of the comparative cost of living between St. John's and certain industrial areas and the more outlying sections. They have investigated the comparative purchasing value of the Newfoundland dollar, as compared with the Mainland dollar, with a view to arriving at the real purchasing power of the Newfoundland wage vis-a-vis its Mainland counterpart.

They have investigated the comparative expenditures made in Newfoundland as compared with Canada generally and with the Mainland Maritimes particularly in relation to hospitals and medical services. The figures that they have produced in this field are startling to say the least. They have also investigated the standard of amenities prevailing in Newfoundland homes as compared with similar situations in Mainland Canada. The results may well be anticipated. They have looked at the social services and public services generally throughout Newfoundland. They have considered the lack of communications and transportation, together with its effect upon the overall economic standard of our people. They have, as a result of their inquiries over a broad field, drawn conclusions as to the two important features of our inquiry, namely, comparative ability to pay and comparative burden of taxation. It would not be right at this stage to disclose the result of these investigations. It need only be said that a discrepancy of broad proportions in favour of Newfoundland exists and has been found to exist in relation to both branches

of inquiry. In other words, our economists have found that as a result of scientific investigation, exhaustive and complete, made by men eminent in the field of economics, that Newfoundland can prove her right to substantial financial assistance in order to permit her to continue public services at the standard reached in accordance with Term 29.

The other branch of Newfoundland's case may be said to deal with her rights in equity. That feature of her submission will be based upon the principle that a minimum level of public service should exist for all citizens of Canada in all parts of Canada. The alternative to this would mean that in a nation integrated as Canada is, of ten districts, entitled a different standard of public services, and consequently a different standard of living should be accepted as the portion for each area. If such a theory were adopted, it would mean lack of cohesion and integration. It would also mean the non-existence of any common bond of citizenship, and worst of all, it would engender a policy of sectionalism which could only lead ultimately to discontent wherein the "have-nots" would be in constant and continuous ferment against the "haves." Already there is indication of this philosophy developing throughout Canada, and already steps have been taken by the Federal authorities at Ottawa to stultify this philosophy at its inception. We see this in the administration of Old Age Pensions, where the aged man in the Arctic Circle stands in equal right with his confrere at Ottawa, at the heart of the nation. Each receives the same benefits. Each becomes equally entitled when he reaches the required age. So again we see it demonstrated through the

Tax Rental Agreements, which are designed to share the wealth, so to speak, between the Provinces that have and those that have not. We find it again in relation to the sharing of responsibility for unemployment assistance to the unemployable unemployed. And lastly we see it demonstrated in the policy recently suggested at Ottawa for the institution of a National Health Scheme. All these things point to a universal concept of Canadian citizenship where, within reasonable limits, citizens of Canada, no matter where located, shall be entitled to certain basic social rights and privileges which are the hallmark of Canadian citizenship.

Newfoundland has come last into the Canadian Federation. Because of her history, which is one of retardation and slow development induced by factors beyond her control, she is far behind any other part of Canada in her standards of public services. It has been part of the work of our Commission to investigate the standards of these services with a view to ascertaining these three things:

- (1) How far below the required standards our public services are;
- (2) The standard required for the Province, having regard to the needs of our people and related entirely to necessity;
- (3) The comparative position in relation to other areas of Canada.

This investigation has ranged over a broad field and has embraced every branch of public service administration administered by the Government of this Province. It has involved an investigation into the actual work performed, as well as the cost of performing it. It has involved the test-

ing of that cost in every instance with a view to ascertaining whether or not the cost is subject to criticism, and, if it is, how that criticism can be answered. To this end the Commission has had before it all permanent departmental heads. These men have generously made available to us their time and talents, their knowledge and experience, so as to give us a complete and comprehensive picture of the functions that their departments perform. Their evidence has been incorporated into a report relating to each particular department of public service. This evidence has been further supplemented by memoranda, so that a complete story will be available to the proper persons as and when required. We have followed the departmental heads with an examination of all divisional heads whose knowledge and experience could throw a light upon the problems under review. Thus in all branches of the service we have made an extensive exploration, and we have incorporated the story told in a record easily accessible and fully documented. In addition to that we are still engaged in listing the various witnesses who will appear for all branches of the Public Services. The evidence these witnesses will be giving will be outlined in briefs under permanent departmental heads. So council to the Commission will have available by ready reference the names of the witnesses together with the proofs they will be competent to give any or all branches of the Public Service as it is being investigated by the Commission. As a result of what we have been able to do so far, a great want will be shown to exist in Newfoundland's Public Services.

To bridge this want will call for large expenditures of social capital.

This may be beyond the power of the Province to provide, but that being so, the question will remain — What is to be done about it? Either one of two positions can be taken. The Royal Commission can wash its hands of the needs of Newfoundland. It can limit itself specifically and particularly to the strict legal interpretation of the wording of Term 29. It can say that the standard of service existing at the date the Commission is appointed is the only standard to which the Royal Commission is entitled to look. It can, so to speak, make the date of the proclamation appointing it the saw-off date and assess on the basis of our capacity to pay, considered in relation to the Maritimes and the comparative burden carried by Newfoundlanders as compared with the Maritimes and the additional financial assistance required at that date. By that yardstick they could compute in dollars and cents the amount that Newfoundland is entitled to as at that date. Should they do so, however, and refuse to hear our case on the basis of need, they will have condemned this Province to conditions of social inferiority within the Canadian system. They will have constituted a condition of affairs that can result only in the perpetuation of a segregated race, suffering socially and economically from conditions for which they are not responsible and about which history testifies they could do nothing.

Another consequence of such an attitude would be the payment indefinitely by the Federal Government, under Term 29, of equalization grants, or grant-in-aid, to permit Newfoundland to continue her Public Services at the inferior standards reached. Should these standards be allowed to continue as they are, and our people

to suffer the shortcomings resulting from inferior hospital and health services, lack of roads and means of communication, low standards of education, high incidence of infant mortality, high rate of maternal mortality, high incidence of tuberculosis, then their ability to increase their capacity to pay and to carry the burden of taxation falling upon them will be lessened, with the consequent result that the equalization grant will become greater rather than less and our position vis-a-vis Canada generally will worsen. The financial burden as between Canada and Newfoundland will become heavier as the years go by. This must follow if the Province is not given the opportunity to improve itself. This improvement can only come if the standards of Public Service are lifted to a level commensurate with that prevailing in other parts of Canada. The lower the standards of Public Services the less likelihood is there of Newfoundland being able to carry the burden incidental thereto. The higher the standard the greater is this possibility. Thus, as we see it, the Royal Commission will find itself on the horns of a dilemma if it refuses to consider Newfoundland's plea for the upgrading of her Public Services, notably communications and hospital services it would condemn her to an inferior position whereby the need for financial assistance to maintain her services will become greater rather than less. On the other hand, if they take the generous view and look upon Newfoundland as an integral part of the Canadian nation they will, as they must, conclude that the better her services the greater the chance of her meeting her obligations and thus lessening the load that must be imposed upon the Federal Treasury by virtue of the express legal con-

tract in Term 29. This would involve, of course, a large social capital assistance grant.

It would be folly at this time to anticipate the decision of the Royal Commission but common sense indicated only one policy to be beneficial both to Canada and Newfoundland, that is, one consistent with a proper concept of Canadian nationhood, involving broad vision and constructive thinking geared to the principle that all men born as Canadian citizens are born equal; that all parts of Canada should have equal basic opportunity; that with them the country can prosper and develop. Without them it will suffer from sore spots of infection which must of necessity weaken the body politic as a whole.

(Applause)

HON. S. J. HEFFERTON (Minister of Municipal Affairs): Mr. Speaker, I move the adjournment of the debate.

On motion debate adjourned:

Second Reading of Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government:"

MR. SPEAKER: The debate on this motion was deferred:

MR. BROWNE: This was deferred, I think, at my request. It is a Bill which consolidates the previous law since 1952. The amendments have been made, I think, annually since that time.

I have studied the Bill, but there have been so many other matters which have come up it is hard to remember at the moment the line of thinking I had developed in regard to this.

The first thing that I notice in this Bill is that it gives new responsibility to the Minister. I think the Minister has now been given greater powers than he had previously under this Bill, whereas before the powers were given to the Governor-in-Council the powers are now going to be given to the Minister.

This is a Bill that contains something like a hundred and twenty pages, and so many of them deal with different subjects, like taxes for example, installation of water and sewerage and the building of roads and methods of financing, that it is not easy to see any special principle. There are several principles involved in a Bill of this kind. I have before suggested, Mr. Speaker, that some Bills should best be sent to a committee of lawyers, because lawyers, in the city at any rate, have had a good deal of experience with the Acts that are passed from time to time dealing with St. John's Municipal Council and there is a certain resemblance between the Bill we have here today and the St. John's Municipal Council Act.

The Minister in opening the debate did not give us very much information. He dealt with some of the changes that are found in this Bill, in the law as it stood up to the end of last year when the last amendment was introduced. I think that there will be some more changes, that I will deal with when they come in Committee. I don't know if it is acceptable to the Government that this Bill should be referred to a Committee of the House, but it seems to me that every year we have been having amendments brought in to this Bill. And I remember distinctly last year the Minister saying that he expected changes for a good many years

to come, because the subject of legislation dealing with development of local Government in this country was comparatively new, whereas in the Maritime Provinces they had local Government for well nigh a hundred years. Here, outside the city of St. John's, the only development within the last twenty years, and the greater part of that has been done in the last seven or eight years, nevertheless it seems to me that there should be certain principles that could be put into this Law which are of a general character. The subject of local Government is not new even though it has been in vogue here for only a short time.

Naturally we are all in favour of local Government and the rapid expansion of local Government, and we would like to see it done on a sound basis. Now the Department of Municipal Affairs has had more experience with this sort of thing than anybody else. The officials of that department have had experience with the difficulties which the local Governments have been running up against, and it seems to me that the Committee of the House to which this will be referred after the second reading is passed is not the most suitable place where it could be discussed, because there are so many legal aspects of the law dealing with local Government, and which do not concern generally the members of the House.

This is the only suggestion I have to make in regard to this at the present time. I am prepared to deal with it section by section. But it seems to me that because the Bill is a consolidation and has had since the Revised Statutes of 1952, an amendment in 1953, 1954, and 1955 and are

put in here with some other changes, a small committee of the members of the legal profession would, I think, in a very short time give the consideration to this Bill which I think it deserves, and be in a position then to recommend it to the House.

I have nothing else to say at the present time. As far as the general principle of the consolidating of the law, it is certainly desirable because it is generally extremely difficult, when you have amendments coming in year after year, for anybody to be able to find out what the law is at any particular time. The Minister knows of a case which was in the courts a year or so ago, and the department itself had made a little slip up in the records of its regulations. That is bound to happen where there are so many regulations and where there are amendments coming in every year, year after year. I am glad to see the consolidation, but I hope that it has either been carefully prepared, or the Minister would be willing to accept the suggestion I made and have it referred to a committee of the lawyers of the House.

**MR. SMALLWOOD:** Mr. Speaker, the difficulty with that procedure is that it would limit more or less to the lawyers of the House a certain familiarity with it that all members of the House ought to have. I think I understand what referring it to the lawyers of the House means. It means that a Select Committee of the House or some kind of committee would be appointed and then the personnel of that committee would be lawyers from both sides of the House. And then the Select Committee would go through it carefully and see what changes had been made in the act of consolidating the various statutes which are now brought forward here

as one new statute. All that would be very useful for the lawyers, I suggest. However they can quite as effectively do it as individuals if it is necessary to be familiar with the provisions of the Act in the practice of law outside the House. They will find it necessary to study it. But I suggest we all here, all of us, are not here as lawyers at all. We are here as law makers. We are not here as persons practicing law in courts. We are here as persons who are making laws for lawyers to work on and courts to work on and also for the general public to observe. Therefore it is essential that we here in this House, all of us whether we be lawyers or not, familiarize ourselves and do it in the only way in which it can be done, that is to say, to have it debated — the principle of the Bill debated here at second reading and in Committee of the Whole House to have the matter dealt with one section after the other. If on the other hand lawyers only dealt with it the tendency will be in Committee of the Whole where no lawyer has any objection and no lawyer has any comment to make that the rest of the House will take it as read. And I am afraid this rather substantial consolidation consisting of approximately seventy-one pages will be more or less taken as read on the grounds, which might have some basis in fact, that the lawyers had looked at it and were satisfied with it and we laymen might as well take a back seat, now that the lawyers were satisfied, and say nothing but just put it through its regular stages.

Now actually, Mr. Speaker, as I happen to know, this is merely what it says, a Bill to consolidate the statutes — it says to amend and consolidate — but it is principally a consol-

idation of a number of statutes that exist already, and to make an amendment here and there in the light of our greater experience since the original statutes were enacted. I feel that we ought to follow the normal procedure here. There is no great new principle involved. The principles that were in the various statutes were of course previously debated when these various statutes were brought in here and these principles were accepted by the House, and this Bill merely takes all these principles and consolidates them into one statute, the principles having already been accepted by the House. No great new principles are here introduced. It is primarily a consolidation of the statutes, with here and there an amendment, but with no amendment which in itself constitutes the introduction of any great new principle.

For that reason, whilst I appreciate the reason which prompted my honourable and learned friend's suggestion, I cannot agree that it is the one that ought to be followed normally in this House, unless we are going to do it as a matter of general practice.

Mr. Speaker, I close with this one point: Most of us in this House represent, and most of us represent outport constituencies in which this legislation, if it becomes legislation will operate. And it is therefore essential for all of us as outport members to be familiar with this legislation, because repeatedly we will be called upon by our constituents to explain to them and to act and initiate action as well as give advice in the very matters with which this Bill deals.

MR. HEFFERTON: Mr. Speaker, if nobody else wants to speak; it has been pointed out, there is very little in

this that is new. It is merely a consolidation of something we have had for some time. The amendments introduced are partly changing procedures, working for a greater efficiency in local Government in various areas. In addition to that there are certain additional powers given to the Town Councils, based on the experiences of the Municipal Council in St. John's and of course asked for by the Town Councils. Because as they find they are expanding they also find they want to carry on more effectively than they already have.

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 Gasoline Tax Act:"

HON. G. J. POWER (Minister of Finance): Mr. Speaker, under the present Act gasoline supplies to factories, used in the construction industry and gasoline supplied to paper boats are, I believe, exempt. The purpose of this amendment will be to correct that situation.

Also another purpose of this amendment is to extend the exemptions under Municipal Government. Another effect would be that where exemptions or refunds are necessary the payments of these refunds can be decided by the Department of Finance. It would be then necessary to bring the matter before Cabinet, which causes some delay.

That is about all, Mr. Speaker, and I move the second reading.

(Mr. Speaker left the Chair, Mr. Deputy-Speaker in the Chair):

MR. BROWNE: Mr. Speaker, this Bill is one to repeal Section 15 of the Revised Statutes, Chapter 38. The

new section then goes on to say — (2) Where the tax imposed by this Act has been paid on or in respect of tax exemption gasoline the Minister may, on proof satisfactory to him that the tax has been paid, refund the tax paid to the person from whom he received it. It seems to me that to go back to 1952 and to consider claims is giving the department a considerable amount of extra work. The Minister might be able to explain it when he replies. Because I cannot see why that clause is put there. I understand that provisions would take effect when this Bill is passed, but to make it retroactive it seems to me to require some explanation. My colleague asks me if it is retroactive. If he reads: "Where the tax imposed by this Act" etc. That means it is imposed by the Act passed in 1952 — The Minister may make refunds. And I don't know how he proposes to do that.

Then that raises another point: If money is going to be paid out of Government funds does this then become a money Bill which should be introduced by way of resolution? Any charge upon the public funds must be introduced by way of resolution, and although it may be small, the principle still stands. I did understand — As a matter of fact, I have this Bill marked as one of the two Bills which should be introduced by way of resolution. Mr. Speaker, I would suggest that consideration be given that.

MR. SPEAKER: If the Honourable Minister who made the motion speaks now he will close the debate.

MR. BROWNE: Perhaps the Attorney General would consider it.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I think, strict-

ly speaking it may be a money Bill. But it is such a minor matter. The Bill deals only with the manner of enforcing the Act. So we propose not to introduce it by way of resolution. We have in times past very frequently — You will remember at recent sessions we went into that matter very thoroughly, and we found that fifty per cent of the Bills that had been introduced in the normal course might have been strictly introduced as money Bills. I have gone through many journals of the House, and if my honourable friend will look them up he will see that in many, many cases Bills, which might, technically have been introduced as money Bills have been introduced as public Bills and not by the way of resolution. I think it would really be unwise to depart from that practice.

MR. HIGGINS: That is a tax practice.

MR. CURTIS: No, but interpreting everything as a money Bill — I think it would be unwise to be too strict in that interpretation, because I don't think I see the advantage of it. This does not impose any charge on the exchequer. It purely deals with the matter of gasoline. I think, Mr. Speaker, if you refer to the Act — This is an amendment to Chapter 15. Now Chapter 15 of the Gasoline Act, 1938 provides that practically all the gasoline referred to here is exempt from duty. It looks to me as if the main amendment is to the first section. In the Revised Statutes the section reads — "A gasoline of low octane classification, coloured with purple dye, and used in the operation of vessels, boats or tractors." Now this is changed to "Marked gasoline used in Newfoundland for the operations of a vessel or boat, not being a pleasure vessel or boat, or in a tractor

used solely for agricultural or logging purposes. The next section is probably the same, only it does include with the St. John's Municipal Council, the Corner Brook Municipal Council, a municipality, a town council, a rural district council or a Board of Trustees established under the Local Government Act, 1956, or a community council established under the Community Councils Act, 1956. The next section deals with aircraft, which is exactly the same. The other one deals with bulk purchases of gasoline.

So I think you will find, Mr. Speaker, that the amendment is very slight. It really just extends, as I see it, certain privileges to the Corner Brook Council and to town councils and municipalities.

MR. BROWNE: You have the section there in front of you — Look up the sub-section (2).

MR. CURTIS: The reasons sub-section (2) is included, Mr. Speaker, and I am speaking now from thought rather than from knowledge, is that the practice has been adopted of allowing this gasoline tax exemption, and this is just really to authorize the Government to have done what it had done. In other words, all this gasoline has been exempted in the past.

MR. HIGGINS: And refunds?

MR. CURTIS: I think there may be cases for a refund.

I think it will be found that in a large measure the object of this Act is just to authorize to be done what has in fact been done perhaps by omission, perhaps through mistakes—but it is just a case of making the Act retroactive to cover what has been done

in the past, and enabling provisions to do it if it is found the claim was made. I think it is a matter that could be discussed more satisfactorily in committee.

MR. HIGGINS: Might I ask—when the Minister is replying, Mr. Speaker, if he would be good enough to inform the House as to whether there is any real amount of money involved in this agreement the Bill provides for, or is it very minor.

HON. G. J. POWER (Minister of Finance): As far as I know, Mr. Speaker, the amount is very insignificant. It applies where the refund is incorrectly paid. It applies also in the case where, say some members of a Federal agency pays tax. He could not prove at the time he was exempt. Well it was just a matter, of course, when he offered proof that he was a bona fide Federal agent, and as such was entitled to the exemption, he got it.

MR. BROWNE: In Section (1) sub-section (b) — "Her Majesty's Government"—does that mean the Federal Government?

MR. POWER: I think that that would apply. These are Federal exemptions as well—I don't know exactly what they are. I imagine it would be cars used by the Federal Government.

MR. BROWNE: The question was whether "Her Majesty's Government" referred to here applied to the Provincial Government or the Federal Government or to both?

MR. HIGGINS: What about the "RCMP" for instance?

MR. CURTIS: We would not be allowed to tax the Federal Government.

MR. BROWNE: Where do they get their gas—that is the point?

MR. SMALLWOOD: I think they have their own gasoline supply.

MR. SPEAKER: Order—It seems to me at this stage the House is anticipating committee discussion. That question might well be asked again in committee.

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 St. John's Memorial Stadium Act, 1954." adjourned debate:

MR. HIGGINS: Mr. Speaker, I think in this instance, I may become our voice in this matter. I have examined this particular Bill — Indeed I knew it was coming up, before the Minister brought it in and explained it. It is quite satisfactory to us.

It provides for the vesting in the Commission, which has been operating in the stadium, certain powers controlling the land surrounding the stadium building property, allowing them to improve them and lay them out, and to give them power to make rules and regulations governing the conduct of patrons in the stadium itself.

It is a perfectly straightforward amendment, and one which we have no objection to.

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." — adjourned debate.

MR. HIGGINS: Mr. Speaker, in this amendment to this Bill there are various items which can be discussed

in committee. But this unsatisfied judgment provision is one to which I would suggest the Government give some real consideration. I notice that there are no provisions made for an increase in the amount payable out of the fund for personal injuries. It still remains at \$5,000. Now that is I submit, Sir, not a realistic figure anymore. I can buttress my objections by concrete facts. I have in mind now a case that actually occurred in our courts last year where a man who was employed at the Dockyard was injured in a motor collision in which he was completely guiltless; standing on the sidewalk having just bought the morning paper, on his way to work, and a car comes down Water Street and turns up Job Street and comes into collision with another car and plunged in on the sidewalk. This man spent almost two years out of work. His loss of wages alone at the dock amounted to something like five thousand dollars or something slightly in excess of that amount. His hospital and doctor bills —

MR. SMALLWOOD: For two years?

MR. HIGGINS: For the time he was actually off. He did get a bit of work in between. I don't want to indict the medical profession. They sent him back to work with his leg in a cast. His hospital and doctor's bills were approximately three thousand dollars. That was eight thousand dollars. In addition it became necessary to amputate his leg. That man was an experienced lathe operator. There are members on the opposite side of the House who can appreciate what a handicap that would be to him. He would never be able to go back to that type of work again. The person found to be responsible for the accident had insurance, peculiarly

enough, of five thousand dollars. And that party quit St. John's immediately after the accident — When I say "immediately" I mean within a matter of weeks. He was eventually located. After a full-dress trial, responsibility was fixed and solely attributable to this man, and judgement was entered into, generous judgement considering all the circumstances, in an amount slightly in excess of fifteen thousand dollars.

That man, Mr. Speaker, has been able to collect five thousand dollars from the insurance company. The maximum that he can collect from the Unsatisfied Judgement Fund is an additional five thousand. This is one actual case that I know. I know that my honourable and learned friend from Harbour Main-Bell Island can tell you of another case presently pending where a judgement, if it is ever filed, will certainly be far in excess of this amount. It means, Mr. Speaker, that there are people today actually unable to get real compensation.

Now the amounts of the judgements that have been paid, as outlined by the Honourable Minister who introduced this Bill, do not seem to have seriously threatened the fund that has been created. Indeed one hears quite commonly suggestions that we should drop this level. I don't think we should drop it, Mr. Speaker. I think, Sir, that serious consideration should be given to the question of increasing the fund. I know in Ontario, which I know is a much wealthier province, they have a minimum figure now of ten thousand dollars, and there is presently a certain amount of argument to have that increased.

So much for that provision, Sir. There are various other matters which

I think can be more properly covered in committee. There is this new and very wise provision made for this hit-and-run-driver wherein if a person is injured and the identity of the driver at fault cannot be established it can be covered. And I agree in a sense that that is limited purely to personal injuries. It would be a good thing if that were extended to cover damages. But I possibly see the reason—if you did extend that to property damage it would involve a great deal of work to track down and expose fraudulent charges. There is nothing whatsoever to prevent me from saying, if I were going home and went off the side of the road and smashed up my car, next day that a car ran into me. There would be involved a certain amount of difficulty. But I do feel, Sir, that there should be a serious consideration given to increasing the amount allowable for personal injuries. I think today it will be generally agreed that where there is serious personal injury, the amount of five thousand dollars is very rarely regarded as being any more than merely nominal compensation, particularly in cases such as the one I have referred to where a man receives permanent mutilation and consequent loss of earning power. I think it is a matter, Sir, worthy of some discussion from other members of this House.

As to the rest of the Bill, as I say, there are points to come up which can well be argued out in committee. But I do feel the principle of the amount of compensation payable should be considered with a view to its increase.

MR. BROWNE: Mr. Speaker, as I am familiar with the case to which my learned friend has referred, I would like to support him in the position that he has outlined to the House. It will be seen that although he has mention-

ed the loss of wages and the medical expenses there are a great many other expenses in connection with the matter which the man has had who takes action. These have to be considered too, especially the question of cost, which in cases of that kind may easily run into eight or ten hundred dollars. The defendant was out of the country and five thousand dollars was the maximum amount for which he was insured.

MR. CURTIS: Why allow him to get out of the country?

MR. HIGGINS: There was no charge against him then.

MR. CURTIS: He could have attached him.

MR. HIGGINS: Actually—if I may interrupt—the defendant quit the Province before the victim's release from hospital. In fact it was thought that he was going to die. Your department had an enquiry at the time because it was thought there might be a manslaughter charge arise out of it, it was so serious.

MR. BROWNE: Perhaps, Mr. Speaker, this point might be given more detailed consideration when we get into committee, because there is no doubt about it, now the tendency is in the courts to give large amounts of compensation, and it could easily be understood a man with an income of five thousand a year who gets killed or injured for life five thousand dollars could not compensate him for all that he has lost. Then he has to pay the costs out of it and may have to pay medical expenses and other things as well. So I think the point raised by my learned friend is a good one and should be given serious consideration in committee.

MR. CURTIS: Of course, Mr. Speaker, the point raised by my honourable friend just shows how wise this Government was in introducing this legislation. Of course it will be remembered this legislation was introduced by this Government.

MR. BROWNE: Oh sure.

MR. HIGGINS: One can't live on press-clippings forever.

MR. CURTIS: Our legislation is now so good that our honourable friends opposite want us to enlarge it. But Mr. Speaker, it must be remembered that it was never assumed this fund would take the place of insurance. And it was never understood that this fund should compensate people. It was to help people who other wise would be absolutely out of luck. Now I know of a case of a taximan who lost a car which was worth a thousand dollars to him, and he did not get a single, solitary cent, before the passing of this legislation, although he lost his car because the fellow who ran him down was an unlicensed driver who was operating a stolen vehicle. Under this Act he would have gotten a certain amount. It must be remembered, Mr. Speaker, even under the present very satisfactory condition of this fund we cannot afford to be as generous as we would like or as anyone would like. It is easy to be generous if we just doubled the fee. But people are already wondering why we are not already dropping this one dollar per head. If we could make it \$2 a head we could be generous. But our reserve has not yet reached the one hundred thousand dollars which is the amount we set aside to really establish the fund. Of course, when we reach that figure, I think, the points raised by my honourable friend might well be

taken into consideration. The Government does not want to make money out of this Act. The money coming in is kept in a trust fund separate from any other fund. It is purely a fund collected for a specific purpose. Of course, if there is a general desire from all the people to say they will pay the extra dollar if we would enlarge the liability under the Act, we could object. But I think at the present time the Act has vindicated itself and has vindicated those who brought it in. And I am sure that as soon as the time is ripe the points raised by my honourable and learned friend will be given consideration.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, in speaking to close the debate on this second reading, which of course will have full opportunity to be debated in committee, I note the comments made by the honourable members of the Opposition, and it is quite true, as the Honourable the Attorney General has in some measure explained—perhaps it is a good thing that I did not allow any other members on the Government side to rise or perhaps I would be left without anything to say—not that I am particularly anxious to be on my feet. It does not make a lot of difference to me whether I stand up and comment on a bill or not—the main purpose of my being here is to endeavour to give support to any measure which comes before this Honourable House for the benefit of the public.

I want to say in connection with one point raised by my honourable and learned friend from St. John's West when he made the suggestion that payment could very well be increased—and the position has been taken by the Attorney General that prior to the introduction of this Act there was no re-

dress whatsoever for a person who happened to be the victim of a collision by some uninsured driver or somebody without the necessary property which could be attached and so thereby reimburse the loss. Hence the introduction of this unsatisfied judgement fund, which really copies pretty much what is being done in other provinces of Canada. The fact that any one payment upon the death of one person or the injury to one person was limited to only five thousand dollars was thought at the outset to be a very good thing indeed. I acknowledge the point raised by my honourable and learned friend that it would be a very fine thing if we could give still more protection. The fact that this amount of protection has been given, however, does, as the Honourable the Attorney General has said, vindicate, I think, and justify the Government for bringing this Act in. I have very definite knowledge in my office, as Minister of Public Works, that there has been complaints in fact about paying this dollar that the licensed drivers pay. The unsatisfied judgement fund is made up of one dollar per year on each licensed driver. We have on hand a very definite statement by the press in this city criticizing this fund and the payment of this dollar. It is quite true that the press, as in many other cases, did not get the facts. They rarely do, unfortunately, or if they do, they get off the line somewhere or other. In that case the suggestion was made that the fund was over the hundred thousand dollars and so forth—a public statement made by the press of this city not so very long ago.

The House will recall in my introduction of this Bill just a few days ago, I gave actual facts which were at that time—the amount paid out of the fund to date was already about some seventy

thousand dollars, every penny of which has been a benefit to the victim of collision through perhaps drunken driving or some other cause. So the public of Newfoundland are seventy thousand dollars better off because our licensed drivers contribute one dollar per year to that fund.

I also stated at that time that at the end of March, this year, the balance remaining in the fund was eighty-five thousand dollars. It is because of that balance, Mr. Speaker, that the Department or Government now feels that they can introduce still additional legislation to try and protect in some measure against—not fully but in some measure against the hit and run driver. I explained that on the occasion of my introduction of this Bill.

The honourable and learned member for St. John's West concurred in the statement made by the honourable and learned member for St. John's East. It is true, as they have both said, in the case referred to, but the victim still had five thousand dollars from the insurance fund and he is entitled to five thousand dollars from the unsatisfied judgement fund, in as much as the Courts of the Province awarded him fifteen thousand dollars. He then does receive ten thousand dollars. It does not fully cover him, we realize that. But I don't think, Mr. Speaker, we can yet aim to protect our people to the full extent, as much as we would like to. We think that we have gone a long way in this measure. And it is a great source of satisfaction to me as head of the Department which brought it in to find my honourable friends in the Opposition now recommending that the payment be increased.

I suggest in closing, Mr. Speaker that I sincerely hope the time will

come when we can increase the payment. But in order to do so we must extract additional money from our people who pay their license fees now. I am very happy to know that in the main the drivers in Newfoundland have paid this unstintingly and in the main without any complaint. But there have been some complaints.

Mr. Speaker, I move the second reading.

On motion Bill read a second time—Ordered referred to a Committee of the Whole House on tomorrow:

On motion the House recessed for ten minutes.

Mr. Speaker returned to the Chair.

Second Reading of Bill, "An Act to Amend the City of St. John's Act."

MR. HEFFERTON: Mr. Speaker, this is a Bill, "An Act to Amend the City of St. John's Act," again introduced by the Government by request of the Municipal Council of St. John's.

There are four or five short amendments.

(1) That the Council be empowered to appoint annually a Commission, giving it the power delegated to it under the Highway Traffic Act by the Minister of Public Works.

The second amendment deals largely with Crown Lands in the vicinity of the George's Pond, reserving from the Act certain areas delineated.

The next amendment takes place of the present clause of the Municipal Act, and the purpose of the amendment is to compel occupants of buildings along certain streets to carry out snow-clearing within a certain limited period of time. And there are penalties attached thereto for failure to

carry out these legal requirements.

Then provision is made whereby the Municipal Council is empowered to install sewer lines outside the present jurisdictional limits but in the controlled area at present under the control of the St. John's Municipal Council, in the East End of the City of St. John's.

Finally there is a provision whereby the Council may permit the rebuilding, as replacements of those destroyed by fire. Indeed there are a number of sections which properly may be dealt with in committee stage, Mr. Speaker.

**MR. BROWNE:** Mr. Speaker, there is not very much to be said about these amendments.

I think it is a good thing that traffic in the City of St. John's is going to be handed over to a Traffic Commission. I fail to understand why it was not done before, because I think it is a local problem and it is a problem in all communities, Corner Brook and other places, and the persons in charge of these communities should be entrusted with the regulation of traffic. I am glad to see it will be done, and hope they will regulate traffic. There is no question, it is in need being regulated. It is getting worse with the increase in the number of motor vehicles. The traffic is getting almost intolerable especially at certain hours, at meal hours and in the morning when the traffic on certain main arteries is very congested. So that I hope that this Traffic Commission which is to be appointed will justify its appointment.

In regard to the new section dealing with the removal of ice and snow; I believe that is an extension of the provision that applies to Water Street at the present time. It has been applicable to Water Street for a long time

and is being extended to Duckworth and Gower, but why extend it to Job Street I don't know, since it is a very short street, with houses almost exclusively on one side.

I notice the Council is requesting power to install a main sewer pipeline outside the City, in the vicinity of Portugal Cove Road. Well there are a great many houses being built in that area, and I presume because of that the Council is going to put in sewer pipes. I had hoped to see some provision made for the extension of water outside the City on the South Side Road for example. I don't see it here, and as I cannot, I cannot say much about it.

I was going to draw the attention of one of the ministers to the fact that I heard that the Council was going to look this year for an extension of its boundaries. It seems to me that the City should be expanded especially in the Southwesterly direction. I am thinking of the Southside Road. The boundary at the present time is at Symes Bridge. And as long as I can remember that has been the boundary, I think ever since the Municipal Council was established Symes Bridge has been the boundary, running across the cemetery by Symes Bridge and up across the road, and from the bridge it goes across Blackhead Road.

**MR. SMALLWOOD:** The Blackhead Road is not anywhere near Symes Bridge.

**MR. BROWNE:** The Blackhead Road runs in a southerly direction, or south-southeast.

**MR. SPENCER:** To say "southerly" is near enough.

**MR. BROWNE:** Perhaps I could describe it this way—the city boundary

comes along now to Waterford Bridge Road, then goes down to Symes Bridge.

MR. SMALLWOOD: Goes in and comes back directly to the Bridge or straight down to the Bridge from Waterford Bridge Road?

MR. BROWNE: It comes down Waterford River because it seems to take in the Houses on both sides. Those houses are in the City Limits. It must come down the back of those houses to take them in to the bridge. Then it crosses and goes in a generally easterly direction.

MR. SMALLWOOD: Was the boundary the South Side Road, the railway track or is it Waterford River?

MR. BROWNE: The boundary is an imaginary line, if you like, that runs from the bridge in a sort of easterly direction, crossing the track and the road, and goes up over the head and crosses to Blackhead Road. The Honourable the Premier is familiar with the area, but the section of the Southside Road that is west of Symes Bridge is not in the city limits, and has not been since it was started, yet it is an area built up and inhabited for very many years. The Minister must know it very well. And right on in to Waterford Bridge, certainly to St. John's Bridge, the new bridge now being built there.

MR. SPEAKER: This is an interesting discussion but I fail to see how it is pertinent to the Bill.

MR. BROWNE: Mr. Speaker, the point I was making—this provision here for going outside the city limits to put in a sewer line, but where there is another section just outside the city much nearer than this is even without water connections. And the people have been looking for it, as the

Minister knows. I was just making an observation, it is not included here, and I am disappointed because of that.

MR. HEFFERTON: I have just one comment to make in reply to the honourable member for St. John's West. This amendment is not a request for the City Council to extend the limits of their city, moreover the main purposes of this particular request, the installation of sewer lines in that particular vicinity is to make available some two hundred building lots in that particular area, which is an argument of course, which does not extend to the area mentioned by my honourable and learned friend.

MR. BROWNE: There are two hundred houses in the other area.

MR. HEFFERTON: There already, I know.

MR. BROWNE: And, if I may make one observation, I believe these people have water connections, these last will have water connections just the same as if they were part of the city.

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 and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

MR. HEFFERTON: Mr. Speaker, some of the comments which I made when introducing second reading of the Consolidation Act apply with equal force to this particular measure which I am introducing now.

We had a Community Councils Act in the year 1952, but during the period since that time we have been compelled to make certain amendments. And

in consequence it is difficult for the Town Councils to be able to find at any one particular moment the clauses of particular application for which they may be seeking. So, instead of bringing in an amendment, we decided to consolidate what we already had into one measure, incorporating into it certain amendments which we feel necessary at this particular time.

Now the first amendments which come in these consolidations, this year, are in clauses (5) and (6) and (7). These particular amendments are put in for the purpose of shortening the procedure whereby it is possible for the people in an area to elect a community council. Under the original legislation there had to be meetings and then they had to get Orders-in-Council, then get another meeting. The amendment in Clause (5) and (7) proposes a shortening of that particular procedure. In Clause (7) in particular, where the original called for an Order-in-Council, may now be carried out by certain of the Minutes to be published in the Newfoundland Gazette. The sole purpose of Clauses (5) and (7) is merely to speed up organization and to shorten the gap between the time the people express their desire and the time that that desire can be carried into effect.

Clause (8) makes it somewhat easier for a community council to adopt the necessary procedures for communities to appoint councils if they should desire. Similarly Clause 42, almost at the end of the Act, provides that a community council may adopt certain procedures whereby it can request, and the request be granted, to be incorporated into a town council under the Local Government Act.

Clause (11) provides for a biennial election of councils

Clause (17) is a new section, and empowers the Minister to appoint councillors when less than a full quota is elected or when the number actually serving is less than a quorum.

Clause (27) takes the place of the original clause which called for 25 voters to be present in order to conduct a meeting. The new clause calls for 25 per cent of the voters as a quorum.

An important clause is Clause (33), which, as a matter of fact, is an attempt to prevent a duplication in the payment of community taxes. If a person is living in an area with a community council and paying a service fee there and working in another community council area, then he is not to pay in his place of work because he is already paying in his place of residence. This avoids double taxation.

These are the main features, Mr. Speaker, and I move the second reading.

MR. BROWNE: Mr. Speaker, this Bill has the virtue of simplicity at any rate. It is a very simple thing now to form a community council. And I am wondering how far the Minister is going to be prepared to accept applications for community councils. I am thinking of this area, which I have already mentioned, the area between Symes Bridge and Waterford Bridge where I believe there about one hundred and seventy-five houses, and where the people are very anxious—along the Southside Road, more or less within the mile outside the city limits.

MR. HIGGINS: Controlled by the city for building purposes.

MR. BROWNE: There is an area there where the people are working in the city. They all have good homes,

They are all anxious to get water. And they have applied to the Council, and the Council says: we have not the funds to do anything outside the city. They applied to the Government, and the Government said: We don't like to do anything which would involve us in any argument with the Municipal Council, because they have control. What are the people living under conditions like that to do? It seems to me, having studied this, they would be entitled to form a municipal council, and make application to the Government for a community council. That is what I propose to advise them to do. That is all they have to do, call a meeting and decide to form a municipal council, and inform the Minister. Any five voters residing in an area may call a meeting of the voters residing in an area to decide whether the area should be organized as a municipal area. And twenty-five per cent of the voters of that area, if they attend, may constitute a quorum. The voters present at the meeting shall elect a council. When the resolution has been passed the chairman forthwith sends a copy of the resolutions to the Minister. It seems to me to be simple. So that the community body corporate may then do all the things which community council is supposed to do.

Now another area to which that can apply is the area on the Blackhead Road, especially the Valley Road, which is outside the city limits but is within the mile area again.

The Minister is aware, of course, that there have been discussions between his officials, the officials of his department and some of the officials of the Municipal Council, or some organization under the agency of the St. John's Municipal Council, and the people themselves. And they have ad-

vised me of what has been going on, and asked my assistance. Now the Minister is aware of the need of some kind of organization in connection with Blackhead Road. That is an area where there must be, I should think, three hundred families, and seven or eight hundred voters. And they get very little attention from the Department of Public Works with regard to their roads; and until recently there has been no supervision in regard to the construction of houses. About a year and a half ago the Municipal Council clamped down and a resolution was passed that no building nor additions could be made to buildings in that community. After a while it relaxed, and they did permit building to be carried out and also enlargements of buildings. But it seems to me that little community could have sense of pride in the place where they live and to which they are so much attached, and could improve the place themselves better than anybody from the outside. They have no water. That is their great handicap up there. And it was only Friday, I believe, that a house was burned down and five or six children and a man and his wife were left homeless as a result.

The Blackhead Road area has become the means of access to all the storage tanks used by the Imperial Oil and the new company, Irving Oil. And during the past few months Irving Oil has been constructing great oil tanks out there, and also the big vats that they put the oil in to catch the oil should it escape. And they have been using the road with eighteen trucks, huge trucks, I would say eight to ten feet high loaded with gravel and rock, bringing it over this road on the Southside Hill. And I don't know if they are paying any extra

taxation for doing that. They are certainly making the road very bad for ordinary traffic. It would be a very simple thing for them to be required to put some extra gravel on the road and improve the road they are using with it.

However, Mr. Speaker, the point is that there is a large number of people up there who are anxious to have some kind of community council. And I know that the Minister is interested. And if he could direct his officials to get something going on it. It has been lying in abeyance now for several months, and nothing has been done. I don't think the Municipal Council is going to take any initiative unless the Municipal Affairs officials take an interest and try to help the people out. I don't think the Municipal Council will.

The third area that I would like to refer to is the area that is rapidly building up along the Topsail Road. And here I have some criticisms to make of the Department. As the Minister is aware, and as anyone who uses Topsail Road is aware, there have been very many fine modern homes constructed on the Topsail Road during the past few years. I would say their average value is something in the neighbourhood of fourteen or fifteen thousand dollars. And I am thinking of one I had something to do with when the person purchased it, and had no sooner bought it than someone began to construct a junk shop next door. And along that Topsail Road one can see the most disgraceful conditions.

There is "Allied Sales" (I am not sure if I have the right name or not) —at any rate there is an awful lot of junk there. Then there are private houses then another junk store, then

another garage and then more private houses and then another used-car lot. Now that is the main entry into and out of the City at the present time. And I think it is regrettable to have it develop in that haphazard manner. I was under the impression when the Minister of Municipal Affairs introduced regulations under the Local Government Act that nobody should build within a mile of the city without a permit from the Minister that would also cover the type of building he would be allowed to put up. But that does not seem to be so. It does not seem right that there should be no zoning. It does not seem right. A person puts up a residence costing fifteen thousand dollars and next door appears a car lot or a garage or a junk shop or a junk heap.

You may not have noticed, honourable members going along who were not interested in property might not have noticed. But the next time the honourable gentlemen go along that Topsail Road, just about three miles outside the City limits, somewhere in the neighbourhood beyond Blackmarsh Road, beginning there—On the left hand side they will see the various types of structures and the various types of eye-sores along that area. I think it is a great pity that that place has been allowed to be spoiled. I do not know what can be done with it at the present time, but I think something should be done. Consideration should be given to it. I don't think it is fair to have vehicles and junk shops so near private property.

Zoning is perhaps the one feature of the work of development that has been omitted from the ken of the Municipal Affairs. Whilst I have to have a permit to put up a building the Department does not seem to have

made any zoning regulations. And I would suggest that they would do so.

I am glad to see that in this Bill there are provisions for elections. I would like to see them every year, especially in smaller communities. I think four years is too long. Two years would perhaps be right. But as many people as possible should be interested in the election.

Perhaps I may have misunderstood these provisions, but they seem to me to be so simple and so easy for people in any particular neighbourhood to set up a council that I was very pleased with it, and hoped to be able to recommend to my constituents on the South-side Road that this is what they should do. Because it seems to be the only solution to their problems at the present time.

I am very happy to support this Bill, Mr. Speaker, and trust that the Minister will keep in mind the suggestions I made to him about zoning provisions along the road coming into the city.

MR. SMALLWOOD: Mr. Speaker, I agree with what the honourable and learned member has said. But I must disagree with one or two allegations he has made. First of all and primarily about that section of the Topsail Highway to which he referred in the latter part of his remarks.

Now I go back and forth over that road as much as anybody with exception of the taxi drivers. I am back and forth over it two and three times a day, practically every day of my life and at least once practically every day of my life. And I have been doing that for years, since the birch plant was begun to be built, about four years ago. I have gone in there virtually every day after the birch plant was built and then the CMIC Plant, which

gave me a second reason for going in there. Then in quick succession they built the battery plant a little further west and then they built the fibreply plant, which makes four factories which I have been in the habit of visiting very frequently. And these visits, of course, have taken me past the whole area which has been built up. There is a slight amount of building just beyond the battery plant, but very slight until you get to Topsail.

It might be interesting to the House to know that from St. Clare's Hospital to Topsail, in sight of the road and without leaving the road, you can see as you drive along on both sides, two million dollars worth of new houses built since Confederation. From Topsail to Seal Cove you can see another one million dollars worth and from Seal Cove to Brigus—Excuse me—From Topsail to Seal Cove Bridge you can see one and a half million dollars worth of new housing built since Confederation, and from Seal Cove Bridge to Brigus you can see another one million dollars worth. That is two and a half million dollars or altogether four and a half million dollars worth of new houses built on the side of the road, visible from the road as you drive past. That, of course, excludes the vast amount of new homes built in Glendale and Mount Pearl and a lot of others in Topsail, Manuels and other settlements as you go along, which you don't see because they lie a quarter of a mile and a half mile on either side of the road. It is an astounding development which is taking place. Now between the Road DeLuxe or Cowan Avenue, if you like and Topsail there has been a great amount of building, and for a while there was a very great danger of shacks, of a certain shack-town being built, at several points along the highway, until my honour-

able friend the Minister of Municipal Affairs stepped in with his notices and regulations and stopped it. But the beginning of a shacktown had already been laid. And that has been stopped.

Now the section to which my honourable and learned friend refers is quite frankly a commercial section. He will get the equivalent of that there in the general vicinity of Brookfield Ice Cream. In the vicinity of Brookfield Ice Cream he will see some of the most magnificent homes built in Newfoundland, ever built in Newfoundland's history—one, for instance straight across from Brookfield Ice Cream which is a home than which there perhaps is not one better in all Newfoundland, built there by Mr. Hal Luscombe. Then along that road is the Sunshine Dairy, and next to that a garage, on the same side of the road. Now on the opposite side of the road, just slightly west is the big new Supermarket of Ayre's on one corner and on the other Whelan's Garage. Now that is clearly a commercial centre. Now go a bit further west again and come to the area to which my honourable and learned friend refers. There again you have exactly the same situation. One of the finest homes built there is built by a man who has a shop, Mr. Phil Bradbury, a man who has built one of the most appealing, one of the most attractive grocery stores in Newfoundland at this moment. That thing when it is lit up as you drive past is one of the most beautiful grocery stores you will see anywhere. And immediately next door—remember when he built it, in the same field next to his fine shop he has built a magnificent home. But he cannot complain of commercial establishments near his own beautiful home because he himself was the first, I be-

lieve to build a commercial establishment there. Then you have this chap (I don't remember his name) with the famous "Greenspond name", who has built a restaurant and tavern in there.

MR. BROWNE: Lost his licence—Did you hear?

MR. SMALLWOOD: No. I don't follow the licence. My honourable and learned friend seems to be more up to date in the matter of these licences than I am, and probably he is much more interested than I am. I could not be less interested than I am in the matter of licence. He lost it?

MR. BROWNE: He was offered it back.

MR. SMALLWOOD: I have no knowledge of that. He has a commercial establishment in there, and then somebody else has a restaurant in there in this section, and then a sub-station of the United Towns. That is quite frankly a commercial section. And if people wish to build fine homes in commercial sections it is their taste. And I don't think there is any basis for complaint of the matter. You must have commercial expansion. We must have them. Let us not become so finical or so nice that we forget the base means by which we did ascend—The base means by which we did ascend in industry and commerce and trade—and these places have to exist.

Mr. Speaker, I do not see why the people on the Southside Road between St. John's Bridge, and St. John's Bridge does not cross over Waterford River it crosses St. John's Brook. I swam in it too often enough to know where it is. Trying to tell me where St. John's Brook is, there is a bridge where the Infant's Home is now spanning Waterford River. I forget the name of it.

MR. BROWNE: St. John's Bridge.

MR. SMALLWOOD: Not at all  
Not at all.

I have forgotten the name. It is immediately behind the Infant's Home

MR. HIGGINS: Just which of the Infant's Homes?

MR. BROWNE: It is St. John's Bridge.

MR. SMALLWOOD: No. As a matter of fact, St. John lived immediately next to St. John's Bridge and that home was subsequently occupied by the Horan family, the biggest family in Newfoundland, twenty-two children and some of them the finest people ever born or raised in Newfoundland. The Horan family lived in that old St. John's home. Don't tell me, I can write a history.

MR. BROWNE: If I could remind the Honourable the Premier, I used to collect rent from the St. John's family, and I know Rory O'Neill's family lived there, and I remember where a man was killed there when he took down a telephone in a lightning storm.

MR. SPEAKER: This is extremely interesting, but I fail to see that it has a thing to do with the Bill.

MR. SMALLWOOD: It only goes to show the length to which my honourable friend will go arguing with me. I was brought up there, played there as a boy, rode horseback, learned my first elements of farming did my first logging, learned to swing an axe to swing a cross-cut, where I sawed hundreds of cords of wood to keep the fire going, where I spent the first five or ten years of my life—Trying to argue with me. He will argue with me on anything just for the sake of arguing. My honourable friend cannot be made

to admit he is wrong about anything.

MR. HIGGINS: Well, "Touche."

MR. SMALLWOOD: I have no objections at all to people along there forming themselves into a community council. I do feel the people on the Southside up here would be better advised if they formed themselves into a full-fledged city council, and if they will do that, I have said this here before; this Government will go a long way with the people up here on the Southside Hill. I believe we would be willing to treat them as we have been willing to treat people in Corner Brook, the new city. There are almost enough people up there to form a city, certainly enough to form a town council, and we would be willing, I am sure, in the Government, to regard their problems as very special problems which require very special assistance from the Government. I said this before. This is not new. I said it to former members of St. John's West in this Chamber, get the movement going, we will back it through thick and thin. We will help these people because the people up on the Southside Hill are good, decent, hardworking people. They are working class, our proletarians of St. John's. Now up there, I say, they should get some help, and God knows, they need some help. We are prepared to give it, if they want to form a community council rather than a town council that is their business, although I would personally prefer to see a town council.

But, Mr. Speaker, having said all that, may I go on to say, that our hope is not so much that the small suburban areas of St. John's form themselves in to community councils—not that we disapprove—we do very much approve. But our main hope is that all around the Island, in hundreds of communities

the people will form into community councils to take full advantage of opportunities that the Government is anxious to open up to them. That is why this legislation is brought in. That is why we invented the idea, as we did invent the idea of community councils, something within a small place, too small for the real municipal government on the one hand and a place too big to have the elementary and rudimentary form, something in between, they are too small for town councils too big for local road committees. In places such as that a community council is what is needed. And we hope that hundreds of places yet will form themselves into such councils and take full advantage of this legislation.

It is one more example, one of hundreds that have been provided by the Government in the last seven years one of hundreds of demonstrations of the fact that this Government will, with all the weakness and flaws and mistakes and errors and blunders, and we have made lots of them, but in spite of all these we have tried to legislate, fumblingly sometimes, and erringly sometimes, and amateurishly sometimes but nevertheless always in every session that ever passed, that was ever held in this House, we have brought legislation in an honest effort to uplift the people of Newfoundland or what is even more important, legislation that was aimed at enabling them to uplift themselves, and that is what this legislation is today.

**MR. HIGGINS:** Mr. Speaker, I support the principle of this Bill, I would however like to support the suggestions raised by my honourable colleague from St. John's West when he was talking about this question of zoning.

I am not prepared to say we should

try to shove stores and shops and garages and car lots off the highway altogether, I do say we should make an effort to control them, and that is really the whole purpose of the few remarks I have to make, because a little while ago I had an occasion to remark on the assistance that is being granted to the City of St. John's by this present Government. Well, one aspect of that very happy relationship was the introduction to St. John's of a full-time town-planning officer. And by agreement worked out by the Government as represented by the Honourable Minister of Municipal Affairs and the city council that planning was brought here on a contributory basis, the Council paying so much and the Government paying so much. The result has been, as far as St. John's is concerned, little short of staggering, and the services of that department has been growing. Their services have also been made available to other communities such as Corner Brook, Lewisporte and other places. I do feel that there is nobody more sensible of the value of zoning than the present honourable gentleman who is the Minister of Municipal Affairs.

I know it is impossible to remedy any eye-sores that were allowed to grow up before the legislation was enacted, but I do feel that zoning of that area, particularly with the Trans-Canada Highway's new link coming up, it would be worthy of new legislation—it is certainly deserving of every support.

**MR. HEFFERTON:** Mr. Speaker, I think I have time to make two or three comments in answer to points raised by the members of the Opposition.

First of all let us deal with the remarks of the honourable and learned member for St. John's West in respect to two areas in the neighbourhood of

St. John's. Incidentally I would say that some two months ago we had an application from an area on the West Coast, in the Corner Brook Area, making the same kind of application as has come to us from the residents of Blackhead Road. Now in this particular Bill we are considering at the present time, in Section (6) (a) a community council—"It has all the powers and privileges, other than the power of taxation, of a municipality." The problem we are up against is this, Mr. Speaker, that in the two areas referred to by the honourable and learned member both on the Southside Road and in the Blackhead Area, they came within the control area of an existing council, and that existing council exercises certain privileges and certain powers and certain controls over them. The same objection came when we had an application from a suburban area within the same area. Now we either got to find some new formula by which we can set up a "Satelite," if you like, within a parent corporation, or else there has to be some sort of working agreement between the new organization and the parent one, in order to see what controls are to be taken by one and by the other. That is the difficulty at the present time.

Now let me refer to another point raised by the existing regulations on the Topsail Road. As a matter of fact on all the approaches to St. John's they came into existence some three years ago. They deal largely with the size of the building. The minimum requirement is put down at six hundred square feet, and it provides also that they conform to the health regulations laid down by the Department of Health, i.e. decently pure water supply and provides that these requirements are met before they are given permission to build. Now I

know very well the particular place referred to by the honourable and learned member for St. John's West. The person had been occupying that place for some time before our regulations came into effect. He came to us with an application to build. There was considerable discussion on it because of some of the contiguous buildings. Eventually he was given permission, provided he himself carried out certain conditions. Now unfortunately it was an easy matter to lay down conditions. It is not quite so easy to enforce them, as we found on a given occasion last year. The conditions in there are intolerable for certain seasons of the year. That raises the whole question of zoning. It is not nearly so simple as it appears at first sight, when you have to take an area already built up and with fourteen thousand dollar houses standing side by side with five hundred dollar shacks. And that is what we have to tackle on Topsail Road. As a matter of fact we put in regulations, I believe somewhere around six months ago, but zoning regulations are not going to take care of things already there, unless we are prepared, of course, to expropriate and go and buy properties and tear them down and remodel them. But for future requirements zoning will be carried out as far as reasonably possible. There are certain limitations, in my mind, and certainly great limitations on zoning that can be carried out around the approaches to St. John's.

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

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

On motion remaining Orders of the Day deferred:

**MR. SMALLWOOD:** Mr. Speaker, I need hardly say certain members of the House, on this side of the House at least, are expected to be in another place tomorrow. I don't know how long the events in that other place will stretch beyond tomorrow. We won't know. We will just have to wait and see. I am going to move that, at its rising the House do adjourn until tomorrow, Wednesday — but certainly it may be that on Wednesday we will have to be in the same place as we will be on Tuesday, in which case we will not be here. I fear that in that case, Your Honour, there would not be a quorum, and Your Honour would not be able to declare the session open — But the motion is that we adjourn until tomorrow, Wednesday at 3:00 of the clock.

On motion, the House at its rising adjourned until tomorrow Wednesday, April 18, at 3:00 of the clock.

**WEDNESDAY, April 18, 1956**

The House met at 3:00 of the clock, in the afternoon, pursuant to adjournment.

Mr. Deputy-Speaker in the Chair.

#### Presenting Petitions

None.

Presenting Reports of Standing and

#### Select Committees

None.

#### Giving Notice of Motion

**HON. S. J. HEFFERTON** (Minister of Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

**HON. L. R. CURTIS** (Attorney General): Mr. Speaker, I give notice

I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Wabush Lake Railway Company, Limited (Loan and Guarantee) Act, 1955."

I also give notice, Mr. Speaker, I will on tomorrow ask leave to introduce a Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's during the Second World War, and to make Recommendations as to the Future Use of the Wharf."

**MR. W. J. BROWNE:** Could the minister say where it is?

**MR. CURTIS:** From Ayre & Son's Wharf back to the Newfoundland Clothing Co., that big long area.

#### Giving Notice of Questions

Notice of Questions on tomorrow given by Mr. Browne.

#### Answers to Questions

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): Mr. Speaker, I have heard the answer to Question No. 60, asked by the honourable and learned Member for St. John's West. The answer to one part of the question was tabled a few days ago in reply to Question No. 48. I refer to it now because my honourable and learned friend who asked the question was absent the day I tabled the answer, and I am afraid he missed it.

**HON. G. J. POWER** (Minister of Finance): Mr. Speaker, I beg leave to table the answer to Section (1) Question 9:

Question No. 60:

**MR. BROWNE:** To ask the Honourable the Minister of Mines and Resources to lay on the table of the House the following information:—

(a) The names of the Mink Ranchers who were assisted to come to Newfoundland.

(b) The amounts spent on each for transportation or other expenses.

(c) The amount of loans given to each and the terms upon which such loans were made.

(d) Whether any of the ranchers is in default on payments of principal or interest, and if so, give particulars.

(e) Have any of the ranchers left Newfoundland, and if so, what amount of money does he owe?

(f) Was any money advanced to the Co-operative plant, and if so, how much and on what terms, and whether the terms are being carried out.

Question No. 9 Section (1);

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

(1) A complete list of all loans made by the Government of Newfoundland since April 1, 1949 together with the names of the firms and individuals to whom said loans were made. What were the amounts and terms of each said loan and state whether loans were made as: Fishery Loans, Economic Loans, Industrial Loans, Fishery Development Loans, Guaranteed Bank Loans or Tourist Development Loans? State the date of each loan and the rate of interest together with the amount paid to date by each recipient on said loans.

#### Orders of the Day

Address in Reply—Adjourned Debate.

MR. HEFFERTON: Mr. Speaker, it seems to me that the speeches on this particular debate this year have

been of an unusually high order. And that high note was set at the beginning by the mover and seconder of the motion, and it has been continued right throughout the debate. So I trust, Sir, the few remarks I make to-day, possibly concluding the debate, may not come as a sort of anti-climax.

As far as I can I want to gather up at least some of the salient points that have emerged from the debate of the past few days, and to comment in some fashion upon some of the points emerging from the speeches.

First of all, if I may refer to something which is not in the speech but to which reference has been made, i.e. the series of conferences which were held some short time ago. The suggestion has been made from time to time that these conferences were media for political propaganda. The Honourable Minister of Mines and Resources has refuted very well the arguments, by pointing out that strangely enough the conferences were composed of representatives from districts in which, of course, Liberalism was predominant. Not only was the argument refuted on that ground, but is refuted moreover by one who studied carefully the agenda of the conferences themselves, by recognizing that the conferences proved a meeting ground on which, as it was supposed, were set forth some at least of the difficulties which were more than acute in these particular districts because of isolation, and brought forward suggestions which might tend to the betterment of the people in these particular areas.

Whilst it is too early to judge the full result of these conferences enough is in process of being accomplished at the present time to realize that the conferences did serve the very purpose for which they were called.

The Honourable Leader of the Opposition made some play upon the word "Impressive", as used in the first paragraph of the Speech from the Throne. I want to show that the word "Impressive" as used there was perfectly correct. Because, although the reference in the context there is merely to the quantity of the legislation that has been enacted during the past seven years; in the neighbourhood of five hundred Acts. In quantity alone that emerges as an impressive figure. When we realize the wide scope covered by that legislation then we run up against something more impressive still. It is true I am taking the word "Impressive" out of its ordinary context there. But I think I should ask you to look for a moment at some of the legislation which was or has been enacted during the past seven years. The quantity remains as a matter of fact. There can be no controversy about that. The quality can always remain a matter of opinion. And yet we feel the evidence is such that qualitatively the figure remains impressive as well. If we look in the field of labour we will find that we have today a series of laws which compare very favourably with some of the advanced labour legislation across the Mainland and in the United States or in England. If we look at the field of social assistance we find that, apart from Federal assistance we ourselves in the Provincial Government have legislation for an assumed responsibility for an annual outlay of something in the neighbourhood of six million dollars, giving to our people immeasurably greater means of assistance than anything that was dreamed of prior to 1949.

My colleague, the Honourable Minister for Provincial Affairs, referred in his roving speech, to some things which had been done in education; but

he failed to point out that raising the salaries of teachers, increasing the number of teachers were only two results emanating from our legislation. The big factor is that our legislation gave to the teaching profession, for the first time, some standing in the community. The salary increases which were given, the pension legislation, which was enacted, the recognition of the Teachers' Association, these things gave to the teaching profession a status which it never before enjoyed, and which I was very, very much aware of, and which redounds to the credit of our legislative programme during the past seven years.

In addition to that, one of the first things we did as a government was to create a university. And although it is too early yet to see the result of a university in Newfoundland we do know that its enrollment today is running up to seven hundred, and that the impact of the university, of the increased courses given at the university, have had a very marked effect upon all conditions in our province. In addition to that we have put into effect a series of scholarships — some one hundred and fifteen in all, which must redound to the benefit of Newfoundland.

The Minister of Fisheries in his attempt, and successful attempt, to refute some of the arguments which had been thrown across this Assembly, pointed out that although there might be criticism of the progress of the Fisheries Development Programme, yet it had firmly established a basis upon which quite considerable success has been achieved during the past three or four years, and when it reaches fruition, which it may well do — that is the aspect of it with which we are dealing — in 1956 or 1957 the result will

be immeasurably beneficial to our Province.

Similarly it was pointed out that the agricultural policy evolved from the report which we had received, has been in measure implemented and is already bearing some effect upon the economy of Newfoundland.

So, Mr. Speaker, I might continue dealing with some of the legislation which has been enacted during the past seven years, but particularly I cannot leave out any reference to legislation dealing with economic development because in its effects and results, although it is part of the whole, yet the effect has been immeasurably greater than that occurring from the other aspects of our legislation. I will refer in passing merely to two legislative enactments which brought into being NALCO and BRINCO, both of which since their creation have been extremely active in carrying on what had already been taken in hand by this Government before their creation; i.e., an attempt to make a thorough survey of the potentialities of Newfoundland in certain fields. And as a result of these surveys already we have in process of creation the iron mines at Wabush Lake and the hydro-development potentialities of the Hamilton River.

MR. BROWNE: We already had that.

MR. HEFFERTON: We did not have nearly as much information as now, nor was it in process of development as it is at the present time. It seems to me that out of all the things that will redound to the credit of this Government during the past seven years, and which will deserve the name "Progressive", the big fact stands out that we have been able to retain

our population in the Province of Newfoundland and have been able to maintain the employment and have been able to find employment for the increase in population from year to year.

Let me pass on for a moment to economics: I realize, of course, that I cannot refer to the new industries, in as much as a debate on that particular subject has been closed—but my remarks will deal with economics as a whole.

In the brief that was presented by the Canadian Manufacturers Association to the Gordon Commission on the Economic Possibilities of Canada, comparison was made between economic conditions in Canada and in the United States. And it was emphasized that in the one year, taking last year as an example, seventy-five per cent of the imports into the United States were of the nature of raw materials but in Canada seventy-five per cent of them were of the nature of manufactured articles. It was emphasized also that in spite of the fact that there was growing room for a domestic market in Canada year by year, and that year by year there was an increasing diversity of goods being manufactured, yet it was asserted over and over again that diversification of industry and processing within the country itself were two of the necessary ingredients to bring about a balanced economy and a strong Canada.

Now what applied to Canada as a whole applies in particular to Newfoundland. Anything that we can do in this Province to decrease the quantity or value of imports brought into this Province and at the same time increase our exports redounds to the credit, the financial credit of the Province. When we set up a cement

factory we supply not only our own needs at home but also export abroad. Where we develop wallboard we deliver for our own needs and export abroad. Where we develop a mink farm, which resulted in the exporting of thirty thousand mink pelts per year, or a pipe factory at Bishop's Falls, all these things are extremely important because they cut down the value of our imports coming in from abroad, they give us a chance to find employment for our people and they give to our people the money which otherwise would go out of the province. All these things tend towards a balancing of the table between imports and exports; and the living standards of our people depend to some extent as a matter of fact upon whether we are able to export more than we import. Consequently when we think of new industries and when we think of old industries, whether they are government supported or not, they do play an important part in building up our economy.

In a publication by the Canadian Institute of Financial Affairs, in February, there were some projected figures upon the Canadian picture in 1975. I have taken some of these figures because they are particularly pertinent to Newfoundland. In the first place it is predicted that the population of Canada in 1975 will be somewhere around twenty-five million people, an increased home market of some ten millions. On the same basis our population at that time, if it pursues its normal growth of the last few years, will be somewhere in the neighbourhood of six hundred thousand upward. And again, although it is not as important as for Canada as a whole, our home market will be increased fifty per cent.

There are certain productions which

will play an important part in that 1975 figure, and the ones which I have instanced are those which are particularly applicable to Newfoundland itself. For instance the production of fish is projected to rise from fourteen million hundredweight to thirty million hundredweight and the home consumption from eight million hundredweight to nineteen million. That is, the amount of available exports of fish from Canada in 1975 will be about double what they are at the present time. To us, where fish plays such an important part in our economy, there is reason to believe that we have to share in that increased output and that increased export.

The production of paper is projected to increase from 7.8 million tons at the present time to 10 million tons, an increase in that period of two million tons. Now with our present mill capacity we have about reached what we are able to produce and export. On the other hand a projected figure here of two million tons increase, and recognizing as we do that we have invaluable timber resources certainly in the Labrador, even if we may not have enough in Newfoundland to carry on a third paper mill, yet the overall picture is so much in our favour that we may broaden our belief that some of the export referred to must come to us as a producer of more paper.

In Canada in 1953 the total export of iron ore was five million tons. In 1975 it is estimated that the export of iron ore from Canada will be forty million tons. Now, bear in mind what we know of our present situation, the development of Wabush Lake, Knob Lake etc., we can feel fairly confident that a great deal of that forty million tons exported in 1975 will be coming from the mines of Newfoundland —

When I say Newfoundland of course I include Labrador.

There are two other items of particular interest to us. One is copper: The output of copper in decreasing in Canada. In spite of the known deposits which are working at the present time, it is projected that by 1975 there will be a decrease in the available copper, of Canadian copper exports. Again, bearing in mind some information which has been given during the past few days, we can see how it is possible that some of that decrease in all of Canada, because Newfoundland would be included in that figure, some of it could be overcome by the export from our own Province—and we can see how we might have very considerable revenue accruing to us from the export of our copper deposits.

Finally the value of uranium exports in 1975 is based at two hundred million dollars. Whilst we are in the realm of speculation to some extent, we have reason to hope that again uranium exports may play an important part in the productive revenues of Newfoundland.

I said a moment ago that one of the impressive things about our seven year period is the fact that we have been able to retain and find work for an increasing population. Now our population increase is somewhere around twelve thousand per year, our death rate is somewhere around three thousand per year. Making allowance for people retiring from work due to age and sickness and other things it is pretty fair to assume that our labour force in Newfoundland and the Labrador is about thirty per cent of the population; and that our labour force in Newfoundland for the period of the past six or seven years has increased about two thousand a year. So that I

feel that it is impressive that we have been able to find work for and keep people from moving out of the Province elsewhere during these seven years, not only the people that we had in 1949 but the additional forces of two thousand workers a year increase since that time. Yet apart from seasonal unemployment, which is not greater today than it was last year or the year before, we have been able to find and retain them in remunerative employment.

Now I want to say two or three words about our liquor policy: I do so with hesitation because I am not interested in any feature of the liquor business. And while I feel rather chary about making future commitments I feel reasonably safe in saying I am never going to be interested. In 1915 I voted for the first time, I voted for prohibition. I felt convinced, because I had seen something of the occasional abuse of liquor prior to that time. During the next few years I was privileged to move around different areas of our Province and to live at different times in different areas. Then for the first time I saw something which I had never seen in the days prior to prohibition. It was quite common to see moonshine cans on the kitchen stove. I travelled for a part of that time on the South Coast. I did not realize it was so easy to buy a bottle of smuggled liquor. I recall staying in one town on the Southwest Coast, and one evening a rumrunner came in there. His cargo was placed under bond. And the customs officer went aboard and he himself undertook to act as watchman. The rumrunner went out next day. But it was alleged that during that night some fifty cases had been sold by the watchman. Whether that was so or not I am not prepared to say. But I do know it was quite

easy to get a bottle of "Johnnie Walker" anywhere during the next few days.

This thing and the other instances of which I became aware changed my own views about the disbursements of liquor.

During recent weeks I have read most of the Bacon Inquiry Report. I looked at the recommendations and noted those of the minorities which dealt largely with minor matters. There is not a big lot of difference between the recommendations made in the Bacon Report and the system which we have in Newfoundland at the present time. As a matter of fact the three chief recommendations of the Bacon Report are (1) There should be a government monopoly of the sale and distribution of liquor. (2) There should be an educational programme against the abuse of alcohol, and (3) there should be a rehabilitation programme for these unfortunate enough to be alcoholics.

Mr. Speaker, I do not contend for a moment that we have a perfect system for the sale and distribution of liquor in Newfoundland. I don't believe there is any such perfect system. But I do feel that as far as we can see at the moment the system which we have in operation is as good as it is possible to get. And I for one, and I believe I speak for the Government as a whole when I say, we would be glad to find and put into effect something better if we knew what it was, and provided it did not bring worse evils than the system we have at the present time.

There is one part in the Speech from the Throne which deals with the inauguration of a new policy. Again the argument has been brought out that it is political expediency. As a matter of fact I take no personal offense at the impeachment. I feel that the gov-

ernment in power at any time has the right to arrange its own strategy at all times whether it deals with taxes or with policy on a broader scale. But apart from the political expediency there were other reasons which made it necessary to change our policy at the present time. Even before we came into power and before having had anything at all to do with public works, I remember well the resentment amongst certain classes of people because of the discrimination that was evident in the road policy. The person who worked on the road on half pay i.e. paid one day and not the other, was generally the person who could not get employment elsewhere. Now during the past few years two things have happened. They were happening before, but they have become more acute, (1) there has been more employment and consequently it was more difficult to get people to work on the roads on the basis in operation. And during the past two or three years there have been several instances where road boards have sent back their grants because they were unable to find people to work on a fifty-fifty basis.

MR. ROWE: Dozens of them alone in Labrador.

MR. HEFFERTON: I was quite familiar with it, because in my district I have probably as many road committees as there are anywhere in any one district of the Province.

The other factor that has become increasingly important is that the weight and use of trucks and cars on the roads make it more difficult for the ordinary grants which were given out to mend the wear and tear, and consequently it was felt that in order to get clear of all the discrimination of the present policy and secondly to increase

the amount of money that would be spent on the roads a change was necessary. Consequently when the legislation comes in we will see that all road boards will be given a chance to make repairs. It is not a retrogressive step, it is not a backward step, it ties in very well with the development of local government which we have been encouraging during the past seven years, in which, although there has been no particularly erratic growth, there has been a gradual evolution which is all to the good, because it takes on something of the nature of permanency and is not a mere flash in the pan.

One item in the Speech from the Throne refers to the new health plan. A few days ago the honourable Minister of Provincial Affairs referred to some of the progress that has been made in health during the past few years. It might be interesting to recall that in 1949 we had somewhere around 44 medical health officers in the Province of Newfoundland. Within the next two or three months we hope to reach the number of sixty, we now have fifty-seven, up to the end of January. In 1949 we had somewhere around 159 nurses. In January 1956 we had somewhere around 420 nurses. At the end of 1958 we had 2,500 hospital beds in the Province. In January 1956 we had something over thirty-five hundred. Last year, in order that we might overcome some of the difficulties which we were experiencing in finding enough nurses to carry on our services, we shortened the normal three years nursing training to two years, in other words, cutting out some of the repetitious domestic duties, if you like, of the nursing profession, and in the third year continuing our training not as nurses but as nursing interns at a salary somewhere between what would be

received as a nurse-in-training and as a qualified nurse. It is too early yet to say what the result of that plan will be, but we have every hope that it is going to go a long way in overcoming the shortage of nurses which we have experienced down through the years. The new plan on health, which is before the House at the present time is a step forward in advance of what we have already done during the past seven years, in the past twenty years, I might say, because the big advance in the implementation of the plan came in in 1935-36 when we had the beginning of the cottage hospitals. The new plan will take some time to implement. When it reaches fruition it is destined to take care of the medical, dental and optical care of all children under sixteen years of age. Some time during the next few weeks, after the legislation has been enacted and money has been voted, we hope to take the first step in the initiation of that scheme. The first step will probably be the provision of hospital care for children. From many points of view I am far more interested as an individual in the other provisions covered by this particular legislation, dental and optical care. Many recent surveys show that children even of pre-school age, the three year olds, thirty-three per cent of them suffer from dental caries and cavities. And when they reached the ages of fourteen and fifteen ninety-seven per cent of the children are affected. Now that is the simplest effect of teeth decay. There are other forms, of course, much more serious, when we run into the obvious diseases, pyorrhea and pussy gums etc., then you are running into conditions which result in unhealthy conditions later on in life. And it is this particular aspect of providing dental care for our children which is the main and is one of the

most important aspects of our particular plan. Similarly when we run into eye diseases, again medical records show that ten per cent of pre-school children need a pair of glasses. One of the most common defects of eye sight of pre-school children is muscular imbalance, the inability of the two eyes to focus on one object at the same time. This means that both in eye trouble and teeth trouble if these defects can be remedied it means adults of better health and longer life.

To carry out such a programme in the two fields which I have mentioned is going to require a very high number of trained persons in order that the programme may be moderately successful.

There are several other things, Mr. Speaker, in the Speech from the Throne, but I want to deal finally and briefly with one reference which was made to the Revision of the Terms of Union. On Monday afternoon we listened with a great deal of interest, I believe, to a rather careful, cautious and penetrating analysis of the situation, the present situation, as outlined by the Honourable Member for Harbour Main. The accusation has been made again and again that the Terms of Union in 1949 were inadequate. And it has been pointed out in reply that the Terms of Union at that time were never meant to be final nor irrevocable, and that the period of eight years was allowed in which to appoint a Royal Commission in order that the terms might be revised. The argument thrown forward on the inadequacy of the terms was based upon, in part, the lack of preparation by the negotiators of that time on many aspects of Newfoundland's trade and Newfoundland's requirements. As far as it is reasonably possible, this Government is attempting and has been attempting dur-

ing the past two years to make impossible that kind of assertion in the future. We realize that our known sources of income are limited to some extent, because largely we are a primary producing country and have to depend to a great extent for a while anyway upon the continuation of producing. We realize that our standards of services in Newfoundland are very much below the requirement of our people, if they are to be given standards commensurate with those in the Maritime Provinces. So that when we take the two things together, our own capacity to pay and our own, what we consider, low standard of services at the present time, we realize that the only help that can come must come from two sources, first of all our own revenue and secondly from assistance that we may get from the Federal Government. Consequently it is extremely important that our case should be documented with the most thorough care. And we believe that the commission appointed to prepare our case for the Royal Commission is handling the matter as thoroughly as it is possible for human beings to do. It is important that they use all their faculties in trying to get the very best men in order to make a complete investigation into all aspects of this particular question because they realize the importance of it to the future of our province.

It seems to me at times that there are two matters in any government, particularly in our Government at the present time, which pertain almost of a by-partisan nature, while they do not relieve the Government of the responsibility of either one or the other—I am referring to liquor and to the Revision of the Terms of Union, yet they are so important that they rise above party politics, and constructive ideas

which come from either one or the other of our opponents are welcome. I say that does not relieve the Government of the responsibility because the government in power must naturally assume the ultimate responsibility for any policy which it puts in force and tries to carry out.

During the years I think we have been faced with innumerable difficulties, and we have made mistakes. Yes, and when we have made mistakes during that period the mistakes have been made because first of all we saw some years ago that the thing to do, the leadership that was given to us was something of a vision of what Newfoundland might be in the years that lay ahead. Sometimes that vision has been clouded by different things having not worked out as we all thought they would, more times they have been buried in sunlight, as the Honourable Member for St. John's East said a few years ago, yet through it all we have kept tight to that vision, and that vision is a Newfoundland in which we are able to play our part in the economy of the nation. That part which we want to play can only be built by two things. First of all by having a vision of what it means to be progressive and included amongst those who share equally with the other Provinces, and the will to carry out our own destiny providing the chips do fall in our favor sometimes.

Now our economic policy was a deliberate effort on our part to try and mold things to our will. The result of the last few years has been revealed already in some of the operations of NALCO and BRINCO, which again brightens the vision and gives hope that there is something to be said for the development of Newfoundland and for the prosperity which lies ahead. I

recall reading Memoirs some time ago. And one passage struck me as being particularly applicable to all governments: "The running of Government," he says, "is a practical matter. We do not operate anywhere in the terrestrial heaven but in the top set of tough situations that have to be met." It takes practical men to overcome these matters. But they should be practical with a deep sense of appreciation of the higher values that a government should serve. Naturally any government will at times make mistakes. If they did not, I am afraid, there would not be much done. There are imponderables which come into the situation which cannot be foreseen at the time. And these imponderables continue to play a large part in the individuals' lives and in the life of the people of any country.

But, provided a government has the two things which are vitally necessary for the carrying out of its programme—first, some idea of where it wants to go and a vision of what it wants to attain—And I believe this Government has had and continues to have that—and secondly, a determination to try and make these things come true. When we look back, Sir, over the policy of the last seven years, when we make an actual comparison of things as there were when we came into power and those which confront us at the present time, whilst, I contend, there is no room whatever for complacency nor smugness yet I feel that the results have been comforting to some extent. And I repeat what I said earlier, that one of the things that has confronted us in the past seven years is the fact that in spite of an increasing labour population of two thousand a year we are able to stop the flow of emigration. We have retained our people during those seven years. That

is something. I am afraid I have not the humility of which "Wayfarer" spoke a few days ago, to refuse to imagine that this is one of the great things that have happened in this Province during the past seven years.

I think, Mr. Speaker, I have about concluded what I want to say on this occasion. There are quite a number of things, of course, which might be said with equal force and with a great deal of reason at this particular time. It may be said that I am making a political speech. I feel that a government going out to elections naturally takes as its platform something of the record which it has achieved during the years in which it has been in office. And if a government can feel reasonably proud of what it has achieved, and point out some of the advantages coming to the province as a whole because they held the reins of power, I think it is to their credit, and I see no reason why the electorate should turn them down on that account.

Motion, that the report of the Committee, to draft an Address in Reply to the Speech from the Throne, be adopted, carried:

#### First Readings:

The Honourable the Attorney-General asks leave to introduce a Bill, "An Act to Amend the City of Corner Brook Act, 1953" — On motion Bill read a first time, ordered read a second time on tomorrow.

The Honourable the Minister of Provincial Affairs asks leave to introduce a Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum" — On motion read a first time, ordered read a second time on tomorrow.

#### Second Readings:

Second Reading of Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

MR. CURTIS: Mr. Speaker, I have pleasure in moving the second reading of this Bill, which is a Bill to bring our law into line with that of England and with most of the other Provinces of Canada.

The need for an Act of this kind became apparent in my department not long ago, in a matter presented to us where a teacher had signed a contract to teach after finishing teachers' training, of course, which was financed by the Government, or to pay back the money furnished for that course. He taught for a short while and then due to personal trouble he had to give up teaching. My department was asked if the money, less the amount related to the time he taught, was recoverable from the teacher. It became necessary then to consider the common law in Newfoundland in the case of frustrated contracts. The common law rule is that the occurrence of a frustrating event brings the contract to an end, for which the contract is not regarded as being void from the beginning but is terminated. As to the future a person who has money under the contract may recover it on the grounds of total failure of consideration, but there is no relief where there has been only partial failure of consideration — The proposed Act makes two important changes to the common law, which I think right and proper to make — It permits the recovery of money paid even though at the date of frustration there had been no failure of consideration. This is subject to adjustment by the court in the case of a person who does something

in the performance of the contract prior to frustration of events, to make compensation for any benefits conferred upon the other. It does not apply to insurance because the doctrine of frustration is to all intents and purposes not applicable to a contract of insurance, and it does not apply to the contract for the sale of specific goods that perish. As I said at the start, Mr. Speaker, this is a Bill which is to bring our law into conformity with that of England and with most of the other provinces. It is not a subject which will interest the House very greatly. It will interest more the legal members of the House. And I might say it is not legislation with which the Government is particularly anxious to proceed, but at the request of my department we have agreed to bring it in, in the hope that our law will then become uniform with the other laws, in the other provinces.

Mr. Speaker, I move the second reading.

MR. BROWNE: Mr. Speaker, I would like to say one word about this and about other items on the Order Paper. If we could be given notice the day before as to when these Bills were to come up we would be able to give them particular attention. There are so many items on the Order Paper it is impossible to give them special attention. I am prepared to discuss this, however, since the Attorney General has said it is a matter being covered by the Uniformity of Legislation.

MR. CURTIS: Not exactly. It is not one of the Uniformity Bills.

MR. BROWNE: However it is a matter of very technical nature and one which would not be of general interest. I imagine that by the time

it comes into Committee we would be prepared to deal with it clause by clause, if the Minister would tell us when it is coming up in Committee.

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

MR. SMALLWOOD: I thought if we could have a recess of ten minutes now. And I wonder if in the meanwhile honourable members opposite would let me know whether they would prefer to debate the budget, that is ways and means or the introduction of the estimates to come first. Perhaps later on in the day they could let us know.

HON. M. M. HOLLETT (Leader of the Opposition): You mean tomorrow?

MR. SMALLWOOD: Yes, but let me know today which you would prefer to have first. I think we might as well start on Friday with either the budget debate or the estimates.

MR. HOLLETT: We are quite satisfied.

MR. SMALLWOOD: We might be able to start the estimates tomorrow. It does not call for much debate, merely information.

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker returned to the Chair.

On motion the House went into Committee of the Whole on various Bills:

On motion Mr. Deputy-Speaker left the chair:

Mr. Courage Chairman of Committee of the Whole:

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

MR. CHAIRMAN: My recollection is that the Bill has been read and a couple of Clauses were permitted to stand, Clauses 2, 4 and 5.

MR. BROWNE: Does the Minister know how many employees come under this? It is a very big branch of his department. I was in the new office today, down in the Newfoundland Clothing Company.

HON. C. H. BALLAM (Minister of Labour): There are about thirty-five employees.

MR. SMALLWOOD: Have they moved?

MR. BROWNE: They moved today.

MR. SMALLWOOD: What kind of Government is this? We have things going on we don't even hear about. The Opposition tells us. It shows how good they are when we leave them to themselves.

On motion Clause 4 carried.

MR. BROWNE: There was a question raised in connection with Clause 5 — The Minister said that they did not need any additional funds in order to put through these improvements in the compensation which is being paid. And yet here is a Clause which gives them power to collect additional moneys necessary to provide for increase in compensation. Now why put that in if you say you do not need it?

MR. BALLAM: As far as we can see, for the next three or four years it may not be necessary, and this is merely an enabling Clause.

MR. CURTIS: In other words it has the same effect as saying any additional — it is really precautionary.

MR. BROWNE: Would it not be better to say "any additional" rather than leave it the way it is.

MR. CURTIS: I see no objection to that.

MR. BALLAM: No, I see no objection.

MR. CHAIRMAN: The amendment is, in sub-Clause (3), in the first line, the word "be" to be stricken out and the word "any" inserted — "any additional moneys."

On motion clause as amended carried:

Motion, that the Committee report having passed the Bill with some amendment, carried:

A Bill, "An Act Respecting the Disposal of Waste Materials and the Protection of Non-Tidal Waters:"

MR. CHAIRMAN: This Bill was allowed to stand — The Committee is now on Clause 6:

DR. ROWE: Mr. Chairman, I was going to move that Clause 6 be stricken out entirely. It has to do with a remote point. I think I must say nevertheless it is possible conditions could arise whereby there might not be two hundred and fifty feet from one grading area without running into another. In any case, as you see, the previous Clause permits us to make conditions and to attach conditions to permits. At any rate we feel on this side there is no reason why that Clause should not be stricken out entirely.

MR. BROWNE: Mr. Chairman, on a point of order — Can the Minister move that the Clause be stricken out.

MR. SMALLWOOD: I move it be stricken out.

MR. CHAIRMAN: On the motion of the Attorney General (not the Premier) Clause 6 be deleted and the following Clauses renumbered. Motion carried.

On motion Clause 7 (now Clause 6) carried.

MR. BROWNE: Mr. Chairman, I am not sure whether I brought it up before or not. I have a note here — Is there a provision somewhere in the Mines and Resources Act which gives the Minister power to delegate his duties? Because if not given that power he cannot delegate them. He must do the thing himself.

MR. SMALLWOOD: Well, it is good for him to have something to do. If he cannot delegate it let him do it.

MR. BROWNE: Well, he has two jobs at the present time.

MR. SMALLWOOD: That may not always be so.

DR. ROWE: I notice a lot of legislation has that included, the Crown Lands Act, for example, is full of that, where the Minister must do this and that. And someone else in actual practice actually does it. What happens is that the Minister does not see it until the final document comes in — take for example grants of land processed by the department.

Motion, that the Committee report having passed this Bill with some amendment, carried:

A Bill, "An Act to Amend the Saw Mills Act:"

Clauses 1 through 3 carried: Clause 4 read:

MR. BROWNE: Mr. Chairman, what is that section? What is the effect of that?

DR. ROWE: Actually all of that is now removed. All of that is redundant in view of the expanded terms under Section 4. Section 4 in the original Act is very short. It simply says the Minister may issue licenses of two kinds, etc. Section 4 has now been enlarged very considerably, so in the opinion of the officers and lawyers of the Attorney General's Department it makes the section unnecessary in the Act.

MR. BROWNE: Section 22 is also repealed. It is in connection with that too? There were temporary permits issued before, were there?

DR. ROWE: Yes. It does not make any sense. I don't remember ever having issued one. A man who wants to saw gets a permanent license for one year, and renews it every year.

MR. BROWNE: Fishermen needing wood for stages, do they have to get a permit to cut timber on Crown Land?

DR. ROWE: Every person who operates a saw mill has to get a permit.

On motion clause carried.

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

A Bill, "An Act to Amend the Crown's Lands (Mines and Quarries) Act."

Clause 1 read: — This Act may be cited as The Crown Lands (Mines and Quarries) (Amendment) Act, 1956.

MR. BROWNE: Would the Minister indicate now what the change is there?

DR. ROWE: I think perhaps I have a statement here. This is a

rather technical point. This amendment corrects what appears to be an oversight in the parent Act in as much as no provision was made in that Act concerning what procedure followed showing what happened to a mineral claim if a development license holder neglected to renew his license. The amendment provision provides the same course to be followed as would have been the case if the holder of a mineral claim neglected to obtain development licenses in the first place.

I have the parent Act here and I could read out this Section 47. Mr. Chairman, it is the most complicated of all statutes in my mind. It requires the head of a lawyer to explain it at any time. It seems it is meaningless unless we read the whole thing. I don't need to do that exactly.

MR. HOLLETT: It expands the period for three years, does it not?

DR. ROWE: I have to read the whole section to get it. It does not tell what procedure is to be followed or what happens to a mining claim if a development license holder neglects to renew his license in the manner required. And this section here, put in place of the original section, is in order to make certain that the procedure which is in effect in practice, as follows, that is when a period of three years has elapsed since the date on which the certificate of record was issued and the person in whose name the mining claim is recorded does not in respect of that claim hold a valid development license or a valid renewal of that license which has been obtained in accordance with this Act — That is the new section (e).

MR. HOLLETT: Mr. Chairman, is it now a fact the license is extended from one year to three years?

DR. ROWE: That is not the effect of it, Mr. Chairman.

MR. HOLLETT: That is how I understand it. And why extend it three years?

DR. ROWE: Here is the procedure, Mr. Chairman, a person stakes a claim and he has three years. When he stakes the claim he undertakes to do three years assessing of one hundred and fifty days in each day eight hours at a value of \$10 a day. When he has done that he may then apply for a development license. A development license is good for one year, and must be renewed annually. And he has to pay on that development license fifty cents an acre for each acre that he has, in accordance with the Crown Lands Mines and Quarries Act.

MR. HOLLETT: Yes, but it is extended to three years now instead of one. Is there any particular reason for it?

DR. ROWE: I will repeat that again, Mr. Chairman, a person may stake a mining claim for a period of three years under the Act. And at the end of that time —

MR. HOLLETT: He gets a license for one year?

DR. ROWE: He may then have a development license for one year. This does not give him the right to stake a development license for three years.

MR. BROWNE: Does it not mean, he stakes a claim and does not take out a development license — Because it says "it does not hold a valid development license" or if he takes out the license and does not renew it.

DR. ROWE: If my honourable friend is agreeable, we could rise the Committee on this Bill, and I could get a simplification on it, I think, which I feel would clear it.

MR. BROWNE: Yes.

On motion Clause 2 deferred: On motion, that the Committee report progress and ask leave to sit again, carried:

A Bill, "An Act Respecting the Filing and Publication and Consolidation of Regulations."

MR. CURTIS: Mr. Chairman, there are a few minor amendments to be moved by the Honourable the Premier as we go through the Bill, which come in the first couple of sections.

Clause 1 carried.

Clause 2:

MR. BROWNE: There is sub-Clause (I), (II), (III), (IV), why not (V) and (VI)?

MR. CURTIS: My department recommends we make it (V) and (VI). I think perhaps we might pass that, and recommit it if it is not right.

MR. SMALLWOOD: Mr. Chairman, before you put Section 3 of the Bill for adoption, may I say at the outset I have no desire in the world to embarrass the Government nor my honourable colleague, the Attorney General, who is responsible for this Bill. But I do wish to raise a question in (c) of Section 2, on the use of the word "municipalities" in (i) and (ii)—"Local authority" means (i) the St. John's Municipal Council," (ii) the Corner Brook Municipal Council" Why not city? I know that the Council of St. John's is called the St. John's Municipal Council—Why? Because it

is the city charter, which calls for the use of the word "Municipal." But I suggest that both with regard to the Act which governs the City of St. John's and the Act which will come in to govern the City of Corner Brook it will be called the "City Council of St. John's" and the "City Council of Corner Brook" instead of "Municipal," "Municipal" has the faint suggestion of a very minor division of government, where a "City" is a "City" and a very honoured and historic word, and the governors of it might well, I think, be called the "City Council" rather than the "Municipal Council." I am not even going to suggest changing it, but I just raise the question—Why must it be the "St. John's Municipal Council" and the "Corner Brook Municipal Council." A lot of people cannot even pronounce it right. I am not even referring to that, but to the use of the word however it is pronounced as against the use of the word "City Council."

The Deputy-Mayor of St. John's occupies a seat in this House. He perhaps could enlighten us in this matter?

MR. HIGGINS: In so far as enlightening is concerned, Mr. Chairman, no. Quite truthfully, I don't know what is the origin of the expression. As the Premier has said, the word, "Municipal" is very often mispronounced. There may be some virtue in it. Quite truthfully "City Council" does sound better there. As suggested, there is almost an odour when one talks about "Municipality" of drains and sewers and things like that. I think it would be quite alright to change it to City Council. It is indeed more commonly referred to in formal discussions as the "City Council."

MR. CURTIS: I am not going to

give the chance, Mr. Chairman. This harping criticism of a Bill I resent for my department. If the honourable member would look at the City of St. John's Act, Section 20—Control and management of the affairs of the City shall be controlled by a board and mayor etc. and be known as the St. John's Municipal Council. If this Bill is the one you want to complain about, tell me to amend it, and I will amend it, but whilst that is there this must correspond. Last year we passed the Corner Brook Act—"City" means the City of Corner Brook. "Council" means the "Corner Brook Municipal Council." While the names are as they are we must follow them.

On Motion Clause 2 carried:

MR. BROWNE: I wonder if I could ask the Honourable the Attorney General, are there any boards, incorporated or not, with power to make regulations?

MR. CURTIS: There are a lot, Mr. Chairman, Practically every second one that is created has power to make regulations. NALCO has authority to make rules and regulations. And some of them have the effect of law. I think there are lots of boards. Frankly I cannot name them — The Board of Liquor Control, and I suppose the Public Utilities Board, the Workmen's Compensation Board — all these boards have these powers.

MR. BROWNE: Well it is very broad, "a board, commission, association, authority or similar body, whether or not it is incorporated — I think this is very generous verbiage.

MR. CURTIS: Yes, in order to be sure to include all it does not name any.

Clause 3 Read:

(3) — (1) The authority making a regulation or a responsible officer of the authority shall file two copies of the regulations with the Minister within one week after it is made, together with two copies of a certificate signed by the person filing the regulation setting fourth.

- (a) by whom the regulation was made.
- (b) the Act under which the regulation was made;
- (c) the date on which the regulation was made; and
- (d) where approval by another authority is required, the date of approval and two copies of the certificate referred to in sub-section (2).

(2) Where approval of a regulation by another authority is required, the approving authority or a responsible officer thereof shall give a certificate of approval to the authority making the regulation when the approval has been given.

(3) Where a regulation is made or approved by the Lieutenant-Governor in Council the clerk of the Executive Council shall file with the Minister two copies of the regulation certified by the clerk of the Executive Council to be true copies and the filing of those copies is deemed compliance with sub-sections (1) and (2).

(4) Unless otherwise stated therein a regulation shall come into force and have effect from the day on which it is filed under this section.

(5) Notwithstanding any other statute or law a regulation that has not been filed is of no effect.

(6) Where before it has been filed a regulation has been amended by a subsequent regulation the filing of the first regulation with the amendment made by the subsequent regulation embodied in or added to it is deemed compliance with this section.

**MR. SMALLWOOD:** Mr. Chairman, I wish to move that sub-clause 4 be deleted and that sub-sections (5) and (6) be renumbered, as (4) and (5) and that there be inserted as sub-section (6) the following: "Subject to this Act regulations shall come into force and have effect on the date on which it is published or on such earlier or later date as may be prescribed in the regulations." I think, Mr. Chairman, you have a copy of this, and I believe my honourable friends opposite have a copy. I do so move, and I do suggest that the letter (i) be put into the word "compliance."

**MR. BROWNE:** Well, Mr. Chairman, I wonder if that is to be an improvement now—Regulations shall come into effect on the date published. That is okay. But here it reads . . . regulations coming into force to have effect from such earlier or later date as may be prescribed in the regulations. Do you think that is an improvement on what is there already? Because it may not even be filed and yet it is supposed to come into effect.

**HON. M. P. MURRAY** (Minister of Provincial Affairs): Not in accordance with this Act.

**MR. CURTIS:** Well sometimes it is nice, as my honourable friend will admit, when in a hurry to bring in an Act, and operate it, it is sometimes necessary to bring it in retroactively. Take for instance payment for fishery losses or something like that, such as they are paying out now. It may be

necessary to pass some regulation and make it retroactive because in the anxiety to get going sometimes we have to assume certain things. Now I know my honourable friend is thinking of some criminal who finds he is going to be prosecuted for something he did not do. But these processes enable the Government to do things, or the body in question perhaps to do things that are beneficial to people, and it is just to sort of facilitate getting them into operation. I don't think there should be too serious criticism to that. Obviously nobody would prosecute anybody for breaking regulations not filed.

**MR. BROWNE:** I think the Minister of Municipal Affairs is probably thinking of the same thing—The Town Council of Placentia makes a regulation. All right it makes the regulation and it comes into effect tomorrow morning at nine o'clock. It takes three days to get it into the Colonial Secretary's Office to have it filed, and takes a week, perhaps before it is covered. Yet it is in effect right away.

**HON. E. S. SPENCER** (Minister of Public Works): Sub-section 5 says—"No."

**MR. CURTIS:** The amendment provides it comes into force at an earlier or later date. It is a customary provision.

**MR. BROWNE:** Is that clear? It does not seem clear to me. The illustration given to me about the fisheries claims does not seem to be valid at all, because these fishery claims deal with storm damage which happened months ago, and there was ample time to make regulations. Why such hurry all at once?

**MR. CURTIS:** I think my honourable friend misunderstood. Suppose for

instance, I just happened to mention that, in bringing any Act into operation as you go along you discover perhaps there is something which you have been doing which is not covered by regulations or is not covered by the Act. In that case the proper thing to do is to pass regulations and make them retroactive and so authorize it having been done. That is all. That is a common thing. I am not taking fishery regulations, but any regulations—for instance people discover, after administering an Act, they have done things not strictly authorized but yet were the intentions of the Act. Well the regulation is made there retroactively so as to authorize those people to have done what they have been doing. I can quite see the point. It would be most objectionable to have a clause like this if it were abused, if it would be liable to abuse. It is necessary to go back and authorize what has been done.

MR. BROWNE: Mr. Chairman, it is a surprise to me—people doing the wrong thing and then have regulations passed to rectify them by making the regulations retroactive. I don't remember hearing of any retroactive statutes not to say regulations.

MR. CURTIS: I can give my honourable friend an example at once—the last session we passed, an Act allowing the Registrar of Deeds or members of this House to take affidavits which would be admissible in courts. And for all purposes, while the registrar of deeds, in pursuance of that regulation accepted deeds sworn to by members of the House and the legal profession, and found out afterwards he had no authority to do so. We had to put through a bill now making that legislation retroactive.

MR. BROWNE: That is different from regulations.

MR. CURTIS: It is the same thing. Just as you may at times have to make legislation retroactive sometimes you have to make regulations retroactive because of some little technical point.

MR. BROWNE: Mr. Chairman, my answer to that is, I can understand how the legislature could make an act retroactive in some rare cases like described, but I cannot understand making mistakes and covering them up by retroactive regulations. After all the legislation is supreme. It is the primary say so in matters of that kind, and a board is a subordinate body and should not have the right to cover up its own mistakes in that manner. I think, Mr. Chairman, that this section ought to be given more consideration. You see, Mr. Chairman, there is no point in having the date of publication mentioned at all if the person making the regulations can settle the date on which it is to come into effect. It may be before the regulation is published; and people are bound by it.

MR. HOLLETT: I feel, Sir, that my honourable friend is correct in his reasoning. This particular amendment we have here makes it possible for the Government or for any regulatory body to bring in a regulation which will make legal something which is being done or has been done six months or a year ago. And I doubt whether you may not lay yourselves open to some abuses on that account.

MR. SMALLWOOD: The only virtue is that most of them have to go through the Lieutenant-Governor in Council before they are put into effect—anyway most of them—

MR. HOLLETT: May I suggest some more thought, maybe.

MR. CURTIS: Mr. Chairman, I am not married to this clause, I don't care a continental and I am sure the Government does not. The department recommended it. And I will be glad to have the clause stand so that I can see what they have to say for themselves.

MR. BROWNE: Alright, see what the answer is.

MR. CURTIS: We don't want to force anything.

Motion, that Clause 3 stand, carried:  
Clause 4 Read:

4—(1) Subject to subsection (3), the Minister shall, within one month after filing, publish or cause the regulations to be published in The Newfoundland Gazette.

(2) The Minister may at any time by order extend the time for publication of the regulations and if the regulations are subsequently published the Minister shall publish the order with them.

(3) Where in the opinion of the Lieutenant-Governor in Council, a regulation,

(a) has been available in printed form to all persons who are likely to be interested in it, and

(b) is of such length as to render publication of it in The Newfoundland Gazette unnecessary or undesirable,

the Lieutenant-Governor in Council may, by Order in Council, dispense with the publication in The Newfoundland Gazette.

(4) Where by order of the Minister or of the Lieutenant-Governor in Council the time for publication of a regulation is extended or publication is dispensed with, the Minister shall publish the order or a notice of it in the Newfoundland Gazette within one month after the order or notice is made.

(5) Publication of a regulation

(a) is prima facie evidence of the text of the regulation and of the making, approval where required, and filing of it; and

(b) shall be deemed to be notice of the contents of the regulation to every person subject to or affected by it, and judicial notice shall be taken of a published regulation and of its contents and of its publication.

MR. SMALLWOOD: Mr. Chairman, I move that in sub-section (1) we strike out the words "Sub-section (3)" and substitute words "Sub-section (2) and delete the words "Sub-section (3)" as follows: "Where by order of the Lieutenant-Governor in Council publication of regulations is dispensed with if the Minister shall publish the order or a notice of it in the Newfoundland Gazette within one month after the order is made, and the regulations shall come into force and have effect from the date on which the order is published or from such earlier or later date as may be prescribed in the regulations." And re-number Sub-section (5) as Sub-section (4); Does the same argument apply there to have that stand?

On motion Clause (4) stand:

Clause 5 read:

5. The filing or publication of a regulation under this Act does not vali-

date or correct the regulation if it is otherwise invalid or defective in any respect or for any reason.

MR. BROWNE: What does that mean?

MR. CURTIS: It just states the regulation is only valid if it is in accordance with the Act under which it is made.

MR. BROWNE: It is no harm anyway.

MR. CURTIS: No.

On motion Clause 5 carried:  
Clause 6 read:

6—(1) Subject to this section, the Minister may decide

(a) whether any regulation, rule, order or by-law is a regulation within the meaning of this Act and his decision shall be final;

(b) who shall be deemed responsible officers within the meaning of Section 3; and

(c) any other matter which may arise in connection with the administration of this Act.

(2) At least once in each month the Minister shall submit to the Lieutenant-Governor in Council a report setting forth every regulation, rule, order and by-law that, pursuant to subsection (1), he has decided is not a regulation within the meaning of this Act and to which he has made no reference in any preceding report he has submitted under this section.

(3) Unless otherwise required by the Lieutenant-Governor in Council, submission by the Minister of a brief summary or description of the term of a regulation, rule, order or by-law shall be deemed a sufficient compliance with sub-section (2).

(4) The Lieutenant-Governor in Council may approve the report submitted by the Minister under subsection (2) or may order that any regulation, rule, order or by-law referred to in the report shall be deemed to be a regulation within the meaning of this Act and if the Lieutenant-Governor in Council makes an order under this Sub-section the regulation shall be deemed to have been subject to the provisions of this Act from the time when it was passed.

(5) Where the Minister has decided that a regulation, rule, order or by-law is not a regulation within the meaning of this Act and the Lieutenant-Governor in Council has, under sub-section (4), approved the report thereon by the Minister, the Minister may with the approval of the Lieutenant-Governor in Council, reverse his decision and decide that the regulation, rule, order or by-law is a regulation within the meaning of this Act and if he decides the regulation shall be deemed to have been subject to the provisions of this Act from the time when it was made or passed.

MR. BROWNE: Mr. Chairman I don't know whether it was on second reading, but I have a distinct recollection of drawing the attention of the House to several contradictions here. First of all you have the Minister deciding whether any regulatory order is a regulation within the Act. Now the previous section says the filing or publication of a regulation does not validate or correct the regulation if it is otherwise invalid or defective in any respect or for any reason. But the Minister comes along and says, this is a good regulation, and I declare it is. And it becomes a good regulation—and that decision is final. Then it becomes valid.

Then the Honourable the Premier will remember my drawing attention to the third clause which says, the Minister may decide any other matter which may arise in the administration of the Act. I asked for an explanation. And that the Lieutenant-Governor in Council may approve the report submitted by the Minister under subsection (2) or may order that any regulation, rule or by-law referred to in the report shall be deemed to be a regulation within the meaning of this Act, and if the Lieutenant-Governor in Council makes an order under this subsection the regulation shall be deemed to have been subject to the provisions of this Act from the time when it was made or passed. Now under Clause (6)—

(1) a. it is final when he says it is. This seems to me to contradict 6 (1) a.—and that does not seem to make sense. Then the next one says—the Minister may decide whether any regulation, rule, or order or by-law is a regulation within the meaning of this Act his decision shall be final. It seems to me that section should be re-drafted.

MR. CURTIS: It does not look sensible, does it. But it is subject to this section.

MR. BROWNE: That does not make it any better. It ought to be subject to common sense.

MR. CURTIS: Let us have that stand.

On motion Clause 6 stand:

Clause 7 read:

7—(1) The Minister shall maintain a record in which he shall record the regulations filed with him under Section 3.

(2) The Minister shall number each regulation in the order in which it is

filed and shall commence a new series beginning with figure "1" each year.

(3) In addition to any other mode of citation, regulations may be cited or referred to by the expression "Newfoundland Regulations" or "Nfld. Reg." followed by the number of it, a vertical stroke and the last two figures of the year in which it was filed.

(4) A reference in any Act or regulation to a line, word or other portion of or in any clause, paragraph, or subparagraph, of or in a regulation shall be deemed to be a reference to the same as it appears in the regulation

(a) as published in the Newfoundland Gazette as required in this Act, or

(b) in the case of a regulation publication of which has been dispensed with under subsection (3) of Section 4, as published in the printed form in which it has been made available as mentioned in that subsection.

MR. SMALLWOOD: Mr. Chairman, I move we delete paragraph (a) of Subsection (4) of Clause 7 and substitute therefore (a) "as published in accordance with this Act in The Newfoundland Gazette or in the Consolidated Regulations or a supplement thereto." Also in Paragraph (b) of subsection (4) Change subsection (3) to Section 4.

On motion Clause 7 as amended carried:

Clauses 8 through 20 carried.

MR. BROWNE: Would you tell me, Mr. Chairman, which clauses have been held up?

MR. CHAIRMAN: Clauses 3, 4 and 6.

Motion, that the Committee report progress and ask leave to sit again carried:

A Bill, "An Act Further to Amend the Election Act, 1954."

On motion Clause 1 carried. Clause 2 read:

2—(1) Section 29A of The Election Act, 1954, the Act No. 79 of 1954, as enacted by the Election (Amendment) Act, 1955, the Act No. 49 of 1955, is amended by deleting from subsection (2) the expression "Section 8" and substituting therefore the expression "Section 7."

(2) This section shall be deemed to have come into force on the 22nd day of June A. D. 1954.

MR. BROWNE: What is the meaning of that?

MR. MURRAY: Mr. Chairman, would you mind going on while I look it up.

On motion clause 2 stand.

Clause 3 read:

3. Section 32 of the said Act is repealed and the following substituted therefor:

"32—(1) The Lieutenant-Governor in Council shall appoint a chief electoral officer and in respect of the first appointment made under this subsection may provide that the appointment shall have retroactive effect to a date not earlier than the first day of January, 1956.

(2) The provision of The Civil Service Act, chapter 22 of The Revised Statutes of Newfoundland, 1952, relating to pensions, gratuities and leave shall apply to a chief electoral officer appointed under subsection (1) and pensionable service done by him as a civil servant immediately before he was appointed chief electoral officer shall be counted for the purposes of such pensions and gratuities.

(3) Whenever, before, after or during an election the chief electoral officer is by reason of absence, incapacity or any other cause unable to act, the Lieutenant-Governor in Council may appoint a person to act in his stead in a temporary capacity and subject to the terms of his appointment any person appointed under this subsection shall have, and may exercise all of the powers and shall discharge all of the duties of the chief electoral officer.

(4) The chief electoral officer and every person appointed under this section to act instead of the chief electoral officer shall before entering upon his duties take the oath of allegiance and the official oath in the form and in the manner prescribed by the Oaths of Office Act, chapter 124 of The Revised Statutes of Newfoundland, 1952, but the person first appointed chief electoral officer under this section may take such oaths, within thirty days after the enactment thereof.

(5) The same person appointed chief electoral officer or appointed to act in a temporary capacity instead of the chief electoral officer under section may also be appointed compiling officer under Section 5 and Section 29A or either of those sections.

(6) Paragraph (a) of Section 111 shall not apply to any person appointed chief electoral officer or appointed to act in a temporary capacity instead of a chief electoral officer, under this section."

MR. BROWNE: I want to ask about that paragraph (a).

MR. MURRAY: I have two or three volumes to look up before I can answer (2).

MR. BROWNE: Let that stand and

read Paragraph (3) of Section 111, and see if it will make sense to us.

MR. MURRAY: Normally no civil servant is allowed to act in connection with an election. Is not that what it means? Except that the Chief Electoral Officer may.

MR. BROWNE: Could you read paragraph (a) of Section 111. It is contradictory.

MR. MURRAY: No. It specifically exempts the Chief Electoral Officer.

MR. BROWNE: Does not paragraph (a) say civil servants cannot be appointed.

MR. MURRAY: That still stands, exempting the one office of electoral officer. That provides no person in the employ of the Government may act in any capacity during an election. In other words, no civil servant would ordinarily be appointed a polling officer or returning officer or such thing. But this section says a person who is in the civil service may be temporarily appointed to the office of chief electoral officer.

MR. BROWNE: Would that be in a case where the Chief Electoral Officer was ill?

MR. MURRAY: I imagine, because in the previous sub-section by reason of absence incapacity or any other cause he is unable to act, the Lieutenant-Governor in Council may make a temporary appointment, and such temporary appointee, regardless of Section 111 (a) may be an employee of the Government.

MR. BROWNE: Well this appointment of Chief Electoral Officer is, I take it, the appointment of some superior official.

MR. MURRAY: More or less. It

is supposed to be a permanent post. But provision is made here in sub clause (3) of Clause 3 where during or before an election the Chief Electoral Officer is by reason of incapacity, etc. It is a case, I suppose, where the Chief Electoral Officer could be stricken suddenly ill and the whole election held up. So it is necessary. Paragraph 6 then takes it out of the operation of Clause 111, which says no Government employees, etc.

MR. BROWNE: I notice under the original section he is exempted anyway. He would be appointed Chief Electoral Officer. But it might be the Government's intention perhaps to appoint the Assistant Electoral Officer to be the Chief Electoral Officer (Acting).

MR. MURRAY: And he would be a person in the employ of the Government.

MR. HOLLETT: Mr. Chairman, I wonder whether the Minister would state whether the Electoral Officer has the same terms as the deputy ministers.

MR. MURRAY: I am not quite sure what the honourable member means—Status, regarding salary?

MR. HOLLETT: Salary and the rest.

MR. MURRAY: Under this Bill the office is made pensionable and permanent.

MR. HOLLETT: The reason I asked the question, I remember the Honourable the Premier mentioning the other day it was silly to have anyone as a deputy minister who was not a "Liberal."

MR. SMALLWOOD: No. I said:

"Not in sympathy with the Government's policy."

MR. HOLLETT: I think you are right—"In sympathy with the Government's policy." Does that mean the Electoral Officer has to be?

MR. SMALLWOOD: No, not in the least. I have no idea what Mr. Short's political sympathies are than I have about political sympathies of some man in the city of Nassau—in other words none at all. I don't know whether he is a "Liberal" or a "Tory". I just don't know. He is the Chief Electoral Officer. I have never known what Mr. Short's political feelings were. I never had the foggiest notion. I did feel as Deputy Minister of Economic Development he would be loyal to the Government and to me as his Minister, and I am sure he was. But what his political feelings were, I do not know. I never knew, and quite frankly never cared.

MR. BROWNE: Neither do I.

MR. HOLLETT: The point raised is that a deputy minister is supposed to be in sympathy with the government's policy, does that still apply when he is relegated or elevated to the position of electoral officer?

MR. SMALLWOOD: Promoted. He is not called upon to carry out any Government policy. It is not his function, not his duty to carry out any Government policy. Therefore it has no material interest nor importance whether he agrees or disagrees with Government policy, as he has no Government policy to carry out.

On motion Clause 3 carried:

Clause 4 read:

4. Section 33 of the said Act is repealed and the following substituted therefor;

"33. The Chief Electoral officer shall

(a) exercise general direction and supervision over the administration conduct of the election and enforce on the part of election officers fairness impartiality and compliance with this Act;

(b) issue to election officers such instructions as from time to time he may deem necessary to ensure effective execution of this Act; and

(c) perform all other duties that are imposed on him by or under this Act, and for those purposes or any of them he shall have and may exercise all of the powers conferred on a chief electoral officer by or under this Act."

MR. BROWNE: I cannot see the need for this amendment, why it is introduced.

MR. MURRAY: Yes, the verbage is almost identical.

On motion Clause 4 carried. Clause 2 stand deferred until tomorrow:

Motion that the Committee report progress and ask leave to sit again carried:

On motion the Committee reverted to a Bill, "An Act to Amend the Crown Lands (Mines and Quarries) Act."

MR. SMALLWOOD: The Minister now has the explanation of this complicated clause.

DR. ROWE: That is so simple. I have already explained it to my honourable friend—The Act says, if a man fails to take out his development license for three years such and such and such will apply. It does not specify what happened if he did not renew his license after he had it for, say one year, or any number of years. So by inserting "A valid renewal of that

license"—that is the only thing new. That is, that the same conditions apply to one who does not renew the license as to one who does not take it out at all.

**MR. BROWNE:** Mr. Chairman, on that may I ask a question? In connection with some companies in the Labrador, American Metals, have they a license or were they given an Act?

**DR. ROWE:** They had an Act.

**MR. SMALLWOOD:** Yes. It is not American Metals. It is Canadian American Metals, a Canadian subsidiary of American Metals, and the Act was passed here by statute.

**DR. ROWE:** This is just a little thing which tightens up the Act.

On motion Clause 2 carried:

Motion that the Committee rise, report progress and ask leave to sit again, carried:

Mr. Deputy Speaker returned to the Chair.

**MR. MERCER:** Mr. Speaker, the Committee of the Whole have considered the matters to them referred and begs leave to report having passed the Bill, "An Act to Amend the Saw Mills Act" without amendment; and a Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act" without amendment; and a Bill, "An Act Further to Amend the Workmen's Compensation Act" without amendment.

On motion report received. Motion, that these Bills be read a third time on tomorrow carried:

**MR. MERCER:** Mr. Speaker, the Committee of the Whole have considered the matters to them referred, and

passed the following Bill with some amendments:

A Bill, "An Act Respecting the Disposal of Waste Material and Protection of Non-Tidal Waters."

On motion report received. Bill ordered read a third time on tomorrow:

**MR. MERCER:** The Committee of the Whole have considered the matters to them referred and made some progress and asks leave to sit again.

On report motion received. On motion Committee ordered sit again on tomorrow.

**MR. SMALLWOOD:** Mr. Speaker, I move the remaining Orders of the Day do stand deferred, and that the House at its rising do adjourn until tomorrow Thursday at 3:00 of the clock: In so moving, Mr. Speaker, may I remind my honourable friends opposite that the intention tomorrow is at the opening of the session to have a sitting to deal with the Childrens' Health Bill, and possibly later in the day we might possibly go into some of the estimates, and that by Friday my honourable friends might be ready to begin the debate on the budget.

On motion all remaining Orders of the Day deferred:

On motion the House at its rising adjourned until tomorrow, Thursday April 19, at 3:00 of the clock.

Thursday, April 19, 1956.

The House met at 3:00 of the Clock in the afternoon, pursuant to adjournment:

Mr. Deputy-Speaker in the Chair:

Presenting Petitions

None.

**Presenting Reports of Standing and  
Select Committees**

None.

**Giving Notice of Motion**

None.

**Giving Notice of Questions**

**ANSWERS TO QUESTIONS:**

**Question No. 61:**

**MR. BROWNE:** To ask the Honourable the Minister of Public Works to lay upon the table of the House a statement showing the places to which grants will be made this year for the maintenance of local roads and the amounts to be allocated to each place.

**HON. E. S. SPENCER (Minister of Public Works):** Mr. Speaker, in answer to Question No. 61: for the information of the honourable member and the House in general I would say that this is an utterly impossible question to answer as it is requested there. There is nobody on earth who up to this moment can say what grants will be issued for local roads this year. There has been no hard and fast policy laid down as to where and what amounts may be spent. The policy of local roads, as the House is well aware, has been changed from the old system of what was commonly known as a fifty-fifty basis to a basis whereby we propose to pay full measure for any work done to local roads. A vote has been made, I believe, and I am sure the honourable and learned member knows, in the amount of three quarters of a million dollars, for the whole of Newfoundland, and that can only be distributed in accordance with requests from the various constituencies, which we hope will very soon set up, if they have not already done so, good local

road committees. The intention is to carry on with some such form of local committee in every community. Up to now our decision has been that as soon as these committees are formed and their requests made to the department, grants will be made on the basis of the per capita system. That is definitely laid down in government policy. Hence, Mr. Speaker, I contend that it will be made for local roads maintenance this year. I rather feel that my giving this information in this oral manner does explain the situation to the honourable and learned member.

I would like now to pass on to *Question No. 62*, in the name of the same honourable and learned member for St. John's West, wherein he asked the Minister to lay on the Table of the House a map of the route which the Trans-Canada Highway will follow in Newfoundland, indicating particularly the approach and entry into the city of St. John's.

In that connection I have to answer again, because I am very familiar with that, it is impossible to show that route of the Trans-Canada Highway as proposed across Newfoundland, only in some sections. We have certain sections where the map for the road is laid down. That is quite all right. I would be very happy to table that, but I think it is pretty generally known, and it has no bearing whatsoever on where the balance of the road may go. But I think it may be of very considerable interest to the House. Mr. Speaker, if I could say, because of the urgency to close the gap (which is the familiar term which is being used) of the highway between Port-aux-Basques and St. John's this year, the major gap which does exist is between Clarendville and Alexander Bay. That is a community on the railway about ten miles east of Gam-

bo. That gap is about thirty-five or forty miles.

If we were to follow the original mapped route it would be a physical impossibility for any year's operations in this Province. So after very considerable negotiations between all people concerned it has been decided to re-route the Trans-Canada Highway, at least temporarily in that area. And so, branching from Alexander Bay Station so near there, where the road ends at the present time from Port Aux Basques, we propose that what was a road leading out to a section of Bonavista Bay through Terra Nova, or rather Glovertown, Terra Nova and other communities in that area—and it is intended to start off that road with a new section entirely which will follow almost parallel to the North and South Latitude on the map, leading from, say, Traytown on the map to Charlottetown on the north side of Clode Sound, which point is about fifteen or sixteen miles from Traytown. Arriving there at Charlottetown it is proposed to institute a ferry to cross over to a community on the south side of Clode Sound, named Bunyan's Cove, from which the latter community we have a connection along the Cabot Highway leading into the Trans-Canada Highway thus on to the Burin Peninsula and in St. John's. Consequently it will mean by diverting the road in this particular area we will have to build this year sixteen to twenty miles of highway less than we would have to build if we went through the regular Valleyfield, Alexander Bay, Port Blandford and Shoal Harbour, which was the originally proposed route. I would say then, Mr. Speaker, that we do propose to endeavour to close that gap and that has been agreed to by the Federal Government and ourselves, i.e. that we will do from Tray-

town to Charlottetown about sixteen or seventeen miles, establishing a ferry across to Bunyan's Cove, a distance perhaps of one or two miles, and from Bunyan's Cove get on to the Highway system of the Island. That in the main answers the first part of the question.

The latter part asks to indicate particularly the entry into the City of St. John's. I repeat, as I have already said to the press and radio, that this information is so indefinite at this moment it is utterly impossible to give it. No definite survey line has been laid down. The policy is, as the honourable member will know, to first make perhaps an aerial survey; from the aerial maps then make a ground survey. The honourable member for St. John's West is very familiar with that kind of thing because he too had engineering training, and I am very well pleased sometimes to have his assistance in discussions of this kind. He is very familiar with engineering principles. Then, as I said, a ground survey will have to be made, and trail lines, such as cross sections and other details laid out on that plan. Then when we were satisfied we had what is the best possible route we would then submit it to our partner in this business, the Federal Representatives of Public Works at Ottawa. When they examine and agree with us we can then arrange for the construction as soon as finances will permit.

Well, that survey has not been made. But I will say just this—and this is to be taken as I put it, tentatively—it is planned to leave St. John's West somewhere in the west end of the city and proceed possibly in as nearly a straight line as we can get between there and a point four miles, about south of Holyrood, where at the present time the road exists from Holy-

road to Witless Bay Line. Somewhere about four miles inside Holyrood we hope to connect. Very considerable research has been done on that. That will bring us to somewhere in on the centre of the ridge, say several miles back of Octagon Pond or Kelligrews or other communities on the southside of Conception Bay, and so bring us to within four miles of Holyrood, slightly north crossing the Salmonier Line at a point several miles from Holyrood, and, straight to the line as the terrain will permit, to the cross-roads at Whitbourne.

Now that is so indefinite it is utterly impossible to lay down any exact plan. That, Mr. Speaker, constitutes the answer that I can give from personal knowledge to these questions. If there are any subsequent questions I shall do my very best to explain.

**MR. BROWNE:** Mr. Speaker, in regard to the first question that the Minister dealt with, in regard to the maintenance of local roads, I would like to have these local road boards before the Minister would consider any applications for an allotment?

**MR. SPENCER:** Mr. Speaker, my answer would entirely be the affirmative. We think that this community effort at local government which has been instituted and very well carried out by the local road system to date has done so well that we feel a local community can very well be of great help to their community. If we can have them formed and they cooperate with us, the grants will be sent to them on a per capita basis. The authority will be given to them and they will supervise the expenditure. The answer is the affirmative.

**MR. BROWNE:** Mr. Speaker, one more question arising there—there is

a Bill before the House now to establish local road boards. I take it any road boards in existence are not the ones that will get the money but the new ones which are established under this Bill?

**MR. SPENCER:** Yes, I would say that is correct. Meantime it is our hope that where local committees exist at the present time, if they are satisfactory to the communities, they could very well carry on. I know of no personal angle to that. But in the main where no committees exist we would advise that as rapidly as possible the communities get together in public sessions and elect their committees or road boards, as requested under this Act. But if they have committees already they can be recognized as far as we are concerned.

**HON. G. POWER** (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow move this House into Committee on Supply to consider supplementary supply.

**MR. DEPUTY SPEAKER:** If there are no further answers to questions we will proceed with the Orders of the Day.

Second Reading of Bill, "An Act Further to Amend the Health and Public Welfare Act;"

**MR. BROWNE:** Mr. Speaker, before the minister commences his Speech I would like to raise a point of procedure in this matter. This matter is being introduced by way of a Bill, but it seems to me it should be introduced by way of resolutions. Drawing your attention to the provisions in Beauschene, I have the section here—It says: "If any motion is made in the House for any public gain or charge upon the people.

That is elaborated in Rule 542 and 545 and 549 dealing with the same subject.

Rule 549 reads: "All bills providing for payment of salary or any expenditure whatsoever out of public funds of the Dominion must first be considered as resolutions in Committee of the Whole."

It often happens that bills are introduced with certain clauses. It can only be done when money clauses are really part of the bill, the main object of the bill.

We have had this sort of argument before. And I have had these notes for some days now, waiting for a chance to bring it up. It seems to me this is a Bill, which according to the principle of public health, is going to cost a considerable amount of money and is therefore a charge upon the government and therefore should be introduced by resolution.

MR. CURTIS: The honourable member is always raising this point. One would almost think it was a matter of life and death and that we were trying to flout all the rules of the House. Look at this Bill. It is a Bill to amend the Public Welfare Act. Is my honourable friend to suggest that every amendment made to that Act is a money bill because due to some provision the Treasury might be called upon to pay five cents out. When the appropriation is made it is purely a bill that sets forth the procedure to be followed under the Act. It does not create a job, it does not provide a job. It says if and when this legislation. This is a purely an operations Bill, Mr. Speaker, and is not a money bill within any reasonable sense of that term.

MR. BROWNE: Mr. Speaker, if I

may reply to what the Honourable the Attorney General has said, I would like to point out to him that he has no point because of five cents but because of the millions of dollars, according to what we have been told. Mr. Speaker, you cannot avoid the responsibility of introducing this by way of resolutions by having it by way of amendment, because a bill is just as much a bill if it amends another one or if it does not. It is a bill, and it is going to be a charge upon the funds of Newfoundland and then it must be done by way of resolutions. It seems to me it is quite a matter of principle, not only the moneys which are voted in supply will be brought in by way of resolutions but any moneys that are charged as a result of a bill. Certainly here it is amusing to hear the Minister say this won't mean any job. This will mean many jobs. In fact it is all a question of jobs.

MR. SMALLWOOD: Mr. Speaker, there will be a money bill in here in connection with this legislation and there will be a money bill next year and every year. But this is not the money bill. This is a bill to create service, and the money to provide for payment of that service will be provided in a money bill which will be submitted in this House from time to time or at least from year to year. There is nothing in this Bill itself which of itself creates a charge upon the public or which expends any money. That will come in a bill to be introduced later in the present session, and, I say, it will be done annually.

Mr. Speaker, I draw your attention to the fact that the practice in this House for the past seven years has been to proceed as we are now proceeding. For seven years, of our own knowledge, within our own immediate recollection,

we have proceeded in this way. We have brought in many bills which created a service or provided for the creation of public services, and subsequently money bills were brought in to provide the money to pay for these services. But the bills themselves which provided for the creation for services, were not brought in as money bills. The payment for the services was made by means of money bills brought in subsequently. And I suggest to Your Honour that this present Bill is one of hundreds or certainly one of dozens if not scores that have been brought into this House in the present form and not as money bills. It is a bill to set up and administer, the expense of which must be met of course, but the way of meeting it is to bring in a money bill. And I suggest to your Honour, suppose this Bill is brought in today and passed and finally is adopted and has third reading and becomes law, it does not of itself create expenditure of one dollar, unless the House, in a money bill, appropriates money for the purpose. And the House has not got to do so. The House may refrain, refuse or fail or forget or neglect to vote the money. And if it does so no money will be spent and this programme will not be carried out. So that the bill can be passed and not in fact involve the Government in the expenditure of a single dollar.

I suggest that this is the normal way in which we have been proceeding in the past seven years.

MR. BROWNE: Mr. Speaker, may I

MR. SMALLWOOD: Mr. Speaker, I don't think the honourable member has the right to debate this. He has already spoken twice.

MR. BROWNE: This is a debatable matter.

MR. SMALLWOOD: No member can debate a thing more than once except in Committee of the Whole.

MR. BROWNE: Why not?

MR. SMALLWOOD: No. The member is out of order. After speaking once he cannot speak again. It could go on forever.

MR. DEPUTY-SPEAKER: I must say that I have not given this matter much consideration. If Mr. Speaker Sparkes was here no doubt he would be very familiar with this situation, but I did not anticipate this situation. The honourable and learned Member for St. John's West told me he was going to raise this point, just a moment before the House opened. This is a very technical point, and it depends on the fact whether the Bill is a money bill or is not a money bill. The Honourable the Attorney General and the honourable the Premier say it is not. The honourable and learned Member for St. John's West says it is. And to tell the truth, I am not at this moment prepared to say. But I do recall, in my own recollections of the proceedings of this House for the past seven years, that it has been the procedure to bring in bills of this kind through the normal channel, without bringing them in by way of resolutions in Committee of the Whole. Therefore I think that we have established that procedure in the House. So I will permit second reading at this point.

MR. SMALLWOOD: Mr. Speaker, I rise to move second reading of this Bill. I suggest, Mr. Speaker, that if Newfoundland is to go ahead she must go ahead on many fronts. She cannot cripple along on one front only or on a few fronts only. If she is really to progress, she must go ahead on all

fronts. She must go ahead in education. And when I say education I am thinking particularly of such things as the provision of a good university, the provision of a great number of regional high schools and vocational schools in addition to a large number of regular elementary schools in Newfoundland. And these elementary schools must undergo a process continually of enlargement and improvement and increase in number.

We must advance on the roads front: It is ridiculous to think that Newfoundland is truly advancing if she is not advancing on the roads front; the provision of even more and more miles of new roads connecting ever more and more of our people by roads, people who are not now so connected.

We must go ahead on the Housing front: And I am thinking now not only of the housing that the Government of Canada or the Government of Newfoundland or both together provides, but housing provided by everyone and anyone privately, done by private enterprise. It is ridiculous to think that Newfoundland is truly progressing if there grows into existence a great gap in its housing needs, a great unfulfillment of the people is elementary need for good, decent wholesome homes in which to live and rear their families. And so too Newfoundland must advance on that front.

I suggest that Newfoundland must advance on the hotel front and the front of tourist motels, and cabins. But when I say that I am thinking not only of tourists I am thinking that any Newfoundlander of great means or medium means or very modest means when he travels within this Island should have the opportunity, wherever he stops overnight or for a day or for

a week, whether it be at Gander, Clarenville, Carbonear or Bonavista or Burin or anywhere else, the opportunity to put up at a decent hotel where he can get comfortable accommodations and a decent meal. And I suggest Mr. Speaker, that the absence of decent hotel accommodations in any country or in any part of the country is a distinct mark of a backward state. So I say that the building of hotels is necessary, and it is a front on which Newfoundland must positively advance.

We must advance on the front of labour legislation, that as the country or province or state develops and expands as its economy develops and becomes even more and more complicated and the relationship of the working masses with the industry in which they work becomes more complicated the need automatically arises for more and more expanded labour legislation. And Newfoundland is not truly advancing if she fails to advance on that front along with others.

I suggest that we must advance on the front of social welfare, because as a province becomes more developed and more complicated, as life becomes faster, more people fail to stand the gaff, a larger proportion of the people fail to stand up to the tempo, the increased tempo. And whereas in a sleepy village, a sleepy settlement, for centuries the people have lived and died in the old days and under the old conditions when life became faster and more complicated and more difficult human wreckage became much more plentiful. Therefore on that front, the front of social welfare, social security, as Newfoundland advances she must advance on that front also. And she neglects that front only at great peril to the social good of the people.

We must advance, I say, on the front of ever more persistent and ever more efficient surveys and measurements of our natural resources, the search for natural wealth. We must become ever more intense. This is particularly fresh in my memory from the fact that all forenoon today some of my colleagues and I have been attending a meeting of shareholders and directors of NALCO. And for most of this forenoon we listened. We first read reports by the chief geologist and by the consulting geologist of NALCO and then sat and listened as they fastened a great scale map of the centre of this Island and with pointers gave us their oral explanations of the work done in the past year and recommended by them to be done in the next year by way of stepping up the intensive search. Because clearly, clearly, if your birthrate is high and your deathrate is low and you have stemmed the outward advance of our people out of Newfoundland then your population goes up and the pressure of population creates an imperative and a most imperative demand for more work, more jobs, more employment, for the circulation of more cash. And where better can you find that than in the development of our own natural resources. And so I say, on that front, the front of surveys and measurement of natural resources of Newfoundland, Newfoundland must progress or she is not truly progressive.

On the front of local self-government Newfoundland must advance or she is not truly advancing. Because if you centre her authority in St. John's and possibly Corner Brook and three or four or a dozen other places and leave hundreds of our settlements without any form of local self-

government, it is just silly to expect the kind of sound and wholesome democracy to which we pay allegiance in our minds and in our hearts. It is just useless to expect it without the practice of local self-government. So I say, on that front too, Newfoundland must advance.

Then in the great field of economic development we must advance. We must advance with great strides. We must advance with great resolution. We must advance with great energy, with great urgency, with great ingenuity. We die if we won't. We perish. We perish as people, as a Province, as a Government. We perish if we don't advance in the field of economic development. If we don't develop our timber and get the maximum use, the maximum value from our timber, including that famous third paper mill which everyone wants in Newfoundland; in the field of minerals, in the field in which I thank God that Newfoundland is about to see such progress, such very great progress — I wish I were permitted to inform the House at this stage of some great news, great good news, that is soon to be given to the people of this Province about mineral development, news which has not as yet even been whispered, but which is of first class importance — But that will come within a matter of a few weeks. I am not permitted, not just allowed, I have not been given the permission as yet to give the news, but it is of foremost importance.

In the field of agriculture — And there I think particularly of livestock. I certainly don't think of spuds, of the growing of "praties" and turnips. I think that while the growing of potatoes and cabbage and turnips and a few other root crops can be carried

on by a limited number of people in a rather limited way — I don't think the kind of peasant economy as the growing of potatoes in that small way would inevitably mean, but I think rather of agriculture as developed over a period of years of live stock and live stock based upon the local experiments upon the bog lands, the large areas of our bog lands. A policy quite similar in that regard to the farm policy of the United Kingdom. I am thinking of fur farming and its possibilities. I am thinking of economic development in the fisheries particularly of salt fish and fresh fish and of cod and many other species of fish with which our waters abound, and I am thinking finally in the field of economic development of factories, of industrial development.

I say that in all these branches of economic development we must advance or we perish. And I say that in so many fields on so many fronts Newfoundland must advance or she is not truly going ahead. We must have more and more skating rinks, more hockey rinks, I say that if in any small community in Prince Edward Island or any small agricultural area in Nova Scotia or on the mainland of Canada there is a rink, and if there are skating rinks in 1956 and if they so outrank us in our thinking in Newfoundland — that we might have a few dozen a few hundred skating rinks for health and entertainment of our youth — Our youth, are they to do without things which the youth of the rest of our country can take for granted? I say that even on that phone connections, better telegraph

And on the front of better telephone connection, better telegraph connections we must advance. How silly is it to think that you can go four hours away from St. John's and

be just as isolated, physically just as remote and isolated from the rest of Newfoundland and the rest of the world as you would have been a hundred and two hundred years ago. I say it is not real progress while thousands and tens of thousands of our people in Newfoundland are without the means of quick intercommunication with the rest of their fellowmen in this Province. So I say, in the field of telephone and telegraph communications, both land line and submarine and long distance facilities of communication — on that front as well — we must advance.

Then I fail to believe that Newfoundland is truly advancing while the kerosene lamp is still lighted in well over half of the homes of the people of this Province, I refuse to see that kind of progress. I refuse to see the kind of progress I believe in until virtually every home in Newfoundland has electric light and every mother and wife is able to use an electric iron and vacuum cleaner and other electric gadgets that the increasing standard of living now enables so many of our people to buy. Far more are able to buy and pay for such facilities than are in fact able to use such facilities due to the lack of electricity in so many parts of Newfoundland. When I say advance on this front of electricity, I particularly think of rural electricity being brought to the isolated parts of Newfoundland.

I say Newfoundland is not progressing sufficiently when only some ten or fifteen places in this whole Island have central water and sewerage. I say it is no remarkable testimony to the progress of Newfoundland when still seventy per cent perhaps of all the women of Newfoundland are lugging water by hand from a well in

buckets into their homes; and have to carry every bit of slops and dirty water out by hand to be emptied; when still in sixty to seventy per cent of the homes of Newfoundland there are no indoor toilets, and in the vast majority of our schools there are no indoor toilets. I say that progress means advancement on that front as well.

And I say that Newfoundland is not truly going ahead unless she makes great advances on the front of transportation — And there I am thinking of railway transportation and by bus. I envisage the day when thousands of our Newfoundland children will be brought daily from considerable distance from small settlements where they can afford only small schools to great regional high schools by bus and being brought back to their homes at the end of the day. They have it in other parts of our great Canadian Nation. Why can't we have them here in Newfoundland? And I think of transportation by steamship and schooner and by aircraft — And I say on that front too, the front of transportation, Newfoundland must go ahead and then on the front of even more wharves, even more breakwaters and at least a hundred other things in which Newfoundland must go ahead, and in at least a hundred other fields. I personally feel a little thrill of pride — I don't get beside myself — But I feel some pride as I see that in the last six or seven years we are beginning to get what the rest of the world has had for decades at least. At least we are beginning to get in St. John's ordinary traffic lights that guide traffic at the more congested intersections of our city streets. I have no doubt that that will grow in St. John's and expand and go on to

other communities in Newfoundland. So simple a thing as this, just the provision of ordinary traffic lights, is a little sign that we are moving ahead. But, I say, there are many hundreds of such fronts on which Newfoundland must move ahead before we can say Newfoundland is truly advancing the way we think she should. All of these and many more would add up to a progressive Province, a go-ahead Province, a Province that is confident and proud of itself, a Province in which the young men and the young women, who are being influenced so much in Newfoundland today by radio and television and the movies and who tend whether rightly or wrongly, to grow discontented with their native Newfoundland unless that Newfoundland has these modern things that the youth of today regard as indispensable. We want a Province whose people are proud of her, and not ashamed, especially her young people, her young men and her young women; proud of Newfoundland and confident in Newfoundland. All these things, Sir, add up to a Province that has a great heritage to hand to its youth, a great heritage that it can pass on to its young men and its young women, a heritage of confidence, a heritage of economic opportunity to make a decent living, a heritage of good education, and perhaps above all, a heritage of good health — And I leave all that for the last.

But, Sir, let this be said: — It would be a very ironical thing if it were possible (and I am not sure that it would be possible) to have healthy people, healthy in body who were poor, healthy but uneducated, healthy but unprogressive. I don't know whether it would be possible I don't know. But it is a fact that these

things are naturally contradictory — I don't know that people can be healthy and ignorant — An occasional one can, and even he perhaps cannot be enduringly so. But a good state of health protracted throughout a lifetime calls for education, calls for economic opportunity. But certainly, whether we can have both or not, certainly one of the basic things of all, to all the rest, is good health.

I think of the Newfoundland of 1936 and 1937 or 1940, before the outbreak of the last war or even for a short while after the outbreak of that war — I think of a Newfoundland in which the standard of health was appallingly low and alarming low, and where the incidence of tuberculosis was something frightening — and it did frighten a great many of us — I think of the Newfoundland of that day when beriberi was rampant. It was rampant. It was wide-spread. I think of the day when the weekly report that appeared in the daily newspaper of infectious and contagious diseases was a frightening document. Go back to your newspaper of ten, twelve or fifteen years ago, within our living memory — the Honourable the Leader of the Opposition and I remember that as though it were only yesterday — Young men today in their twenties look upon twelve or fifteen years ago as ancient, antediluvian, before the flood — But it was only the day before yesterday — and if you take up the newspapers of that day and read them, anyone will find a frightening picture of diphtheria, small-pox and other contagious diseases and infectious diseases in Newfoundland. Health was at a very low ebb indeed. And, Sir, it is not coincidence that at the very time when Newfoundland's health, the standard of her peoples' health, was so low our economic con-

dition was so low at the same moment. That is no coincidence. And it is no coincidence that our peoples' health has risen in standard as our people's pockets have been more filled, as more money came into our peoples' pockets their health gradually became better. And I do suggest there is an indispensable connection between good health and good times. I just thought of that now — there is an indispensable connection between good health and good times — It is well said, if I do say it myself. Good health and good times go together, and you can't have one without the other.

So perhaps there is no greater thing we can do for our Newfoundland people — and in this I am sure the Opposition agree — I am sure they agree — I know they cannot disagree — one of the greatest things we can do for our people is something that will bring about a more healthy condition in them. That is why we have this programme, which we are so proud to introduce, this Government are so proud to ask this House to enforce — this programme of children's health — It is of such basic importance to everything good in Newfoundland. It is one of the basic considerations, that our people shall have and particularly our young people shall have a heritage of good health. So, Sir, this Bill, which is merely an amendment of the Health Act, this Bill provides that the Minister of Health, on behalf of the Government of Newfoundland, shall become; for the purpose of the doctor's bills and medicines and bills for medicines and bills for hospitalization and bills for dental and optical care of all children in this Island the father, the foster father (not their step-father but their foster father). This Bill provides that every child in this Province, or

not every child, as will be seen from the Bill itself, but virtually every child in Newfoundland, in this Province, shall be the responsibility, the care of the Government of Newfoundland as far as health of that child — Or at least not so far as the health of the child is concerned — The Government cannot be responsible for that. The health of a child sometimes inevitable and inescapably is the result of the heritage of the child. Heredity plays a great part in it. And you cannot put health into a child in whom health was not born. I think that will be agreed — But the Government shall be responsible for the cost, the expense of caring for the health of all children in so far as that health can be cared for.

Now I want to say a word to reassure my honourable and learned friend from St. John's West: My honourable friend, the Leader of the Opposition, won't object when I address myself particularly to his colleague, especially when he learns, as he will in a moment, why I do so. I happen to know that my honourable and learned friend, the member for St. John's West, is one who has paid a lot of attention for a great many years to certain philosophical questions, which have engaged also certain considerable amounts of my attention. Indeed we share views far more than he is prepared to admit. On the other hand we don't share certain views. And he remembers only the views that we don't share and is not aware of the views that we do share. If he has any fear that this is "Communism" let him banish the fear. If he has any fear that this is "Socialism" let him banish the thought. If he has any fear that this is a scheme which is aimed at strengthening the state vis-a-vis the family, of

weakening the family tie, of weakening the parental authority let him banish that fear. This is merely a case of the Government being willing to foot the bills. That is all. Children will still be their parents' children. Children will still be members of the family of which they are members. This is not an insidious plot to weaken the family nor the authority of the parent nor to strengthen the state and the authority of the state any more than Family Allowances might be so described. When the great scheme of Family Allowances was introduced into Canada, before we were part of Canada, the objection was raised that it would be precisely what I have just told my honourable and learned friend this present scheme will be. It was indeed argued that it was "Communism." It was argued that it was "Socialism." It was argued that it was "Stateism." It was argued that it was setting the state up in a position of great power and authority over the family. But I do not think that anyone in Canada would so argue. I don't think anyone would. And if anyone did, he would be laughed at. He would be jeered at and ridiculed, in fact he would be dismissed as a crack-pot and a crank and a fanatic. But there was a time when he would not have been so laughed at or so dismissed. And there may indeed today or within the next few weeks or months be people in Newfoundland who will regard this as an audacious and diabolical plot on the part of this Government to weaken the authority of the family, the status and standing of the family and strengthen the status and standing and increase the authority of the state over the family. But if any people hold such views they don't

hold them more than a few weeks or a few months.

And I say now, as much as my voice will reach the general public of Newfoundland, to whom I said in this very Chamber; if they had any fears that Confederation (this was before we were a Province) would adversely affect their dearest beliefs and their most cherished faith, to forget it. They need have no such fear. I was not believed for a while, but I am today. And to those who doubted me today. And to them who doubted me then I say now; have no fear that this is anything more than merely an offer on the part of the Government of Newfoundland to foot the bills, the hospital bills, the doctor bills and dental and optical bills and the medicine bills of all the children of Newfoundland up to their sixteenth birthday.

MR. BROWNE: Their seventeenth, is it not?

MR. SMALLWOOD: Until they are sixteen, I understand.

MR. BROWNE: Seventeen is what I was told.

MR. SMALLWOOD: All right — Sixteen, I would have said.

MR. BROWNE: I won't say seventeen.

MR. SMALLWOOD: Up to their sixteenth birthday, the same I believe as Family Allowances.

Now on that point, may I say in passing, I don't believe for a moment it will remain at that age for a great many years. I think that limit will be raised. I think it must be raised. I think this whole problem of health and the mounting cost of it is so frightening to any people who have

given it any thought or study dictate certain courses, dictate them, whether we like them or not we will have to take them, whatever name may be placed on it, whatever accusations and charges may be made, we must go on in a certain direction in this matter of public health. And we must do it in such a way as not to set up a tyrannical state which interferes with or weakens in any way these very dearly cherished principles which my honourable and learned friend, I have no doubt, has in his mind at this very moment.

I have said repeatedly, and it has been said by honourable members on this side of the House again and again that this programme of having the Government take over the financial responsibility for the health of all children up to the age of sixteen is not a plan that could be put into effect all at once or wholly; that it will inevitably take some little time — for example — : We must have some children's hospitals. We must. We must have a children's hospital in St. John's. We may very well begin that by taking a whole wing of the General Hospital, which indeed it is proposed to do. The discussions between my honourable colleague, the Minister of Health and myself, he supported by his department, and other departmental assistance, the thought we have worked out is that we take the old, and I believe the original wing of the General Hospital, and rebuild it into a modern children's hospital. And we recommend a new building entirely for that purpose in the centre of the Island and the same thing on the western side of the Island. But who is to say these children's hospitals will be enough. The children up to the age of sixteen constitute a large proportion of our

population perhaps not as large in health matters as their number might indicate, but nevertheless a very substantial proportion of our Newfoundland people are children up to the age of sixteen. And I for one do not believe that three childrens' hospitals will be enough. I think it will take quite a number more than that. I don't think that these three hospitals will contain enough beds. Not only will there have to be more beds and therefore more hospitals but there will have to be more doctors, quite a number of more doctors than we have here already, lamentably below the number we ought to have. With this Childrens' Health scheme we will need even more. And as that scheme expands over the next two, three or four years we will need still more. We will need specialists in childrens' diseases. They have them in other parts of the world. A very distinguished medical man is a native of Newfoundland, who with his wife, who is also a medical doctor, is practicing in the Province of British Columbia. I forget his name. I wish I could give the House his name, but it has escaped me at the moment. And elsewhere there are many doctors who have specialized in the health problems, the diseases of children. Some of these will have to be brought to Newfoundland. We already have three here. But that is certainly not nearly enough for a hundred and seventy odd thousand children, a number that will be two hundred thousand almost before we can turn around, and will be a quarter of a million in the next eight or ten years. We will need more doctors, more specialists, more optometrists and opticians, we will need more dentists. We will need more dentists than we have today. These will have to be

brought to Newfoundland. And so, I say, because of the fact that there are a hundred and seventy-five thousand children that will make up the programme, they will need so many more beds, so many more doctors, dentists, opticians, optometrists and nurses. Clearly that cannot be put into full effect in one year or two or three. It will probably take four and may even take five. But we feel that there is no Province of Canada which needs this programme as badly as Newfoundland needs it, no part of Canada. There are Provinces of Canada that can more readily do this than we can because they are richer, they have more money, they have more revenue.

MR. BROWNE: They have done it in several Provinces.

MR. SMALLWOOD: I don't think so. I am thoroughly familiar with the scheme they have in British Columbia and I am thoroughly familiar with the scheme they have in Saskatchewan. I have made particular studies of these schemes, and I will now tell the House something the House may not know. Now when I personally sent, or requested the Minister of Health to go (and he was accompanied by high officials of the Department of Health) to British Columbia and to Saskatchewan and they went and made careful studies, with the help of the facilities which the two Governments laid recently at their disposal, and they made very careful studies of the health schemes, because I have had the idea of a childrens' health scheme in mind for the last four or nearly five years. I could not see how until now we could afford it. I could not see it before, we had so many things to do. If we had stopped building roads and spent a lot of the road money that we have spent on this childrens' health scheme

We could have done that. We could have stopped spending money on various things. And my honourable friend would hasten, no doubt to add — if we had stopped spending it on industrial development — The Superior Rubber Company — Yes, I know we could have done these things. And there is no sight clearer than hind-sight. As we look back; even an ignorant lout, a clown, an ignoramus is very clear sighted when looking back. But foresight is very much more difficult. And if I had known five years ago some of the things I know now I would not have done them, clearly, unless I was a crook or a criminal or unless I was a fool.

MR. BROWNE: You would not listen.

MR. SMALLWOOD: If I had listened to the Opposition for the last five years — And I say, Sir, if my honourable friend were here four or five years ago and six and seven years ago and had heard the wails and moans — That was before my honourable friend, the Leader of the Opposition was here too — the wails and moans that went up as we brought in our housing legislation. It was pure anarchism and Bolshevism, not "Communism" but red-bloody-handed Bolshevism. I remembered my honourable friend introducing a Bill to do a little slum clearance and—Oh, if we had listened to the Opposition, we would not have done anything — Everything we did was objected to — Newfoundland was heading for the rocks, going to the dogs, a bunch of madmen in charge, and as for me they had nothing but the direst suspicion, in fact more than suspicion, it was profound conviction that I was either a madman, a fool, a scoundrel, an idiot, a Communist or all of them rolled into one. Oh I could not lis-

ten to the Opposition. I had to forge ahead because Newfoundland's case was a desperate one. Newfoundland's case was the case of a Province that had just become a Province of Canada. Newfoundland's case was the case of a Province whose people were being attracted almost irresistibly by force to Ontario and Quebec. And it is only a sheer miracle at all that we are not all living up in Ontario today. And desperate steps had to be taken to convince our Newfoundland people that we had a future here right on this Island. And so we had to do these things, and in doing them we made serious mistakes. I make no bones about that, no bones about that at all. We made serious mistakes. But these have not been mistakes of omission. These have not been mistakes of laxness. These have not been mistakes of just doing nothing. These have been the mistakes of an energetic Government that tried perhaps to do too much, but not the mistakes of a Government that was a do-nothing Government. So I say it is only now that I for one can see the way to introduce this great scheme, which at its apex, when it is fully into effect, is going to cost two and a half or three million dollars a year. And I ask this House this question, and I ask the Newfoundland people this question: Is two and a half or three million dollars a year, in the second half of the twentieth century, in the late 1950's and in the early 1960's too much to invest in the health of our children? Is it too much? It is a lot of money. My honourable colleague, the Chairman of the Royal Commission which has spent nearly three years making a very careful study of our situation in Newfoundland is one of my closest friends and closest guides; my honourable

friend says: yes, it is an awful lot of money — and he agrees it is an awful lot of money — and so do I — It is an awful lot of money, but there is not a man on this side of the House and I am sure not on that who says it is too much, who says we should not spend it. We should and we will. Because we are determined to give our Newfoundland children, in so far as a Government can give it, we not being their parents not their foster parents, and they say to reform a man you have to begin with his great-grandfather — and I say that is not going back far enough. We are not the parents of the parents of the children of Newfoundland. At most we are only their friends. I hesitate to repeat the word foster-parents. As far as a Government can we must give them good health, and as far as two and a half or three million dollars a year can do it — The question is, have we enough minerals in the bowels of the earth? Have we, as of today, enough knowledge of the existence of enough minerals in Newfoundland to give us the hope and belief that the money will be forthcoming? Have we enough knowledge, as of now, of the timber stands of this Province to give us the belief that increasing timber developments will give us the money and that the general development of our natural resources will give us the money to pay this bill, this three and a half and even five and a half million dollars a year, because it will increase as the number of children goes up? It will cost a lot more for a quarter of a million children than it will for a hundred and seventy-five thousand. On the other hand do we believe that you have a great backlog in Newfoundland this afternoon, a great backlog of unattended to physical and health errors, mistakes in our

Newfoundland children, unattended to, neglected, physical and health and disease problems, a great backlog of them, because their parents could not afford to do anything about them or because their parents did not know about them. After all by the time a child shows that he has trouble with his eyesight a lot of the damage has been done that could have been stopped in many cases, that could have been detected early enough and thereby prevented. And this applies to teeth also, to tonsils, to all kinds of things. I am no doctor. I don't know the names of those things — but I do know "A stitch in time saves nine."

MR. BROWNE: May I ask a question, Mr. Speaker—Is not that done? — Is there not a checkup in all the schools for eyesight and has it not been going on for about fifteen years?

MR. SMALLWOOD: No I am afraid it is not. We have introduced, this Government, some such inspection. For instance I think we brought in a dentist and stationed him at Clarendville. We brought in ten dentists. We went looking for them out around the world and brought them in provided they would stay here, there and some other settlement where there was no dentist. We have done that ourselves. Today more of the children of Newfoundland are having inspection of their teeth than ever before. Still what proportion would that be, less than a quarter of them ever had a dental inspection in the schools, and far less than that, I suspect, has ever had an optician, or optometrist or whatever you call it, make an examination of their eyes. Now there are more than there used to be, especially here in St. John's. Oh yes, but St. John's is important but it is still only St. John's, it still

has say only seventy-five thousand of our four hundred and twenty-five thousand people. I would imagine that in the city of Corner Brook there is inspection in the schools by dentists and optometrists and perhaps even medical inspection, for all I know. I don't really know. I suspect there is. And I would imagine it is so at Grand Falls. But even in those places, who would say, for example in St. John's, that the inspection of the children in the schools is sufficient? And what about the hundreds of places where it does not exist at all?

MR. SPENCER: It has not even been carried out in St. John's.

MR. SMALLWOOD: Not even in St. John's is it at all adequate.

Now let me pay tribute, Mr. Speaker, to the medical profession of Newfoundland at least in so far as the profession is represented by the association. I am able to do that because of some conferences I have had with the officers of the Newfoundland Medical Association. They were kind enough to offer to confer with me. I was gracious enough to have the conference. And we did discuss the matter. And they have heard from me a general outline, such as I am giving this afternoon, of this programme. And I heard from them subsequently, the report that they had given careful consideration to the matters, indeed they were assisted in their considerations by the top men of the Canadian Medical Association for all of Canada, who came down here for the particular purpose of sitting in with the medical association of Newfoundland, or at least with the executive officers of that organization. And as a result of that deliberation on their part they were able to inform me of their distinct desire to co-operate closely with

the Government in the introduction and the maintenance and the general carrying out of this scheme. Now may I say here that I appreciate that action on the part of the Medical Association — I say that as one who has never been an intense admirer of the Medical Association. I have never been amongst its most ardent admirers. Yet I say that I am grateful to them for their offer of support. I hope that that offer continues. I hope that the co-operation offered will continue. And so long as it does I personally will feel quite happy and I am sure my colleagues will gladly accept the active co-operation of the Medical Association.

But having said that, may I say that more important than all the doctors rolled into one are the children themselves whose service it is our duty to look after.

Now the Bill itself is extremely simple. The essence of it is in the second section, as follows: "There shall be inserted in the Health and Public Welfare Act, Chapter 51 of the Revised Statutes of Newfoundland, 1952, immediately after Section 4, as Section 4A the following:

And the following says: "Subject to this Section and the regulations, every child of or below the age of sixteen years is entitled free of charge to medical services of all kinds, including hospitalization and dental and optical services, and out of funds appropriated for the purpose by the Legislature the Minister shall provide those services free of charge to every such child.

Now the word "Child" is defined on page 3, Section 8: — "Child" means every boy or girl whose parent or guardians are Canadian citizens and who is domiciled in Newfoundland

land, and includes children of any class or classes to whom the benefits of this Act have been extended by the Lieutenant-Governor in Council.

Then finally and on the last page: — "The Lieutenant-Governor in Council, may, by order and subject to such conditions as he may prescribe in the order, extend the benefits of this Act to any class or classes of children of or below the age of sixteen years who are resident in Newfoundland but which are not specifically defined in paragraph (a) of sub-Section (8)."

In other words, without any choice in the matter, it means every child whose parents or guardians are Canadian citizens and are domiciled in Newfoundland and also any other children not therein included who may become included by Order in Council by the Lieutenant-Governor in Council — in other words that is virtually every child — It won't include the children of American Service Personnel, for example, who may be stationed here as our guests. It won't include the children of foreigners who are not Canadian citizens who are here, until they become Canadian citizens. Indeed it is not quite as generous in that one respect, I think, as are the family allowance rules and regulations. But Canada, as Canada, perhaps can afford to be a bit more generous than can Newfoundland as Newfoundland. Perhaps as time goes on we will be able to, with more mines, and more means and more economic development, to be more generous, a little more generous than the present Bill provides for.

I think, Mr. Speaker, I have covered all the points I had in mind.

I want very much to say again — We are very proud that the opportunity has fallen to us and not to the

honourable members opposite. If they had been in office certainly the opportunity would have been theirs, and I doubt not they would have seized it. The opportunity is ours. I am proud of that fact. And I am proud that the privilege falls to me personally, as leader of the Government, to introduce what is a major decision on the part of the Government, and to ask its sanction by this House. "Liberalism" is essentially something which is concerned with human welfare. Now I am not going to say that "Toryism" is not concerned essentially with human welfare. I know too much of the history of "Toryism" of the Tory Party, Tory Principles down through the centuries and decades — And I know that in countries such as Great Britain, for instance, Toryism today, in 1956 is incomparably more advanced in its thinking and incomparably more concerned with human values and human welfare than was Liberalism of say Gladstone's day or even Liberalism perhaps of Lloyd George's day, as great a Liberal as he was. Liberalism is peculiarly concerned with these values and with these matters. I believe that the Tory Party, my honourable friends opposite, the Opposition, Her Majesty's Loyal Opposition, are going to support this Bill. I don't believe that they can find it in their hearts or in their principles in their party, in Tory Principles, to oppose this Bill in principle. They may indeed in Committee of the Whole attack some of the details, they may even take the stand in second reading, in this debate, this present debate, that the Bill does not go far enough, or they may even take the stand that is goes too far. But they are not going to deny the soundness of the principle. They may even argue that Newfoundland cannot afford it. They

may even argue that Newfoundland is heading for bankruptcy anyhow, or they may say, if we are going to go bankrupt let us go bankrupt by helping the children. They can argue that or any other of a half dozen things, I can imagine. But they are not going to deny the soundness of this principle, they are not going to vote against it, they are going to support this principle. They are not going to deny to the children of Newfoundland, the children of their own constituencies in the constituencies they represent in this House, the benefits that this legislation will give them. They are not going to shut them out of that, and it would be to slight them if they voted against it.

So, Mr. Speaker, I am anticipating a unanimous vote of the House by the time everyone has had his say, on both sides of the House — And I may say for the benefit of my honourable friend, the Leader of the Opposition, all of whose colleagues are not present, if he wishes to have this debate continue long enough to enable all his members to voice their views we will be happy to accommodate him in that regard — We will be very happy to do that. But I do have no doubt that every member of this House who speaks will speak in favour of the Bill, and everyone who votes will vote in its favour, on behalf, not of me nor of the Government, but on behalf of the children of Newfoundland.

(Applause from the Opposition and the Liberal side).

MR. HOLLETT: Mr. Speaker, I wonder if we might adjourn the debate until tomorrow, unless somebody on the opposite side would like to speak?

MR. SMALLWOOD: I would be

willing to adjourn, I think in the natural order, my honourable friend, the Leader of the Opposition, would probably speak next. He is probably not now ready. And it is late in the day. I would move the adjournment of the debate.

On motion debate adjourned until tomorrow:

On motion the House recessed for ten minutes:

Committee of Supply:

On motion, Mr. Deputy-Speaker left the Chair:

Mr. Courage Chairman of Committee of Supply:

MR. SMALLWOOD: Mr. Chairman, the Minister of Finance proposes to take over, starting on Page 27, I think, Department of Finance: But, as I said, earlier, it was proposed earlier not to go on to that so we will go to Consolidated Fund Services.

MR. BROWNE: I wonder if the Premier — I suppose I should not ask this, I ought to know — I wonder if the Honourable the Premier could explain to us, why these loans were not taken over by the Dominion of Canada?

MR. SMALLWOOD: It was a war loan.

101 — Public Department Interest.

MR. BROWNE: Mr. Chairman, where is the cost of raising the sixteen million dollar loan last year?

MR. SMALLWOOD: It would not be shown in the estimates but in the Auditor General's Report; it was one and a half per cent covering everything, legal commissions, everything.

MR. BROWNE: Yes, Mr. Chairman, what I wanted to draw attention

to was the loans advanced under this title, Sub-head 101. The actual amount for 1954-55 was \$897,484. In the estimates last year there was an increase of over five hundred thousand, and this year's estimates won't be much short of it. And here we have another increase of \$540,000. That means the interest on loans now is nearly two millions or it will be after this year, and the loans themselves will have amounted to \$52 millions, and the \$5 before Confederation, making \$57 millions. Our total capital debt will be \$57 millions. I think it is worthwhile for the House to note that. Whilst after a hundred years of self-Government we did not reach much more than ninety or ninety-three million dollars on our debt, now we have a debt of \$57 millions. We have of course that \$10 million which are at Ottawa. I think we ought always to keep that fact ahead of us.

I notice the actual interest in 1954-55 was \$17,484 — Could someone tell us what the actual interest was for 1955-56?

MR. SMALLWOOD: That is a token provision.

MR. BROWNE: I know. What was the actual amount paid?

MR. SMALLWOOD: Fifteen to eighteen hundred dollars.

MR. BROWNE: It is very much smaller than the previous year.

MR. SMALLWOOD: Yes.

MR. HOLLETT: Mr. Chairman, I would like to draw attention to the rapidly increasing debt which is being incurred by the present administration. You will note that if you deduct the amount of interest paid on Victory loans and War loans we have

to pay an annual interest of \$1,819,000. In addition to that there is a sinking fund of \$1,200,000; in other words, three million dollars as a charge on the country. I don't know how far this can go or how long we can continue to do this. There was a development loan in 1952 of ten million dollars, then there was a loan of twelve million dollars, called the Fisheries and Roads Loan in 1954 and last year there was a School and Roads Loan of sixteen million dollars. And now there is to be a loan, called "The New Loan" of fourteen million dollars. Now we are hopeful that we have reached the top and that we are on the point of no loans whatsoever. We went from ten to sixteen and we are now back to fourteen. The Honourable the Premier introduced a health scheme today, which is very ambitious and indeed very worthwhile. But I am wondering if we have to borrow from year to year each year to pay for things on capital account such as roads and bridges and the like, where are we going to get off in financing such terms? The plan which the Honourable the Premier introduced today is worthwhile, I say, and one which we shall support, but I do think that continual borrowing of money will have to stop sooner or later. And I am wondering if the Honourable the Premier would like to say something with regard to loans made during the last three or four years?

MR. SMALLWOOD: I would prefer to say what I have to say under that heading to the Loan Bill, or on the occasion when the Loan Bill would be brought before the House. I will content myself at the moment with saying that it is possible to do one of two things and indeed it is possible to do two things (1) we may

look at the figures and say: "Well, the amount of the debt is going up, or (2) one may do this: Say: "look at the amount of roads we are getting to have in Newfoundland. Look at all the new schools there are getting to be built in Newfoundland, look at all the new hospitals, look at all the new housing being built out of public funds in Newfoundland. Look at all the new bridges and all the new development, capital assets, created in Newfoundland." One can do one or the other of these two things; talk about the loans and never mention what is their result or what is there representing the loans; or one can mention what is there representing the loans and never mention the loans. But is it not more realistic to mention both — to say: — "Yes, we have two things. We have a debt on the one hand and on the other hand we have something to show for it, the roads the people are using and the hospitals they are using and the schools they are using and the houses they are using, all of which have to be paid for. My honourable friend would not suggest, I am sure, we should raise taxes in Newfoundland to such a level that we would not need to borrow; that we build new roads out of taxes we pay, for the full cost of new roads? Take for instance the ten or twelve millions a year spent on roads — my honourable friend would not suggest we tax the people each year for new roads which we build in that year? Surely he would say the future generations that will be using these roads should pay part of the cost of these roads? I am sure he would. And whatever he says I know what he would do if he were on this side of the House; what we do on this side of the House, precisely what we are doing — or he might do this — He might not build the roads.

He might not build the schools. He might not build the hospitals. He might not build the bridges. Then he would not need to borrow the money to do it nor to tax the people to do it. He would not need to do either. But if he were to build the roads and schools and hospitals and all the rest of it he would either borrow the money to do it, which is what all Provinces do except Alberta, or he would raise taxes higher and higher each year and say, we will build nothing that we don't tax the people enough to do this year. We will do nothing this year except what the taxes collected this year will enable us to do this year. He would adopt this policy or borrow, or he would not do anything. He would have to do one of the three — There is no other course that I know of.

MR. HOLLETT: We have to remember this, Mr. Chairman — These loans have to be paid back. And while we are paying back we also have to pay interest and the sinking funds, which the people are taxed for each year, and the question we have to ask ourselves is: Are the people getting the right returns from the charges that have been made on them each year? That of course, is something for the people to decide, I presume. But I think it is about time that the Government did look at this balance sheet here and see how fast our national debt is rising.

MR. SMALLWOOD: Yes, and also how fast our mileage of roads and the number of schools and classrooms and hospitals and other services are all rising very rapidly. But not rapidly enough — I am sure the Committee will agree on that — Not nearly enough.

On motion, 101 Public Debt Interest, carried:

102 Sinking Fund: On motion carried:

104 Statutory Salaries:

MR. BROWNE: Mr. Chairman, before you pass that item, I want to draw attention once more to the Consolidated Funds Services which also gives a picture of how our debt is rising and the cost of services since 1954 from \$1,628,852, to \$3,255,900, for the coming year. We have to be aware of it.

MR. HOLLETT: Mr. Chairman, I did not realize we had passed 101 — I wanted to ask a question on 110-09. I notice the other loans were called "Development," "Fisheries and Roads" and "Schools and Roads." That is understandable. These loans were made for certain purposes. But this new loan of \$14 millions, could we be told what that is?

MR. SMALLWOOD: The title of that will, of course, appear in the Loan Bill. It is actually for the same purpose as the other two before, Fisheries and Roads, and Schools and Hospitals.

On motion, 104 — Statutory Salaries, carried:

Legislative:

201 Sessional:

MR. BROWNE: Mr. Chairman, in regard to this vote there has already been a supply vote of \$25,000, so that would have to be deducted; in the Resolutions, we have to remember that has already been voted. And in each of the other votes the same care will have to be taken that the sum which has already been voted will be deducted.

Here again, I think, we have an expense which might have been avoided. This House this year, I think, is managing with less than twenty members. But next year we have to have thirty-six members.

MR. SMALLWOOD: Back to where we were in 1880 this year.

MR. BROWNE: There is some difference in the expenditure.

MR. SMALLWOOD: And some difference in Newfoundland.

MR. BROWNE: I agree there is a difference in the whole situation.

MR. SMALLWOOD: We get \$180,000 here for the Sub-head from the Government of Canada and spend \$154,000. We are not using it all. We are voted by the Parliament of Canada \$180,000 a year for this purpose and use only \$154,000.

MR. BROWNE: Where is that?

MR. SMALLWOOD: It is on page 14.

MR. BROWNE: Yes, I see it there. Is not that supposed to cover printing as well?

MR. SMALLWOOD: Well it more than covers it. In the Statutes I don't suppose it is supposed to cover it. It is supposed to be a vote towards this purpose.

MR. BROWNE: Mr. Chairman, Printing Hansard and Journals, 1954-55, \$23,655 and \$15,000, 1955-56 — Could you say how much of that was actually paid in the last year?

MR. SMALLWOOD: \$14,200.

MR. BROWNE: Is there some reason why they were slowing up during the past year, because last year we did get two volumes of Hansard?

The Premier has already said that within the next three or four months another is coming. Does he think that is not pretty slow — I mean, they are so useful.

MR. SMALLWOOD: As a matter of fact we are the only Province in Canada doing that.

MR. BROWNE: In Nova Scotia they have a daily Hansard, or they did two years ago.

MR. SMALLWOOD: Not printed. We are the only Province of Canada which prints the Hansard, and it is questionable whether we should continue. My only feeling is that for the first few years we should do it for historical reasons, a hundred years from now — otherwise whether we are serving any purpose or not —

MR. BROWNE: I found it very interesting and very helpful. I would like to see some more recent ones.

While on that point, I believe the Honourable the Premier mentioned that every member has been given a copy of his speeches to appear in Hansard. That has not been done in the case of every member of the Opposition.

On motion, 201 Sessional, carried:  
202 Miscellaneous:

MR. BROWNE: Mr. Chairman, what do we get from that, Commonwealth Parliamentary Association, \$800 a year? I don't receive any of their publications.

MR. SMALLWOOD: The honourable gentleman should.

MR. BROWNE: I don't know whether I was listed as a member or not. If I may make a reference to Ottawa: — In Ottawa the members

actually paid their own subscription of five dollars each. But I think that was for the Canadian Branch. I notice on our table downstairs that the other members of the Opposition get copies of the Parliamentary Journals.

MR. SMALLWOOD: I do too. They are usually hanging around the other room. I never look at them.

MR. BROWNE: I don't suppose they carry very much about Newfoundland anyhow. But what does it entitle us to besides the Parliamentary Journals?

MR. SMALLWOOD: We can always write them and get information. We have sent Mr. Speaker to a number of conferences. That is about all. In England a member of the Legislature can always go and call on them. They get seats for them and do all sorts of little favours.

MR. BROWNE: I must say last year when I was over there I went to the House of Commons, and at the same time there was a group of people there from Nairobi.

MR. SMALLWOOD: Very curious.

MR. BROWNE: Extremely so, yes.

On motion, 202, Miscellaneous, carried:

Executive Council:

Lieutenant - Governor's Establishment: 301:

MR. BROWNE: With regard to 301-03 Automobile, is that supposed to be depreciation?

MR. SMALLWOOD: It is the maintenance of the car to start with, and so many gallons of gasoline per month or year. It is gasoline at so much a year and maintenance of the

car, which is a little high, because the car was getting a little old.

MR. BROWNE: The new car is very stylish and handsome looking.

MR. SMALLWOOD: It will be as much gasoline, no doubt, but maintenance will be less in future probably.

On motion 301 carried.

302 — Premier's Office:

MR. BROWNE: I notice that the actual expenditure for travelling is \$1,500. Perhaps that is the office — That is not the Premier? That is not all the expenses?

MR. SMALLWOOD: I think that is the Minister. I don't think anyone else travels in the Premier's office. I think I am the one who does the travelling.

MR. BROWNE: What was the amount for last year?

MR. SMALLWOOD: The annual costs were: 1949-50, \$800; the next year \$1,400; the next year \$1,700; the next year \$500 and the next year \$2,300 — It varied from \$500.

MR. BROWNE: What was it last year?

MR. SMALLWOOD: \$1,200.

MR. BROWNE: You did more travelling last year?

MR. SMALLWOOD: Last year, I think, I was twice to Europe. As a matter of fact I pride myself that I set a very good example to all the Ministers. Every trip I ever made cost me money personally.

MR. SPENCER: When they are with you you make them pay some of your bills.

MR. SMALLWOOD: When travelling myself, if they don't pay the way for me I pay it out of my own pocket; the Crown does not.

On motion 302 carried:

303 Executive Council Office:

MR. BROWNE: I notice here a reduction. Last year there was a vote of \$6,600.

MR. SMALLWOOD: I think it is only fair to say, as we have asked Mr. Canning to take the place of Mr. Carew not only as Deputy Minister but as Clerk of the Council, we will, if we are not already doing it give him an allowance. I will tell you quite candidly. There are no reporters listening. We wanted to see that his pension would be paid on the basis of his salary for the past four years. If a man spends half a century as an invaluable civil servant we want to see he goes out with a good pension.

MR. BROWNE: In good style.

MR. SMALLWOOD: Yes.

On motion 303 carried:

304 Electoral Office:

MR. BROWNE: Is Mr. Halfyard seconded to Mr. Short's office?

MR. SMALLWOOD: No, he has been on occasions, but Mr. Halfyard has had a very checkered career in the sense that he has been seconded from one department to another. But I think he is still attached to the Department of Education, but is seconded from time to time, especially to this work because he has been at it quite a bit.

MR. HOLLETT: Mr. Chairman, who did the work of the electoral officer prior to this appointment?

MR. SMALLWOOD: We had the same men, Mr. Short and Mr. Halfyard.

MR. BROWNE: There is one point: I made some mention before of interim supply already voted.

MR. SMALLWOOD: In every instance what was voted in interim supply will naturally be deducted.

MR. BROWNE: How is it done?

MR. SMALLWOOD: In the supply bill, the main appropriation bill, which sweeps up all this.

On motion 304 carried:

Motion that the Committee rise and report having passed items, I—Consolidated Fund Services; II—Legislative and III—Executive Council without amendment, and ask leave to sit again, carried:

Mr. Deputy Speaker returned to the Chair:

On motion report received, Committee ordered to sit again on tomorrow.

First readings:

The Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

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

The Honourable the Attorney General asks leave to introduce a Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's during the Second World War and to make Recommendations as to the Future Use of the Wharf:"

MR. BROWNE: Mr. Speaker, will there be any salaries paid these commissioners? Should it be introduced by way of resolution?

MR. CURTIS: Mr. Speaker, it is not proper to make a speech at this time. Frankly I suppose any commissioners that sit and do as they have to do in this case, assessing the cost of keeping up the wharf and levying what is to be paid by individual people, has to receive payment of some nature. But my feeling is that this legislation will cost the Government nothing. The position is that the wharf is there. There is a fish plant there, which gives a lot of employment, and it is a necessary plant to the country, and one of the persons whose frontage it is on threatens to close it off. And it might be quite serious from the point of view of the industry concerned and other industries there. It is on the Southside. It is that wharf which leads from Ayre and Sons right down to the Newfoundland Coal. It is really a roadway. We fear that, if it is closed it will give hardship.

MR. SPEAKER: Order. I think these points might well be taken up in committee.

MR. CURTIS: Yes, Mr. Speaker, I think my honourable friend was thinking of money bills. I think he ought to get money bills out of his mind.

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

The Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Wabush Lake Railway Company Limited (Loan and Guarantee Act, 1955):"

On motion Bill read a first time.  
Ordered read a second time on tomorrow.

Third readings:

On motion a Bill, "An Act Further to Amend the Workmens' Compensation Act" was read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters", was read a third time, ordered passed and title be as on the Order Paper.

On Motion a Bill "An Act to Amend the Saw Mills Act," was read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act" was read a third time, ordered passed and title be as on the Order Paper.

Committee of the Whole on Items No. 6 to 23 (inclusive):

On motion Mr. Deputy Speaker left the Chair.

Mr. Courage Chairman of Committee of the Whole:

A Bill, "An Act Further to Amend the Election Act, 1954:"

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Chairman, one clause was allowed to stand over yesterday when the committee rose. I have enquired as to the reason for that clause. It is merely to correct a typographical error—to substitute Section 7 for Section 8.

On motion Clause carried:

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

A Bill, "An Act to Amend the Department of Provincial Affairs Act":

On motion clauses 1 and 2 carried;

Clause 3 read:

Clause 3: Section 7 of the said Act is repealed and the following substituted therefor:

7—(1) The Minister has the administration of the Acts set out in the first schedule and of all orders or regulations passed or made under any of the said Acts and of such other Acts, orders, and regulations as may from time to time be designated by the Lieutenant-Governor in Council.

(2) The Superintendent of Insurance shall, under the Minister, have general supervision of the business of insurance in Newfoundland and he shall see that the laws relating to the conduct thereof are enforced and obeyed and shall examine into and report to the Minister from time to time upon all matters connected with the administration of each of the Acts set out in the second schedule and of the orders or regulations passed or made thereunder.

(3) Wherever in any of the Acts set out in the third schedule or in any order or regulations passed or made under any of the said Acts the Minister of Finance is mentioned or referred to there shall in each and every case be substituted the Minister of Provincial Affairs."

MR. BROWNE: Mr. Chairman, I wonder if the Minister could tell us how many of these are new assignments to him? What is the change

from the old Act to this one? What does it involve?

MR. MURRAY: Well the ones under the second schedule came with Mr. Canning when Mr. Canning came into the department.

MR. HOLLETT: I don't know if it is proper to refer to this at this particular time or not, Mr. Chairman, but in looking up the insurance on the new industries I discovered that a very large proportion of that insurance has been taken out by a person who is now the Deputy Minister of Economic Development, Mr. Johnson, I believe.

MR. CHAIRMAN: I don't think that has anything to do with this.

MR. HOLLETT: It has to do with the supervision of insurance.

MR. CURTIS: Supervision of insurance companies this is.

MR. HOLLETT: I am quite satisfied to bring it up at the present time.

MR. BROWNE: I think it is more than the second schedule. The third schedule too is new, is it not?

MR. MURRAY: Well, if the honourable member will look at Sub-Clause 3 of Clause 3 in the previous

Act it was the Minister of Finance and is to be changed to the Minister of Provincial Affairs. Actually the second schedule is new. The third schedule merely is for technical reasons. It is a matter of draftsmanship, whereas in the previous Act the Minister of Finance was referred to, it is now the Minister of Provincial Affairs.

MR. BROWNE: You had better read up on insurance.

On motion Clause 3 carried.

Clause 4 read:

Clause 4: Section 13 of the said Act is amended by inserting therein as paragraph (d) the following:

"(d) Insurance."

MR. BROWNE: That means the whole subject of insurance comes under the Minister of Provincial Affairs?

MR. CURTIS: Yes, all supervision.

On motion Clause 4 carried:

Clause 5 Read:

Clause 5: There are inserted in the said Act as the first, second and third schedules the first, second and third schedules to this Act.

## FIRST SCHEDULE

Short Title	Chapter or Number
The Accident Insurance Act .....	R.S.N. c. 235
The Accident Insurance Companies (Licensing) Act .....	R.S.N. c. 236
The Automobile Insurance Act .....	R.S.N. c. 96
The Books (Preservation of Copies) Act .....	R.S.N. c. 97
The Change of Name Act .....	R.S.N. c. 165
The Civil Defence Act .....	R.S.N. c. 247
The Commissioners for Oaths Act, 1954 .....	1954 No. 49
The Election Act, 1954 .....	1954 No. 79
The Exploits Valley (Closing Hours) Shop Act .....	R.S.N. c. 269
The Fire Insurance (Policy) Act, 1954 .....	1954 No. 29
The Historic Objects Preservation Act 1955 .....	1955 No. 10
The Life and Accident Insurance Agents (Licensing) Act .....	R.S.N. c. 239
The Life Insurance Act .....	R.S.N. c. 238
The Life Insurance Companies Act .....	R.S.N. c. 237
The National Flag Act .....	R.S.N. c. 272
The Newspapers and Books Act .....	R.S.N. c. 98
The Nomenclature Board Act .....	R.S.N. c. 275
The Public Records Act .....	R.S.N. c. 112
The Shops Act .....	R.S.N. c. 267
The Solemnization of Marriages Act .....	R.S.N. c. 160
The St. John's Shop Closing (Barbers and Hairdressers) Act ...	R.S.N. c. 270
The St. John's Garage and Service Station (Sunday Closing) Act	R.S.N. c. 271
The St. John's Shop Act .....	R.S.N. c. 268

## SECOND SCHEDULE

Short Title	Chapter or Number
The Accident Insurance Act .....	R.S.N. c. 235
The Accident Insurance Companies (Licensing) Act .....	R.S.N. c. 236
The Automobile Insurance Act .....	R.S.N. c. 96
The Fire Insurance (Policy) Act, 1954 .....	1954 No. 29
The Life and Accident Insurance Agents (Licensing) Act .....	R.S.N. c. 239
The Life Insurance Act .....	R.S.N. c. 238
The Life Insurance Companies Act .....	R.S.N. c. 237

## THIRD SCHEDULE

Short Title	Chapter or Number
The Accident Insurance Companies (Licensing) Act .....	R.S.N. c. 236
The Life and Accident Insurance Agents (Licensing) Act .....	R.S.N. c. 239
The Life Insurance Companies Act .....	R.S.N. c. 237

MR. BROWNE: Just a second—is there not an Act dealing with the museum?

MR. CURTIS: There is a special Act coming up.

MR. MURRAY: That is a new bill on the Order Paper. It has to do with the setting up of trustees.

MR. BROWNE: On that point, since it comes under the Minister, when is the museum going to open? The sixty-four dollar question.

MR. MURRAY: Mr. Speaker, it must seem now, as far as the administration goes it will be completely under the Board of Trustees which will be appointed when this Bill goes through, and it is their decision.

MR. CHAIRMAN: I think this is off the subject.

On motion Clause 5 carried:

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

A Bill, "An Act Relating to Public Examinations in Schools:"

On Motion Clauses 1 and 2 carried:

Clause 3 read:

Clause 3 (1) The Lieutenant-Governor in Council may appoint a Director of Public Examinations, prescribe his duties and fix his salary.

(2) Subject to this Act and any regulations made thereunder, the Director shall, under the direction of the Minister, administer within the Department all matters relating to public examinations in Newfoundland.

MR. BROWNE: Mr. Chairman, I wonder if I could ask the Honourable

Minister of Education, what is the main difference in this Act. Is this a new position that is going to be created?

HON. J. R. CHALKER (Minister of Education): No, Mr. Chairman, actually a new name only. The present holder of this position is now known as the "Registrar" and it seems to be the trend now that people heading up various divisions in a department must be called "Directors." That is about the only change in this.

MR. BROWNE: There will be a director of public examinations. Will there not still be a registrar?

MR. CHALKER: I think it will be abolished, according to this.

MR. BROWNE: Who is the present registrar?

MR. CHALKER: Mr. Parsons.

MR. HOLLETT: He will now be the director?

MR. CHALKER: Yes.

MR. BROWNE: Mr. Chairman, does that apply to all examinations including the university, or does it just mean schools?

HON. S. J. HEFFERTON (Minister of Supply): There are no public examinations in the university, just university examinations. They do not come under the "C.H.E." (The Council of Higher Education).

On motion Clause 3 carried:

MR. BROWNE: These hundred scholarships announced by the Premier, will they come under this or not?

MR. CHALKER: As a matter of fact, Mr. Chairman, we are appointing a special committee to look after all scholarships in the department.

MR. BROWNE: Are there public examinations in connection with vocational schools?

MR. CHALKER: No they are not public examinations, not in the sense of Grade IX, X, XI and XII. They are trade certificates.

On motion Clause 4 carried:

Clause 5 Read: Subject to the approval of the Lieutenant-Governor in Council the Minister may make regulations with respect to all matters relating to public examinations for which specific provision has not been made in Section 4 and, without limiting the generality of the foregoing, with respect to

(a) the remuneration of examiners and other persons appointed to conduct public examinations; and

(b) entrance fees to be paid by those taking public examinations.

MR. BROWNE: I don't like that method of exercising all matters relating to public examinations for which specific provision has not been made. We might just as well say in the beginning, in Section 4—on the recommendation of the Council of Education the Minister may make all regulations covering public examinations, and leave it at that. Why put in that provision there? It seems strange to me. Is there anything special in mind?

MR. CHALKER: No. I may be a bit wrong, Mr. Chairman, but quite often we have to raise the rates for our examiners and for entrance fees to candidates, not quite often—and I think that gives the Lieutenant-Governor in Council power to look after that.

MR. BROWNE: I know there is a common examination board in Nova Scotia and all our examiners go up

there and sit in with them and examine papers that come from this country.

MR. HEFFERTON: In Grade XI.

MR. BROWNE: Can you make any regulations regarding the people up there?

MR. CHALKER: No, we don't make the regulations for them, Mr. Chairman but if those people ask for an increase, that is the public examination board, and it is granted to them, the Lieutenant-Governor in Council can award them the necessary amount that would give them the increase. We did that a couple of years ago.

MR. BROWNE: Are our people paid on the same basis as examiners say from Nova Scotia?

MR. CHALKER: I believe they are, yes.

MR. SMALLWOOD: There was a considerable increase there two or three years ago. The fact is they threatened to strike.

MR. BROWNE: Yes, I know.

On motion Clause 5 carried;

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

On motion the Committee rose to report progress and ask leave to sit again:

Mr. Deputy-Speaker returned to the Chair.

MR. MERCER: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and passed Bills, No. 14, 15 and 13 without amendment, (Bills to be listed).

On motion report received:

Motion that these bills be read a third time on tomorrow, carried:

MR. MERCER: Mr. Speaker, the Committee of the Whole has considered the matters to it referred, and made progress and asks leave to sit again on tomorrow:

On motion report received—Committee ordered sit again on tomorrow:

MR. CURTIS: Mr. Speaker, I move that the remaining Orders of the Day do stand deferred, and that this House at its rising do adjourn until tomorrow, Friday, April 20th, at 3:00 of the clock:

On motion the House adjourned until tomorrow, Friday, April 20th, at 3:00 of the clock.

FRIDAY, April 20th, 1956.

The House met at 3:00 of the Clock, in the afternoon, pursuant to adjournment.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion

None.

#### Giving Notice of Questions

None.

#### Orders of the Day

MR. BROWNE: Mr. Speaker, I want to ask a question of the Honourable the Premier. He told us yesterday that the meeting of NALCO was being held. I wonder if it had concluded and if he has any announcement to make?

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, this is per-

haps as good a way as any to deal with the meeting that was held yesterday because as a matter of fact nothing of any great moment was done yesterday nor decided. This was the annual meeting of the shareholders, and there was an annual meeting of the directors. I was not able to stay until the end of it because I had another very urgent appointment. But my honourable colleagues, the Attorney General and the Minister of Finance were able to stay throughout the meeting. Indeed they had sandwiches and coffee brought in, and did not leave until the time to come here to this Chamber, whereas I had to leave about 1.30.

All I can say is that the reports of the auditors and geologists and the head accountant and vice-president, Mr. Turta were tabled and considered by the shareholders. And the new slate of directors was elected, about the same slate as the one previously, the slate, of course, being, the three government members and Mr. Turta, a director, a government nominee, cost accountant and chief executive of the Corporation; Mr. John C. Doyle of Canadian Javelin, who are the largest private shareholders; and Mr. George M. McIntosh, Vice-President of Harriman Ripley, Inc., New York, who represent all of the original private shareholders, i.e. the holders of the one hundred thousand shares of the original one million shares.

The principal work of the meeting yesterday was to review the work done in the past year, including work done in the present year, i.e. this past winter, because I may say, some very interesting places had been found and were considered to be worthy of drilling. So a drilling programme has gone forward this present winter.

They have been drilling all through the winter, and are drilling at this moment on several properties in central Newfoundland by NALCO. Then the final decision was taken to continue that programme this year. And we have good hopes that we are going to turn up two or three excellent mining properties.

Now I was not referring yesterday in any respect to these properties when I spoke about another very important new mining development that will be announced in the course of the next six, eight or ten weeks. I was not then thinking of these properties in NALCO, because I don't think these NALCO properties are yet sufficiently advanced for us to be able to say we have got a mine. But we are very hopeful about it—but that is all—only hopeful.

I don't know that there is anything else that I could add.

MR. BROWNE: When will we see the reports?

MR. SMALLWOOD: The reports can be filed now at any time. I think the practice has been made, when the annual meeting of the shareholders and directors has been held to file the reports shortly after here, I think within a week or so. At any rate I can assure the House we will table them before the closing of this session. We do not have to but we do table them every year. The practice is, as I recall, for the chief executive of the Corporation to compile a report embodying the reports of the various officers as one annual report. As soon as that is done we will table it.

MR. BROWNE: Mr. Speaker, I would like to direct another question to the Honourable the Premier. I

would like to ask if his attention was drawn to an article in the "Daily News" yesterday or the day before regarding a man up in Upper Island Cove discovering oil in his cellar when he was boring for a well. Is that property on BRINCO's concession, or has the man any rights under the circumstances?

MR. SMALLWOOD: I frankly do not know. I know only what I see in the paper. I thought it was a tremendously interesting statement. A man down in a hole discovers oil and turning around he happened to discover coal. Now I do not know if it was to his right, but I wonder what would have happened if he had turned to the left.

MR. BROWNE: I think he found diamonds there.

MR. SMALLWOOD: Very good. Beyond what I read I know nothing.

MR. BROWNE: Of course it is on BRINCO's property.

MR. SMALLWOOD: I have no doubt of it he would tell BRINCO where the hole is and they confirmed the presence of oil and coal and diamonds he would get something. He certainly would deserve something.

Second Reading of Bill, "An Act to Amend the Health and Public Welfare Act:"

(Deferred debate):

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, it is not my intention to speak at any great length on this Bill, even though I realize that this Bill is probably one of the most important pieces of legislation which this Government, at any rate, has ever brought into this House. Indeed it is so important and involves

so many great changes in the status quo that one would hesitate, to say just how far one could go to support or not to support it.

The only principle upon which one can act in trying to arrive at a decision as to whether or not to support this Bill is what we know of other countries in the past and generally upon the general principle of all governments to promote the general welfare. That indeed should be the general principle guiding all governments. And I believe it was Abraham Lincoln who said: "The purpose of government is to do for the people what they cannot do for themselves or cannot do so well for themselves." There are two principles there which have to be borne in mind by this Government which is introducing this piece of legislation. It will be so drastic, even if it only applies for a number of years to children of sixteen years and under (and going back to that note that it does apply to every child of or below the age of sixteen years. I read that section.) "Subject to this section and the regulations every child of or below the age of sixteen years is entitled free of charge to medical services of all kinds including hospitalization, dental and optical services, and out of funds appropriated for that purpose by the Legislature the Minister shall provide those services free of charge to every such child."

Now any person who is going to object to such legislation must base his objections on technical knowledge, which we at any rate on this side of the House have not yet been provided with. I am wondering if the Government, on their side of the House, have been supplied with sufficient data upon which to make a decision, other than to promote the general

welfare. Such it is the right and proper thing to try and promote the general welfare and try to bring good health to all children. Now the Honourable the Premier gave yesterday a very eloquent speech, in which he referred to Newfoundland being sort of "on the march" and how progress had been made in education and in regard to high schools and elementary schools, and how now we had to advance on the roads front and housing and hotels and the like—and the Honourable the Premier went right down the line and ended up with health, which might very well have been taken first, as this Bill is so important.

Now if every child of or below the age of sixteen years is to be taken care of medically and in every other way as far as health is concerned this I suppose would presuppose the care of mothers and young children and mid-wifery—I take it the Act would cover right back to pre-natal care? Then it would have to cover medical services of all kinds including pre-natal care. I believe in England where they have a very thorough health service at the present time, we have to remember that when they brought that in, probably about ten years ago, they did upset the apple cart to such an extent that the whole medical and dental fraternities were upset, nothing was right and everyone was doing everything which was wrong, and people were getting two sets of teeth and two pairs of glasses and all sorts of things, and getting things which actually they did not need. But I am glad to say that I have been reading lately a report on health in England, and now it is proving successful. Most medical men in England agree it is the best thing possible for the children in England. That being so, I take

it, if the proper approach is made to the subject here, then of course it will be a success, and will surely bring the care of children in isolated areas, I hope, to a point where we can be at least proud of making an effort to look after the children. There are certain areas in Newfoundland today which hardly know there is such a thing as a doctor. There are certain areas, almost next door to us, where people have no medical care whatsoever. I can think of one now, and that is up in Harbour Buffett. I believe there are some 250 voters in Harbour Buffett, and I don't believe they have any medical care whatsoever in that area. I am sure, if I am wrong, the Honourable Member for Placentia West could correct me on that.

MR. P. J. CANNING: The "Lady Anderson" and the doctors on that boat call there monthly—the doctors and nurses.

MR. HOLLETT: I am glad to hear that, that even monthly a doctor is available, which is not sufficient.

MR. SMALLWOOD: No, it is not enough.

MR. HOLLETT: I am quite sure any honourable member will agree that that is not enough. There are other places on the Island where even that degree of medical assistance does not exist.

Now this, in my opinion, will have to include the pre-natal care of children, and will have to be a health-visiting service, home nursing, vaccination and immunization and the prevention of illness and its care and after-care of illness, and then the care for mental health and the various diseases connected with it.

Now all this, Mr. Speaker, will require considerable decentralization of authority, and I believe, will require a system of local authority for health and welfare far and away ahead of what we have at the present time. While I am on that point let me say here, therefore, that I think the correct way for this nation of ours to handle it would be for the central government to start a scheme of this sort and gradually work down from the central government to the provinces and from the provinces to the various local authorities whether it be local councils or what not.

MR. SMALLWOOD: Will my honourable friend allow me? We must not forget the jurisdiction constitutionally belongs to this Province and that the Parliament of Canada would not be justified constitutionally in doing anything more than contributing cash, but would not be justified in introducing the scheme.

MR. HOLLETT: Well, at any rate, I do think it ought to start from the central government. I am not so sure that the province of health is really altogether a provincial province.

MR. SMALLWOOD: Yes.

MR. HOLLETT: Anyway, perhaps that is all right. On the other hand in such a striking innovation as this I believe it would be wonderful if the central government did initiate it.

I spoke of the decentralization because this personal health service will have to be provided for each community and it must be partly preventative and partly curative. The Honourable the Premier has well said that all this will take considerable time and plenty of organization. If we look at what has happened in

Great Britain we do know that if we can get anyway near perfection in ten years we are going to do very well. As a matter of fact if we can bring in a scheme anywhere near perfection for the children up to sixteen years in the next ten years we will be doing very well. I am not decrying in any way, shape or form the plan, because I think it is wonderful and if I may, I would congratulate the Government on bringing it in, and I would also congratulate them on bringing it in at this particular time, I won't say any peculiar time. It is rather an amazing coincidence, this piece of legislation which will affect so many of the people and families of this country, that it should have been brought in at this particular time. I congratulate the planners of the Liberal Party, on the opposite side of the House, whoever they may be.

Now, Sir, the first requirements of a community, I believe, is a family doctor. And when we think of all the communities along the coastline of this country of ours where there is no family doctor whatsoever, when they think of these various communities we do see what a problem the Government are going to have, and not only the Government but all the people who live in these various communities, because undoubtedly there will have to be voluntary bodies set up and set up efficiently, otherwise no Government will be able to carry it out. Yes, the first requirement of a community is a family doctor and a good family doctor, and not one unduly overworked. The welfare of the one is the welfare of the other, i.e. the welfare of the people is the welfare of the family doctor and vice versa. I said before that the free provision of necessary medicine is a

necessary feature, and a free practitioner service, and this has proven to be the biggest pain the administration of the British Medical Scheme, and has certainly proven to be the most costly. I am quoting now from a very important document on the British System—"It has certainly proved the most costly due to a combination of causes. In the first place the sheer novelty and easiness of the service caused people to use it much more frequently than they all used to do, of course, waiting and knocking on the surgery door. If they had a headache or a pain over the eye they got a pair of glasses at least, and were ordered to go to an optometrist and get a pair of glasses etc., and patients coming to doctors in large numbers not so much for treatment as for free medicines. This is how the position was summarized in a publication on the national health services in Great Britain. There was first the fact of the crowded surgeries. That was one of the biggest headaches all across England at that time."

MR. SMALLWOOD: That was due to the backlog.

MR. HOLLETT: I dare say there was a backlog of ill health in the country to a certain extent. We must remember that there it was following the war, and undoubtedly there were lots of people in need of all sorts of treatment. It was so easy—a man wanted a drug for something, a toothache, a headache or what not, which ordinarily he would put up with and take a dose of fruit salts or something, went along to the doctor and the doctor prescribed something. And at that particular time the doctor was more or less under an obligation to prescribe. That was one of the biggest headaches that crowded surgeries to such an extent that the really bad

cases, the ones in most need, could not get near the surgery at all in many cases.

Then arising from this situation, the prescriptions were in many cases excessive. The doctors were trying to postpone the next visit in other words some persons went to a doctor and a certain drug was prescribed. The doctor was so rushed that in order to try and keep that patient away for a while he found it necessary to give him a much larger bottleful than he would otherwise have given. He was endeavouring to keep the patient away longer and thus endeavouring to help those patients very much in need. Then they had those new and expensive medicines being freely prescribed in disregard of the cost and often in ignorance of the cost, and partly at the request of the patients themselves. Let me say again, Sir, I am quoting from this writer who gave a full report on the British Medical Health Scheme, and who was very much in favour of medical health, but he has enumerated some of the headaches which took place ten years ago.

Then there was some loose practice in prescribing things that were not really drugs and priority preparations were being widely prescribed when non-priority medicines could have served equally as well and at a much lower cost.

However, most of these troubles, Sir, have been ironed out, and the thing now seems to be functioning properly. I would point out that in my opinion one of the first essentials is an absolutely close liaison between the Minister under whom this plan will be carried out and the various medical bodies. There will have to be a close liaison and these

people will have to be brought much closer together than they have been up to the present time. On this particular issue it has not been indicated to us that any particular conferences had been called between the Government and these various societies, and I think it would have been well to have done that in the first instance, because the Government will find, Sir, I believe, that they will have to sell this idea not only to the people but also to the medical society itself.

Then another difficulty which will prevent its functioning here, Sir, is the lack of the necessary hospitals, the lack of doctors and dentists and optometrists. That will probably be one of the biggest headaches which we will have to face.

Now, Sir, I don't intend to take up very much time, except to say this, we on this side of the House do favour this medical health plan which is being brought in. We do realize that there are going to be a lot of headaches, and there are going to be a lot of headaches which the Government itself does not at the present time anticipate. I very much fear that the Government has not done very much thinking on this, I know no full-fledged plan has been brought in which would indicate to us that this thing is feasible in this country at the present time, however admirable it may be, the thing has to be feasible in a country before it can be properly initiated. In England, Sir, as you will know, centuries ago local government was general all over England, and practically every community was organized to such an extent that there was a medical authority, and these boards and authorities were already set up to take hold of this thing, and make an effort to put it into effect. Now at the present

time we are greatly lacking along that line. I believe that is one of the things that will have to be done, the country will have to be organized into particular sections, particular communities, etc. It is no use putting in a full-fledged scheme until you have set up some sort of a plan whereby the system may be workable, otherwise it will destroy the whole issue.

Now, Sir, we have two other speakers on this side. At least I believe both are going to have a few words to say on this. There are a lot on the other side. I can only say, I wish this had been brought in before I got my false teeth because it is very difficult to talk when you have false teeth.

MR. SMALLWOOD: In fact you have done so well that nobody noticed.

MR. HOLLETT: I am sure the Honourable the Premier must be delighted over the fact that I find it sometimes very difficult. However I want to repeat again that we support this idea and congratulate the Government on the wonderful timing of the legislation. Thank you, Mr. Speaker!

MR. J. HIGGINS: Mr. Speaker, I am not at all competent now, today in this matter. As I understand it, we must approve the principle of this Bill at this stage. With the principle there can be no disagreement. There may be a certain rightness in the congratulations which we may tender to the Government. It is most gratuitous that this convenient piece of legislation should be introduced at this particular time. But I cannot begrudge a man who is in a position of being able to call his shots if he loads a particularly heavy one at the

time most suitable to use it. That is the fortunes of war. I am more interested, Sir, and will be in seeing the regulations which will be made by the Minister, if and when this Bill becomes law. Because it is really these regulations that are going to form the whole basis of the practical working-out of this scheme. I don't think that anybody can say that one is being unnecessarily capricious when one envisages certain difficulties there. It is very simple and very easy and very understandable that the honourable gentleman who introduced this Bill would be, and I believe quite honestly, carried away with the human necessity of the project, with the great prospects in store for it, with the good that it is going to do to all sections of this country. That is, as I say, a sentiment that nobody can help but share. But it is not sufficient, Sir, to merely say that a thing is good and wish it well. There are certain obvious difficulties here, some of which have been mentioned by my leader, the question of getting the qualified personnel who will have to develop these services. Only the day before yesterday the Honourable the Minister of Health talked about how they improved conditions in the Department of Health. There were now more beds available, now more nurses available, and the fact is there are today, I believe more doctors under contract with the Department of Health, but none would be more ready to agree than the Minister, I am sure, with the statement that there are not at the present time in prospect enough doctors to attend and to implement this scheme on the scale that was envisioned by the Honourable the Premier yesterday. That is going to be a very practical difficulty, because, Sir, it is true that the Medical

Profession in this country has done some tremendous work. It is equally true, and I say it not in a spirit of carping criticism, it is perhaps human nature, the tendency is for doctors and dentists particularly dentists to want to work in the urban centres. And if we are going to have this scheme implemented along the lines that have been suggested it is going to mean that the Minister is going to have to look for people who may perhaps have to be sold on the idea, cajoled, into going to some of the more remote settlements.

The same thing again, just how far will the regulations go in the provision of medical and optical supplies? A child might be brought to the clinic in any particular place, and there might be some particularly delicate operation requiring not only an operation but corrective glasses and continuous treatment. Now, as I say, that may not be too often. I am not sufficiently versed in the medical side of the thing, but it is a reasonable assumption, Sir, once this type of aid becomes available you are going to have a tremendous incidence of cases coming up where there will be a little more than just a matter of going to the doctor and getting a little prescription and going off. People are going to be following it up. There is the situation that could conceivably arise that there will be many more patients than there will be qualified personnel to handle them.

Here is another aspect of the thing, Sir, to which I think we cannot turn a blind eye, i.e. this is foreseen; of engaging in contracts and setting rates of payment for surgeons and physicians. I hold no brief for the medical association. They are quite aware of the situation that is coming

into being, but you might have a situation that we shall say, a wage scale is set up for an appendix which is going to cost you fifteen dollars and a wisdom tooth fifty cents and to straighten an eye twenty-five dollars. You may find some difficulty in getting the profession as a whole to accept that. I hope not. I am afraid you will find some difficulty in getting them to accept a journeyman's rate, shall we say, from my experience of the law, it would be difficult to get lawyers to accept a manslaughter case which will be a fifty dollar job and a robbery a hundred and fifty dollars. But, as you see, Sir, there are a lot of these things that cannot be properly discussed at this stage, because we don't know exactly what the rates are going to fall for nor what the Minister has in mind. I agree wholeheartedly with my leader when he says we certainly support the principle of this Bill. I cannot see how anybody who hopes to remain in the House after the next election could do otherwise. But it is one thing to agree with a principle and another to be able to say at this stage that we are prepared to go along holus-bolus with whatever comes up. We can only at this stage, as I say, give our approval to the idea and reserve our comments until we get the details later.

HON. M. P. MURRAY (Minister of Provincial Affairs): Mr. Speaker, I rise to support this measure. I think it is one which is going to be very beneficial to the country. I think it is one that is very necessary.

I don't think, Sir, that anyone will question that in Newfoundland at the present time that the medical facilities available to our children are hopelessly inadequate. There are, I believe,

about one hundred and seventy thousand children in the country. I don't know what the actual proportion would be, but I am sure that a very large proportion of these children have no medical care no adequate medical care available. To them either the care available to them is either beyond their range or there are no available facilities. I say, Sir, I think this is a very far reaching measure and one, as the Honourable Leader of the Opposition has said, which will promote the general welfare, and which will be a step forward for Newfoundland, which I am sure we are all aiming for—That is, a Newfoundland which will be a better place to live in, and which we are all trying to attain.

The Premier yesterday in his speech outlined some of the measures which will be needed to obtain this object, which, as I say, we are all seeking, for a better Newfoundland. He has shown that to attain this object that action on about a hundred different fronts is necessary, vigorous and sustained action. We want, as he said yesterday, more roads, we want better welfare, we want more bridges, we want intense investigations in our mineral possibilities, we need development of our agriculture and our fisheries and of our forests and above all, as he says, we need particular attention paid to the health of our people.

Now, Sir, I think it will be admitted that in the past six or seven years, along all these fronts, we have made progress, very considerable progress, but a thing which also is just as obvious, when you are attacking on a hundred fronts a sense of balance must be sustained. One front, so to speak, is integrated with another, and it would be foolish and absurd to go ahead full swing on one front at the expense of another. For instance, to

devote intensive effort to mineral development and to neglect our roads would not lead to a happy state of affairs. We would then have a few mining villages, etc. set out in a wilderness, to promote public welfare and to neglect industrial development would not be a sane policy, because the ultimate, I suppose, would be attained in this way would be a crowd of people sitting around optimistically waiting for a cheque to come in. Similarly, Sir, if we spend as we are now ten and a half million dollars per annum on education of our children and neglect their health it would not be a sound policy. Education is necessary, as we all know, Sir, just as important, I would say, as the health of the children whom we are educating. But no one would want to produce a nation of educated invalids. We all know it goes without saying altogether that medical facilities, not alone as far as our children are concerned, but as regards a great number of our adults, are hopelessly inadequate.

Now this problem alone is not one that faces only Newfoundland. I suppose there is not a country in the world at the present day which is not faced with this problem, i.e. to provide adequate medical care to its people in this modern world. Because a paradoxical situation has arisen; as we all know medical science has made tremendous strides in the past twenty or twenty-five years, but the fact of its very expansion that things have gone forward so tremendously has brought about this situation that medical care in this day and age, modern medical care, is beyond the range of most people. There are two sets of people in the world, the very rich or the pauper who have ade-

quate medical facilities provided. In the old days of the horse and buggy doctor, with his stethoscope costing about a dollar and a half the art of diagnostics was a very simple matter. But as we all know, Mr. Speaker, in our modern world just diagnostics alone is tremendously complicated and tremendously expensive. The standard of pathology has also risen, with its laboratories and its techniques which have made diagnostics alone so tremendously expensive that it is beyond the range of ordinary people. That is a problem which, as I say, is facing all the modern world, and which has to be faced up to by Government interjection by a great many. In Germany, as the Honourable Leader of the Opposition said the other day, the problem was faced and some progress made as far back as 1870. In Britain, as we all know, the Beverage Plan was adopted ten years ago, and in Scandinavian Countries and in Australia and New Zealand by sheer necessity governments had to step in and intervene and provide modern facilities in medicine for the simple reason that they were beyond the range of most people's incomes.

Now in Newfoundland this problem is peculiarly aggravated. We have more isolation here. We have low-income groups. We have fewer doctors. We have no medical school. We have few Newfoundlanders in medical schools. As I say, the problem here is really aggravated, really far more aggravated than it would be in thickly populated places like Great Britain and Scandinavia. And, Sir, because it was so aggravated it is all the more to the credit of our authorities to see the admirable way in which this problem was faced, not by this Government alone but away back in the 1930's. A blue-print for medical health was laid

down as early as 1930 in this country. I think a great deal of the credit for it must go to the late Dr. Mosdell, a man ahead of his time, with a vision almost fantastic at times. Under his inspiration the Public Health and Welfare Act of 1931 was brought into this House and passed. Now that did recognize Newfoundland's problems in a great many ways, the speakers over opposite have brought out the difficulties of inducing doctors to go out into our outports. After all a doctor is a man who has put in some years in medical schools, is educated, lived a university life, and when he comes home he expects to set up somewhere which will provide him with the amenities of life. There was a natural reluctance for doctors to go out into our outports. Indeed the tendency which prevails all over the world is for doctors to concentrate, as it were, in to the higher income areas. This was more aggravated still in Newfoundland. So, Sir, as I say, a major effort was made at attacking this problem. We have evolved a system here in Newfoundland, a cottage hospital system, which is quite unique in all Canada. It was in the Commission days that three of these hospitals were set up as a sort of guinea pigs, one at Harbour Breton and one at Old Perlican and one at Markland. I don't know the exact date when they were set up but I know that these were the first three. The idea behind them was to try to set up at strategic points these little hospitals with at least free X-rays and operating rooms and that sort of facilities. Doctors were given decent houses to live in and a fair income was more or less guaranteed them to induce them to go out in these places and bring medical facilities to people who were geographically and economically isolated. And, Sir, the system

has worked well. It has been a wonderful success. It has worked so well that it has over the years expanded, and the process of expansion, as we know, was greatly expanded during the past few years. Today we have in Newfoundland eighteen of these hospitals which now provide medical facilities for about 45 per cent of our people.

Now I know that Government intervention in medicine has met with bitter criticism from some quarters. I was in England myself when the Beverage report was released, and I know some of the criticism, violent and bitter criticism, which was levelled against it. I know that when the health scheme was brought into operation in Britain the propaganda, if you like, put out against it, some of which was heard here today. I heard lots of talk about the health scheme in Britain. And great emphasis was put on the number of wigs being supplied and the number of false teeth. The picture was created of poor, harassed doctors ceasing to be doctors altogether and degenerating into second rate clerks who dished out pills indiscriminately and were so harassed filling out government forms they were unable to give proper attention to the patients. Many of the arguments I have heard produced over across today were produced at the time, mostly, I suppose, from two sources, the medical profession and the Tories. It was a "Liberal Government" of that day which brought in the health scheme into operation.

Now, Sir, it has been in existence in Britain for something like ten years. And now and then—one remarkable thing about it—when the Tories took over the Government about five or six years ago the health scheme was in operation, and in spite of all the

about wigs and spectacles being given out indiscriminately, the surprising thing is that the Tory Government has interfered very little at all with the health scheme. It is still functioning over there, and still I believe now receiving almost universal acclaim. I know that in the United States an attempt was made four or five years ago to bring in a public health insurance which met with some bitter opposition. I believe the American Medical Association spent something like hundreds of thousands of dollars or millions probably in lobbying against this measure. All the old arguments that were heard in Britain were brought forward with more vigor by the American Medical Association four or five years ago.

MR. BROWNE: I think it was about ten years ago.

MR. MURRAY: When ever it was, I know even apart from that there were even stronger allegations made, and quite serious allegations, and the idea was put over very forcibly that this was the first step towards Communism and Socialism. It was preached around very vigorously; once this is allowed to get in it is the thin edge of the wedge and what we are going to have is an encroachment on our private lives and the sanctity of the family is going to be infringed upon. This is the first step towards Communism, the beginning of the Totalitarian State.

Well, Sir, whatever validity this argument had in America and whatever it might have in Britain (and it is very questionable if it had any at all in Britain) there is no doubt at all about it, to advance such an argument against such a measure here in Newfoundland would be manifestly ridiculous. We have had, Sir, since

propaganda put out and all the things 1810 in Newfoundland Government, in intervention in the field of medicine because there was no other way to do it. In America it was agreed that it is wrong for the Government to intervene in the medical services, but the situation being what it is here is that modern medicine is so expensive as to be beyond the range of ordinary individuals. The argument was made that we must look for voluntary contributions, we must look for philanthropic and charitable bodies to provide moneys to set up these huge hospitals and provide facilities, in Newfoundland such argument is of course manifestly ridiculous and has always been so since 1810, since Dr. Carson instituted the first hospital on the site of the present one today. To this day Governments have come in some manner or other to the aid, almost completely, of the hospitals and to provide medical assistance. In two fields, i.e. in the field of tuberculosis and medical health the Government almost since the beginning of mental health and tuberculosis programmes the Government has taken the entire responsibility — and nobody had a word to say about it.

Now, Sir, as I say, our cottage hospitals scheme is manifestly successful. It has been working out now and expanding for a period of something like fifteen to twenty years, and certainly I have never heard anyone yet get up and mention the word "Socialism" nor anything else of that nature.

**MR. BROWNE:** Mr. Speaker, I would like to ask the honourable member a question: does he not realize the cottage hospitals scheme is on an insured basis rather than free?

**MR. MURRAY:** I realize quite well, Mr. Speaker, that there are con-

tributions made, but I do know the contributions do not keep the thing going, not even half that, I am arguing the point of Government intervention in medicine. Unless we had this intervention in this country the cottage hospitals could not exist. So that the arguments we have heard put forward by the American Medical Association and the "Tories" in Britain about infringing on the individual liberties and destroying the unity and sanctity of the family, whatever validity these arguments might have in Great Britain or in America they have none whatsoever here. The thing has been in practice almost since the beginning of organized medicine in Newfoundland. Government intervention has been in existence from the beginning of medicine in Newfoundland and this is only an extension of that principle that will do great good to our people. Surely there is no better asset in this country than our children, the citizens of tomorrow, and if this measure, as it will do, will help to make better citizens and healthier citizens, surely it is a measure deserving the support of everybody.

I am fully in favour of the Bill, Sir, myself.

(Applause from the Liberal Side)

**MR. I. MERCER:** Mr. Speaker, I must support this Bill. It is only right that I give vocal support to this Bill. Now I have supported, I must confess, every Bill which has been produced in this House since 1951. However most of that support was given either by sitting down or standing for the count. I feel however that in a measure of this importance I cannot allow the opportunity to pass without giving it specific support.

I consider this piece of legislation as most outstanding in its importance

to the people of Newfoundland. The people of Newfoundland perhaps more than any other province in Canada, perhaps more than most parts of the world have been for generations crying out for such legislation as is produced in this Bill.

Now I was intrigued there a few moments ago to hear the Honourable Leader of the Opposition suggest that we should first find if it is feasible before initiating the plan. That to me, Mr. Speaker, portrays better than anything else the difference between the principle of Toryism and the principle of Liberalism.

MR. HIGGINS: The gentleman knows both.

MR. MERCER: That is why I am here — I happen to know the other side. Well the principle of Toryism is let us prove it is feasible before we initiate it.

MR. HOLLETT: Is that not sensible?

MR. MERCER: The principle of Liberalism is; let us initiate it and see if we cannot do something about it. Now let us consider: It seems to me to have boiled down, from the Opposition's point of view, they are all in favour of this Bill, but is it feasible? Well, we know, Mr. Speaker, that the crying need is there. We know, for example, not too long ago a certain honourable member who was in the Liberal Party, on this side of the House, left this side of the House on the pretext that in his opinion the Liberal Government has not given sufficient medical aid to the people of his district. So you see the crying need. He did not have to say that. For generation after generation we know that the governments have not given sufficient medical aid to the

people all around this country. The people are crying out for medical attention. All we have to do is to pass legislation in this House to get the authority and to get money to invite doctors in here, to get out there and build hospitals, to get doctors out there, to get dentists out there. Therefore why are we going to wait. We waited a hundred years to prove it is feasible to get doctors. Are we going to wait another hundred years with the Tories to prove it is feasible before we initiate a scheme which will prove its practical quality and feasibility.

Then the honourable and learned gentleman from St. John's East, who has remarked that I should know both principles, Toryism and Liberalism. I summed up his address. I think I made a note here — the Opposition members must agree with this if they want to get elected. That seems to be the sum and substance. Now, Mr. Speaker, I believe that is a poor way to approach this Bill, the principle of this Bill, that we must vote for it in order to get elected. I don't care Mr. Speaker, if ever I get a vote I would vote for the principle of this Bill. I am sure that most people appreciate the necessity of legislative authority such as we are proposing here today, but I believe also, Sir, to fully appreciate it one must have lived in the outports, must have been born and brought up there in order to realize the full importance of this legislation upon the future of this country.

I will just give an example and I believe this is an example of the whole country. Back in 1931 I lived in that little hamlet of Sunnyside, waking one morning about 1:00 o'clock, Sunday morning, with a terrific tooth-

ache, there being no doctor nor dentist within many miles nor any medical facilities of any type or description whatsoever, I walked about three or four miles and waited two or three hours for a train, got on the train, drove two or three hours, arriving at about 8:00 o'clock on Sunday morning. I slept in the railway shed until ten or eleven o'clock when the doctor got out of bed, and then went to the doctor's to be told by the doctor's wife that it was Sunday and the doctor would not pull a tooth. Now I was fortunate I had to go through that much to try to get a tooth pulled. How much more unfortunate are many, many thousands of other people. And although the Premier said yesterday that the people of today look upon twenty years ago as ancient times, nevertheless even the things that were happening to some people of certain parts of Newfoundland twenty years ago are still happening in many, many parts of Newfoundland and to many thousands of our population today particularly from a medical point of view.

I believe, Mr. Speaker, that this legislation, apart from the fact of providing free medical facilities, and when I say medical I include optical and dental, to all children of up to and including sixteen it will be a tremendous advance upon the idea started by the Commission of Government. And, Mr. Speaker, I give a great deal of credit to the Commission of Government for beginning the idea of the cottage hospitals, but it only went so far. A cottage hospital was started quite near my home, in Come-By-Chance, in 1936. I think it was the honourable and learned member for St. John's West who asked if they did not pay so much. They do. Some people put in a few pounds of fish, a bag of potatoes, some a dollar and

two dollars, whatever they could afford. We all know why the Government had to support it all.

MR. BROWNE: Mr. Speaker, I was referring to the regular scale of contributions, fifteen up to thirty dollars in some places.

MR. MERCER: It was ten dollars one time, but a person who could not afford to pay ten dollars, and I would say eighty per cent of them could not, then he gave —

MR. BROWNE: Eighty per cent of them could not afford to pay?

MR. MERCER: In 1936, no. They gave a bag of potatoes or turnips or a half quintal of fish, nevertheless he was still looked after as far as that hospital could look after him. If he paid a hundred and fifty dollars the cottage hospital could only look after him as far as that hospital could go. Take for instance that hospital in Come-By-Chance and I think it applies to all; there are a certain number of beds and they can look after only very, very few of the population of the area which this cottage hospital must serve. So that even in the districts where they have cottage hospitals this should be a tremendous advance, and I think the cottage hospitals will be enlarged and there will be many more beds in cottage hospitals for hospitalization, and facilities not only for purely medical purposes but for dentists and opticians.

Then of course apart from areas served by the cottage hospitals we have at the present time all these many, many other areas and many, many thousands of people who are unable to get to a doctor for any purpose whatsoever, whether it is the eyes, nose, throat, teeth or any other part of the anatomy.

It will be the idea of this Bill, as I understand it, to try to get free medical aid to all these children. We are spending millions of dollars on education, and everybody wants us to spend more. We are spending hundreds of thousands of dollars encouraging the building of stadiums where children can play hockey and other sports and try to build up their bodies from a physical point of view. Are we then going to leave them blind and leave them toothless as well. Now, Mr. Speaker, the principle is alright. I am quite satisfied that every member of the Opposition agrees with the principle. As the Premier said yesterday, it cannot be done without. The only objection coming from them is, should we not prove first we can get doctors and hospitals and get the money to do the necessary things and then initiate the programme. I say, Mr. Speaker, initiate the scheme—the crying need is there. Get the legislative authority, and then fill that crying need. I heartily support the Bill.

(Applause from the Liberals).

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker returned to the Chair;

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I move the adjournment of the debate.

On motion the debate on second reading of the Bill, "An Act Further to Amend the Health and Public Welfare Act:" adjourned:

Second Reading of Bill, "An Act to Amend the City of Corner Brook Act, 1955."

MR. SMALLWOOD: Mr. Speaker, I will be very brief and make this as clear as I possibly can, there are

two bills, one is a very brief one of two or three pages, and the other is this very thick, very substantial one, which we are not asking the House to consider, and which we are tabling only that members may take it home now and then next session those of them who will be back here may read it, because next session we expect to bring in this Bill, this particular Bill, the new city charter for the City of Corner Brook. It has been drafted by themselves. It came in only a few days ago, barely long enough to get it printed and much too late for the Cabinet to give it careful consideration and for the Opposition to give it careful consideration. So I informed the City of Corner Brook that it is just too late to enact it this year, they themselves admitted that is so. It would be unreasonable to ask the Legislature to wade through this great charter at the present session. So I have tabled it only that the House may consider it in the interim, and we will send copies of it back to Corner Brook for the city government there to further consider it.

In the meantime the City of Corner Brook is acting under a temporary Act, which was passed last year. That is to be amended now this year, and that is the purpose of this brief Act, No. 34 on the Order Paper, this Bill has two purposes, to extend the boundaries of the city at the request of the city. That is all there is in the schedule, and second amendment has to do with taxes. May I say to the House that when the new city came into being, they had not been in existence before so they could not collect any money. They had not a dollar then when they were born. They were born penniless, like most of us in this world, born without anything except life. So

that the Government at that time guaranteed a loan at the bank for them, on short terms, maybe a year, I think, or two years, to put them in funds so that they would not begin life without any money at all. It was a six months loan.

MR. BROWNE: Of how much?

MR. SMALLWOOD: A hundred thousand dollars. Now an appraisal of the property of the city began at once. Indeed the appraisal of the value of the land and real estate and property values of Corner Brook is proceeding and has been for some time past. The purpose of this main and first clause in the amending Bill is to authorize the City Government of Corner Brook to collect temporary taxes from the people which taxes will be adjusted later in the light of the appraisal that is being made at such time as the appraisal has been completed. In the light of that appraisal, which will be available very soon, a revision of the taxes which are presently to be imposed will be authorized.

I don't know that there is anything else I need say. I think that covers the situation pretty thoroughly, and I move the second reading of this short Bill (not the large one) I hope, Mr. Speaker, that is understood. It is not often that two Bills have the same number. Perhaps this thick one ought not to have been numbered. This is just for the information of the House, and it is not in fact on the Order Paper.

I may say in conclusion, this is strictly at the request of the City Government. It is not our legislation. We have to assume responsibility for it, but it is at the request of the City Government of Corner Brook.

MR. HOLLETT: May I ask the Honourable the Premier if this has any relationship whatever with the argumentative School Tax?

MR. SMALLWOOD: Not in the least. There is a piece of legislation to come before the House, an amending Bill, amending the School Tax Act.

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 Wabush Lake Railway Act."

MR. SMALLWOOD: Mr. Speaker, I rise to move the second reading of this Bill. It is merely an amending Bill, and it proposes to amend the existing Act in two respects: (1), to make the guarantee of the sixteen and a half million dollars loan in Swiss Francs as well as Canadian Dollars and American Dollars, and (2) for the purpose of clarification only. Because we are advised that there is no dispute on the matter, but so that there won't be and can't be any dispute on this question of debate, the deadline that is in the existing Act, we are proposing to amend it to read: "Before the 31st day of December 1956."

I may say Mr. Speaker, that Canadian Javelin, in the Government's view, have met all the conditions they are required to meet in the existing Act, not this amending bill, but in the existing Act. They are called upon to meet certain conditions. These they have met, in the Government's opinion and in the opinion of the law officers of the Crown. But in case there is any dispute about it, this amendment is proposed. So

that there are two amendments proposed in this Bill (1) to include Swiss francs in the currency in which the bond issue may be raised, along with Canadian and American dollars and Swiss francs, and (2) to fix at the 31st of December 1956 the date which in the original Bill reads, I think, the 15th of March.

Furthermore, Mr. Speaker, Mr. Doyle himself is in the City and has remained here and is willing to remain as long as the House may require, to serve the convenience of the House. He is willing to remain, although I may say he is anxious to get (if I may use a vulgar expression) to "get cracking" at the building of the railway, and to get back to work rather than stay. Nevertheless he is willing to stay as long as the convenience of the House requires him to stay. He is here in case any honourable gentlemen wishes to ask any questions bearing on this amending Bill. He is willing to remain for that purpose.

**MR. HOLLETT:** Mr. Speaker, in view of the fact, Sir, we have just received this and have just received the honourable Minister's statement on that matter, I wonder if you would object to an adjournment of the debate until tomorrow, Monday?

**MR. SMALLWOOD:** Tomorrow is Tuesday.

**MR. HOLLETT:** Well, until tomorrow, Tuesday. In the meantime if Mr. Doyle is to be here tomorrow we will have the opportunity to get in touch with him. Would that be agreeable? I mean it is an important Bill, I don't want the Government to feel it is being rushed through.

**MR. SMALLWOOD:** We have no desire in the wide world to rush

through it. You know the session is not to end for a while yet. The only thing is that Mr. Doyle is still in the City, and he was hoping to take a plane at 6:00 o'clock tonight, in case any questions were to be asked. I think it is rather inconvenient for him to remain until Tuesday. He might even go and come back. The building of a railway is important, and time is the essence. But if my honourable friends would like the adjournment that is satisfactory to me. Then perhaps later today, before Mr. Doyle leaves, if my honourable friends wish to consult with Mr. Doyle on any point, he will be available for that purpose. He is now in the building.

On motion, adjournment of debate on second reading of the Bill, carried:

On motion the Honourable Minister of Finance moved the House into a Committee on Supply:

On motion Mr. Deputy-Speaker left the Chair:

Mr. Courage Chairman of Committee of Supply:

**HON. G. J. POWER** (Minister of Finance): Mr. Chairman, I have the honour to inform you I have a letter from His Honour the Lieutenant-Governor.

**MR. CHAIRMAN:** The letter should have been tabled while the House was in session.

**MR. POWER:** Mr. Chairman, I ask leave to have the Committee rise, report progress and ask leave to sit again.

On motion the Committee rose to report progress and ask leave to sit again.

**MR. MERCER:** Mr. Speaker, the Committee of the Whole have consid-

ered the matter to it referred, made some progress and asks leave to sit again.

On motion report received, Committee ordered to sit again presently.

MR. POWER: Mr. Speaker, I have the honour to inform you that I have a letter from His Honour the Lieutenant-Governor.

Letter 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 Province for the year ended the 31st March, 1956, 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.) Leonard Outerbridge,  
Lieutenant-Governor.

On motion the House went into Committee on Supply:

Mr. Mercer Chairman of Committee of Supply:

MR. POWER: Mr. Chairman, the total amount of supplementary supply is \$971,500, and I assume that honourable members would like a breakdown.

There is an amount of \$30,600 Legislative: This is made up as follows: The original estimate was \$113,000. This was inadequate because of the second session of the House in 1955, and for this second session additional sums were required in the total of fifteen thousand and three thousand six hundred and an additional sum of three hundred dollars and ten thousand dollars were required for books,

and printing of Hansard, and a re-vote of two thousand dollars to cover the cost of Mr. Speaker's travelling expenses to the Conference of the Commonwealth Parliamentary Association. This was a delayed claim. This amount totals \$30,600, which is the amount you will see in the resolutions, under "Legislative."

MR. BROWNE: Mr. Speaker, I don't know who is responsible for getting books for the library.

MR. SMALLWOOD: Mr. Speaker.

MR. BROWNE: There is no one here now who can tell us anything?

MR. SMALLWOOD: Only Mr. Speaker knows.

On motion "Legislative, \$30,600," carried:

Executive Council \$71,000.

MR. POWER: Under that heading, six thousand of that was used to provide the Lieutenant-Governor with a new car. The major portion of the increase under this heading is under the "Election Act." This was in respect of the taking of the lists of electors, the original provision was ten thousand dollars and the actual by \$65,000. So that makes a total under Executive Council of \$71,000.

On motion Executive Council \$71,000-carried:

Finance \$57,800:

MR. POWER: \$10,000 was for Railway Pensions. Then salaries, Social Security Assessment Division spent \$8,200, there because they retained a number of temporary inspectors and travelling inspectors. The public debt was underestimated by \$7,000. I think that is in respect of commission. The original amounts

was supposed to be \$12 millions and was increased to \$16, and there were additional commissions. Then the cost of the Commission of Inquiry into our Finances was estimated at \$45,000. It is now estimated it will exceed the original provision by \$15,000. Finally, the liquidation of pre-union liabilities this has to do with the odds and ends left over since the war, I think the Merchant Navy.

The total financial supplementary supply needed under this heading shows as \$57,800, instead of an aggregate of \$66,200. We had countervailing savings in the amount of \$8,600.

MR. BROWNE: That means there were no countervailing savings in the other two?

MR. POWER: That is right, except where mentioned.

On motion Finance, \$57,800 carried; Provincial Affairs \$900.

MR. POWER: There was an expenditure here under, Minister, Travelling, \$1,500 and offset by countervailing savings deducted from the total amount. I have not got these deductions.

MR. BROWNE: Did very good to save \$600.

On motion Provincial Affairs \$900 carried:

Public Works; \$200;

MR. BROWNE: What is this?

MR. POWER: Mr. Chairman, that gives legislative authority for what was spent on these services, the construction of an airstrip at Deer Lake and Frenchman's Cove in Burin on a share basis with the Government of Canada, and the purchase of a wharf at Bell Island. There were countervail-

ing savings in the department to cover the amount, and the \$200 is just a token vote to give legislative authority.

MR. BROWNE: How much did you pay for the wharf?

MR. POWER: \$50,000.

MR. BROWNE: Are these the only airstrips the Government are interested in?

MR. SMALLWOOD: No. We have a whole series we are sharing with the Canadian Government, the cost of building.

MR. BROWNE: Have any of them been built?

MR. SMALLWOOD: Two are built, Deer Lake and Frenchman's Cove, and two or three will be built this year.

MR. BROWNE: Do they share in the cost of maintenance as well?

MR. SMALLWOOD: No, I think we will.

MR. BROWNE: Well there has been no legislation introduced here about them. This is the first mention.

MR. SMALLWOOD: That is right. It is in the main estimates.

MR. BROWNE: When did you start to build them, since last year?

MR. SMALLWOOD: Yes, last summer.

MR. BROWNE: Are these two in working order?

MR. SMALLWOOD: Not actually working. They have just been finished.

MR. BROWNE: They must have been built pretty fast.

**MR. SMALLWOOD:** They are not paved. You get in bulldozers and scrape off the top series and get down to the hard surface, and there you got a runway.

On motion, Public Works, \$200, carried:

Health: \$328,600.

**MR. POWER:** This amount is made up as follows: Extra provision for four institutions, \$136,000, i.e. the General Hospital, the Sanatorium here and on the West Coast and the Mental Hospital. The International Grenfell Association had \$112,000 and there were two new services which called for \$112,000 and in addition to that \$22,000 for helicopter services and \$82,000 grants in aid for construction of hospitals. We had countervailing savings of \$130,900, making a supplementary need of \$328,600.

**MR. BROWNE:** I notice the vote for the Grace Hospital. Is that the one under that—1029-02, only \$14,400. How come it was so large?

**MR. SMALLWOOD:** The capital grant to complete the new wing.

**MR. BROWNE:** There was no vote for that last year in the House.

**MR. SMALLWOOD:** I have a clear recollection of that, if you don't mind, Mr. Chairman: What happened was that two or three years ago the Government agreed to give a capital grant to the Grace Hospital the Salvation Army itself undertaking to get so much and we undertaking to ask the Canadian Government for so much. So it is a three-way participation. That was done. They raised their money, we gave ours and got it from the Canadian Government. Then all that was not enough. It was found out in this past year not to be enough

to complete it. So they said if we would give them some more they would get some more, and that was enough to complete the building of the new wing or section of the Grace Hospital.

**MR. BROWNE:** How much was our contribution

**MR. POWER:** \$82,000.

**MR. SMALLWOOD:** It must have been a couple of hundred thousand altogether from the beginning.

**MR. BROWNE:** There was \$124,000 in 1953-54 and \$100,000 in 1954-55.

**MR. SMALLWOOD:** Yes. That probably included the capital grant from Ottawa.

**MR. BROWNE:** The amount was \$265,000 over the three year period.

**MR. POWER:** Yes.

On motion, Health, \$328,600, carried:

Public Welfare \$482,000:

**MR. POWER:** This amount was underestimated on account of Dependents' Allowances and Mothers' Allowances and Able-bodied relief, amounting to \$270,000 and \$276,000 expenditure, and countervailing savings Grants in Aid for the School for the Blind at Halifax \$35,000 and for the Old Age Home, Roman Catholic \$30,000. They added up to an amount of \$610,000, which is the gross over expenditure, and countervailing savings accounted for \$128,500, and that left a net supplementary of \$482,000.

**MR. BROWNE:** What was the \$270,000 for.

**MR. POWER:** Dependents' Allowance \$200,000 and Mothers' Allowances \$70,000.

MR. SMALLWOOD: Mr. Chairman, included in that amount is an item for which we have not had any legislative authority until today, if we get it today, and that is the \$30,000 for the Old Peoples' Home. That \$30,000 is the first installment of ten that we have promised to make, ten yearly installments of \$30,000, totaling \$300,000, which we agreed to make to the New Old Peoples' Home that His Grace the Archbishop has undertaken to build with the help of his people in St. John's.

Now I want to make it clear that when the Government undertook to grant this \$300,000, the Home for the Old People, to the Roman Catholic Church, a total of \$300,000 split into annual installments of \$30,000 it was with the clear understanding—and I would like this to be thoroughly understood—with the clear understanding that if other religious denominations in this Province, the Church of England or the United Church or the Salvation Army or any other religious denominations in Newfoundland desired to build a similar institution the Government on precisely the same terms and in the same spirit would gladly contribute towards the cost.

We did that because we felt that it is primarily the Government's duty to provide such institutions. Well, my honourable and learned friend is shaking his head, I said once to a very high personage that I felt it was as much the duty of the churches to provide these institutions as it was that of the Government, in fact, I said that it had always been solely so in the old days, historic days, solely the duty of the churches. That was the time when the only education you could get was what you got from the churches and the only hospital treat-

ment you could get was what you could get from the churches, and the only relief, if you were indigent, that you could get you got from the churches, and the only recreation you got you got from the churches. There was such a time for instance in England and all across Europe, but since the days of the poor law and other historical developments you do not depend entirely on the churches for education or entertainment, or relief if you are poor and for treatment if you are sick or old. The state has largely taken the place of the churches in these matters. Nevertheless the Government are very glad when any Church in Newfoundland undertakes any of that work, and we are glad to help them. But that applies to all denominations. That is the point I am trying to make. It is equally without fear or favour a function we are glad to help all denominations not just one. So far only one has asked, but we will gladly help all on the same basis and conditions and in the same spirit.

MR. BROWNE: Mr. Chairman, I believe the Government is helping the Salvation Army in connection with the maintenance of the home on Circular Road?

MR. SMALLWOOD: I believe we do make a grant.

MR. BROWNE: Will that be an amount towards maintenance or solely for construction?

MR. SMALLWOOD: That present grant is construction. The \$300,000 has undoubtedly, capitalized on the undertaking of the Government to give an amount annually for ten years. The problem of maintenance is another problem.

MR. BROWNE: I suppose the Canadian Government does not help?

MR. POWER: The Old Age Pensions would be payable to it.

MR. SMALLWOOD: We are talking now of jurisdiction. It is the responsibility not of the Government of Canada but of the Government of the Province to maintain homes for the aged and indigent. Ottawa does not contribute to the maintenance of such institutions.

On motion Public Works, \$482,000, carried:

**Fisheries and Co-operatives \$200:**

MR. POWER: That is a token vote there, a provision of \$700 and \$600 respectively are required for two series of storm damage claims and late presented claims under Fish Advances 1953. The total vote of the department was sufficient to cover these, so that \$200 token vote, \$100 each to give legislative authority is requested.

MR. BROWNE: The one for damages seems a very insignificant amount.

HON. W. J. KEOUGH (Minister of Fisheries): I could explain that, Mr. Chairman: In 1953 the Government instituted a storm damage programme in respect of the fishermen, and roughly fifty thousand dollars were voted in that year. In 1954 we again voted a certain amount to clean up the balance. In 1955 we thought all claims were cleaned up, but they were not. A few came in and we had to go over the vote by \$700.

MR. BROWNE: That is not for one claim?

MR. KEOUGH: No, it is for five or six.

On motion, Fisheries and Co-Operatives, \$200, carried:

**Economic Development \$200:**

MR. POWER: That is a token expenditure of \$7,200 and \$14,200 shown in the revised estimates in respect of Atlantic Provinces Economic Conference and a refund of interest to Superior Rubber Company. The original vote for the department was underspent sufficiently to cover these two amounts, therefore the \$200 is a token vote.

MR. BROWNE: I would like to know what votes are being referred to?

MR. POWER: Both of these are under sub-heads that were not in existence before.

MR. BROWNE: Were not in existence last year when the estimates were voted. How could there be such heads?

MR. SMALLWOOD: This creates them.

MR. BROWNE: What sub-heads are they now?

MR. POWER: 1504-1504-01.

MR. BROWNE: There was no 1504 last year. In regard to that one refund of interest, I did not understand that Superior Rubber paid any interest.

MR. SMALLWOOD: They were probably foolish enough to do so.

MR. BROWNE: Paid it out of some of the vote. So that was paid back. Mr. Chairman, it is a pity, we cannot get the balance sheet of that company. I cannot understand why the Honourable the Minister of Economic Development refuses to give the House that balance sheet. The company, I understand, has wound up its business.

MR. SMALLWOOD: Not wound up, no. Just stopped producing.

MR. BROWNE: Stopped short!

MR. HIGGINS: Never to go again!

MR. SMALLWOOD: We will see.

MR. BROWNE: What is happening to it now?

MR. SMALLWOOD: It is just standing still.

MR. BROWNE: And this money now, has this been spent?

MR. SMALLWOOD: This money. They sold something to the Government, and the Government is not allowed to, by law, by rule, to pay money if it is owed money. If my honourable friend owes the Government money and the Government owes my honourable friend money then the Government is not allowed to pay my honourable friend, it is supposed not to pay but to credit the amount against what he owes the Government. Now here the Superior Rubber owed the Government interest and the Superior Rubber sold the Government something, the Government was not allowed to pay them but an order in council was passed paying them really a refund of interest. It has been credited to interest we paid to them in cash. It was really paying back, interest which they had involuntarily paid to the Government. Is not that clear?

MR. BROWNE: Yes, very clear, but I was wondering if the Minister could tell us what was of such high value that Superior Rubber could have sold to the Government?

MR. SMALLWOOD: Well it might be a thousand pairs of rubber boots or something.

MR. BROWNE: I would like to know if the Minister could tell me.

MR. POWER: It was largely cushions.

MR. SMALLWOOD: My honourable friend is probably sitting on one right now.

MR. BROWNE: Oh no! Am I? Anyway all these industries can look upon the Government as their best customer.

MR. SMALLWOOD: The Government is a good customer for a couple of hundred firms in Newfoundland, most of which were here before we came into office.

MR. BROWNE: Mr. Chairman, this is the first chance, I think, we have had to speak about the Atlantic Economic Council. The Premier should be able to tell us something about that, whether it is worth while and whether it is doing anything or not.

MR. SMALLWOOD: I felt, Mr. Chairman, from the moment it started it was Newfoundland's duty to join it and as long as it lasts it is Newfoundland's duty to remain in it because we are one of the Atlantic Provinces. Having said that I may say it is primarily Newfoundland's duty to bring about the development of Newfoundland and not primarily the duty of the Atlantic Economic Council. Nevertheless, we should co-operate with it and join with it to show that we feel a great sense of brotherhood with the other Atlantic Provinces.

MR. BROWNE: A splendid sentiment. I wonder if the Minister of Economic Development has seen the statement of the Deputy Minister in the paper this morning about the "William Carson" being a dead duck, and whether he approves of that?

MR. SMALLWOOD: I don't think he said a "dead duck." I think what he said was a "dead duck" was the

idea Corner Brook being used as one end of the run or St. John's or Argentia. These were dead ducks. The "William Carson" is not a dead duck. He pointed out that by the Terms of Union the Government of Canada must provide a modern car ferry between North Sydney and Port Aux Basques, and they built this boat. The idea of using it in some other port is a dead duck. This is what is a dead duck and not the boat. The boat is a very live duck.

**MR. HOLLETT:** Before leaving that vote, I wonder if the Premier could tell us now whether the Superior Rubber Company has been written off, or does the Government propose to do something about it?

**MR. SMALLWOOD:** I can tell my honourable friend this, the company is not written off. It is still there on the Register of Companies, and indeed they are still the Superior Rubber Company. If my honourable friend is talking about the building of this Superior Rubber Company, that is another matter, and the machinery and equipment within the building that is still another matter. If he is talking about the building I may say this, my honourable friend, the Minister without Portfolio, the honourable and learned member for Harbour Main and myself, in collaboration with several others, have been working very actively lately on a project which would be of inestimable value to the people in St. Mary's Bay, the Cape Shore of Placentia Bay, the Southern Shore, i.e. Ferryland District, and the South Side of Trinity Bay, i.e. these fishing districts, which all of them, if you look at a map, converge at Holyrood, and which would be of inestimable value to Holyrood itself, which is as the Committee knows, a great squid

bait centre... and which would be of inestimable value right down through Conception Bay, which is the home of the berry industry; to all of these this project would be of inestimable value, by fitting the building into all this, blueberries, salt fish, squid bait. Then finally it would be of great value to sheep raisers through the whole of the Avalon Peninsula. We have a project at least in mind and we are working actively on it. We have surveys going on into the question of the suitability, the structural design and the very nature of the building for this purpose. It is premature and I wish I were not pressed about the matter at the moment. We are actively working on it. It is a large building and a very fine building, and we want it to be put to good use. Perhaps in the end it may turn out to be more useful for the new purpose we have in mind than it would ever have been even if it had succeeded as a Rubber Company.

**MR. BROWNE:** Well, Mr. Chairman, if that is in the mind of the Minister, has he anything in mind about disposing of the machinery?

**MR. SMALLWOOD:** If we made a successful use of that, or any use of the building which did not involve the continued use of the machinery, naturally we would try to dispose of the machinery, if the directors and shareholders felt so disposed.

**MR. BROWNE:** There is only one shareholder.

**MR. SMALLWOOD:** The honourable gentleman persists in saying that. If he knows everything he does not need me to tell him anything.

**MR. HIGGINS:** Mr. Chairman, would the honourable the Premier answer one other question: Is that

Superior Rubber Building today in a water-tight condition? We read statements in the press saying it is not even water-tight and it is not a good building.

MR. SMALLWOOD: I don't think that is so. I would say that perhaps the experience of the last two or three years shows that on balance the sawtooth roof type construction used throughout the world and throughout Canada and England and on the continent of Europe is not on balance, the best type of roof. I think there has been some greatly exaggerated talk of the building and its water-tightness, I think it is perfectly tight. There is, however, condensation, and condensation is not good. You have a concrete or glass roof, and the heat in the building and the cold outside, as the warm air goes up and strikes that cold rough roof there is going to be condensation. There is condensation. Now that can be cured, depending on what use the building is put to. The particular use we have in mind would be colder inside than outside.

On motion, Economic Development, carried \$200:

On motion total carried: \$971,500:

MR. BROWNE: Mr. Chairman, was there another vote? I was told in answer to a question that the vote for the construction of the fountain outside was also passed in supplementary supply.

MR. SMALLWOOD: There was a vote for that in the estimates last year. Celebrations; One Hundred Years of Responsible Government 407-04.

MR. BROWNE: I see. It is included in that. It was of course not sufficient and now there must be another vote in the new estimates to make that up.

On motion, the Committee rose to report having passed certain resolutions.

MR. MERCER: Mr. Speaker, the Committee of Supply has considered the matter to it referred has passed certain resolutions and has instructed me to report same.

On motion report received.

On motion Resolutions read a first time.

MR. BROWNE. Mr. Speaker, I think we have to get the leave of the House to advance them in stages like that.

MR. SMALLWOOD: Well, we won't get here again until Tuesday.

By leave of the House and on motion resolutions read a second time.

By leave of the House and on motion a Bill, "An Act For Granting to Her Majesty Certain Sums of Money to Defray Certain Expenses of the Public Service for the Financial Year Ended the Thirty-first day of March One Thousand Nine Hundred and Fifty-six and For Other Purposes Relating to the Public Services," read a first time, a second time, and a third time.

On motion Bill passed and title be as on the Order Paper.

Second reading of Bill "An Act to Establish the Board of Trustees of the Newfoundland Museum."

MR. MURRAY: Mr. Speaker, in moving the second reading of this Bill I may say I do not believe it is contentious. It is merely to set up a board of trustees for the Newfoundland Museum.

Honourable members will recall that last year we had out from Eng-

land, Mr. Digby, the Keeper of Ethnology of the British Museum. And apart from cataloguing certain exhibits he was requested to set up a report dealing with administration and control of the museum. Following the Digby Report and on the basis of our own Public Library Board and the Board of Governors of the British Museum, this Act has been drafted. It will be noted that its object is to establish a corporation called the Board of Trustees of the Newfoundland Museum.

The Board is to consist of eleven members of whom six hold office ex-officio the other five being nominated by the Lieutenant-Governor in Council.

The duties of the Board are set out in Clause 8; and they are actually to control and manage the Newfoundland Museum. The control and management of the museum is vested in the Board of Trustees.

All the other clauses, Mr. Speaker, merely provide procedure. And as I say, I don't think this measure is a contentious one.

MR. BROWNE: Mr. Speaker, it may not be a contentious one but it is certainly a puzzling one. It is a puzzle to know when the museum is going to open. This Government has been in office now, including the first government in 1949, seven years. It is a long time to be labouring to get the museum open. It seems to me there must be something lacking in the attention that is being paid to it.

This Board, I understand, has been already appointed. Did I not see some time ago a picture in a newspaper of the new board of trustees for the Newfoundland Museum?

What was their authority to designate themselves in the fashion at that time? Or was it in anticipation of this piece of legislation

Certainly it seems to me to be a good idea, and I am wondering why it was not done before, because I don't see how an institution of that kind could function properly just by officials of the department taking care of it. It should be a group of interested citizens who would undertake the responsibility of looking after it. I am glad to know that at last this Bill is being brought in to give effect to that idea. I hope that soon the Minister will be in a position to invite us all down to the opening. I look forward to it.

MR. MURRAY: I join in the hope, Mr. Speaker.

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

On motion all further orders of the day deferred:

On motion the House at its rising adjourned until tomorrow Tuesday, April 24, at 3:00 of the Clock.

Tuesday, April 24, 1956.

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

HON. J. R. CHALKER (Minister of Economic Development): asked leave to present the Annual Report.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion  
and Questions

None.

Answers to Questions

**HON. J. R. SMALLWOOD** (Premier): On April 4th a question was directed to my honourable colleague the Minister of Public Works by the Leader of the Opposition and it was Question No. 40 on the Order Paper of April 4th. I thought, with the concurrence of my honourable colleague the Minister of Public Works I should answer this question and I now do so.  
*Question No. 40:*

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

(1) A list of all persons who have received free gas and/or oil from the Road Depot at Bennett Avenue for the period 1949 to the present time.

(2) Give the amounts of gas and/or oil in gallons given to all such persons individually for the same period.

(3) State the authority for the issue of such free gas and oil and state the total value of all such free issues over the same period.

**MR. SMALLWOOD:** I shall answer the third part of the question first. It was decided by the Executive Government that members of the cabinet using their own privately owned cars on public business within the City of St. John's should be allowed to draw gas from the Department of Public Works for that purpose, up to a maximum of fifteen gallons per Minister per week. We made that decision because we had to decide whether we would follow the normal practise across

Canada of having Ministers provided with an official car at public expense for the carrying out of their official duties, or if not with a car, with a car allowance of fifteen hundred, eighteen hundred or two thousand dollars a year over and above their salaries. We decided against these, although they are the normal things done by Governments, both Federal and Provincial and decided instead on the modest allowance of fifteen gallons of free gas a week to Ministers of the Crown on public business within the City. Outside the city the old practise of mileage continues without change, so therefore, Ministers have been drawing up to fifteen gallons of gas a week, although no Minister has drawn that much, even though he is entitled to those fifteen gallons a week, on public business within the city while using his own private car. When a Minister does not use his own car but uses a public car then the Government finds the gas without cost to him. I believe I am the only Minister who uses a Government car. I do use a car which is owned by the Government—indeed I have no car of my own. I have not had a car for two years because I use a Government car wherever I go. I believe wherever I go, day or night, Sunday or Monday I am the Premier and I am on public business. Before I used the public car I drew 5.8 gallons of gas. That was drawn by me for my own private car before I began to use the Government car.

The other ministers have drawn as follows:

Hon. H. L. Pottle	146.3	gals.
" C. H. Ballam	324.6	"
" S. J. Hefferton	416	"
" E. S. Spencer	435.1	"
" L. R. Curtis	470.3	"
" G. J. Power	579.9	"

" J. R. Chalker .....	615.7 "
" M. P. Murray .....	761.7 "
" F. W. Rowe .....	835.8 "
" W. J. Keough .....	866.9 "

making a total of 5452.3 gallons, valued at \$1266.58, about one hundred dollars per minister to date.

**MR. BROWNE:** That is the basis of cost to the Government without tax? How does a minister distinguish between his own driving and driving on Government business?

**MR. SMALLWOOD:** Less than one hundred dollars per minister since we took office. I am prepared to leave it to the conscience of each minister. I personally, as leader of the Government, trust the ministers honesty up to that point, and beyond it too. I am willing to answer to the Newfoundland people for that.

#### Orders of the Day

**MR. BROWNE:** Mr. Speaker, I would like to ask the Honourable the Minister of Health if a report of the department for 1955 has been presented.

**HON. MR. CHALKER:** Yes.

Second Reading of Bill "An Act Further to Amend the Health and Public Welfare Act."

**HON. S. J. HEFFERTON:** Mr. Speaker, at the beginning I think I should emphasize something the honourable the Premier, when introducing this motion has already said, and that is that this hospital plan of ours whereby every child under the age of sixteen is entitled to medical care, dental care and hospital care, is not one which we can put in overnight, nor is it one that can come in all at one time, consequently some of the remarks

made by the leader of the Opposition when commenting on this Bill do not have too much relevancy. Reference was made to the inauguration of the National Health Scheme in England but it is fair to point out that many of the difficulties which were experienced in England came because they tried to inaugurate the scheme in all its phases at one and the same time. Some of the abuses which naturally followed the inauguration of that scheme were due to the haste with which things were carried out, so I am very glad to repeat what the honourable leader of the Opposition repeated, namely, that most of the quirks have been ironed out and in the report on the National Health Scheme published some four or five weeks ago reference was made to these very extravagances which occurred in the early years, and pointed out that most of these things have now been worked out and things were proceeding as efficiently as it was possible for a scheme of that sort. Naturally there is no attempt on the part of the Government of Newfoundland to inaugurate the scheme of which we are speaking without seeking the co-operation of the doctors in the measure and that co-operation has been promised and has already been indicated by the Premier's statement. Some 40 per cent of our people are working, a plan which lends itself very readily to the expansion of the plan which we now propose. I refer, of course, to all the sections of the population which are already under the sponsorship and authority of the Cottage Hospital Scheme. That in itself makes it easier for us to bring this Hospital Health Plan into operation according as we go along and according as we have the facilities in order to implement our decision.

Now, Sir, I feel that there are certain things to which every child has an inalienable right, and among these things I consider equality of educational opportunities and second minimal health services. I coupled the two together because in a way both are associated and the success of one generally helps in the success of the other. Our first step in operation of our plan, particularly in that part of the plan which deals with the medical care of children under sixteen years of age, will probably be a provision for all diagnostic services for children of the ages I have mentioned. That is to say, we will provide them with free service in such things as X-rays and the different laboratory services which are often required, particularly for children who are admitted to hospital. That is one of the easiest things to put into execution and that will probably be one of the first two things that will be a part of the 1956 operation of the scheme. The second phase of this work will probably be the provision of free hospital care of children in the ages we have mentioned. Children admitted to hospital for various purposes, observation or surgical purposes, will have their hospital expenses taken care of. That does not go into the provision of medical care and other things which will naturally follow as we get the physical means in order to take care of the expansion of this hospital plan, or health plan.

But in addition to the medical care there are two other things involved in the hospital plan as well: Dental care and optical care. When I was speaking two or three days ago on a different subject I referred to the two aspects of medicine, curative and preventative. The medical care, the second phase of which I have spoken, deals largely with the curative aspect of medicine,

and it is interesting and informative to recall how much has been done during the last thirty of forty years on this aspect of medicine, when we think of the different things which are being used today to prevent different diseases, when we recall as the honourable the Premier did when he was speaking on this Bill, the high rate of beri-beri some thirty or forty years ago prevalent among our people, and when we recall in addition during a few years the different attempts which were made successfully to give to our people nutrition whereby the preventative aspects of medicine were emphasized to good effect. I am referring particularly to the enrichment of flour, white flour was considered one of the factors which contributed so much to our malnutrition, and that was overcome by fortifying flour with riboflavin, iron and other ingredients. Our nutrition was fortified by the addition of vitamins A and E. Cod-liver oil was distributed and considered to be invaluable, particularly among our children. Milk was also distributed, and malted milk at one time was also distributed. These and other things corrected some of the weaknesses in our diet of twenty or thirty or forty years ago and as a result of this strengthening our health today is very much better than it used to be.

In addition, I would like to refer to one of the agencies which has done quite a bit. I refer to the Junior Red Cross Organization in most of our schools in Newfoundland. I refer to this because I know of no similar agency which has had such an influence both in correcting some of the health mishabits of our earlier days and in making our people more conscious of the need of observing certain health habits and the importance of nutrition in their food. The re-

sults of the teachings of the Junior Red Cross, and that is why at the beginning I coupled education and health together, the results can not be seen overnight. They are not spectacular but they have a long range effect and that long range effect has been a great help in giving to our people better health than our forefathers had. These things, the emphasis on nutrition and the emphasis on health, the chest X-Rays and the other factors which have been carried out over the years, emphasizing largely the preventative aspects of medicine, lead on, as it were, to this very health Bill which we are moving in this House today.

Now I say that apart from the medical care and the other two provisions which we hope to implement this year, there is dental care and optical care. Dental care has not been entirely ignored particularly during these past few years and we have instituted a system in St. John's whereby children of 7 and 8 years of age received dental treatment. In some of the larger outports where we have been able to get dentists to settle, at Clarenville, Grand Bank, Twillingate, and during the past winter at Grand Falls, Windsor, Botwood, Corner Brook, and one or two other places, we have part-time dentists who give for a retainer, some of their services for the children in the particular area. This year we have for the fifth year in succession, a team of dentists, at the present a man and his wife, both of whom are qualified dentists, in the St. Barbe area. They have been carrying on that programme of dental care for four years. They were under a 5-year contract and sponsored by the Red Cross Organization. This is the fifth year of their activities and it would seem to us that when their

present contract expires that we shall have to carry on the programme which has had some very good effects during that time. Again let me repeat some thoughts which I stated the other day: dentistry is not something that consists merely of extractions, it has to be carried on regularly from the age of 2 or 3 up to adult age.

Some three years ago the Government decided to give assistance to dental students. A loan of \$1,000 a year, a grant really, to help them towards their dental studies on condition that at the end of their graduation they came back to Newfoundland and were at the disposal of the Government to be sent to any part of Newfoundland for two years' practice. At the moment we have two dental students who come to us this year, 1956. We have two more on the same conditions to come to us in 1957, and we have one other who will graduate in 1959. In addition to these five who are under contract to the Government to come back to Newfoundland for dental work, there are at the present time some seven Newfoundlanders in different phases of their dental studies at Dalhousie, McGill and Toronto Universities and we certainly hope that some of these will be coming back to practice in Newfoundland. I do not mention these particular numbers because I think that they themselves can take care of the needs of our people, but it does show that this hospital plan of ours is something which we have been making big preparations for some time.

It will be necessary during this year and the succeeding years to augment considerably the numbers of dentists that we have in order to give proper and sufficient care to the 170,000 children for whom we are to provide.

The optical care raises questions of a somewhat different character. While the urgency may be just as great yet there is not the same degree of frequency required in the field of optical care. We have done a little in that field to meet the situation as it arises. Some three months ago I received a proposition from a Service Club in one of our outport areas proposing that they were prepared to defray certain expenses in looking after the optical care of the children of that particular area, provided the Government would also pay part of the expenses, and we decided that as soon as possible we would be glad to meet that Service Club's proposition to provide optical care for the children in that particular area. For the implementation of this health plan which we are discussing, we shall have to supply certain opticians and optometrists in order that we may be able to give some sort of reasonable service to our children who have eye defects that they need. But again, although we can be fairly definite about the steps which we are going to take this year in order to implement the first part of the medical care, we feel that the dental care and optical care programme will be implemented just as readily and rapidly as it is possible to employ the necessary personnel and provide them with the necessary facilities to carry on the work which is already in hand.

The time factor in all these things, of course, will depend largely upon the readiness which it is possible to provide the necessary personnel and facilities and be able to get the physical facilities with which to carry on. When the Honourable the Premier was speaking on this Bill he mentioned an addition to our hospital in order to take care of the increased load brought

on by the implementation of this scheme. He made reference to the fact that it is considered desirable and advisable that we should, possibly some time this year, make a beginning on our first children's hospital in the St. John's area. After all, most of the children, that is the bigger percentage of them, do come to the General Hospital for attention and it seems logical to us that the present quarters at the General Hospital containing space enough for 25 persons should be considerably enlarged by a new wing to take care of at least some 100 children. And that now deals with the physical side of the question. That will probably be one of the first steps to be taken when we implement this plan. I might add to that, under consideration is the twelve or more cottage hospitals and that extensions will be made to the more necessary because of our particular hospital health plan.

I pointed out at the beginning, Mr. Speaker, that I felt that there are two inalienable rights to which our children were entitled which particularly engaged our attention: educational equality, that is, equality of opportunity and health services, and I announced the two together because I felt that they were associated and the success of one depended largely upon the success of the other. Tied in with this Bill whereby we state unequivocally that every child is entitled to health services up to the age of 16, there goes with it our understanding that education will continue along certain definite lines leading on to a greater consciousness of the importance of health and when we think for a moment of the enormous number of man hours lost last year because of temporary illnesses or accidents, many of which could very well have been prevented or avoided, if a little more care had

been taken, we can see that education should take its place in the bigger hospital plan we are discussing in this House today.

Step by step, as times go on, the different phases of this health plan we now propose will be implemented. I hope the work of the agency to which I have already referred will continue, the toxoiding programme, the work of the Junior Red Cross and education as a whole must be tied hand in hand together.

The two together, of course, mean that when the time comes for the full implementation of the health plan the difficulties which we pretend to foresee at the moment will be ironed out because we will take measures as we go along to provide the means just as fast as we can acquire them to make the thing a success.

**MR. BROWNE:** This is a Bill to amend the Public Health and Welfare Act, 1944. I think it should be a separate Bill because it is introducing something that is entirely new, it contains new principles and should be placed in a category of its own, but the Government has not seen fit to introduce it as a separate Bill. I refer to section 4 (a) which contains all the provisions which the Government has spoken about. Here is a summary then: They are going to give free medical services of all kinds, including, I take it, although it is not clear, surgical, medical, optical and dental care to children of or below the age of sixteen. I notice that the Government says up to the age of sixteen. It is not quite clear whether they mean up to and including sixteen. Up to the age of sixteen is certainly a person who is between fifteen and sixteen years old. The Government does not seem to be clear about that. The

Minister of Health says up to the age of sixteen. The Minister is given power under this Bill to make contracts with the Federal Government, with Municipalities, with Town Councils, and with various Boards, although it does not say what Boards and Community Councils. I do not know if that is true because it is not explained. I take it that it will be explained before the second reading. Perhaps the Premier will explain it, but I take it to mean that the Government may at some period in the future find it convenient to make Agreements with Town Councils or Community Councils in connection with the carrying out of the measures which they propose to supply under this Bill. The Minister is empowered to make regulations regarding the establishment of clinics etc., and make provision for Government rates, decide the areas where the services will be rendered. Now we come to the most important part of the Bill. The Minister may make regulations regarding the employment of medical, nursing and other personnel and medical, dental, optical and other technical personnel and he may make regulations regarding contracts with, and the rates of payment to the doctors, nurses, and so forth. He will also establish the rates of payment for these services.

**MR. SMALLWOOD:** I did not say that.

**MR. BROWNE:** It says make regulations as to the rates of payment, contracts, etc., and so the Minister has power to settle what the rate of payment may be in institutions, etc., including list of drugs and standard of drugs and I suppose the Government will be empowered to settle the prices of drugs supplied. This was done in England, but drugs are very much cheaper in England than they

are in this country. They may make regulations regarding the terms and conditions relating to the service and how to make applications for the service and then there are to be investigators who will provide details and fill in certain forms. Under section 4 of the present Health and Public Welfare Act and I don't think these powers were ever utilized to the extent they might have been, the Minister has power to provide medical and dental services to children of school age. That might go up to twenty-one years of age or further. The department also has power of course to provide medical services for indigent persons and they do everywhere. Under the provision of section 4, for many years nurses have been visiting the schools and colleges of Newfoundland and making a general annual medical check-up of pupils of all ages attending these schools.

MR. SMALLWOOD: Some schools.

MR. BROWNE: The principal business is to check for infectious or contagious diseases and examine eyes, ears, nose and throat of pupils and have power to follow up any defects observed. The Government has also been providing free treatment, vaccination, or inoculation against infectious or contagious diseases, also free Sanatorium treatment and tuberculosis x-rays. They have always in this country provided hospitalization for infectious and contagious diseases and for the treatment of tuberculosis and mental cases.

Under the Cottage Hospital plan about forty per cent of our people are provided with hospital treatment in any case and I believe also treatment at home. This is done on an insurance basis by the head of the family contributing ten or fifteen dollars or so and a single man about half that

amount. In various locations they get a card which entitles them to hospital, medical and I believe surgical care not only in the cottage hospital but even in the General Hospital in St. John's.

In Newfoundland we are in the situation that we have the highest birth rate in all Canada and we have the lowest death rate in Canada. In comparison with our population we have the highest birth rate and the lowest death rate. Therefore the excess of births over deaths is higher than in any other province, which means to say that our health must be better than that in any other province and it is I think, except in regard to infant mortality which I think is the highest.

MR. SMALLWOOD: Maternal mortality and tuberculosis.

MR. BROWNE: But our tuberculosis is decreasing very rapidly and we have this to say regarding tuberculosis. There are opportunities now for persons suffering from tuberculosis to get treatment. There are more beds available than have ever been available before. The cause of that general good health and the decline in the tuberculosis is not a simple cause.

MR. SMALLWOOD: For the first time since the Jensen Camps there are beds available at the Sanatorium.

MR. BROWNE: Of course when the Jensen Camps were started they did not provide anything like the number of beds available today. Good health depends on good food, good housing and good clothing. People now can dress for the weather and not for the season. Especially in regard to tuberculosis. I think the decline has been due to more intensive and extensive efforts to discover if

people are infected with the bacilli and the new wonder drugs which have been used so effectively in the treatment of t.b.

I remember getting a man into the Sanatorium some years ago and the doctor looked at his x-ray and said, "he is not so bad, with the new drugs he will be alright in a few months," and he was right, although I thought he was dying myself. He was a new man, and if he had followed the instructions of the doctors he would be alive today, but he left the Sanatorium against the doctor's orders and relapsed and had to go back and died there, but the improvement in the treatment, the new drugs and their good use have brought down the t.b. rate which I think is just about the same as that in Scotland but is a high one in Canada, but I believe it will continue to decline. Now the Premier also said that we had a backlog of neglected children.

MR. SMALLWOOD: I did not quite say that.

MR. BROWNE: The impression which I think you wished to give and which most people received was that there were a great many children who were not receiving treatment and should be receiving treatment. I would like to know where are they, who are they and why have they been neglected? Why has the Government not taken steps to look after them?

I want to make a complaint about the lack of information which has been given to this House in connection with this important measure. I have a report of the Department for 1954 which reads almost exactly as the 1953 one. In fact there are parts of it about 1954 and parts projected into 1955, but when I asked for the 1955 report the Minister could not

tell me anything about it. Should we not have the latest statistics available to examine and consider and also for the purpose of information to the public? No information is given about the scheme. It seems to me that this indicates that it has not received the proper study on the part of the Government. It has not been prepared properly. There should have been details presented to the House to show how important this measure was. If any study was made of this it seems to have been made unknown to the doctors. The medical society has known nothing about it and until recently the Deputy Minister of Health himself has known nothing about it. It has all the earmarks of improvisation. There was a Commission appointed to inquire into Fisheries; a Commission appointed to inquire into Agriculture, a Commission appointed to inquire into Forestry and a Commission appointed to inquire into Housing. Why did he not have a Commission appointed to investigate the Health of the country? It would not have taken very long and would have provided a lot of sure information on which the House could act at the present time.

These things amount to this, that there is a general shortage of hospitals, a shortage of doctors, a shortage of dentists and a shortage of nurses. The Minister gave us some figures the other day about the number of beds. I am relating what appeared in the Daily News where he was quoted as having stated that the number of beds had increased from 2500 to 3500 during the period 1944 to 1956. The Number of Medical Health Officers increased from 44 in 1944 to 57 in January, 1956. The figures given in the Annual Report for 1954 are 60 Medical Health Officers and the number of registered Nurses have increased from 195 in

1949 to 420 in January, 1956. But the number of nurses in the Report are considerably fewer than that, and I am wondering if it meant special categories of nurses, because there are 787 registered in Newfoundland, of whom 673 are called active and 114 inactive? But at the end of the article it says, and it seems to me to be a bit confusing, the approximate number of nurses actively engaged in nursing in Newfoundland is 512. Now, the Minister says 420 and they say 512 in 1954. Have we lost 92 nurses—92 nurses—since 1954, or has there been a mistake in 1954?

MR. HEFFERTON: The figures which you are quoting are detailed exclusively with Public Health. The other figures are far more comprehensive, we are talking about the number of nurses in Newfoundland.

MR. BROWNE: If the Minister is speaking about nurses employed by the Government, the number of nurses employed by Government institutions, 247, the number includes Grenfell Mission and industrial clinics, 134.

DR. ROWE (Minister of Mines & Resources): There are other types of nurses besides Public Health Nurses.

MR. BROWNE: I juggled the figures around a bit.

DR. ROWE: I wonder if my honourable friend is confusing two separate things, the number of nurses with a degree of R.N. and the number of nurses actually working in Newfoundland? For example, at St. Clare's there are some 20 holding a degree of R.N., that is, Registered Nurse for technical reasons, yet that only represents a part of the total number of nurses who graduated.

MR. BROWNE: Now I think I know what the Minister means—the num-

ber of nurses registered in Newfoundland.

MR. SMALLWOOD: The word 'registered' is used in two ways.

DR. ROWE: R.N. is a degree, the same as B.Sc. or a B.A.

MR. BROWNE: I am aware of that. The number of hospital beds increased from 2,500 to 3,500; that includes the 777 beds in the mental Hospital, so that the number of beds for general hospital work haven't increased anything like the same number. The Premier stated some time ago, I wasn't sure when, the Minister of Health had visited the Department of Health in the three Western Provinces of Canada, Alberta—

MR. SMALLWOOD: British Columbia and Saskatchewan.

MR. BROWNE: Saskatchewan and British Columbia, and I wonder if he gave any consideration to the hospital insurance scheme in effect in those two Provinces and also in Alberta?

MR. SMALLWOOD: That's why I asked my colleague of that time to go and take his deputy to make a study of the system in these two provinces. For no other purpose! I do not agree that our case is similar to Saskatchewan's and British Columbia's.

MR. BROWNE: It is a pity the Minister didn't tell us why he didn't like that scheme and presented a scheme such as we have before us today. The Government of Manitoba took advantage of the Health Survey grant provided by the Federal Government since 1948, seven or eight years, to make a survey of health conditions in Manitoba, and they had an advisory committee which spent two years studying the health services of Manitoba and brought in quite a com-

prehensive report with recommendations, and it seems to me, Mr. Speaker, that if the Government weren't going to have a survey done themselves they could at least take advantage of the survey made by another province. As a matter of fact, the Minister of National Health and Welfare has been investigating health problems and the manner in which they have been solved all over the world. Mr. Martin has had teams going out to investigate schemes in effect in very many countries. The Federal Government provided the funds for that survey and they provided a good many other grants, some of which this Government has taken advantage of.

I notice here in this report that for 1954-55 there was allotted to Newfoundland the sum of \$1,227,999, of which we received \$821,693. These are substantial amounts granted by the Federal Government and it seems to me that the one which is not referred to here is that health survey grant which would have been a very valuable grant to have utilized.

The honourable Member for Port de Grave drew distinction between our methods and those of the Government. He referred to an observation by the Leader of the Opposition who, when speaking of this project, wondered if it was feasible or not. He made this remark. And my honourable and learned friend from Port-de-Grave stated the difference between the Liberals and Tories was that the Tories wanted to find out if it was feasible and the Liberals went ahead and did it. It seems to me that nobody could be blamed or criticized because they showed prudence in investigating a thing before they did it. But here apparently there has been no investigation and it would seem a peculiar

thing to do. If the Premier has had this in mind for four years why did he keep it so much to himself and not consult those of the medical profession to get their advice upon the proposals which he has now brought in and tell us more about it, the needs of the country and how he proposed to solve them?

If the Premier has had this in mind for four years why did he keep it so much to himself and not consult with those who are expert on the matter and get their advice upon the proposals which he has now brought in and tell us more about the needs of the country and of how he proposed to solve them. Then again the honourable the Premier is aware that the Department of National Health and Welfare has had under consideration for many years a National Health Insurance Scheme and nobody is in a better position than he is to tell us what happened about that this year. A scheme was worked out by which the health of the country would be covered by an insurance scheme to which the Federal Government would pay seventy per cent of the cost. We would be in the most favoured position of all the provinces of Canada under that scheme. Yet we were not told anything about it. It would seem to be beneficial to us. I suggest that the Honourable the Premier tell us why more has not been heard about it. In Canada generally, and in this country too—to a certain extent, there has been fairly rapid development of insurance schemes. Insurance companies have been insuring persons against sickness and accidents, and I believe, the Blue Cross, Green Cross and other organizations have developed rapidly in the last ten years or so. It must have been ten years ago since

Blue Cross came to Newfoundland. In that time they have covered, I believe something like thirty-five or forty per cent of the people of Newfoundland. Some large concerns have negotiated with their employees and have brought in schemes to cover workers and their families and have given maternity benefits for their wives. I suppose the widespread prevalence of this sort of scheme has had the effect of making the provinces slow about adopting a scheme such as we have here. We are the only province of Canada to introduce something where the Government is exercising control over nurses and doctors. We are the only province in Canada to have introduced that. Now the Premier said, too, that this is not so. I don't know who said it was Communism. There may be some parts about the proposals which are socialistic, or as it is generally called socialized medicine. Where the Government provides doctors, nurses, and drugs free that is socialized medicine. It seems to me we cannot call it anything else. All the other provinces have insurance schemes of one type or another.

HON. L. R. CURTIS (Attorney General): Would you call our educational system socialized?

MR. BROWNE: Teachers don't have to teach in any particular schools. At least the state does not have to accept them. The Government, as far as children are concerned, are taking complete control of their health. The honourable the Minister of Health becomes the foster father of 170,000 children. He is like "The Old Woman Who Lived In A Shoe." The doctors, nurses, and dentists will all be working with the Government in connection with this.

MR. SMALLWOOD: Does the hon-

ourable and learned member know how many doctors and nurses are working for the Government.

MR. BROWNE: Yes. I have that information. Total number in Newfoundland 217 — made up as follows:

Medical Health Officers .....	26
	84
Doctors Outside St. John's ....	65
Doctors St. John's .....	92
	<hr/>
	217

I imagine many doctors do work on a part-time basis. The honourable Minister of Provincial Affairs, sorry to disturb him, stated that this is nothing new; that the Government has been in the health business since 1810 when Dr. Carson first introduced the General Hospital; and the Sanitoria and the Mental Hospital, where the Government pays all the cost is the same sort of thing.

MR. SMALLWOOD: We are the only province in Canada that gives mental and T.B. services free.

MR. BROWNE: I beg to differ, Mr. Premier — this is not so. I was fifteen years Chairman of the Medical Board here in the city. While there are private sanitoria, the Government pays the cost of patients going into t.b. sanitoria and mental institutions.

MR. SMALLWOOD: When?

MR. BROWNE: I won't delay the House, but I know—I saw it and I am quite sure anyhow. It stands to reason, if you have someone mentally ill he has to be looked after.

MR. SMALLWOOD: I don't think the Government of Nova Scotia has a hospital for tuberculosis and mental patients.

MR. BROWNE: It may not have them.

MR. SMALLWOOD: It may give some help.

MR. BROWNE: I think it is taken for granted that these things are paid for by some Government. Now the Premier has said that this health scheme will not stop at the age of 16. So I presume eventually everybody will be covered by free medical services.

MR. SMALLWOOD: Mr. Speaker, I would not say it would be entirely free, insurance is quite different. This is similiar, although it only goes to the age of 16. Saskatchewan has not got a system like us.

MR. BROWNE: Now we know, Sir, that no service is free. Somebody must pay for it and how does the Premier propose to pay for this? In a broadcast that he gave over the air it was going to be paid for out of the profits of Javelin and Nalco. I can hardly see that. The Premier said he did not mean that it would be paid out of the Javelin and Nalco profits, which means to say that the cost will be paid out of general taxes. It will be paid by everybody the same way, not on taxes of corporations or income tax, as we have no income tax. We have certain recognized needs such as doctors and nurses and hospitals. If there is one place I do not understand why there is no hospital—it is on Bell Island. I am sure that my honourable friend, the Minister of Public Works, must feel that they should have a hospital. The same answer applies as in other things — it is so close to St. John's the patients can easily be brought in.

MR. SMALLWOOD: Mr. Speaker, We believe in a hospital for Bell

Island. This is not the first time I said that.

MR. BROWNE: I trust, Sir, when the Minister of Health said a few minutes ago we are going to have one or two or more Cottage Hospitals.

MR. HEFFERTON: I said extend one or two or more.

MR. BROWNE: At any rate we have the assurance.

MR. SMALLWOOD: Three years ago I think it was the honourable Minister without Portfolio and I met with certain clergymen and others of Bell Island — who conferred with us on that very question. Subsequently, we held other conferences and it has been a matter of getting the necessary Bell Island co-operation. In fact, we had originally been prepared to go ahead with that one segment, but there were strenuous objections from all the other segments.

MR. BROWNE: Mr. Speaker, I have an idea. At any rate the matter has received attention and I hope will continue to receive attention until we do get a hospital on Bell Island, because it is a large community with a large working force and I pray that it will never happen, that there is a very serious accident when it is not possible to bring the victim over to the General Hospital.

MR. SMALLWOOD: Sir, it is a great industrial centre.

MR. BROWNE: Now, Sir, the Minister said that the first step would be medical care and the second step would be free hospitalization. It seems to me there should not be any difficulty about introducing it because there are children in the hospital at the present time. When the scheme comes into effect they will receive

free treatment and will not have to pay the doctors. The Government will pay them. Of course regulations have to be drawn up, but with regard to patients in hospital at the present time I presume that they will immediately be there at the expense of the Government. The Minister of Health mentioned two dentists who obtained bursaries of one thousand dollars each from the Government. I think there are five students at the present time under contract to the Government.

**MR. SMALLWOOD:** Mr. Speaker, the shortage of doctors is not anything like it was.

**MR. BROWNE:** Sir, the same plan should be put in effect with regard to doctors as is in effect in regard to dentists, and the same thing could be done in a smaller way in regard to nurses, and it has to be done because of the number getting married and leaving the profession. The Minister spoke of a method of reducing the course for nurses.

**MR. HEFFERTON:** Mr. Speaker, the course has not been actually shortened in the ordinary sense of the word, the three years' work has been reduced to two.

**MR. BROWNE:** Sir, the member for Port de Grave said that all he was waiting for was to pass the Bill so that he could get the hospital beds and the doctors to do the work that is necessary, but I don't think it is necessary to pass this Bill for that purpose. If there is anybody in need of medical treatment I feel sure there must be somebody interested in getting him treatment or into hospital in some way or other. I have not heard any complaints about people in my district. I don't know whether other members have had complaints.

The mental hospital is an institution that requires expansion in accordance with the population. The number of persons in need of medical treatment is almost in a straight line in proportion to the increase in population, and although we have these new drugs, yet I know the number of mental cases requiring treatment is still great and increasing. However, we do not know the exact number because we have not made a survey.

The Orthopaedic Hospital has been used for children to some extent and I submit that it is a very dangerous building, not suitable for a hospital, and I think the Government should take steps to provide something of a more permanent nature. We expect to have three hospitals but I think that is being very ambitious. I don't know of any place except Toronto, where there is a special hospital for children, because it requires special doctors, experts in pediatrics. The Minister of Health shakes this head.

**MR. CHALKER:** Mr. Speaker, there is one in Halifax.

**MR. BROWNE:** Sir, I did not know that. I understand that with regard to a children's hospital it is proposed to have one central one.

**MR. SMALLWOOD:** Mr. Speaker, the hospital would be built near the existing hospital so that they could avail of the facilities of the General Hospital. The Orthopaedic is a hospital; the Fever is a hospital but they are situated quite close to the General Hospital and so the Children's Hospital will be close to the General Hospital.

**MR. BROWNE:** Mr. Speaker, the same thing should apply to Corner Brook or Grand Falls or wherever it is deemed advisable to put a Children's Hospital.

One other feature in connection with this Bill is the lack of information as to its cost. I know there is a vote of \$500,000 in the estimates for it, but we are told that when put into effect it will cost from two and a half to three million dollars a year. It is a pity that the information has not been supplied upon which these figures are based. Now, Mr. Speaker, as I said, we on this side of the House are just as interested in the people of this country as those on the other side. Personally I would favour an attempt at some insurance scheme rather than this method that is being introduced by the Government. I have here a book, the Health & Welfare Magazine for October. I would like to quote from an article therein by Michael Davis:—

"In his final chapter the author predicts that the hard fact of the high cost of illness and its unpredictability will inevitably force society into adopting some method of spreading this cost over the whole population and over a period of time. He foresees a gradual decline in the fee-for-service method of paying for medical care and a period of confusion while different methods of financing health insurance compete for dominance. Ultimately, he feels, the proprietary types will fail to meet basic medical and economic values and governmental powers will have to be utilized. All these comments and prophecies apply as to the United States. But this book has value for Canadians as a thoughtful and well-documented description of the forces shaping thought and action south of our border."

At the same time the hesitancy on the part of all Provinces of Canada and the Federal Government itself to attempt such a scheme as is proposed here, for children, indicates that

these other Governments fear the financial consequences may be too heavy for them and they may have other reasons. I have been in England three times since the Health Scheme was introduced over there and although first when I went there in 1948 people were criticizing it, last year I did not find any criticism at all and I am prepared to admit that the Scheme can work very well if it is carried out fairly and if there are no politics.

MR. SMALLWOOD: Mr. Speaker, in the Children's Health Scheme.

MR. BROWNE: Mr. Speaker, the Premier is offended by any reference to politics.

MR. SMALLWOOD: Mr. Speaker, no, but when politics is mixed in with the children's hospital I am. We don't need to stoop to that to win an election. Would we do it for sheer deviltry? Are we stupid? Why would we do it?

MR. BROWNE: To continue, Mr. Speaker, what I mean is that I find that Government members have greater ease in getting requests from their districts in regard to the functions of other departments, than members of the Opposition and I imagine greater consideration is likely to apply in getting patients into hospital and getting them treatment.

MR. SMALLWOOD: Why should you? Does it apply with grownups? Why should it be made to apply to children? Are we going to discriminate against children in the honourable member's district and not in others? Why mention it at all?

MR. BROWNE: Mr. Speaker, I am sorry that the Premier should become indignant at such a suggestion. Cer-

tainly it applies with regard to other departments, I don't know about health.

MR. SMALLWOOD: Mr. Speaker, not in health, where people's lives are at stake. We will send a helicopter, we will send an ambulance, we will send a snowmobile, we will send a boat or anything else that is required where there is sickness. We have done it for many years, why should we change?

MR. BROWNE: Mr. Speaker, it hasn't been done in other departments—Only Liberals need apply.

DR. ROWE: Is that true in Welfare?

MR. BROWNE: No.

MR. SMALLWOOD: Mr. Speaker, in Health & Welfare it does not apply.

MR. BROWNE: Mr. Speaker, in regard to this method of providing hospitalization and medical treatment there is one other thing I want to say finally and that is this: This is a short cut. This is abandoning the hope of a better distribution of wealth so that people could look after the medical care of their own children, and I think I would have liked to see in the actions of this Government the bringing about of a better distribution of wealth so that people can look after their own children. The number of officials that have been necessary in England have been quite large and there will be a large number of such officials necessary in connection with the admission of this Bill.

As the Leader of the Opposition has said, we intend to support this measure and we hope that in the carrying out of it, things will be done fairly to mitigate hardships as much as possible.

MR. SMALLWOOD: Here! Here!

MR. SPENCER: Mr. Speaker, I would like to adjourn the debate on the Amendment of the Public Health Bill.

Moved and seconded, debate be adjourned.

MR. SPEAKER: We will now take up Item 27. The honourable Minister of Finance will move the House into a Committee of Ways and Means.

MR. BROWNE: Mr. Speaker, this afternoon I was under the impression that we were going to go on with the Estimates, but if it is the desire of the Government to go on with the debate on this Committee of Ways and Means.

MR. SMALLWOOD: I understood that last week we agreed that today we would go on with the Budget Speech debate.

MR. BROWNE: Mr. Speaker, I saw Mr. Marshall up there, I thought it was in connection with the Estimates.

MR. SMALLWOOD: Mr. Speaker, we may still be able to do estimates.

MR. BROWNE: Mr. Speaker, the Minister opened up his remarks with reference to the Terms of Union, and he stated: "The Government have been striving to raise these levels and standards and quite deliberately as a conscious policy we spent last year almost to the limit of our actual revenue. We had to balance the Budget, of course, and this we have done, but instead of ending the year with a surplus of nearly a half million dollars we decided to cut down that surplus to a nominal figure by spending the equivalent amount on the roads of Newfoundland other than the Trans-Canada Highway." Now, Mr. Speaker, I thought that was an extraordinary

thing and I would like to make one or two observations in this connection. I am sorry that I was prevented from hearing the Minister speak on this Budget. I had to read it in the newspapers. I missed the emphasis he might have placed on certain parts of it but after reading it I cannot resist the temptation to paraphrase that part which I have just read: "I am sure the honourable members are fully aware of the fact that there is to be a general election in Newfoundland this year. This election will be for the return of 36 members to the House of Assembly and the Premier has stated emphatically that we are going to try and take the whole 36 seats.

"Honourable members will therefore see how important it is that everything should be done that ought to be done so that the number of members returned on our side will be as high as possible. In support of this idea the Government last year, quite deliberately as a conscious policy, spent almost to the limit of our revenue. We had to balance the budget, of course, and this we have done; but instead of ending the year with a surplus of half a million dollars we decided to cut down that surplus to a nominal figure by spending the equivalent amount on the roads of Newfoundland other than the Trans-Canada Highway.

"For the present year we have decided for the same reason, namely, to win as many seats as possible, to follow the same policy.

"I warn the House if our skill enables us to do so we may in actual fact reduce the estimated surplus to a nominal figure by spending more money on roads and improving our chances of winning all the seats."

Should I add that it would always be easy to show a surplus by postponing payment of some Bills until after March 31st? Now, Sir, if it is true that the Government spent half a million dollars, cut down its surplus to \$2,000 in order to budget for a surplus of \$447,000, nearly half a million dollars, and the actual revenue was nearly a million more than they had anticipated, nearly \$99,000,000, if it is true that is so, then the Government spent \$500,000 more than they had budgeted for, and if they spent it on roads I would like to know where they spent it, because I do not see any improvements in the environments of the City of St. John's.

MR. SPENCER: Mr. Speaker, we spent nearly a half million dollars on additional snow clearing.

MR. BROWNE: Is that what the Minister means?

MR. SPENCER: That's giving service.

MR. BROWNE: Mr. Speaker, it's certainly not improving the roads to any great extent. For a moment or two I would like to dwell upon the condition of roads around St. John's because when that Commission is appointed it will very probably make its headquarters in St. John's. If the Premier, the Minister of Finance and the Minister of Public Works take that Commission on a tour I suggest they take them on a tour of the Old Petty Harbour Road, the roads known as the Marine Drive, or the road to Torbay and Pouch Cove, Freshwater Road, Kenmount Road, all of those old roads that have been in existence nearly a hundred years. They would be quite surprised to find them in a worse state than they ever have been. The road down to Petty Harbour is not wide enough for two cars to pass

side by side. There are certain places where one car has got to stop to let the other one pass by, near the flume, and that's a place where every second man has a bus or truck. Once you leave the paved road at the Goulds and turn down at Doyle's Corner you get into a road which is dusty in dry weather and very muddy in wet weather. After Forest Pond, after you leave Second Pond and go on down into the settlement you get into a really bad spot. They should make it wide enough for two cars to pass. It is dangerous!

Then there's Blackmarsh Road on the borders of the City of St. John's, and the Mundy Pond Road which has received no attention for the past three years as far as I know, although I have phoned the Highroads Department several times and asked Mr. Crummev to give it some attention. All they do is put the grader over it and level out the potholes, but after a short time, after a little rain and a few trucks have gone over it, it's almost as bad again.

I suggest to the Premier and the Minister of Public Works that the roads out of St. John's should be in a better condition. When the Commission comes here I hope someone takes them over those roads. The road to Petty Harbour was impassable the last time I was over it.

**MR. SPENCER:** Nobody lives down on that part of it.

**MR. BROWNE:** Mr. Speaker, there's a whole new settlement up there—there's nobody living beyond Long Pond. I have already spoken about the Blackhead Road and another one I want to mention is the Empire Avenue which at its beginning is paved, then you come in a section through the city, and when

you get beyond Pennywell Road it is in a dreadful state again. All along there there are houses. The poles run down almost in the middle of the road, the place is full of potholes and there is a stream of water running down the middle of the road from time to time. This was formerly the railway and therefore has a nice grade on it and has a good base for road-building, and it seems to me that the department has failed to give any attention to that particular place. It seems to me that they should improve that road because there are houses built right along there. It looks as if the Government is not interested in the people who live up there. With the advent of this new scheme of road maintenance some \$750,000 is to be allocated. I don't know how this is going to be distributed. The Minister the other day said it will be done through the Local Boards. There is no Board in any of the localities I mentioned, except Petty Harbour.

**MR. SMALLWOOD:** Mr. Speaker, any of these committees will function if any money comes along to them to spend.

**MR. BROWNE:** Sure. It will take more than a few dollars to put places like Empire Avenue in decent condition. That means that the money will be spent on the side roads. Where there is a main road going through the settlement that should be put in condition. I understand this money is to be spent on the side roads.

**MR. SPENCER:** Mr. Speaker, that is the case where a road leads to a road going to another settlement. That is a secondary road.

**MR. BROWNE:** Mr. Speaker, last fall I saw a man on the Southside road working trying to dig a ditch to

take the water away from his garden. I went along to him and talked to him and he told me he had to do it. The water just flowed down the hill after a heavy rain and went into his garden. I notice the honourable Minister is laughing. It is not a laughing matter for the party concerned.

MR. SPENCER: Mr. Speaker, it is not a laughing matter for the 400,000 people around the island who have no roads at all.

MR. BROWNE: Mr. Speaker, surely the honourable Minister is exaggerating? 400,000 who have no roads at all?

MR. SPENCER: It would be better for you to use your common sense, if you have any.

MR. BROWNE: Mr. Speaker, it is the Minister who made the statement and I know he is wrong. Of course he is wrong. The people outside St. John's are just as much entitled to have expenditures made to help them get roads as the people in St. John's. This does not mean the people around St. John's have to be neglected. What is the good of having roads like the Kenmount Road, if you are not going to use them? Make it an alternate route for people going to Topsail. For about 8 miles it almost parallels the Topsail Road and would relieve some of the congestion we have on it at the present time. I don't know what the Government is thinking about. No one who goes over the Topsail Road will find it very pleasant on Sunday with the increase in the number of cars. On Sundays it's just one continuous stream of cars going each way. I would like to hear from the Minister on what solution he has to relieve that congestion at present on the Topsail Road. He knows that every year, and this won't be any ex-

ception, the number of cars will increase by hundreds and they will be on that short stretch of road between here and Holyrood and the congestion is going to get worse year by year.

The Minister has used a new method in setting out the sources of revenue. Instead of naming the various departments he shows how much we get from taxation, etc. It is very hard to check the estimates of departmental revenue with the turn out. The Minister tells us that capital expenditure this year is going to be over fifteen million (\$15,734,000.) dollars which is a reduction of nearly five and a half million dollars from the previous year. We all know that the Government at the present time cannot carry on any capital expenditure without loans.

MR. SMALLWOOD: Can any other Province?

MR. BROWNE: Mr. Speaker, the Premier has said he did not want to borrow money, he was against it. The Government was so efficient in devising schemes for making money that there would be no need to borrow, and yet he had to borrow ten million dollars—a total of fifty-two million dollars in four years. That is a record in this country. Fifty-two million dollars of borrowed money and we had five million dollars when we came to office, an increase from five to fifty-two which means that the per capita debt on that is about one hundred and forty dollars a head, whereas when the Government came into office we had a surplus of some forty-two to forty-five million dollars, so that the actual amount of expenditure, as the Minister of Finance pointed out will be something in the nature of one hundred million dollars.

Of course this increase in our loans means increase in monies necessary

to put away in a sinking fund. Over two million dollars a year is payable in interest. The market has been favourable to the country in that regard. The price obtained last year three and three quarter per cent. I notice that the same rate is expected this year but that is going to add over half a million interest charges, so that the Government is gradually getting to the stage where we were back in the twenties when every year the Government had to borrow money in order to pay their deficit. They have not done so yet, but it means they are getting pretty close to it and they will make it hard for the next Government coming in to carry on without a deficit. The Government is not raising any taxes and that is something about which we are entitled to a little information, and probably the Minister is in a position to give it when he deals with the estimates on revenue. I notice here that the revenue from gasoline is up to \$3,775,000 from \$3,184,000 estimated last year. I don't know what the amount received was last year but there is an increase since 1954-55 of one million two hundred thousand. In the same way the three per cent social security tax the estimate is up a million, but while the estimate was put at six million last year I don't know, but I presume that with the present prosperity this estimate of seven million is likely to be under rather than over the amount.

MR. SMALLWOOD: Mr. Speaker, it is every year. We have taken in more revenue every year than we estimate for.

MR. BROWNE: Mr. Speaker, yes, well we need it. Costs are going up, the Government has to get their revenue, but if there is any sort of recession what is going to happen then. What condition would the country be

in if we were to have a recession. The Government is sailing along with a fair wind, but the history of the world shows that periodically there will occur recessions and depressions and the Government it seems to me, is completely indifferent as to whether it comes or not.

True, the forecast this year by those who are supposed to be best informed is likely to be another prosperous year in the whole of Canada, and this is not confined to Canada or Newfoundland. It is lucky that the Government is sharing in the world prosperity. For the first time in years the United States has balanced its budget. Last year we had to import labour skilled in trades. I don't suppose there will be any deficiency in the non-skilled lines. The Premier has said that there was going to be two jobs for every man.

MR. SMALLWOOD: Mr. Speaker, I would like to hear where and when I said that?

MR. BROWNE: I am only quoting what I heard.

MR. SMALLWOOD: You are quoting a rumor. Would you tell us where you heard the rumor? Where was it I said it?

MR. BROWNE: Mr. Speaker, we have always been importing labour.

MR. SMALLWOOD: Where did I say that there would be three jobs for every one man?

MR. BROWNE: I believe it was a former member for St. John's East who made that statement.

MR. SMALLWOOD: He said more than his prayers.

MR. BROWNE: In fact we all do. I know the honourable Premier does.

MR. SMALLWOOD: Mr. Speaker, I said God Grant the day when there will be three jobs for every man instead of three men for every job.

MR. BROWNE: Mr. Speaker, the purpose of the analysis of the Budget it seems to me is to indicate they cannot always count on a continuance of good times. I think the Stock Market crash in 1929 was unexpected. I remember at that time being solicitor for a firm that was negotiating the sale of a lead mine at Piccadilly, Port au Port to the I. P. & P. Co. The Agreement was signed and the market crashed the next day and the whole thing was off.

MR. SMALLWOOD: Mr. Speaker, surely the honourable member does not think there could be such a crash as that today.

MR. BROWNE: Mr. Speaker, I would say this, that I hope there will not. If there had been schemes for family allowances, old age pensions, etc., at that time, all these things would have been affected.

MR. SMALLWOOD: Mr. Speaker, these things prevent such a crash. If these things are distributed amongst the masses how can you have such a catastrophe?

MR. BROWNE: Mr. Speaker, more people now are dependent upon industry for their way of living. They have gone to live in cities and work in factories and depend on their wages for the support of themselves and their families, and on farms to supplement the labour employed, the farmers have to have recourse to machinery.

MR. SMALLWOOD: Mr. Speaker, you can see that on Roache's Line.

MR. BROWNE: Mr. Speaker, I know the Premier has a modern farm,

highly equipped. Commercial farming has taken the place of subsistence farming.

MR. SMALLWOOD: Mr. Speaker, increasing production to incredible heights.

MR. BROWNE: Mr. Speaker, we have become so dependent upon machinery functioning smoothly if we had a setback the consequences might be catastrophic. In 1949-50 the Government had a deficit of nearly four million dollars and had to employ thousands of men on relief jobs to carry them through. It seems to me that this Government has been spending in the good times instead of saving.

MR. SMALLWOOD. Sir, a Province that was starving to death had to spend the money when it had it.

MR. BROWNE: The Premier had good intentions.

MR. SMALLWOOD: Sir, our public services are still not nearly good enough.

MR. BROWNE: Mr. Speaker, maybe they are not. The Premier knows that when he came to office in 1949 there was a big surplus there and he went to work and spent it as fast as he could. I submit that was a wrong thing to do.

MR. SMALLWOOD: It was the right thing to do.

MR. BROWNE: Mr. Speaker, if he had spent it on public services instead of on the industries it would have been a better thing. I submit that the Government should never have gone into those industries. They have been a headache from start to finish, and the Premier knows it. He does not like to hear the sound of Superior Rubber. Two million dollars sunk

into those industries. He and the honourable Minister for Public Works inspected it the other day to see how it can be utilized for the benefit of the people of Conception Bay, St. Mary's Bay and Trinity Bay. I hope he will find a way to utilize it. It is a monument to himself. A monument also perhaps to Dr. Braun-Wogau who was its manager for so long and certainly a monument to colossal incompetence, badly conceived and badly operated. If the Government wished to make rubbers they should have employed somebody who knew what he was about, to operate the plant. What I want to show in connection with the Government's policy of spending so freely is the degree of inflation. Inflation which takes place in this country when it does not exist elsewhere.

The Standing Committee on Finance of the Senate puts out a report of its meetings every year, and last year they put out a report which seems to me to have some very good ideas in it. I would like to read some of it for the benefit of the members of this House.

"In reports of previous years your committee has sought to show the increase of inflation upon public finance on all levels of Government. That factor is still at work and is reflected directly in unprecedented estimates of the country's gross national wealth and income. Any serious decline in prices, and more important, any loss of markets due to causes beyond our control would be bound to react adversely on the total of our gross national product."

We have been told that the Federal Government in Ottawa is now preparing its Estimates for 1957-58 and has given instructions to its officials to make a careful study. The indi-

cations are that they are getting ready for an election, but that is the sort of thing the Government should always be doing, to measure its expenses and cut down on unnecessary expenses.

This afternoon the Premier took over from the Minister of Public Works and read to us the number of gallons of gas which had been used by certain members of the Government during the past six or seven years, and I took it down and mislaid it at the present time. Here it is. 5458 gallons. I do not know how far back the Minister went to prepare that. But it is interesting to know that the ministers can now get their gas free. The reason I mention this amount is that I am wondering if a benefit like that can be given the ministers without having been approved by the House of Assembly? I know the Government members use their cars frequently on Government business, but to what extent? It seems to me that a considerable amount of gas is given out.

**MR. SMALLWOOD:** It is a trifling amount and a trifling matter.

**MR. BROWNE:** Mr. Speaker, the Minister of Mines and Resources has now been the minister for a couple of years.

**DR. ROWE:** For four years.

**MR. BROWNE:** 835 gallons of gas for four years.

**MR. SMALLWOOD:** Mr Speaker, would the honourable member object if each minister had a car? That is the way it is all across Canada.

**DR. ROWE:** Sir, does he think that amount of gas compensates me or any other minister for the wear and tear on my car? If he thinks that compensates for it he can have it.

MR. SMALLWOOD: Less than \$100 a year.

MR. BROWNE: Sir, I cannot help think of DeValera, the Prime Minister of Ireland, who uses a bicycle.

MR. SMALLWOOD: Sir, does the honourable gentleman who is now speaking happen to ride a bicycle?

MR. BROWNE: No.

MR. SMALLWOOD: Mr. Speaker, does he suggest that I should go around on a bicycle because Costello or DeValera rides around on one?

MR. BROWNE: Mr. Speaker, the honourable Premier travels in style, although I am told at times he isn't particular about the company he keeps. It has been stated in the public press that a goat has travelled in the Cadillac.

MR. SMALLWOOD: It wasn't a goat it was a ram — a North Country Cheviot ram — that's aristocracy.

MR. BROWNE: Mr. Speaker, I think, this thing should be done officially, that it should be brought here and approved by the House of Assembly. I am aware that the ministers in Ottawa get an allowance of \$2,000 for their car annually and I do not think it unreasonable that they get an allowance, but I don't think it should be kept secret.

MR. SMALLWOOD: Mr. Speaker, if the honourable member wants it I'll dig around and see if there is another \$10.00 or \$20.00 a year a minister uses and table it here and when it is all added up it won't come to very much.

MR. BROWNE: Mr. Speaker, where we have any expenses by the Government it should be approved by the

House of Assembly, not immediately, but at the earliest moment.

We have an increase here this year of over four million dollars in our expenditure and of course, an increase of the same amount in revenue, about which amounts, I think, the Finance Committee has this observation to make: "This emphasizes the need and importance of the strictest economy in ordinary Government administration, whether it be municipal or federal. As already noted, we can view only with concern the increasing pressures on all Governments of sections of public opinion for increased spending. We do think that in this respect Governments, as responsible leaders of the country, must cultivate a realistic resistance to sections of the public which appear to think that Governments have inexhaustible resources to meet all the demands made upon them." It seems to me that this is a fine sounding sentence which should sink into the ear of the Minister of Finance. They do not finish without making a recommendation: "If we are to enjoy in the future the fruits of past achievements we must journey along the road of reason to common sense to avoid the pitfalls of unreasonable political appeals." They finish up by saying: "Above all it is important to keep alive in the minds of all the people of the nation an understanding of what freedom means. People may clamour for recognition — many are doing that today—but it should never be forgotten that if personal freedom is sacrificed for personal security provided by Government, the individual can have no guarantee that in the end he will have either freedom or security." I urge my honourable friend, the Minister of Mines & Resources, that he will find there is more philosophy in the remark when

it comes from such an august person as the Chairman of the Committee on Finance that he would find if they were just coming from myself.

Mr. Speaker, the Minister of Finance continues by saying: "The flood of prosperity continues to rise." And then he goes on to tell us about all the money that has been earned year after year, and of all the mountains of food, clothing, furniture our people have bought for their personal use or consumption. He says they have eaten more food, worn more and better clothing, and given themselves more thousands of radio sets and other items too numerous to mention. Or could we say 'have borrowed'? Three million dollars worth of television sets in six months. Not only television sets, but on washing machines, refrigerators, electric stoves and motor cars and also trucks, that although they may be bought they are not all paid for. I would like the Minister if he is in a position, to tell us how much the personal debt of this country has run up during the past seven or eight years. How much does a man owe on a house he buys? I want to point out that it is something of a joke, the houses are built by loan companies. Very often it is wasted money. Any lawyer can tell of some of the difficulties that people bring on themselves when they get assistance to buy a car, then they have a repair bill and have to get another loan to find the money to pay that. This is how the garages want it, because the finance companies protect the garages.

It was moved and seconded that the debate be adjourned.

MR. SMALLWOOD: I move that the remaining Orders of the Day stand and the House adjourn until three of the clock tomorrow.

While we do not want to give any small suggestion of being in any hurry to close the House for fear that we would be misunderstood, first, that it would be thought that we were trying to shrug off the valuable criticism of my honourable friends in the Opposition; second, that we are trying to rush headlong into an election; but I do suggest with continuing fine weather like this everyone will want to do the business of the Government expediently, that we might give some thought to some night sessions to clean up as much of the business that way as possible, without in any way or degree or sense rushing the business of the Government. We might commence it tomorrow night and if we could have a few night sessions we could get through a lot of legislation and leave ourselves much freer for the dressier work, which is debating the Health Bill, and the more slugging type of work might be left to the night—I mean some of the debate as well.

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

On motion the House at its rising adjourned until tomorrow, Wednesday, April 25th, at 3:00 of the clock.

Wednesday, April 25th, 1956

The House met at 3:00 of the clock, in the afternoon, pursuant to adjournment.

HON. J. R. SMALLWOOD (Prime Minister): I am sure that every member of this House was greatly shocked late last night or early today, by the terrible news that came out of Corner Brook. The death by fire of eight

young children of the Curtis family has been shocking news to the whole Province, and I am sure that I speak for the whole House when I say that we have feelings of sorrow over this tragic event. No words of anyone can do much now to assuage the sorrow of the Curtis family, but I would like the House to go on record through these words of mine, in which, I am sure, the Leader of the Opposition will join, as expressing the sentiments of the members of this Chamber.

**HON. M. HOLLETT** (Leader of the Opposition): I, too, would like to join the Honourable Premier in an expression of sympathy towards the immediate relatives of the stricken family and, indeed, to the whole town of Corner Brook in a tragedy which must be very pungent as far as the community is concerned. I once saw a fire—at Buchans, I believe it was—when some eleven people lost their lives, but there it was a number of families in a large establishment, but in this case, where you have the one family practically wiped out, each one of them gone, it strikes horror into the hearts of every one of us. As the Honourable the Premier has said, there is very little we can do, but I do think possibly there are some steps that can be taken to help the remaining members of the family, as the parents will be stricken for some time, due to shock, and I suggest that some steps be taken by the proper authority probably by the Department of Welfare. We too, join the Honourable the Premier, Mr. Speaker, in his sentiments.

**MR. SMALLWOOD:** Mr. Speaker, I should like to invite the attention of the House to the fact that we have inside the walls of this Chamber today some visitors in the persons of soldiers of the Queen, some of them

native born Newfoundlanders, and some of them not so fortunate as to have been born here, but who are nevertheless, just as welcome as those who had been born on our Newfoundland soil, which is now good Canadian soil. I am interested, and I am sure the House will be interested to know that the officer in charge of them here this afternoon, namely, Capt. Hanley, was once an official in the Legislature of the Province of Nova Scotia. Captain Hanley was the Clerk of the House of Assembly of Nova Scotia. I assume that was before, perhaps not long before, he went into the Army.

Mr. Speaker, I am pleased to announce that a Conception Bay industry which closed down during the last war is to be put back into production immediately.

An important United States Company, American Encaustic Tiling Company Inc., of Lansdale, Pennsylvania and one of the world's largest consumers of pyrophyllite, has taken over the mine and the mill located at Long Pond, Manuels, under an arrangement with the Newfoundland Government.

The mill will be put back into production at once grinding the pyrophyllite rock into fine powder to be used in making burned tile in the large modern American Encaustic Tiling Company plant in Lansdale. The mine will follow into production almost at once. It is hoped to move the first shipload of pyrophyllite within four or five weeks.

At the outset it is anticipated that the mill itself will employ about a dozen men and will later go on round-the-clock production. On the other hand, the mine should provide em-

ployment for a score of men or more at the outset. While this is not a major industry I am very glad to get it into operation again. The Company has plans to step up considerably the scale of operations at both the mine and the mill. Under the arrangement of American Encaustic Tiling Company a mill having twice the capacity of the existing one at Long Pond is to be built.

I am sure that everyone will share in the feeling of satisfaction that a new outlet has been found for the pyrophyllite in the Manuels area.

The Department of Economic Development has been negotiating for several years with a view to getting the pyrophyllite mine and mill back into production. The difficulty lay largely in the fact that for many industrial uses pyrophyllite had to compete with other minerals such as talc. For the ceramic industry the mineral needed is pyrophyllite, and this has turned up a completely new market for the Long Pond mineral.

**Presenting Petitions:**

None.

**Presenting Reports of Standing and Select Committees:**

None.

**Giving Notice of Motion**

None.

**Giving Notice of Questions:**

None.

**Answers to Questions:**

**Question No. 64** addressed to the Honourable the Minister of Mines and Resources.

**HON. DR. F. W. ROWE** (Minister of Mines and Resources): That question is in course of preparation. I don't know just how much can be gotten. I had a preliminary discussion

with our officers this morning, and I will say that we will get it as late as we can, as far as the reports go, and as far as the information is available in the Department.

**MR. HOLLETT:** There is one question I don't remember getting an answer to. That is the question in connection with the birch plant, the new arrangement in connection with the birch plant. I believe I asked to have tabled the Agreement made with the people presently in charge. I don't remember receiving the answer to that. I wonder if we could get it.

**MR. SMALLWOOD:** I thought I had asked my honourable colleague, the Attorney General, to prepare that and to table it. I had completely forgotten about it, as I thought it was in his hands, and now that he has been reminded of it, he has said that he would do it.

**MR. BROWNE:** Arising out of the statement given by the Honourable the Minister of Economic Development, may I ask if any financial assistance is involved?

**MR. SMALLWOOD:** No financial assistance is given or is to be given in this enterprise. There is considerable government assistance, but no financial assistance. But the details will be tabled here before the session closes and the House will be fully informed. No loans or guarantees. This is a very large American Company who are extremely reputable. If the House likes to ask anyone — if my honourable friends opposite like to ask Dunn & Bradstreet's or a Bank and get a report on American Encaustic, they will find it is the biggest company of its kind in the United States, one of the biggest of its kind in the world. Very reputable. Very proud to have it.

## ORDERS OF THE DAY:

Second Reading of the Bill "An Act to Amend the Health and Public Welfare Act."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, in rising to support this measure, I do so with the firm conviction that it is a very timely one indeed. Needless to say, any measure of the type such as a Bill to Amend the Health and Public Welfare Act, or any Bill or Act prior to its coming into this House is reviewed by the Government and decided upon, if the measure has any very great importance, prior to its coming in, and inasmuch as that has already been done in the Chamber where I have been privileged to sit, my support has already been given to it and to the Government. Here in Her Majesty's House, it follows that matters of this kind are open to debate, and so the second reading which you, Sir, have just announced is the opportunity which is given to members of the House to discuss these measures. Already a very considerable number have spoken to this Bill, or this Amendment of the Health and Public Welfare Act. Honourable members will recall that, at the introduction the Honourable the Premier gave a very vivid description of it. He outlined the great need in many phases and gave the reasons, many reasons, for it. Since that time various members on both sides of this House have spoken to the Bill and I am assured that now, were I to accept what has already been said, I could easily take my seat with the full assurance that the Bill will meet the full support of this Honourable House. Though there have been some slight reservations by the honourable members from the Opposition side of the House, they have spoken. Some of them have

gone as far as to say that they know the great value of this Bill. The actual wording does not matter very much, but they have gone so far as to say that they must support this Bill; they would not dare go back to the electorate if they did not support it. That is a very direct statement, Sir. That is a very good reason for supporting a measure which comes before the House. But I would have hoped that the support might have been of a more generous nature, not a selfish one, and not concerned so much, as it is, about one's personal welfare when they face the next general election.

However, it is pleasant for the members on this side of the House to find that the Members of Her Majesty's Opposition are supporting the Bill and say that it is of such a nature that they dare not support it. Now, having said that, I might as well have taken my seat, but I should like, Mr. Speaker, if I may in the very few moments I shall detain the House on this measure, to refer to just one or two points in connection with it. Needless to say, Newfoundland has lacked many of the necessities of toil in the early stages. Although we are not so young in actual years, we have suffered no end from lack of medical facilities throughout our Island home. It also happens that I am one of the individuals who came from the outlying sections of the Island not so well off as this centre or capital of the Island, St. John's, although I am privileged to live here now. But, like a great many others of my honourable friends, I came to the city from an outlying district. It was my privilege, if I might borrow a term that the Honourable the Premier used in welcoming the members of the army this afternoon — it was my privilege to be

born in the northern section of the Island, in Notre Dame Bay, where medical facilities in my youthful days were something not even expected; we could not even look forward to them. Here I refer to one reference that has been made to the great need for hospitals in certain sections. For example, my honourable friend for St. John's West referred to the great need for a hospital at Bell Island. That is quite true. I am afraid the need extends to a great many other places as well. But I should like to point out to the House, in that connection, what I think of it. In the early days in the industrial development of this Island, whatever phase it might happen to be, whether a lumbering town, a pulp and paper mill, a mining town, or any other type of industry, it fell to the lot of the owners by Act. By Act of Parliament they were compelled to provide medical facilities for their employees. Now, I am not too familiar with the actual wording of that Act, but I do recall very vividly in my own home town that the Mining Company in that place did have to set up and establish a surgery with a doctor in attendance to provide whatever medical services they could for the employees, and needless to say, whoever that particular M.D. might be, he was a very busy individual because he not only catered to the employees of the Company that operated in that particular community, but he catered to the general public who flocked in there by way of their little boats or any other means they could get, or by dog and sled in winter, to come to the centre where, at least, a doctor could be found, even though he charged a fee of fifty cents.

In 1908, some forty-eight years ago when the great pulp and paper mill

was established at Grand Falls, the centre which I have the honour to represent in this House at the present time, they provided a hospital for the needs of their employees and their families. The same thing happened some twenty years later when the pulp and paper mill was established in Corner Brook. There too, the Company provided a hospital and medical care for their employees, and there again it fell to their lot to cater to the people around that section of the Bay of Islands as well as to the people as far north as Bonne Bay. They also catered to the best of their ability, in whatever manner they could, and with the facilities at their disposal, to the public as well. Now we are coming to the period when that kind of thing no longer holds sway.

I also know that as a young lad on Bell Island the same thing applied and it was my privilege there to assist in a small way the medical doctors of both Companies there in some of the work that they might be called upon to do. The fact that both these Companies, in those days there were two Companies on Bell Island, now there is only one, because there were two Companies they had two distinct surgeries with doctors in charge to care for their employees and a great deal of very valuable work was done there. I assure you it was wonderful to see what was accomplished. But the time has come when that kind of thing cannot supply the needs of this Island home of ours, and so as far back as the twenties or early thirties we have the record of an effort being made in those days to establish Cottage Hospitals, and somewhere along the line in this debate someone has been good enough to refer to the efforts of the late Dr. Mosdell who did a tremendous amount of exploration and develop-

ment in this line. A great deal of credit is due that gentleman for his work in setting up Cottage Hospitals and medical services around the coast. He really brought solace and consolation and medical services to a great many of our people. Very little was done between then and the present date, when the present administration decided to bring in this great piece of legislation, which will prove such a boon to our people. It has been referred to in the Speech from the Throne and in the Act here we have been told that it will mean free medical services to upwards of perhaps one hundred and seventy thousand of our children of the ages up to sixteen years. Mr. Speaker, who of us in this House has not seen by actual experience at some time in their life the great need for help to some stricken child throughout the coast line and throughout the settlements of Newfoundland. I have a very vivid recollection. It so happened that I on many occasions, and I need not cite them because everyone has seen similar ones, but I want to tell a story in connection with this.

About twenty-five years ago the Department over which I have the honour to preside began a road construction programme on the northside of Bonavista Bay, a section of Newfoundland that as much as any other, if not more so, suffered because of its terrible isolation and lack of medical facilities. Finally a Cottage Hospital was built in the town of Brookfield and it catered very well to the people of that vicinity and to those who could get there from say Wesleyville or perhaps as far north as Newtown and settlements to the south of it, and the islands which lay adjacent to the coastline in that area, such as Greenspond. They catered when it was possible for the people to reach the Hospital by

boat. Unfortunately weather conditions did not always permit the use of a small boat for the transportation of these people who were suffering from illness and needed medical aid.

Some twelve or fifteen miles to the north of Valleyfield lies the great Cape Freels, around which any Newfoundland who knows the area will agree that any time after mid October, or earlier, it is just about a physical impossibility for a small boat crew to get around the Cape, and so bring within reach of medical aid the people who so sorely need it.

There is a little community called Lumsden South, it used to be called Cat's Harbour, and another little town one mile or so away from there, Lumsden South. These people are only about fifteen or twenty miles away from the Cottage Hospital at Valleyfield, but until they came within reach of the helicopter, or air lift, air services which have been so freely given by both groups of fliers or airmen in this country (I refer to the R.A.C.F. and the Armed Forces) until that time they might as well be one thousand miles away. Facilities were just not available. That might be one argument for a road.

I contacted a good friend of mine on the north side of Cape Freels, just after the road was through. I enquired from him what he thought its value was to them and his reply was, in his own words—"Mr Spencer, it is a Godsend, it is a new heaven and a new earth to us." He went on to say that during his lifetime in that community he had assisted time and again to make up stretcher parties of men, twelve, sixteen or more men to transfer over the bogs and hills patients to hospital, by way of stretcher. Well, I think that in itself portrays what

great value these services are in that particular area, but we are speaking of the Health Bill generally, and it is not my purpose to deal too much with the road situation. I repeat, Mr. Speaker, the Government can well take pride in this great piece of advanced legislation. The details supporting this Bill have been very well portrayed by the speakers who have preceded me, but knowing its great value and that it will grow and become of even greater value, than we can foresee, the time will come when people will say "We built better than we knew." Well, if by bringing in this measure to care for one hundred and seventy thousand of Newfoundland's youth, we can help to build strong and better citizens I am sure this measure will be given full credit in due course. There have been comments with regard to the inauguration of the system. Fear has been expressed by some that it cannot be and will not be introduced all at once, which provides that we must get in more doctors, more specialists, such as dentists, and inasmuch as we have not got them in this Province it follows that they must be brought in in a hurry, and so it will, of course, take time to have this measure function to the extent that we hope it will to the great advantage of our people. But the introduction of it is coming this year and to that end we are very proud. I have reviewed, as I dare say other members of the House have, some of the statistics which are quoted for us in the Annual Report of the Department of Health. True these statistics in the main are only up to the end of 1954, but not entirely so. Some statistics quoted come down to 1955 and I believe some are quoted from 1956 records, but, however, my point is that these statistics, whatever they are quoted for, they will show

that for the past ten years or more, where they began as far back as ten years ago, they show that our death rate was enormous, and that year by year it is improving so much so that we almost become mixed because of the manner in which the figures are quoted. But refer in one instance alone and that one is on Table 20, death rates of Tuberculosis in Newfoundland and for the other provinces of Canada from 1950 to 1954, that Table alone portrays a picture which is enough to make anybody shudder. In 1950 the death rate from Tuberculosis in Newfoundland was 70.4 per 100,000 population. Whereas the next highest figure New Brunswick 30.5.

MR. BROWNE: Quebec was the next highest—39.3.

MR. SPENCER: Quite true, Quebec is 39.3. Coming down through the years our death rate from Tuberculosis was 70.8 and in 1952, 46.8 and in 1953, 29, and in 1954, 26.4. That does show a very splendid improvement indeed as far as Tuberculosis is concerned. That is only one phase of it. Other tables in this volume show similar figures for all disease. But when we look at even 1954, and taking the figures as quoted here, Newfoundland 26.4 of every 100,000; P.E.I. 9.5; Nova Scotia 11.3; Quebec 16.3; New Brunswick 9.3; Ontario 6.1; Manitoba 8.6; Saskatchewan 4.8; Alberta 6.1; British Columbia 9.7; a general average would appear to be 300% higher, barring Quebec and Nova Scotia, in our death rate than any other province of Canada. Yet we must I say, Mr. Speaker, take pride in the fact that the situation is improving and hence this measure which is now introduced as an amendment to the Health and Public Welfare Act, which when properly functioning, when as foreseen by the Government is brought into

fruition, when we have all the Cottage Hospitals and doctors to serve them, around the coast, it follows that this will be a great forward step. I acknowledge the comments from the honourable Member of the Opposition but one thing I am particularly concerned with is that this measure will receive their full support. They support it because they cannot help supporting it, but I am not worried about that, but it was voiced by them that they do support it. It was a measure brought in by Her Majesty's Government, brought in for the good of the people and like the fellow who was tring to step ashore from the boat, he grabs at the last plank . . . I support this progressive step for the health and welfare of Newfoundland, Mr. Speaker, I support the measure heartily.

**MR. CANNING:** I rise to support this Bill brought before the House. I joined the Liberal Party because I believed that the Party would uplift the people of my native home. Yes, Mr. Speaker, as long as this Party brings in legislation such as before the House today I shall remain, but let them neglect the people, let them fail to bring in legislation such as this I will leave this seat and walk through that door, but Mr. Speaker, I have given this party seven years trial and the record, Sir, has been such I am certain that I shall never live long enough to walk through that door. Mr. Speaker, this is one very important thing of which I am very conscious and that is the duty of this Government or any government to look after the people. I know where and when this Government, any government, should or should not intervene as far as the future is concerned. Sir, my experience with this Government is this—I have yet to find that for the first

time, one single instance, one single Act, one single clause, where this Government has in any way failed to do its duty for the people of this Province. I shall, Sir, in a very few moments prove to the House the justification of this Bill regarding the Health Scheme. Free medical care for every child in the Province. There is a code that this Government, any government, must follow. I refer directly to this Bill. Where and when parents—I am keeping directly with the issue before the House—where and when parents cannot protect the health of their children, the Government has not only the right but it is the profound duty of the Government to step in and protect the health of the children of the country. To bring out my point, if private enterprise cannot, or will not, take advantage of the natural resources of the country again it is our duty or the duty of the Government to step in and utilize the resources—the foods of the sea, the minerals, or the water, and so forth. Mr. Speaker, there is no argument against that. I don't think anyone in this House will argue against that. If health is neglected somebody must do something about it. If the Medical Association do not go out in Paradise Sound to look after the children of my constituents somebody must do it. If the people cannot afford to come in to the doctor, dentist or eye specialist, it is our duty to send a doctor, dentist or eye specialist to them. Mr. Speaker, if a child in Paradise Sound—I say Paradise Sound because it is an isolated place, no road there as yet, but I hope the Government will build one before very long—if a child this afternoon has an ulcerated tooth that is effecting its system and the parent has to have that tooth pulled, that tooth will cost that parent at least sixty dollars to have extracted, the House may be

surprised at that figure, at least some will, especially those not used to living in the outports, but that is a fact. The figure is very low. The nearest dentist to Paradise Sound as far as I know is here in St. John's. The cost would include the fare to St. John's and return but it would probably take a week to get back. That is just one child and one fare.

MR. BROWNE: Could he not go to Come By Chance Hospital?

MR. CANNING: There is no dentist at Come By Chance Hospital.

MR. BROWNE: What about the doctor?

MR. CANNING: This child's face is badly infected and needs the attention of a dentist. Mr. Speaker, I can get my child into St. John's and this is what I want for any child in a place where there is no specialist. I would not want my child to go to Come By Chance. Mr. Speaker, when this Bill came in, my thoughts went to the child stranded in Paradise Sound or Port Royal, who sits tonight beside a gasoline lamp doing her studies, straining her eyes. The parents may not realize it. The effect may be very slow, gradual. The child may not complain until perhaps it may be too late. So when this great scheme is implemented, which I hope we will rush as fast as we possibly can, for it is long overdue, I hope that the children in my district will have the same opportunity as those in the larger centres. To me, I must think farther out than Topsail Road. My thoughts must go beyond that. Those who have not had the privilege to live near a dentist cannot get the proper dental care; those who have not had the privilege to live near a doctor cannot get the proper medical care. I feel sure that these are the people that

this Government is trying to help—at least, the people they had in mind when they brought in this measure. Mr. Speaker, I say this Act is the best piece of legislation brought in since Family Allowances, Old Age Pensions, Dependents' Allowances and so forth. I am not guessing, Mr. Speaker, what they are thinking. I know. I visited the district last weekend. I spoke to the people from the isolated places, far-off coves and islands. I did not even have to ask what they thought of it. They came and mentioned it and brought it up.

Mr. Speaker, there is no need for me to explain the far-reaching results of or even the great need for this scheme. They are too obvious.

The Opposition are a bit worried about the money it is going to cost and where is the money coming from, but, Mr. Speaker, I don't care. The parents of the children on the West Side of Placentia Bay and on the Islands love their children, Sir, as much as you love yours or I love mine, and if we are going to protect their health so that they can be brought up healthy citizens, that none should go blind or have other defects or handicaps, I don't care where the money comes from. I know we will get it as well as we got the money to build roads, as well as we got it to run our schools and we will get it as well as we got it to lend to industries to improve the lot of our people. We are going to bring medical aid to those who, owing to financial or geographical difficulties cannot come to the dentists, or to the doctors or to the specialists.

Mr. Speaker, legislation such as this, Sir, is not preaching social justice. We have an awful lot of people who are going around half their lives preaching social justice. But this, Sir, this

measure is social justice applied. It is plain, sound, solid examples of the application of social justice. I may add, Sir, I would say with all sincerity to the Government to keep up the good work and carry on, and keep it up until we have the standards of living as high as or higher than any province in this great country of ours, Canada.

**DR. ROWE:** Mr. Speaker, in the very few moments I am going to speak on this Bill to Amend the Health and Public Welfare Act, I submit that, first of all, it is impossible for any person born and brought up in Newfoundland, particularly one brought up in the outports of what used to be our country, to be completely detached or dispassionate or unemotional about this Bill. I think that every person who has spoken here has spoken subjectively and, to some extent at any rate, emotionally, because those who have ever experienced suffering and privation, who have seen that suffering, that privation down through the years, they don't need the prospect of a General Election to lead them to support this amendment. The few things I have to say, Sir, will be partly personal, and, certainly will not be completely unemotional.

In 1931, January 1931, I graduated from the Teachers' Training School of that day and went out to teach school on the West Coast of Newfoundland. I mention the date deliberately, Mr. Speaker, because January, 1931, is as good a date as any to mark the onslaught of the world depression here in Newfoundland. For the next three years I lived and worked on the West Coast of Newfoundland in a rural area. In between during that ten year period, that decade of the thirties, until I joined the Canadian Army Officers Training Corps in 1940—in be-

tween 1930 and 1940—10 years—I worked on the West Coast; I worked in the interior, in the industrial centre of Bishops Falls. I spent some further time in my native home, Lewisporte, and I spent four years in Bonavista North, in Wesleyville. I was in a position to see what the depression was doing to our people. Also, Mr. Speaker, to add to my education in that matter, I had the opportunity in 1935 of taking up the census in a part of Newfoundland which was considered fairly prosperous in Notre Dame Bay, and I took up the census in a total of six communities in the summer of 1935. I can say about that experience one simple statement, that until I had visited hundreds of homes of all types of those communities, in spite of the fact that I was born and brought up in one of those communities, I had no idea, no conception of the amount of suffering, of the amount of deprivation borne by very large segments of our population. If I had the time—and I am not going to do it—sometime, perhaps, when I reach the logical outcome of political life which, I believe, is to be booted out sometime or other before you reach the end—if that time comes and I find I have time on my hands, I intend to do a little writing because I believe that most of our boys and girls, including children of Members of this House, do not understand, God knows, nobody wants them to experience the things we experienced; but I think we might go back to the Aristotelian concept, namely, that tragedy is useful in purging the emotions. I think that some academic knowledge of what our people went through in the thirties would benefit all our children. I could, as every member here could recite case after case, experience after experience of suffering and almost indescribable hardship. Any person who

went through that; any person who lived as I lived; who saw children coming to school weak and wan, as I did. We all have heard of this, of children fainting because they did not have enough food in their stomachs. Persons who saw that, who saw children decline month after month, and who looked into their eyes and realized that those children were doomed, at best, to a year or two or three in a sanatorium and, at worst, to death. I repeat, Sir, people who experienced that or saw that don't need any political motive to support this Bill.

There is one other thought I would like to express. It is this: even in these comparatively prosperous times, the burden of medical and dental care of families is far greater than the average middle class family—and I don't like using categories like that, but I have to use it to describe what I mean—can support. We have right now, I suppose, upwards of one-quarter of our people in Newfoundland who get what amounts to free hospitalization and free medical attention and, in some cases, free dental and optical attention as well. The burden is greatest on those families where there is a number of children and the income is from \$1,500 up to \$5,000 or \$6,000, because these are the families who cannot, as things are at present, get Government help, and these are the families who do not look for Government assistance, therefore the children are often deprived of the services and attention that they should have. I happen to know a family, very intimately, where there are four boys in it and over the past eighteen years in that family, in addition to any medical services the adults of it had, there were four tonsilectomies, two appendectomies, and the average dental cost, alone has worked out at something over \$100 a year. In addition

to that there were numerous expenses for X-rays, doctors' services to stitch up cuts and all the other things that a family of boys require, and I don't think that experience is exceptional. I think it would probably average out to most families over a period of eighteen or twenty years and indeed, the total cost is far in excess of anything that a family with an income of \$4,000 or \$5,000 a year can really bear.

Another thought I would like to express is the criticism, and that refers to the criticism that my honourable friend of St. John's West has made and has to do with his feeling that the Government did not give sufficient attention to the working out of the preliminary details that are involved or connected or will be connected with this Amendment. I am not going to discuss the merits or demerits of that argument, but I am going to point this out: that is the criticism that has been made of almost every worthwhile measure ever brought in this House or, for that matter, in any other legislature.

I recall another great measure which was introduced here in Newfoundland at a time when this House was not in operation as it is today, and that was in 1942 when the Commission of Government introduced the Compulsory School Attendance Act. Everyone heard then, particularly those of us who were in the field of education, we heard the criticism that not sufficient planning had been given to the details and ramifications and the possible repercussions of that Act. In looking back on that today, we can see that there might have been some truth in it. The important thing is that the measure was introduced. The important thing here is that this Government, for the first time in the history of this Province, has introduc-

ed what I termed the Magna Carta of the children of Newfoundland. Those words will be, I believe, historical words: "Subject to this section and the regulations, every child of or below the age of sixteen years is entitled free of charge to medical services of all kinds, including hospitalization and dental and optical services, and of funds appropriated for that purpose by the Legislature the Minister shall provide those services free of charge to every such child." That is the Magna Carta of the Health and Welfare of the children of Newfoundland.

I have to make one other brief reference, Sir, and then I shall be finished. It has been suggested that this measure has political motives behind it. I don't know how seriously we should take that charge. I suppose there has not been one session of this Legislature during the life of this Government since 1949 that some great measure has not been introduced. For example, two or three years ago, a great Fishery Bill was brought in here. Two or three years before that, a Bill dealing with the Economic Development. We have seen here Bills relating to the development of our natural resources, the NALCO Bill and the BRENCO Bill, one of the greatest pieces of legislation ever to come in this House. Before that time, a year or two before I came into the Government, I know that very far-reaching Labour Legislation was introduced here. We have seen the vote for Education here raised from three or four millions up to nine or ten millions. We have seen tremendous increases voted in this House for hospitals and the building of roads. As far as I can see, in any election year the thing the Government is to do, in order to be clear of any change of being motivated by politics, is to do nothing. To do

absolutely nothing. This Bill, important as it is to the children, is not more important or far-reaching in its own right than other Bills are in their own right. This House, this Government and this Party, Mr. Speaker, do not need this Bill, this Amendment, to win the next election. Make no mistake about that. We are going to win the next election, and we are going to win it and with a resounding majority. We do not need this Bill. This Bill has been introduced, as the Honourable the Premier said when he introduced it, because we are now ready for it.

Finally, Sir, I opened my few remarks on a personal note, and I am going to close them on a personal note. It is very easy when speaking on a measure of this kind to indulge in emotion or melodramatics. I am not going to do that, but what I have to say is extremely personal.

When I was twelve years of age, I knew a little girl of ten years of age living in a community where for some weeks there had been an epidemic of what was called a "sore throat." It was even rumoured around by some people that it might be diphtheria, but nobody really tested it by sending for a doctor. The nearest doctor happened to be forty miles away. Finally this little girl of ten got this so-called "sore-throat" and the mother diagnosed it, correctly as it happened as being diphtheria. It was in January. As I said, the doctor was forty miles away by rail. There was no boat connection. The father, whose income happened to be \$45 a month, had no alternative but to wire the Railway in St. John's and to engage the train to go to Grand Falls and bring out the doctor. The cost was, for a man of that income, staggering. He did that two days after the little girl became ill. The doctor got out

the third day. He confirmed the diagnosis of diphtheria. The little girl died within ten or twelve hours after the doctor reached her. That happened to be, fortunately, the only death that in my forty-three years of life I have witnessed. I watched the little girl of ten die of diphtheria. Any person who has ever watched a child of ten years of age die of diphtheria does not need any ulterior, or any political motive to vote for this Bill.

HON. W. J. KEOUGH (Minister of Fisheries): Mr. Speaker, the legislation before the House is of such importance, it is designed to touch the lives of so many intimately that I will be pardoned, I hope, for rising a second time to state my stand. In another debate that has now concluded, I had occasion to anticipate the proposal that is now before the House and to endorse it.

I am happy indeed to have this second opportunity of putting myself on the record as being in favour of the principle of this Bill. It will not be necessary for me to be long about what I have to say. Indeed, to my way of thinking, for me to say that I am in favour of the principle of this Bill is somewhat like stating that I am in favour of two and two making four. It is like being obvious about the obvious to say that one is in favour of something that obviously should be done. This surely is something that obviously should be done in a generation now in a position to do it—that we should seek to make more certain of the health of our children that they may be strong in the land after us.

Until quite recently, life in this Island to a great extent was a grim and constant battle with the wolf at the door. Suddenly the battle with the wolf at the door has been won.

A great many things have gone into the winning of that battle—our sharing in a world wide prosperity, the consequence of Confederation, the impact of the United States Bases and the efforts of this Government to raise Newfoundland by its boot straps. In any case suddenly a great many people have found themselves in a position where they can turn their thoughts to something other and something higher than where their next meal is coming from—and that is something new in Newfoundland. Indeed, such is the improvement in our economy—such appears to be the promise of the future for the peoples of the world and the peoples of the Western world in particular. One dares to hope that we may know good times during our time.

In Newfoundland we have not moved to spend this new found substance in riotous living. On the contrary, we have endeavoured, for instance, to underpin our way of life with some measure of sound capital. True, we have still a long way to go in that regard. But it is true too that we have creditable progress to show in that regard for a short time. Now that we are in position to, it is indeed fitting and proper that we should take this further step to provide for something that is essential, not only to our continued progress, but to our very survival—the health of our people. I look forward, Mr. Speaker, to this legislation being welcomed by all our people, in all the walks of life. I see a great company of our people who never could hope to provide legislation as a Godsend. In fact the only criticism that I can see it occasioning is in the minds of those people who think things right through to their fundamentals. To such minds concerned with the meaning of things, the

thought may well present itself as to whether there is involved some invasion of individual liberty, some trespass upon parental prerogative, some abrogation to the State of Family Authority. I thought that the Premier dealt very adequately with that one matter of concern on the day he moved the second reading of the Bill and I agree completely with what he said.

This is an offer to pay the bills. An offer to pay the bills is not an invasion of individual liberty, it is not a trespass upon parental prerogative, it is not an abrogation to the State of Family Authority. Indeed, under certain circumstances it may well be the very thing that is needed to augment the measure of human freedom.

As I have said, life in this Island has not been easy for those who have gone before us. Indeed, it has been flinty as our granite crags, lonely as our solitary sites, and full of many miseries. Notwithstanding that we have been longer in this land than any other men of our race have been on the North American Continent, we do not have very much to show for all our years and all our efforts. But as the years go by we are adding to the measure of our portion and this children's health programme will be a notable addition thereto. This programme, Mr. Speaker, is in the category of things that will enable the people to face the future unafraid, ready to make the ascent to the mountain tops and to reach for the stars. Indeed, I approve the principle of the Bill, Mr. Speaker, I can do no other. A second time I stand to be counted.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, it is not my intention to make any extended remarks, but I feel that this is a Bill

which should command the support of every member of this House. It will be remembered that when this Bill came up for second reading, my honourable friend questioned whether it was a money Bill. I find on investigation that the Act we are now amending, the Public Health & Welfare Act, 1931, was a Bill submitted to this House other than by resolution. My honourable friend said that he thought this should be a separate Bill and not a part of the Health & Public Welfare Act. This, of course, is an academic objection. Nobody cares whether it is a separate Bill. Its importance to the future of this country, its importance to the children who are the future citizens of this country might justify a separate Bill, but I think from the point of view of administration it is useful to have all health legislation in one volume and consequently we have put it in as an amendment to the Public Health and Welfare Act so that when it is published in pamphlets as it undoubtedly will be, this very important amendment will be found amongst its features. I do not think I am breaking any secret, any undertakings on my part to secrecy when I say that this Bill was the Premier's own Bill. As long as two years ago, Mr. Speaker, the Premier had this Bill in mind. At that time he discussed it with me, and I do know for a fact that he also discussed it with the Deputy Minister of Health. This is his Bill and I might say that those on this side of the House wish most sincerely to congratulate him on this further evidence of his interest in the young people of our Island home. The Premier has shown his interest in our children long and long and long ago. For years prior to Confederation he went into every hamlet of this country pointing out how Confederation would ben-

efit the children and, Mr. Speaker, has it not? One of the reasons I am here myself is because way back in the thirties I saw conditions in some of our outports which made me vow and declare there and then that if I ever got the chance I would go into politics, if for one purpose only and that was to see that the children of Newfoundland got a better deal than they were then getting. Thank God, Mr. Speaker, for the Premier. This scheme of his has the full and proud support of each and every member on this side of the House not only those of us who happen to be in the Government, but of those who support the Government. We are proud, Mr. Speaker, to be associated with this Bill which will go down in history perhaps not as my honourable friend says, as a Magna Carta, for the children, but a Declaration of Children's Rights. I think, Mr. Speaker, that it will go down in history as a Declaration of Children's Rights in this Island. I know the children realize just what the Premier has done for them and is doing for them, and if I may be forgiven I would like to tell a story I heard last year, and I tell it with apologies to my friends on the Opposition:

Envisage a small new school in one of our nearby outports with new furniture, desks, etc., and a teacher teaching the class. The teacher says to the pupils "Who have you got to thank for this school?" and the pupils reply "Mr. Smallwood." The teacher then asks "Who have you got to thank for all this new furniture and these new desks?" and the pupils answer "Mr. Smallwood." Then the teacher turned to the window and looking out asks "Who do you have to thank for the beautiful green fields, the trees and the flowers?" There was a moments hesi-

tation and then one little boy said "God" and the rest of the children shouted "Dirty Tory." That shows how the children of Newfoundland worship the Premier and what he has been doing for them. You would need no detailed investigation before putting on the Statute Books an Act of this kind. All you need to put on the Statute Books is determination to do it and that is what has happened in this case. True, there has been some considerable investigation but if we waited for a Beveridge Report we would never get this legislation. The Premier has caused the Bill to be brought in. It will be up to the Honourable the Minister of Health to carry out the administration of this legislation. I don't see any tremendous difficulty in carrying this out. I see that it will take some time to come to the whole thirteen hundred hamlets around the coast of Newfoundland. It will take some time to recruit personnel, it will take some time to organize things, but the movement can start immediately. Immediately the House closes the Department of Health can get to work and organize this Scheme. We are particularly well situated to carry out a Scheme such as this in the district of Twillingate, which I have the honour to represent. We have a magnificent hospital there, the Notre Dame Bay Memorial Hospital built not only by the people of Twillingate, but by all the people of that area, out of their own money as a memorial to those who died in the First World War. They put up this building and raised the money themselves. It is a hospital which would do credit to a community of its size anywhere in the world. It has been presided over by many eminent doctors. Dr. Olds has again returned to Twillingate and is

now in charge of the Hospital. His return will be greeted with much happiness as he holds a revered spot in the hearts of the people of Twillingate District. He has the full confidence of the people and they rejoice that he has recovered his health sufficiently to return to his duties there.

All that would be necessary for the Department of Health to do is to add sufficient men to the hospital and to allow them to radiate from that point to the district, and to adjoining districts, and so bring to the people within reasonable distance from the hospital dental care and the care of an eye specialist that were envisaged in this Bill. I see nothing terribly difficult in administration in St. John's where we have so many doctors. I think the most difficult job the Department of Health has to do is in the outlying places but the problem will be settled in a reasonable time. Mind you, Mr. Speaker, we are going to have "beefs." The Government did not do this because we did not pay. It reminds me of a maid we had at one time — her eyes were bad and my wife advised her to go to a certain doctor and the maid said "Sure he blinded me aunt one time," and then my wife told her to go to another doctor, and she said "He gave my mother glasses five years ago and she has not worn them since." In time it will be accepted as a general rule and I see absolutely no reason to think that there will be any serious obstacle in the way of our getting this legislation under way. The difficult thing, Mr. Speaker, is going to be in getting the necessary personnel, dentists, etc. You will need more dentists, of course, then you will need optometrists because everyone must see a dentist at least twice a year, but everybody does not have to

see an eye specialist more than once a year. We may in many cases have to depend upon the ordinary doctor. Finding the personnel to do the work — that has been the crying need in Newfoundland — that is a need that has worried the Government for many years — since we have been in office — to get the necessary dentists and to get the necessary doctors to bring to all our people the services necessary. The payment is very important, Mr. Speaker, and many a family and many children, many thousands of children will now be able to get free dental care whereas otherwise they would have difficulty in financing the cost now. Mr. Speaker, the honourable the Member for Labrador said no matter how independent you are medical expenses these days are enormous and the motion before the Chair which provides all children up to sixteen years with free medical services of all kinds — dental and optometry — is a God-send, to many people and I have very great pleasure in supporting this Bill.

MR. SMALLWOOD: I have three points only to make. First on point of preparation. Several years ago I asked the Minister of Health of that day — he is no longer Minister of Health, in fact he is no longer a member of this House — to go to the provinces of British Columbia and Saskatchewan and there in company with his Deputy Minister, Dr. Miller, on the spot, with the active and willing help of two Governments, to make a study of all their health schemes. This was done and a report made to me. This study was not just made as an academic thing, as anyone might study an object, this was a study made of the systems in these two provinces with a view to the possible adaptation of these systems to this Province

of Newfoundland. Two years ago I asked the Deputy Minister of Health, Dr. Miller, to prepare for me personally, as Premier, a study by him of a Children's Health Programme. For many months past we have been giving active and detailed study to this matter, and my colleague, the Honourable Minister of Health, has been in charge of that particular investigation. To say, therefore, that this programme has been hastily improvised is incorrect. I could put a harsh word on it and it would be justified but I won't do it. The scheme has to be carried out in stages, that is obvious — nothing easier to see than that. This year free hospitalization for all children up to their sixteenth birthday. Next year let us hope for free doctor's bills whether in or out of hospital, the year after free medicine whether in or out of hospital, the next year free dental services, and the fifth year free optical services. That would be spreading the health programme over a five year period. I do not know whether it can be done in five years. Perhaps it can be done in four but it still will be done in stages, and these stages will be introduced just as rapidly as two things happen: one, when they are organized, and two, when the money is available for the purpose. Now the second point has to do with the cost. God, Sir, I sometimes think, is with us. More than once—he has been with this Government. Since my honourable friend introduced his budget and tabled his Estimates of Revenue and Expenditure money to finance the programme has been made available. Royalty payments from the Labrador Mining and Exploration Company and from the Iron Ore Company of Canada introduced a half million dollars for this current year. Next year this

amount will be increased to One Million Dollars. According to a telegram I received from Mr. Doyle, Saturday past, his company, he estimates will pay over to us \$90,000 and another telegram from the Iron Ore Company of Canada states an amount of \$450,000, making a total of \$540,000, and I do not take that to be an over estimate, estimated that they will pay over to us \$450,000, a total of \$540,000. That is on the ore shipped last year. On the ore that will be shipped this year, 1956, out of those profits they will pay taxes to us next year. So the cash that will be required is provided to pay this year's instalment of the Children's Health Scheme. Over half a million dollars. This is the amount which the Minister of Finance has inserted in his Estimates. God is with us. And why wouldn't He be? A programme to provide a health scheme for the children of Newfoundland. Why wouldn't He be?

Since Newfoundland was discovered, this Children's Health Scheme makes the tenth great reform in our history. The ten great reforms in our Newfoundland history were these:

First, the right to live here. We did not always have that. We had to fight for it, and we had to win it. We did, and we were given the right to live here lawfully.

The second great reform in our Newfoundland history was the winning of Representative Government.

The third great reform in our history was the winning of Responsible Government.

The fourth great reform in our history was the granting of the secret ballot, the passing of the Ballot Act which enabled our people to vote in secret with a secret ballot rather than

going to an open hustings and announcing in a loud voice the name of the candidate of their choice.

The fifth great reform in our history was the granting of Compulsory Education.

The sixth was Confederation; just the simple fact of Confederation: that fact alone.

The seventh was Family Allowances.

The eight was Old Age Pensions.

The ninth was Unemployment Insurance, a thing which is not yet perfect because it does not include our fishermen. But that will be remedied before long.

And the tenth is the Children's Health Plan.

The House, undoubtedly, will notice that five of these ten took four and a half centuries to bring about. The first five. Four and a half centuries before we had them. The next five, seven years. Sir we live in great times. Some of us here in this House, and a great many outside of it, are very proud indeed that we have played some part in bringing about one-half of the ten great reforms in our Newfoundland History.

If there is anyone alive today in Newfoundland who remembered the day the Government of the Mother Country permitted the people of Newfoundland to live here lawfully, he would be a very proud man, if he remembered that first great reform in our history. If there was anyone living today who could stand in this House and tell us of the thrilling day when Representative Government was granted our people or of that great historic event in 1855 when Responsible Government was won. Even if

there was someone living today who could tell us of the first election that was held in Newfoundland with the secret ballot, we would crowd around him and hear him tell the story with the feeling that we were veritably participating in history, merely because we knew a man who knew the day when the secret ballot was introduced. And deservedly so. But today, here in this Chamber, in a few moments we are going to vote on a reform that stands with all or with any of them. So I move the second reading.

MR. SPEAKER: Moved and seconded that this Bill be now read a second time.

On motion a Bill, "An Act Further to Amend the Health and Public Welfare Act."

MR. SPEAKER: This Bill is now read a second time. To be referred to a Committee of the Whole House on tomorrow:

MR. CURTIS: Mr. Speaker, I move that the House do not adjourn at six o'clock today.

MR. BROWNE: That is a debatable motion.  
Item 27. Debate on Budget Speech. Ways and Means.

MR. BROWNE: When the debate was adjourned yesterday I was commenting on the remarks of the honourable the Minister of Finance about the prosperity existing in the country today, and pointing out that a great deal of this was fictitious, because it depended so much on loans.

MR. SMALLWOOD: Is not that so all across Canada and the United States?

MR. BROWNE: Maybe it is. But before I go on to that, I have just

received a letter from Point Lance, which is in the Honourable Minister's District. It does not represent prosperity. I would like to read it to the House.

HON. G. POWER (Minister of Finance): It is not my district any more.

MR. SMALLWOOD: Anyway it is in Newfoundland.

Mr. Browne started to read the letter but the Speaker ruled he could not do so.

MR. BROWNE: If I cannot read the letter from this woman in Point Lance, I will tell the House about it. She has twelve in family, the oldest child twelve years old. They are in a distressful plight. Receiving relief of \$50.00 a month for twelve in family.

MR. SMALLWOOD: Is that from this Government?

MR. BROWNE: It does not seem to be a laughing matter, but all the ministers on the other side of the House are laughing.

MR. SMALLWOOD: That is not so.

MR. BROWNE: The honourable Minister for Finance is the member for the district and should listen. One of the children is anaemic and has been in hospital twice. It cost \$30.00 for a car to take the child in on the first occasion. The Welfare Officer did nothing about it and the Doctor did nothing about it. This woman had to sell a sheep to pay the fare to the hospital. Another child has had sore eyes for two years.

DR. ROWE: You are repeating the letter now.

MR. BROWNE: Yes, and the Minister can have the letter. The fact is

that neither the Welfare Officer nor the Doctor have done anything about it.

MR. SMALLWOOD: If the facts are as he states, and I don't think he assumes responsibility for them, but is informing the House of what has been told him—if the facts are as stated, then I know a Welfare Officer who is in hot water.

MR. BROWNE: The person said I could use this letter in the House. The people outside St. John's listen to the reports and hear these things. I don't think the woman wrote this for fun. She thinks justice has not been done in her case. There is a Welfare Officer there. I don't know what his duties are in regard to getting medical assistance. This case reflects upon the statement made by the honourable Minister about our great prosperity.

DR. ROWE: It does not reflect if it is not true.

MR. POWER: I know the Welfare Officer concerned, and I know the Minister of Welfare will agree with me when I say that he is one of the best welfare officers in Newfoundland. I also know Dr. Collingwood, and I don't believe one word of that letter. I am going to ask the Minister to get the facts.

MR. BROWNE: I will pass the letter over to him and he can take the necessary steps. I hope that it will be done soon. It is not the first time I have received complaints from that area.

MR. SMALLWOOD: It is certainly proper that any citizen should write to a member of this House to have the matter ventilated. That is what this House is for.

MR. BROWNE: I won't make any comment about whom he should write.

I was dealing with the question of the large amount of loans which are accumulating, it is a pity there are no statistics available. I would like to see what the figure is of the total amount of loans owed by the people of this country for goods bought on the instalment plan. It would represent a debt by the people of this country outside Newfoundland, and the interest is going outside Newfoundland. I want to speak about the Finance Companies. They charge two per cent on their loans. Two per cent a month or twenty-four per cent a year. The Bank charges six percent. The Minister of Fisheries and Co-operatives knows where you can get a loan for one per cent a month. The Government has not encouraged the promotion of Co-operative Credit Societies.

The Minister of Fisheries and Co-operatives knows the history of the movement in this country. I wonder what the Minister thought the other day when he heard me ridiculed by the Minister of Provincial Affairs when I talked about Co-operatives. Then the Fisheries Committee made its report. It made slight reference to the co-operatives movement in connection with its education service. It says on page 108:—

In the late 1930's the Commission of Government brought to Newfoundland a number of co-operative officers who proceeded to organize workers in some settlements for co-operative buying. Later, organization of farmers in some areas was undertaken and a measure of success was achieved in the marketing of fresh lobsters and salmon. Recently, the Government of the Province reviewed the progress of the movement and decided to withdraw from active participation in organization, assistance and direction and limit its activity to provision of a re-

gistry and general administration of the legislation.

It was realized that this movement, which did not grow from the people but was introduced and promoted by the Government, was not making the progress for which its sponsors had hoped. A grave initial error appeared in the failure to understand its philosophy and basic purpose and to place responsibility for it in the proper department of Government—the Department of Education.

At present, several societies are firmly established and regional councils are active. With a few exceptions, however, organization of salt fish producers has not taken place. This movement holds great possibilities for the promotion of the social and economic welfare of primary producers and its development amongst Newfoundland fishermen is desirable. The movement should be fostered by an agency unconnected with government.

MR. SMALLWOOD: Unconnected with Government.

MR. BROWNE: That is what it says. But nothing has been done. We have to wait until the services of the right Director have been secured. Two years seems to be a long time to find someone to take charge of this movement in Newfoundland. The Minister of Fisheries and Co-operatives knows the history of the movement and that this is not quite true.

It is not true to say that they started with five organizations. They started with Study Clubs. It was very different from the co-operative movement with which my honourable friend the Premier was connected. It was not until a representative from the St. Francis Xavier movement came here that we got down to brass tacks.

**MR. SMALLWOOD:** That is true as far as producers are concerned, but not consumers.

**MR. BROWNE:** Good times had a lot to do with it because people were not interested in saving a few cents. We have good times still and we still have poor people. We have a great many people who are looking for loans. They have no where to go except to a Member. They should be able to go to their own friends. The Honourable Minister of Fisheries and Co-operatives and the Honourable Leader of the Opposition and myself were present at the St. Theresa's Consumers' Co-operative Society, Mundy Pond when they inaugurated an extension to their premises. That is one of the best Co-op Societies we have. The Minister knows well how they prosper there. The people who live in that neighbourhood are in a position to get a loan, but in many parts of the country they have no Co-op Societies and they have to go to a Finance Company where they have to pay two per cent interest which is twice as much as they should have to pay. The effect of all this purchasing has not always been good. There has been a certain amount of inflation. It does not seem to show in the Dominion Bureau of Statistics. It is in my opinion very much higher. The paper today showed the cost of living had gone up .1% in a month. I wonder who measures the cost of living. I know a gentleman who worked for a while earning \$60. and \$70. and over a week. He was no sooner finished work when he was looking for a loan. There were a great many people this year looking for loans. There were a great many people looking for relief. I had to go with some of those people to the City Welfare Office to assure the Welfare Authorities that I knew these people were destitute and in need of assistance because they had to wait two

or three weeks before Unemployment Insurance would become due, although you have prosperous times.

**DR. ROWE:** That is not typical of all.

**MR. BROWNE:** Not of all, no. There have been many more distressing cases this winter than in most winters.

**MR. SMALLWOOD:** I am very much interested in the remarks with regard to the rate of interest, but this two per cent per month, is it a common thing across Canada? Can we deal with it in this House?—twenty-four per cent a year sounds like a get rich quick scheme to me.

**MR. BROWNE:** I know there is a Bill before the present House of Commons at Ottawa dealing with small loans. It is intended to deal with Companies that charge even higher. Two per cent is the maximum required by law. I am not sure that the Provincial Government has anything to do with the matter of banking.

**MR. SMALLWOOD:** It is not banking.

**MR. BROWNE:** However, these companies are in our midst. A new one came the other day. My point in referring to them is that the Government should give more attention to this Co-operative method. It has been praised everywhere. Meeting in Australia . . . Australian Government able to take over a great deal of certain business of Australia. The meeting to which I refer challenged the people of this country as to what they were going to do; the Federation of Fishermen which was established here five years ago has been floundering in air, because they have not got the Co-op ideas amongst them. They

should have been studying the Co-op movement in this country. The price of salt has been almost prohibitive—it has gone up seven or eight dollars a hogshead in some places when I believe it can be bought in Canada for two or three dollars. Cannot something be done to get that salt cheaper for the fishermen of this country? I thought I read something about the Government nationalizing the importation of salt. Nothing seems to have come of it. I know that salt is very cheap in Canada and there should be a way found to bring that salt to the fishermen and the way to do it is by talking the matter over with the Federation of Fishermen—by working out a plan. In the same way in connection with the fresh fish market in St. John's—I have been asked that \$250,000 to be set aside for the establishment of a fresh fish market in St. John's. Is anything being done at all. Have advertisements been placed in the Nova Scotia papers?

HON. J. R. CHALKER (Minister of Education): We have been advertising for two years to try to obtain a proper person.

MR. BROWNE: I am sure there are suitable men available. I know of several who were down here. Mr. McEachran was here and is now in Sydney, N.S., in charge of the Co-op Wholesale there. Mr. Gus McDonald is another who is in Saskatchewan now. We do not seem to be able to get anybody to take their places. Regarding fresh fish plants—last year the Government made a loan to a fisherman, Mr. Con. O'Brien. He may have been a small planter but he was given a loan of \$40,000. I believe he had a wonderful season last year.

MR. SMALLWOOD: Right now, today, he is building a new one on a

site opposite Co-op Feed Ranch at Dildo on a loan from the Government.

MR. BROWNE: If the Fisheries Loan Board can give Mr. O'Brien a loan can't they give the Federation of Fishermen a loan? Or do something like that? That would get this prosperity across to the fishermen.

MR. SMALLWOOD: They can.

MR. BROWNE: If it is only a matter of selling the fish from the boats to the fishery plants, they are not going to be very much better off. The gentleman I refer to who came to me for a loan to put his wife in the hospital is one of those. They get enough to live on for the time being. Here let me refer to a television programme which I saw Sundays ago, "The Tenth Frontier", while it is fresh in my mind, where the National Film Board sent a man down to Fermeuse to inspect the plant down there, and he said to the Manager of the plant, "Aren't times good here?" The Manager said, "Yes, but the trouble is they neglect their gardens." They have all their eggs in one basket—the very thing we are trying to get away from—and if depression were to come, the people would be much worse off than they were before. That is, our position is not secure. Is not so secure that we can afford to ignore conditions when they are brought home to us, even though they may not be typical, as the honourable Minister of Mines and Resources said.

It seems to me that the Federation of Fishermen is a group of men who are anxious to improve their own lot and the lot of all fishermen throughout the country, and an effort should be made to induce them to study the Co-operative movement so that they can get the benefit of Co-operative buying by which they will save an

enormous amount of money on their provisions and supplies, especially supplies of salt, and also in regard to other things. In connection with the frozen fish industry, there does not seem to me to be any difficulty in the Federation of Fishermen undertaking the erection of a plant similar to that of Mr. O'Brien.

MR. SMALLWOOD: He understands the principles of the Co-operative movement so well, surely he knows that the Federation of Fishermen is not a Co-operative Society. It is a union, an occupational union. At its very birth I was instrumental in bringing Monsignor Coady down.

MR. BROWNE: I recommended him.

MR. SMALLWOOD: The point is, he was present. We showed films; we did everything to give the Federation a Co-operative slant. But when they were launched, they were on their own. Whatever direction they take, let it be their own direction, not what the Government gave them.

MR. BROWNE: Mr. Speaker, let me remind the Honourable Premier that on a date that is quite clear in my memory—February 6th, to wit, in the House of Commons I spoke on this very subject and recommended that the Federal Government should interest themselves in the formation of fishermen into a Society similar to those formed by the great Dr. Coady who had been elected to go around and preach Co-operation in Nova Scotia, and to have someone like that come down here and assist the formation of the movement here. But it would have been useless to do that if there was not a Co-operative idea behind it or associated with it. If they once formed the Union, if they are not linked up or tied up with

something that is as truly constructive as the Co-operative movement is, they are not going to get the benefit of the Federation.

MR. SMALLWOOD: My honourable friend is expressing identical views expressed by the Minister of Fisheries and Co-operatives and by me.

We invited them to form up. They did so. We invited those who were there, and that included Monsignor Coady, but once it was born they were on their own. Was not that right? Was not that proper?

MR. BROWNE: Right, in a sense. Not, in another. They need a certain amount of direction. If they have a vision of the benefits of the Co-operative movement. That should be brought to their attention and brought to their attention by the Minister of Fisheries and Co-operatives. He is located not very far from their office and he should have opportunity to assist them in appreciating the value of the Co-operative movement to the fishermen. If they don't do that, I don't see any other way in which the fishermen are going to improve their lot. I don't think a lot of people are going to be indiscreet enough to purchase draggers or long-liners. I can't see that the ordinary fisherman, certainly the man who is connected with the salt fishery, is going to be better off unless there is some co-operative effort made to assist him to get salt cheaper, his supplies cheaper, and to sell his produce for a better price. That, Sir, reminds me of this question, and the question continually before us, (the Leader of the Opposition has referred to it several times) that fishermen can sell their fish green to buyers who come here from Nova Scotia and ship to Nova

Scotia and, I believe, down in the Lunenburg area or Halifax, and dry it and cure it and then ship to our own markets, and the prices paid to the fishermen are much lower than in Halifax or Lunenburg.

**MR. SMALLWOOD:** Our honourable friend is likely to hear some news in the course of the next week or so bearing upon these matters. Not from me. I had nothing to do with it. I happened to have heard it. Very fundamental news.

**MR. BROWNE:** I am glad to know.

**MR. SMALLWOOD:** He may not be so glad to know when he hears it.

**MR. BROWNE:** That sounds like a threat.

**MR. SMALLWOOD:** The news when he hears it might not be too welcome to him or to me. Can't say more than that.

**MR. BROWNE:** We will perhaps say more later on.

However, Sir, I hope that this suggestion which I have made will impress the Minister of Fisheries and Co-operatives with its importance and that there will be a greater effort to get someone to come in here and take charge of this Co-operative movement. I know that the work is not being done that has been done in the past. It has not got nearly the prestige, has not got the importance as news that it used to have.

I notice that the Minister went up to Calvert last fall with the Minister of Provincial Affairs to assist at the banquet up there when the Co-operative movement was launched. I was glad to see that happen. I was glad to see that the Minister honoured the

occasion with his presence. I was speaking to a man who was present and he said it was a wonderful show. The Minister knows what a wonderful success it can be.

I don't know if the Minister was present when the Upper Ferry movement was launched. It is something that has gone down in the history of St. George's and will be remembered by anyone who was there as long as he lives.

In 1937 some seven hundred people came from as far away as Codroy and the Islands and all parts of the Port au Port peninsula to Upper Ferry to attend a Co-operative gathering there. I have never seen anything like it in Newfoundland. It was the most enthusiastic; it was the most pleasant gathering possible in my estimation. Men, women, and children were there from seven in the evening till morning; we stayed there all night. There were speeches, and some of the most eloquent speeches I have ever heard, I heard there, and I saw men who were sincere, enthusiastic and inspired by the Co-operative movement. It has always been to me the greatest regret that the initial enthusiasm and co-operative feeling did not survive was allowed to die down so much.

The Minister himself must know the history of the Co-operative movement in the Port au Port area; must know the cemetery under the gateway of which the first members had their pictures taken. Directly over their heads were the words: "Their names will live forever more." They did not put these there, of course; they were already there.

These were the people who got together in the District of Port au Port in 1936 to form the first Study Club

in Newfoundland. Some of them could not read or write, and a little boy was brought in to read to them.

MR. SMALLWOOD: This is strange talk for a Tory. This does not belong to a Tory.

MR. BROWNE: The Conservative Party wants to see the country soundly prosperous.

MR. SMALLWOOD: The Conservative Party doesn't back the Co-operative movement anywhere across Canada.

MR. BROWNE: I have heard Conservative speakers, and whether they do or not, I am one who is backing it because I was interested in it from a long time ago, well over thirty years ago.

MR. SMALLWOOD: He got off on the wrong foot.

MR. BROWNE: Mr. Speaker, our Party can support it as much as any other party. My criticism today is that the Liberal Government in this country has not promoted it as it should; is not giving it the position which it should occupy in this country. I hope, Sir, that they will do so to a greater extent in the future and that we will not have to wait too long before we get someone to head up the Extension Department under which the Co-operative movement is to be placed.

Now, Sir, the Minister of Finance recognized in his budget Speech that a great deal of this money was supplied outside the province. For instance, he talks about the money spent in this province. The Mining Industry, \$139,000,000 — almost every cent supplied from outside sources. We are receiving money to be taken out in the form of profits.

MR. SMALLWOOD: Some will be taken out; some will be left here.

MR. BROWNE: I suppose it is better to have \$139,000,000 spent even in Labrador than not to have spent it at all. As the Editor of the Daily News said, the effect of spending money on the Labrador - Quebec boundary is not nearly as great as if spent in the Island.

MR. SMALLWOOD: A half-million cash will come into our Treasury this year. One million next year and every year thereafter. Wouldn't it be pleasant to have another dozen more like it?

MR. BROWNE: House Construction, \$110,000,000. The same consideration applies here. The Central Mortgage and Housing and the Trust Companies and the Insurance Companies are supplying most of the money today for there.

MR. SPEAKER: We will rise at 6 o'clock. The honourable Member must break at that point. He has the right to continue his speech when the House sits again at 8 o'clock.

Moved and seconded that this House be adjourned. I leave the Chair until 8:00 of the clock tonight.

The House resumed at 8:00 of the Clock.

MR. BROWNE: Mr. Speaker, I believe that my time is nearly up but I would like to make a few remarks before I sit down. The first one has to do with Housing. Much of the money we expend for construction of Housing comes from outside the country, but I realize that it must come from outside the country. We haven't enough money here for construction question of Public Housing we have of Housing and when we come to the

to depend entirely on money outside the country. It was announced recently that the Government was going to erect a building or development in the Elizabeth Avenue Area, Elizabeth Park, for bachelors.

MR. SMALLWOOD: A figment of someone's imagination. There is not a syllable of truth in it.

MR. BROWNE: It was reported in the newspapers.

MR. SMALLWOOD: It was reported erroneously. There is not a syllable not even a letter, of truth in it.

MR. BROWNE: I am very glad to hear that. I was speaking to Mr. Duffett the other day, his office is on Cashin Avenue, near the Westmount Area. He told me there were eight hundred applicants for houses. I telephoned to see if there was a chance of someone getting a house this year. It would certainly be inadvisable to proceed with a Housing project for bachelors. I am glad to know from the Premier now there is no truth in it. But who put the plan in the paper?

MR. SMALLWOOD: The plan is correct — there is a building.

MR. BROWNE: How did it get the title "bachelor apartments"? I heard that the Tourist Development Director was the one who was going to be in charge of that project.

MR. SMALLWOOD: Mr. Vardy happens to be, and has been for some years past, the Chairman of the Housing Corporation, and it is Housing that is building the building. That is his connection, but it is the Corporation, not Mr. Vardy, who recommends to the Government the construction of these buildings. The contract is let. It is not and never was a bachelor apartment building.

MR. BROWNE: During the past couple of years — the past two years — very little has been done to build houses to relieve the big demand there is among those eight hundred working people and I do not know if the Government has any plan in mind this year in connection with the Federal Government.

MR. SMALLWOOD: They have.

MR. BROWNE: I heard that they are going to build houses in the James Street area.

MR. SMALLWOOD: There are different projects for this year. The honourable Minister who is working on it will describe it.

MR. BROWNE: I am glad to know the Minister of Municipal Affairs is going to speak on that. Personally, I always thought that that area was one of the nicest sections in town, if we had nice houses there, because the view over the harbour is very fine.

Passing from that I want to comment on the manner in which the Finance Minister has compiled a list of the investments or expenditures during the past seven years. Usually a Finance Minister is concerned with the past year and the year to come. But he has come over the past seven years and given the record of spending during that time by the two Governments. It seems to me to be going too far. It is giving an altogether distorted picture from the broadest point of view. Even in the past year he has not neglected to bring in expenses by the Churches.

MR. SMALLWOOD: The honourable gentleman seems to me to be unbelievably confused.

MR. BROWNE: No. He has here for the Churches five and a half mil-

lion dollars. I suppose that is for the past seven years, though? It doesn't say so.

**MR. SMALLWOOD:** That is for the past year.

**MR. BROWNE:** I read it a good many times and I appreciate its being brought to my attention that it was for the past year.

**MR. SMALLWOOD:** That amount includes all Churches.

**MR. BROWNE:** We spent a lot on the Cathedral up there last year. I do not know just what the expenses on the Cathedral were, though.

I note in his statement the building of so many hundreds of new schools. I think the Minister must have meant new classrooms here. Actually, the number of schools is less because of the amalgamated schools. Looking over the Minister of Education's report last night I was surprised to find the number of schools had declined, although the number of classrooms had increased.

I notice he deals to a large extent in his Budget with the Terms of Union. I find it very difficult to know what the position is in regard to the Terms of Union, whether we are supposed to debate that, because the honourable Minister of Finance and the honourable Member for Harbour Main, members of the Executive, have spoken at some length on the Terms of Union. But if I can make a reference before coming to the final point I wish to make on the Terms of Union, I would point out that the expenditure in Canada that built up the Canadian public debt to an extent far beyond ours per person was the expenditure on the railways. The Canadian National Railways long system of railway, which ex-

tends from the Atlantic to the Pacific, has contributed a great deal to the service of Canada and the proportionate spending on railways in this country, I believe, would be much less than it was in Canada. I know, Sir, that the Province of British Columbia was promised a railway, and the Province of Nova Scotia was promised a railway as the price of their coming into Confederation. We were not given anything approaching that, and I don't know whether the Committee now working on the Terms of Union have given any consideration to any substantial benefit of that nature to handle the traffic that exists at the present time, or the traffic that is likely to exist, say, within the next ten or twenty years. I know Mr. Gordon is opposed to the idea. It would cost one hundred million dollars for the conversion of the railway from the narrow gauge to a wide gauge, but when you consider the amount of money spent to build the "Carson" and to fit up the ports of Port aux Basques and Sydney, expenditure on the railway does not seem to be very much out of proportion when you consider that over six hundred miles would have been constructed. Either that or check off the Trans-Canada Highway, but something in that nature or some very heavy expenditure, because from the point of view that Newfoundland has been without services and underdeveloped, we have not had the big revenues that Canada's Maritime Provinces have had and which have gone to develop the Maritime Provinces or, as they call it, the less well-off Provinces, although we have been buying a good deal from Canada. We were a good market for Canada a good deal before Confederation and are a better one now. Something like conversion of the railway to a wide gauge,

or the construction of a greater proportion of the Trans-Canada Highway should be undertaken by the Federal Government was going to build so much of the highway through the National Park, but the Government has not yet decided whether they are going to have a National Park or not. Certainly, the construction of the Trans-Canada Highway will have a very great advantage from a military point of view and Canada ought to be taking as much interest in the defence of this country as the United States, or regard this country as one of the bulwarks of the defence of Canada just as much as the United States regard it as one of the outposts of the defence of the United States.

Now, Sir, the last observation I have to make at this time is in connection with the Public Accounts. Outside of the Government Executive, I don't know if any private members on the Government side have studied the Public Accounts. We have given certain amounts of study to it but I wonder if we did it as intelligently as we should; and here, Sir, I am going to bring up the proposal I brought up here once before that, in future sessions, there should be a Committee on Public Accounts. It need not last long, and the Auditor General, who has been able to attend here at several sessions without having anything special to do while waiting for the Estimates to come up, might be present. If he could be here to be questioned as to the various comments which he has made on Public Accounts, those who serve on that Committee would get an excellent idea of the way the Accounts of the country are kept. It would not hurt anybody to sit on that Committee and find out how things are done, and those, perhaps, who are suspicious of

the way things are done might learn something to their advantage. I was a member of the Public Accounts Committee for some years in Ottawa. That Committee was a good thing, and although on some occasions there were incidents that the Government felt very embarrassed by, the criticisms of the Auditor General and things that came out, I believe we were doing a wise thing in showing the general public of Canada how they spent their money, and what on, and they were prompt to come out in public and justify every dollar, every cent. Sometimes they did not spend the money very wisely, but they learned from that. So, I say, with regard to the Public Accounts of this country, it would be a good thing if a Committee were appointed.

I remember, Mr. Pinsent, when the Commissioner for Finance, talked to me of the desirability of setting up a Public Accounts Committee at that time, composed of a body of citizens who would examine the accounts of the Commission of Government.

MR. SMALLWOOD: That's a crazy idea. Crazy.

MR. BROWNE: I don't think so.

MR. SMALLWOOD: Setting up a body of citizens. They would have to be elected, or would they be hand-picked?

MR. BROWNE: Hand-picked. A good many committees or boards of one kind or another were set up and have served some purpose. However, that is not the point. Now we have control of our own affairs. I suggest it is a very good idea for us to decide. The Premier, before, promised to give it consideration at some future session, but I don't think he has given very much consideration to the

idea. I hope he will find it is a good idea and that we will profit by it. I omitted to say that the Minister of Finance in his Speech where he said that "it was not to be thought that any new taxation could be imposed" and then went on to be a little contradictory to cite the prosperity of the past seven years is no mere flash in the pan. You wouldn't be bothered replying to people who thought like that. I hope that all his wishes and his hopes in regard to the future, our mines and our forest wealth will be one hundred per cent fulfilled. I am sure we all wish prosperity to this country. We all appreciate the Government have had a great many difficult decisions to make and they cannot be blamed if they take advantage of prosperity to claim a lot of it is due to their being in power.

MR. SMALLWOOD: If we ever get a depression I hope my honourable friend will not blame the Government for the depression.

MR. BROWNE: I thank you, Sir, and the members of the House, for permitting me to continue beyond the time that was allotted to me.

MR. HOLLETT: I move that the debate be adjourned.

Motion seconded and carried:

MR. SMALLWOOD: I move discussion on the Estimates for an hour or so to give the stenographers a rest.

On Motion, Discussion of Estimates of Current Expenditure under Headings IV, V and VI.

The Chairman of the Committee on Supply reports having passed Estimates of Current Expenditure under Heads IV, V and VI.

MR. SPEAKER: On motion report received and committee ordered to set against for tomorrow.

MR. SMALLWOOD: I move that the remaining Orders of the Day be deferred until the House meets at 3:00 o'clock tomorrow when, I hope, during the afternoon and evening we can continue the debate and possibly conclude the debate on the Javelin Bill, continue the debate on the Budget and possibly some Estimates and possibly some other matters.

MR. BROWNE: What will we lead off on?

MR. SMALLWOOD: Could lead off on the Budget, if satisfactory.

MR. SPEAKER: Moved and seconded that the remaining Orders of the Day be deferred.

Moved and seconded that at its rising this House do adjourn until tomorrow Thursday at three of the clock.

Moved and seconded that this House now adjourn.

Thursday, April 26, 1956.

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

Mr. Deputy Speaker in the Chair:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I feel that the House would like to express a word of sympathy to our official Hansard reporter on the death of her father, and I am sure that every member of this House, on both sides, share in that feeling.

And here may we say that while we sympathized with her enormously, we also missed her from the Chamber

and that we had quite a task in getting replacements for her. We raided all the top rank stenographers of the Government departments for two days, and they took relays doing the work of one Hansard reporter. We had six of them in the Chamber.

MR. M. M. HOLLETT (Leader of the Opposition): Rose and bowed.

HON. F. W. ROWE (Minister of Mines & Resources): Mr. Speaker, I have a ministerial statement to make:

#### Pulp Wood Operations—Labrador

The consolidated Pulp & Timber, Ltd., of which Mr. S. B. Silver is President, have completed plans for immediate commencement of pulpwood and lumber operations in Labrador. Preliminary surveys which have been proceeding for the past three years made possible the decision to start operations.

Mr. Chas. Cook, well-known Forestry Engineer from New Brunswick, with great experience in the forestry field in Canada and the United States, will be in charge of engineering. Mr. L. Adams, a former Newfoundland, and up to now extension forester with the University of New Brunswick and the Forestry School there, will be operations manager.

Mr. Cook left for Labrador on April 23rd with two forestry parties. One group will prepare for immediate operations in Sandwich Bay and the other make similar arrangements in Alexis Bay. Both parties under Mr. Cook's direction will cruise the cutting areas, assess the timber, make necessary maps, select camp sites, plan road locations and wood-holding grounds. This work should be completed by late summer. Camp construction will start immediately on

the Alexis River, and in Sandwich Bay as soon as materials can be brought in. Road work will begin when weather permits. Machinery and equipment will be transported to both areas when navigation opens.

This year's plans are to cut 50,000 cords of pulpwood, which may be increased if summer operations are proved to be feasible, making for year-round operations. In addition to pulpwood a saw-mill operation is planned for Sandwich Bay, implementing a sawlog and pulpwood segregation method successfully developed in Western Canada and United States. Production of the mill will be geared to the maximum sawlog procurement from the timber stands, and will be powered by a large diesel unit.

A sawmill operation is also planned for Alexis Bay in conjunction with pulpwood cutting. This mill will also be diesel operated and equipped to produce precision sawn lumber. Still a third operation may begin in the fall on Hawkes River after surveys have been completed. First wood could be shipped from there in 1957.

It is expected when operations are in full swing for the current season up to 300 men will be employed, mostly from Newfoundland and Labrador. Local experienced loggers and mill men will be employed wherever possible, and integrated with the Labrador workmen.

In the second year production should reach 100,000 cords with a proportionate increase in lumber. After five years this should reach the 200,000 cord mark, again with increased lumber production. A third sawmill may be considered if timber and labour are available. These increases in production will, of course, create a proportionate need for labour.

An important feature is that these operations will be closely studied by forestry staffs of several pulp and paper interests to determine feasibility of economically producing Labrador wood. Wood costs are of paramount importance in any decision for the establishment of a pulp and paper mill, and can only be proven by actual experience. Present opinion is that wood resources of Southern Labrador can supply two paper mills.

For this year's operations an amount in excess of \$500,000 will be spent. A St. John's employment and purchasing office will be opened within the next few weeks and announcements regarding this will shortly be made.

Mr. Speaker, I have sufficient copies here for all members of the House and also for the press and radio.

MR. W. J. BROWNE: Mr. Speaker, I wonder if I could ask the Minister a question in relation to that statement? Is there a contract signed with this company or has there been an Act passed by the House dealing with this company? And if there has been no Act passed will the Minister table the contract made, and by what authority the Government makes a contract for the shipping of pulpwood from the country?

DR. ROWE: Mr. Speaker, there was an agreement for Sandwich Bay which had the right to assign to another company. Actually the agreement to cut pulpwood, and so on, may be found in the Crown Lands Act. There are provisions there. In the meantime we are at the present time renegotiating an agreement to cover these various operations, which special agreements are not completed yet. However, there is nothing at all to

prevent us going ahead under authority of the Crown Lands Act.

MR. BROWNE: Mr. Speaker, could the Minister say how long this contract is for and whether the wood is to be shipped to the site of the paper mill in New Brunswick?

DR. ROWE: Sir, I am not able to answer these questions definitely. I would like to have some notice of them. Actually I don't think there has been any decision as to where the wood will be shipped or who the local purchaser will be.

MR. BROWNE: How long is the contract for?

DR. ROWE: For five years.

MR. HOLLETT: Mr. Speaker, on that point, does it not appear to be a poor way of going about the establishment of a paper mill, to allow the export of pulpwood under this contract, which was never brought before the House, and there is no legislation touching thereon. I was wondering if the Minister would like to comment on that?

MR. SPEAKER: I think, as far as I can remember, a ministerial statement is not debatable. Probably the Honourable Leader of the Opposition might care to give notice of some questions on these points.

#### Presenting Petitions:

None.

#### Presenting Reports of Standing and Select Committees:

None.

#### Giving Notice of Motion:

HON. S. J. HEFFERTON (Minister of Municipal Affairs & Supply): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill,

"An Act Further to Amend the Local Authority Guarantee Act, 1952," and also, Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act For the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes."

**HON. L. R. CURTIS:** (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Act 4 Ed. VII Cap. 13 Entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for Other Purposes in Connection with Crown Lands," and also, Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop Falls and Botwood Areas."

#### Giving Notice of Question:

Notice of Question given by Mr. Browne:

#### Answers to Questions:

None.

#### Orders of the Day

**Second Reading of Bill:** "An Act To Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, the Act No. 1 of 1955 (Second Session) Between the Lieutenant Governor in Council and Wabush Lake Railway Company Limited and Canadian Javelin Limited."

**MR. CURTIS:** Mr. Speaker, without taking my right to speak, may I explain that there has been distributed a second printing. This second printing is just circulated for the convenience, and I suggest that the House

will act on the first printing, and that when the House is in committee the second reading amendments will be introduced in the normal course. There are only one or two, but we reprinted it for convenience.

**MR. SPEAKER:** The second reading of this Bill was moved by the Honourable the Premier.

**MR. HOLLETT:** Mr. Speaker, we all remember, of course, that this Bill was before the House last year, not this particular Bill but the parent Bill and also the Wabush Lake Railway Company, Limited, Guarantee Loan Act, 1955, September 28, 1955.

In that particular Act, Mr. Speaker, it is well-known that permission was granted to the company, the two companies concerned, the Wabush Lake Railway Company, Limited and Javelin Limited, to enter into a contract with certain individuals across the world for the building of a railway and for the bringing out of the iron ore from the Lake Wabush Iron Ore Deposits.

Pursuant to that work, however, the company decided that it would be absolutely essential that it raise some more money, having already raised some \$18,500,000 in Europe. I believe most of that was supposed to be raised in Switzerland. They required a further sixteen and a half million and came to the Government to obtain a guarantee.

The Bill was bandied back and forth here across the House for some time, and eventually the guarantee loan was passed and Wabush was told to go out into the world, into the money markets of the world and raise the sixteen and a half million dollars upon the guarantee of the Newfoundland Government. That was,

I believe, on September 28th, 1955. Since that time we have been hearing rumors upon rumors, story after story, and we have been receiving circulars from the Wabush people, Javelin people as to the price of their stock and how it had gone from "A" to "B" and from "B" to "C" etc. And we have heard of how a certain American insurance company were going to subscribe to the loan. And it appears as though the loan had already been made and that the Lake Wabush Railway and the Iron Ore Company which would result therefrom were already on the way.

It comes, therefore, Sir, as rather a surprise to us, and I cannot for the moment say whether it is agreeable or very disagreeable to find that Javelin and the Wabush Lake Railway Company were not able to raise, upon the guarantee of this Government, the amount of sixteen and a half million dollars required to carry out the work in hand. We are not told just why these monies have not been raised. There were various flights, going about the world, by John C. Doyle, and by the Honourable the Premier on one occasion across to Europe, which gave us some hope as to the possible success of these ventures; a venture, Sir, which we all know is really a venture, almost an adventure. It is one in which an immense amount of faith is required to believe that it can come into fruition. Well, this House had faith last September when it granted the guarantee which was necessary for the company to raise its loan. The company has not raised that loan, and we are not told the reason why that loan was not raised.

Now we have before us another Act, another Bill. It was evident from the Wabush Lake Railway Loan Guarantee Act that certain things had to be done by certain days, as far as I can

make out, by the companies concerned. And as far as I can see, in my humble opinion at any rate, various things were not done which should have been done if the Act was still to stand. For instance on page 10 of the parent Act, Sub-section 17 of Section 2, Javelin and Wabush Lake, as soon as the Government Guarantee had been given — "As soon as the Government Guarantee had been given" — and that was last September — "Javelin and Wabush Lake will each as soon as the Government Guarantee has been given proceed with the utmost expedition to carry out the undertakings agreed to be performed by it under this clause and neither Javelin nor Wabush will depart or permit any departure from the terms of this Agreement without the consent in writing of the Government." Now, Sir, under this particular clause many many things had to be done, and I would like to refer to them as they appear here in the various sections of these sub sections.

Here were the promises: The guarantee hung on the carrying out of these promises in accordance with conditions and agreement — Develop and bring into production an iron ore mine or mines at or in the vicinity of Lake Wabush in Labrador — Have they done so? They have not done so. They have not built the railway yet.

MR. CURTIS: Mr. Speaker, I do not want to interrupt my honourable friend, but the guarantee has not yet been given. We have not given any guarantee.

MR. HOLLETT: Surely the guarantee was authorized by the Government.

MR. CURTIS: Authorized by this House but not by the Government.

MR. HOLLETT: Will the honourable Minister tell me why it has not been given?

MR. SMALLWOOD: It has not been requested.

MR. HOLLETT: Well, Mr. Speaker, "Javelin and Wabush will each as soon as the Government guarantee has been given" — In other words, no guarantee has been given. Well, this comes rather as news to me. No guarantee whatsoever has been given to Javelin. That certainly is news and will be, I am quite sure, news to the world, if that is so.

MR. SMALLWOOD: That being so.

MR. HOLLETT: Well, Mr. Speaker, that will alter the outlook as far as the outlook of this Bill is concerned. And certainly I don't want to put my tongue in somewhere where it should not go.

"Concurrently with the giving of the Government guarantee Wabush will execute and deliver a Trust Deed" — May I ask if that has been done at all?

MR. SMALLWOOD: We have not given the guarantee.

MR. HOLLETT: Nothing has been done?

MR. CURTIS: Except the agreement has been signed.

MR. HOLLETT: "Wabush will give a specific first mortgage upon all of the lands, rights, concessions and fixed assets of Wabush etc. —" This Act then is null and void.

MR. SMALLWOOD: Mr. Speaker, the things that follow on and after the giving of the guarantee will follow, presumably, on and after the giving of the guarantee and not preceding

the giving of the guarantee, and the guarantee has not been given.

MR. HOLLETT: Nor requested?

MR. SMALLWOOD: Nor requested. It will be requested, it has not been.

MR. HOLLETT: In that case where is the need for this new legislation?

MR. SMALLWOOD: Mr. Speaker, to have it in Swiss Francs, to have the authorization for the Government to guarantee the bond issue be exercised in Swiss Francs as well as in Canadian and U.S. dollars.

MR. HOLLETT: Sir, if that is the only reason, of course, there is no great objection to that. My information is that the Swiss Franc today is pretty sound currency, as sound probably, to all intents and purposes, as the U.S. dollar or the Canadian dollar. If that is the only change that has been made then of course there could be no real reason for us to object, because the Bill has already been passed. We have consented to guaranteeing the loan of sixteen and a half million dollars as soon as they so request. We cannot therefore talk on that very much, as it would be out of order. The only thing I may talk on now then is the fact that the change is to guarantee the loan in Swiss Francs also. It is also to change the date, I believe, to substitute therefor the 31st. day of December 1956.

So we will look at sub-clause 2 for the moment, and then I think I have just about finished. Now I understand that these people have done all that the Government required up to the present time, and the change is a mere formality. Well, all I can say in that matter is that it has my blessing. There is nothing more to be said. The guarantee has been passed by the

Government and nothing we can say or do on this side of the House or on that side of the House for that matter can alter it unless these people fall down on their job. I do hope that their intentions will work in the right direction in order that this mine may be brought into production very soon.

Incidentally, we were afforded the privilege of having a chat with John C. Doyle when he was here. I have to say at the utmost one has to have great faith to see this Wabush Lake Iron Ore Development come into production in competition with the Iron Ore Company of Canada? We have to have great faith in order to see that happen. I do hope it will happen, and that this company will succeed to the betterment of working conditions in the Labrador and also with regard to labour right throughout the whole of Newfoundland. That is all I have to say with regard to the matter now, Mr. Speaker.

MR. BROWNE: Mr. Speaker, I have to say first of all that we said last year, last September, that there was no occasion of having a special session because things were not ready. And now this shows that we were right, and things are not ready, and things were not ready at that time, and it is only now that it appears they are ready. I would like the Premier when he is replying, if he would, to tell me what it is in this agreement that Javelin and Wabush are supposed to do before the Government guarantee is given. It is not clear to me. It says in that paragraph: "All Acts or things required by this agreement to be done by Javelin or Wabush before the Government guarantee is given have been done to the satisfaction of the Government." I can't see what it is they are supposed to

do. I am trying to find it out. I cannot see anything in it, unless it refers to the remarks made by the Attorney General a minute ago, that they mean Javelin and Wabush of themselves guaranteeing the loan, because the guarantee by Wabush would not be worth much any way because they have nothing.

MR. CURTIS: They would be the principals.

MR. SMALLWOOD: A guarantee by Javelin means nothing.

MR. BROWNE: Sir, by Javelin, I agree, means something. We said I think everything we could say last year in reference to this, and there is very little we can say now. The Government is going ahead with it anyhow. And we, of course, are aware of the high value that this stock has reached on the market because of the interest of the Government and the Government guarantee, etc. We certainly hope that it is going to come out alright, so that we won't have to be responsible for this huge amount of money. I am still opposed to the principle of the Government guaranteeing a loan to mining companies to that extent to come to this country. I don't think we should be required to do it. As I said last year, if the mine is as valuable as it is represented why should it be necessary to come and get a Government guarantee. I cannot see it — with all the people looking for iron ore as they are doing, and with only a short distance of railway to be built to the mine and with the glowing reports that we have heard about the wonderful deposits there and the comparatively simple process of beneficiation to increase it one hundred per cent in intensity. It seems extraordinary then that they should have to come to a small pro-

vince like this and expect us to give a comparatively enormous guarantee of some sixteen and a half million dollars.

**MR. SMALLWOOD:** Sometimes neighbors have great influence over you.

**MR. BROWNE:** Sir, I don't know what the Honourable the Premier means by that. Perhaps he can explain.

**MR. SMALLWOOD:** Mr. Speaker, I did not mean over the honourable gentleman, I meant; "over one." I did not mean influence over the honourable gentleman. I was not referring to him. "Sometimes neighbours have great influence over one."

**MR. BROWNE:** Well, Sir, what I thought the honourable the Premier was referring to was the Iron Ore Company of Canada having influence over Javelin. I don't know what he means. Unless they have influence. But I don't know where it is. Their influence is driving Mr. Doyle to Switzerland to get his loan. There seems to be something peculiar about Switzerland. The first time this was up the Swiss Bank was supposed to invest four and a half million dollars in the company.

**MR. SMALLWOOD:** Four million eight hundred thousand.

**MR. BROWNE:** Now they are going to help provide this sixteen and a half million dollars, they are willing to accept a portion, apparently, of this loan. Anyhow there is not very much that we can do about it now, Mr. Speaker, and we have to consent to this going through. As I said before, we hope this will turn out prosperously.

**MR. CURTIS:** Mr. Speaker, I would like to clear up one or two

points mentioned by my honourable friends, if they would look at subsection 2 of Section 3 — It reads: "The Government will not be required to guarantee the loan under Sub-Clause 1 of this clause unless the loan has been validly, unconditionally and irrevocably guaranteed both as to principle and interest by Javelin." First of all I would like to say in reference to that, that the Government has had to do nothing under this agreement until Javelin has given such a guarantee that all the actual things required to be done by this agreement have been done and to the satisfaction of the Government.

Well, now, on page 16 it says — Before the Government guarantee is given letters from the bank or banks with which any of the accounts referred to in paragraph (6) of this clause are to be kept, agreeing to waive all set offs, liens or other claims of whatever nature that the bank or banks may have either now or hereafter against the monies from time to time standing to the credit of any of the said accounts etc.

These letters all have been given. And moreover it says all this must be done before the 15th day of March, 1956. And both these things were done before the 15th day of March, 1956.

**MR. HOLLETT:** May I ask a question — Is the Government satisfied with the guarantee received?

**MR. SMALLWOOD:** It will require they give the guarantee.

**MR. HOLLETT:** Is the Government satisfied?

**MR. CURTIS:** Mr. Speaker, actually the Government has not passed on it, just awaiting developments. We have received the letter. Whether or not

the Government is willing to accept and give the guarantee is a matter to be taken up in due course when they ask us. They have not asked us yet. We have not passed on it. We could not say in advance, Mr. Speaker, that we accept it or not. The Government is going to handle that matter in a business-like way and when they actually make their request we will consider it.

I might also say that in Clause 4 on page 12 it also reads (or the clause is on the preceding page) Wabush will do this and that. What was possibly in mind when we wrote the clause on the preceding page, but we realized all these things would have to be done subsequently, therefore the word prior was taken out of Subsection 4 (1) and the word "Concurrently" used. Possibly that was what confused a lot of us. When originally the matter came up it was more or less understood the 15th day of March was the deadline. Actually upon further investigation we found it was only the deadline for certain things, which they have performed.

**MR. SMALLWOOD:** Mr. Speaker, if there is no other comment from the House, I have very little to say. The honourable Leader of the Opposition referred to the fact that Mr. Doyle was travelling around the world, and then added — "And the Premier."

**MR. HOLLETT.** No, "Flying," a much better word.

**MR. SMALLWOOD:** "Flying" — "Hopping." The Premier evidently did some of it because he was understood to have been in Europe in January, when I returned from Jamaica, when I returned from Puerto Rico to New York, Mr. Doyle was about to go to Europe. And he asked if I would go with him. And he told me why

he wanted me to go. And I agreed it was for a good purpose. So I went, and in London I sat in with him and his chief engineer in their conferences with the English ore people when he discussed with them the idea of their giving Javelin a contract for the purpose of procuring iron ore from Lake Wabush. I sat in on a conference at Dusseldorf with Mr. Doyle and his chief engineer on the one hand and a former English Army Officer, a son-in-law of the Late Major General, Sir Newton Moore, the connection there being that Major General Newton Moore represented the old Empire Steel Corporation in England in the sale of the Bell Island ore in the United Kingdom. He died and his son-in-law, Capt. Bullen, took his place as the representative in the United Kingdom of those companies. It is he who arranges all sales of Bell Island ore in the United Kingdom. It was through him and his company that Mr. Doyle negotiated and finalized the sale of Wabush Lake iron ore to the British Steel Industry. He accompanied Mr. Doyle to Dusseldorf, where he sat in on the negotiations, as I did, and the German purchasers of iron ore for the German Steel Industry. It was a very intensive visit because when we finished in London we went instantly to Dusseldorf and the meetings went on morning, afternoon and night. I left Dusseldorf around seven o'clock in the morning on the day of the last sitting and the conferences went on all that night until half-past two the following morning. So that my purpose in going over there was solely to satisfy myself and be enabled thereby, possibly, to satisfy my colleagues in the Cabinet and in this House of the fact that these contracts were genuinely negotiated and made for the purpose of the sale of Wabush Lake iron ore

in Germany on the one hand and in England on the other. That was my reason for going over there. I thought at the time it was a very good reason for going, and I think so at this moment. I don't think that this is the time nor the place to discuss the reason why Canadian Javelin did not sell their bonds in the United States nor in Canada last year, after the special session of this House when the Government had authority to guarantee these bonds if they were sold. This is neither the time nor the place to discuss that. One day when the railway is built and the company is declaring substantial dividends, probably more substantial than those presently declared by the Labrador Mining and Exploration Company and the Iron Ore Company of Canada, then, when the fight is over and won by Canadian Javelin, it may be interesting at least, and may do some good, to tell the story that could be told. It is to say the least an interesting story why this amendment is required at this present session of the House, an amendment which authorizes the Government to guarantee a bond issue in Swiss Francs. It has already been authorized to guarantee the bond issue if raised in Canadian dollars or in United States dollars. But now if this amendment passes it will be authorized to guarantee the bond issue, if the bond issue is raised, in Swiss Francs.

My honourable friend, the Leader of the Opposition, is thoroughly right when he refers to the solidity and stability of the exchange value of the Swiss Franc in exchange with the Canadian Dollar or the United States Dollar or any other national currency. It stands as high in exchange value as does any other national currency in the world. The Swiss, of course, are known to be very hard-headed,

hard-fisted financial people, and their banks are famed and very highly thought of across the world. It may interest the House to know that this will be the first time in the history of Switzerland when a Swiss Bank or group of Swiss Banks will have taken the prime position in a Canadian Bond Issue. My understanding is that there is just a little discontent in some financial circles in Switzerland over the fact that they had not hitherto had the opportunity in Canada of participating in a senior position in Canadian financing, and that if they had had any opportunity it was an opportunity to participate only in a junior position. (When saying this I mean in connection with a Government issue or a Government Guaranteed Issue). This may possibly one day lead to very good results for Newfoundland. At any rate I think that Switzerland shortly will have a stake in this Province, a definite stake, in that they will have assisted considerably in the financing of a Newfoundland-Canadian industry. It will be good for Newfoundland to have the financial strength, the financial greatness of Switzerland connected actively and intimately with the development of our natural resources.

May I in conclusion quote something that I am sure will interest my honourable friends opposite and indeed the whole House and perhaps the whole Province. This is from the "Montreal Gazette," the financial page, April 13, 1956. It is a statement of Mr. W. H. Durrell of the Iron Ore Company of Canada and of the Labrador Mining and Exploration Company and of Hollinger Consolidated Mines Limited. Mr. Durrell is well-known to many members of this House and to many Newfoundlanders.

He says: The levels of tolls to be

levied on shipping through the St. Lawrence Seaway will govern the amount of Quebec-Labrador iron ore that can be economically shipped through the Seaway to inland ports and nearby steel mills."

It was asserted here yesterday by Mr. W. H. Durrell Vice-President of Hollinger, the extent of inland supply will depend on the tolls to be established when the Seaway is completed, whether it will permit our companies to lay down Quebec-Labrador ore at a price competitive with Lake Superior ore. He said at the annual meeting of Hollinger Consolidated Mines, Limited, that the company has extensive interest in developing an operating company concerned with development companies in the Knob Lake Area. Quebec-Labrador operations had to cope with unfavourable climate conditions, a mining season of no more than six months, a long railway haul to Seven Islands and a great distance from the supply centres. However both Durrell and Jules R. Timmins reported to the meeting that products from the Knob Lake development this year (that is this present year, 1956) would total twelve million tons, which will compare with eight and a half millions last year. Of this years' figure, eight million tons will be shipped from Seven Islands to East Coast ports; i.e. the outer coastal ports of North America; two million tons to inland ports and two million tons to Europe. Now this is the first time that the Iron Ore Company of Canada will have shipped iron ore to Europe. As a matter of fact, when I was in Germany in January, with Mr. Doyle, there were two other men there at the same time both negotiating with the same people with whom Mr. Doyle was negotiating. One was Mr. Humphrey, the son of the Secretary of the

Treasury of the United States, who is the head of the Knob Lake Company and the other was Cyrus Eaton of Cleveland, the head of this company he is trying to promote down in Ungava Bay.

"In answer to a shareholders question, Mr. Durrell said, the climate made it impossible to continue shipping ore from the mines in the winter."

Let me repeat that: "In answer to a shareholder's question, Mr. Durrell said, the climate made it impossible to continue shipping ore from the mines in Knob Lake, Route Lake, Burnt Creek throughout the winter, unless equipment were to be installed to pelletize the ore and ship concentrates in this form."

In other words, John Doyle is two years ahead of them. John Doyle envisaged from the beginning a plan of pelletizing the ore. And by pelletizing the ore he can ship it all the winter through in Labrador, because in pellet form it does not freeze in a solid mass in the cars. And being pelletized it will have had the moisture removed, and it is the moisture in the ore that causes it to freeze into a solid mass in the ore cars. If you were to load ten thousand tons of iron ore as it presently is at Knob Lake and ship it in January to Seven Islands, it would arrive as one solid trainload of frozen ore. But pelletize it and you can ship that same train loaded with pelletized ore, and it will arrive in Seven Islands, where it can be unloaded just as readily in February as in July.

My honourable friend, the Leader of the Opposition, who remarked in his speech that it required a great amount of faith (I think he said; "A great amount of faith") to see this

mine actually in operation, will be interested in this:

"Mr. Durrell told the meeting that drilling and marking would be carried out this year on ore deposits controlled by Hollinger-Hanna interests at Wabush Lake." (He might have added: "as it was done last year"). As the House is well aware, Javelin does not own all the Wabush Lake deposits. They own all the deposits on one side of the Lake. The Iron Ore Company, or Hollinger-Hanna, own the deposits on the opposite shore of the lake.

Mr. Durrell said: "Indications were that ore from the deposits at Lake Wabush ran around 30 to 40 per cent iron, and would need beneficiation to be commercially marketable." Then in parenthesis he said: ("The deposits area to be surveyed is north of deposits controlled by Canadian Javelin, Limited, which has been estimated to contain about 1 billion tons of ore") Drilling with explorations for potential new mines in Quebec Labrador regions. Mr. Timmins declared, "Vast amounts of capital were required for exploration and bringing in mines into production. Such capital would seek assurance of a fair return—and would need the continued support and co-operation of the Government in the matter of taxes, communications, transportation, facilities and available power."

Now the point I wish the House to note is that the Iron Ore Company and the Labrador Mining and Exploration Company are now, two years after Mr. Doyle made his positive plans, starting to talk to their shareholders about turning to identically the same thing, concentrating the ore, pelletizing it and shipping it in that form.

I have more faith than I have ever had before in this Javelin thing and in John Doyle. I must confess candidly, realizing as I do so that I am opening myself to at least the possibility that a year or five years hence someone will say: "Well there it is, he expressed that opinion about John Doyle—But it is my opinion that he is an amazing and an extraordinary man, amongst the most pertinacious, most determined, most courageous men I have ever met. If ever a man deserves success John Doyle does. Because he has worked like a dog to win it. I believe that he is going to succeed. And as he does, I believe it is going to bring large sums of money into the Treasury of this Province. And God knows, we need ever more and more money. And let us hope with the Opposition—Both members who have spoken said they hoped it will succeed for the sake of Newfoundland.

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

Committee of Ways and Means—Adjourned debate on the Budget.

MR. HOLLETT: Mr. Speaker, as you see, Sir, I was prepared to talk for about a month, but seeing that the Honourable the Premier has decided what time we are going to have the elections, I have decided that a day or two would be sufficiently long. I think he told us yesterday that it was sometime in October he was planning on having the election. Now that we know I don't see any reason why we should prolong the agony here — at least it is an agony for me to talk too long these days. At any rate, I am very happy to be here. I may not be here again—I just may not be here again. This is the last session of this House—And I think it is an honour

and a privilege for any of us to enjoy, to have the privilege to serve here in this House. It is a great honour. And whether we have done well or deserved well or whether we have not, I hope and trust that we all feel we have done our best. I think we feel it. And if we don't feel that way about it then nothing at all matters. I, for myself, say that during the budget speeches that I have applied myself, I have done my best to be as factual as I could and bring out any criticisms, and in a good many cases bring them out so that the Government themselves could see the way that I was thinking, and that we were thinking, if you like. That is our duty, Sir. And if in the course of debate we do say things that do sound a bit harsh, I am quite sure my honourable friends on the opposite side of the House know that we have nothing in our hearts against them, we are sincere. But sometimes we talk harshly—at any rate we do sometimes talk harshly—And whether this be the last time or not for an of us, or for me, for instance, in this House, I want to say, I enjoyed since 1952 very much, and I have enjoyed some of the confidences that have been given to me by some members on the opposite side of the House. I do appreciate the difficulties which they have laboured under. And I am quite sure that whoever serves on that side of the House will have their difficulties and their heartaches—It does not matter who is over there. So I say, I have enjoyed being here. I have enjoyed saying what I have said. And I do hope that I shall (I say, "I hope") be here again next year.

MR. SMALLWOOD: Hear! Hear!

MR. BROWNE: On the other side?

MR. HOLLETT: Well, in the House.

MR. SMALLWOOD: Don't carry it too far.

MR. HOLLETT: I know, Sir, after listening to the honourable the Minister of Finance the other day, when he introduced the budget, I must say that I was impressed very very much at poetry expressed in the budget, at the vision which was held forth. And I was reminded of Tennyson as I looked at the poet, Finance Minister Power. I was reminded of Tennyson when he said:

"And I dipped into the future  
Far as human eye could see,  
Saw the wonders of the world,  
And all the glories that would be."

Now that is the way the honourable Minister saw it when he dipped into the future of this Newfoundland. And he not only dipped into the future but started in by going well back, seven years into the past, to the time when we came into Confederation. And he recounted all the blessings that had come from Confederation. He told of all the many millions that had been spent in this country. Then he dipped into the future and talked about the next seven years. He dipped into the future, as far as human eye could see. And I do hope, Sir, that some of the things that the honourable Minister did see, I hope all that he saw and much more will come about.

The budget, speech, of course, should be quite a document. And this is quite a document. But I have to say that I do not like the manner in which it has laid forth the financial affairs for this House. Why must we

go back seven years and then jump ahead seven years without dealing with the things that are here with us at the present time? What is the position of Newfoundland at the present time, and how are we handling the finances? What was our revenue last year? How was our expenditure? How much was spent on highroads last year and how much are we going to spend this year?

Incidentally, on that point—in case I forget—Last year we spent eight million dollars on the Trans-Canada Highway. This year, for some reason or another we are only going to spend one million eight hundred thousand dollars. Why? These are things the honourable Minister should have dealt with, and did not deal with to any great extent. As a matter of fact I don't believe he brought it out at all. The Trans-Canada Highway was, I think, to be completed by the end of 1953 or thereabout. It is now neglected to the tune of six million dollars as compared with last year.

MR. SMALLWOOD: If my honourable friend will allow, Sir, that eight million dollars was budgeted but less than half was spent.

MR. HOLLETT: That is something which might have been told in the budget speech.

MR. SMALLWOOD: That all comes as the House deals with the estimates for each individual department. All that information will be then asked for and given.

MR. HOLLETT: Mr. Speaker, last year we budgeted eight million dollars for the Trans-Canada Highway, and planned to do what we did not. Why? Why did not the Minister tell about that? Here we budget for only one million eight hundred thousand. Why? We should be told that.

We were not told that. If we only spent half of what was budgeted this year we won't spend very much on the Trans-Canada Highway. Mind you the Trans-Canada Highway is a vital link in the future prosperity of this country. And I am quite sure in the opinion of the Government it is one of the most vital links to prosperity. I envisioned four or five years ago, when the Trans-Canada Highway was brought in, five or six hundred miles of paved highroads between here and Port aux Basques. I also envisioned branch roads running from the Trans-Canada Highway to different centres. We are a long distance from that yet. And the Minister has not told us why?

I turn to page 10 to see the honourable Minister reaching into the skies and pulling down a series of figures. And he comes to various conclusions—"The building of so many hundred miles of new roads, bringing over 100,000 of our population for the first time in history into road connection with the rest of the island. The building of so many new hospitals, nursing stations, hospital boats, and clinics, and the provision of air ambulances and other hospital and medical services that did not exist before; the building of so many hundreds of new schools, etc., all of which did not exist before.

"Very obviously, Mr. Speaker, it is not the Newfoundland that used to be. This is not the Newfoundland in which we in this House were brought up. This is not the poor island with the feeble economy, and the lack of confidence in the future, that we used to know, those of us who have reached our thirties and forties. This is a Newfoundland that has strength, that is going ahead, that has boundless faith in its future."

I would like to point out to those who have reached their thirties and their forties that there were times even in the past when there was considerable prosperity in this country. I remember during the first great World War and for a year or so thereafter prosperity was rampant across the island. Fish was up to sixteen and seventeen dollars a quintal.

MR. SMALLWOOD: And flour twenty-four dollars a barrel.

MR. HOLLETT: Yes, I agree. But a person could afford it.

MR. BROWNE: How much is it now?

MR. SMALLWOOD: Now, compared with the money there is nobody knows what it is.

MR. HOLLETT: Then it goes on—"Mr. Speaker, there is not a man in this House and there is scarcely a man in Newfoundland, but knows in his heart that the present happy position of our native province is very much the result of the vision, courage and hard work of the present Premier of Newfoundland. He planned for this progress and he worked for it, and—it might just as well be admitted—he gambled for it. His gambling has paid off for Newfoundland, for not only is Newfoundland prosperous and confident today, but the future beckons brightly and irresistibly for our whole population. Nothing can hold us down, now. Nothing but world economic collapse can stay our swift progress."

Now I take it nothing can hold us down now, not even economic collapse if the Premier remains with us. So I say to the people of Newfoundland, if you don't want to have any economic repercussions, then—I say—keep the Premier where he is. The

man planned all this happiness and prosperity. He gambled, it is true, but who cares if a man gambles and wins. He won. And we have all this prosperity.

So the honourable Minister of Finance goes on: But I have to compare this particular paragraph from which I have been reading with page 14. After speaking as he has done on page 10 and 11, about all the roads and all the hospitals and all the clinics and the wonderful state to which we have arrived in public services, the honourable Minister then goes on to the setting up of the Royal Commission, and he says:

"I think it is inevitable that the Royal Commission will find that the levels and standards of our public services are lamentably lower than all other parts of Canada, though they are truly well above what they were at the date of Union. I think they will find that after taking into account our capacity to pay, our burdensomeness of taxation, when compared with that found in the Maritimes (which have had the benefit of Confederation for so much longer than we) is such as very clearly to demand considerable, increased financial assistance for Newfoundland."

If I had been the Finance Minister, I don't think I would have indulged in page ten and eleven to such an extent as he did, if he is expecting that Royal Commission to come here shortly. Because if conditions exist as described on pages 10 and 11, I fail to see that the Commission would be particularly stirred by this section here on page 14.

Just a glance at our revenues and expenditures will give us an idea of what moneys the Government have had at their disposal, apart from any loans

which we have made. Just look at the revenue, and I go back to 1952 and 1953 — \$32,700,000 and the next year \$36,000,000 and the last year \$39,000,000 and for the next year the estimate is \$42,000,000. Then look at the expenditure on current account, 1952-53—\$29,000,000 and the next year \$32,000,000 the next \$35,000,000, 1955-56 it was thirty-eight and a third million dollars and in 1956-57 it will be forty-two million dollars. That is the estimate, \$42,574,000. Now these revenues and these expenditures on current account, Sir, are the greatest that we have ever had. And there is no reason to wonder over the fact that the Government had been able to do things. And if the Premier is responsible for that, well, we are all happy about it.

Then we come to capital account — And just look at the expenditures on capital account since 1952, take it. In 1952-53, on capital account, we received about \$200,000 and in 1953-54 capital account revenue was \$1,690,000 and in 1954-55, \$3,000,000; and in 1955-56, \$5,000,000 and next year it is approximately two millions in the estimates. But just let us take a look at the expenditures on capital account. 1952-53, \$4,000,000; 1953-54, \$11,500,000; 1954-55, \$17,500,000; 1955-56 (the year just gone) \$21,000,000, and the next year we come right down again to fifteen and three quarter million dollars. Where did all this money come from? Where did all this capital expenditure come from? It practically all came, Mr. Speaker, from borrowing. Four years ago we borrowed ten million dollars, and then — I believe it was the next year or the year after — we borrowed twelve million dollars and then again we borrowed sixteen million dollars, and now this year we are to borrow fourteen million dollars.

Now this fourteen million dollars which we are to borrow this year is included in the fifteen million dollars which is to be spent. In other words we are borrowing continuously for capital expenditure. Now everybody remembers, and I am quite sure we don't have to remind the honourable the Premier of the statement he made whereby this Government detested borrowing. They were not going to have borrowing for capital account nor any other account. And yet we find that every year since 1952-53 money has had to be borrowed to the tune of ten, fifteen, sixteen million dollars.

Now the other day when the honourable the Premier was concluding one of his talks, he brought out a most important document, and one which I am going to have framed. I suppose I should get it up in stone as they did in the old days, the tablets of the Ten Commandments. And these particular ten commandments I have to deal with now.

The first one was: "Thou shalt not engage in petty criticism (It reminds one of Moses) That is, we on the Opposition side must not ever again criticize the Government. Now I am quite sure the honourable the Premier could not have meant us.

MR. DEPUTY-SPEAKER: If the honourable Leader of the Opposition would forgive me — Was that mentioned in this debate or the previous one?

MR. HOLLETT: I could not say if it was in this debate or previously.

MR. SMALLWOOD: It was in a previous debate of the present session, which would make it a little hard for the honourable gentleman to refer to it.

**MR. DEPUTY-SPEAKER:** I think it infringes on the rule of "previous debate."

**MR. HOLLETT:** At any rate, Sir, I am going to engage in a little criticism. And I am going to talk a little at the moment about gasoline—Small, petty—Oh so petty! No Opposition should stoop to refer to it—Oh no! We should not dare criticize on that account. After all the honourable Minister of Mines and Resources only had 785 gallons of gasoline free of charge; the honourable Minister of Finance 788, the honourable Minister of Provincial Affairs 761 gallons.

**MR. SMALLWOOD:** May I assist my honourable friend— Since I made my statement here a day or two ago. I have learned that these honourable gentlemen with the higher consumption of gasoline have that for outside as well as inside the city. They claimed no mileage wherever they went. There was no mileage in addition to that.

**MR. HOLLETT:** Our information was a few days ago, that the honourable ministers received this gasoline as a free gift from the Government here in town. These are the items which I mentioned here. And when they went out of town they were allowed mileage of ten cents a mile— I am now informed by the honourable the Premier, none of these ministers had mileage. Surely some of them had their ten cents a mile.

**MR. SMALLWOOD:** I think, two. And they had a very small grant of gasoline for the city. All others with large amounts of gasoline got no mileage.

**MR. HOLLETT:** Mr. Speaker, I have no objection to ministers going

out of town on the country's business and using their own car collecting mileage. I think there is plenty of precedent for that. But I do have particular objection to this item here with regard to free gasoline, the free distribution of gasoline to various ministers, at Bennett Avenue. You see, Sir, there is a great principle involved here. This is a great principle. Each one of the ministers concerned was in receipt of his salary of seven thousand dollars plus an indemnity of \$3,000, in all ten thousand dollars. And he naturally would be expected to buy his gasoline. There was no provision in our law, no provision in any Act whereby any minister could go and get free gasoline. But last year— and mind you it is only last year— it was started.

**MR. SMALLWOOD:** That is not so.

**MR. HOLLETT:** My information is that it only started last year.

**MR. SMALLWOOD:** My honourable friend was wrongly informed.

**MR. HOLLETT:** Well, I do notice, honourable Mr. Forsey, once a minister, was not there. And I also note honourable Dr. Pottle, who resigned sometime in April last year, only received a small amount. So it looks to me as though my information is correct. It says this is not over a period of years but simply since the beginning of last year.

**MR. SMALLWOOD:** That is not so.

**MR. HOLLETT:** Well, Mr. Speaker, it is all very well to say it is not so. Let us have the facts and figures.

**MR. BROWNE:** Produce the Minutes of Council.

MR. HOLLETT: The ministers get together and decide it on their own. They decide they are going to issue themselves free gasoline from Bennett Avenue, at the rate of fifteen gallons per week. Now let us see what is involved.

MR. SMALLWOOD: Nobody has drawn that much.

MR. HOLLETT: I understand nobody drew the full amount.

MR. SMALLWOOD: Not even half.

MR. HOLLETT: Mr. Speaker, I am apprised of the fact that 5,452 gallons of gasoline were withdrawn from Bennett Avenue by the various ministers. Sir, I suppose the poorest civil servant in Newfoundland who may have possession of a car, the most poorly paid civil servant who may have a car drives up to any gas station and buys his gallon of gasoline and on every gallon of gasoline which he buys he pays, I believe fifty cents, and out of that amount there is seventeen cents which goes to this Government for paying certain expenditures. In other words every man on this Island who has a car contributes to the revenue by paying seventeen cents a gallon tax. But the honourable ministers with ten thousand dollars a year, they drive in to Bennett Avenue and get their gasoline free not only of the tax of seventeen cents but free of any charge whatsoever.

But, as I say, the great principle is this: This was never brought before this House. It was decided by Minutes of Council. And surely all Minutes of Council should have been tabled here in this House, within fifteen days, I believe it is, after the opening of the next session. Was that tabled here?

MR. SMALLWOOD: No. It is not supposed to be.

MR. HOLLETT: It was a Minute of Council, and should be tabled.

MR. SMALLWOOD: All Minutes of Council should have to be tabled.

MR. HOLLETT: Absolutely.

MR. SMALLWOOD: Who started that?

MR. HOLLETT: This one should have been. It is an expenditure of public money. And it was not. That is the principle aspect. Take the Minister of Fisheries, he had seven hundred and odd gallons, or \$147.42 of which the revenue of this country was deprived. I suggest that the honourable Minister ought properly to pay that amount into the general revenue.

MR. SMALLWOOD: Mr. Speaker, if the honourable gentleman would allow me—I recommend to my honourable colleague that he do exactly that. I recommend that he do it now today—That the Opposition object to it. And I recommend that he put in a Bill to the Treasury for the use of his car on all business done in that period. And it will cost the Treasury five times as much. He has saved the Treasury hundreds of dollars by using his own car.

MR. HOLLETT: We are not talking about the use of cars. All we are talking about — I suppose the Minister could walk to his office.

MR. SMALLWOOD: He cannot walk to Dildo nor down to Bonavista nor to Grand Bank and he cannot walk right up the Southern Shore to Trepassy. That is where he has gone.

MR. HOLLETT: This is for "In Town."

MR. SMALLWOOD: No — "For out of town."

MR. HOLLETT: Yesterday we were told.

MR. SMALLWOOD: I told the honourable gentleman ten minutes ago it was for out of town.

MR. HOLLETT: Mr. Speaker, I say this amount of \$147.42 should have gone into the revenue of the country; and it did not through a wrongful act of the Government.

Take the honourable Minister of Mines and Resources: He, in my opinion, owes the revenue of this country \$141.95, and the honourable Minister of Provincial Affairs owes \$129.37; and the honourable Minister of Education 615 gallons, \$104.55; and the honourable Attorney General \$69.90; the honourable Minister of Public Works \$73.95; and the honourable Dr. Pottle \$24.82. We will have to send to him for his. All that money — It is not a big lot, it is true — It is not a big lot, but the ordinary person driving his car runs up to a gasoline station to get gasoline contributes seventeen cents to the revenue of this country for every gallon of gasoline he buys. But the big fellow, the minister with ten thousand dollars a year; a man who can get a taxi and charge it to the Government if he wants to—

MR. SMALLWOOD: There is the point — There would be no talk about it at all if we hired taxis and it cost the people five times as much. There would be no talk about it at all. All this talk because we save a few thousand dollars.

MR. HOLLETT: I did not save any money at all.

MR. SMALLWOOD: Thousands of dollars we saved by using our own cars, except for me. I use the Government car.

MR. HOLLETT: Let us have details of all out of town trips made by the honourable ministers.

MR. SMALLWOOD: That is easy. I will certainly do that. I will get every minister to make a list of all visits and mileage over the island.

MR. HOLLETT: In connection with business.

MR. SMALLWOOD: Yes. I would be glad to do that.

MR. HOLLETT: I can tell the honourable the Premier, it is not right to do a thing like that without coming here and getting the consent of this House.

MR. SMALLWOOD: It saves money.

MR. HOLLETT: If there had been any saving of money we would have heard about it long ago.

MR. SMALLWOOD: It is too small an amount to talk about one way or the other.

MR. HOLLETT: Yes, the principle is not small. This is a great principle. It was something hidden from this House, and came to us by rumour. And I knew the thing for almost a year before I would believe it. And it was only when I asked a question and was answered by the honourable the Premier yesterday, instead of the honourable Minister of Public Works, have the facts become known. That is enough about gasoline.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I wonder if the honourable gentleman would allow me one moment. I would like to

make just one reference to that business of gasoline, used by Cabinet Ministers. I say, "used by Cabinet Ministers," or allowed them under an Executive Council Order. The point I would make is this: In my own case; in one particular instance, the supervision which I have been privileged to give the work on the Portugal Cove Road alone has taken me as much as fifty trips during the past year, each of which, on an ordinary mileage basis, would have cost the Government \$2.00 to \$2.50. That fifty trips alone would have taken more than the value of \$70.00 worth of gasoline, which happens to be listed in my name. I would merely point that out. I have to go to hundreds of places, as far as that goes. I merely refer to the fifty trips to Portugal Cove in connection with the work there.

MR. HOLLETT: No mileage?

MR. SPENCER: Not a mile. I never had any in my life.

MR. SMALLWOOD: The Opposition had better drop it—An attempt to smear that kicked back.

MR. HOLLETT: Nonsense!

MR. SMALLWOOD: Instead of our being rogues, it has turned out we have saved the people thousands of dollars by using our own cars, except for me. I am the exception. I am using a Government car. All the other ministers are driving their own cars, and not getting a cent on them, but getting free gasoline.

MR. HOLLETT: Have I the floor, Mr. Speaker? If there is any smear, the smear is made by the Government members themselves.

MR. SPEAKER: Would the honourable gentleman continue?

MR. SMALLWOOD: It is not

worthy of the honourable gentleman nor his party.

MR. HOLLETT: The principle at stake is.

MR. SMALLWOOD: There is no principle at stake.

MR. HOLLETT: We maintain there is, and a very sacred principle, to know that no money should be spent by the Government without sanction by the House. And even if the honourable Minister of Public Works is correct in what he says; and I have no doubt that he is—Is it right that he should have to be paid for travelling around the country, inspecting roads, out of his own pocket?

MR. SMALLWOOD: Now my honourable friend is talking.

MR. HOLLETT: I say—Put in a bill to the Government and pay him back.

MR. SPENCER: I am perfectly satisfied either way.

MR. SMALLWOOD: And let the Opposition take the responsibility for it. It is not our idea.

MR. HOLLETT: I can see that the honourable the Premier does not like this criticism very much.

MR. SMALLWOOD: I think it is too small. I enjoy a good fight, and criticisms. That is too small. Blame me for driving the Government car. Blame me all you like. And anyone in Newfoundland does not like it, there are always ways to fire me out.

MR. HOLLETT: Nobody said anything about the honourable the Premier driving around.

MR. SMALLWOOD: Perhaps I am more blameworthy than my honour-

able friends, who use their own cars and get a few gallons of gasoline. I am using a Government car and taking gasoline, both.

MR. HOLLETT: You may be responsible for it, there is no doubt about that.

MR. SPEAKER: I think it would be better if the honourable Leader of the Opposition addressed the Chair and, continue the debate, rather than talking back and forth. I am not blaming the honourable Leader of the Opposition. I am just speaking of the tone of the debate.

MR. HOLLETT: Then again we have been told we can never again refer to the new industries. I want to refer to the Superior Rubber Company. I am quite sure everybody in this House heard about the Superior Rubber Company, and I dare say all of us are pretty well bored with it. But bored, or not, there are certain aspects of this which have to be referred to again and again and again.

MR. SMALLWOOD: I doubt it is in order in this session to do it again, I thought we had a special debate on it. That debate was disposed of.

MR. HOLLETT: When ruled out of order I shall know what to do. I refer to the Act, on page 15 of the Statutes, 1953; This was an Act to give statutory effect to an agreement between the Government and Superior Rubber Company, Mr. Speaker. In the first place the company will acquire land in the vicinity of Holyrood, clear and prepare the same as a site for and complete the erection thereon of the necessary building, and supply and install therein, etc. Mr. Speaker, I say, right then and there, there was a breach. "The company will ac-

quire land." I say the company did not acquire land. The company did not acquire any land. The land was acquired by the Government.

MR. SMALLWOOD: To a point of order, Mr. Speaker.

MR. SPEAKER: There was, as the honourable Leader knows, and as all members know, a full debate on the new industries. And whilst any honourable member is entitled to refer to any of these new industries, he must refer to them in a general way in the budget speech. I don't think he should engage in a full-dress debate on any of the new industries. I think the honourable Leader of the Opposition appreciates that point.

MR. HOLLETT: I don't intend to have any full-dress debate.

MR. SPEAKER: I don't rule out any reference. But I don't think it would be in order to go through all the new industries.

MR. HOLLETT: No. I am not going through them all.

MR. SMALLWOOD: Mr. Speaker, to that same point of order, I hope Your Honour will rule that Your Honour's observation that there cannot now be a full-dress debate is not to be interpreted by my honourable friend, the Leader of the Opposition, as meaning a full-dress debate with everyone taking part. If Your Honour allows one member to go ahead and talk for one hour about the new industries—That is how the honourable Leader of the Opposition interprets Your Honour's remark. As I understand it, by the Rules of Parliamentary Procedure, the honourable gentleman is allowed to make a passing reference but he is not allowed to go on at any length when that question was the subject of a special de-

bate in this very session of this House. What is the use of having a special occasion if some matter can be debated over and over again?

MR. HOLLETT: Mr. Speaker, I endeavoured to bring out certain facts with regard to a certain matter in regard to Superior Rubber. I don't know whether you or Mr. Speaker was in the Chair. I was stopped from making certain references to Superior Rubber and was told that the proper time would be at this debate.

MR. DEPUTY-SPEAKER: No. I was not in the Chair at that time. What I said just now, I don't know how it registered with the Opposition nor any other member of the House. It was that we could not now permit a full-dress debate. What I mean by that, I do not want any member of the House to go deep into the matter of the new industries at this time. But I said, he could make a passing reference to them because it would form part of the economy of the country, and could be discussed in the budget speech—but only a passing reference to the industries. That is what I meant. I think the honourable Leader of the Opposition understood that.

MR. HOLLETT: Certainly, Sir.

MR. DEPUTY-SPEAKER: And he will be guided by that rule.

MR. HOLLETT: Mr. Speaker, I want to point out in connection with this particular Act—"The company will acquire the land."—Now I say it was acquired by the Government. And it was paid for by the Government. And these are the people from whom the land was acquired.

Hon. J. S. Currie—House and site—\$7,000.

Thomas Mahoney—House, site and barn—\$8,000.

Condon Site — \$4,500.

William Ryan—\$1,900.

R. Barron—Site—\$1,250.

W. Furey—\$5,000.

About \$28,000 to \$30,000. In that particular case alone, the Superior Rubber Company fell down on the job, and did not acquire the land at or in the vicinity of Holyrood and clear the same, as they were supposed to do.

MR. SMALLWOOD: My honourable friend must know the Government acted in a purchasing capacity, but did so on behalf of the company, and charged it to the company, and delivered it to the company, and it is now owned by the company. My honourable friend must know that.

MR. BROWNE: That is a lot of nonsense, Mr. Speaker. And the Premier knows better than anybody that the company owns nothing and has not got a cent.

MR. SMALLWOOD: It is all heavily mortgaged to the Government but the company owns it.

MR. BROWNE: I state here categorically, it was never mortgaged in the name of the Government. It was bought in the name of the Government and registered in the name of the Government.

MR. DEPUTY-SPEAKER: Order — The honourable member for St. John's West has spoken in the debate.

MR. BROWNE: The Premier interrupted the honourable Leader of the Opposition.

MR. DEPUTY-SPEAKER: I have spoken to him.

MR. BROWNE: Don't address all remarks to me.

MR. DEPUTY-SPEAKER: The honourable member is out of order completely.

MR. BROWNE: What about the Premier?

MR. DEPUTY - SPEAKER: Any member who speaks, unless the member speaking yields, is out of order. Please proceed.

MR. HOLLETT: Mr. Speaker, that paragraph deals with the amount spent in acquiring the site. The machinery, upon delivery into Newfoundland to be certified to the satisfaction of the Government. Now that is what I want to draw attention to: Were these machines, when landed here, ever certified to the satisfaction of the Government? We maintain, and we maintained three years ago, they were not so certified, and certainly not so satisfactorily certified. They were brought in without any certification whatsoever, and moneys paid out for machinery, Sir, over thirty years of age. And to prove that, I have,—

MR. SMALLWOOD: Mr. Speaker, to a point of order: My honourable friend had ample opportunity to say all this in the debate on the new industries. He did not do it. He is now doing it, when the debate is over and concluded. Is that in order?

MR. HOLLETT: Of course it is in order.

MR. BROWNE: Mr. Speaker, may I speak to this point of order before the Chair? At the time of the amendment to the Address in Reply, which I moved at that time, this information was not available. This is the Budget Speech, and the honourable

member is now dealing with information which came to him since.

MR. SMALLWOOD: Mr. Speaker, again on that point of order. If the debate on the new industries had not taken place, as it has in fact, but was about to take place next week, my honourable friend would be out of order anticipating a debate yet to take place. But he is even more out of order, I hold, in that he is bringing forward matter for a debate which has taken place and which has been disposed of. And I hold he is out of order if he does more than merely make a general observation, a passing reference, to the new industries. He is barred by parliamentary procedure and practise from now debating the new industries. Mr. Speaker, may I have a ruling on that?

MR. DEPUTY-SPEAKER: Did the honourable gentleman have something to say on that point? If the honourable gentleman will excuse me for one moment—This point is not as easy as it seems at first sight. How far the rules of debate apply in this matter is not at all easy. I do think though that I made myself fairly clear just now when I said the honourable member was entitled to make a passing reference to the new industries as being part of the general economy of the country, but not to go into details which would lead to a full-dress debate because there had been a full-dress debate on the new industries. I already gave that ruling, and it does seem to me that the honourable member is going rather deeply into his subject. I did not rule it out of order to mention it, but I don't think he should go too far into the subject. Now I don't want to limit debate. I want to give full scope to debate, within the limitations

of the rules laid down by parliamentary procedure.

**MR. HOLLETT:** Mr. Speaker, this information which I have had here, I was prevented from giving in that particular debate to which Your Honour refers. And I was informed I would have an opportunity at this particular time.

**MR. DEPUTY-SPEAKER:** It is unfortunate Mr. Speaker Sparkes is not in the Chair, because he would understand the reference. I think the honourable member will appreciate the position.

**MR. BROWNE:** Mr. Speaker, may I explain? I believe after the amendment was voted upon and debated my honourable friend, the Leader of the Opposition, wished to speak about the new industries and was told then he could not because it had been disposed of in the amendment, that debate being confined to the new industries. But now he is on the question of the budget—And information has come to him since that amendment was before the Chair.

**MR. SMALLWOOD:** Mr. Speaker, again on that point of order. It is a question of information. The honourable gentleman may get information on Friday of this week again, and next week he may get some further information. Does it mean, once the House has had a complete debate, with everyone free to speak, and finally the vote being put and the debate ended; at any time thereafter, in the same session; because an honourable gentleman gets additional information he can raise again the whole question of the new industries? And if the honourable gentleman is so permitted, may not any member of this House start a debate on the Superior Rubber or any other industry, when in fact

there has been a debate? Or is a matter ever disposed of? According to parliamentary procedure, I hold—and I ask Your Honour's ruling, whether it is in order for the honourable gentleman or any other honourable member of the House who may speak in this present debate, to debate again, to do more than just make a passing reference, a general observation about the new industries? If it is in order to do more than that and go ahead and debate the new industries, there is no such thing as having a debate.

**MR. DEPUTY-SPEAKER:** I think that point is well taken. And I have already given my ruling twice along these lines. And I would ask the honourable member to please be guided by my ruling and to confine his remarks to observations of a general nature and not to go too deeply into the matter of the new industries. Otherwise, as the Premier has just said, we will start this all over again, and our work will be just going in circles.

**MR. HOLLETT:** Mr. Speaker, to continue—I want to see the privilege of free speech in this House not abdicated.

**MR. DEPUTY-SPEAKER:** I have the same idea.

**MR. HOLLETT:** If it is, Sir, then we need no longer a House of Assembly.

**MR. DEPUTY-SPEAKER:** The honourable member will understand—within the limits laid down hundreds of years before we came here.

**MR. HOLLETT:** But, Mr. Speaker, I am speaking to the budget and all the pertinent matter pertaining to the welfare of the country, and the particular industries on which the welfare of thousands of people, to a great extent depends, is the matter to

be debated at any time, particularly on the budget debate.

**MR. DEPUTY-SPEAKER:** If the honourable member will forgive me—Here, you see, we have a special case, because it is not usual that we have, before the budget speech, a full-dress debate such as we did have this year on the new industries. You see, there was a debate which came out of a motion. And the whole matter of the new industries was discussed, and nothing else was discussed for several days. Normally what the honourable Leader of the Opposition says would apply. But it does not apply now because we have debated that. And these very topics of which we are now speaking were discussed at considerable length by all members on the opposite side of the House. So that this is a special occasion.

**MR. BROWNE:** But was not, Mr. Speaker, that debate on an amendment to the Address in Reply; that a Royal Commission be appointed to investigate the new industries? But we are not now debating the appointment of a Royal Commission. We are debating the budget. And he is entitled, I suggest, respectfully, to debate questions of finance. And that is what he is doing in connection with this. I submit he is perfectly within his rights in connection with that.

**MR. DEPUTY-SPEAKER:** I have already given the ruling twice, and I am tired of giving the ruling.

**MR. SMALLWOOD:** Before Your Honour deals with the point made by my honourable and learned friend, it was admitted there was a thorough and full-dress debate on the new industries. My honourable and learned friend says that full-dress debate was on a motion. I suggest the motion was the occasion of the debate.

What is essential is that there was a debate. Suppose there had been another motion on the same Speech from the Throne, a debate on the fisheries. And we had debated fishery matters for two days. And suppose that had been disposed of. And suppose another amendment had been proposed on that occasion and we debated it for two days.

**MR. HOLLETT:** Mr. Speaker, is this in order?

**MR. SMALLWOOD:** This is on a point of order.

**MR. SPEAKER:** Order—The honourable member is speaking on a point of order.

**MR. HOLLETT:** If the Premier is going to take charge of this House like this.

**MR. SPEAKER:** Order. The Premier is not taking charge.

**MR. SMALLWOOD:** I am answering my honourable friend's argument here on a point of order; not my honourable friend's but his colleague's—We would then be in a position where we had a debate on the industries and fisheries and these debates would have taken place and been disposed of on these occasions. This present debate is on the general finances of Newfoundland, i.e. the budget. Would it then be in order to have another full-dress debate take place on the fisheries and still another on the industries and still another on agriculture now when they were debated? But in this case there has been one debate on the industries—And Your Honour has ruled this out of order, over and over again:

**MR. SPEAKER:** I think every member of the House will appreciate

and understand the ruling I gave, I will allow passing references to the new industries, but no member of the House can go into a full-dress debate. Again I ask the honourable member to defer to that.

**MR. HOLLETT:** Mr. Speaker, I want to say the industries refer very largely to this discussion. The new industrial plants were referred to on two or three occasions by the honourable Minister of Finance here in this budget speech—And the honourable the Premier is trying to insist on a ruling which would debar me from touching on the new industries.

**MR. SPEAKER:** The honourable "ing" on the new industries.

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

**MR. SPEAKER:** The honourable Leader of the Opposition has the floor.

**MR. HOLLETT:** Mr. Speaker, I made a quick run through the budget speech during the recess period, and I find that the industries are referred to on no less than five different occasions. I turn to page 5: "Extension of the Public Services and Economic Development \$96,355,707."

Page 6: "Economic Development"—Loans to new industries "\$12,854,000."

Page 8: "Cement, plaster-board, plywood and flooring and fibrlpy factories."

Page 9: "New Industrial Plants \$35,000,000."

Page 11: "We have many brand new industrial plants that did not exist at all seven years ago."

In view of that, Mr. Speaker, I contend.

**MR. SPEAKER:** The honourable member will note these are general remarks, merely touching on the industries.

**MR. HOLLETT:** Surely, Mr. Speaker, not because something is mentioned here generally I have only to refer to it generally.

**MR. SPEAKER:** No, that is not the point.

**MR. HOLLETT:** I was talking about the Superior Rubber Plant. And that, incidentally, according to this here is not one of those flourishing. Sometime ago the manager of that plant, Max Braun-Wogau, was kicked out and a successor put in his place by the name of Mr. Ferguson. That must be well over a year ago.

**MR. SMALLWOOD:** Excuse me—He was never put in Max Braun-Wogau's place. He was put in charge of the factory downstairs, not of the company—just the factory.

**MR. HOLLETT:** Well, he is the plant manager.

**MR. SMALLWOOD:** The plant manager is not the general manager.

**MR. HOLLETT:** Now that man Ferguson yesterday in court was given a settlement for back wages, I take it, for wrongful dismissal—And the Government decided not to contest the case. That was the plant manager. And I have here in my possession a report from that plant manager to Mr. C. A. Pippy, concerning the machines in existence in that plant at the time he was made plant manager. That report was made April 29, 1955. And I take it that this man, Ferguson, hired by the Government and put into Superior Rubber as plant manager must have been a man of some stand-

ing in that particular field, and he must have been given a certain amount of trust by the Government, and he must have had certain qualifications entitling him to take over as manager. And, Sir, to read through the report which this man has given to Mr. C. A. Pippy relative to the machinery in that plant at the time he took over would make your heart ache, to see the way in which this Government has been pilfered, has been robbed by certain individuals across the water, in Germany. Nine-tenths, practically, of the machinery brought into this Superior Rubber Plant were marked as obsolete or worthless. It says: "To: Mr. Pippy:—I have been instructed—

MR. SMALLWOOD: Mr. Speaker, to a point of order — Is the honourable gentleman going to defy Your Honour's ruling?

MR. SPEAKER: I don't think the honourable Leader of the Opposition can read that report. That is a report which was made by an official of the company to somebody else. And certainly if we go into reports made by officials of the company to other people the time of this House will be taken up by these reports, and we are going around in the same old circle, right back where we started.

MR. HOLLETT: I have here a number of machines which are marked as worthless.

MR. SMALLWOOD: Mr. Speaker, the honourable gentleman now seems to be quite deliberately defying Your Honour's ruling. He is just going right on dealing with these industries as though Your Honour has never spoken.

MR. SPEAKER: That point is well taken. I must say that I have ruled on two or three occasions that the honourable Leader of the Opposition

may touch on the new industries but may not go into a detailed debate on them. I would like the honourable Leader of the Opposition to please be guided by that ruling. I do not want to be interrupting him all the time.

MR. HOLLETT: You are not, Sir, I shall not proceed any further on Superior Rubber, and I shall go on record as saying right here and now, I am debarred from making statements I wish to make relative to Superior Rubber and other plants — I am debarred from doing that.

MR. SMALLWOOD: Mr. Speaker, to a point of order — The honourable gentleman is now making a statement which it seems to me is out of order because he implies that he is being debarred from making a statement, whereas, in fact, only the rules of the House and the ruling of the Chair debars him.

MR. SPEAKER: I think those who heard the honourable Leader of the Opposition did not take it to mean any reflection. I thought he meant "debarred" by the rules of the House and that he is debarred by the rules of the House from going into a detailed debate. But it is not only this House but any House.

MR. HOLLETT: Is that the ruling? Mr. Speaker, I am afraid I have to take issue and say that we do not accept that ruling.

MR. SPEAKER: That ruling is not debatable. That is the ruling I have given three times— "Because there was a full-dress debate on the new industries previously in this session, therefore no honourable member may do more than touch upon the new industries in this debate and discuss them in a general manner." In other words, I will not permit anyone, while

I am in the Chair, to enter into a detailed discussion of the new industries in this debate. Now that is the ruling that I have made. And the honourable Leader of the Opposition is appealing against the Speaker's ruling. I think the motion is: "That the Speaker's ruling be not upheld." Has that been seconded?

MR. BROWNE: Yes, I second it, Mr. Speaker.

MR. SPEAKER: And this has been seconded by the honourable and learned member for St. John's West. There is no debate on it.

MR. SMALLWOOD: To a point of order, Mr. Speaker, is the honourable and learned member for St. John's West competent to second the motion? Would it have to be seconded by a member who has not spoken in the debate.

MR. SPEAKER: No this is a different motion. I think it is competent. This is not concerned with this debate at all. This is just a technicality, I accept the motion. I shall now put the motion: Those who favour the motion will say "aye" and contrary, "nay."

MR. SPEAKER: I now declare that the "Nays" have it, and that the ruling of the Chair —

MR. BROWNE: Divide, Mr Speaker. May I ask for a division?

MR. SPEAKER: I think it is unusual to divide on a Speaker's ruling. I never heard of it. Very well! On motion division called:

Those in favour of the motion: Hon. Leader of the Opposition, Mr. W. J. Browne, Mr. J. Higgins.

Those opposed to the motion: Hon. the Premier, Hon. Attorney General,

Hon. Minister of Finance, Hon. Minister of Education, Hon. Minister of Fisheries and Co-operatives, Hon. Minister of Provincial Affairs, Hon. Minister of Municipal Affairs and Supply, Hon. Minister of Mines and Resources, Mr. Norman, Mr. Browne, Mr. Mercer, Mr. Canning.

On division the motion was lost, 13 to 3:

MR. HOLLETT: Mr. Speaker, I deplore the ruling of the Chair.

MR. SPEAKER: The Honourable Leader of the Opposition will continue.

MR. HOLLETT: I will have nothing further to say about Superior Rubber in this place. I reserve the right to say it in other places. In regard to "CMIC", another new industry, I wish to make a few remarks. I can say nothing now, except to say it is kept open now by Government contract. There is one right here now, in front of the building. A good bit of revenue is coming from that. That is enough about the new industries. But I wanted to air in this House this particular one. I already referred to this information. This country should know, and this House should know, because it is bringing the Government into contempt or holding them in contempt, because, Sir, it shows the vileness to which certain people can stoop when they are dealing with Governments and particularly when they are dealing with this Government, the vileness they stoop to, Sir, which deprives this country of nearly two million dollars for a mess of pottage.

I have referred to the "Commandments." But I believe the honourable the Premier did not want me to refer to these either. "Not to sneer at Family Allowances and Old Age Pensions." We never did on this side

of the House. We never sneered at them at all. But all we do hear from the other side of the House, day and night, is some reference to them. And we shall probably have some of the members on the opposite side of the House going out and telling the people not to vote for the "P.C.'s" or they will lose the family allowances and old age pensions. That was done before. And it was done in the last election. I do hope that the honourable the Premier will see to it that nobody on that side of the House will be allowed to stoop to that. Everybody knows we have no more control over family allowances and old age pensions than we have over the money. That is completely a Federal field. And we are all very happy our people have been privileged to enjoy them during their lifetime.

Then we are never again to make reference to the way Confederation was brought about: Well, there again we could make plenty of reference to the way in which Confederation was brought about, to placards on churches put up there by "Liberals" and blamed on "P.C.'s". We could refer to that as one of the methods used, not a very nice method.

Then we are not supposed to say that the Terms of Union were inadequate. I ask, Sir, were the Terms of Union adequate either at the time we went in or up to the present time? And even now we are endeavouring to bring out the facts necessary to present to the Royal Commission which is to be set up by the Federal Government. We know very well that we have not gotten our just deserts. We know very well what the tax per capita was on the Mainland of Canada before we became a Tenth province. We know what our capital tax was. And we do know that the

difference should give us at least three hundred to three hundred and fifty million dollars more than we got at the time.

Then again, the Premier said we should not mention liquor: No, I suppose not, not the "Old Mill" nor Germaine, nor the Cochrane Hotel, nor the two thousand dollars nor the five hundred dollars nor the broken homes, the broken hearts. We are not to refer to liquor at all.

Then: "Thou shalt not again mention the Fisheries: "Whoever heard talk of advice like that given to an Opposition. We are not supposed to mention the fisheries again — our fisheries.

MR. SMALLWOOD: That is not it. The honourable gentleman knows he is not being accurate. He knows he is not being fair. He knows that.

MR. HOLLETT: We shall see how inaccurate we are, if we can find it.

MR. SMALLWOOD: Yes, see.

MR. HOLLETT: "Not another word on fisheries."

MR. SMALLWOOD: That is not it.

MR. HOLLETT: I beg leave to pass that over and let the honourable the Premier see it.

MR. SMALLWOOD: "except to bring forward constructive criticism."

MR. HOLLETT: That is on liquor — "Not another word on liquor except to bring—" and then "Not another word on the fisheries." If there is any doubt about it, pass it up to His Honour, the Speaker, and let him see it.

MR. SPEAKER: The Speaker is not concerned. However, it refers to a

previous debate. If the honourable member refers to it he can be specific on that. He can say he has "Ten Commandments" and can go on quoting without referring to them. The Speaker does not want to see them.

**MR. HOLLETT:** With regard to the fisheries, Sir—Sometime ago I asked a question relative to the cost at the present time of the Newfoundland Fisheries Development and the total amount of moneys paid to the Fisheries Development Authority — The amount to cover salaries and wages and travelling expenses, item by item. And we discovered that salaries and wages to the 29th of February, 1956, was \$220,995, paid to Dunstan, Winsor and Young. These are the three top commissioners. Then Story, Moore, Mercer, Hynes, Pike and Spencer etc. \$220,995. Then travelling expenses to February 29, 1956—\$24,939. Was there ever a Fisheries Authority or any other authority in this country who used so much money in travelling expenses in so short a period, probably about a year and a half? Technical Services to February 29, 1956, \$20,000. There was nearly three hundred thousand dollars spent by the Fisheries Authority on wages, salaries and fishing demonstrations and general engineering as well as travelling expenses.

Then there was a further question dealing with the cost relative to Quirpon, LaScie, Seldom. I don't think I will go into these now. Surely, Sir, the fisheries, in my opinion, and I am quite sure, in the opinion of every member of this House, is one of the most important subjects that has to be faced by any Government coming into power here. Our whole country is based on the sea, with six thousand miles of coastline, and every few miles a few families, and in some cases a large number of families. And

these families are there because the bread-winners engage in the fisheries. And these families will have to leave there as soon as they are no longer engaged in the fisheries, and will have to go to some other part of the country. Where shall they go? Can they go to the woods? Can they go into the mines? In some instances, yes. Where else can they go if they leave the fishery? I say, Sir, that one of the greatest evils of modern times anywhere in Canada or perhaps anywhere in the world, for that matter, will take place if our fishery becomes an absolute failure. And nothing has been done. Or I won't say nothing has been done, but nothing has been done to stop the flow away from the fisheries, by the present administration. Something has been done, yes. They have a considerable number of hundreds of thousands of dollars building up places like LaScie.

**MR. SMALLWOOD:** We spent ten million dollars.

**MR. HOLLETT:** No, not the ones I am referring to. I am referring to Valleyfield, LaScie and Quirpon. The money handed out to Fisheries Products must be somewhere in the neighbourhood of four million and to Bonavista Cold Storage and other people. They have heavy loans. Lake & Lake have heavy loans, and Fortune Fisheries have big loans, I think around \$450,000 to \$650,000 each. I know that is money loaned out. But who is to say this money would not have been found if the Government had not come forward. I have no objections to these moneys being spent, because they are doing something with regard to the building up of the fishing industry. And anything the Government have done in that regard I give them due credit for it. But the vast number of our people who

cannot turn in their fish to these plants are the ones I am thinking about. And if something is not done, then we will have no Newfoundland as we knew it before so very long. Some will say; perhaps that is all for the best. Who knows? But I would not like to be responsible for making a statement of that kind.

Sometime ago I brought up the matter of fish prices. I referred to a man in Quebec who wanted to come in here and set up a plant, and from the plant he hoped to be able to ship away fish, canned and fresh and so on. And he was to pay the fishermen who handled the fish four cents for cod and haddock. I was informed that that man was a lunatic.

MR. SMALLWOOD: I did not say that the man was a lunatic.

MR. HOLLETT: I was informed that man was a lunatic.

MR. SMALLWOOD: I will inform my honourable friend if he would like to know — I sent a man from here to Quebec to see him, to call on him. I sent a man all the way from here to Quebec to call on him. And he turned out to be nearly eighty years of age. And we had him checked carefully in Quebec Province. And we were not satisfied he had sufficient strength of mind to deal with it, let us put it that way. He is nearly eighty.

MR. HOLLETT: That may be so. I have no knowledge of that whatsoever. But I do know that he has one office in New York and another in Quebec.

MR. SMALLWOOD: His office in Quebec is a back room in a basement in a house. That was his office. And his office address in New York

is the address of a friend of his that he is allowed to use to have letters addressed there. Don't take him seriously.

MR. HOLLETT: I don't think the honourable the Premier should be allowed to inject statements like that when he has not anything to prove it. We accept the Premier's word on most occasions, but I think the time has come when the Premier ought not to be injecting all sorts of ideas across the floor of this House without documentary proof at the same time, at least if not at the same time, the year previous to that. I have here in my hand (and this is taken from the Federal Department of Trade and Commerce) a pamphlet which they put out. They were reporting as to the prices received by the fisheries. This was in 1954; cents per pound, landed. And these were the figures they gave.

North Sydney—Cod,	inshore	3½c
Halifax—Cod,		4½c and 4c
Newfoundland—		2¼c
Ramea —		2½c and 2¾c
Offshore;		
North Sydney		2½c to 3c
Halifax		3¼c to 3½c
St. John's		2¼c
Ramea		2½c

And for Haddock — And I would like all the honourable members to note this:

North Sydney 5½c and 5c up to 6c; Halifax, fishermen in Halifax coming in in their schooners from the Grand Banks and other places received 6¼c to 5¼c and 6¼c for Haddock. Come down to St. John's, Nfld. — Haddock 3c and 2¼c Ramea 3c and 2¾c. Who is to say in this House, therefore, that the fresh fish fishermen in this country are receiving the proper money they should receive for the fish they land here?

I maintain, Sir, here is a case for a Royal Commission to be set up by the Government to inquire into these prices. I would like to make the charge here now that the fishermen are not being paid anything like the prices which the trade can carry. Consequently we have not in our fresh fish vessels a number of happy fishermen, happy over the earnings they get. Some of these men are familiar with what is happening in North Sydney and in Halifax not to say what is happening in the United States of America. But we won't talk of that because here we have according to the Premier we did not spend anything like that. Why not? I don't know. Was the summer too short, or what happened? We had the money. Where was the money spent? How much was spent on the highroads? Was it four millions last year or two millions or three millions? Why does not the budget speech tell us that?

MR. SPENCER: The reports will come in due time.

MR. HOLLETT: The budget speech does not tell that. I maintain it should.

MR. SPENCER: They did not actually know at the time the budget was brought down because of commitments not spent.

MR. HOLLETT: Would the honourable Minister advise the House why the grant for Trans-Canada is so small as against last year?

MR. SMALLWOOD: When the estimates come up we will discuss that, of course. He was never backward in doing that. He always kept the House thoroughly informed on roads.

MR. HOLLETT: Well I hope he will be able to explain. I do remem-

ber that the Trans-Canada Highway was to be built long before this, and it has not been done.

MR. SPENCER: Who said that?

MR. HOLLETT: I believe it was in one of the speeches of the honourable the Premier, but I have not the exact one at the moment. Another thing to which I would like to refer and hope the honourable minister will be able to tell us — That is with regard to the changed route of the Trans-Canada Highway I understand, (and I might be corrected if I am wrong) the original route in connection with the Trans-Canada Highway from Clarenville to Gambo was to use the shortest route possible, for instance, starting at Clarenville then on to Portland, across Terra Nova River to Alexander Bay Station, then following the railway to Gambo. Now I understand the intention is to start from Clarenville and go on to Milton and to George's Brook and Gull Pond and across to Bunyan's Cove and there a ferry will take passengers, and from that on to New- man's Sound and from there to Traytown and vicinity, thence along the coast to Glovertown. That may not be exactly correct. I do hope the honourable Minister may be able to give us the correct information.

MR. SPENCER: Anytime — Right now, if you like.

MR. HOLLETT: I think the time has just about expired. If I may I would like to move the adjournment of the debate.

On motion debate adjourned.

MR. SPEAKER: It being now 6:00 of the clock, I do leave the Chair until 8:00 of the clock tonight.

April 26, 1956. Night Session.

The House resumed at 8:00 of the clock.

Deputy Speaker resumed the Chair.

On motion, a Bill "An Act to Amend the Department of Provincial Affairs Act," was read a third time, ordered passed and title be as on the Order Paper.

On Motion, A Bill, "An Act Relating to Public Examinations in Schools," was read a third time, ordered passed and title be as on the Order Paper.

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

MR. CURTIS: Mr. Speaker, the principal provisions of this Act are the addition of Parts 6 and 7 dealing with Domestic and Foreign companies and the incorporation of insurance companies. Some other amendments to The Companies Act are, however, dealt with first.

First of all Section 17 (a) is repealed as that Section becomes unnecessary when the new insurance provisions contained in Part 7 are enacted.

Section 20 of The Companies Act forbids the registration of a name which is identical with or closely resembles that of an existing company and if such a name is used the Registrar may require that it be changed. It is now proposed to extend the provisions of the Companies Act which deal with the registration of names. One of the amendments in this Bill will require the consent of the Lieutenant-Governor in Council for the use of the words "Newfoundland," "Labrador," "Royal" or "Imperial." At the present time by an agreement between the Attorney-General and the Secretary of State we do not allow the use

of the word "Canada" in the name of a company unless the Secretary of State agrees. So far, we have not had any difficulty with companies using or mentioning of the word "Canada." However, there is no statutory authority for doing this. One of the provisions in the proposed Bill will require the consent of the Attorney General before the word "Canada" is used. The Registrar of Companies has no power now to refuse to register an objectionable name. This is a power which, in my opinion, he should have.

The amendment to Section 20 provides for the practice to be followed in changing names of companies and otherwise carrying out the provisions I have already referred to. It also provides for an appeal from the decision of the Registrar.

One additional provision in respect to registration is that the Registrar may with the approval of the Lieutenant-Governor in Council refuse to register a company.

The Registrar of Companies has power under Section 21 of the Companies Act to strike the names of defunct companies off the register. The procedure is fairly lengthy, requiring the Registrar to give ample notice to a company before he acts. This procedure is necessary because it is undesirable to have a company stricken off the register if it may be still carrying on business. However, there are cases where a company has gone out of business and acknowledges the fact to the Registrar. At the present time the Registrar has to follow the same procedure with all companies. The proposed amendment to Section 21 re-enacts part of the existing subsection (3) and (4) of Section 21 with this difference: If a company acknowledges that it is not carrying on business or

is not in operation the Registrar may strike it off the register without going through all the procedure that is necessary where no such acknowledgement is made.

The Companies Act is presently silent on the use of temporary seals. The proposed amendment to Section 67 will permit a company to use a temporary seal for a period of not more than three months.

At present there are many organizations existing for educational, charitable and similar purposes which are incorporated without payment of fee and enjoy the benefits of incorporation. All other companies have to make an annual return to the Registrar of Companies, listing their shareholders and directors. Such companies as I have referred to are exempt from this latter requirement.

At present, once those companies are registered nothing more is heard of their membership and directors or managers. It would be no hardship on those groups to file a list of members and officers (particularly the latter) once a year. Some of them receive funds from the public by various means for charitable objects. For this reason, if for no other, they should make known their membership to the public by making an annual return. The amendment to Section 245, in effect, will require them to file annual returns.

I now come to Part 6 which it is proposed to add to the existing Act.

At present companies incorporated outside Newfoundland may come into Newfoundland and transact their business without having to conform to our Companies Act or any other legislation. It is desirable that they should

be required to make themselves known and submit to some regulation if they are going to do business in Newfoundland, just as our local companies must. As it is, outside companies are now in a more favoured position in Newfoundland than our own companies are, as they are not subject to any legislation in respect of carrying on business.

Part VI sets up the procedure for registration in Newfoundland of companies incorporated elsewhere and of dominion companies. They would be required to file the same type of information that we now require Newfoundland companies to file and to pay the same registration fees that Newfoundland companies must pay. It also sets out the powers, privileges and responsibilities of companies after registration as well as penalties for failure to conform with the requirements laid down.

It is noteworthy that nearly all, if not all, of the other provinces have some provisions similar to those contained in Part VI. It is based on legislation in force in Saskatchewan, is practically the same as that of Alberta and British Columbia and has similarities to provisions in most of the other provinces.

It is also desirable to require domestic companies, that is, those incorporated in Newfoundland under Acts other than The Companies Act, to file information and to register in the Registry of Companies. At present, once those companies are incorporated they are not required to do anything more and nobody knows what they are doing, who their members are, etc.

I now come to Part 7 which deals with the incorporation of insurance companies.

Briefly the problem is that, since Confederation, various insurance companies have been incorporated in Newfoundland, by nonresident interests. These companies have complied with the requirements of our Companies Act but have not operated in Newfoundland and have apparently never had any intention whatsoever of operating in this Province but are desirous only of operating in other jurisdictions.

2. It will be appreciated that an insurance company transacting the business of insurance anywhere or on any scale must be required to have certain capitalization and financial reserves in order to protect its policy holders and that, if it does not have satisfactory capitalization, etc., it should not be permitted to operate. A company cannot, however, be required to have subscribed and/or paid up share capital prior to the date of its incorporation since it has not, up to that point, become a legal entity and thus cannot issue stock, etc. In these circumstances, a company's financial worth and stability cannot be assessed or appraised at the time of incorporation. Such assessment must of necessity await the company's application for a license to commence the solicitation and negotiation of insurance, at which stage a licence can be issued or refused depending upon the information contained in the financial data which it is then required to furnish.

3. As intimated above, however, the majority of the locally incorporated companies concerned have never operated in Newfoundland. They are thus not required to apply to the Newfoundland insurance authorities for a licence and are, in effect, entirely outside the ambit of the Newfoundland insurance legislation. Since

they do not apply for a Newfoundland licence, there is no opportunity of ascertaining their financial stability and even if this could be determined, nothing whatever could be done under present legislation to force them to increase their capitalization in cases where it was considered to be insufficient. There is no point, for example in telling such companies that unless they improve their financial position, they will not receive a Newfoundland licence because they are not in the least interested in obtaining a Newfoundland licence. In 1954, the Insurance Companies (Licensing) Act was amended to provide that no locally incorporated company may operate outside Newfoundland without having a Newfoundland licence. It was hoped thereby to make the companies concerned apply for a Newfoundland licence thus giving the appropriate authorities the opportunity of examining their finances and, if necessary, forcing them to discontinue their operations. In practise, however, this measure has not proved effective because it is difficult to obtain information about companies' activities outside Newfoundland and even more difficult to institute legal action against them. It might also be mentioned that the legality of requiring an insurance company which is not operating in Newfoundland to have a Newfoundland licence has been questioned. An important point to be remembered is that action cannot be taken under the Companies Act as presently constituted to cancel incorporation because the Companies meticulously submit the reports, lists, etc., which the Act calls for and which are sufficient to justify the continuance of their charter.

4. To summarize the problem in a few words, there are a number of in-

insurance companies presently incorporated under Newfoundland law which are operating only outside Newfoundland, apparently with sufficient capital and with the very grave danger that their activities may at any time cause irreparable damage to our prestige abroad and subject our laws and procedures to criticism and ridicule—and, at the moment, there is little or nothing we can do about it.

5. There has been plenty of evidence to date to demonstrate that the statement made above regarding possible damage to Newfoundland is by no means exaggerated. Only recently, for example, it was learned that one of the incorporated companies concerned has an authorized share capital of \$50,000, no subscribed capital; paid up capital of \$300 only and assets totalling approximately \$600 only. It should not, of course, be assumed that all the companies are as inadequately financed as this one but it does illustrate the unsatisfactory state of affairs which can exist in some instances and with which we are presently totally unable to cope.

6. To permit any insurance company to operate abroad as a "Newfoundland" company with such inadequate capitalization is only inviting trouble. If trouble does not eventuate we can only congratulate ourselves on being extremely fortunate. If trouble does occur, no explanation we can give will ever relieve us of charges of laxity and negligence and, certainly, will not counteract the harm which will be done to all Newfoundland incorporated companies, insurance or otherwise, and to Newfoundland generally.

7. At the present time, enquiries are being received repeatedly regarding certain of these companies from Gov-

ernment officials, individuals and organizations throughout Canada and the United States. These enquiries reveal that their activities are becoming widespread but worst feature is that we are unable to reply to them and it places us in a most unfavourable position to have to admit to almost complete ignorance regarding their financial stability, etc. They are, in law, Newfoundland companies and yet the Newfoundland authorities who have permitted their incorporation know practically nothing about them.

8. The Quebec Department of Insurance has encountered instances of three such companies having committed breaches of the Quebec insurance laws in recent times and, in one case, a Newfoundland company operated in that Province without obtaining a Quebec licence. The Quebec Superintendent of Insurance has, as a result, seen fit to publish a condemnation of Newfoundland insurance companies in at least two national insurance periodicals and this incident indicates all too clearly the repercussions which are likely to result from the operations of the companies concerned if they are permitted to continue unchecked as at present.

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

MR. BROWNE: Mr. Speaker, it was easier to follow the Attorney-General in regard to the insurance companies which he says are incorporated here and are operating outside of Newfoundland and about which nobody here in Newfoundland seems to know very much. I think it is a terrible thing when companies with only three hundred dollars capital should go out and pretend that they are doing business, when they have no

assets. The information he has given us about insurance companies operating outside of Newfoundland comes as news to me. It is the first time I have heard of it. I did not know that such companies existed, and whether they are Newfoundland companies in the sense that they are incorporated by Newfoundlanders or whether they are companies similar to the holding companies which were formed here so generally during the war, I do not know. I don't know what kind of companies they are.

Now, in the earlier amendments to which he referred, especially the one dealing with the use of the words "Newfoundland," "Labrador," "Royal," "Imperial," I presume that does not apply to companies already registered. It has been quite a popular thing for people to form companies such as the "Newfoundland Coal Company"; "Newfoundland Light and Power Company"; "Newfoundland and Labrador Corporation"; "Newfoundland Labrador Steamship Company"; "Imperial Optical Company," etc. "Royal Garage"; "Royal Aerated Water Company", etc. A number of companies have used these words. And the thing I find, Mr. Speaker, the Attorney-General has given no reason why that practise should be discontinued. He stated it should be discontinued, but he did not say why. What is wrong with it? Was there any reflection? I never dreamed, personally, there would be any reflection on the Royal Family or the Imperial House or Newfoundland or the Newfoundland Government by using words like that, and I don't believe anybody else in this House ever thought there would be. The same thing applies to "Canada" "Canada Dry"; "The Royal Bank of Canada"; "Canadian Bank of Commerce." These have become popular

household words. And it seems strange that there should have been an understanding between the Secretary of State and the Attorney General to put thumbs down on the use of the word "Canada" for companies which are formed locally. And it seems strange to me that the Government should give so much attention to matters of that kind but has given no reason for it. I never heard of anyone objecting to these names. And unless it can be explained—I cannot see what harm it has done or can do to use such names.

Then he has told us that charitable and similar organizations which are not operated for profit, such as the "Cancer Society" or the "Red Cross" or some similar organization or clubs or societies which are purely fraternal or benevolent or charitable in their works, and really mean a lot of work for the people who assume office in these organizations; these have been permitted to be registered without having to bring in fees. And when that is done the societies go on, carrying on their work, and nobody ever bothers about them. I do not know who it is raised this idea now, that they should put in annual returns. I presume there will be no fee in filing the returns. Perhaps the Attorney-General could tell me? It does not seem to be unreasonable because, for the purpose of giving information alone it would be advisable to have that.

Now in regard to domestic and foreign companies, in part VI. I notice that a foreign company means a company incorporated otherwise than by or under an Act of the Legislature and excludes a Dominion company. I wonder if the honourable the Premier really approves of a "Canadian" com-

pany being called a "Foreign" company.

MR. SMALLWOOD: No.

MR. BROWNE: No. I did not think he would. That struck me as soon as I saw this. It would be very strange. A gentleman who is now dead, a member of Lunenburg, I believe, in the Dominion Parliament, referred to the "Newfoundland Fisheries" as "Foreign fisheries." And even when we were not a part of Canada at that time we felt a certain resentment at his referring to Newfoundlanders as foreigners. How now will the people outside Newfoundland, who reside in other provinces, feel when they know that any companies incorporated by an Act of Parliament at Ottawa is known here as "Foreign."

There is an expression used in this Bill, which I think the Minister must also explain. "Domestic and Foreign" companies having gain for their object or part of their object and carrying on business in Newfoundland shall be registered. Now, what is meant by "carrying on business?" Does it mean having an office here set up, and advertising, and people going in and so forth? Or does it mean carrying on business from abroad? As the Minister knows, a great many trust companies in Canada at the present time are loaning money down here in Newfoundland. Will that be considered as carrying on business, and will such a company have to come in here and be registered? Perhaps when he is replying the Minister may explain what is meant by "carrying on business." There is no definition as to what is meant by "carrying on business."

In regard to the insurance companies the same words are used—"A

company formed for the purpose of carrying on business"—It does not say whether it means carrying on business in Newfoundland or carrying on business outside of Newfoundland. I agree with the idea that companies who come here and enter into competition with local companies and do work here should be known. We should know all about them, so that those who are dealing with them may have some protection.

In conversations I have had with the Attorney-General some time ago, he drew to my attention some companies that had come here and had entered into contracts and failed to carry out their contract, and going away left local contractors in an awful position. They had lost a lot of money. Since that time they have not been able to get it all back, and I don't know whether they will or not. There should be protection for people dealing with companies that come from the outside.

I take it that the insurance companies to which he referred will probably be explained in more detail when we get into committee, because I am sure there must be general ignorance amongst all the members of the House that such a thing is going on. The requirement of five hundred thousand dollars before anyone can carry on the business of life insurance would certainly stop most people from forming a life insurance company—although I notice that must be the authorized capital—But the specification of paid up capital in cash of two hundred thousand dollars would be a large amount of money to raise locally. But no doubt there is good reason for that. A company should not be carrying on business if it has not adequate reserves to fulfill its obligations under any life insurance policy.

With these reservations, Mr. Speaker, I agree.

MR. HOLLETT: Mr. Speaker, I don't intend to say very much except to agree wholeheartedly to the objections which have been taken by my honourable and learned colleague. Generally I would say we agree with the principle of this Bill, but I must refer to the two objections again — "That no company shall be registered under a name, without the consent of Lieutenant-Governor in Council, containing the words "Newfoundland," "Labrador," "Royal" or "Imperial," or which in the opinion of the Registrar suggests or is calculated to suggest the patronage of Her Majesty or any member of the Royal Family or connected with Her Majesty's Government or any department thereof. And no company shall be registered, without the consent of the Attorney-General, under a name which contains the word "Canada" or "Canadian," or which in the opinion of the registrar is otherwise objectionable. Is it objectionable to have a company registered with the name "Newfoundland" or "Canada"?"

MR. CURTIS: It does not say that. It says "otherwise."

MR. HOLLETT: That infers it is objectionable to have the name "Newfoundland."

MR. SMALLWOOD: We do not want to have the name of Newfoundland sullied by having it connected with a company that is objectionable.

MR. HOLLETT: I take it that does not mean no company can be organized with such a name?

MR. CURTIS. No.

MR. HOLLETT: It has to get the consent of the Lieutenant-Governor in

Council. The other objection was very well taken by my learned colleague— That is the reference to a Dominion company as a foreign company. A Dominion company here means any company incorporated by an Act of Canada and a foreign company means a company otherwise than by or under an Act of Legislature. And I am quite sure the Government will agree to that amendment or possible amendment with regard to No. 3. But my honourable colleague dealt with the matter fully, and I won't take up any more time of the House except to say, generally we agree with the principle.

MR. CURTIS: Mr. Speaker, it is not my intention to reply at any length. The questions of my honourable friends can be dealt with in Committee. In using the word "Foreign" in connection with companies outside Newfoundland we follow the practise used in other provinces. In other provinces, when they refer to outside companies they refer to them as being foreign companies. If that name is offensive to my honourable colleague, the Premier or the rest of the House we may be able to get a more inoffensive term. But I think this objection to the use of the word "foreign" is a little too fussy. But we may be able to dig up some substitute term which will make us all happy.

As far as the words "Newfoundland," "Royal" or "Imperial," we welcome these words. The idea is that we don't want people in other provinces of Canada introducing legislation using the word "Newfoundland." And we have had many applications from people asking if they could use the word "Newfoundland" in connection with their companies. The answer is: is the company going to have anything to do with Newfoundland? If so, let us know what it is. And

there is an agreement made with the Secretary of State for Canada simply to protect companies being incorporated in the different provinces and in different places with the same name. For instance a man may call his company here "The Royal Aerated Water Company" and there may be a similar company in Halifax and in Quebec and in Prince Edward Island. And the idea is to keep from duplication.

MR. BROWNE: All over Canada?

MR. HOLLETT: Can the honourable gentleman prevent a company being formed in Quebec having the word "Newfoundland" in it?

MR. CURTIS: No we cannot in Quebec. But there are arrangements with the Dominion Government, companies with Dominion charters may operate anywhere in Canada. This is not because there is anything objectional, but we do not want complications. We do not want companies here with the same name. Therefore, it is purely a case of protection. Any other question could be dealt with in committee, 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 to Provide for the Establishment and Administration of Local Road Boards."

MR. SMALLWOOD: Mr. Speaker, I rise to move the second reading of this Bill. This Bill is the one, which, if it passes, will set up the machinery throughout the Province for carrying out the Government's new plan of local road maintenance.

The House is aware from the statement made in the Speech from the Throne that it is the proposal of the Government to reassume or take

on again after a lapse of nearly two decades responsibility for the maintenance of roads within the boundaries of the settlements of this province. It is not proposed for a moment that the Government, that my honourable colleague, the Minister of Public Works, should have added to his burden the unbearable burden of being personally or even in his department — his department being responsible for the spending of very large sums of money — for the maintenance of purely local roads in a very large number of places. The scheme is made to apply let us say to twelve hundred settlements in this province. It is unthinkable that the actual planning of the spending of that money shall each year, on the maintenance of the roads, the actual managing of the spending of it and the actual spending of it should be carried on from St. John's, at that great distance from the Department of Public Works or indeed any other department of Government. The chaos and confusion, the inefficiency, the waste and extravagance that would inevitably result with any department of state, any office of the Crown, attempting to service, to plan out, supervise and to spend money in twelve hundred different settlements each year will be something colossal, and I think the House can agree on that. Therefore, a very necessary component of this plan, a very necessary aspect of it is a very high degree of centralization. So, therefore, the Government's proposal is that the House should pass an Act giving authority for the creation in every settlement, virtually, in Newfoundland of an elected local road board. This local road board would receive each year from the Minister of Public Works or possibly the Minister of Municipal Affairs and Supply — It is a very difficult choice to make actually, there

is so much logic in favour of the Minister of Public Works who from the beginning of our Government in Newfoundland, for over a century, has been the Minister of the Crown who had all to do with roads and road-building and road maintenance and everything else connected with roads. It is so logical on the other hand—We have a new ministry, new at any rate in Newfoundland, only seven years in existence, a ministry of Municipal Affairs, set up for the particular purpose of encouraging the creation of local self-Government, and charged especially with the duty not only of encouraging people to themselves set up local self-government but to keep a careful and sympathetic eye on the activities of local self-government groups and units when they are set up — And as this is a business of local road boards to be elected by the people it is essentially part and parcel of the very idea and spirit of local self-government, there is a powerful case to be made in favour of having this administration of the local road boards come under the Minister of Municipal Affairs, while at the same time the rest of the activities might well come under the Minister of Public Works. Actually I do not know whether any final decision has been made on that — Yes — It says here it is to be the Minister of Public Works. Now if ever the day comes when Newfoundland finds it necessary to create a new department of Government, a Department of Highways, as most Governments across Canada have found it desirable and necessary to do, then the Minister of Public Works would be changed here to read "Department of Highways."

What the Government have in mind, quite frankly, is this: That this money, which in the present year will amount

to three quarters of a million dollars, but which next year we would hope would amount to a million dollars or more, and which indeed would grow in size year by year, will be spent only in the places that have either a town council, a community council or a local road board, i.e. to get any share of this money in any year the people of a settlement must first have equipped themselves with one or other of these three forms of local self-government.

Now at the present time we have in Newfoundland some forty odd places in which they have town councils—forty odd town councils. And in addition to that we have a number of places with community councils, and the two together make a total of approximately sixty-two of our thirteen hundred Newfoundland and Labrador settlements. Therefore, that being the case, our intention being to spend money only in the places having either town councils, community councils or local road boards, it is perfectly obvious that a very large number of places will be under the necessity at the earliest possible opportunity of getting themselves organized into local boards. Nor do I think for a moment that that is going to be very difficult. I don't think that there is any great difficulty about that. It is surely something simple. But this statute, if it becomes a statute will have to have a very simply worded pamphlet published and printed and sent in large numbers throughout the Province so that people, ordinary Newfoundland people, will be able, without any difficulty, to acquaint themselves easily with the steps they are to take in order to get these local road boards.

The main features of this scheme are found as follows: In Section 2

of the Bill, the first page, there is a definition of area, which is very important. Area means any settlement or village or group of settlements or villages containing not less than fifty voters, other than a municipality or local improvement district, etc. In other words, the local road board is to be in any place of fifty voters, any place or group of places. You might have one or two or three small settlements close together making up an aggregate of no fewer than fifty voters; That is people entitled to vote at a general election, voters in that sense of the word. Then there is the procedure of how to go about it; posting a notice, calling a public meeting, what proportion of the voters of the settlement must be present for the meeting to be a legal one. And these meetings having been called and properly and lawfully held, the voters present follow certain procedure, elect a local road board. And that must consist of not fewer than three members nor more than five, except that they may later on increase or decrease the number with the consent of the minister.

Then it is set forth on page five, that the board is a body corporate, notwithstanding any other statute or law. The board may, in the area for which it is elected provide and maintain roads other than main or secondary roads, highways, that are maintained directly by the Department of Public Works. And they may also provide and maintain bridges and drains for these roads. And they may also provide and maintain certain other services and facilities as the minister may in writing authorize them to provide or maintain. Then follows a substantial section of considerable importance — No local road board is allowed to collect any taxes whatso-

ever. That is not permitted. In fact it is specifically prohibited in this clause. Then it goes on to define the qualification of the various members and boards and their procedures, and how their meetings are to be held.

Then we come to Section 20, page 11, which provides that the chairman shall keep or cause to be kept proper records in respect of the carrying out of the Board's' programme. Then the Chairman shall also have the records, that he has kept or caused to be kept, open to scrutiny of the voters in the area for a period of not less than fourteen days in each and every year, and there shall be public notices posted in at least four places open to the public in the area for one week or longer before the records are to be open, stating clearly the time and place at which the records will be open. In other words the chairman not only has to open the records for the public to come in and look at but must post up notices so many days ahead in at least four places, saying that on such and such a date at such and such a place the records will be open for any citizen or voter to come in and see. And a copy of these reports must be sent each year to the minister of Public Works.

Now there is a very important clause on page 12. It is section 22: Under this section the minister may through somebody else that he authorizes, investigate the activities of a board. And he may inspect all work done or being done by a board. And he may require that he be advised of any work that a board proposes to do. And he may, by order, disallow any work that the board proposes to do or direct that any work already begun shall not proceed. He

may also, by order, vary or disallow any resolution or decision passed or made by the board on any of the subjects referred to in paragraph (b) to (d) or any other subject. And any order made by or on behalf of the minister under sub-section (1) shall be entered into the records of the board, and shall have effect as if it were a resolution of the board, but it may not be revised or varied by the board except with the consent in writing of the minister.

Now we come to section 27: "The board shall in each year prepare the work programme of the board for the current year and submit it to the annual meeting for consideration: That is, there is an annual meeting of the citizens of the area, and at that annual meeting the board shall submit a sort of budget, an outline of the work they propose to do for the coming twelve months. And the meeting shall by resolution authorize the whole or any part of the programme. In other words, this programme has to be laid before the public meeting, and the public at that meeting, by passing a resolution, will indicate whether it approves the whole programme or part of it or what part. Then any resolutions that they pass at this meeting must be posted up in at least four public places in the area so that those who were not at the meeting will know what the programme is for that year. Then, within seven days after that annual meeting, the board shall send a copy of that programme to the Minister for his approval in whole or in part. And the board shall not carry out any part of the programme until the minister has given his approval, nor make any commitments which are in excess of its programme as approved by the Minister. Then the work that is done is approved

by the local road board, approved by the public who have met and who have had the programme submitted to them, approved by the minister who has had the programme sent in to him.

The section 29 says: "On or before the thirty-first day of December in each year the board shall forward to the Deputy Minister of Public Works all payrolls, bills and other invoices received for payment by the board in respect of its operations, duly certified by the Chairman and Vice-chairman, and the Department of Public Works shall arrange through the Department of Finance for payment thereof out of the balance of the grant referred to in Section 19."

Mr. Speaker, that is the plan. It is a simple one. It has to be simple because it deals with so many settlements and so many people in so many settlements. I would think that there will be five or six or seven thousand men and women on these boards and that before this year 1956 is over there will be at least a thousand or twelve hundred settlements in Newfoundland with their local road board elected, and that these boards will run from three to five members, and that you will get something between five and six or seven thousand Newfoundlanders conducting these local road boards and undertaking the responsibility not only of planning out what work is to be done for a year in advance and not only calling a meeting of the public and submitting that plan to the public and getting the public's approval in each case; and not only forwarding the plan to the minister and getting his approval, but also five or six or seven thousand men and women who will have the active, energetic production of the work throughout this island of Newfound-

land. I think, therefore it is pretty obvious that this will be an excellent exercise in local responsibility and it will be an excellent exercise in the development of the ideas and principles and the practices of local self-government. I believe that the practicability of these local road boards to be erected during 1956 is much greater than the practicability of the old road boards of the 1930's and 1940's because of the fact that our people today in Newfoundland are far better informed than they used to be. I believe they are far more informed, far more educated and learned and literate than they used to be, and I believe that there is in Newfoundland today a better public spirit in the areas around this province than there used to be.

Some amazing stories can be told of the operations of the old-time road boards. And some perfectly magnificent bits of Newfoundland folk lore could be recited covering the activities and the history of the local road boards as they used to exist years ago, before and during and for a while after the first world war. But I have personally no doubt or very little doubt — I know there are difficulties, I know that — I don't say that it is absolutely plain and absolutely easy and simple — But I think that relatively the whole scheme is plain and easy to carry out. At all events we want to try it; we ask the House to authorize the Government to proceed with this plan. We wish to reassume the responsibility that the Newfoundland Government always carried in the past, the responsibility for the maintenance of local roads. We want that. And we want to set up this machinery of properly elected road boards to carry out the scheme. Without this or some similar scheme of decentralization on the spot, the job

would be very impractical, indeed it would be hazardous to launch upon a scheme or programme of spending large sums of public money in so many places in Newfoundland, because, clearly, unless my honourable colleague, the Minister of Public Works, is going to be served by a veritable army of inspectors and supervisors he cannot, and no Minister can, spend this money in twelve hundred places in Newfoundland. If we do not set up an efficient local functioning unit of the people themselves, if we fail in that, the whole scheme, I think, will break down and will be a great failure, which would be a pity in Newfoundland today, where I think it is so desirable that the people should have even more and more active and immediate share in the governing of their province and the handling of their own affairs.

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

MR. HOLLETT: Mr. Speaker, it is a very novel idea — In a way I find this Bill almost like the trap-pings of an elephant on the back of a cat, or vice versa. Here the Government are going to set up at least a thousand local road boards to spend seven hundred and fifty thousand dollars, or an average rate of seven hundred and fifty dollars per road board — And that would be administered by some five thousand people. I am afraid the Government are depending quite a bit upon the altruistic spirit of all our citizens in Newfoundland. For instance, in section 4: After a meeting has been called by any five members getting together and deciding to call a meeting to set up this local road board, then ten per cent of the voters in the area is a quorum for the meeting, and if a quorum is not present the meeting shall be adjourned to a lat-

er date. There I think you are up against an obstacle right away, because ten per cent of the voters in any particular area is not an easy thing to get, particularly when they have just a very small amount of money to spend in that particular area. And I am quite sure the Government does understand that if we divide seven hundred and fifty thousand dollars up amongst a thousand or twelve hundred settlements the amount per settlement is not going to be very large. And I strongly suspect it is going to be difficult to get many of the people in these areas to attend these meetings. Anyway, I realize there are certain difficulties, and I would almost be in favour of cutting out the ten per cent requirements for a quorum, because if only five people have spirit enough to form a local council in order to spend the money, they should be given the opportunity to do so, and not have to depend on a quorum of ten per cent.

MR. SMALLWOOD: If we just called together our own followers and guaranteed every road board and local committee, my honourable friend might well argue against that.

MR. HOLLETT: That may happen.

MR. SMALLWOOD: No the people do it themselves — It is different.

MR. HOLLETT: I am not thinking of the political aspect of this thing at all, but of the practicality and the difficulties which are going to be met with as we go along with this particular idea. I do think dividing seven hundred and fifty thousand dollars into so many small amounts is rather a new idea. And I think that the country should be divided up into a number of regions. But to divide all the country up into

twelve or thirteen hundred local councils seems to me will be so cumbersome that it will not be possible for the Government to even oversee what is being done, and definitely some sort of inspection must be made on all the work which will be done, or at any rate, shall I say, on the work which should be done.

Then these particular local councils to be set up will have the right to prosecute people and fine them up to a hundred dollars and send them to jail.

MR. SMALLWOOD: What for?

MR. HOLLETT: Various things.

MR. SMALLWOOD: Such as what?

MR. HOLLETT: Well we will find out—"Any person who contravenes or fails to comply with any of the provisions of this Act, or any requirements or obligations imposed on him by virtue of this Act or of the regulations of the board or who interferes with or obstructs any person in the discharge of his duties under this Act or under any such regulations or who tears down, removes or damages any board regulations, order or notice posted or published by the board, is guilty of an offence and liable on summary conviction, where no other penalty is otherwise provided in this Act or the regulations of the board regulations, to a fine not exceeding one hundred dollars and in default of payment to imprisonment for a period not exceeding ninety days."

MR. SMALLWOOD: My honourable friend does not think that is severe enough?

MR. HOLLETT: I think it is absolutely impossible of being carried out. It is nonsense to make laws un-

less they can be carried out with a certain amount of ease. And I cannot visualize a situation where you have a thousand different local road boards and probably in three hundred of them having actions being taken in courts against some person who contravenes some particular regulation which may be made here.

I am certainly not against the principle at all. I am just pointing out to the honourable the Premier who introduced the Bill that he is going to be up against various kinds of difficulties. I had the experience of a good many years, over twenty-five years as a magistrate, and I had a lot to do with road work during that period. I know how difficult it is to arouse the interest of people in certain sections with regard to road work, particularly in times of prosperity. In times of prosperity it is almost impossible to get people together in order to elect a local road board. And I fear that the Government will be up against a number of obstacles which apparently they have not as yet anticipated. However, I am not against the principle of the Bill at all. I merely point out a few of the troubles likely to arise.

**MR. HEFFERTON:** Mr. Speaker, there are two or three comments I have to make in support of this Bill. (1) In reply to criticisms just made by the Honourable Leader of the Opposition when he suggested that instead of having individual boards dealing with individual places that it might be divided into regions—Immediately that is done we run into the question of one community criticizing another because there is not an equality of expenditure over the area. For instance, two years ago, one of the most active communities in my constituency came to me and com-

plained that one side of the harbour was not getting its fair share of the road grant. As a result, after discussing the matter with the magistrate in the district, we found we had to set up two road boards, one for each side of the harbour in order that we might bring about what the electors themselves considered a fair distribution of the grants.

Only ten days ago someone from an entirely different part of my constituency came in to me and also raised the same criticisms, namely, that instead of one road board dealing with both sides they should have two in order to get away from carping criticisms that one side gets more than its share. So when we talk of dividing it into regions, it would certainly multiply the criticisms many times.

The honourable the Premier, in moving the second reading of the Bill, mentioned the encouragement to the people to take on local responsibilities. When I was speaking a few days ago on another matter, I referred rather generally to this particular bit of legislation, and said that we were hoping that this Bill when it came into effect would not adversely effect what we are trying to do in the encouragement and building up of local Government. I said that deliberately because although this Bill makes provision for a per capita grant to all places of monies allocated for those purposes, whether incorporated areas or not, we have to bear in mind that for a community council or for a town council there are other inducements which give encouragement to people to go just a bit further than what is envisaged under this road board plan. I might illustrate this: Assuming that there were two places with populations of eight hundred. I don't know what

the per capita grant is going to be in these particular places but for our purpose let us assume it is two dollars a head. That means a place with a road board would get sixteen hundred dollars. But the place with a similar population, having a town council, would get the same road grant but would have power to tax themselves and assuming that they raised five hundred dollars, on that five hundred dollars using the basis of payments we have made for the last two or three years they would get two dollars for every dollar raised. In other words, they would get another thousand dollars, or thirty-one hundred dollars altogether. So there is a big difference, as I see it. And there is an incentive, after the road board has been formed, for the place to try and get more money to try and carry out and expand its services. For this very purpose, in order that we might lead the people who are forming the road boards to carry on a bit further and become a little more experienced and to take on the formation of a community council there are certain provisions included in this Bill, which perhaps could have been left out. But it must be modelled largely out of the Community Councils Act, therefore there are clauses included here which give the road boards themselves a very good training in the art of setting up a community council when they feel inclined to do so.

The other provisions, Mr. Speaker, I think have been pretty thoroughly covered by the honourable the Premier in moving the second reading of this Bill. I support the measure because I think it will do much to give our people a greater interest in trying to take more and more active responsibility in trying to build up their road services.

MR. BROWNE: Mr. Speaker, if there is nobody else going to say anything I would like to say a few words about this also. It is the first time I have seen it, and the first explanation that has been given has been given by the Premier. My recollection goes back to the days of pre-Commission Government, when money was spent on roads without any road boards. I know that there were road boards on the statute books but in the communities that I was in I never saw any road boards function. It was usually a man they called the Chairman who took charge of the work and who made himself personally responsible for carrying out the work. And the procedure adopted, as long as we had money to distribute in annual grants to every place throughout the country on a per capita basis was that the Chairman there would get the road money. He knew the needs of the place. He would engage his men, keep track of the time they spent on the job and send in the returns to the Board of Works. Then the check would come out. Now they got to have an election. And it seems to me to be a good deal of effort to put into the formation of a road board. Then after they decide on the work they must send the report into the Minister of Public Works and get his approval and get the authorization to proceed with the work, and then go ahead with the work, then send in their Bills by the end of December. The inference is that they don't get paid until after the end of the year. Now I don't know if I have read that section right, but I think that would be a mistake, if they had to wait until then—On or before the 13th day of December.

MR. SMALLWOOD: In other words, not later than.

MR. BROWNE: I would like to see that the thing would be paid promptly. The procedure set out here is simple, but the work that has to be performed seems to be very simple too, and I don't know whether the people will catch on as enthusiastically as the Premier seems to think to this idea. This year, according to all reports, is going to be a year when there is a great deal of employment throughout the country, and it may not be easy to get people to take an interest in the work on the local roads. Now a great deal has been made out of the amount to be set aside for the people this year, seven hundred and fifty thousand dollars is mentioned in the Speech From the Throne. But I notice in the estimates for the Department of Public Works only seven hundred is mentioned for local roads.

MR. SPENCER: That is correct.

MR. SMALLWOOD: That is an error. It is printed at that, but that is an error.

MR. BROWNE: Then all the totals are in error right along. In any case, as my honourable colleague says, "It is only fifty thousand dollars."

MR. SMALLWOOD: On forty millions.

MR. BROWNE: Now last year, for the maintenance of roads and bridges there was voted a sum of nearly two and a half million dollars.

MR. SMALLWOOD: It has no bearing on this at all.

MR. BROWNE: Yes it has.

MR. SMALLWOOD: No. It has no bearing at all.

MR. BROWNE: Yes it has. Wait until I show you. Now, may I be

permitted to show that? This year the vote is down half a million dollars.

MR. SMALLWOOD: But the explanation of that is another matter. The House will get it in due course. It has no bearing on this.

MR. BROWNE: Well half a million was taken off the regular vote for roads and bridges and added on to the local vote, and they get seven hundred and fifty thousand, as the case may be, so that the total vote for maintenance of roads and bridges is only seventy-five thousand more than last year. So that it does not look like any seven hundred and fifty thousand new money coming in at all. But I thought when the matter was mentioned first it would be done as it had formerly been done. There is no harm in trying it that way. In fact I think it would be a good idea if people should form themselves into road boards and take an interest in it. I hope it will come out as well as the Premier thinks it will, and that people will take that amount of interest in such a small matter. But today five hundred dollars is certainly not as big as it was fifteen or twenty-five years ago, when five hundred dollars spent in the settlement would do all the roads. Five hundred dollars today won't go very far. Then there is another thing: Today the most of the communities that are connected up with the road system, where they are connected up with the road system, say, like on the Peninsula of Avalon. These people have been accustomed to road work being done with flying columns, with trucks and other equipment, even graders sometimes going along. So that to go back to the pick and shovel, I don't think there are too many people anxious to do that kind of work. Maybe a certain number of people who cannot

get employment on the bases and other work will be available. There is always a number who don't go away from home, and have no fit-out to go fishing. The Premier knows what I mean.

MR. SMALLWOOD: Yes, I do know.

MR. BROWNE: That is so. There will be men like that.

MR. SMALLWOOD: Thousands of them, and there always will be, and an increase in number year by year.

MR. BROWNE: Another thing that seems to me about this Bill is, I doubt if it is going to get going quickly, unless there is a good deal of publicity given to the important features of this measure in the press and over the radio, and, as the Premier himself has stated, by sending out pamphlets to certain persons in the settlements so they can get right away the idea of what is to be done, so that they can be ahead and do it as early as possible. Because I think now is the proper time, or late in the fall of the year. One time or another when they can do it. It cannot be doing it during the summer.

MR. SMALLWOOD: Mr. Speaker, if no one else wishes to speak, I will close very briefly. The point made by my honourable and learned friend from St. John's West is absolutely sound. There is getting to be in our Newfoundland outports an uncomfortable and altogether uncomfortable number of men who cannot and never will get jobs in the bush, in the lumberwoods or on construction for the very simple reason that modern industry just won't take them. We were talking about that here in the House a short while ago. They want young men. And increasingly we see men in their late fifties and sixties who

are good and healthy and sound in mind and limb but who can't get a job. Now some of them do a bit of fishing, but increasingly they are not fishing, not even doing a bit of lobstering. I believe that most of this money, most of it on the local roads will be spent in the form of wages to people like that. And so not with the use of bulldozers and diesel shovels and other modern equipment and with the use of flying columns and other means of mechanized road work but with the use of pick and shovel these men who are scorned by industry as being elderly, that is, say, in their late fifties and early sixties and mid-sixties, who cannot get work in jobs around the Province and who have to stay at home, will earn a dollar on the local roads. So that two purposes will be served (1) these men will get work and a chance to earn a dollar and (2) the local roads will get a bit of patching and repairing and fixing up.

Now my honourable friend is perhaps thinking too much of the areas near to St. John's. He is thinking perhaps too much of the well-known settlements around Conception Bay. Let him go up into St. Mary's Bay, let him go up on the east side of Placentia Bay, when he gets up beyond Point Verde, let him go up in the head of Placentia Bay on the west side and west of there, and let him go down the other side of Baccalieu Tickle. Let him go anywhere almost in Trinity Bay and northward into Bonavista Bay and all of the great Notre Dame Bay and White Bay. Let him go along the coast of Labrador in the Straits of Belle Isle, and as he gets further away from St. John's he will find that this scheme on both counts becomes more practical and appeals more to the people.

They will in the winter months when most of them, or a great many of them are home, hold their meetings. And they will then in the winter months elect their local road boards. And the boards will consist of men whom it is known will stay at home for the summer. That may mean a clergyman in one case or a school teacher who is living there continuously or a shopkeeper or a retired fisherman who is a leader in the community. They will be good types. And then when the summer comes and the road dries up it is time to do a bit of road work, I think he will find that in the majority of cases, certainly in the parts I know best, the Northeast and Southwest coast and the Northwest coast and the Straits of Belle Isle, I think the people will welcome this. Let us not forget that in six hundred places they do form local road committees. In White Bay there were forty settlements with local road committees in 1953-54.

**MR. BROWNE:** Have you anything more recent?

**MR. SMALLWOOD:** Probably that is the latest report. There might be a slight falling off, but in 1954, two years ago, there were forty places in White Bay, and there were forty places in Green Bay, and in Grand Falls District only seven because Grand Falls District is overwhelmingly made up of Grand Falls, Botwood, Windsor, Bishop's Falls, Buchans, etc. In Twillingate District there were thirty places and in Fogo District twenty-two places, Bonavista North twenty-seven places and Bonavista South twenty-six, Trinity North forty-three and Trinity South twenty-eight, so it goes on with a total of six hundred and two settlements. Fortune Bay-Hermitage

had twenty-five settlements. So, these local road committees, for what purpose? To conduct the fifty-fifty deal—Work a day for free and work a day for pay and the next day again free and the next day for pay. There were six hundred settlements that went in for that. Now I believe that for this other scheme there will be a great many.

But my honourable friend, the Leader of the Opposition, is probably right. There will be difficulties. There will be difficulties. It is not a perfect scheme. It may have to be amended next year. Next year we may probably be in with a number of amendments, or we may have to revamp the scheme. A year's experience will reveal flaws and weaknesses only time can reveal. And we will get the same sympathy here next year from the Opposition—Yes, I believe even the honourable member for St. John's West perhaps. I am not sure whether he will be here next session or not because other events are coming up which may take him elsewhere. But if he is here we will get the same sympathetic reception for our amendments as we got here to-night for our main Bill.

On motion Bill read a second time—Ordered referred to a Committee of the Whole House on tomorrow:

On motion the House recessed for ten minutes, after which the honourable the Deputy-Speaker returned to the Chair:

On motion the House went into Committee on Supply:

Mr. Morgan, Chairman of Committee on Supply:

VII—Department of Attorney General.

Items 701 through 716—Carried.

On motion the Committee rose to report progress and ask leave to sit again.

On motion report received—Items 701 through 716, current account, carried:

On motion report received, committee ordered sit again tomorrow:

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day do stand deferred, and that the House at its rising do adjourn until tomorrow, Friday, at 3:00 of the clock.

On motion remaining orders of the day stand deferred:

On motion the House at its rising adjourned until tomorrow, Friday at 3:00 of the clock.

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Friday, April 27, 1956.

The House met at 3:00 of the Clock in the afternoon, pursuant to adjournment.

Mr. Deputy-Speaker in the Chair:  
Presenting Petitions:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, first may I lay on the table of the House the report of the Commission of Enquiry into the School Tax at Corner Brook. I have a copy for each Member of the House.

Mr. Speaker, in answer to a question put by an honourable gentleman on the other side, to my colleague, the Minister of Public Works, on the question of gasoline issued by members of the Cabinet; to which I myself gave an answer the other day; I have some supplementary information on the subject to offer to the House now.

MR. SPEAKER: Would it be a ministerial statement?

MR. SMALLWOOD: Yes.

The House may or may not be aware of the fact that it is established government practice and was established before this government came into office, for members of the government and employees of the Government both when they leave the city on any kind of public business and by car, using their own private cars, not using a Government car but their own private cars and using their own gasoline, buying their gasoline themselves at their own expense, in such cases the government has for a great many years paid such members of the government or civil servants a mileage rate, I think, it is 10c and 12c a mile—or it is 14c up to the first one thousand miles; estimated annually, and it is 12c up to four thousand miles, and then it is 10c a mile. That was established before we came into office. These rates apply to members of the government and servants of the government, i.e. civil servants or public servants, but only when they use their own private cars to travel outside St. John's on any kind of public business and when they buy their own gasoline, then the government pays the mileage.

Within the city the Civil Service has paid a car allowance of so much a month. When they use their own private cars and buy their own gasoline on public business they are paid so much a month allowance.

HON. M. M. HOLLETT (Leader of the Opposition): How much a month is that?

MR. SMALLWOOD: \$25 a month, about. My colleague informs me it runs around \$300 a year to civil servants.

Now, Sir, until the Government decided to give the members of the Government up to fifteen dollars worth of gasoline per week, until that was done, no member of the Government was drawing any gasoline for the use of his own car on public business in or out of the City, with this result: The honourable the Attorney General has trips outside St. John's, using his own car, buying his own gasoline, running up to fourteen thousand miles, in the seven years since we took office — 14,000 miles. If he billed the government, put in a bill as he was entitled to do, he would have drawn \$1,680. That is the law. He could have put in a bill for that, and can now.

**MR. BROWNE:** Mr. Speaker, to a point of order:— Is that a ministerial statement? If it is an argument we can take part. The Honourable the Premier is not reading it.

**MR. SMALLWOOD:** It does not have to be read:

Now the Minister of Education, since he came into office has travelled 6,800 miles, using his own car, on official business, and bought his own gasoline, he would be entitled to collect from the Government \$816. He has never collected one cent of that and does not propose to do so, anymore than the Attorney General does not propose to do so. The Honourable Minister of Public Works in 1949-50 did claim some mileage. He did bill the Government for mileage which he was allowed to collect and did collect it or some of it in 1949-50, but in 1951, 1952, 1953, 1954 and 1955 he travelled 14,980 miles in his own car, buying his own gasoline, and he could have collected from the Government \$1,797. The Minister of Finance has not been in the Government so long. He has nevertheless travelled

outside the city. He made 121 trips, travelled 19,704 miles and he is entitled to collect from the Government \$2,227, straight mileage. He has never collected one cent of it, and he does not propose to do so. The Minister of Mines and Resources, who is also the Minister of Public Welfare has made 80 trips outside the city, using his own car buying his own gasoline and totalling 7,928 miles. He did submit his bill for 3,214 miles and did collect \$438.92 but he did not charge for the remaining 4,714 miles, which he would be entitled to collect for.

I will have statements from the other ministers perhaps on Monday. I hope my other colleagues will have their statements ready for me now on Monday, and I will issue them on Monday. These tables show clearly that the Ministers of the Crown have failed to collect some thousands of dollars which the law entitles them to collect, and which their predecessors, the members of the Commission of Government, collected always, and which we could have collected and never did except in one or two cases, and then only in part.

**MR. HOLLETT:** Mr. Speaker, I wonder if the honorable Minister could tell us just how these figures were arrived at this late date, over the last seven years?

**MR. SMALLWOOD:** Is my honourable friend saying they are "liars?"

**MR. HOLLETT:** That is not the question, because the Honourable the Premier has been asked how these figures have been arrived at at this late date over a period of seven years, could the Honourable the Premier tell us?

**MR. SMALLWOOD:** The Honourable the Premier can but the Honour-

able the Premier won't recognize that question, because the Honourable the Premier very strongly thinks it is another attempt to smear.

MR. BROWNE: Would the gentlemen who are concerned personally give the information as to where the mileage was used?

MR. SMALLWOOD: I have that included in the statement, where used, the list of every trip, the names of the places and the mileage.

MR. BROWNE: Is the Minister going to table it?

MR. SMALLWOOD: I am not.

MR. BROWNE: Where does the ministerial statement come in — Is it not supposed to be tabled?

MR. SMALLWOOD: No such thing.

MR. BROWNE: Mr. Speaker, I have the floor — I wish to point out when a gentleman on that side of the House or this side quotes from a document it is supposed to be tabled — I must request Your Honour's ruling. These documents from which the Premier has quoted, must they be tabled?

MR. SMALLWOOD: Mr. Speaker, On that point of order, there is no real procedure whatsoever that says a ministerial statement has to be tabled. There is no such thing. It is a pure figment of the imagination.

MR. SPEAKER: I would like to point out — The Premier in his capacity as Premier making a ministerial statement has the right to expect that members of the House will accept his word. I cannot just explain exactly how that is put, but there is a ruling on that very point.

MR. BROWNE: There is a ruling surely when a member quotes from a document.

MR. SMALLWOOD: There is no such ruling on that.

MR. SPEAKER: Order — Presenting Petitions:

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have the honour this afternoon to present a petition on behalf of some of the citizens of the District of Notre Dame Bay, and my ex-colleague, Mr. Morgan, is not present to do so. So that the petition has been presented to me. It will eventually revert to my own department. But in justice to the people who prepared this petition, I have pleasure in presenting it. I shall not read it, except the request which leads the petition: It is from the citizens of Head Harbour, Triton West and Triton East and vicinity. Their petition humbly prays that the road leading from Head Harbour, Triton East, which is in a very deplorable condition, and parts of which are unfit for traffic, be granted a sum of money for repairs. The petition is signed by most of the citizens of that area. In fact I know the vicinity very well. It is in close proximity to the place of my birth. True I have not seen the road for some forty years, but I know there has not been at any time any large amount of money allocated to that area for roads.

I have pleasure in presenting the petition on behalf of the people of that area, and ask leave to have it laid on the Table of the House and referred to the department to which it relates, and if there be any influence I can bring in support of the petition I will use it to the best of my ability.

On motion petition received for reference to the department concerned:

Presenting Reports of Standing and Select Committees

None.

**Giving Notice of Motion**

None.

**Giving Notice of Questions**

Notice of Questions — Notice of questions on tomorrow given by Mr. Hollett and Mr. Browne;

**MR. SPENCER:** Mr. Speaker, with permission of the House, I would like to implement the answer to a question which I gave orally, on the Order Paper of April 19, in the name of the Honourable and Learned Member for St. John's West.

The question was as follows: To ask the Honourable the Minister of Public Works to lay upon the Table of the House a map and a description of the route which the Trans-Canada Highway will follow in Newfoundland. Indicate particularly the approach and entry into the City of St. John's.

The House will recall that I replied to that question orally and gave a description of it. I did not, however, on that occasion table a map. Yesterday in consultation with the honourable the Leader of the Opposition he appeared to require or need some more information on that. I told him that I would be glad to table a map showing the actual plan or route as we know it up to the present time.

On implementing that explanation, Mr. Speaker, I would repeat, as I did on that occasion, that route is to follow from St. John's to or in the vicinity of Holyrood and from there to the vicinity of Brigus Junction and on to Whitbourne. From there it is fairly clearly marked on the map. The route is shown on the map which I shall table for the benefit of the honourable gentleman concerned and shows a proposed diversion, and that is the point that the honourable

Leader of the Opposition referred to in the course of his remarks yesterday in the debate on the budget. He was talking on that occasion about the sum of money voted and the amount of mileage to be done, and he was under the impression that the road was to continue east from Alexander Bay, on through the valley via Portland and from then into Shoal Harbour near Clarendville. That particular assumption was correct in as much as the original plan was concerned. I have already explained to the House that a proposed diversion, in order to expedite the closing of the gap, which is, I believe, a very much desired thing by a great number of the public of this island. From time to time we have had no end to reminders of the need. Needless to say, the department concerned is very anxious to close that gap. So much so that the matter was discussed at the Federal Provincial Conference in Ottawa last year when a slight revision of the Trans-Canada Highway programme was made. Recommendations were forwarded from that point to the House of Commons, whereby this year the House of Commons has agreed to raise the Federal contribution on the Trans-Canada Highway from one hundred and fifty millions of dollars to two hundred and fifty million dollars, the last hundred million dollars being provided with a view to assisting all provinces, which up to that time has as much as ten per cent or more of their mileage still to complete. So a proposition was designed whereby the Federal Government would contribute ninety per cent of the cost of that ten per cent of the total mileage. Now to make that very clear, Mr. Speaker, will take a moment or two — I will refer to Newfoundland and then the honourable members will clearly understand:—

In Newfoundland our anticipated mileage for the Trans-Canada Highway is approximately six hundred and thirty miles from St. John's to Port Aux Basques, ten per cent of that mileage would be of course sixty-three miles. Today we have two hundred and forty or two hundred and fifty something like that — that is to rebuild — but for ten per cent of the total mileage the Federal Government has now decided to contribute ninety per cent of the cost rather than the original fifty per cent, as was the arrangements in the first Trans-Canada Highway Agreement. So in putting that ten per cent arrangement forward, the Federal Government requested that we would fill the gap as quickly as possible. We decided we would build a short-cut, a diversion, if you like from or near the vicinity of Alexander Bay Station, where the eastern end of the Trans-Canada Highway is at the moment; from there to Clarenville would be some thirty-five or fifty miles to follow the old route, we will make a diversion via the road heading out to a point in Bonavista Bay from Alexander Bay Station, and about two miles from Alexander Bay Station, a little town called Traytown. We propose following that road to Traytown and from then in an almost due south line down to the edge of the Clode Sound, to the waters of Clode Sound. The distance involved is approximately 16 to 18 miles, depending upon the contour the route may take. By building that 16 miles to Traytown and providing a ferry from Charlestown to Bunyans Cove, about two miles by water, we would then be able to contact a road heading to the Cabot Trail, which is already built from Bunyans Cove in to the Cabot Trail. Then via Milton or George's Brook and Shoal Harbour into the main road system of the Island. Consequently

by building 16 or 18 miles of road we will be able to close the gap and thereby linking up a road, not to Trans-Canada Standards, but a road from St. John's to Port Aux Basques. Mr. Speaker, that is the explanation which I wished to give, and I hope I have made myself clear. I take pleasure in passing this map to the Clerk to be passed to the honourable gentlemen on the opposite side of the House for their information.

MR. BROWNE: Mr. Speaker, I wonder if I could ask the Honourable the Minister of Public Works — In the previous answer it was indicated the road would go out the Old Placentia Road by the Old Mill and hit the Witless Bay Line two or three miles from Holyrood, and in across the country and so on to Brigus Junction. That is an entirely new route?

MR. SPENCER: There is nothing new about it.

MR. BROWNE: Has it been surveyed?

MR. SPENCER: I would like to help the Honourable gentleman in that — What I said was that the route would go from St. John's to a point in the vicinity of Holyrood. I did not on this occasion, this afternoon, detail the specific route for the system for the simple reason nobody knows. The route is not definitely surveyed and not definitely laid down, and nobody knows. It is anticipated, and there the honourable member to some extent quotes me — It depends on the result of future surveys. From the Old Placentia road it will continue on the ridge somewhere — I explained that very clearly — on the ridge somewhere between the road around Conception Bay, Topsail, Kelligrews, etc., somewhere up on that ridge,

somewhere as near as possible to a point about four miles inside of Holyrood.

That is my explanation — And the position at the present time as far as anybody knows, but, I repeat, the survey is not yet completed, no ground survey has been made. We have aerial photographs of a tentative route, and ground surveys, we hope, might be made this year. We have no assurance, but hope it will be. But there is nobody on earth can tell anybody where the road will go between St. John's and a point four miles outside of Holyrood, except to say it will be in on that ridge somewhere. That is as much as anybody knows about it.

MR. HOLLETT: I would like to draw the attention of the honourable members on the opposite side to certain questions which have not been answered.

Questions No. 65, and 66: Answer in course of preparation:

MR. HOLLETT: Mr. Speaker, Before preceeding with the orders of the day, I would like to address a question to the honourable Minister of Fisheries, with reference to Quirpon Fisheries Limited. Apparently it is a limited liability company formed by two members of the Fisheries Authority. I am wondering what connection that has with the work of the Fisheries Authority, or if it is only a private company incorporated by two individuals, Winsot and Younge. Could the Honourable Minister of Fisheries give me any information?

HON. W. J. KEOUGH (Minister of Fisheries): Just speaking from memory, Mr. Speaker, I believe the actual incorporation was undertaken by two

members of the Authority and possibly three, but the actual shareholders are some ninety five hundred fishermen in Quirpon Area.

MR. HOLLETT: Quirpon alone?

MR. KEOUGH: In the area and the vicinity around there.

MR. BROWNE: Mr. Speaker, I wonder if I could ask a supplementary question of the honourable Minister of Fisheries — If he could take that as notice to let us know a little more about that company, what its capital is and so forth?

MR. KEOUGH: All right.

Orders of the Day: Adjourned Debate on the Budget:

MR. SPEAKER: The honourable Leader of the Opposition continues the debate today.

MR. HOLLETT: Mr. Speaker, it has been drawn to my attention, something which makes one deplore the exaggerated statements which are sometimes made by people. I have here in my hand a magazine called the "New Commonwealth." It was discovered up in the Library here. And in that I find some extraordinary statements which I think are very misleading. I propose to read one or two items out of it in order to show the honourable members just what I mean by "exaggeration" there. It tells about the Honourable the Premier and how he was almost alone in his belief that Newfoundland could be industrialized etc.

Then it says: First: A programme of exploration and of discovery proves Newfoundland and Labrador have great reserves. Now that is the kind of exaggerated statement, of course, which gets everybody in all sorts of trouble.

From that now I will go back to the Budget Speech of the honourable Minister of Finance, and refer to his statement of Page 11 — This is only by way of introducing the few remarks I have to make today. I think I read this yesterday, but it stands reading again. "Mr. Speaker, there is not a man in this House, and there is scarcely a man in Newfoundland, but knows in his heart the present happy position of our native province is very much the result of the vision, courage and hard work of the present Premier of Newfoundland. He planned for this progress, and he worked for it, and — it might just as well be admitted — he gambled for it. His gambling has paid off for Newfoundland, for not only is Newfoundland prosperous and confident today, but the future becomes brighter for our whole population. Nothing can hold us down, now. Nothing but world economic collapse can stay our swift progress."

Now I see nothing wrong with that, except that this happens to be a budget speech. I think that a budget speech is no place for such flowery language as that, however true it may be. It gives people outside perhaps the wrong impression. There is nobody trying to take from the Honourable the Premier certain credit. He is certainly credited for introducing Confederation into Newfoundland. I give him 100 per cent marks for doing that, with some small help from the people, of course. It appears to me that if, as the honourable Minister of Finance would indicate, the happy position of Newfoundland is to be credited to the honourable the Premier, then the honourable the Premier has to take credit or blame if you like, for lots of other things which have happened. For instance,

would the honourable the Minister of Finance say the honourable the Premier was responsible for the depression in 1950? I wonder would he say that, or say so now?

MR. SMALLWOOD: No. But the Opposition said so at the time.

MR. HOLLETT: I have no recollection.

MR. SMALLWOOD: I have definite recollection — Right here in this Chamber.

MR. HOLLETT: I have no recollection of being in Opposition at that time.

MR. SMALLWOOD: There was some, and that is what they said.

MR. HOLLETT: It only shows the Premier did not get his just deserts.

Again I ask, was the Premier responsible for the flow of prosperity which came out of the Korean War. I am sure the Honourable the Premier would be the first to admit that the Korean War was the onset of our present wave of prosperity. I don't believe the Premier would take credit for that wave of prosperity which resulted on account of the Korean War. If we are going to give him credit for all that, we must ask the question of course, who was responsible for the "Icelandic Boats," and who was responsible for Dr. Sennewald, and who was responsible for the fiasco of the Superior Rubber, and who was responsible for bringing in Mr. Grube, the man who swindled this country to the tune of millions of dollars on old scrap machinery purchased for a song in Germany and sold to us at a very high price; who was responsible for Max Braun-Wogau, who sent Braun-Wogau out to Gander to stop Sennewald; who was responsible for

Koch Shoes, for Koch and Schaffers? We know that the Honourable the Premier takes the responsibility for kicking them out. We could refer to "CMIC" and others. But surely when we admit wholeheartedly that the Premier is responsible for us going into Confederation, responsibility for persuading the people that it was the best step to take — I would not say that all the prosperity which has come to this country since then has come to us simply because we went into Confederation with Canada. I don't think even the Premier would say that.

Who is responsible today for the fact that our national debt in less than five years has gone from three and a half million to fifty five and a half million dollars? Who takes the credit for that? If we are going to give we must also blame. What about NALCO? Who was responsible for NALCO?

MR. SMALLWOOD: I was.

MR. HOLLETT: The Honourable the Premier states that he was responsible for NALCO.

MR. SMALLWOOD: But the Honourable the Leader of the Opposition knows better — Valdmanis said he was and he prefers Valdmanis' word. Valdmanis said he was responsible for it. He was not an intimate of the worthy doctor.

MR. HOLLETT: Even if the Honourable the Premier takes the credit, has it justified its existence and the expenditure of nine hundred thousand dollars of the people's money and for tying up some twenty-five thousand square miles of territory of this country, and with our friend, John C. Doyle, presently negotiating to try and get in his grabnet. Who is

responsible? Who will be responsible if that happens? Was the Honourable Dr. Valdmanis or was Sir William Stephenson responsible for NALCO. We have it on the Premier's own word now that he was responsible for NALCO. Let that go into the record.

For that matter, who takes the blame for the loss of Sir William Stephenson and his services?

MR. SMALLWOOD: I do.

MR. HOLLETT: The Honourable the Premier takes the blame for that.

MR. SMALLWOOD: Yes. But the blame is not the word.

MR. HOLLETT: Foresight? Who takes the credit for bringing Sir William Stephenson into this country?

MR. SMALLWOOD: I did.

MR. SMALLWOOD: The Honourable the Premier takes the credit for bringing him in and takes the credit for sending him out. I don't know if there has ever been any reason given as to why Sir William Stephenson was sent out of the country. Does the Honourable the Premier take the praise there? Who takes the praise for Dr. Valdmanis and all he stood for, or the blame for the bank account in New York? Who takes the credit there? Does the same person take the credit who found this money? Who takes the praise for the steel mill which was to be erected at Bay Roberts? Who takes the praise or the blame for the advent of Mr. John C. Doyle, the man who at one time tried to and did get control of NALCO for about three months, absolute control of twenty-five thousand square miles of our territory, and lost again, and is now, I believe trying to get it back once more?

So I raise that particular point to show we ought to be a little more

careful in our praise or blame, as the case might be. Probably the latter part of the speech should apply to the Opposition more than to the Government because we are the ones usually trying to blame somebody for something. Anybody in Opposition has to do that or he cannot survive.

I refer now to the pulpwood operations on Labrador. It was only yesterday that we had a public statement made by the Honourable Minister of Mines and Resources relative to the Consolidated Pulp and Paper Limited, of which Mr. Silver is president. The statement went on to say they have completed negotiations for the immediate commencement of pulpwood and lumber operations in Labrador—And preliminary surveys which have been proceeding for the last three years made possible the decision to start the operations now. Now, Mr. Speaker, we have here the Acts of 1953 which contains a Bill that was passed at that time, page 160 of the Statutes of Newfoundland, 1953; And this is an agreement made between Her Majesty the Queen in right of Newfoundland, represented by Honourable Frederick W. Rowe, Minister of Mines on the one part and International Products Company Limited, a company incorporated under the Law of the Province of Newfoundland—And when I look at the back to see who signed the agreement I discover it was signed by Claude A. House, and by the Honourable Minister, Frederick W. Rowe, and Samuel B. Silver and David.

Now in that particular Act an agreement was entered into whereby this man, Silver, or his company, which at this time was known as International Forest Products Limited—We have it here—The Government hereby grants to the Company for a

period of one year (that was altered to three years) from the date of the agreement, February 18, 1953, the right to enter in, etc. Under this particular Act, Sir, this company shall within one year of the date of the lease commence in the area the cutting of pulpwood, etc. And it goes on to describe the number—And the company shall within two years of commencement of operations, etc.

The point I am getting at is this: Here is an Act, passed by this House, February 18, 1953, where a man Silver and his company were given three years—So that the three years would have expired automatically on the 18th of February just passed. During all that period this man and his company had the right to go in and survey and cut pulpwood. Now this comes as rather a surprise, because this expired the 18th of February this year and no other legislation has been brought in; no other Bill was brought in here yet. Yet we get this public statement by the Minister. I would like to have some explanation as to how this can be done without bringing in some Act. Certainly it could not be done under the original Act. In this case here we have a different company altogether. What happened to International Forest Products Limited? Did they go out of being? Did they dissolve? Was the agreement cancelled, or what did happen?

HON. DR. F. W. ROWE (Minister of Mines and Resources): The word "Nominee" is there in the agreement.

MR. HOLLETT: The agreement expired on the 18th of February this year.

DR. ROWE: Would the honourable gentleman permit me? The agreement gave three years on which to take a lease.

MR. SMALLWOOD: Wrong again!

MR. HOLLETT: Not wrong, but there is something wrong. The Government hereby grants to the company for a period of three years from the date of this agreement, the right to enter in and make all surveys deemed necessary. Did they do that?

DR. ROWE: Yes.

MR. HOLLETT: What is supposed to happen thereafter? Were they supposed to go ahead and cut pulp-wood?

MR. SMALLWOOD: Read the Act.

MR. HOLLETT: I cannot go ahead and read it all now.

MR. SMALLWOOD: You should have read it before you stood up to talk about it.

MR. HOLLETT: At any rate no explanation was given as to why they were given another concession under the heading of another company.

DR. ROWE: The Act says, Mr. Speaker, "International Forest Products or its Nominee." It often happens—My honourable friend is talking as if here is something unique.

MR. HOLLETT: The company is still in being and they have nominated this particular company here, is that what I understand, that the International Forest Products Limited of Newfoundland is the nominee of the Consolidated Pulp and Paper Limited—and if so, is there anything to show that?

MR. SMALLWOOD: It sounds pretty sinister.

DR. ROWE: Yes—We are trying to stop the third paper mill.

MR. HOLLETT: There may be more to that than strikes the eye.

I maintain that by exporting raw timber from Labrador, of up to two hundred cords a year, is not the way to go about starting a third paper mill.

MR. SMALLWOOD: If the honourable gentleman will allow me—He read the report of Major General Kennedy on Forestry? Did he read the strong recommendations that a lot of timber should be utilized.

MR. HOLLETT: Rotten and falling down stuff.

MR. SMALLWOOD: Not only rotting and falling down but mature and over-matured.

MR. BROWNE: It also says it should be utilized for a paper mill.

MR. SMALLWOOD: There is enough for a paper mill and enough for a quarter of a million cords a year over and above.

MR. HOLLETT: In that connection, I have here the report of the Royal Commission on Forestry; in here it gives the history of timber and sawmill licences in Labrador: I do hope this latter one will not be in the same category as the one in 1901:

"In 1901 a fifty year lease of 297 square miles of timber on the Hamilton River and at Goose Bay was granted to the Grand River Pulp and Lumber Co., Ltd. At various times the company had saw mills at Mud Lake, at Carter's Basin and Muskrat Island. Commercial operations were carried out until about 1911 or 1912. After that 5000 board feet were said to have been sawn annually by Malcolm MacLean, the dues of \$1.25 being remitted to St. John's to keep the lease in good standing until it ran out in 1951."

"Also in 1901, the same company obtained a 99 year lease of the Musk-

rat Falls water power. This lease has now been taken over by the Royal Bank of Canada."

"In 1901 a lease of 150 square miles of timber on the Kenemu River was granted to Calder and Muir of Nova Scotia. They erected a portable saw-mill on Carter's Basin and cut for one winter, sawing upward of 800,000 feet of deals."

"About 1907 this limit was transferred to S. P. Benjamin of Nova Scotia who cut a large quantity of logs which were left to rot on the ground."

"In 1918 this limit was acquired by the Labrador Pulp and Lumber Co., John McMartin of Cornwall, Ontario. This company had previously (in 1915) obtained 2,008 square miles around Sandwich Bay, but never operated. Both leases were cancelled in 1952."

"In 1914, the London and Labrador Corporation, of London, England, Edward E. Robinson, Manager, obtained a lease of 512 square miles around the west end of Lake Melville, and the next winter, a large quantity of pitprops were cut down on Carter's Basin and on the north side of Lake Melville about 12 miles east of the Northwest River. These pitprops were never removed and the company ceased further operations."

"Around 1934 the Labrador Development Company, Ltd., of St. John's controlled by Mr. J. O. Williams and Co Ltd., of Cardiff, Wales, bought up several old timber leases, covering the country between the St. Lewis River and Sandwich Bay, a total of 6074 square miles. These were 99 year leases at an annual rental of \$2.00 per square mile. Royalty was set at 25c per thousand feet board measure, or 12½c per cord. This company operated from 1934 to 1942, chiefly on the

Alexis River, taking out approximately 130,000 cords of pitprops for export. At one period there was a village of 500 people, including women and children at Port Hope Simpson of which 350 were employed by the company. The leases were all cancelled in 1949."

"In 1949 a timber lease was granted to Andrew Grieve (later incorporated as Three Rapids Estate Ltd) of 60 square miles on the Kaipokok River, at \$2.00 per square mile annually for 20 years. This was cancelled the next year, subject to re-issue again when Mr. Grieve's sons came back from the war. In 1946 the lease was renewed. The company proposed to cut both pulpwood and saw timber, working up toward 20,000 cords annually. However, they failed in 1947 having exported one boat load, 2820 cords and leaving about 1800 cords on the ground. The lease was cancelled in 1950. This company, in 1946, was the first in the Labrador to use air transportation for labour."

"In 1951 Dr. Arthur Seigheim of Germany obtained a timber lease for 1399 square miles on Grand Lake and Traverspine River. This agreement allowed him to export 200,000 cords of pulpwood annually on payment of a royalty of \$5 per cord. No work was done under this agreement and it was cancelled in 1953."

"In 1951, the Newfoundland and Labrador Corporation, Limited, obtained the right to survey the timber as well as the minerals in Blocks A and B and the Railway Block in Labrador. By 1958 NALCO must select 5000 square miles of the above for further survey which must be completed by 1972. Licenses to cut timber may be issued at any time and shall be for 9 years. Annual rental

\$2.00 per square mile. Export royalty \$1.00 per cord."

"In 1953 the British Newfoundland Corporation Ltd., N.M. Rothschild and Sons, obtained an option good for 20 years, to take a license to cut timber on the former Seigheim property. If option is taken up, taxes will be \$2.00 per square mile annually, and export royalty of \$1.00 per cord."

"In 1953, International Forest Products, a New Brunswick company, Samuel B. Silver, Secretary-Treasurer, signed an agreement giving them the right to survey, under a short term option with a view to developing the watersheds of Eagle, Paradise, White Bear and Gilbert Rivers for the production of pulpwood and saw timber. Export royalty will be \$3.00 per cord; for use in the Province of Newfoundland \$2.00, for use of a new mill in the province—nil."

"In 1953 Bowaters, through Garland Penney, obtained a permit to cut pulpwood at Port Hope Simpson, 1,415 cords were exported that year. In 1954, 1,800 cords were cut. This wood will be shipped in 1955."

"In 1954, A.N.D. Co., through Benjamin Powell, obtained a permit to cut pulpwood at St. Michael's Bay. They cut and shipped 1,243 cords during 1954."

Now the Forestry Commission has made a worthwhile contribution to the history of Labrador Wood Works in drawing up that schedule, which shows the various grants which have been made over the years.

We have had this ministerial statement, but as far as I can see, well, it is rather a mystery to me—maybe because I am a little stupid—It is a mystery to me how the government could go ahead and give the man Sil-

ver, who already had three years up to February of this year to carry on work and did nothing about it—This is by way of heading up to something I want to speak about, i.e. the conditions in the logging camps here in Newfoundland.

I have been reliably informed, Mr. Speaker, that conditions in the logging camps in Newfoundland are just deplorable. They are in a most deplorable condition. I have had these complaints brought to me by various people in the logging union, and also from people who actually work in these logging camps. I am wondering if the Honourable Minister of Mines and Resources could in some way or another, in the next day or two, clarify the position. I am not saying this by way of criticism of the government, I know there is a Logging Act, and I know that under the Logging Act inspectors can be appointed, and I dare say, have been appointed, and they have their duty to perform by way of inspection of these camps. I want to raise this point so that the government will take appropriate action to put them to right where there is wrong. I pretty well state definitely now that some of these camps are absolutely unlivable, they are actually not fit for people who are logging to live in.

MR. SMALLWOOD: Is this Bowaters' or the A.N.D. Company?

MR. HOLLETT: I say all camps across the country.

MR. SMALLWOOD: Of these two companies?

MR. HOLLETT: I say, camps all across the country.

MR. SPENCER: If the honourable gentleman will allow me, Mr. Speaker—I feel that this statement of the

Honourable the Leader of the Opposition deserves — and I assure him, in as much as I am concerned, it will receive very serious consideration. It so happens that I represent one of the greatest logging districts in this country, and it has been my privilege within the last few years to be in touch with the major portion of the logging men of this Island. I have visited not less than perhaps fifty logging camps within the last two years, and I say that this is entirely news to me. I will admit there may be the occasional grouch. It is very difficult to make every thing shiny and satisfactory to all concerned, but from a general point of view the improvement that has taken place in the logging industry, and I do not give the companies entirely full credit for that. I do give the logging union credit for it. They have done an excellent job. From the camps that I have been privileged to visit, and I do say I have visited as many as fifty logging camps within the past two years, and I have yet to hear a grouch from these people with one exception—And that I state quite fearless of contradiction or of hurting anybody. It so happened that on one very cold day in December last year I visited a camp and I did hear some of the fellows say it was cold enough to freeze here.

I don't think the statement should be taken seriously, but if the statement is true, as stated by the Honourable Leader of the Opposition, it deserves the very earliest consideration of somebody and I shall be glad to lend my support to investigating a situation of that kind.

MR. HOLLETT: That was the only reason I raised the point. I am quite sure the honourable gentleman, or any other honourable gentleman, would be only too glad to investigate.

I have been told by people that conditions in some of these camps have been very deplorable.

MR. SMALLWOOD: I had today, a half hour ago, a representative of one of the larger unions here in this Chamber, holding an interview with my colleague, the Honourable Minister of Finance and not a word was said then about unpleasant conditions.

DR. ROWE: Would my honourable friend permit—I know the honourable gentleman knows there is a thing called the Woods Labour Board made up of representatives of the two paper companies and the various unions, and practically every logger in Newfoundland is a member of one or the other union, and they get together at least once a year and I get reports as Minister of Mines and Resources, verbatim reports, of what goes on—It seems to me what the honourable gentleman is now saying is criticizing both the unions and the companies.

MR. HOLLETT: I don't know who I am criticizing. I have been criticizing for the last four years.

MR. SMALLWOOD: It has become a habit.

MR. HOLLETT: I do so in all honesty, from information given to me—I would ask that something be done. I know no better way to have something done about it then by raising the matter here so the Government can take action to have the matter taken care of, as it is supposed to be done in the Logging Act.

I am informed certain recommendations have been presented to the Government, that have come forward. I don't know whether that is correct or not. That is something about which I am not sure and therefore don't

want to say anything about it. I do assure the Honourable Minister of Mines and Resources, if he will have the logging inspectors carry out their duty under the Act, he will find conditions in some of these camps are indeed deplorable, if my information is correct, and I have no reason to misjudge it, because it was given to me as a certainty.

Now, Mr. Speaker, there is another point — a point which we are always harping on — the fisheries. I just want to say a few words about the fisheries. I want to refer to page 3 of an answer to a question which I tabled here — The question was: Give a detailed account of the number of fishermen now engaged in the fresh frozen fish industry and the salt cod-fish industry, including the names of the settlements, the number of fishermen there and the total number of quintals of salt cod landed in each settlement. The total number of salt cod cured and the total number of quintals shipped away as heavy salted and the place to which this heavy salted fish was shipped?

This is the answer. As regard the first part of this question, it is not practical to distinguish between fishermen engaged in the salt cod fishing industry and those engaged in the frozen fish industry. While many fishermen are engaged wholly in one there are also many fishermen who supply both industries from time to time. And — No reliable statistics are available as to the amount of fish landed in each settlement. — A simple little piece of information was sought and we got that answer.

**MR. SMALLWOOD:** That was never known since Newfoundland began.

**MR. HOLLETT:** No reliable current statistics are available as to the num-

ber or quantity. Before the Orders of the Day were proceeded with, I asked the Minister of Fisheries a question relative to Quirpon Fisheries Limited. My examination of the registry of deeds discloses the fact Mr. Dunstan and Mr. Young, and one other person, I believe a lady, incorporated themselves into a company. I believe the capitalization is \$30,000. The idea of the incorporation is to form a company for the exploitation or carrying out of fisheries etc., etc.

Now the reason I raise this point now is this: I had a complaint from certain people who live on the very tip of this Island, Raleigh is one place to which I refer. I think, if my memory serves me right there was a co-operative formed in that area some years past. My information is that the co-operative contained members from both harbours on the northwest side of the tip of the Island right around to the other side of the tip of the peninsula, including Boat Harbour, Cook's Harbour, Raleigh, Quirpon and Salmonier. That co-operative met with poor times, of course, as most co-operatives have done. But they are still, I understand incorporated, and there are still shareholders from each of these communities in this co-operative, whose headquarters, I believe, one is at Quirpon. Now, my information is that when the fisheries authority came into being they seized upon this co-operative to be their mouthpiece in that particular area at Quirpon, and began to erect, as we all know, the fish plant which already has cost \$70,352 for a fish plant at Quirpon. They selected that co-operative there at Quirpon, and they decided to erect a plant which would take care of some five thousand quintals of fish. They were informed very strongly by the people in the commun-

ities all along the coast it was ridiculous to establish a plant of that size to take care of only five thousand quintals. Now it is understood that the people of Quirpon themselves can handle that much fish, therefore it has been decided that this plant at Quirpon will now only take care of fishermen at Quirpon, and the other people, so I am informed have been instructed that they will be paid back the money which they had in there, and that they will be no longer attached to that particular outfit at Quirpon. These people in Boat Harbour and Cook's Harbour and Raleigh have a grievance and are up in the air about it.

I mention that point so that the Minister of Fisheries may be able to take due note and if possible see what can be done in the matter. I have no objection to reading part of this letter — No — I had better not because if I read part I would read it all, and then I would have to table it. At any rate these are facts — perhaps the honourable Minister would like to make some comments on that now?

**MR. KEOUGH:** Mr. Speaker, not beyond this, that the gentleman's information is not correct. I undertook to make a statement in reply to a question put to me by the honourable member for St. John's West the next day the House meets, and will cover the matter at that time.

**MR. SMALLWOOD:** Wrong again.

**MR. HOLLETT:** No, I still consider there is something in it. I am going to get a ministerial statement.

**MR. SMALLWOOD:** My honourable colleague said there was nothing in it.

**MR. HOLLETT:** Mr. Speaker, there are many, many things which could

be talked of, and I have lots of notes here on that sort of thing, but I do not wish to detain the House any longer. This debate has been covered fairly fully. There is not a big lot in the speech of the Honourable Minister of Finance into which one can get one's teeth, because it is all in the dream stage. It goes over all the things of the past seven years and the seven years to come. I said yesterday—"he dips into the future, far as human eye can see, sees the glories of the world and all the wonders that will be." He went on to tell of seven years of plants, and how much was to be spent on the fisheries and roads in the next seven years. You could get your fortune told, Sir, by the honourable Minister of Finance at any time as to what is going to happen in the next seven years. There is very little in it into which you can get your teeth. The most of it is dream stuff. It does not tell about what happened last year. It tells about the last seven years and what a wonderful man the Premier is. He has brought about all the prosperity.

I do not intend to waste any time of the House on this so-called budget speech. I do say, as I said the other day — This is the last session of the House. It has been at times very pleasant here and at times very rough going. We on this side are small in number, but we shall be much larger when we again meet here, I hope. We hope to have much more than a hundred per cent increase.

**MR. SMALLWOOD:** Hope springs eternal in the human breast.

**MR. HOLLETT:** The honourable the Premier, in all the grandiose schemes he has brought about, must be thoroughly sold on the idea that hope springs eternal in the human breast.

As far as we are concerned, I will say right here now, we of the Opposition want to assist the Government in all the legitimate arrangements which can be made to bring about the betterment of our people. We do realize the Government have done many things during the past four years, a lot of things which we don't like, but they have done a lot of things which are for the betterment of our people, and I give them due credit, I give them due praise. As a matter of fact I believe that the Government have the best interest of the people at heart. But I do believe the Government is misguided and does not take time to make the proper scientific study of certain schemes put into effect in the last four years and hence have failed when they ought to have not. They have lost a tremendous amount of money in such things as rubber and machinery plants and all sorts of other things which would not have been brought in if proper study had been made. Apart from that I say, yes, the Government have done many things for which people should be very grateful, and I am grateful indeed to be able to pat them on the back for some of these. If at times I do say things which appear to be a bit harsh, I want to say right here, I do hope when we come back again — and I anticipate I will be back — I am going to make a date with fate for that — I hope when we come back we shall face each other in a true spirit of Newfoundland for Newfoundlanders and get together and get on our knees and pray Almighty God that we can do something to help our fishermen out of the gloom of despair in which they find themselves at the present time. I, Sir, cannot visualize a Newfoundland without these beautiful little settlements along our shores, all around Newfoundland.

I was born and bred a fisherman. I lived in such a fishing village, that fishing village today is dead. There were ninety-six families when I was a lad growing up. And a year ago I looked across Burin Beach and looked at that harbour and did not have the courage to go and look at it. Can you and I, Sir, visualize 23, 24 or 25 such places like that around our Island home to which that is exactly what will happen. Let us get down to work and solve the great fishery projects. As for the mines and woods projects these will be taken care of. There is plenty of money in them for those people with money to invest, and they will invest their funds because they will get the profits. But in the fisheries, which is a precarious job, there has to be some government (shall I say) support poured into it to assist it. But it has to be put in after due examination. There will be mistakes undoubtedly. Whatever Government is in power it will make mistakes, but we shall all be here, Mr. Speaker, to help out the Government, or whoever might be in the Government, in an endeavour to stop any mistakes which they are about to make. We know they are going to make a lot. They would not be a Government if they did not. Unfortunately this Government have made much too many mistakes for a government which came into power with so many promises. I am not going to say any more than that. It has been very pleasant here serving the people as best we could, and I do hope and trust this year, 1956, will rebound to the best interest and prosperity of all our people here in Newfoundland.

On motion of Mr. Smallwood, the debate was adjourned.

On motion the House recessed for ten minutes.

Mr. Deputy-Speaker returned to the Chair:

His Honour the Lieutenant-Governor arrived to assent to certain Bills:

MR. DEPUTY-SPEAKER: May it please Your Honour, the General Assembly of the Province has at the present session passed certain Bills to which in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

The Clerk Read the following Bills:

A Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

A Bill, "An Act Further to Amend the Registration of Deeds Act."

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Relating to Public Examinations in Schools."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non-tidal Waters."

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

HIS HONOUR: In Her Majesty's name I assent to these Bills.

MR. DEPUTY-SPEAKER: It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her Faithful Commons in Newfoundland to present Your Honour a Bill for the Appropriation of Supplementary Supply granted in the present session:

MR. CLERK: A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses for the Public Service for the Financial Year Ending the Thirty-first Day of March One Thousand Nine Hundred and Fifty-Six 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 assent to this Bill.

His Honour the Lieutenant-Governor left the Chamber:

Mr. Deputy-Speaker resumed the Chair:

MR. DEPUTY-SPEAKER: I have to inform the House that at 5:00 of the clock this afternoon, His Honour, the Lieutenant-Governor, visited this House and assented to certain Bills and the appropriation of supplementary supply:

Adjourned debate on the Budget Speech:

MR. SMALLWOOD: Mr. Speaker, it is my understanding that no other member of the House wishes to participate in the present debate. For that reason, therefore, I propose in a very few remarks to conclude the debate.

My honourable colleague, the Minister of Finance, says the criticism of his budget speech has not been sufficiently severe to necessitate his replying to it. But there were one or

two other points that have been made from the other side that I thought perhaps I might reply to.

My honourable and learned friend the member for St. John's West, made one or two points with which I would like to deal. One point is I know a matter which is very close to the honourable and learned gentleman's heart, as it is indeed to mine, and as it is to the hearts of a number of members in this Chamber. I listened carefully to the honourable and learned member — and the impression I got was that somehow or another he had this complaint to make: "The Government were not pushing the co-operative movement with sufficient vigor nor with sufficient earnestness." I got the further impression that he wishes to see the government get into the co-operative movement actively and energetically. I also got the distinct impression that he thinks the Fishermen's Federation of Newfoundland is not in fact pursuing the co-operative idea and the technique as he thinks it should be doing.

Now on the latter point I may say merely two things: In the first place when the invitation was sent to the fishermen of Newfoundland, all over this island and Labrador, by me in a radio speech, to send delegates, which they would choose, into St. John's to consider the question of forming a fishermen's union. I extended an invitation at the same time to the Right Reverend Monsignor Coady, of St. Francis Xavier University and at the same time to several other well known St. Francis Xavier co-operative men, including, I think, A. H. Mac-Donald, to attend that conference. They did so. In their remarks to the delegates and others who spoke there including my colleague the Minister of Fisheries and Co-operatives, they strongly ad-

vocated that the union, if and when organized, should pay very particular attention to the co-operative idea. Now Monsignor Coady was a very distinguished and honoured speaker at that conference. He told the story of the fishermen of the Maritime Provinces in the days of destitution and hard times in the thirties. He told the story of how he and some others of St. Francis Xavier had travelled around among the fishermen and organized them into co-operative groups. Then he told the sequence, which was of course a very encouraging line of argument to fishermen to go and do likewise.

In addition to that we had movie projectors set up and we showed movie after movie of co-operative movements and one story after another of the various producer and other kinds of co-operatives across Canada. Why, short of ramming the thing down the fishermen's throats, short of adopting dictatorial methods, we did everything reasonable within our power to induce the fishermen in forming their union to make it a body that would give very active and energetic study to the co-operative idea. They have done that to some extent. Not, I confess, to the extent that I should have liked to see myself. That is the first point:

The second point is this: I said repeatedly at that conference (Now you know, as I said at that time, a lot of people thought it was just a cute political dodge on my part). A lot of people thought that, and even said so — It was just a cute political dodge. Actually I was never in my life more sincere about anything than I was in the views I gave to those delegates that they must at all cost avoid party politics. I dinned it in and drilled it into them. Not only that, I persuaded them to write that prin-

principle in their constitution. From the birth of the federation the idea was that the Federation be non-partisan. As a matter of fact they were typical of Newfoundland, which was overwhelmingly Liberal. I mean, if you go outside the city of St. John's any representative gathering will be made up mostly by Liberals because the Liberals are so far in the majority in Newfoundland. That is what you must expect in any group. In fact you have to hand pick to get a group that would not be predominantly Liberal, except in certain sections, they are overwhelmingly Liberal. Nevertheless it was my desire that the Federation from the outset should be and should continue to be non-partisan, non political, adhering to no particular party. Because that long after I would be gone out of politics or perhaps long after I was dead, the fishermen's federation would be an organized body of the fishermen, speaking for the interests of the fishermen, the particular and peculiar things which fishermen as fishermen should be represented strongly and efficiently in and organized in. I felt that was indeed vital to them. From that moment to this we have kept resolutely away from the Fishermen's Federation. Because of the fact that it was I who invited the fishermen of Newfoundland to form themselves into a union, I know very well — I am not stun — I know very well many people would think that a cute political dodge. Because I knew that fact I leaned over backwards ever since in my determination to keep party politics out of the Fishermen's Federation. I think we have succeeded very well. In the very executive of the Fishermen's Federation there are men who are Liberals and there are men who are Tories and there are men who have no politics

at all, but as executive members they take no part in party politics.

MR. BROWNE: May I draw the attention of the Honourable the Premier in the statement in the Auditor General's Report, that in 1954-55 there was a certain expenditure to cover special meetings of delegates.

MR. SMALLWOOD: That is true— On one occasion in the six years, when we wanted the views of the executive of the Federation on the question of fish marketing policy, we were, as a government, about to go to Ottawa to consult with the Government of Canada on the future of NAFEL, the statutory lifetime of NAFEL was drawing to a close and as the Government were going to Ottawa to discuss the future of NAFEL we wished to have views of the Fishermen's Federation. So we invited them to have their executive come to St. John's, and the Government would gladly pay their travelling expenses and their board while in St. John's on that consultation. That is the only meeting, that is the only conference of the Fishermen's Federation that has been held in the six years at our invitation. We felt it was only fair that the Government should foot the bills, and we did. Apart from that we have asked this House every year, and this House unanimously, both sides, Government and Opposition, Liberal and Tory, at the request of the Government voted a sum of money to the Federation. This sum of money has not come from the Government. May I make that clear, would the representatives of the radio and press make it very clear, that the money that is given each year to the Fishermen's Federation has not come from the Government. We passed it on. We were the vehicle, the instrument through which it reached the

Federation, this twenty-thousand dollars. This money is the gift of the House of Assembly, both sides, Liberal and Tory, because we wished the Federation to be regarded as a non-partisan body. Now are we to be blamed for that policy?

If we had begun to poke our noses into and to monkey around with the Fishermen's Federation, and to throw our weight around and use our influence, which we might have done, would we not have laid ourselves open, justly to the charge of manipulating the Fishermen's Federation for our own political advantage?

As a matter of fact, Mr. Speaker, we have been so objective in our dealings with the Federation that at times rather unpleasant relations developed, due to lack of contact. After all, if an important body, such as the Fishermen's Federation, which is the only body which speaks for the fishermen in Newfoundland, except the Government, (the government speaks for the people, as it must which it is the government, if six months passes without any contact between them and the Government there is a grave danger of bad feeling growing up.) But so far from trying to manipulate, we have even had at times rather unpleasant feelings, because we have been too far apart rather than being too close together. Now that is a good fault, and I don't think we should be blamed for it. I think it is the right attitude for the Government to take.

Now finally, in replying to my honourable and learned friend, the Member for St. John's West on the co-operative movement, again I believe we have been right. I am personally, to say the least, an interesting specimen of a combination of belief in socialism on the one hand — I do believe

in some aspects of socialism — I have also throughout my life, since I was little, almost, believed firmly and still do in some aspects — I want that clearly understood — in some aspects of socialism. But I also believe — not since I was a boy but in later years — in the last eight or ten years — I also believed, and with equal fervency, in some aspects—some aspects—of the most rabid individualism. For example, I believe that it might well be proper for the State to operate a railway, to own a railway, to build a railway and operate a railway, as the state does. Canada owns and operates the Canadian National Railway. I think that the state might very well operate a factory, as the state does in many cases and in many places. I am far less convinced that the state should operate a radio station—far less convinced of it—The experience of the human race in the last twenty years of that kind of thing, of governments, of states controlling radio, newspapers, magazines, schools and other media for the dissemination of information and the formulation of public opinion, our experience of that kind of thing in the last twenty years and the bloody war that came out of it has not been such, I think, as to encourage us in the idea of strengthening the state in those fields, in the field of what I might call very broadly, the spirit or the mind of the intellect. In other words, I don't believe in socializing the intellect. I might go so far as to believe in socializing medicine; I might go so far as to believe in socializing a railway or a bank or an insurance company — I might, I say — I say, I might — but I could not go one mite, one inch in the direction of socializing or nationalizing the human mind nor the human soul. Similarly in the co-operative movement, I think it is perhaps

the duty of the state — perhaps — I am not too sure that it is — to invite people to consider the co-operative movement. I think it might even be the duty of the state to launch out upon a campaign of education along that line. But there comes a time when the thoughtful man must ask himself the questions — How far more can the state go? How far more in this field of the co-operative idea? To what extent should it really enter into a field where a government with its clumsy hand has no right to be? So I am frankly a little surprised, quite frankly a little surprised, a little dumbfounded, to hear my honourable and learned friend, the Member for St. John's West, complain of the fact that this government had not been vigorously and energetically interested in the co-operative movement. I would have thought that his views would perhaps lie very close to mine in that particular matter. But it appears that they do not.

We are prepared to foot some bills for the co-operative movement. We are already, I think, paying the bills, paying the salaries of certain men who have been requested and employed by the co-operative unions, the unions of co-operative societies, to start of co-operative federations in Newfoundland. We pay their salaries, don't we? The manager of the co-operative union and his secretary have been seconded, on loan, from the Government, and the Government continues to pay their salaries. I think that the co-operative movement should employ its own officials and the co-operative movement should shape its own course, without benefit of the Government.

So I think that my honourable and learned friend's criticism of us falls to the ground, and I disagree completely with him except insofar as he talks

generously about the co-operative idea. There I agree with him. I could not agree more. I think that one of the hopes of the world is co-operative. I was severely criticized for saying this. Monsignor Coady invited me to come to St. Francis Xavier there a few years ago and be the key speaker of the convocation, and I did. My speech was reported widely across Canada, and all financial and businessmen's newspapers rapped me very sharply on the knuckles for saying merely what I say again, that I think one of the hopes of the world is the co-operative movement.

Now down here in Newfoundland we are far more unconventional and untrammelled than they are in some other provinces. We can say that kind of thing and still be regarded as good Liberals. As a Liberal, I say, I believe that. I think it is good Liberalism. If there are Liberals on the Mainland of Canada who do not share that view, I say they are poor Liberals. In so far as they fail to share that view that they are not good Liberals. In so far as we hold that view, we are good Liberals.

Now, with regard to my honourable friend, the Leader of the Opposition, let me say, in case I fail to say it before I sit down, I appreciated as I think all of us appreciated the kindly sentiments he expressed towards the close of the speech. Frankly, Mr. Speaker, I never quite know when the Honourable Leader of the Opposition is saying something to make me angry, to get under my skin, or whether he is saying it in earnest and really means it, because he does say things that get under my skin—perhaps I am a little sensitive about it, perhaps too sensitive to be a good politician—but I do fiercely resent any implications or suggestions that I am a "crook" or a

"rogue" or a "grafter"—I resent it fiercely. There are times when the honourable gentleman, whether he realizes it or not—sometimes I think he does not realize it—says things which appear to me to have the sound to my ears of more than hinting that we over here are "crooks" or "scoundrels" or "grafters," now unless we are—and on that point, Mr. Speaker, as to whether we are or not grafters there is a necessity that a definite charge be laid so that it will give us a chance to have the facts brought out. It is not right that there should be only the hint, broad or narrow, that we are grafters. What is right is that there should be a categorical charge with day and date and names and amounts specified so that a select committee of the House or a Royal Commission could be appointed. Unless we are grafters, then I say—then this continued hinting that we are getting is going to have this result. I tell my honourable friend this now—The late Dr. Modsell when he was an independent Member for Fortune Bay, the District of Fortune, wrote a piece in the Daily Globe. I remember it as though it were only yesterday. In the piece in the "Daily Globe" he said: "I deplore that politicians in the House of Assembly are continuing charging, accusing each other of being rogues, scoundrels and grafters because," he said, "if they keep that up they must not be surprised if the people of Newfoundland, if the population come to believe that they are all grafters and hoodlums and scoundrels. What else can they think if all they ever hear is both sides calling each other scoundrels and grafters? What can the average man and woman in the city and the average man and woman in the outports conclude than that they must all be tarred with the one brush?" That was his argument.

Now I lived to see Dr. Modsell's prophecy come true, I saw it come true. I saw it come true that practically everybody in Newfoundland came to look upon politicians as scoundrels and robbers and grafters. Our Newfoundland people did think that of our politicians. So I say to my honourable friends opposite; that they must not and we must not undermine the people's faith in parliamentary government. I am afraid that the press and the radio help us in that regard, because I have met people who have said to me here in recent weeks—you are having a pretty hard time in the House. The Opposition is giving you a pretty hard time. At first I laughed. I thought it a little funny, a little humorous—I was not conscious of having a hard time from the Opposition. But if what is said on both sides of the House is reported impartially—if they report what is said there, that is all—they are not making speeches, they are only reporting, and if the speeches are wrong that is our fault and not the fault of the reporters. They report our speeches on the radio and in the newspapers and you cannot blame them if the public comes to the conclusion that we are down here every day knifing each other, down here every day ripping the intestines out of each other, tearing each other's throats—That is not true. No, it is not true. Sometimes the Honourable Leader of the Opposition gets good and mad and I get good and mad, for ten minutes we are both good and mad. But that is for ten minutes between three and six. Or the honourable and learned Member for St. John's West loses his temper and I lose mine and there is a show-down, and if he is wrong, out he goes. It looks as though we had boxing gloves

on. There are little rifts, or they are disputes on procedure. But ordinarily we are not down here at each other's throats, are we?

I say to all of us on both sides of this House—I give that word of warning. We are back seven years now. Seven years have passed since Responsible government was restored to us. Don't let us be reckless. Take into account the next seven years and the next fourteen years, the future, let us not give the Newfoundland public the idea the seat of government has become disreputable, has become scandalous, it has not. It has not.

Now we cannot blame the newspapers for reporting what happens. It is our duty to see it does not happen. When we drop hints that we are scoundrels and rogues and grafters or that we are fools or that we are vicious or that we are this or that, we should not do it. It is bad for parliamentary government, and all it will do in the course of a number of years is to disgust the Newfoundland public with all of us, with politics in general, with all parties, and only help to make room for crackpots, the crackpot-politicians who are always around looking for an opening—Nature abhors a vacuum!

Now having said that I have only one other point, or two other points to make, very briefly—One is that my honourable colleague, the Minister of Finance, in his budget speech did not confine himself to the last year and this year. My honourable friends complained that the budget speech goes back for seven years and longer, and looks forward in an attempt at prophesy for seven years. Do my honourable friends opposite seriously contend, Sir, seriously, not for debating purposes simply to make a point in debate—which is a very good

debating point, but that is all it is—it does not really enlighten anyone, nor does it really help the people to understand government affairs—it is just a good debating point. Now leaving out that side of it, do my honourable friends seriously suggest that a budget speech ought only to deal with the finances of last year and the projected finances for the coming year? Surely not. If they look at most budget speeches they will surely find that the things for which they looked are not in the budget speech but in the estimates of revenue and expenditure, broken down. They are published the day before the budget debate in an official document containing these statistics. So that in the budget speech you do not have to bore the House to death reading of great masses of figures.

Now I have often said to my honourable colleague here, the Minister of Finance that he is making a mistake, if my honourable colleague would reel off a list of figures for an hour and a half, the poor innocents would say, good, he got right down to seventh-tenths of a cent, as they used to say about a certain finance minister who was quite famous. I said to my honourable colleague, the Minister of Finance, you are losing a great chance to build a wonderful reputation as a financial wizard. He could write that type of budget speech where my honourable friends opposite would not know whether it was an explanation of our financial affairs or whether it was relating to the fiscal system of the Peruvians. But instead of that my honourable friend strives after simplicity, and he strives to give the people of the Province a picture of the affairs of the Province so simplified, so plain and easy to comprehend that my honourable friends opposite reject it com-

pletely because it lacks these great masses of statistics and figures. What should a budget speech do? The budget speech figures are in the estimates, here there, everywhere, great masses of them. We go through them here. We will be going through them again tonight, masses of figures in thousands and tens of thousands. Why should they lumber up the budget speech when we have that? Then we have the Public Accounts with tens of thousands of figures. Why lumber up the budget speech with them? It is far more sensible to give a round picture of the trends of the day—Where are we and whither tending—What goes on in our economy? Is not that more sensible and more useful and is not that the real purpose of a budget speech? But my honourable friends just jeer at it and condemn it, one of the most useful budget speeches, I might say, one of the most valuable ever brought down under this roof—over a hundred have been brought down in this Chamber. And this is one of the most useful. It does several things for the first time in history, the first time in our Newfoundland History. It examines this question of capital investment. Now surely you could not find a more reliable index of the state of affairs of Newfoundland nor of any area than a table showing the capital expansion. That is our real growth. The capital assets we had when we started seven years ago for example, so many miles of roads, so many bridges. These were capital assets. They had taken a century to build. We had seven years ago so many school buildings, so many school desks, so many school blackboards, so many books—They were our capital assets, such as they were. Seven years ago we had so many hospitals and hospital beds, so many houses, so much of all kinds of good and useful

things. These were the capital assets of Newfoundland. To what extent have they been increased in those seven years? No one in Newfoundland ever tried to find out until my honourable colleague undertook that. Now I know that he did not personally go to Grand Falls and personally go to Corner Brook and to every nook and corner and count the houses built. I know that is not what he did. What he did when he wanted to know how many houses have been built in the last seven years was to get the Department of Economic Development, Mr. Vardy, the Chairman of the Housing Corporation and to get the Central Mortgage and Housing Corporation of Canada, and to get the various housing groups together to start that research for him. They did so and he got the figures. Then he went into the various departments of the government to gather these statistics, or to have them gathered for him. The important thing is that he had it done, and he got the results and they are in the budget speech. Now I would imagine what my honourable friend will do in the next four or five years, if he is the Finance Minister in the next administration. I expect annually he will give the annual figures which will be a measure of our progress. Because that is our real progress the extent by which we increase our capital assets, our schools, our roads, our hospitals, all the good things that we need to live and make our living with. Yet the Opposition cannot see any better than that, and all they do with that great table is to refer two or three times to the fact that the five millions that our Newfoundland people have spent on their churches in the last seven years have been included. And why not, pray? Is anyone going to suggest that when you compile a list of the good things

you should not include what has been spent to create these churches, you should not include what has been spent to create or to improve church buildings? Why not leave our schools if you are going to leave our churches? Why not leave out roads? If you are going to have a list of things created by people in the last seven years and the amount of money spent to create them, why leave out the church buildings?

**MR. HOLLETT:** The government does not contribute to churches.

**MR. SMALLWOOD:** We are showing what has been spent. The table shows what has been spent, and what has been spent is seven hundred millions. Now all of that has not been spent by the government. You see, most of that was spent by private individuals and companies and groups—but it is the total expenditure of the people of Newfoundland, of the town councils of Newfoundland, of the Government of Newfoundland and of the Government of Canada in Newfoundland, etc., a grand total of seven hundred million dollars.

**MR. HOLLETT:** You can see these figures anywhere, practically.

**MR. SMALLWOOD:** No you cannot. They have never been compiled until my honourable friend got them for his budget.

Now then similarly is it with the suggestion that he shows that our Newfoundland people have pocketed in these seven years, from their wages, from their salaries, from the profits on their shares, when they make profits on these shares, from interests on their investments, from Family Allowances, from Old Age Pensions and from all sorts of things, thirteen hundred million dollars in seven years, an average of almost two hundred million

dollars a year. Is that without interest? Is that not a very significant index of our prosperity—a magnificent, a superb yardstick, measuring rod, and is not the budget speech the proper place for it?

I am surprised—I believe my honourable friends would have added much to their stature as public men if they had quite frankly paid tribute to the Minister of Finance, for having gone to the trouble to get that information for the House and for the people. If they had paid such high tribute, and then, having done so, had gone on to do what, for example, my honourable and learned friend from St. John's West did, point out how we must not think all of this has actually been earned. The one hundred and ten million dollars on Housing, some of that has not yet been earned but has been borrowed by the people from Central Mortgage and Housing or other mortgaging companies or mortgaging groups. That is a legitimate point to make. There are in Newfoundland now a number of companies, the Industrial Acceptance Corporation, Household Finance Corporation, Niagara Finance, a half dozen of them, who will, if you want to furnish a room in your house and have not got the cash and the shops do not want to trust you; you can go down to one of these companies and furnish your room and pay back so much a week. That is done all across Canada. It is done all across the United States installment buying. This installment buying is becoming common-place in our capitalistic economy. Not only is it commonplace but let me remind my honourable and learned friend, who knows something of economics, if it stops it means collapse. Because what happens is this: if a given economy produces a certain given amount

of wealth in twelve months it is actually goods produced. Now what are you going to do with it? The people will gladly use it, sure, if they have the purchasing power. They can buy what they got money to buy that is all. But if you give them all enough to buy all that is the end of capitalism. There is no capitalism after that—If you put in the hands of the masses of the people enough purchasing power each year in the form of wages or salaries each year, enough in their pockets, in their hands, to enable them to buy all they produce in any year that is the end of capitalism. So we don't do it because we hold on to capitalism. So that mountain of production therefore is not consumed at the end of the year, and at the end of the second year there is still more unconsumed and at the end of the third year still more. It accumulates. The only way to get rid of it is to mortgage the future. And that is what the "IAC" does and the home financing companies. It is absolutely indispensable to the future of capitalism. My honourable friend complains—he is one of the strongest advocates of capitalism.

**MR. BROWNE:** The Honourable the Premier has forgotten to tell the House the Royal Bank of Canada is worried about it, because it raised the discount rate.

**MR. SMALLWOOD:** To discourage people from going in debt to the future. But if they don't go in debt to the future the inevitable result is unemployment because the factories and trades pile up stocks and close down for the next six months, and we have unemployment. When there is a war that cleans up a lot of unbought surpluses or a fear of war and there is all the vast stockpiles of armament and all

the things needed in war. That would be legitimate criticism from my honourable friends, but to say the tables ought not to be in the budget speech—If that is not the last word in futility, what is it?

Now finally I was hoping that I would have a poem to quote to my honourable friend the Leader of the Opposition, but it has not arrived. I asked someone to phone down to the public library—

**MR. HIGGINS:** I know it, but party loyalty forbids me to tell.

**MR. SMALLWOOD:** Party loyalty! As far as I can I will tell what the poem is—It is called, "The Six Blind Men of Hindustan." I learned it a long time ago in school. These Six Blind Men of Hindustan came along to an elephant. They did not know, of course, what the elephant was like and they tried to find out. Each one sought to find out by feeling the elephant. The first one felt the elephant's tail, and said: "the elephant is just like a rope." Another felt the ear and said, "The elephant is just like a fan." He did not know there were two fans—just one fan, that is all—the whole elephant to him was like one fan. Another felt the legs and said: "The elephant is just like a tree." Another felt the trunk, and as the trunk was bending and squirming he said: "The elephant is like a snake."

Unfortunately all were blind so their impression was a distorted one. I am trying to be as kind as I can—Their views were twisted, distorted. They could not see the whole elephant and the majesty of that elephant, the magnificence of that elephant. They could not see what a magnificent beast it was just by feeling the tail or the ear or the trunk.

My honourable friend, the Leader of the Opposition, is something like that. He looks back over the last seven years of Liberal Government in Newfoundland and he can see exactly what he sees, what does he see? Like the Six Blind Men of Hindustan he sees the Icelandic Boats, the Seigheim deal, Sennewald, Max Braun-Wogau and Superior Rubber. That is all there is to it. That is the seven years of Liberal Government.

But that is not all. They will make the well known din and so will his colleagues and those who are joined in with them in the coming election talking about the public debt and how it has been piled up. But never a word will they say about the fifteen hundred miles of new roads we built in the seven years. They will never mention roads except to say "what incompetent government" — Look, they cannot even build a decent road" and to talk about the stumps and bogs and ruts and the rocks the people trip over. Never will the people hear about the fifteen hundred miles of new roads that we have built. Never will they hear that. Although we built up a public debt we have added one-quarter to all the hospital beds in Newfoundland. In more than a hundred years from 1810 to 1949, one hundred and forty years in Newfoundland all the Governments put together built up so many hospital beds in Newfoundland, and we in the last seven years, have added twenty-five per cent to that — in seven years — But the people won't be told about that. They will be told about the way we are crippling Newfoundland, ruining Newfoundland by borrowing. They won't say what we borrowed it for. Yes they will — they will — that is the worst of it — They will say we borrowed it to give Max Braun-Wogau

and to give to Sennewald and to give to Seigheim and to give to the Icelandic boats and to give to the Superior Rubber Company. "Taking your money and wasting it and putting you in debt" — "And what have we got to show for it?" "A derelict factory in Holyrood." This is the kind of story we are going to get. But we will not be dumb. We too will have a voice and the people —

MR. HOLLETT: The people are not dumb.

MR. SMALLWOOD: That is right. So I might mention the people will hear both sides then, the side of my honourable friend, and it is so right that they should hear it — Every sin that we have committed should be blazoned before the people—And the Opposition will do it — Thank goodness we are not dumb. We will be able to tell the virtues of the Government — And the people will hear both sides — They will be guaranteed that because the Opposition will see to it that all our weaknesses will be exposed — the gasoline we burned in our cars, everything will all be exposed — And they will hear from us the good things we have done. They will make up their minds. They will elect the government they think will be best for them. I will be willing to leave my fate in their hands. I believe that the fate of the honourable Leader of the Opposition and mine is that for the next five years we will be facing each other across the Treasury Table and we will be fighting and sparring for the next five years in a friendly kind of way. But five years from now we will be making a speech very much like the ones we made here this afternoon, because there will be another election coming, and my honourable friend will be going out hoping he will be back again

as Leader of the Opposition.

Mr. Speaker, it has been the custom to keep the motion open for a few days in case we really want to go into committee for some reason or another.

On Motion debate on the budget speech adjourned:

It being now six of the clock, Mr. Deputy-Speaker left the Chair until 8:00 o'clock:

The House resumed at 8.00 of the Clock:

Mr. Deputy-Speaker returned to the Chair:

Committee of Supply:

MR. BROWNE: Mr. Speaker, before the House votes upon that motion I would like to raise a grievance:

I have looked through our rules and I find there is no reference to grievances — But I have raised this in former sessions — I believe it is the practice here, if there is no provision in our Rules Book regarding grievances then we go back to Beauchene or to May. In both of these will be found — On motion to go into Supply. a member may raise a grievance. I don't know if anybody on the other side wishes to raise a point of order about that.

MR. SPEAKER: I think the honorable member might proceed:

MR. BROWNE: Mr. Speaker, the grievance I wish to raise this evening is in connection with night sessions. I could object to that on the question of physical grounds, because as everyone can see, we have not got very many people over here, and it means that a couple of us have to do a great deal of work. I do it on

the highest grounds, namely, that if the House wishes the Opposition to play its part in connection with legislation going through this House then it should be given sufficient time for preparation of the work before the session commences.

Now it is quite obvious that nobody can tackle the legislation such as we have here today — There are still twenty-three Bills on the Order Paper and nine or ten of them received the assent of the Honourable the Lieutenant-Governor this afternoon. Now I know that some of them are non-contentious, but some of them are contentious and require a good deal of study and preparation. We feel we are not doing justice to our work if we don't have sufficient time to prepare when we are having night and afternoon sessions. I can assure members on the other side that I spent my evenings at home until twelve o'clock every night in preparation for the next day's work. When we stay here until eleven o'clock or nearly twelve, nobody can be expected to go back home and start in and do another night's work in preparation for what is coming in on the next day. Anyone can also understand it is not convenient to study these things in the mornings because people come to see us — at least people come to my office to see me from long distances— Yesterday, I am afraid, I offended two of them from the District of Ferryland who came all the way from Ferryland down to see me. I was not able to see them before they had to leave. So we have to rely on what we can do the night before the House is sitting.

Now the Government is at a great advantage in connection with Bills, because the Bills come from the various departments, and which ever min-

ister is in charge of the respective Bill is well informed and prepared and instructed and briefed upon it by his officials before he comes here to the House. The same thing applies to the estimates. I do not see the Minister of Education here, but last night we were discussing the estimates of the Department of Education, and the day before we received the annual report of the Department of Education for 1954. Now does anybody think we could really go through the Department of Education's Report between the night before last and last night when not only the estimates of the Department of Education but the vocational training programme and many other things are to be studied. Tonight I see the Minister is already to go ahead with the Department of Mines and Resources. We got his report for the year ending 1955, we got his report on boglands, we got his report on forestry and we got the report on agriculture all of which should be more or less perused before coming here so that we can intelligently discuss the estimates he has placed before us for the coming year. I know we got these a long time ago — The Forestry Report, I got mine in November and I have already gone through it, and the rough draft which I had received, previous to printing — But before this work commences in the House it is necessary to go over that and refresh our minds. I make notes, but I just cannot take up a book like the report of the Department of Mines and Resources and find out whether I have it all marked since I received it from the Minister on the 31st of March, I cannot just do that in a minute, I want to have a little time to study it.

It seems to me that, since we can't

go into any great detail in connection with departmental matters on the Address in Reply nor on the budget, the appropriate time is when the estimates of the various departments concerned come up. The practice at Ottawa (if I may be pardoned for making reference to that assembly) in the House of Commons, the minister gets up at the beginning of the estimates for his department and gives an explanation of any new provisions that have been found in the estimates that involve expenditure; or any drop in expenditure from the previous years. In that way the members of the House are then fully instructed as to the line which the government takes, at any rate in regard to each department, and having already received the estimates a considerable time before the department has come before the House, then they are in a position to be studied. I know we had in our party up there various committees on each department, committees on natural resources and developments and on finances and on trade and commerce, etc. These committees, when legislation came down, studied it item by item for days before the estimates came before the House. In that way we were able to make intelligent contributions to the matters when they came before the House. Here now we are going on with this very important consideration of the estimates of the Department of Mines and Resources, and although we know something about it, I think we ought to be better prepared than we have been able to prepare. The same thing applies not only to the Department of Mines and Resources, but take the Department of Public Works where millions of dollars are being spent and where we are engaged in a national undertaking of building a Trans-Canada Highway — and the Newfoundland

portion of that is very considerable. Take the Department of Public Welfare which involves millions of dollars, surely it is only reasonable to think we should spend a little time in preparation for such a debate, by studying the annual report of the previous year and any other information that is available.

So I am going to appeal to the Premier tonight that he should consider this reasonable suggestion that we not have every night sitting. It has not been the practice in this country until he took office, as far as I can remember, to have nightly sessions regularly and to keep on putting on the pressure. I remember distinctly last year we adjourned at eleven, twelve and one and two o'clock and nearly three o'clock in the morning — Well then the physical question comes up — Is it not physically impossible for a couple of people on this side of the House to be able to resist pressure of that kind?

Now at the beginning of the session the Premier told us we could have lots of time — there was no rush this year — Last year there was a rush and a deadline was set when we had to get the House through — This year there is no rush — Well, if there is no rush, I suggest to him that he go a little easier on these night sessions and not sit every night anyhow — If there is something urgent has to be done we are quite prepared to accommodate him, but the better consideration of the matters coming before the House I ask the Government to give consideration to the suggestions I have made.

**MR. SMALLWOOD:** Mr. Speaker, let me say at once that we have no desire at all to rush the thing nor to rush the Opposition—we have every de-

sire to give them all the time they need, ample time.

Now it is not quite as bad as the honourable and learned Member for St. John's West has made out. This week we will have met only four days. We had no session on Monday and we don't propose, as far as I know to have one tomorrow, which means that for the whole week we will have met. Tuesday, Wednesday, Thursday and Friday, and only three nights; Wednesday, Thursday and Friday nights. Now that is not strenuous work.

I will admit that the Opposition is somewhat small, and like all political parties, they cannot produce a one hundred per cent attendance of their membership, and that some of their members will be absent. They have other duties in other capacities — And so all members of the Opposition are not always present — That being so, those who are present find it more difficult and strenuous than they would otherwise do, in carrying on the duties of the House of Assembly. At the same time I think sometimes that my honourable and learned friend who has just spoken, as distinct from his colleagues, takes the business of the House with very deadly seriousness, and I fear that sometimes the honourable and learned gentleman dreads the passage of even a clause of a Bill until he has carefully scrutinized it. Because sometimes I feel that he has practically no confidence at all in the ability of people on this side of the House, and he gives me the impression if he has not personally studied every letter and every comma and every clause of every Bill—that the crack of doom is just around the corner — It is not quite that bad. Every Bill that comes in here has gone through a battery of lawyers at

the Attorney General's Office. They have quite a battery of lawyers down there, and they have several of the best draftsmen in Canada — Well, not the best, but I say several who rank among the best draftsmen in Canada. I understand that Mr. Puddister is excellent as a draftsman. Then there is Mr. McCarthy, who is not long graduated from college, who is himself an excellent draftsman, and Mr. Greene who is the Assistant Deputy Minister and who is outstanding in that regard—And having gone through that battery of lawyers and the Bill then comes before the Cabinet where we go through it as a Cabinet — And in the Cabinet there are three or four lawyers — Again it is studied line by line and clause by clause and word for word. Then finally it comes in here — A Bill can be good even if every last word of it has not been studied carefully by the honourable and learned gentleman, although admittedly and without sarcasm, as a lawyer and as one who was on the Bench interpreting laws for a good many years he would be among the top authorities. But it is not necessary to have the top authorities pass verdicts on legislation.

Now as for the estimates, I have two things to say (1) they have been in here nine days. Nine days is a long time and (2) the variation in the estimates from year to year, this year, from last year, is trifling.

MR. BROWNE: That is the total amount there is a variation.

MR. SMALLWOOD: There are no new taxes. There are some new expenditures, but not very many new types of expenditures, there are increased expenditures on the same things as we spent money on last year. We propose to spend a bit more money on some things this year, but it is

the same things — there are no or very few types of new expenditures, very few new services — So that actually the difference in the estimates between this year and last is really quite small in the nature of them.

Finally my honourable and learned friend mentioned the House of Commons — That was not a good illustration because in the House of Commons for the most of the time they meet mornings as well as afternoons as well as at night.

MR. BROWNE: Friday morning?

MR. SMALLWOOD: No — Except for the earlier part of the session they meet every morning. They may not have yet began in this session — How old is the session? The session is now three months old, surely they will begin to meet at 11:00 in the morning and in the afternoon and every night one night a week. And they have numerous committees. I don't think it is very possible for a member of the House of Commons to carry law practice nor to carry on his business; because it is a full-time job in Ottawa. On the other hand I will admit they get ten thousand dollars a year, every member of the House of Commons gets as much as a member of the House as a Cabinet Minister and a member of the House put together in Newfoundland gets — but they have full-time work.

Look, Mr Speaker, quite sincerely, quite honestly, I don't want to rush the Opposition at all. I think they should be willing to work hard — The sessional pay is not great and I am not one for the moment who makes the cheap jibe that the session indemnity that members get is for the work they do inside the walls of this House—that is a terrible cheap piece

of jibing that is sometimes gotten off — that we get two thousand dollars a year salary and a thousand dollars sessional pay for six weeks work — That is a terrible cheap thing for anyone to say. A member of the House of Assembly is a member of the House for twelve months, for fifty-two weeks a year, and his work does not begin the day of the session opens and stop the day the session closes. His work as a member of the House goes on fifty-two weeks a year. That is what he is paid for and not the few weeks he spends in the House. Nevertheless when we do come in to the House I think we should practically drop all else — We owe the people that much — When we are in here, morning, afternoon and night we should be willing to work in the people's interest. At the same time I don't want to rush people, I don't want to have any nervous prostrations nor collapses. And if I see any signs of any member showing any signs of wear and tear on his nerves we will have fewer night sessions.

**MR. HOLLETT:** Did I understand the Honourable the Premier to say we will have fewer night sessions?

**MR. SMALLWOOD:** When I see signs of wear and tear, nervous tensions.

**MR. HOLLETT:** The Honourable the Premier being such a short-sighted individual I am afraid in all probability he would not notice that in the Opposition until too late and the Opposition here. I do in all sincerity support the grievance expressed by my learned colleagues to my right. We don't object to working at night-time if the government could show some cause for such rush and for working at night. We don't mind if the session is twice as long, as long as we can go through and have a look

at everything that goes through and pass an opinion on things which we think we ought to pass remarks on. So that I have no hesitation whatsoever in supporting the grievances raised by my learned friend here, because in addition to the work which we do here each of us, as well as each member of the government has work to do for the general public day after day. As the Premier rightly said; day after day for twelve months of the year any member of this House has his work cut out for him. If he is sincere in his work he will find there is plenty of attention has to be given to Newfoundlanders all across the country not only from our own constituencies but from all across the country. There are people who are looking for some guidance or some advice, etc., and they are always after us. I don't blame them. That is what we are here for. But while we are here on this important thing—the Honourable the Premier referred to the estimates. These are important, and I think we should have ample time to devote to them. So if the Honourable the Premier would keep his eyes properly focused upon us, and at the first sign of slackening on our part.

**MR. SMALLWOOD:** Any collapse—

**MR. HOLLETT:** I don't want to go as far as collapse. If he would try to cut down on some of the night sessions we would be very happy.

**MR. SMALLWOOD:** I don't want to delay the House but one thought does occur to me. As the Opposition is small in number there might be a lot of merit in a suggestion I have seen in print, I think made by "Way-farer". I have not seen it for a year or two now, but I have seen the suggestion in his column that the House of Assembly, not the Government but the House of Assembly here might

vote funds to pay for a secretary for the Opposition to enable them to keep matters filed and an open office, etc. That is a matter that could be considered, if, when the election is over, the Opposition are not as big as—or if they are not big enough. Serious attention could be given to the idea of voting a sum of money each year for clerical assistance, and in that way enable the Opposition to fight the Government even more fiercely than the present Opposition has done.

MR. BROWNE: As a point of personal observation, may I draw the attention of the Premier to Hansard for last week for the House of Commons. They opened at 2:30 in the afternoon.

May I also say that I brought up the other matter two years ago and the Premier promised to give it consideration.

HON. L. R. CURTIS (Attorney General): I think it is only fair it should be stated that the Rules provide for night sessions.

MR. SMALLWOOD: It is a distinct rule that if the House has not finished its business by six o'clock the Speaker leaves the Chair until eight o'clock. My honourable friend is suggesting that we are doing something novel. Night sessions have been the order for the past hundred years. In this House when I was a boy I can clearly remember I came here in the nights. It was a regular source of entertainment in those days to come here night times and hear debates.

MR. BROWNE: I can think of the time of the hanger-down.

MR. SMALLWOOD: I was not there a hundred years ago. My honourable friend might have been. I don't feel that old yet.

MR. SMALLWOOD: Mr. Speaker, it seems to me that because the Opposition is down to two or three does not mean therefore the speed of this House has to be three horsepower. Then if you go further and they only had one man in Opposition is it suggested we would have to wait a whole year to give him a chance. It seems to me the Opposition should divide up the work.

MR. BROWNE: Are you being reasonable?

MR. CURTIS: Why not stay here 24 hours?

MR. CURTIS: I would be prepared to close for a whole week and give them a chance to get up to date. There is no rush. The only thing is that it is interfering with all our work coming here.

On motion Mr. Speaker left the Chair:

Mr. Norman, Chairman of Ways and Means:

Department of Mines and Resources:

On motion 801 through 821 carried.

On motion the Committee rose, reported progress and ask leave to sit again.

On motion report received. Committee ordered to sit again on tomorrow.

MR. SMALLWOOD: 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, Monday, April 30, at 3:00 of the clock:

Perhaps, Mr. Speaker, I could withdraw my motion to adjourn and get

through two or three first readings so that they could be ready for second reading on Monday?

Motion withdrawn:

Honourable the Minister of Municipal Affairs and Supply asks leave to introduce a Bill, "An Act for the Protection of the Water Supply from Larkin's Pond and other Contiguous Lakes."

On motion Bill read a first time—ordered read a second time on tomorrow:

Honourable the Attorney-General asks leave to introduce a Bill, "An Act Further to Amend the Act 4 Ed. VIII Cap. 13 Entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for other Purposes in Connection with Crown Lands."

On motion Bill read a first time—ordered read a second time on tomorrow: Honourable the Attorney-General asks leave to introduce a Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop Falls and Botwood Areas."

On motion Bill read a first time—ordered read a second time on tomorrow:

MR. SMALLWOOD: 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, Monday, at 3:00 of the Clock:

Motion that all further orders of the day do stand deferred, carried:

On motion, the House at its rising adjourned until tomorrow, Monday, April 30, at 3:00 of the Clock:

MONDAY, May 30th, 1956.

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

Mr. Deputy-Speaker in the Chair.  
Presenting Petitions

None.

Presenting Reports of Standing and Select Committees:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, if I may enquire, what has happened to the Presbyterian Church Bill?

MR. SPEAKER: That committee has met and approved the Bill. Today the committee met and approved the Architects Bill. I had hoped to bring in both, with Mr. Speaker Sparkes in the Chair, both committees, I think, will present reports tomorrow, and one on Wednesday, the private members' day, will go before Committee of the Whole. They will be ready for Committee of the Whole on Wednesday. If Mr. Speaker Sparkes is not in the Chair one of the other members will present them.

Giving Notice of Motion

None.

Giving Notice of Questions

None:

Answers to Questions

HON. M. M. HOLLETT (Leader of the Opposition): (Question No. 27).  
—To ask the Honourable the Minister of Supply to lay on the table of the House the following information:

(a) The total amount spent during the year 1955 on medical supplies for

the various hospitals under Government supervision.

(b) Give the names of the various companies or individuals who received orders for these supplies and the total amount in dollars, for the orders given to each company or individual who supplied these medical supplies.

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, I beg leave to table the answer to Question No. 27, asked by the Honourable Leader of the Opposition.

MR. HOLLETT: (Question No. 11): — To ask the Minister of Finance to lay on the Table of the House the following information:

(1) What was the total amount of customs duty paid by the Newfoundland Government on all machinery imported into Newfoundland in connection with the building of the Cement Plant at Corner Brook, Newfoundland?

(2) What was the total amount of customs duty paid by the Newfoundland Government in connection with the Gypsum Plant at Corner Brook, Newfoundland?

(3) What was the rate of duty collected in each instance?

(4) Was there any rebate paid back on these amounts paid by the way of duty on machinery for either the Cement or Gypsum Plant?

(5) If there was any such rebate above mentioned, to whom it was paid, what was the amount of rebate and the percentage of rebate to total amount of duty paid: (a) in the case of the Cement Plant; (b) in the case of the Gypsum Plant?

HON. G. POWER (Minister of Finance): Mr. Speaker, I beg leave to table the answer to Question No. 11:

MR. HOLLETT: Question No. 11.

1. The total amount of Customs duty paid by the Newfoundland Government on all machinery imported into Newfoundland in connection with the Cement Plant was \$260,236.57.

2. The total amount of Customs duty paid by the Newfoundland Government in connection with the Gypsum Plant was \$240,871.55.

3. The rebates back on these amounts were:

Cement Plant ..... \$ 5,285.97

Gypsum Plant ..... \$41,910.86

5. The rebate in respect of the Cement Plant was paid to the Government and it is presently held in Department of Finance Suspense Account pending a ruling as to where it should be rightly credited. The rebate represents 2.03 % of the total duty.

The rebate in respect of the Gypsum Plant was paid to the Government and credited to Economic Development, Miscellaneous Capital Revenue. The rebate represents 17.39% of the total duty paid.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, I have answer to a question asked by the honourable and learned member for St. John's West — I have not the number. The second part of the question states: "State the population of each settlement and the total population in the whole of the said area" Now that is not information we are expected to have, and we are not under any obligation to give it. It does happen it is available in the department, and I have asked the Deputy-Minister to include it there to save my honourable friend going

to the Dominion Bureau of Statistics. So it is all in the answer.

**MR. BROWNE:** (Question 65):— To ask the Attorney-General what amount of fees had been paid lawyers since January 1, 1955.

Give the names of lawyers with amounts paid in each case or matter.

**HON. L. R. CURTIS** (Attorney General): Mr. Speaker in answer to Question No. 65, asked by the honourable member for St. John's West, the answer is that there were only four legal fees paid during the year to J. E. Nurse; \$2,500 paid to McEvoy, Lewis & Smallwood. Mr. Nurse was engaged as counsel in the Pollock vs The Queen Case, without being consulted. As the matter was very, very important involving all the pensions to railway employees, the Crown intervened and we engaged Mr. McEvoy. We could not take over because we

were only intervening, but he was there. Mr. Furlong's case was lost, the Exchequer Court turned him down. We have agreed to go ahead with an appeal, provided we can name counsels to prosecute the appeal. We want to be sure the case is properly presented. I would say, Mr. Furlong is not as successful in the Exchequer Court as before the local court in getting criminals off. There is \$1,500 to Halley, Hickman & Hunt. In answer to an interjection, there was work in connection with a brief on Coastal Trade, which necessitated preparation and which involved their going to Montreal.

**MR. BROWNE:** Mr. Speaker, may I ask the Attorney-General if there are not other fees in connection with the collection of debts in the various departments?

**MR. CURTIS:** They would not pass through my department.

## QUESTION No. 67:

OCTOBER, 1955 SETTLEMENT	(a)		(b)		(c)		
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Able Sick	Able Bodied	Able Sick	Able Bodied	Sick	Able Bodied	
Terrenceville .....	1	1	7	4	424	4	40
Grand La Pierre .....	2	1	5	6	139	30	30
Rencontre East .....	—	9	—	53	306	—	274
Lally Cove .....	—	1	—	10	83	—	50
Pool's Cove .....	2	6	6	31	290	35	165
Corbin .....	—	1	—	9	89	—	45
Belleoram .....	1	9	4	41	633	27	213
St. Jacques .....	1	7	8	28	180	40	140
Boxey .....	1	—	8	—	156	50	—
Coomb's Cove .....	1	—	3	—	210	20	—
Wreck Cove .....	1	—	3	—	113	15	—
McCallum .....	3	—	15	—	122	80	—
Pushthrough .....	1	2	2	12	192	13	60
Little Bay .....	—	2	—	7	90	—	40

SETTLEMENT	(a)				(b)	(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Sick	Able Bodied	Sick	Able Bodied		Sick	Able Bodied
Furby's Cove .....	—	1	—	5	18	—	30
Hermitage .....	—	1	—	5	396	—	25
St. Alban's .....	7	8	28	63	1079	168	275
Conne River .....	2	—	3	—	148	25	—
Seal Cove .....	4	—	14	—	356	94	—
Harbour Breton .....	2	5	14	—	356	94	—
Sagona .....	3	1	11	34	903	76	175
Great Harbour .....	1	—	3	7	122	45	35
Grole .....	4	—	1	—	98	10	—
Milltown .....	2	1	14	—	169	89	—
St. Veronica .....	1	—	3	11	304	34	50
Pass Island .....	1	—	2	—	87	19	—
Great Jervais .....	1	—	5	—	227	30	—
West Point .....	2	9	2	—	60	10	—
West Point .....	2	9	2	57	115	20	285
La Poile .....	—	6	—	30	5	—	151
Grand Bruit .....	1	1	3	10	197	18	50
Burgeo .....	3	—	3	—	891	30	—
Red Island .....	1	—	10	—	53	55	—
Ramea .....	1	—	1	—	714	10	—
Ronald's Island .....	1	2	1	10	—	10	50
Dog Cove .....	—	1	—	8	33	—	40
Grey River .....	12	8	48	47	157	268	235
Cape La Hune .....	3	—	6	—	96	40	—
Francois .....	7	—	27	—	335	150	—
Rose Blanche .....	—	2	—	16	680	—	80
Burnt Islands .....	—	14	—	61	601	—	305
Diamond Cove .....	—	3	—	14	97	—	73
Harbour La Cou .....	—	4	—	18	198	—	90
Isle aux Morts .....	—	1	—	4	664	—	20
Margaree .....	—	1	—	5	110	—	25
Mouse Island .....	1	1	2	10	28	25	50
Channel .....	1	1	2	8	(2634	25	40
Port aux Basques .....	—	2	1	16	)	—	80
St. Joseph's .....	1	—	2	—	111	19	—
Jersey Harbour .....	1	—	2	—	210	10	—
<b>TOTAL .....</b>						<b>1594</b>	<b>3231</b>

NOTE: Total population of Districts Fortune/Hermitage and Burgeo/La Poile 22,257. All population figures are based on the 1951 census.

NOVEMBER, 1955 SETTLEMENT	(a)				(b)	(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Able Sick	Able Bodied	Able Sick	Able Bodied		Sick	Able Bodied
Terrenceville .....	6	28	27	151	424	167	735
Grand Le Pierre .....	3	12	10	56	139	60	285
Rencontre East .....	—	7	—	41	306	—	210
Lally Cove .....	—	2	—	14	83	—	70
Pool's Cove .....	4	4	21	16	317	110	90
Corbin .....	—	4	—	23	89	—	115
Belleoram .....	1	14	4	62	663	27	305
St. Jacques .....	1	10	8	43	180	40	215
Femme .....	—	1	—	9	116	—	45
English Harbour East .....	1	5	3	21	214	20	110
Anderson's Cove .....	—	2	—	7	106	—	40
Miller's Passage .....	—	1	—	6	133	—	30
Jacques Fontaine .....	2	—	4	—	154	60	—
Red Cove .....	19	—	2	—	94	15	—
Little Bay East .....	1	—	1	—	230	10	—
Wreck Cove .....	1	—	2	—	113	15	—
Harbour Mulle .....	5	8	18	28	344	95	145
Little Bay West .....	—	1	—	21	192	—	105
McCallum .....	3	9	15	63	122	80	315
Pushthrough .....	—	3	—	21	192	—	105
Little Bay .....	—	2	—	7	90	—	40
Furby's Cove .....	—	1	—	6	18	—	30
Hermitage .....	4	1	14	5	396	250	25
St. Alban's .....	6	24	29	163	1114	154	790
Conne River .....	5	—	13	—	148	195	—
Harbour Breton .....	5	20	27	150	903	165	750
Sagona .....	5	4	11	26	122	189	130
Great Harbour .....	1	—	1	—	98	10	—
St. Joseph's .....	1	1	2	—	111	19	—
Grole .....	5	—	18	—	169	231	—
Milltown .....	3	—	13	—	304	84	—
Pass Island .....	2	—	10	—	227	170	—
Great Jervais .....	1	—	1	—	60	10	—
Seal Cove .....	4	—	14	—	356	94	—
Jersey Harbour .....	1	—	2	—	210	10	—
Dawson's Cove .....	—	1	—	6	125	—	30
Raymond's Point .....	—	2	—	13	39	—	65
Parsons Harbour .....	—	8	—	40	—	—	279
Rencontre West .....	1	2	7	6	176	58	30
Richard's Harbour .....	3	4	16	20	137	113	100
Muddy Hole .....	1	5	1	37	53	10	190
Lock's Cove .....	—	4	—	26	31	—	130

SETTLEMENT	(a)				POPULATION	(c)	
	FAMILIES		PERSONS			\$	COST
	Sick	Bodied Able	Sick	Bodied Able			
West Point .....	2	9	2	57	115	20	285
La Poile .....	1	6	6	30	5	30	151
Grand Bruit .....	1	1	3	10	197	18	50
Burgeo .....	6	—	6	—	891	60	—
Red Island .....	1	—	11	—	—	55	—
Ramea .....	1	—	1	—	714	10	—
Ronald's Island .....	2	5	5	24	—	30	113
Dog Cove .....	—	1	—	8	33	—	40
Gray River .....	12	8	48	47	157	265	235
Cape La Hune .....	1	—	1	—	96	10	—
Francois .....	6	1	21	8	335	120	40
Rose Blanches .....	6	24	7	152	680	65	766
Burnt Islands .....	2	13	6	67	601	20	335
Diamond Cove .....	—	2	—	11	97	—	58
Harbour La Cou .....	—	9	—	40	198	—	200
Isle aux Morts .....	4	13	7	84	664	50	420
Margaree .....	—	2	—	9	110	—	45
Mouse Island .....	—	1	—	10	28	—	50
Petites .....	2	1	6	3	168	35	15
Channel .....	2	1	7	8	2634	40	40
<b>TOTAL</b> .....						<b>3284</b>	<b>8312</b>

NOTE: Total population of Districts Fortune/Hermitage and Burgeo/La Poile 22,257. All population figures are based on the 1951 census.

DECEMBER, 1955	(a)				(b)	(c)	
	Sick	Bodied Able	Sick	Bodied Able		\$	COST
Terrenceville .....	3	37	13	212	424	77	1060
Grand La Pierre .....	2	18	7	82	139	50	420
Rencontre East .....	—	11	—	50	306	—	300
Lally Cove .....	—	2	—	14	83	—	70
Pool's Cove .....	4	8	22	35	317	120	190
Corbin .....	—	8	—	41	89	—	195
Belleoram .....	2	20	9	97	663	52	480
St. Jacques .....	1	13	8	55	180	40	275
Boxey .....	1	—	2	—	156	15	—
Wreck Cove .....	2	—	10	—	113	60	—
Harbour Mille .....	1	12	3	51	344	25	260
Femme .....	—	1	—	9	116	—	45
Jacques Fontaine .....	—	2	—	13	154	—	65
Little Bay West .....	—	4	—	22	117	—	110
Miller's Passage .....	—	1	—	6	133	—	30
Red Cove .....	—	2	—	7	94	—	40
English Harbour West .....	2	2	18	17	333	92	80

SETTLEMENT	(a)				(b)	(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Able Sick	Bodied	Able Sick	Bodied		Sick	Able Bodied
Anderson's Cove	—	2	—	7	100	—	40
Stone's Cove	—	1	—	5	174	—	25
Little Harbour East	1	—	3	—	78	20	—
English Harbour East	—	11	—	65	214	—	330
McCallum	5	10	18	70	122	236	350
Pushthrough	3	6	13	39	192	63	195
Little Bay	—	2	—	8	90	—	40
Furby's Cove	—	1	—	6	18	—	30
Hermitage	2	1	7	5	396	40	25
St. Alban's	10	20	47	132	1114	269	660
Conne River	3	—	8	—	148	50	—
Seal Cove	4	—	14	—	356	94	—
Harbour Breton	7	25	31	181	903	177	905
Sagona	3	4	3	38	122	45	140
St. Joseph's	1	—	2	—	111	19	—
Grole	4	—	114	—	169	89	—
Milltown	3	—	13	—	304	84	—
Great Jervais	1	—	1	—	60	10	—
Jersey Harbour	1	—	2	—	210	10	—
Dawson's Cove	1	1	1	6	125	15	30
Raymond's Point	—	3	—	18	39	—	90
Parsons Harbour	—	8	—	41	—	—	219
Rencontre West	1	2	7	6	176	35	30
Locke Cove	—	2	—	13	31	—	65
Richard's Harbour	3	6	18	27	137	113	135
Muddy Hole	1	7	1	46	53	10	230
West Point	2	9	2	57	115	20	285
La Poile	1	6	6	30	5	30	151
Grand Bruit	1	4	3	29	197	18	145
Burgeo	4	—	4	—	891	40	—
Ronald's Island	2	4	5	21	126	30	105
Dog Cove	—	1	—	8	33	—	40
Grey River	10	81	41	47	157	233	235
Cape La Hune	1	—	1	—	96	10	—
Francois	6	1	21	8	335	120	40
Rose Blanche	1	23	5	147	680	25	744
Burnt Islands	—	12	—	66	601	—	330
Diamond Cove	—	1	—	1	97	—	10
Harbour La Cou	—	11	—	49	198	—	245
Isle aux Morte	—	29	—	172	664	—	850
Margaree	—	1	—	10	110	—	50
Mouse Island	—	4	—	28	28	—	140

SETTLEMENT	(a)				(b)	(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Sick Able	Bodied Able	Sick Able	Bodied Able		Sick	Bodied Able
Channel .....	2	2	11	15	2634	55	55
Port aux Basques .....	—	1	—	9		—	45
Petites .....	2	2	7	11		168	40
Grand Bay .....	—	2	—	14	291	—	70
<b>TOTAL .....</b>						<b>2631</b>	<b>9684</b>

NOTE: Total population of Districts Fortune/Hermitage and Burgeo/La Poile 22,257. All population figures are based on the 1951 census.

### JANUARY, 1959

Terrenceville .....	1	47	1	267	424	10	1395
Grand La Pierre .....	1	18	2	82	199	20	420
Rencontre East .....	—	12	—	68	306	—	345
Lally Cove .....	—	3	—	22	83	—	110
Pool's Cove .....	1	13	5	70	317	25	345
Corbin .....	—	6	—	35	89	—	175
Belleoram .....	1	27	4	138	663	27	675
St. Jacques .....	1	12	8	48	180	40	245
Boxey .....	1	—	2	—	156	15	—
Wreck Cove .....	2	—	9	—	113	58	—
Little Bay West .....	—	3	—	17	117	—	85
English Harbour East .....	—	15	—	86	214	—	415
Femme .....	—	2	—	15	116	—	75
Stone's Cove .....	—	1	—	5	174	—	25
Miller's Passage .....	—	1	—	6	133	—	30
Red Cove .....	—	2	—	7	94	—	40
English Harbour West .....	—	2	—	17	333	—	75
Anderson's Cove .....	—	2	—	7	106	—	40
Jacques Fontaine .....	—	5	—	28	154	—	140
Harbour Mille .....	5	27	21	140	344	128	750
McCallum .....	3	10	15	70	122	80	350
Pushthrough .....	—	7	—	45	192	—	225
Little Bay .....	2	2	6	8	90	201	40
Furby's Cove .....	—	1	—	6	18	—	30
Hermitage .....	2	3	12	11	396	40	55
St. Alban's .....	6	20	29	116	1114	154	680
Conne River .....	2	—	8	—	148	50	—
Seal Cove .....	4	—	14	—	356	94	—
Harbour Breton .....	16	36	67	225	903	727	1129
Sagona .....	4	4	8	28	122	76	140
St. Joseph's .....	1	—	2	—	1119	19	—
Grole .....	4	2	14	16	169	89	80
Milltown .....	2	—	11	—	304	65	—

SETTLEMENT	(a)				(b)	(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST	
	Able		Able			Able	
	Sick	Bodied	Sick	Bodied		Sick	Bodied
Great Jervais .....	1	—	1	—	60	10	—
Jersey Harbour .....	1	1	2	7	210	10	35
Piccaire .....	1	—	8	—	28	40	—
Dawson's Cove .....	1	1	1	6	125	15	30
Raymond's Point .....	—	5	—	19	39	—	95
Round Harbour .....	2	—	11	—	64	145	—
Gaultois .....	3	—	20	—	252	217	—
St. Veronica's .....	2	—	5	—	87	34	—
Head Bay D'Espoir .....	1	—	1	—	259	15	—
Ramea .....	1	—	1	—	714	10	—
Ronald's Island .....	2	8	5	43	126	30	215
Dog Cove .....	—	1	—	8	33	—	40
Grey River .....	13	8	58	47	157	318	235
Cape La Hune .....	—	6	—	37	96	—	189
Francois .....	6	6	23	35	335	120	192
Rose Blanche .....	1	22	5	136	680	25	684
Burnt Islands .....	—	18	—	101	601	—	505
Diamond Cove .....	—	1	—	3	97	—	15
Harbour La Cou .....	—	13	—	57	198	—	285
Isle au Morts .....	1	19	1	19	664	10	545
Margaree .....	—	1	—	4	110	—	20
Mouse Island .....	—	4	—	28	28	—	28
Channel .....	1	2	4	7	2634	20	28
Port aux Basques .....	—	1	—	9		—	45
Grand Bruit .....	—	8	—	49		197	—
La Poile .....	—	2	—	13	5	—	65
Petites .....	2	2	8	11	168	40	55
West Point .....	1	5	1	19	115	10	98
Grand Bay .....	1	—	2	—	291	10	—
Burgeo .....	1	—	1	—	891	10	—
<b>TOTAL</b> .....						3007	11836

NOTE: Total population of Districts Fortune/Hermitage and Burgeo/La Poile 22,257. All population figures are based on the 1951 census.

Terrenceville .....	2	51	2	269	424	20	1370
Grand Le Pierre .....	1	27	2	13	139	20	575
Rencontre East .....	—	24	—	127	306	—	625
Lally Cove .....	1	3	6	22	83	30	110
Pool's Cove .....	1	12	5	64	317	25	330
Corbin .....	—	5	—	28	87	—	140
Belleoram .....	1	27	4	131	663	27	655
St. Jacques .....	1	10	8	41	180	40	210
Boxey .....	1	—	2	—	156	20	—

FEBRUARY, 1956

(a)

(b)

(c)

SETTLEMENT	FAMILIES		PERSONS		POPULATION	\$ COST	
	Able		Able			Sick	Able
	Sick	Bodied	Sick	Bodied			
Wreck Cove .....	2	—	9	—	113	55	—
Little Harbour East .....	—	3	—	21	78	—	140
Harbour Mille .....	3	22	10	108	344	73	550
Little Bay East .....	—	4	6	107	214	40	530
English Harbour East .....	2	20	—	12	230	—	70
Little Bay West .....	—	3	—	17	117	—	85
Femme .....	—	5	—	39	116	—	75
Anderson's Cove .....	—	2	—	7	106	—	40
Jacques Montaine .....	—	1	—	2	154	—	15
Bay Du Nord .....	—	1	—	2	194	—	15
English Harbour West .....	—	3	—	190	333	—	95
Little Bay West .....	—	9	—	6	133	—	30
Miller's Passage .....	—	1	—	5	174	—	25
Stone's Cove .....	—	1	—	7	94	—	45
Red Cove .....	—	2	15	70	122	80	350
McCallum .....	3	10	12	33	192	43	165
Pushthrough .....	2	5	—	8	90	—	40
Little Bay .....	—	2	—	6	18	—	30
Furby's Cove .....	—	1	6	8	396	10	40
Hermitage .....	1	2	42	189	1114	284	945
St. Alban's .....	9	29	1	—	148	10	—
Conne River .....	1	—	14	—	356	94	—
Seal Cove .....	4	—	44	206	903	206	1034
Harbour Breton .....	7	32	5	32	122	43	160
Sagona .....	2	5	2	—	111	19	—
St. Joseph's .....	1	—	15	12	169	94	60
Grole .....	4	2	11	—	304	65	—
Milltown .....	2	—	1	—	60	10	—
Great Jervais .....	1	—	4	7	210	156	35
Jersey Harbour .....	3	1	8	—	23	40	—
Piccaire .....	1	—	1	6	125	15	30
Dawson's Cove .....	1	1	—	18	39	—	95
Raymond's Point .....	—	3	—	18	39	—	95
St. Veronica .....	2	1	5	6	87	38	30
Head Bay D'Espoir .....	1	—	1	—	259	15	—
Ramea .....	1	—	1	—	714	10	—
Ronald's Island .....	3	8	7	43	126	40	215
Dog Cove .....	—	1	—	8	33	—	40
Grey River .....	12	9	50	52	157	278	260
Cape La Hune .....	—	4	—	24	96	—	124
Francois .....	6	6	24	30	335	130	172
Rose Blanche .....	—	38	—	228	680	—	1136

SETTLEMENT	(a)				(b)		(c)	
	FAMILIES		PERSONS		POPULATION	\$ COST		
	Able Sick	Able Bodied	Able Sick	Able Bodied		Sick	Bodied	
Burnt Islands .....	—	22	—	119	601	—	590	
Diamond Cove .....	—	4	—	15	97	—	81	
Harbour La Cou .....	—	13	—	58	198	—	290	
Isle aux Morts .....	2	32	5	190	664	30	950	
Margaree .....	—	1	—	10	110	—	50	
Mouse Island .....	—	4	—	28	28	—	140	
Channel .....	3	3	11	19	2634	65	95	
Port aux Basques .....	—	3	—	23		—	115	
Burgeo .....	2	1	2	4	891	20	20	
Grand Bruit .....	—	8	—	49	197	—	246	
West Point .....	1	19	1	99	115	10	495	
La Poile .....	—	7	—	36	5	—	180	
Petites .....	1	2	5	11	168	25	55	
<b>TOTALS .....</b>						<b>2190</b>	<b>13,668</b>	

NOTE: Total population of Districts Fortune/Hermitage and Burgeo/La Poile 22,257. All population figures are based on the 1951 census.

### MARCH, 1956

Terrenceville .....	1	48	1	257	424	10	1300
Grand La Pierre .....	2	25	4	127	139	30	605
Rencontre East .....	—	15	—	81	306	—	410
Lally Cove .....	1	3	6	22	83	30	110
Pool's Cove .....	1	12	5	64	317	25	325
Corbin .....	—	6	—	29	89	—	150
Belleoram .....	2	21	15	92	663	77	465
St. Jacques .....	1	8	8	33	180	40	170
Harbour Mille .....	2	19	8	101	344	45	515
Little Bay East .....	—	5	—	19	230	—	105
Jacques Fontaine .....	—	4	—	22	154	—	115
Little Harbour East .....	—	3	—	19	78	—	100
English Harbour East .....	—	19	—	103	214	—	525
Little Bay West .....	—	3	—	17	117	—	85
Anderson's Cove .....	—	2	—	8	106	—	40
Bay Du Nord .....	—	1	—	2	194	—	15
Miller's Passage .....	—	1	—	6	133	—	30
Femme .....	—	2	—	15	116	—	75
Stone's Cove .....	—	2	—	5	174	—	75
Red Cove .....	—	1	—	7	94	—	45
McCallum .....	3	10	15	70	122	94	350
Pushthrough .....	—	3	—	19	192	—	95
Little Bay .....	—	2	—	8	90	—	40
Furby's Cove .....	—	1	—	6	18	—	30



**Orders of the Day**

Second Reading of Bill, "An Act Respecting the Appointment of Commissioners to enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendation as to the Future Use of the Wharf."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill.

Honourable members will remember that during the Second World War, about fifteen years ago, the British Admiralty built the wharf. This wharf is on the Southside of the Harbour of St. John's and extends from property of Ayre & Sons Limited down to property or almost as far as property of the Newfoundland Coal Company. They built this wharf by the arrangement with the owners of the wharves already fronting the harbour, and this wharf was a breastwork which connected the heads of all these wharves and created what is now probably the Southside Road — to all intents and purposes that is the road. The leases were for the term of fifteen years, and they all expired as of March 31 of this year.

Under the agreement made between the British Admiralty and the owners of the wharves built in front of their properties it became their property at the end of fifteen years. So that this entire breastwork now is owned by fifteen or twenty or thirty people who own the adjoining wharves. Since that breastwork was built quite an industry had been opened on the Southside, and it is felt that that wharf should be kept open. Job's for instance, have a large fish plant there engaging hundreds of employees, and as far as we

can find out that is the only access they have to their premises.

MR. HIGGINS: Other than water.

MR. CURTIS: Yes. I understand there are other people in that neighbourhood in a like position. It looks as if the time has come when something must be done to preserve that whole jetty as a right-of-way to all the producers down there.

Now strictly, of course, this is a private matter, and we should not have to butt in at all. If Job's want to build a plant and don't preserve their right-of-way, really we should not have to intervene. But in view of the importance of the position and in view of the situation that has arisen and in view of the fact it is only recently the matter has been brought to our attention, I called a meeting in my office of the Mayor and Deputy-Mayor, and there were some others, and we discussed the whole situation.

I felt that this was a matter that should be left in the hands of the St. John's Municipal Council (and if they do not like that term—the Corporation of the City of St. John's). We discussed the matter, and after considerable discussion we agreed to recommend to the government that they should pass an Act such as the Bill that we have before us today.

The effect of this Bill is to provide for the appointment of a Commission. The Commission is to be appointed within a month and is to report within eight months. That Commission is to look into the whole situation of the wharf over there and to recommend to the government what its future should be.

Several suggestions have been made: One was that there should be an in-

corporated body formed to control it. We felt as a government that we should not be called upon to support or maintain in any way this wharf. It is not a government project. I think the St. John's City Council feels the same, feels it is not a City matter. That being so the alternative would seem to be that there be created a body made up of all the owners of the property going up and down the South Side, that they should contribute toward the maintenance and toward the cost to the extent of their use. In other words I think the firm at the more distant point and which uses the most of it should pay more than the men who only use one piece of it. That is only my own personal opinion. Then again the company that uses it more should pay more than the man who uses it a little. So our feeling is that this Commission should now be set up. It would have to be a very intelligent committee because it would have to go into statistics and figures and find out first what should be done. The man further west has to maintain a wharf for other people to use, and there is no reason in the wide world why he should do it, and similarly every other man has to keep his own section of the wharf up, and he may be using it very little if at all. So that the feeling is that this Commission should report and that the report might well be retroactive and take effect as from the date of the passing of this Act or as from the 31st day of March, or any other date, of course, that the Commission might decide.

The meat of the Bill, apart from the provision of the Commission is to provide that no party can shut off the waterway during the time the matter is under consideration. In other words we don't want to create a position tomorrow whereby any one of half a

dozen tenants can decide to fence off this wharf and debar others from the use of it.

I think the position is very clear, Mr. Speaker, and I therefore move the second reading of this Bill.

MR. HOLLETT: Mr. Speaker, we have no objection to this at all. It looks as if the object is one of saving face, so to speak, one which holds up the debarring of entry on that stretch of wharf by any person, pending a report of a Commission of Enquiry. All the relevant facts, naturally, would come before that Commission, and they would be the most competent body to recommend to the government what should be done. So none of us on this side have any objection to the Bill, as far as I can find out, and I give it our blessing.

MR. BROWNE: Mr. Speaker, I don't know whether this is a party matter or how it is regarded by the government, but it seems unusual for the government to bring in any Bill to interfere with using private property. The last section there is the one that seems to me like the scorpion with a sting in its tail. From a period of one year from the date of passing this Act no person shall bar access to or prevent passage over or use of the wharf or the right-of-way referred to in Section 2. Which means to say that, although they own the property they can do nothing to exercise their rights or their authority over their own property. That seems to me to be a very unusual provision.

The Honourable the Attorney General in his talk did not say anything about the views of the owners, as far as I can hear, and when he had his meeting—I was expecting him to say, 'I called a meeting of the adjoining owners and asked their views.' When

he replies perhaps he can tell us if that was done and what their viewpoint is. Because it seems to me they should be in a position to express an opinion as to what is going to be done with their own property, rather than the Municipal Council who exercises no authority over it and has disclaimed any interest or any responsibilities for it. So it seems to me that before this Bill should go through the wishes of the owners of the adjoining properties should be consulted. It might be that without any Commission of Enquiry at all they might be able to come to an arrangement regarding the use of this wharf.

I know it is a great convenience to have that wharf there for all concerned. It has become a real road and very much superior to the road down the Southside, which due to the heavy loads which have been carted over it during the war and afterwards fell into a very bad and dangerous condition. I don't know if the Municipal Council has been able to get the Department of Defence to do anything to improve it at all, although they were responsible for the damage that was done to the road. On account of it being so largely used by the public it is desirable that it should be kept open. But I think the views of the owners should be heard first before the government would step in and order it.

**MR. SMALLWOOD:** Mr. Speaker, I had not intended saying anything on this Bill until my honourable and learned friend from St. John's West made that quite remarkable utterance at the outset of his speech when he complained that this is a Bill to interfere with private property.

That is exactly what it is. Every Bill practically that we pass in this House does the same thing, is aimed

at doing the same thing, as does practically every Bill passed in any other House anywhere on the property? Is private property God?

**MR. BROWNE:** No. But you think you are.

**MR. SMALLWOOD:** The honourable gentleman thinks he is. I think he thinks he is wrapped in a seamless garment.

**MR. SPEAKER:** Order.

**MR. SMALLWOOD:** Does the honourable and learned gentleman really think private property is a right of the people we can't interfere with and can't pass laws to interfere with? That is an extraordinary gospel. I never heard that before expressed anywhere on this earth. I never heard it in my life until this afternoon—That a legislature ought not to interfere with private property. I never heard this view expressed before and never expect to hear it again, never. It is a most extraordinary, a most amazing gospel to preach that a legislature ought not to pass laws interfering with private property. I don't believe the Honourable Leader of the Opposition has that view, and I am quite certain the honourable member for St. John's East does not hold that view, and certainly no member on this side, nor either side except the honourable gentleman, not any legislature that ever sat in this Chamber since 1855 held that view. It is something entirely new. That is one point.

**MR. BROWNE:** Mr. Speaker, on a point of order:—May I point out to the Honourable the Premier he is misrepresenting what I said. I did not say a government could not interfere with private property.

**MR. SMALLWOOD:** Mr. Speaker, to a point of order:—I did not say he

said a government has no right. What I am talking about is that a legislature has no right. The government is not passing the Bill, the legislature will, if it does. I am saying he said the legislature had no right.

**MR. BROWNE:** Mr. Speaker, the Premier is once again misrepresenting me. I did not say that. This is what I said: I suggested to the Attorney General he should ascertain the wishes of the owners of the property before going ahead with the legislation.

**MR. SMALLWOOD:** That is what was said at the end of his speech. I was talking about the honourable and learned gentleman at the beginning when he pointed out that this was legislation to interfere with private property. I say that is exactly what it is and that is what it ought to be and that is what the Honourable Leader of the Opposition supported here this afternoon, because he spoke for the Bill. I will be very much surprised if the honourable and learned member for St. John's East does not speak up in support of the Bill. This leaves the honourable and learned member for St. John's West in the unique position of being the one and only legislator in the history of Newfoundland or indeed in the history of the world who has charged the legislature ought not to interfere with private property.

**MR. BROWNE:** Mr. Speaker, once again I draw attention to the fact that I did not say a legislature nor a government should not interfere with private property. If they want my thought on it, I will tell them they should not interfere with undue haste and without compensation. There are many features to be considered in connection with interference.

**MR. HIGGINS:** Mr. Speaker, I know a bit about the background of

this Bill more than most of the members of the House. I happened to have been at that meeting to which the Attorney General referred. The position is, as he has pointed out, there are various industries of one kind and another that have been located along that area both prior to and during, and in some cases subsequent to, the last war. The position is that away down, in the East End, we will say, there is one firm, and the man who is at the westernmost part says: "I don't mind keeping up this wharf to get in and out myself but I don't see why I should keep up a wharf for people travelling five hundred yards to get down and for every man in between." And the situation might go to that point—I speak subject to correction—It is my recollection of the matter that there was a very real danger that one at least if not more of the westernmost property holders was threatening to close off the whole business. The approach was made not formally, but very informally and a very friendly meeting suggesting that perhaps the Council should step in and do something. And bearing in mind the Council's experience with the road that my honourable and learned colleague from St. John's West referred to, they may, understandably, refuse to be drawn into any commitments on behalf of the City for taking over that property. It was felt that the rights of the majority should be protected against what might well be, while a perfectly legal, nonetheless a hasty action on the part of any of the westernmost holders of property.

The Council not being able to do anything, the government being (if I might use the word) rather hesitant to step in, the only solution appeared to be the one which was acceptable to both the government and (if I may) the Municipal Council—if I may lump

the Municipal Council and the Government together in that phrase. The whole purpose of this thing, Sir, is really to protect not so much the people who own the industries as the people who are employed in them. That is the important thing to be considered. I would think, Sir, that it is not something for which you could come up with a formula, Sir, in five minutes which would meet a situation as complex as this particular situation seems to be at this time. In my humble opinion this particular situation seems to be at this time a very complex situation.

It is reasonable to assume that the personnel of that commission will be qualified and that the recommendations they present can if necessary be made retroactive. If it is a question of setting up a toll gate company or something of that nature, surely there is no objection to our, in the meantime at least, adopting the idea and protecting the people who are employed in these places.

I think, Sir, that the principle here is an understandable one and one that should command our approval.

MR. BROWNE: Before the motion is put, Mr. Speaker, I wonder if the Honourable the Attorney General could tell me whether any contact was made with the owners of the adjoining properties.

MR. CURTIS: Yes, Mr. Speaker, contact was made with me and others have been in touch with the Premier and other members of the Government. I don't think there will be any objection to this.

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

Second Reading of Bill, "An Act for the Protection of the Water Supply

from Larkin's Pond and other Contiguous Lakes."

MR. HEFFERTON: Mr. Speaker, it will be recalled in 1953 legislation was passed amending the Rural District of Placentia Act. That amendment was enacted because some differences of opinion had arisen between the councils of Placentia and Jersey side over the control of water which comes from a common source and being distributed to people within the areas of Placentia, Jersey side and Freshwater. In order to avoid any of that conflict of opinion the amendment was enacted and control was placed under the Lieutenant-Governor in Council.

It will be recalled also that there was an agreement between the Placentia Town Council and the American Authorities in Argentia whereby the latter received their water supply from that common source. The American authorities paid a yearly rental for the use of their water.

Some difficulties had occurred in the original setup at Argentia and the Town Council at Placentia felt that possibly the time was ripe for a change in the agreement. A delegation from the Americans came to see me some time ago. And on looking into the matter we found that the amendment we passed in 1953 had been inadvertently repealed when Placentia came under the Local Government Act. Consequently at the time we had no legislation saying who was in control nor who could make any arrangements which came up with the American authorities nor anyone else. In consequence we drafted this bill, which really takes the place of the amendment which we enacted in 1953.

That is the main principle of the Bill.

Now the Bill itself goes a little further in clarification than the amendment passed in 1953. But it does lay the control of the water in the Placentia Town Council and gives it authority, subject to permission of the Lieutenant-Governor in Council, to enter into an agreement whereby it can, if it wants to, supply the Americans with water under any agreement which may be made. Provision is made here to take care of the original reason for the enactment of 1953, i.e. the allocation of water to the various councils which may desire it.

That is the main purpose of the Bill, Mr. Speaker, and I move the second reading.

MR. BROWNE: Mr. Speaker, as the minister knows, I happen to be very familiar with that pond, as we had a good deal of discussion on it concerning a house which was built before the water was used by the residents living in Placentia, Freshwater and Jersey side. However, I believe that the government have compensated the owner for the removal of the house.

I thought the minister might make some reference as to whether they put in a chlorination plant. But he can tell me that some other time. Because not only was there a danger of contamination to the water from the house concerned but I believe that drainage coming from other property further away might affect the water. It is certainly most desirable in the interest of health to assure that drinking water so extensively used should be well protected, and the addition of a chlorination plant certainly seems to be desirable.

I gather that this Bill was drafted with the knowledge of the councils

concerned, and it was brought in here today to fill a gap which was made when this mistake was made in a previous amendment.

MR. HOLLETT: Mr. Speaker, there is just one point I am not quite sure on, and I wonder if the Honourable Minister would answer a question—I have nothing against the principle of the Bill whatsoever. In Clause 7, I take it, you are giving a town council the right to negotiate for the transfer of water from Larkin's Pond to a leased area. Leased area, I take it, means the American Base at Argentina, is that right?

MR. HEFFERTON: I might answer that, Mr. Speaker, by saying we are giving the town council, subject to approval of the Lieutenant-Governor in Council, the right to make agreements with the American authorities at Argentina, whereby they supply the Americans with the water required, provided they conform to conditions laid down in the agreements—that is a condition of the arrangement they have had there for a number of years. The agreement under discussion now was made by the Town Council of Placentia with the Americans, and any rental that came in went to the town council.

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

Second Reading of Bill, "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for Other Purposes in Connection with Crown Lands."

MR. CURTIS: Mr. Speaker, members of the House will recall that a Bill was passed originally, I think, in 1906, shortly after the Reid Contract. Under the provisions of the original

Act the timber growing on the area was defined in the schedule as reserved for the benefit of fishermen in the vicinity. But it was found over a number of years that there is no method of controlling the use of the timber or of preventing improper use thereof. Therefore, in 1954, a new section was added, under the provisions of which the timber instead of being left free as it had been was vested in the Crown to be dealt with and disposed of in accordance with the Crown Lands Act. The land was still vested in the owners, and the construction of logging camps and other installations could be made only with the consent of the owners or occupiers. Provision was also made in that amendment for freeing any portions of the land from reservation and restrictions where it was required (1) to be sold for a bona fide settlement or to be sold, leased or used for mining purposes.

It has been found in practice that these exceptions are too limited in scope. The proposed amendment is designed to give the Lieutenant-Governor in Council authority to approve sales of land for other purposes on such terms and conditions as to the disposal of the timber thereon as may be prescribed. In view of the Tourist Development Programme and cable and transmission lines, etc., and other private and public necessities, it will be readily appreciated that unnecessary restrictions in this regard should be removed. The owners of the land have received applications from municipalities for portions of unused land, in one case for a cemetery, and from individuals for tourist cabins and to other business ventures. An overseas telecommunication cable also passes through a portion of the land in question. One of the objects of this Bill is to enable the Lieutenant-Governor

in Council to give permission to the owner to transfer this right-of-way to the companies concerned.

The owners are quite willing to sell their land in these instances, and the government has no objection, but under the Act there is no power to do so unless the land is required for settlement or mining. It is obvious that the present restriction only tends to impede progress and should be modified. Protection is given in as much as the approval of the Lieutenant-Governor in Council will still be a prerequisite and the necessary conditions governing the removal of any valuable timber that may be on such land.

The value of this amendment is that it will enable the Government to authorize the owner to sell available land to the people who are anxious to purchase it. The Premier has asked me to emphasize the last point. The importance and value of this amendment is that it will enable the government to authorize the owner to make land available to the people who are anxious to purchase and use it.

Mr. Speaker I move second reading of this Bill:

MR. HOLLETT: Mr. Speaker, I wonder if we could have that adjourned. We have not had a chance to look at it at all.

On motion second reading of Bill adjourned.

Committee of the Whole on various Bills.

On motion Mr. Deputy-Speaker left the Chair.

Mr. Courage Chairman of Committee of the Whole.

Bill No. 16, A Bill, "An Act to Amend the Poultry and Poultry Products Act."

On Motion Committee ordered report having passed this Bill without amendment.

Bill No. 19, A Bill, "An Act to Amend the Social Assistance Act, 1954."

MR. BROWNE: A person coming in and saying he is unemployed, i.e. an able-bodied person seeking relief, he won't get any social assistance?

DR. ROWE: He could not at any time, Mr. Speaker, the idea is to bring all social assistance under the one heading.

MR. BROWNE: If a man is unemployed and not in receipt of unemployment insurance you cannot just allow him to starve.

DR. ROWE: Oh no! The point is he just does not come under this legislation.

On motion Committee ordered to report having passed this Bill without amendment.

Bill No. 21, A Bill, "An Act Further to Amend the School Attendance Act."

On motion Committee reported having passed this Bill without amendment.

Bill No. 23, A Bill, "An Act Further to Amend the Department of Public Works Act."

MR. BROWNE: What is the effect of this?

HON. E. S. SPENCER (Minister of Public Works): It is only a formal arrangement to have it applied to the new city of Corner Brook or any other council that may become incorporated.

MR. HOLLETT: It also applies then to the new county councils?

MR. SPENCER: Yes, that is right.

MR. CURTIS: I would like, Mr. Chairman, to move an additional clause to this Bill. In the Public Works Act, Section 21, the Minister has power to acquire land for roads, etc., but we feel that the Minister should be given a little more power inasmuch as there are some cases in which we would like him to be empowered to take land for agricultural purposes for tourist purposes. Now, actually, Mr. Chairman, this is not the proper place to put such provision—I may say for the information of the House, the department over which I have the honour to preside contemplates at the next session to bring in an expropriation Bill which will cover all expropriations under whatever department. At the moment we have it by the Department of Public Works, Economic Development and expropriations by, I think, other departments. But we feel there should be one expropriation act and that should tie together all procedure.

Now the amendment I propose, Mr. Speaker, is this, that Section 21 of the said Act be amended by adding this to sub-section 3 and 4.

MR. BROWNE: Mr. Speaker, to a point of order, I respectfully submit that this involves a new principle being introduced in this Bill and it should be withdrawn and a new Bill should be introduced. I don't see how it can be introduced at this stage. The purpose of this Bill is merely to widen the definition of Municipal Authority, and this is to give wider powers of expropriation to the Minister. It seems to me the Bill should be withdrawn and a new Bill introduced.

MR. CURTIS: Perhaps my honourable friend's point is well taken, but

it is much simpler now in Committee to accept or at least consider the amendment. It is an easy matter to withdraw the Bill and bring it in again, but it is only a waste of time.

**MR. BROWNE:** Perhaps the Minister would have typed copies of the amendment, and defer the Committee at this stage now.

**MR. CURTIS:** That is reasonable. However I will just read it for the information of the Committee.

"For greater certainty it is hereby declared, the exclusive use of Her Majesty in right of Newfoundland or of the public, in Sub-section (1) including use by or on behalf of Her Majesty or by any other person for road purposes, including the construction, repair and widening of roads, for agricultural and for tourist purposes including the construction and operation of tourist establishments as defined in the Tourist Establishment Act." And then (4) "Subject to the approval of the Lieutenant-Governor in Council, the Minister may sell, lease or otherwise dispose of any land acquired under this section for such use and on such terms and conditions and such consideration, if any, as he deems fit."

I would move, Mr. Chairman, his amendment. And that this amendment be copied and copies be given out to the members and that the Committee in the meantime rise and report progress.

On motion the Committee was ordered to report progress and ask leave to sit again.

Bill No. 25, A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

Clause 1 through 6. on motion carried.

**MR. HOLLETT:** Mr. Chairman, I don't know whether it is customary to give municipal councils such wide power as it is planned to give here. It does not stipulate here definitely just how this money is to be spent. But it can be used towards the financing of any municipal water or sewer projects or any municipal projects or improvements for the benefit of the city and within the powers of the Council. Now we know it is for the benefit of the city all right, but could the Minister tell us what municipal projects or improvements the council has in mind here when they refer to that. Surely the government must have some idea as to how they are to use this million dollars.

**MR. SMALLWOOD:** It is pretty common knowledge. It is for the renewal and replacement of existing pipe lines, buy new ones for their water system after half a century and more, three-quarters of a century, and for a lot of street paving, curbs and gutters—a general improvement programme within the city limits of St. John's.

**MR. HOLLETT:** Is there anything in this Act which states all these improvements are to take place within the city boundaries?

**MR. SMALLWOOD:** I don't know. I know they are thinking of something outside the immediate city boundaries for the purpose of servicing within the city boundaries.

**MR. HOLLETT:** I see.

**MR. BROWNE:** I wonder if the Minister of Municipal Affairs and Supply saw the picture in the *Daily News* this morning, showing where the project has been started in the vicinity of

Barter's Hill, a new housing project, a Provincial-Federal project. I had intended to ask him on the Orders of the Day if he had seen that, and whether he has any information to give the House. Is the Municipal Council also involved in that? Would he give any details?

MR. SMALLWOOD: Is that one of the purposes of this loan?

MR. BROWNE: No.

MR. SMALLWOOD: In that case it is hardly in order, if it has nothing to do with this loan.

MR. HOLLETT: I understand, Mr. Chairman, some of the work will be carried out on the Portugal Cove Road, a considerable distance—

MR. SMALLWOOD: That is the sewer line to serve the city.

MR. HOLLETT: Will the people living along the route come within the city limits for taxation purposes?

MR. SMALLWOOD: I don't think so. They are not expanding the boundaries, and they cannot unless this House authorizes them to do so.

On motion Clause 7 carried.

Clause 8 read. 8.—Subject as hereinbefore specially provided, the Council shall have and may exercise all such powers as shall be necessary or proper for conducting all business connected with

- (a) the raising of the said loan;
- (b) the issue of securities thereof;
- (c) the management of such securities and the payment of interest thereon; and
- (d) the making of proper provision for the payment of the said loan.

MR. BROWNE: I was just wondering there about the sinking fund of one per cent. If the money is borrowed for forty years, at the end of the forty years I don't suppose the whole value of the money will be replaced by the one per cent sinking fund. And as the project which is now going to be undertaken under this Bill will have served its usefulness at the expiration of forty years and require to be renewed by then the sinking fund should be so as to provide that it will last only as long as the improvement which is now being made—They should correspond, it seems to me.

MR. HOLLETT: Could the Minister tell us just what the indebtedness is now to the government by way of guaranteed bonds?

MR. SMALLWOOD: It can easily be gotten.

On motion Clause 8 carried.

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

Bill No. 26, A Bill "An Act to Restrict the Use of White Canes to Blind Persons."

MR. BROWNE: Mr. Chairman, I wonder if we could ask the Attorney General where this Act came from? It seems to be a very good provision.

MR. CURTIS: I think the Bill, Mr. Chairman, was submitted by the Blind Institute themselves. I think it is based on the Ontario Act.

MR. SMALLWOOD: It is probably uniform right across Canada.

MR. BROWNE: Could the Minister say if all blind persons in Newfoundland are registered with the Canadian Institute for the Blind, and if so, how many blind persons there are?

DR. ROWE: Mr. Chairman, we certainly have that information in our Department of Welfare, but I don't have it right here.

MR. HOLLETT: Could we have it tomorrow?

DR. ROWE: Certainly I will try to get it.

MR. SMALLWOOD: There is a technical definition of blindness.

DR. ROWE: On that point, Mr. Chairman, I should think all of them are in respect of blind persons' pensions, therefore, the federal department here would have that list.

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

Bill No. 7, A Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

MR. BROWNE: Mr. Chairman, this is a Bill which was before the House for second reading some time ago. At that time I was under the impression the area overlapped an area which had previously been given. However, the Minister of Mines and Resources gave a new map to me, prepared this year, 1956, and invited me to go see the officials at the Department, which I did. I discovered it was my mistake. I had omitted to make allowance for the curvature of the earth, which accounted for the overlapping. However, there is one item I mentioned before—the Frobisher people made their discovery on land which had been given to them under the Act of 1955, and now they think they should be given territory right outside what was given to them in 1955. It seems to me, if there is any mineral outside what was given to them in 1955, that should be open to the general public.

MR. SMALLWOOD: Mr. Chairman, is this in order—is the honourable gentleman not now arguing the principle of the Bill which has been adopted?

MR. BROWNE: Well this is a question of how much area. Surely I can move that this area be reduced to one square mile outside their territory, and not give them two hundred ninety-eight square miles.

MR. SMALLWOOD: That was adopted, Mr. Chairman, in second reading.

MR. CHAIRMAN: It was adopted they be given a certain area. I think the Speaker is perfectly correct in saying they could be given a certain number of square miles—I don't think the honourable member should argue they be given no land nor argue the reason why they could be given no land.

MR. BROWNE: Mr. Chairman, I was going to move an amendment that they be given ten square miles instead of two hundred ninety-eight square miles. The purpose of the amendment would be that they would get an area contiguous to the area which they already have in that location, of ten square miles rather than two hundred ninety-eight square miles. If they are given two hundred ninety-eight it is going to be closed off to any outside prospector who might want to come in—if the Committee would take the time to draft that?

MR. SMALLWOOD: Mr. Chairman, I doubt it very much if the proposed amendment of the honourable gentleman is in order. I hold that it is a proper amendment at second reading. I admit further, Mr. Chairman, in Committee of the Whole this is a kind of an amendment which cannot be amended by merely changing mileage. The very principle of this Bill, which was adopted, i.e. two hundred

ninety-eight square miles be granted to that company. To change that to ten miles is surely an abridgement of the principle that was adopted. What was the principle if the principle adopted by the House at second reading was not that two hundred ninety-eight square miles be granted to that corporation? If the principle had to do with the amount, surely the time to amend that was at second reading. Are we not attacking the very principle that has been adopted when we change radically now in committee the number of square miles. I submit that is completely out of order, Mr. Chairman.

MR. CHAIRMAN: I am afraid I cannot go along with the Premier there. I think that the principle was that a certain area be given to that company. I think it can be changed in Committee, when considering the area.

MR. SMALLWOOD: Mr. Chairman, to that same point—Look at the clause and see the principle that was adopted. Now that could have been changed at second reading by amendment, but it was not. It was adopted. And was not the principle that was adopted that whole clause? Surely the only change that could be made now in it would be purely verbal or a change in the direction of the boundaries, but not that the amount of the area be added to.

MR. HOLLETT: Mr. Chairman, I maintain the Premier is entirely out of order by questioning your ruling.

MR. SMALLWOOD: I am not questioning any ruling. I did not understand that any ruling had been given.

MR. HOLLETT: The Honourable the Premier said he could not go along with the idea.

MR. BROWNE: What is the purpose of a Committee if it cannot make some changes.

MR. SMALLWOOD: That is not some change, cutting it to ten square miles.

MR. BROWNE: My idea is that the amendment was to give authority for territory outside what they already possessed, and my proposed amendment would limit it.

MR. SMALLWOOD: That should be done at second reading.

On motion the Committee recessed for ten minutes.

Pursuant to recess the Committee of the Whole resumed consideration of a Bill, "An Act to Amend the Fro-bisher Limited (Confirmation of Agreement) Act, 1955."

MR. CHAIRMAN: At the time the Committee recessed I was considering whether an amendment to this Clause Two could be received or not. I did say that an amendment could be received, but I am not satisfied that just any amendment could be received; for example: It is a well known fact that a number of citations here support that an amendment cannot be made in Committee which would abdicate the principle of the Bill. The amendment would have to be governed by that. Also an amendment to a clause is not in order if it has the effect of negation of the clause, of making the clause negative because a member has the right of voting against a clause if he does not approve of it. The honourable member for St. John's West spoke about ten square miles. It does seem to me ten square miles would have the effect of negating the clause, although a reasonable amendment would be in order, and I would receive it. I would have to hear his

amendment complete with description and boundaries.

MR. BROWNE: In regard to that, I have that here. I move that Section Two of the Bill be amended by striking out the description of area D and substituting thereto:

"Beginning at a point being the intersection of Latitude 54° 24' North and Longitude 61° 00' West and running West for thirteen statute miles; there running North for one statute mile; thence running East for thirteen statute miles; thence North for one statute mile to the point of beginning containing thirteen square miles approximately."

MR. CHAIRMAN: It does not seem to me that that would be carrying it quite far, would it not?

MR. BROWNE: Mr. Chairman, I am in a peculiar position now. You are the Speaker and also the Chairman; I do not know how I could protest your ruling. I would point out in support of my motion that what we are dealing with here is that area. If the Committee has any power to limit the area, where are you going to draw the line? I submit it is reasonable to give them ten square miles. After all that is sufficient area to give them, but to give two hundred ninety-eight square miles means that nobody can come into that vast area, almost as big as the Peninsula of Avalon. It seems to me too large an area for the purpose.

MR. SMALLWOOD: It is not much bigger than the town of St. John's.

MR. BROWNE: It is twenty-nine miles by ten.

MR. SMALLWOOD: That is not as big as Avalon.

MR. BROWNE: No, not as great, but it is twenty-nine miles.

MR. SMALLWOOD: It is not as big as the District of Port de Grave.

MR. BROWNE: It is as far as from here to Holyrood, a piece of land over ten miles wide.

MR. CHAIRMAN: The amendment is that Section two of the Bill be amended by striking out the description of the area and substituting therefor:

"Beginning at a point between the intersection of Latitude fifty-four degrees North sixty-one degrees and running West for thirteen miles, thence running North for one mile thence running East for thirteen miles thence North for one mile to the point of beginning."

On motion amendment lost, clause 2 carried.

MR. BROWNE: Mr. Chairman, before the Bill is carried could the Minister tell us if the Frobisher people have gone in there as yet working on this area the Bill authorizes.

DR. ROWE: Mr. Chairman, I don't know about this year, but last year they were working all over that general area with the knowledge and approval of the government. They are supposed to start the first week in May or the second week in May. But I understand the weather there has been very backward this year.

MR. HOLLETT: Mr. Chairman, did I understand the Minister to say they were in there last year, that they had a licence to explore there last year, in this particular area mentioned in this Bill?

DR. ROWE: I don't know exactly where they were last year. They were

working, as I said, in this general area. We don't know the exact spot, we have not been there. We don't know exactly.

On motion Bill passed without amendment.

Bill No. 22, a Bill, "An Act Further to Amend the Gasoline Tax Act."

MR. G. POWER (Minister of Finance): Mr. Chairman, a few days ago I had a visit from representatives of the Logging Union and they informed me that power saws are coming into extensive use in the logging industry. So their request was to have saws and power saws in the logging industry exempted from the gasoline tax. Now I understand from my colleague, the Attorney General, that it is not in order for me to move the amendment.

MR. CHAIRMAN: I think it would be better if some other Minister did.

MR. CURTIS: Yes. The amendment suggested, Mr. Chairman, is that at the end of Section (a) add—"or any power was used for logging purposes."

MR. POWER: There are seven hundred in use.

MR. BROWNE: "Gasoline used for their own operations by any Department of Her Majesty's Government..." I take it that means the usual civil servants, not Cabinet Ministers.

MR. SMALLWOOD: It means what it says, "Department" is not "Ministers." "Ministers" is not Department."

MR. HOLLETT: Could we have it amended so that it will include Cabinet Ministers. I mean, I don't like to see Cabinet Ministers—

MR. SMALLWOOD: I don't think it is necessary to do that.

On motion Bill passed with some amendment.

Bill No. 24, a Bill, "An Act to amend the St. John's Memorial Stadium Act," 1954."

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

Bill No. 27, A Bill, "An Act to Amend the City of St. John's Act."

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

Bill No. 28, A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

MR. SMALLWOOD: This one is a consolidation of existing Acts, and one or two new points.

On motion Clauses 1 through 4 carried.

Clause 5 read:

5.—(1) Every voter in the area in which it is proposed to organize the local government community may attend and vote on every question put to the meeting.

(2) Twenty-five per centum of the voters in the area is a quorum and if a quorum is not present the meeting shall be adjourned to a later date.

(3) A chairman and a secretary for the meeting shall be elected from the voters present at the meeting.

(4) A majority of the voters present at the meeting may pass a resolution as contained in Form B in favour of organizing a local government community and the resolution shall indicate the area in which,

and specify the services and controls mentioned in subsections (3) and (5) of Section 6 for which it is proposed to organize the community and the area may be the same as or less than that indicated in the notice posted under Section 4.

(5) The voters present at the meeting shall, after they have passed a resolution referred to in subsection (4), determine the number of persons who shall make up the council of the community and the number shall be not fewer than three and not more than five.

(6) Subject to this Act, the voters present at the meeting referred to in subsection (5) shall elect a council of the community for the proposed local government community.

(7) When the resolution has been passed the chairman and the secretary of the meeting shall forthwith send a copy of the resolution to the Minister, together with a statutory declaration in Form B, signed by the chairman and the secretary, and a list of the councillors elected by the meeting.

(8) Subject to subsection (5), the community may, at a subsequent annual or special meeting and subject to confirmation by the Minister, increase or decrease the number of councillors.

(9) If the number of councillors is increased in accordance with subsection (8) the council shall, after the Minister has confirmed the increase, hold a special meeting of the community for the election of the additional member and the election shall be conducted and have the same effect as a bye-election held under this Act.

(10) If the number of councillors is decreased in accordance with subsection (8) the decrease shall be effective when the then councillors retire from office after the Minister has confirmed the decrease, but if a councillor dies, resigns, or vacates his office in accordance with this Act, the decrease, in respect of the office of that councillor, is effective from the date of the death, resignation or vacation of office of the councillor if the Minister confirms the decrease.

MR. HEFFERTON: The main change is that there was a special election meeting required after the order to incorporate had been published. That was deleted and it is now possible to do the work of organizing at one meeting. That is the main purpose of this amendment. In other words we want to try and cut down the period between the meeting when they decide to organize and the time when they would be allowed to organize or rather to become active. The other things are just procedural. There are no big changes involved. They follow automatically.

MR. HOLLETT: I was wondering about the basis for twenty-five per cent as a quorum. Fifty per cent of the people in the community were a quorum but now we have twenty-five per cent. Is there any reason for the change from one amount to the other?

MR. HEFFERTON: We feel if we are to put community councils any place at least twenty-five per cent of those eligible to vote should have to be at the meeting.

MR. HOLLETT: There has to be fifty per cent of the voters for a road board.

MR. SMALLWOOD: A road board is just something to receive money and spend it.

MR. HIGGINS: But they have to get fifty per cent of the voters.

MR. HEFFERTON: Ten per cent is a quorum for a road board. We consider twenty-five per cent is a reasonable minimum to accept for the formation of a community council.

MR. HOLLETT: It is ten per cent. I thought it was fifty per cent.

On motion Clauses 5 through 7 carried:

Clause 8 Read:

8—(1) If the majority of the voters in the area served by a local road board elected under The Local Road Boards Act, 1956 decide at a meeting called for that purpose that they wish the area to be established as a community under this Act and a resolution to that effect signed by the chairman and secretary of that meeting is forwarded to the Minister, the Minister may issue a certificate under Section 7, containing the particulars referred to in subsection (1) of that section, establishing the area as a community.

(2) Subsection (2) and (3) of Section 7 apply in respect of a certificate issued in accordance with subsection (1) of this section.

(3) Subject to subsection (4) of this section when a certificate is issued in accordance with subsection (1) of this section the council of the community shall be elected at a meeting held in accordance with Sections 4 and 5 of this Act and that meeting shall on a date to be fixed by the Minister be held within six months after the issue of the certificate.

(4) Where a certificate is issued under Section 7 of this Act in accordance with subsection (1) of this section the local road board holding office in the area served by the board immediately before the certificate was issued shall serve as the council of the community until a council is elected under this Act, and when a council is elected under this Act the local road board shall thereupon cease to exist and all of its property, rights, assets, duties, liabilities and obligations shall immediately pass to, be invested in, assumed by and imposed upon the council elected under this Act.

MR. HEFFERTON: Section 8 is a new provision and is put there definitely for the proviso that road boards elected under the Bill which we have before the House can be converted into community councils by a simple procedure, as simple as we can think of, simply a recommendation being passed at a public meeting. So that we take action upon that and they can pass from one to the other without too much formality and too much changeover.

MR. HOLLETT: With no notice to be published or anything? I note under the Local Government Act that notices have to be published. In this case apparently no notices are required. It is simply decided at a meeting, and the meeting does not necessarily have to be called for that purpose at all.

MR. HEFFERTON: But kindly bear in mind that before they can form a community council, twenty-five per cent of the voters must be there, under this Bill.

On motion Clause 8 carried:

Clause 9 Read:

9—(1) Subject to this Act any person is qualified to be elected as a councillor and to vote in an election of councillors who

(a) is a British subject of the full age of twenty-one years;

(b) has resided in the community for at least one year immediately preceding the election;

(c) is liable for taxation under this Act;

(d) is not indebted to the council for any reason of taxes in respect of any period prior to the end of the preceding financial year; and

(e) is not disqualified by mental incapacity.

(2) Paragraphs (c) and (d) of Subsection (1) do not apply to the election of the first council of a community.

(3) Except with the approval of the Minister, a person is not qualified to be elected as a councillor while he holds any office under the council to which any salary or remuneration payable out of the funds of the community is attached or while he is employed by the council in any capacity.

MR. BROWNE: I would like to draw to your attention, Mr. Chairman, it says any person is qualified who is a British subject. There are British subjects who are not Canadian citizens.

MR. SMALLWOOD: Has not to be a Canadian citizen to get elected to a community council. Is not that enough? He might be a doctor who has come out from England a year or a year and a half ago and undoubtedly a British subject, and decided to run for a community council, why not?

MR. BROWNE: He can run. But it does not say a Canadian Citizen can run.

MR. SMALLWOOD: Every Canadian citizen is a British subject, but every British subject is not a Canadian citizen. Yes, that is all right. We are not too much worried, and I say this quite seriously—I am proud I am a Canadian. But I am prouder that I am a British subject, much prouder, very much prouder that I am a British subject, than I am that I am a Canadian. I don't care who knows it, mind you, I am proud I am a Canadian citizen, too.

MR. HOLLETT: Hear! Hear!

Clause 9 through 10 on motion carried.

Clause 11 read:

11—(1) The first councillors elected under this Act shall hold office until the second election of councillors is held.

(2) The second election of councillors shall take place on the second Monday in December next following after one year after the issue of the certificate under Section 7, and subsequent elections shall be held at the same time every two years after the second election.

(3) Councillors shall hold office until their successors are elected and sworn into office.

(4) Councillors shall be elected at a special meeting of the community to be called for the purpose.

(5) Councillors are eligible for re-election.

(6) If no election is held when required under this Act or if an election is called for and no councillors are elected the Minister may appoint a council and the councillors so ap-

pointed by him shall hold office as if they had been elected under this Act.

MR. HEFFERTON: There is a change under Clause 11—Under the present Act the term of office is three years. Our feeling is, based on our findings, that for small places such as we are dealing with in this matter here, a two year term of office fits the Bill much better than three years. That is why the change is put in here.

MR. BROWNE: I think, Mr. Chairman, that is a good idea.

On motion Clause 11 and 12 carried.

Clause 13 read:

13—(1) Where as the result of an election or bye-election the number of councillors is less than the number determined under subsection (5) or 8 of Section 5, the Minister may appoint as many councillors as may be necessary to bring the number of councillors up to that number and any councillor so appointed holds office until the expiration of the term of office of the councillors who were elected.

(2) Subject to subsection (1) of this section and notwithstanding Section 12, where the number of councillors holding office in a council is less than that required by this Act as a quorum for the purpose of a meeting of the council, the Minister may appoint a number of councillors sufficient to constitute a quorum and any councillor appointed under this subsection holds office until the expiration of the term of office of the councillors who held office in the council immediately before his appointment.

MR. HEFFERTON: Once again, Mr. Chairman, we have a new section,

which enables the Minister to appoint a councillor when there is less than a full slate elected or when the number serving is less than a quorum.

MR. HOLLETT: Does the Minister think that is a good amendment? Does it not tend to do away with representatives end of the idea of a local community council. Simply because there is not enough there for a quorum ought not be enough to be an excuse for the Minister to appoint one or more councillors.

MR. SMALLWOOD: Ideally so the honourable gentleman is right but practically speaking we ought to have it.

MR. HOLLETT: That is the feeling I have in the matter. Eventually it might get around to the point where they are all appointed.

MR. SMALLWOOD: Then it would be time to abolish that council.

MR. HOLLETT: Should there not be some arrangement for an election?

MR. SMALLWOOD: There is, under Section 5.

On motion Clause 13 carried.

Clause 14 read:

14—(1) A councillor is disqualified and vacates his office if he

(a) tenders his resignation in writing to the chairman;

(b) ceases to reside in the community;

(c) is absent from the community for more than twelve calendar months at any one time;

(d) ceases to be liable, or after his election fails to become liable, for taxes or community service fees;

(e) becomes indebted to the council for arrears of taxes or community service fees;

(f) is declared bankrupt or makes a composition or arrangement with his creditors;

(g) without leave of the council neglects to be sworn into office within sixty days after his election or absents himself from meetings of the council for three consecutive meetings and, for the purposes of this paragraph, failure to be present at the place of meeting at the appointed time after notice of the meeting has been given constitutes absence from the meeting even though no meeting was held because of lack of a quorum; or

(h) without approval of the Minister accepts any office under the council to which any salary or remuneration payable out of the funds of the community is attached, or is employed by the council in any capacity.

(2) The council shall by resolution declare vacant the office of a councillor who is disqualified under this Act and a councillor who sits or acts after his office has been declared vacant is liable on summary conviction to a fine of not more than twenty dollars for each time he sits or acts contrary to this subsection.

MR. BROWNE: Mr. Chairman, while we are on Clause 14 I would like to draw attention back to the qualifications of councillors. A man is disqualified if he is declared bankrupt. If he is bankrupt he becomes disqualified.

MR. SMALLWOOD: I think we decided in Cabinet to omit that. I think our feeling was that if a man goes bankrupt; it happens the best of

men sometimes going through life go bankrupt, and why should they be—

MR. BROWNE: We won't mention any names.

MR. SMALLWOOD: I would not mind mentioning names. Why should he be barred from serving on a Municipal Council. It is not a crime nor a misdemeanour.

MR. HOLLETT: Why should he be barred?

MR. SMALLWOOD: He should not be barred. Strike out "f" and remember all the rest.

MR. BROWNE: There is no motion yet to strike out "f." It has to be a formal motion. I would like to raise a little objection to that. I don't think it is right. Here is a man who has no property in a community and he is going in with power to put taxes on other people. Perhaps it should be that he must have some qualifications of property.

MR. SMALLWOOD: It is not sufficient disqualification to be declared insolvent.

MR. BROWNE: If he becomes bankrupt during his term of office he is not then in a position to pay his taxes.

MR. SMALLWOOD: In that case he could be disqualified for reasons under "e."

DR. ROWE: Mr. Chairman, we can all think of very responsible persons; take a place like Grand Bank, I could name a half dozen responsible men in Grand Bank and in Burin went bankrupt in the depression.

MR. HOLLETT: Some of the best men in the community went bankrupt.

MR. CURTIS: A man who makes

a compromise with his creditors should be wiped out.

MR. HIGGINS: He is not bankrupt then.

On motion Clause as amended carried.

Clause 15 read:

15—(1) At the first meeting after their election the councillors shall appoint one of their number to be chairman and another vice-chairman.

(2) If the office of chairman or vice-chairman becomes vacant at any time the councillors shall appoint one of their members to the vacant office.

(3) The chairman and in his absence the vice-chairman shall preside at all meetings of the council and of the community and his decision on all points of order is final.

(4) If both the chairman and vice-chairman are absent from a meeting of the council, the other councillors present shall appoint one of themselves to be temporary chairman, if they constitute a quorum, and he has, and may exercise, the powers and shall carry out the duties of the chairman at the meeting.

(5) The chairman and vice-chairman shall serve for one year but they are eligible for re-appointment.

MR. SMALLWOOD: Under Clause 15, I move that we delete Sub-section 4 and—

MR. CURTIS: If, Mr. Chairman would allow, I can indicate the change as we read the section. In sub-section 4 strike out the words, in the second line, after council "or of the community" and after the word chairman in the fourth line insert "if they constitute a quorum."

On motion Clause as amended carried.

MR. CURTIS: Now I move, Mr. Chairman, that Section 5 be marked "6" and that a new Section 5 be inserted, reading as follows: If both the Chairman and Vice-chairman are absent from a meeting of the council, if the council is made up of three councillors the remaining councillor shall be temporary chairman. I am just trying to figure out how that works.

MR. HIGGINS: Who is he going to talk to?

MR. CURTIS: I think we had better have that stand. I don't see how they interpreted that—I can't.

MR. HIGGINS: May I ask in what department of the government that Act was drafted? Surely it was not in the Attorney General's Department?

MR. CURTIS: Yes it was in the Attorney General's.

On motion Clause 15 stand.

Clause 16 read:

16—(1) A majority of the councillors constitutes a quorum for the purpose of a meeting of the council.

(2) Every disputed question other than a point of order shall be decided by a majority of the votes of the councillors present.

(3) When there is an equality of votes inclusive of his own vote, the person presiding at the meeting has a second or casting vote.

(4) The council may regulate its own proceedings.

MR. HIGGINS: May I ask, Mr. Chairman, why it is that the chairman votes in the first instance, is there any reason for that practice? In the City

Council of St. John's the Mayor does not vote. All he has is a casting vote. Is that the common practice for a chairman to vote in each instance?

MR. HEFFERTON: He gets a casting vote.

On motion Clause 16 carried. Clause 17 carried. Clause 18 carried. Clause 19 carried. Clause 20:

MR. CURTIS: There is some amendment in this one, Mr. Chairman—Sub-sections (2) and (3) are to come out. Sub-section (4) becomes sub-section (2). Then a new sub-section (3) is to be inserted between the former (4) and (5), which shall read as follows: After the Minister approves them, council regulations shall be published either by insertion in a newspaper circulated in the community or by posters or as the council may direct, and shall come into force when they are published.

On motion Clause 20 as amended carried. Clauses 21, 22 and 23 carried.

MR. BROWNE: Mr. Chairman, I would like to ask the Minister who proposes to appoint the auditors?

MR. HEFFERTON: Mr. Chairman, up to the present time the auditing of the councils had been done by the Auditor General's staff.

MR. BROWNE: Is it proposed to do that all through?

On motion Clauses 24, 25 and 26 carried. Clause 27:

MR. HIGGINS: I take it "every taxpayer" means every taxpayer in good standing. A taxpayer who does not pay his taxes still might be the most aggressive person to attend a meeting—Has he the right to impose his wishes on a council?

MR. SMALLWOOD: I suppose before he attends a meeting he could go to a community council office—

MR. HIGGINS: The point I make is, should he not be a taxpayer in good standing, not in arrears.

MR. BROWNE: Every taxpayer may attend. Only those in good standing can vote.

MR. HIGGINS: There is nothing to stop anyone from going to a meeting. The only persons entitled to vote are the persons in good standing.

On motion Clause 27 stand. Clause 28 carried. Clause 29:

MR. HIGGINS: The budget is to be presented at the annual meeting, when then, Mr. Chairman, is the public to know what the budget of the council is to be?

MR. HEFFERTON: The publication is at the meeting. The normal practice is to call a meeting and then the Chairman outlines the programme for the year, that is all.

MR. SMALLWOOD: Then it is to be sent to the Minister for approval, and I suppose publication would follow approval of the Minister.

MR. HIGGINS: Except that there is no requirement as to when the public is to know.

MR. HEFFERTON: The public is supposed to be there at the meeting if it is a small place. It is not the same as here.

MR. HIGGINS: The Minister does not have to approve but be advised of it.

MR. SMALLWOOD: All right after he has been advised. We could make it "within a month of the meeting."

MR. HIGGINS: Or within the period under Clause 20. Within seven days after the annual meeting.

On motion Clause as amended carried. Clause 30 carried.

MR. BROWNE: Mr. Chairman, it is six o'clock, and I think this is a subject we ought to give a little attention to.

MR. CHAIRMAN: It being now six of the clock, I do leave the Chair until eight of the clock tonight.

The House resumed at 8:00 of the clock.

Mr. Deputy-Speaker in the Chair.

Committee of the Whole on Sundry Bills.

Mr. Courage, Chairman of the Committee of the Whole.

MR. CHAIRMAN: The Committee was considering Bill No. 28, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils," and the Clerk was about to read Clause 31.

Clause 31 read:

31—(1) At an annual or special meeting the community may by resolution authorize the council to borrow for capital expenditure an amount not to exceed the amount stated in the resolution.

(2) A certified copy of every resolution passed under sub-section (1) shall be transmitted to the Minister and no council shall borrow any money for capital expenditure except as authorized by the Minister in writing.

(3) The council may in any year borrow for current expenses an amount not to exceed fifty per cen-

tum of the amount authorized to be raised in taxes for the year, but the total amount borrowed under this sub-section shall not at any time exceed fifty per centum of the amount authorized to be raised in taxes for the current year.

MR. BROWNE: Mr. Chairman, that is certainly a very simple procedure by which a community council borrows money, and I imagine many of them would avail of this authority. But I wonder if the Minister would tell us at this time whether any of the community councils which now exist have availed themselves of similar provisions and whether the government has assisted such community councils in such fashion?

MR. HEFFERTON: The answer is no. I might point out to the honourable and learned member this section is the same as in the original Act, and Sub-clause (1) must be read in conjunction with sub-clause (2), where the council itself cannot borrow unless it gets the approval first of all of the Lieutenant-Governor in Council. So far no one has made use of that provision.

MR. BROWNE: Well has the government advanced any money to any community council?

MR. HEFFERTON: The government has advanced money, yes.

MR. BROWNE: Have these community councils been in a position to collect grants?

MR. HEFFERTON: We also make grants.

MR. BROWNE: On what basis?

MR. HEFFERTON: Well, that depends on what it is used for, and how much money is available to go around amongst the councils.

MR. BROWNE: The point I am making there—They have power to borrow money under the present Act. They have not availed themselves of it. The government have nevertheless given them grants to carry out their functions in their respective communities. Now the Minister also says any request for money has to have the approval of the Lieutenant-Governor in Council.

On motion Clause 31 carried.

Clause 32 read:

32—(1) Subject to the approval of the Minister and to Section 29, the council may impose upon, sue for and collect from every person and company carrying on within the community any business, trade or profession an annual tax to be known as a business tax, of not less than two dollars and fifty cents, and not more than one hundred dollars.

(2) When the tax has been imposed under sub-section (1) the council shall fix the tax, within the limits mentioned in that sub-section, in respect of any person or company or class of persons or companies at a rate upon the number of square feet of floor space used by such person or company or class of persons or companies and may vary the rate in respect of businesses, trades, or professions of different kinds and in respect of premises upon which more than one business, trade or profession is carried on.

(3) For the purpose of this section the council may appoint one or more persons to measure the number of square feet of floor space occupied by every person or company carrying on within the com-

munity any business, trade or profession, and any person or company deeming himself or itself aggrieved by the measurements so taken may request a hearing by the council, which request shall be granted, but the council may require the production of a plan of the premises concerned and a statutory declaration that the plan and declaration is correct before setting a date for a hearing, and if the plan and declaration are not produced within thirty days or such further time as the council may allow after a written request of the council so to do the measurements made by the council appointee shall be confirmed and the person or company taxed accordingly.

(4) The business tax shall be paid on such date in each year as the council directs.

MR. HEFFERTON: The only change there, Mr. Chairman, is that the maximum has been increased from fifty to one hundred dollars.

On motion Clause 32 carried:

Clause 33 Read:

Clause 33:

(1) Subject to Section 29, the council may impose, sue for and collect, a community service fee of not less than one and not more than ten dollars, to be paid by the following persons:

(i) all male persons who are not less than twenty-one years of age and who reside or are employed in the community for a period of not less than three months in the aggregate during the financial year

(ii) all non-resident persons, companies or firms who own real property within the community of a

value of one hundred dollars or more;

(iii) all females of the age of twenty-one or more residing or employed in the community for a period of not less than three months in the aggregate during the financial year who have an income from any source whatsoever of six hundred dollars or more a year;

and the council may vary the amount of the fee in respect of non-residents and the community coming within sub-paragraphs (i) and (iii), but any persons referred to in sub-paragraph (i) or (iii) who is liable for the payment in the community in which he resides of the fee imposed under this paragraph for that year, or the real property tax or the municipal service fee under The Local Government Act, 1956, is not liable for the payment to the community or in the municipality and every employer within a community shall on demand deliver to the council within two weeks after the demand a list of the names of those employed by him and the dates on which their employment commenced.

(2) The council may accept payment of the community service fee by services or materials of an equal value when, in the opinion of the council, the taxpayer is unable to pay in cash.

MR. HEFFERTON: Mr. Chairman, there is one important change there from the original Act, that is a provision to make it impossible to tax a man twice. If he is paying service fees or government tax in the locality where he resides then he has not got to pay in the place where he works.

MR. BROWNE: Why the distinction between males and females?

MR. HIGGINS: That is historical.

MR. SMALLWOOD: We did not do that.

MR. HIGGINS: What exactly does the phrase "material" mean? That a man may pay taxes in rabbits or potatoes?

MR. SMALLWOOD: Of course.

MR. HEFFERTON: But we often have a man paying money.

MR. HIGGINS: Money is the proper thing to pay. The alternative is service or material.

MR. HEFFERTON: I was thinking of something else.

MR. HIGGINS: Obviously. Mr. Chairman, what exactly does the word "material" cover?

MR. HEFFERTON: I am sorry. A man may supply wood, for instance.

MR. HIGGINS: Is there a restriction to that, or what if a man comes in with potatoes or a brace of rabbits?

MR. HEFFERTON: We have the same section of the original Act.

MR. HIGGINS: Now does the council or the Minister have the power to say what can be accepted, for instance, that kindling may be accepted but trout may not?

MR. HEFFERTON: That question is left to the board itself.

MR. HIGGINS: That is what I wanted to know.

On motion Clause 33 carried: On motion Clauses 34 through 41 carried.

On motion Clauses 42 through 43 carried. On motion Form "A" and Form "B" carried.

MR. CURTIS: Mr. Chairman, referring back to Section 2, I think the

point raised by my honourable and learned friend, the member for St. John's East is a good one, "Constable" means a member of the Newfoundland Constabulary.

On motion Clause 2 as amended carried.

MR. CURTIS: Under Clause 15, which was allowed to stand: There is an amendment here, Mr. Chairman, which is quite intelligent if we do not cross out the word "Community" and make it "Council," "If both the Chairman and Vice-chairman are absent from a meeting of the community." That is "Community" not "Council." The honourable member from St. John's West wanted to know who was going to be the rest of the meeting.

MR. BROWNE: Mr. Chairman, speaking to that amendment, the difficulty still remains in (4). If the Chairman and Vice-chairman are absent and if there are only three councillors there—

MR. CURTIS: It is not a council. It is a community. There may be a quorum without the Chairman and Vice-chairman, if the rest constitute a quorum. In other words the council might have seven, and they can meet without a Chairman and Vice-chairman, that is perfectly all right.

On motion Clause 15, as amended, carried.

Clause 27:

Amendment, that the words "if not indebted to the council for arrears of taxes he may" between the words "and" and "Vote" in the second line.

On motion Clause 27 as amended carried.

Motion that the Committee report having passed this Bill with some amendment, carried.

Bill No. 33, A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion Clauses 1 and 2 carried.

Clause 3 read:

3—(1) The said Act is further amended by inserting therein immediately after Section 63 the following as Section 63A:

"63A. The St. John's Municipal Council is empowered to delegate to a commission, to be known as "The St. John's Traffic Commission" consisting of seven persons appointed annually by the council, all or any of the powers delegated to the Council by the Minister under Section 63 and thereupon all the provisions of that section shall apply to the commission as if it were a municipality to which powers were delegated by the Minister under and pursuant to that section."

Clause 3 carried:

Clause 4 read:

4. The said Act is further amended by striking out the heading "Unsatisfied Judgment Fund" and by repealing Sections 106 to 111 as amended by the Acts No. 67 of 1953, No. 75 of 1954 and No. 56 of 1955, and substituting thereof the following:

106—(1) Subject to the provisions of subsection (2) the Lieutenant-Governor in Council may, at any time after this Part comes into force, direct that every person who obtains a drivers' licence under this Act, shall, in addition to any other fee for which provision is made in this Act, annually pay to the Minister such fee as the Lieutenant-Governor in Council may from time to time prescribe and all such fees shall constitute a fund, which shall be

known as the Unsatisfied Judgment Fund, hereinafter in this Part referred to as the Fund.

(2) If on the first day of December in any registration year, the amount of the Fund exceeds \$150,000, the Lieutenant-Governor in Council may by Order in Council suspend the requirements for payment of the fee set out in subsection (1) and may, on or after the first day of December in any year, reimpose the provisions of subsection (1) for the next ensuing registration year when the amount of the Fund is less than \$100,000 and so from time to time suspend and reimpose the requirements and provisions of subsection (1) according as the amount of the Fund from time to time exceeds \$150,000 or is less than \$100,000.

(3) The Minister of Finance shall maintain an account known as the Unsatisfied Judgment Fund into which shall be paid or credited all sums from time to time provided for the purpose by the Lieutenant-Governor in Council and all sums from time to time paid over by the Minister pursuant to the provisions of this section.

(4) The Lieutenant-Governor in Council may from time to time transfer or pay from the Consolidated Revenue Fund to the Fund known as the Unsatisfied Judgment Fund such amounts as he may deem necessary.

(5) The Minister shall pay to the Minister of Finance any fees collected for the Fund pursuant to the provisions of subsection (1).

107.—(1) Where in any court in the province a judgment to an amount exceeding one hundred dol-

lars is recovered for damages on account of bodily injury to or the death of any person or damage to property and such injury, death or damage was occasioned by or arose out of the ownership, maintenance, operation or use of motor vehicles within Newfoundland after the coming into force of this Part, then upon the determination of all proceedings, including creditor appeals, and upon notice to the Minister, the judgment creditor may, subject to this Part, apply to a judge of the Supreme Court for an order directing payment of the amount of the judgment in excess of one hundred dollars, or the unsatisfied portion of the excess, out of the Fund.

(2) The notice referred to in subsection (1) shall be served on the Minister at least fourteen days before the day upon which the judgment creditor makes application for the order referred to in that subsection.

(3) The notice referred to in subsection (1) shall state

(i) the day on which the application for the order referred to in subsection (1) will be made;

(ii) the date and the amount of the judgment referred to in subsection (1) and the amount owing thereon at the date of the notice;

(iii) whether or not the judgment referred to in subsection (1) is a judgment by default and whether or not the Minister has been given the notice required by subsection (13);

(iv) whether the judgment debtor is insured under a policy of insurance by the terms of which the insurer is liable to pay in whole

or in part the amount of the judgment;

(v) the steps taken to ascertain whether the judgment debtor is possessed of assets, real or personal;

(vi) the assets, if any, possessed by the judgment debtor;

(vii) whether there is a binding agreement for periodic payments out of the wages of the judgment and, if so, what effort has been made to enforce it in satisfaction of the judgment; and

(viii) such other particulars as are necessary to show that the applicant has taken all reasonable steps available to him to recover the amount of the judgment which is the subject of the application under this section.

(4) Where any person recovers a judgment referred to in sub-section (1), he shall not make an application for an order directing payment out of the Fund unless he has

(a) joined as a defendant in the action in which the judgment was recovered every person against whom he has cause of action for damages for the bodily injury or death, or damage to property, and proceeded to judgment in the action;

(b) made a settlement in respect of his cause of action with every such person against whom he has not brought an action and proceeded to judgment therein, which settlement, in the opinion of the judge and taking into account the circumstances of the case, is reasonable. But this section shall not apply with respect to a person mentioned in paragraph (a) if the applicant satisfies the court that he

has been unable to find that person after making or causing to be made all such enquiries and searches and taking or causing to be taken all such measures for the purpose of finding him as the court deems reasonable in the circumstances.

(5) Upon the hearing of the application the applicant shall show

(a) that he has obtained a judgment as set out in sub-section (1), stating the amount thereof and the amount owing thereon at the date of the application;

(b) that he has caused to be issued a writ of fieri facias or execution and that,

(i) the sheriff or bailiff has made a return showing that no goods of the judgment debtor liable to be seized in satisfaction of the judgment debt could be found, or

(ii) the amount realized on the sale of goods seized or otherwise realized, was insufficient to satisfy the judgment, stating the amount so realized and the balance remaining due on the judgment after application thereon of the amount realized;

(c) that

(i) he has caused the judgment debtor to be examined, pursuant to the law for the purpose provided, touching his estate and effects and his property and means, and in particular as to whether the judgment debtor is insured under a policy of automobile insurance against loss by the terms of which the insurer is liable to pay in whole or in part the amount of the judgment, or

(ii) he has been unable to find the judgment debtor for the purpose of causing him to be examined in accordance with subparagraph (i), after making or causing to be made all such enquiries and searches and taking or causing to be taken all such measures for the purpose of finding him as the court deems reasonable in the circumstances.

(d) that he has made exhaustive searches and inquiries to ascertain whether the judgment debtor is possessed of assets, real or personal, liable to be sold or applied in satisfaction of the judgment;

(e) that, by searches, inquiries and examination,

(i) he has learned of no assets, real or personal possessed by the judgment debtor and liable to be sold or applied in satisfaction of the judgment debt, or

(ii) he has learned of certain assets, describing them, owned by the judgment debtor and liable to be seized or applied in satisfaction of the judgment, and has taken all necessary actions, and proceedings for the realization thereof, and that the amount thereby realized was insufficient to satisfy the judgment stating the amount so realized and the balance remaining due on the judgment after application of the amount realized.

(f) that the application is not made by or on behalf of an insurer in respect of any amount paid or payable by the insurer by reason of the existence of a policy of automobile insurance within the

meaning of The Automobile Insurance Act and that no part of the amount be sought to be paid out of the Fund is sought in lieu of making a claim or receiving a payment which is payable by reason of the existence of a policy of automobile insurance within the meaning of that Act and that no part of the amount so sought will be paid to an insurer to reimburse or otherwise indemnify the insurer in respect of any amount paid or payable by the insurer by reason of the existence of a policy of automobile insurance within the meaning of that Act.

(g) whether he has

(i) recovered a judgment in an action against; or

(ii) made a settlement in respect of his cause of action with, any person against whom he has cause of action for damages for the bodily injury or death of any person or any damage to property;

(h) that, where he has recovered a judgment referred to in paragraph (g) against another person he has taken all measures and proceedings with respect to that other person, or under that judgment, that he is required to take under that judgment, with respect to whom or which application is made under this section;

(i) that, where he has recovered a judgment referred to in paragraph (g), either

(i) he has received, and is likely to receive, nothing thereunder; or

(ii) he has received, and is likely to receive thereunder no more

than an amount stated in the application; and

(j) that, where he has made a settlement as referred to in paragraph (g), he is entitled to receive thereunder no more than an amount stated in the application, and that the settlement is one that, in the opinion of the judge, and taking into account the circumstances of the case, is reasonable.

(6) The Minister may appear and be heard on the application and may show cause why the order should not be made.

(7) If the judge is satisfied

(a) of the truth of the matters shown by the applicant as required by subsection (5);

(b) that the applicant has taken all reasonable steps to learn what means of satisfying the judgment are possessed by the judgment debtor;

(c) that there is good reason for believing that the judgement debtor,

(i) has no assets liable to be sold or applied in satisfaction of the judgment or of the balance owing thereon, and

(ii) is not insured under a policy of insurance by the terms of which the insurer is liable to pay, in whole or in part, the amount of the judgment; and

(d) that the applicant has fully pursued and exhausted all remedies available to him for recovering compensation for the damages that are the subject of the action in respect of which the judgment is given by

(i) commencing action against all persons against whom the ap-

plicant might reasonably be considered as having a cause of action in respect of such damage;

(ii) prosecuting every such action in good faith to judgment or dismissal;

(iii) taking all reasonable steps available to him to recover upon every judgment so obtained including proceedings by way of garnishee and attachment, proceedings to set aside fraudulent conveyances and all other proceedings in the action or otherwise that might reasonably enable the applicant to recover his judgment; and

(iv) taking all other reasonable steps available to him to recover compensation for such damages,

the judge may make an order directed to the Minister of Finance requiring him, subject to subsection (10), to pay from the Fund the amount of the judgment in excess of one hundred dollars or the balance of the excess still owing and subject as herein provided the Minister of Finance shall comply with the order.

(8) In making an order under subsection (7), the judge shall reduce the amount that he would otherwise require to be paid from the Fund by a sum equal to any amount or amounts that the applicant has received or, in the opinion of the judge, is likely to receive under or in respect of a judgment that he has recovered against, or a settlement that he has made with, any other person against whom he has or had cause of action for damages for the bodily injury or death or damage to property referred to in subsection (1).

(9) An order made under sub-section (7) shall be subject to appeal by the applicant or by the Minister.

(10) Notwithstanding anything in this Act, the Minister of Finance shall not pay out of the Fund under an order

(a) more than \$5,000 exclusive of costs, on account of injury to or the death of one person, and, subject to such limit for any one person so injured or killed, more than \$10,000, exclusive of costs, on account of injury, to or the death of two or more persons in any one accident; and

(b) more than \$1,000, exclusive of costs, for damage to property resulting from any one accident.

(11) Where an order is made directing payment of moneys out of the Fund to an applicant who is indebted to the Government of Newfoundland or to any Department thereof the Minister of Finance shall notwithstanding anything in this Act retain from such moneys and pay into the Newfoundland Exchequer Account an amount equal to the indebtedness of the applicant.

(12) The Minister of Finance shall not be required to pay out of the Fund under an order for costs of an action, including costs of the application made under this section, more than the actual disbursements incurred and one-half of the fees, payable in respect of the action and application, as taxed on a party and party basis.

(13) Notwithstanding any other provision of this section, an application for an order directing payment out of the Fund may not be made under sub-section (1) pursu-

ant to a judgment recovered in an action in which

(a) the defendant did not file a defence;

(b) the defendant did not appear by counsel at the trial; or

(c) the defendant consented to judgment;

unless at least twenty-one days before judgment by default has been entered the plaintiff has served notice in writing on the Minister of Finance stating that on the expiration of a period of twenty-one days from the service of the notice judgment by default will be entered unless within that period the Minister acts under sub-section (14).

(14) Where notice is served under sub-section (13) the Minister may on behalf and in the name of the defendant

(a) file a defence or appear by counsel at the trial, or both; or

(b) take such other action as he deems appropriate,

and may thereupon on behalf of the defendant conduct his defence, and all acts done in accordance therewith shall be deemed to be the acts of the defendant.

(15) Where a Minister defends an action pursuant to sub-section (14) the costs thereby incurred shall subject to sub-section (12), be costs in the cause.

108—(1) The Minister of Finance shall not pay from the Fund any sum in compliance with an order until the judgment creditor assigns the judgment to him.

(2) Upon lodging a copy of the assignment of judgment, certified

by the Minister to be a true copy with the registrar or clerk, as the case may be, of the court in which the judgment was obtained, or with the court if there is no clerk or registrar, the Minister shall to the extent of the amount of the assignment, be deemed to be the judgment creditor.

(3) Where execution is issued in the name of the judgment creditor and a copy of the assignment of the judgment certified as prescribed in sub-section (2) is lodged with the sheriff or bailiff, as the case may be, having the writ of execution, the provisions of sub-section (2) shall apply *mutatis mutandis*.

109.—(1) Subject to sub-sections (2) and (3), where the driver's licence of any person or the licence of a motor vehicle registered in his name has been suspended or cancelled in this Act and the Minister of Finance has paid out of the Fund an amount on or towards satisfaction of a judgment or costs or both obtained against that person, the cancellation or suspension shall not be removed nor the driver's licence or car licence restored nor any new driver's licence or car licence issued to that person until he has

(a) repaid in full to the Fund the amount paid out together with interest thereon at four per centum per annum from the date of such payment; and

(b) satisfied all the requirements of this Part in respect of given proof of financial responsibility.

(2) The Minister of Finance may permit a person to whom sub-section (1) applies to repay the amount referred to in paragraph (a) of that sub-section by instalments at the

times and in amounts and manner fixed by that Minister, and while the person so pays the instalments he shall, subject to sub-section (3), for the purposes of (1) be deemed to have complied with paragraph (b) of sub-section (1) the Minister may restore or issue the licences referred to in sub-section (1).

(3) If a person referred to in sub-section (2) fails to pay an instalment at the time and in the manner fixed by the Minister of Finance under that sub-section, the Minister of Public Works shall suspend or cancel the licences restored or issued under that sub-section and the licences shall not be restored and no new licences shall be issued to that person until he has complied in all respects with sub-section (1).

109A—(2) Upon the hearing of the application the applicant shall show

(a) that bodily injury to or death has been occasioned in Newfoundland to some person by, or arising out of, the ownership, maintenance, operation or use of a motor vehicle after the coming into force of this section;

(b) that he has made or caused to be made the most thorough searches and enquiries to learn the identity of the owner and driver of the motor vehicle, and has been unable to do so, and is not aware of the identity of either of them;

(c) that he is a person entitled to bring the action; and

(d) that the application is not made by or on behalf of an insurer in respect of any amount paid or payable by reason of the existence of a policy of automobile insurance within the meaning of The Automobile Insurance Act and that no part

of the amount sought to be recovered in the intended action is sought in lieu of making a claim or receiving a payment which is payable by reason of the existence of a policy of automobile insurance within the meaning of that Act and that no part of the amount so sought will be paid to an insurer to reimburse or otherwise indemnify the insurer in respect of any amount paid or payable by it by reason of the existence of a policy of automobile insurance within the meaning of that Act.

(3) If the Judge or magistrate is satisfied of the truth of the matters shown by the applicant as required by sub-section (2) and the applicant has compiled with that sub-section the judge or magistrate may make an order permitting the applicant to bring an action against the Minister.

(4) Where an order is made under sub-section (3) the applicant referred to therein may within sixty days after the date of the order bring and maintain an action in the court having jurisdiction in respect thereof against the Minister as a nominal defendant, to recover damages for the bodily injury or death referred to in sub-section (1).

(5) The Minister shall for all purposes of the action referred to in sub-section (4) be deemed to be the defendant and he may deny generally the allegations contained in the statement of claim and shall not be required to set forth the facts upon which he relies.

(6) The Minister shall not be liable, either personally or in his capacity as Minister of Public Works, to satisfy a judgment recovered pursuant to this section.

109B. No action shall be brought against the Minister under Section 109A by or on behalf of any person who ordinarily resides outside Newfoundland unless that person resides in a jurisdiction in which recourse of a substantially similar character to that provided by this Part is afforded to residents of Newfoundland.

109C. — (1) Where an action has been commenced in respect of the injury to or the death of any person occasioned in Newfoundland by a motor vehicle, an application may be made by the plaintiff to add the Minister as a defendant and the provisions of Section 109A shall apply *mutatis mutandis*.

(2) This section shall be deemed not to derogate from the right of any party to an action to add or join any person as a party to the action in accordance with the practice of the court in which the action is pending.

109D. A judgment obtained against the Minister by virtue of Section 109A shall not include any amount for compensation or indemnity for damages in respect of which the plaintiff has received or is entitled to receive compensation or indemnity from any person other than the driver or owner of the motor vehicle which occasioned the personal injury or death.

109E.—(1) Where judgment is obtained against the Minister in an action brought under Section 109A upon the determination of all proceedings including appeals the Minister of Finance may, subject to sub-section (2), pay out of the Fund to the plaintiff in the action the amount of the judgment in excess

of one hundred dollars or the unsatisfied portion of the excess.

(2) The Minister of Finance shall not pay out of the Fund under any judgment obtained under Section 109A more than \$5,000, exclusive of costs, on account of injury to or the death of one person and subject to such limit for any one person so injured or killed, more than \$10,000, exclusive of costs, on account of injury to or the death of two or more persons in any one accident.

(3) The Minister of Finance shall not pay out of the Fund costs, including costs of the application made under Section 109A, of more than actual disbursements incurred and one half of the fees payable in respect of the action and application as taxed on a party and party basis.

109F.—(1) Where an action is brought under Section 109A and before judgment is recovered therein the identity of the owner or driver, or both, of the motor vehicle to which reference is made in that section is ascertained, no further proceedings in the action shall be taken but the costs incurred in the action by the person bringing it shall be a debt due to him by the owner and by the driver of the motor vehicle severally and may be added by that person to the amount of his claim against the owner or the driver or both.

(2) Where a judgment is recovered under Section 109A and subsequently the identity of the owner or driver or both, of the motor vehicle to which reference is made in that section is ascertained,

(a) the person who brought the action, or

(b) if the judgment or any part of it has been paid from the Fund, the Minister

may apply to a judge of the Supreme Court for an order directing that the amount of the damages awarded by the judgment and the costs included therein, together with costs of the application made under this section, shall be awarded to the applicant as a judgment of the court to be recovered against the person or persons named as respondent in the application, namely, the owner or driver, or both, of the motor vehicle, as the case may be.

(3) Where an application is made under this section, the judge shall hear the evidence and if he is satisfied

(a) that a respondent named in the application was, at the time of the accident that caused the bodily injury or death giving rise to the action in which the judgement was recovered, the owner or driver, or both, of a motor vehicle involved in that accident; and

(b) that the respondent referred to in paragraph (a) is the person whose identity the applicant was unable to ascertain and by reason of this inability the applicant obtained an order under sub-section (3) of Section 109A;

he may make the order for which application is made, and the order shall be entered as a judgment of the court against the person or persons named therein and for the amount stated therein.

(4) It is not a defense to the making of an order under sub-section (3) for a person named in the application to show that the accident was not caused by, or did not occur

by reason of, any negligence or improper conduct on his part.

(5) Where a judgment is entered as provided in sub-section (3) pursuant to a judgment recovered under Section 109A, the entry of the judgment first mentioned shall, except as provided in sub-section (7), be deemed to be satisfaction of the judgment recovered under Section 109A.

(6) The provisions of sub-section (5) shall not prevent the Minister of Finance taking any action that he may be entitled to take to recover any sums paid by him from the Fund.

(7) A judgment entered under sub-section (3) shall be deemed to be a judgment to which Section 93 applies.

(8) Where the Minister of Finance pays from the Fund the amount of the judgment against the Minister in accordance with Section 109E, if subsequently an order is made and entered as a judgment under sub-section (3) against the owner of or driver, or both, of a motor vehicle, the amounts so paid by the Minister of Finance shall be deemed to have been paid in or towards the satisfaction of a judgment against the owner or driver, or both, within the meaning of Section 109.

110. Subject to the approval of the Lieutenant-Governor in Council, the Minister may make regulations for the more effectual carrying out of this Part.

111. The Minister may delegate to any person or persons all or any of the powers or duties conferred or imposed upon him under this Part."

MR. SPENCER: Actually the Unsatisfied Judgment Fund had up to end of March, \$87,000 in that Fund. Up to the time it had put out, if I remember rightly, I have not the figures here now, \$70,000. I think the honourable and learned member for St. John's West remembers that is so. We are not including in that Fund the hit-and-run driver. I think the Honourable Leader of the Opposition will remember that we want to include something to help safeguard people against the hit-and-run driver. In as much as the Unsatisfied Judgment Fund seems to be capable of doing that as long as we continue the dollar fee. We hope they do not increase, of course. We would like to see them decrease. The House will recall several instances, but specifically the very sad case of the little child of a family here in the East End, Crotty. In that case, unfortunately, no culprit was brought to justice, and that family, were it not for the good graces of the public—and here I give credit to the owners of the "Evening Telegram" who sponsored the thing, that family would have been left in a very difficult position. There were a number of other cases we could cite, but they have been cited by many and I do not need to recall them in detail. We think the Fund now can take care of this unless we run into a rash of that type of accident. So the Fund will continue until it arrives at the figure mentioned in Section 106, and will include the Unsatisfied Judgment or rather the hit-and-run driver.

Now it will be recalled that both the honourable and learned member for St. John's East and the honourable and learned member for St. John's West felt that the Unsatisfied Judgment Fund should pay out still a larger sum. I also explained that on the

occasion. The Fund was never meant to take care of all the losses incurred, but it has done a very laudable job, I think in taking care of a great many cases where the culprit or offender, if I might so term them, had absolutely nothing to take care of nor to pay either from insurance nor property nor anything else. This Fund pays up to the limit of five thousand dollars.

The House will recall that the honourable and learned member for St. John's East there was a case where an award had been laid down in the courts to a victimized person for fifteen thousand dollars. That person was able to obtain five thousand dollars from the insurance and five thousand from the Unsatisfied Judgment Fund, but was unable to obtain any more.

**MR. HIGGINS:** If the honourable gentleman would allow a correction: I said five thousand had been obtained from the insurance and matters were in train where it was hoped five thousand extra would come from the Unsatisfied Judgment Fund. The position is very doubtful under the wording of the Act as it is presently, unless we could make this retroactive.

**MR. SPENCER:** I thank the honourable gentleman for his explanation. I understood it had been paid. I can appreciate the point. If the recommendations or qualifications were all in accordance with the Act then there would be an additional payment of five thousand dollars. That depends entirely on the courts. We have no jurisdiction in that matter. If the courts decide the payment should be made out of the Unsatisfied Judgment Fund they simply order us to do so, and we, being good citizens immediately do that.

Now, Mr. Chairman, if I may, we are now dealing with this Bill to amend the Highway Traffic Act. I would like again, Mr. Chairman, to point out on moving this amendment a few days ago I gave the principle changes that are in this amendment. With your permission, Sir, I will just read one or two little paragraphs. They are very brief and might possibly save a little time.

Sections 106 (which we have just begun to deal with), 109, 110 and 111 have been amended three times. The amendments are so extensive that the part of the Act relating to the Unsatisfied Judgment Fund has become rather difficult to follow. Consequently this opportunity has been taken to consolidate the original sections and the amendments, but no further changes have been made.

Now the next one is Section 108 and Section 109: These two are new. They allow payment to be made out of the Unsatisfied Judgment Fund on account of persons suffering bodily injury or death through hit-and-run accidents. I have just given an explanation of that. I have the figures here now, I just discovered them. Since its inception some forty-eight claims have been paid out of the Unsatisfied Judgment Fund, amounting to \$70,000. At the thirty-first of March, 1956, there remained in the Fund \$85,000. It is considered that there should be some financial redress available for those injured or killed by hit-and-run drivers. There is no reason to doubt that the Fund could take care of any such claims as may arise.

On motion Clause 3 carried: Clause 4 106 - 111 carried.

107 (1):

**MR. HIGGINS:** Now, Mr. Chairman, on that section there, that pro-

vision is one that quite truthfully I have never been able to quite understand. I have made a check on some of the other provincial Acts. Speaking subject to the Minister's correction, I think there is only one province, one of the western provinces, Manitoba or Saskatchewan, that has this one hundred dollar deductible provision. It boils down to this, Mr. Chairman—The Government collects a fee of a dollar from every motorist, and the reason given for that is that they are protected to some extent at least from the negligence of a driver who does not carry insurance and who has no means of meeting any judgment for which he may be liable.

Now having collected that dollar from everybody, from the man who is insured as well as from the one who is not; without any justification at all the government says: "We are not going to pay the first hundred dollars of your claim." Now why that should be I do not quite know. I know the Minister has a reason for it. My explanation is about fifth-hand, and is to the effect that some suggestion to that effect was made by some gentleman from the Mainland who brought the matter to the attention of the authorities. I don't know. But peculiarly enough our Highway Traffic Act is in very great part patterned, I believe, on the Ontario Act. That Act, unless I am greatly mistaken, does not contain that provision for the first one hundred dollars exclusion. I do feel, Sir, that there must be some reason for it, but I can't see it at the moment, quite truthfully.

If you take this dollar again, it is only a small fee, but you pay it under the impression you are trying to help some people to protect themselves to some extent against the man who is not insured. And right away a limita-

tion is put in it, if a man has two hundred dollars damages he only gets one hundred dollars of it paid.

MR. MERCER: All or nothing.

MR. HIGGINS: That is right I agree with you.

MR. SPENCER: I appreciate the position taken by the honourable member, I think the main reason for it is very much the same as the clause embodies, I believe, in the greater part of the accident insurance particularly applicable to motor cars. Practically every insurance company gives people an alternative, fifty dollars deductible or one hundred dollars deductible, depending on how much they want to pay. Now that is not the guiding factor in this clause here. I would say the guiding factor for us in this Province is trying this thing out and finding our feet and if we did not include that one hundred dollars deductible clause, I think the honourable and learned member will agree, we would have no end of difficulty with the hundreds upon hundreds of minor accidents that occur from time to time, which would make this thing a bit of a joke rather than insurance that would really be appreciated. Unfortunately these are entirely too numerous. I think to administer the thing, if we are to permit an application for every little accident that comes along, I am quite sure the committee will agree, we would have to enlarge the staff to take care of them from an administrative point of view and in the very near future increase the collection from the public because the one dollar would definitely not pay for it. As an example of that, if we have \$87,000 in the fund at the end of March this year when dealing with nothing but accidents that do not include the hit-and-run driver, I think obviously we might

include two or three hundred cases of people getting away with small accidents. These small sums would simply drain the Fund to an extent where I fear very much we would have to increase the rate to the motorists. That is not desirable at this stage, I repeat, Mr. Chairman, the object and the purpose is to try and see how this thing works out. It is quite true the Act is shaped pretty much on the Acts throughout the Mainland, some from Nova Scotia, some from New Brunswick, and some from Ontario. Our people in drafting this have endeavoured to pick the meat from most of these provinces and apply it to what we think would be most suitable to our province. We honestly feel it is working out very well.

MR. HIGGINS: Mr. Chairman, I appreciate the Minister's explanation. But I do say again, Sir, it is rather rough on the man who had damage for a hundred and five or a hundred and fifty dollars. He gets fifty dollars back. The man who has five hundred and fifty dollars damage is better off as he has four hundred and fifty dollars damages paid for him. I say this not maliciously; this is almost invidious legislation. You are differentiating between the man who has a real smash-up and a man who simply because his damages are small does not get anything. A man has a hundred and five dollars damage and the Unsatisfied Judgement Fund says; here my son, we will give you five dollars, go and don't get into any more trouble.

HON. J. R. CHALKER (Minister of Education): It is the same as all insurance.

MR. HIGGINS: But you are paying for that—That is a different matter. The point I want to get at is how we ever arrived at this, because the Minister has not yet answered my point—

There is only one other province, apart from ours, has it. Why is it we followed that one province? Why is it if it is not applicable in Nova Scotia or Ontario or any of the Eastern Provinces that we have to go right out to the West and find that particular section? Then for another section we look right down to New Brunswick and haul out their piece.

There are other sections, Mr. Chairman, to which I will refer as we go along. But I do feel it is a bit incongruous to just pick one section out of one Act and say this is fine for us, and let it go at that.

MR. BROWNE: Mr. Chairman, I have another point to bring up there, and that is in connection with the expression "where in any court in the Province a judgment to an amount exceeding one hundred dollars is recovered for damages." Now an accident may involve considerable expense. In the courts damage may run to \$95. and costs might run to \$250. There is a provision later on in the new section which deals with costs and the actual disbursements. Now suppose the judgment without costs and the actual disbursements come to over a hundred dollars, then it seems to me they should be included there. It seems to me that should be put in there.

MR. CURTIS: Mr. Chairman, actually this is a very cheap form of insurance. We pay a dollar and get all sorts of things. I don't know, but I think the idea of the draftsman was to stop small litigations. The idea is to protect people against serious loss but not to protect them fully against every little trifling claim that might come up. It is the way with costs. If you include costs you will have trifling costs out of all proportion brought into

the courts. The point my honourable friend has raised might well be taken into consideration by the Minister. I don't think we are at the moment ready to adopt them. I think they might be put aside for further study. This is not going to be the last amendment of the Act.

MR. HIGGINS: Mr. Chairman, I can see the Attorney General's reasoning and also the Minister of Public Works. There is a lot to be said for it. That is precisely the whole reason behind my remarks. However, if the claim is in excess of a hundred dollars why knock off that hundred dollars.

MR. CURTIS: Because the one with \$101 would get \$99—you got to draw a line somewhere. If you are going to give the man whose claim is \$300 the whole \$300, then how about the man who has \$99, loss. They have to be fair. They have to put a ceiling. I think my honourable friend will follow the reasoning of that. I did think for a while, why not if it is over a hundred pay in full. If you do that you make it much, much better for him than for the fellow who is less than a hundred, he has to lose it all. We got to have a ceiling somewhere.

MR. HIGGINS: I would like to meet the draftsman.

MR. BROWNE: Mr. Chairman, a person may take action for \$300 or \$400 and the judgment may turn out to be only \$99 and costs. The way this reads—"exceeding a hundred dollars is recovered for damages." Would he receive the amount of damages plus the amount alloted for costs? You see the costs are provided for in the provision to which I am directing the attention of the Minister in 10 and 12. Why when the damage is \$99 and costs \$150 have the two lumped together and

take off a hundred dollars and give the balance. That is all it amounts to.

MR. HIGGINS: That reminds me of a case, the Attorney General probably knows about, the R.C.M.P. served a ticket on a man for parking and he was fined \$1 and it cost \$20 to serve the summons. The magistrate refused to levy the costs on him.

MR. BROWNE: Mr. Chairman, I would like to draw to the attention of the Attorney General—Where judgment is recovered to an amount exceeding a hundred dollars. Now if he gets judgment for fifty dollars the costs may be over a hundred dollars. I submit that legally he is entitled to claim under this Unsatisfied Judgment Fund.

MR. CURTIS: That is a matter for the courts.

On motion 107-1 carried; 107-2 carried; 107-3 carried.

Clause (4) Prerequisites to application:

MR. HOLLETT: Mr. Chairman, could the Minister explain that sub-clause (a)?

MR. SPENCER: As far as I can see, Mr. Chairman, I cannot do very much to make it clearer. I would not like to be discourteous but I think it is quite clear.

MR. CURTIS: That is clear. In a case, for instance of three cars colliding, or it might be the case of an owner or driver.

MR. HIGGINS: It works out, Mr. Chairman—Take the case of a son driving his father's car knocking down and injuring a party. For that party it is not sufficient to sue the driver but also the owner, or it might be the other way around. He might get judgment against one or the other.

On motion Clause (4) carried:  
107 (5):

MR. HIGGINS: Now, Mr. Chairman, with respect to Clause 5—The applicant must show: "that the application is not made by or on behalf of an insurer in respect of any amount paid or payable by the insurer by reasons of the existence of a policy of automobile insurance within the meaning of the Automobile Insurance Act and that no part of the amount sought to be paid out of the Fund is sought in lieu of making a claim or receiving a payment which is payable by reason of the existence of a policy of automobile insurance within the meaning of that Act and that no part of the amount so sought will be paid to an insurer to reimburse or otherwise indemnify the insurer in respect of any amount paid or payable by the insurer by reason of the existence of a policy of automobile insurance within the meaning of that Act."

Now that was not the original object when the Unsatisfied Judgment Fund was created. There was no mention of it at all. I think it was two years ago that came in. At the time I know I for one sat back and said, I don't see why I should worry about insurance; let it go through. But actually it is not good legislation. It is not good legislation, Mr. Chairman, because it is definitely discriminatory. You are discriminating against a particular class. The position is at the moment, I think, practically a neck-and-neck struggle between ourselves and Quebec as to which has the higher accident rate. There are some figures from the insurance companies which show that we are gradually moving out in front. Now, as I understand, the insurance rate is based on the accident rate in a particular location. I am told for instance — I cannot say this is true — on the West coast it costs insurance com-

panies more than it does in St. John's area because they have more claims out there. But if that position is to continue, Mr. Chairman, where the government is to discriminate against the insurance companies and take away from them the right to recover from the Fund where they have paid out to their assured, it is only going to mean a further increase in rates, and that in turn is going to be passed on to the public. I don't suppose there is anywhere in the whole Dominion of Canada it costs more to operate cars than it does in some of our outports here. Now we have this position, Sir, that our Automobile Insurance Act which is contained in the revised statutes of 1952 provides that insurer upon making payment or assuming liability therefor under a contract of Automobile Insurance shall be subrogated to all rights of recovery of the insured against any person and may bring action in the name of the insured to enforce such rights.

We provide that under the Automobile Insurance Act and then turn around and take it under the Highway Traffic Act. Now, Mr. Chairman, that does not seem to be elementary. Under one piece of legislation we say, sure an insurer who pays out funds to his insured is therefore subrogate under the Act. Then we bring in this and say we will pay everybody else but we will not pay insurance companies.

Not too long ago, Mr. Chairman, I heard the same point discussed by one of the judges of the Supreme Court, and he expressed the opinion that this particular legislation constituted gross discrimination. I am inclined to think that it does. Because here is the position, Sir, this one dollar tax is collected from all motorists whether insured or not. Every motorists pays the dollar, the motorist who is insured or not.

If they do not permit the insurance companies to collect through insurers when injured I don't see why they should collect the dollar from the persons who have their own insurance.

MR. SPENCER: You realize, Mr. Speaker, we would have to collect an awful lot more.

MR. HIGGINS: That is not the point. If we are going to perpetuate this injustice. But the principle is this—You cannot in justice take away from people the right that we give to them under the Insurance Act, and say everything is right. I don't think it is fair, Sir. I would like to know the reasons for not having it included in the original draft of this Act but a couple of years ago it was found necessary to bring it in. There may be good reasons. Truthfully I can't see. Maybe the Honourable Minister may be able to explain.

MR. SPENCER: My only thought on it, Mr. Chairman, is merely the one that I voiced when the honourable and learned gentleman spoke when this Act was brought in. To try and give motorists protection. This Unsatisfied Judgment Fund, I admitted, was comparatively new, and we endeavoured to get along as easily as we could and not go too strongly after our motorists. We have already had, as the Committee knows only too well, quite some representation made before the public to stop collecting this dollar. That has definitely been portrayed. The requests have come in from time to time, and it has been in the public press, and it has also been used by individual members. But my point is this—the more benefits we add or permit under this Act to be paid out, naturally the more collections must be made to maintain that Unsatisfied Judgment Fund. That is my only comment on it. I don't know the technicalities. I

am not prepared to argue the legal aspect at all. But this is not an insurance. It is not an insurance at all in the sense of the Insurance Act, in my opinion is, as quoted by my honourable and learned friend. In my opinion it is not insurance in that way at all. It is protection in some measure. It does not give complete protection, but it is to help out. Because of its success in other provinces of the Dominion it has been brought in here. As far as I can see it is doing a great service in as much as seventy thousand dollars have been paid out up to the present time. Therefore it follows there has been a very considerable portion of help given to people who otherwise would not be reimbursed. My only fear, I repeat, if we add to this the possibility of taking still more money or paying still more insurance as it were — if we may use that term in that sense—it follows the money must come either from this fund or from the taxpayers' pockets in some way or another. Inasmuch as we have been criticized to some extent, maybe not seriously, but we have had people express opinions against ideas. Not so long ago the public press in St. John's published an article about having been collecting it for three or four years and asked, why not stop now. We have given the explanation for that, up to now. I hope the press concerned will take notice of that and give it due consideration and due publicity and state the reason why we don't stop the collection of that dollar.

I contend, if we must add more benefits to it somebody must pay. That is my own view. As far as the legal phraseology is concerned I leave it to the lawyers who are better able to handle it than I.

MR. BROWNE: Mr. Chairman, may I make an observation—it would be

useful if the Minister was able to get a little statement showing how this arrangement has worked out up to the present time; showing how many people paid the dollar, how many charges there were on the Fund, how much was allowed and how many were turned down, and what was the average amount of the claims. This would give us something to go by.

MR. SPENCER: Surely that has been given. You have \$158,000; it follows that 158,000 motorists paid a dollar.

MR. BROWNE: In one year?

MR. SPENCER: Not at all.

MR. BROWNE: In how many years? Each year since it has been introduced you collected so much revenue and paid so many claims. We would like to see whether it is mounting or whether it is in danger.

MR. SPENCER: It is very definitely mounting. That was mentioned in my comments on introducing the Bill.

MR. BROWNE: Here is the position, it seems to me now, if a person is insured already, if he has already paid one hundred dollars or two hundred dollars or three hundred dollars for his insurance and still has to pay this dollar and gets nothing for it, is not that what it amounts to.

MR. SPENCER: If he can afford to pay that much insurance he could afford to pay the dollar and take care of those who cannot.

MR. BROWNE: What he is doing is paying for someone who has no insurance. Why should he have to do that?

MR. SPENCER: By contributing one extra dollar a year.

MR. SMALLWOOD: We are not arguing the principle of this, are we?

MR. SPENCER: We are into the principle of the Bill now.

MR. SMALLWOOD: That was settled years ago.

MR. BROWNE: There are a great many questions involved in the Bill. Here the question is that a man who has insurance gets no benefit from this at all. If he puts in a claim he has to get it from the insurance company, although he was not the cause of the accident.

MR. SPENCER: Mr. Chairman, I do not want to extend or carry this discussion on for too long if it is out of order, as I have been reminded; I would remind the honourable member if a person has no insurance and pays this dollar when he pays his licence fee, if that person by any chance, has no insurance and is convicted and loss is incurred and the courts award judgment against him, he can never again drive a car in this Province nor any other Province of Canada until that judgment is made good. That does not apply to insured persons, who can well afford to pay insurance. That is a very important point I would like the honourable member to take into consideration. Mind you, we have people today right in the Province who have gone out of the Province to other parts of Canada who are under a penalty that they can never again drive a car, unless they do it secretly. If there is a judgment against them where they have not made good, our record goes to the other Provinces of Canada and John Jones nor Bill Smith can drive a car until they make good that Unsatisfied Judgment Fund in the amount which has been paid out.

MR. BROWNE: But the person who has already gotten insurance can get no benefit under this.

MR. SPENCER: He can very well afford to pay it if he pays three hundred dollars insurance.

MR. BROWNE: There are different kinds of insurance. Take a person who buys a car on the installment plan and gets insured, that is only to protect the amount of money he owes the company, that is all that is intended for. But if he has an accident involving him in thousands of dollars of damages and is not insured then he comes under the Unsatisfied Judgment Fund.

MR. SPENCER: And has to make good before he can drive again.

MR. BROWNE: But the person who buys a car and has a regular insurance gets no benefit.

MR. SPENCER: I don't think the Act is meant to be of much benefit to him. I don't think that individual wants it. The purpose of the Act is to take care of the middle man, and people who do not carry insurance.

On motion sub-clause 5 carried. Sub-clause 6 through sub-clause 11 carried. Sub-clause 12 read; carried. Sub-clause 13 read:

MR. HIGGINS: Now, Mr. Chairman, on this, I don't see any reason why we have this. This is one of the new sections put in. Twenty-one days notice is now required. Up to that time the Minister has the right, up to the time of the Judgment is made and the order for payment is out, when the judgment is entered by default to have the matter reopened—Perhaps the Minister can explain.

MR. SPENCER: It is a matter of experience. They found it was not

working out too well. That is why they had the onus on the plaintiff.

MR. HIGGINS: I find it difficult to understand. Perhaps the Attorney General might be able to explain. It seems to me, where the Minister has the right, right up to the granting of the order, despite the fact the defendant does not bother to put in an appearance, and I propose to intervene in his behalf—I fail to see the necessity for all this.

MR. MERCER: Mr. Chairman, I agree with the honourable and learned gentleman. I think it is contrary to the general principle of law. You see if an action is taken and the defendant is given four days in which to appear and does not appear and judgment is granted by default—Now within twenty-one days thereafter judgment will not be entered in the Supreme Court. Within twenty-one days, the Minister of Public Works may appear and the benefit of that judgment as far as the Unsatisfied Judgment Fund is concerned is not carried out, he can enter a defence. How can he enter a defence when judgment by default had already been given in Supreme Court. I think the Attorney General had better look into that.

MR. BROWNE: Yes, I think so too.

MR. MERCER: It is completely contrary to the general principles of law.

MR. CURTIS: Mr. Chairman, the position looks to me like this—They know the man has nothing to lose. If he has he is going to fight to save it. If he ignores it it means he has no money and is just going to leave it to the Unsatisfied Judgment Fund, and it is up to the government to satisfy itself.

MR. HIGGINS: The Minister always has that right.

MR. CURTIS: I know it is easier to get at it right away than afterwards when the judgment has been entered and it has to be reopened. I think there is no objection. I mean, if a man is summoned as the result of an accident and does not appear and does not get a lawyer, you can bet your bottom dollar he has no assets.

MR. MERCER: And if the plaintiff gets judgment the Minister of Public Works can appear—

MR. CURTIS: Then he has got to apply to the judge to reopen.

MR. BROWNE: What is the procedure now? A man issued a writ against a defendant, and generally, I would say, he would have some idea if the person is unable—

MR. CURTIS: And at the end of four days if he has not filed a defence he would know.

MR. BROWNE: And if no defence is filed in four days the Minister has another three weeks.

MR. CURTIS: The Minister may need that twenty-one days if it is a case in Corner Brook for instance or Buchans it might take time for correspondence to find out just what the facts are.

MR. HIGGINS: Provision is always made for the issue of a writ outside the Central District Court.

MR. CURTIS: Then the Minister has to get correspondence back on the information.

MR. HIGGINS: It is quite obvious the Minister is not going to change his mind.

MR. BROWNE: I take it then the Minister must file a defence or get an extension of the time?

MR. CURTIS: That is right.

On motion sub-clause 13 carried. Sub-clause 14 read:

MR. BROWNE: Has there been any case defended by the Minister since this started?

MR. HIGGINS: Oh yes. I had one last fall where the Minister intervened and filed a defense and the judge gave judgment against the Minister from the Bench.

MR. SPENCER: I was not aware of it.

MR. HIGGINS: That is the reason I was so familiar with it. It was the case of a son driving his father's truck.

MR. SPENCER: It is handled by the staff. It does not follow I would know the details.

MR. HIGGINS: Anyway a boy driving home on his bike was knocked down by the chap driving the truck. I will tell the Minister later on.

On motion sub-clause 14 and sub-clause 15 carried. Clause 108 carried.

Motion that the committee rise, report progress and ask leave to sit again, carried.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has passed the following Bills without amendment.

Bills Nos. 16, 19, 21, 25, 26, 37, and 27 and 24:

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

MR. NORMAN: Mr. Speaker, the Committee of the Whole has consid-

ered the matters to it referred and has passed the following Bills with some amendment:

Bill No. 22 and 28.

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

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matter to it referred, has made some progress on Bills No. 29 and 33 and asks leave to sit again on tomorrow:

On motion report received, committee ordered sit again on tomorrow:

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker returned to the Chair:

#### Committee of Supply:

On motion Mr. Deputy-Speaker left the Chair: Honourable Member for Burgeo and Lapoile Chairman of Committee of Supply.

#### IX Department of Public Works:

Items 901-903, carried.

MR. HOLLETT: Mr. Chairman, I would like to pay tribute to the Registrar of Motor Vehicles. Speaking from my own experience I found them not only courteous but very efficient in their work, and it is really a pleasure to have to do business with them.

MR. SMALLWOOD: Hear! Hear!

On motion items 904 through 906 carried: 907:

MR. BROWNE: Mr. Chairman, turning to page 133, I notice that last year in the district known as No. 1: Avalon Peninsula to Chapel Arm Bridge, the maintenance of highroads was \$670,000. That has been cut by \$270,000 and is now down to \$400,000.

MR. SMALLWOOD: Mr. Chairman, the Minister has a very important statement to make on this, which could save the honourable gentleman a lot of time.

MR. BROWNE: He may make it when I am finished. The maintenance of secondary roads also shows a reduction of \$47,500. In other words nearly forty per cent of the vote for St. John's District has been cut. The District of Clarendville is the same as last year as is the district of Grand Falls. The District of Deer Lake is cut down by \$165,000. The maintenance of highroads has been cut down to \$270,000 from \$440,000 and maintenance of secondary roads has been increased by \$5,000.

Now the St. John's District, the Avalon Peninsula to Chapel Arm Bridge has been cut down by \$270,000. If the Minister can explain that I would be very glad to have his explanation.

MR. SPENCER: The actual position as far as the department is concerned is that we are endeavouring to experiment with contractual work in some of these sections. In the meantime we do not know exactly how that will work out. But we are endeavouring to plan it in this way. These votes have been set in this year at a slightly different figure than the year before, so the total of the vote is shown here as a reduction of half a million dollars. Because, as I said before, we have not done maintenance on a contractual basis at all, and we are hoping that a certain amount of this work can be undertaken on a contractual basis, and they come under another vote entirely.

MR. BROWNE: You mean that is provided for somewhere else?

MR. SPENCER: Or will be if it is found necessary.

MR. HOLLETT: How much was spent on the maintenance of roads and bridges?

MR. SPENCER: Just about half a million. I think the vote was overspent by a small margin. I don't know the exact figures.

MR. SMALLWOOD: My colleague has asked his colleagues in the government to have approved an experiment by him this year to have some of the maintenance that has always been done by his department by staff engineers, staff superintendents, staff foremen, staff employees generally and then a payroll hiring thousands of men. We will do this again this year but only in part and the difference is to be made up by letting the work out on contract wherever that is practicable. He has had discussions with a number of contractors, calling them together and putting the idea to them. They all say, whether they are right or wrong this year will probably tell or the next two or three years as it is perhaps not possible to tell in one year. Perhaps the contractors, to encourage everyone, might in the first year give results which are highly encouraging, but they might not be as encouraging in the second or even less in the third year. Time will tell that. We do not know. We have to find out. But they say, having looked at people working on roads in Newfoundland under the government, having looked at hundreds and maybe thousands of men working under the government, on government payrolls, they say, whether rightly or wrongly, they can do the same work much cheaper and make a profit at it.

My colleague, who is the greatest road builder this Province of Newfoundland has ever known or heard of,

my colleague, the Minister of Public Works, who has built more roads than all other Public Work Minister perhaps combined, wants to try this experiment. We are backing him and are asking this House to approve it. That is the meaning of this reduced vote. We think we can get the same work done, and perhaps even more work done, and save many hundreds of thousands of dollars. We feel that we have got to have to try the experiment because if we are going to try to provide money year by year at that accelerated rate for road maintenance it would not be many years before they just would not have the money to do it. So that my honourable colleague is going to try something this year and see what happens.

MR. BROWNE: That is very interesting. It was not mentioned in the Speech from the Throne not anywhere else. But it appears it is going to start around Avalon.

MR. SMALLWOOD: No such thing. It appears as what is in fact the case, i.e. he is going to take two of the four road districts. Newfoundland is divided into four districts for road purposes. Now it so happens that on the Avalon Peninsula and in Western Newfoundland you have fine, large, well-established, capable contracting and engineering companies. So that my honourable colleague is going to try the experiment in two of four districts, No. 1 and No. 4.

MR. BROWNE: I thought we had complete contractors in Grand Falls as well.

MR. SMALLWOOD: We have not many.

MR. BROWNE: Well if the Minister can save forty per cent of the cost

in District No. 1 he should patent the idea and sell it to all the provinces.

MR. SPENCER: We have no guarantee we are going to save this money. We certainly hope we can. I think common sense dictates to anybody that the business of putting men in gravel pits to load trucks to try to get soil out on the road is pretty well past tense as far as economy is concerned. Whether or not the committee agrees I do not know. I have conveyed the idea to my colleagues in the government and they are inclined to feel we can improve that situation. We are going to make an honest effort, and if we fail we will not have been the first to fail.

MR. HOLLETT: Will tenders be called.

MR. SPENCER: Yes.

MR. SMALLWOOD: Mr. Chairman, my feeling is that the Minister is rather modest about it. That is a revolutionary step to take. My feeling is that this committee ought to wish the Minister all the good luck in the world in this experiment, because if it works, if it is a fact that a contracting firm can be given a list of roads, and the Public Works' Minister has prepared a list of every road and the mileage and conditions of it in Newfoundland, and is able to write out specifications as to what is to be done on all these roads. If he can let a contract to take care of these roads, if he can let a contract to take care of the roads in District No. 1 to a contractor to do the job for several hundred thousand dollars less than it costs the government, and do it as well and even better, if that is true then he will deserve a tremendous vote of thanks from the people of Newfoundland.

MR. HOLLETT: Hear! Hear!

MR. BROWNE: Mr. Chairman, if he can do that he certainly will.

Meantime we can talk about roads, especially in the St. John's District. I think of the roads I see every day as I drive over them, Mundy Pond and Blackmarsh Road and the Southside Road, Blackhead Road.

MR. SMALLWOOD: Yes, mention every road in St. John's South and we will be sure—Don't mention St. John's East now.

MR. BROWNE: There is a member here for St. John's East. I am speaking of the roads the people complain about, and I have talked to Mr. Crummev, the Superintendent, to try and fix it. He does from time to time put graders over it. Only today a resident from the Old Petty Harbour Road came in to me and said—"What is going to be done about the road in there? It is terrible. A car got stuck in it the other day and they had to send a truck to pull the car out of the road." That is the case in many places.

MR. SMALLWOOD: We get complaints from other districts too, you know.

MR. BROWNE: Yes, but here right near the city—and I spoke about it many times before—where there are thousands of motor cars, taxis and they are buying gasoline and paying taxes and are not getting the consideration they should have. This is a new area I am speaking about now with houses built every year, and there are a great many more than four or five years ago. But the road ends in almost a rock pile at Long Pond, from which the City draws its water supply, and the road is impassable. The last time I was up there I had to turn back because I could not go any further, that

used to be a good road. When I was first a member for St. John's one could drive out to Petty Harbour that way. I can remember a good distance back, and I can assure honourable members, before 1924 all the roads in St. John's West were very much better than they are now.

**MR. SPENCER:** They were not better out around Newfoundland at the same time.

**MR. BROWNE:** The honourable member may be a good road builder in that respect, but he is certainly not doing the work in connection with the roads I mentioned. They are neglected. Why neglect them? What is the point of building more roads when you cannot attend to the roads you have. It is a very expensive proposition because they continually are being destroyed and broken up and damaged.

**MR. SPENCER:** Still there is a tremendous demand. There is just not enough money to do everything all over the place at the same time, and people where they have a road are better off than people who have no road. We must try to remember that. As far as I am concerned, I wish to assure the committee, we just don't have the money to do it all. If we want to do more then we have to provide the money. These things cannot be done without money.

**MR. HOLLETT:** That is just the point—We are trying to help out the Minister.—We are trying to see that he gets more money. We realize he has a big job. We certainly agree with the Premier that he is doing a good job on the roads in so far as he has the means to do so. But he is not getting the money. The reason my honourable friend mentioned the roads is that he is familiar with them because he is over them every day. When he

looks at the Districts of Avalon Peninsula and sees the vote cut from \$670,000 to \$400,000 for the maintenance of highroads, well then, we are all alarmed as to what the state of the roads is going to be this time next year when we see the conditions now after spending \$670,000. Now I have great faith in some people for building roads, and I think I have much more faith in the Honourable Minister of Public Works than some of the contracting firms, because I have seen since some of the machinery of some of these firms. The reason why some of the roads are not in better condition is due to the machinery being obsolete for road building. Perhaps the government is not allocating to the Honourable Minister sufficient funds to do the roads as he knows how if he had the money. I don't think it is wise to skimp on roads. In this day and generation we had better skimp on something else.

**MR. SMALLWOOD:** We have given the Minister fifty-two millions in the last seven years, more money perhaps than was spent on roads since Newfoundland began up to the date that my honourable friend became Minister.

**MR. SPENCER:** More money has been spent on roads and we have built more roads than other Public Works Ministers combined.

**MR. BROWNE:** At the same time, what is the good of building them if we cannot attend to the roads we have.

**MR. SMALLWOOD:** That is why this experiment is being tried. The Minister mentioned that and my honourable friend from St. John's West keeps talking about the roads in St. John's West, the road to Mundy Pond and the road to Petty Harbour. My

honourable friends want to reminisce, my honourable friend has heard about the revolutionary experiment to be tried this year in Districts 1 and 4, yet all we have heard so far is the conditions of the roads around St. John's West. Now if my honourable friend from St. John's East would say a little about the roads around St. John's East then Newfoundland would know all about this new experiment of maintaining the roads by contracts.

MR. HIGGINS: Mr. Chairman, there is no need to do so, everybody knows how badly the roads in St. John's East are treated, without saying anything more.

MR. BROWNE: Mr. Chairman, I don't think they are treated very well. We know nothing about this road business. We hear about spending hundreds of millions, well where? Where were they spent?

MR. SMALLWOOD: Most of it outside St. John's.

MR. BROWNE: Why doesn't the Minister tell us and let us see how much was spent in each district and on each road? I can only see the roads around here.

MR. SPENCER: I gave the honourable and learned gentleman a map yesterday.

MR. BROWNE: Talking about hundreds of miles of new roads, where are they?

MR. SMALLWOOD: The people where they are know where they are.

MR. BROWNE: The Minister may go to Saskatchewan and tell about it. Why not tell us in the House. How does he expect us to know what he is doing if he does not give us the figures?

MR. SPENCER: We told you we linked up more than a hundred thousand of the population of Newfoundland in the last seven years. That has been done by roads.

MR. BROWNE: So! That is what he is there for, and anybody else who was there as Minister of Public Works would be doing the same thing. The world is calling for roads and transportation. But look at the conditions of the roads. I cannot overlook the fact that I am the representative for St. John's West and as long as I am I must in justice continue to point out the roads neglected. I have pointed it out several times. It is no good. Nobody has done anything. If they elect a Liberal next time they are sure to get the roads done. Look what has been done on the Southern Shore since the Minister of Provincial Affairs took over.

MR. SMALLWOOD: He is a good, energetic member of the House, that is why.

MR. BROWNE: Am I not? I was a member for Ferryland at one time, in a larger area, and I am not disclaiming anything that has been done up there. The Minister for Provincial Affairs has certainly been fortunate in getting a lot of money. His predecessor did not seem to be able to get so much. At the same time going down in Petty Harbour, it is a very important and congested fishing settlement, three miles away from the paved highroad, yet two cars cannot pass. Now, would I not be derelict in my duty as their representative if I did not in time draw that to the attention of the Minister of Public Works, until I can get something done in this matter?

MR. HOLLETT: We have to face facts. When we look at that there

and we see the District Number One, St. John's Area, cut \$270,000 and then we look at the Trans-Canada Highway and find the grant down six million dollars less to be spent on it than last year—We are borrowing fourteen million dollars.

MR. SMALLWOOD: That is far from being correct.

MR. HOLLETT: The figures are there, whether correct or not it is a matter for the government.

MR. SMALLWOOD: Only the estimates are there, not the figures.

MR. BROWNE: Now, this is gasoline, I understand not only were the Ministers supplied with free gasoline but they were supplied with free oil as well. Now, Mr. Chairman, I don't know, whether they got their cars greased or what other service they got, but I understand—

MR. SMALLWOOD: I think I am the only one who gets the oil. I drive a government car. I get gasoline, oil and repairs. But I don't think the other Ministers do.

MR. BROWNE: I don't think the Premier's amount of gasoline was given in the amounts given here.

MR. SMALLWOOD: I don't get any, it is a government car. That is not shown in that list. It is a government car I drive. The government provides the car, the gasoline, the oil, the repairs, the licence and everything.

MR. BROWNE: Very nice.

MR. SMALLWOOD: Yes, quite nice. It is a nice car.

MR. BROWNE: How much did it cost?

MR. SMALLWOOD: I don't know.

MR. BROWNE: I would like to know—and the conditions that apply now in regard to free gasoline and oil. I would like to know what authority.

MR. SMALLWOOD: This vote has nothing to do with it.

MR. BROWNE: This is gasoline given away. Now, Mr. Chairman, I have the floor, and I have gone through these estimates to see where this gasoline came from. That is the only vote dealing with gasoline that I can find. Maybe there is some other vote. Maybe it comes out of capital account or some other. But this is the only one dealing with gasoline so it must be under that vote the free gasoline was distributed to the Ministers. It is certainly not in the Revenue Account. It certainly has not been sold to the Ministers. It was given to them free. Now I want to know the authority for giving the Ministers free gasoline and free oil. What is the authority? We are asked here to vote this money, thirty thousand dollars, and of that a certain percentage is going to the Ministers. Now where is the authority? I think we should have an answer to that.

MR. SPENCER: That vote, Mr. Chairman, has been up because of the system of financing and has been on the record since time immemorial. It was in existence certainly long before I happened to have the privilege of going into Public Works. It is a matter of stocking materials in the various warehouses of the Highroads across the country for distribution of the Highroads Commission. It has no bearings whatsoever, as far as I know, on this business of gasoline which comes to the Ministers, I have to refuse the statement right now, and say, there is definitely no oil. It is true their gasoline is being supplied. That

question was fully answered in the House of Assembly, and fully explained. This particular vote here is for the purpose of the Highroads Commission in the four districts, and has no bearing whatsoever on gasoline the Ministers may use.

**MR. HOLLETT:** Could the Minister tell us to whom this gasoline and oil is resold.

**MR. SPENCER:** Well, it has been going on indefinitely every year, ever since I have been in office and long before—I really can't. It is sold, no doubt, to the other departments of the Government, but we do the buying.

**MR. SMALLWOOD:** It is sold to other departments of the Government. For instance the Department of Health owns all Government cars, and these cars are lent out to other departments because the car pool is administered by the Department of Health. Now then, it is the Department of Public Works that has the gasoline for all Government Departments. That is what this is—a bookkeeping charge, the Department of Public Works charges it out to the other departments. It is just a bookkeeping transaction.

**MR. HOLLETT:** Do the other Departments have to pay cash for that?

**MR. SMALLWOOD:** No. It is a bookkeeping transaction.

**MR. HOLLETT:** I see. What the government servants are given gasoline under this heading, I am talking about not the Cabinet Ministers, the other civil servants. Are there Government Civil Servants who get free gasoline and oil?

**MR. SPENCER:** For cars belonging to the various departments.

**MR. HOLLETT:** I am speaking about cars owned by various civil servants?

**MR. SMALLWOOD:** They get mileage, so much a mile, when they use their own personal property in the public services.

**MR. HOLLETT:** That is reasonable enough.

**MR. BROWNE:** Mr. Chairman, I asked for the authority for giving free gasoline; in the case of one Minister six hundred fifty gallons the equivalent of over four hundred dollars. How can they do it? By what authority, by what law? It is against the law, in my opinion. It was therefore illegal for them to vote this to themselves. I want to know what the authority was that the Minister of Public Works has to show when these people come up to the gasoline pump at the highroads' garage on Bennett Avenue and say—"Fill her up." What was the authority given the employees up there? Was there written instructions telling them to do it? Mr. Forsey is supposed to have resigned at the end of 1954, and he has nothing charged to him, so I take it the new system did not come in until after he left the Cabinet.

**MR. SMALLWOOD:** That is poor reasoning.

**MR. BROWNE:** Dr. Pottle got out in April, and he only had a small amount charged to him. It looks like it was shortly before Dr. Pottle got out. How long has it been going on, will the Minister tell us?

**MR. SMALLWOOD:** Mr. Chairman, I don't think the honourable gentleman is in order. This is not the time nor the place.

**MR. BROWNE:** How is not this the place? How does the Premier mean

that? I asked the Honourable Minister of Public Works—Is this the gasoline given free to the Ministers?

MR. SMALLWOOD: The Minister has already said the gasoline is distributed right across Newfoundland.

MR. BROWNE: No, Mr. Chairman, let the Minister of Public Works answer that himself.

MR. SPENCER: I did answer.

MR. SMALLWOOD: That is the fault of the honourable gentleman, if he did not hear.

MR. BROWNE: Will he say the gasoline given to the Ministers did not come of this vote?

MR. SPENCER: I told you this gasoline and oil vote is there to provide gasoline and oil for the Highroads' Department right across the Island. It has been there for an indefinite period. In addition to that there are perhaps thirty or forty departmental cars, Public Works trucks and the Department of Health and the Hospital van, etc. All these cars get gasoline and oil out of this. That is where the resale comes in.

MR. HOLLETT: What is the method of accounting if Cabinet Ministers drive in to the Bennett Avenue Garage and get fifteen gallons of gasoline? How is that handled in a bookkeeping way? Is there bookkeeping there?

MR. SMALLWOOD: Why not put the question on the Order Paper?

MR. BROWNE: We have one already.

MR. SMALLWOOD: Put another, a dozen—This is not the place to answer that nor to ask it.

MR. HOLLETT: I thought such a simple question could be answered right off-hand.

MR. SMALLWOOD: Lots of questions could be answered. Carried.

MR. BROWNE: No, Mr. Chairman, not until I get an answer to the question—Is this the vote under which Ministers get gasoline? If it is not, under what vote is gasoline given?

MR. HOLLETT: Surely Mr. Chairman, that is a fair question which could be answered without any hesitation whatsoever.

MR. SPENCER: It has been answered in other places and at the proper time. That is why I think the honourable gentleman is out of order at the present time. In fact we are wasting a lot of time in trying to show that to the honourable gentleman.

MR. BROWNE: Mr. Chairman, do I take it the Minister is not able to answer that question?

MR. SPENCER: I answered the question. I have answered it here in the House. I tabled the information for you several days ago.

MR. BROWNE: Mr. Chairman, I have no answer to this question. I am asking of the gasoline given to the Ministers was it charged up to this vote, 907-03-09? Is the Minister able to answer that?

MR. SMALLWOOD: As a matter of fact the only vote I see in the Department of Public Works for gasoline is this. It must be the one.

MR. BROWNE: That is what I say.

MR. HOLLETT: Therefore it is not out of order.

MR. SMALLWOOD: There was no suggestion that it was out of order to talk about it.

MR. BROWNE: Yes there was.

MR. SMALLWOOD: No.

MR. CHAIRMAN: Is this item carried?

MR. BROWNE: No. It was admitted now this must be the vote. I want to know the authority under which the gasoline was given out from the Bennett Avenue Station to the Ministers.

MR. SMALLWOOD: This is not the place for this question, even if this is the gasoline from which Ministers drew gasoline by Order in Council. This is neither the time nor the occasion to ask the question the honourable and learned gentleman is now asking.

MR. BROWNE: Perhaps the Honourable the Premier would answer this: Where did the Cabinet get the power to give them free gasoline?

MR. SMALLWOOD: This is not the time nor the place nor the occasion to answer that question.

MR. BROWNE: Mr. Chairman, on a point of order—Are we supposed to rise at eleven o'clock?

MR. SMALLWOOD: I have no knowledge of it.

MR. BROWNE: I draw your attention, Mr. Chairman, to the Rule: "At eleven o'clock P.M., unless the closure rule (S) (50) be then in operation the proceedings of any business under consideration shall be interrupted and Mr. Speaker shall adjourn the House without question, provided that all business not disposed of at the termination of the sitting shall

stand over until the next sitting day where it will be taken up at the same stage where its progress was interrupted."

MR. SMALLWOOD: We have no desire in the world to go beyond eleven o'clock. It is now five minutes past. If the rule binds us to that it binds us to it, that is all there is to that. I think we can move that with the consent of the House we can stay on. We have done it a dozen times. I so move.

MR. HOLLETT: Is that motion debatable, Mr. Chairman?

MR. BROWNE: No. It has to have the unanimous consent.

MR. SMALLWOOD: I don't think it has.

MR. HOLLETT: There is no unanimous consent.

MR. BROWNE: Mr. Chairman, does the Premier seriously think he can alter the rules by a vote of the House. What is the good of that when they are the majority?

MR. SMALLWOOD: I return the question to him—I am the one practices them most frequently and he defies them.

MR. BROWNE: Mr. Chairman, I have a great competitor.

MR. HOLLETT: Mr. Chairman, if that motion is debatable I would like to make a few remarks. I am prepared to stay until daylight—But there is a rule—I think we ought to be fair to each other. I will read it again.—"At eleven o'clock P.M., unless the closure rule (S) 50) be then in operation, the proceedings of any business under consideration shall be interrupted and Mr. Speaker, shall adjourn the House without question put, pro-

vided that all business not disposed of at the termination of the sitting shall stand over until the next sitting day where it will be taken up at the same stage where its progress was interrupted." I maintain, Mr. Chairman, we have not the right nor the power nor the Government nor the House to alter that. "If the Rules are suspended."—They have not been suspended. Therefore, if it is the intention of the Premier to persist in that motion we shall object with all the power at our command.

MR. SPENCER: Mr. Chairman, in view of the fact we have just a small item here to finish, and we overlooked the fact that it was eleven o'clock, I thought we might of course have the courtesy of the honourable gentleman opposite to merely finish that vote. I have not the desire to extend the Rule. But as far as I am concerned, I do feel we should be entitled to that courtesy.

MR. SMALLWOOD: I think even if the honourable gentleman wanted to extend that courtesy it is beyond their power to do so. We could have at five minutes to eleven o'clock, but we waited until after eleven o'clock. But it is delaying the election. I want the Opposition to know it is delaying the election.

On motion the Committee rose to report progress.

MR. NORMAN: Mr. Speaker, the Committee of Supply has considered the matters to it referred and have passed 901 through 907-03, Department of Public Works, under Current Expenditure.

On motion report received—Committee ordered sit again on tomorrow.

MR. CURTIS: On motion the further orders of the Day do stand deferred; and the House at its rising adjourned until tomorrow, Tuesday, May 1, at 3:00 of the clock.

THE HISTORY OF THE UNITED STATES

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