



Proceedings  
of the  
House of Assembly

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During the Third Session  
of the  
Twenty-ninth General Assembly  
of Newfoundland

1951

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PROCEEDINGS  
of the  
THIRD SESSION  
of the  
TWENTY-NINTH GENERAL ASSEMBLY  
OF NEWFOUNDLAND

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The Third Session of the Twenty-ninth General Assembly of Newfoundland begun and holden at St. John's in the Province of Newfoundland on Wednesday, March 7th, 1951, at three of the clock in the afternoon.

The House being assembled, His Honour the Lieutenant-Governor, arrived in the Chamber and ascended the Throne at three of the clock in the afternoon, when he was especially pleased to deliver the Speech from the Throne as follows:

"Mr. Speaker and members of the Honourable House of Assembly:

It gives me great pleasure to welcome you to this Third Session of the Twenty-ninth General Assembly of the Province of Newfoundland.

Since we last met, Newfoundland, together with the rest of the Commonwealth and Empire, rejoiced at the birth of a daughter, Princess Anne, to Her Royal Highness the Princess Elizabeth and the Duke of Edinburgh. On behalf of the Government and people of Newfoundland I despatched a telegram of congratulations which received gracious and grateful acknowledgment from Their Royal Highnesses.

During the past year the Governments of Canada and the Provinces have met in conference to devise an amending procedure for the British North America Act, and two further Federal-Provincial Conferences were held for the purpose of considering relations between the Provinces and the Government of Canada in fiscal matters, including a means of providing a universal old age pension. Satis-

factory progress was made regarding the latter and my Government will do all in their power to co-operate in speedily bringing about this desirable end.

You are called to your legislative duties this year at a time when momentous events are taking place. Menaced by the threat of war, the democratic world is rapidly devoting a fast-swelling proportion of its economic resources to rearmament. Many types of goods essential to the ordinary industrial enterprises of a world at peace become increasingly difficult if not impossible to secure for such purposes, as they are diverted to the strengthening of our defences against possible totalitarian aggression. Far-reaching changes in our mode of life seem to be inescapable, and it would be idle to suppose that Newfoundland can be immune to most of the dislocations and shortages that these changes will bring.

My Ministers are gravely concerned to note the possible effect of the worsening prospects of world peace upon

their programme of economic development. They have redoubled their efforts to procure the establishment of certain new industries, and the expansions of others, in case world conditions deteriorate to an extent which might prevent, or at least reduce greatly for some years the accomplishment of that economic development to which they had set their hands. Since you last met my Ministers have sought, by guarantee of a number of loans to Newfoundland fishing and industrial companies, to speed expansion of these enterprises. Details of these guarantees will be laid before you, and your approval of them will be sought. My Ministers have also entered into contracts for the construction of a cement mill, a gypsum-plaster and plaster-wallboard plant, and a plant to manufacture birch flooring, veneer, plywood and plywood doors. Insofar as it is prudent and in the public interest to acquaint you with the financial details of these contracts, they will be laid before you at the present session.

My Government have for some months been conducting negotiations for the establishment of a Newfoundland Corporation designed to procure important development of the Province's natural resources. If these negotiations should be successful, my Government would join with a very large and important financial organization in the United States of America to form this Corporation, to the end that a partnership of public and private capital would more quickly result in considerable economic development of the Province. These negotiations are nearing their end, and my Ministers hope to lay the full details before you in due course.

As you are aware, the Power Corporation of Canada was retained by

my Government to conduct careful field surveys of certain watersheds on part of the South Coast of Newfoundland. With the exception of certain drilling of dam-sites, canal-sites and power-house sites, which will be conducted as soon as weather conditions permit this year, the survey has been completed, and the Corporation's report on the hydro-electric potential, together with estimates of the cost of developing it, are expected to be in the hands of my Government before the end of the present session. In the meanwhile a competent local hydro-electric engineer has been engaged to conduct a field survey, and to estimate costs of development, on certain watersheds on the East Coast of Newfoundland.

In 1950 an air-borne magnometer survey was made of the geological nature of some 5000 square miles on the North East Coast of the Island. While the complete map and report of the survey will not be in my Government's possession for another few weeks, considerable satisfaction, I feel sure will be derived from the fact that preliminary data gathered by the survey indicated the presence of some interesting magnetic anomalies of the type sought in such a survey. My Ministers propose to have a similar survey made this year of another area of the Province. Rarely if ever in the history of this continent was there such interest and activity in the search for base minerals as there is throughout North America at the present time, and considerable regret may justly be felt over the fact that more energetic geological survey work by the best means available was not conducted here in the past. My Government are intent upon doing everything practically possible to speed the work of survey and to interest mining

companies in the mineral possibilities of this Province. Already two important Canadian mining companies have entered Newfoundland, and others are known to have become interested.

An important economic survey was conducted in Newfoundland and Labrador in 1950 by Mr. Nelson Rockefeller's Company, IBEC Technical Services Corporation. This survey centered chiefly upon the economic feasibility of another pulp and paper mill based primarily upon the use of pulpwood to be garnered in Labrador. The report, which has been received within recent days, is divided into two sections; one of them on the practicability of a mill in Labrador. The other on that of a mill in Bay D'Espoir, on the South Coast of Newfoundland. My Ministers are now giving close study to these reports, and are making all possible endeavour to procure the establishment of at least one additional pulp and paper mill in this Province. Various negotiations for the establishment of such a mill are being carried on with important organizations in North America and in Europe, and I feel sure that you will hope that this development will not be made impossible by the present world situations.

I know that you must have taken much satisfaction from the very successful result of the action taken by my Ministers to bring the railway freight rates into line with what they believed were envisaged in the Terms of Union. The favourable judgment given to my Government's suit will save several millions of dollars a year in freight charges.

The situation in the fisheries continues to be cause for considerable concern amongst my Ministers, as it must to all our people. Since New-

foundland became a Province of Canada, responsibility for public administration of the fisheries is no longer borne by the Government of Newfoundland alone but is shared to a large extent by the Government of Canada. Great satisfaction is therefore taken from the fact that the two Governments have united in an effort to establish an over-all policy for the fisheries of Newfoundland. This effort is being made particularly through the recently-appointed Fisheries Development Committee under the chairmanship of the Chief Justice of the Supreme Court of Newfoundland, and with representatives of the two Governments and of the fishermen and mercantile community comprising its membership. Both Governments have pledged their unstinted support to this Committee, and are collaborating closely through it. In the meanwhile my Ministers take satisfaction from the fact that they have been able to secure the services of Mr. Clive Planta as Deputy Minister of Fisheries.

Arising out of a public statement made by my Prime Minister, in behalf of the Government of Newfoundland in May last, my Government have appointed a Commission under the Public Enquiries Act to conduct an investigation into the prices paid to the fishermen for salt-dried codfish which they produced in 1950, and into the profits made on the sale of that fish in the markets. The Government of Canada have initiated an enquiry into the prices paid to fishermen, pursuant to a public statement made by the Minister of Fisheries of Canada in October last. Considerable useful information, it is to be hoped, will be elicited by these enquiries.

My Government have taken the initiative in inviting the fishermen to organize themselves into a strong,

Province-wide occupational body with a view to enabling them to make their collective voice heard in all matters concerning the fisheries. You will be requested to vote funds to pay the costs of bringing representatives of the fishermen of St. John's to attend a conference at which the question of forming such an organization will be explored.

It is the view of my Government that, important though general economic development must be, no lasting prosperity is possible in this Province so long as the fisheries fail to give a fair living to all those who engage in them.

Since you last met my Ministers have availed themselves of the authority which you vested in them to appoint the Fisheries Development Loan Board, the Industrial Development Loan Board, and the Co-operative Development Loan Board. All of these Boards are under the chairmanship of Mr. James Baxter, a commercial banker of great experience, and their membership is made up of men of wide experience in the commercial and public life of this Province. Some unavoidable delay was experienced in appointing the Boards, but useful work is expected of them in the period ahead.

Considerable progress has been made during the past year in municipal government. Eight Town Councils have been established during that time, and three other Town Councils are in process of being established. When these have begun to function there will be thirty-one Town Councils in Newfoundland. More and more communities are realizing the great value of this type of municipal organization, and the indications are that

the number of Town Councils will continue steadily to increase.

Since the last session of your Honourable House my Government have conducted a "Buy Newfoundland" campaign designed to encourage our people to patronize home industry by purchasing more of the products of our fisheries, farms and factories. This campaign, which is being continued, has met with encouraging success throughout the Province.

My Government attach much importance to vocational training, and you will be asked to vote a considerable sum of money with which to match an amount available from the Government of Canada for the construction of a modern new building to house these activities. My Government hope to be able to establish in this same building an efficient School of Navigation and a School of Fisheries.

A substantial programme of legislation will be laid before you in this session, including an amendment to the Alcoholic Liquors Act designed to provide for Local Option in our communities and for limiting the sale of hard liquor.

I will later request you to vote Supply to His Majesty.

Since your last session there has been a notable improvement in conditions in some of our greatest industrial enterprises. Only a year ago the Grand Falls paper mill was operating on a part-time basis only, while the sulphite pulp mills at both Grand Falls and Corner Brook were not operating at all. The mines at Bell Island were all but closed down. Unemployment was widespread.

Today quite a different picture is to be seen. Both sulphite pulp mills

are operating at capacity, and both of the paper mills are working full time. They have more orders for pulp and paper than they can fill. The 1950-51 pulpwood logging season has been the largest cut in Newfoundland's history, amounting for the first time to a million cords. The future of this industry is bright with promise. So, too, is that of the mines at Bell Island, Buchans and St. Lawrence, and at the limestone quarry at Agathuna. Large sums of fresh capital are being invested in the mines at Bell Island, and their productive capacity is being increased from one and a half million to two and a half million tons a year. Demand for the base metals mined at Buchans was never so brisk, while the fluor spar mines at St. Lawrence are being kept exceedingly busy in an effort to meet the demand for their products. Both mines at St. Lawrence are spending considerable sums to improve their efficiency. My Government have guaranteed a further considerable sum of money to one of the two companies operating there.

Very large new installations and extensions are to begin on various defence works in this Province this year and thousands of men will probably find profitable employment therein.

Altogether, therefore, my Ministers believe that 1951 will prove to be an exceptionally prosperous year for a large number of our people, and the beginning of a relatively long period of expanding earning power for the population in general.

I have full confidence that you will discharge faithfully your duties and responsibilities in the best interests of all our people.

May Divine Providence bless your labours and make them fruitful."

Thereupon His Honour, the Lieutenant-Governor left the Chamber.

MR. SPEAKER: I have to inform the members of this Honourable House that when His Honour the Lieutenant-Governor opened the Third Session of the Twenty-ninth General Assembly of the Province of Newfoundland, he was graciously pleased to deliver a Speech from the Throne of which I have obtained a copy. If it is the will and pleasure of the House, Mr. Clerk will read the Speech of His Honour, the Lieutenant-Governor.

Thereupon the Speech from the Throne was read by the Clerk.

MR. SPEAKER: For the information of this House, I will take notices of motions and questions immediately after the Committee has been appointed to draft the Address in Reply.

MR. HORWOOD: I move a committee be appointed to draft a reply to the Speech which His Honour the Lieutenant-Governor was pleased to favour us with this afternoon. I am sure not only the members of this House, but all the people of Newfoundland will take new heart, will go forward with renewed confidence when they look closely at the present Government's programme of economic development, at the things accomplished in that field and the plans for the future. It can be the proud boast of this Government that it has not fallen down on one promise that it made to the people. This Government promised the people a new and progressive and more vigorous road policy—that policy has been imple-

mented. The country will be opened up and linked up by new roads and during the time of this Government the long outstanding dream of a road right across the Island is to be achieved. This Government promised the people a complete programme of social and labour legislature. That programme is now an accepted fact, a part of the history of former sessions of this House. And it has done much to make life more pleasant for the less fortunate members of our community. This Government promised the people a vigorous programme of economic development; this programme is now in the process of accomplishment and is now being implemented in the face of crushing difficulties and with the threat of a world war hanging over our heads. Last year, at this time, economic development was only a hope, only a promise, now, one year later, we already have three new industries in active stages of building and a number of others passed beyond the realm of hope into the realm of virtual certainty.

The strength of this programme lies in the fact that it is based upon our unused natural resources. Take for instance birch—birch is a natural resource we have always known we have had in this country, one we used only for fire wood and for making railway ties. Birch cut into railway ties is worth something like sixty-five dollars a thousand. That very same birch made into veneer is worth over two hundred dollars a thousand. That is in labour in making that veneer. That two hundred dollars veneer made into plywood is worth three hundred dollars in wages and that hundred dollars worth of plywood manufactured into birch flooring is worth four hundred dollars in wages.

And that is not all for in cutting this birch into ties sixty percent or more, at least sixty percent of the tree is left in the woods to rot. This waste cut into birch wood is at its worst worth at least one hundred dollars per thousand feet. In addition to this, it is planned in this same development to make use of our aspen hitherto regarded as merely a nuisance and something not even fit to burn for fire wood. Now the mill at Donovans plans to use about five million feet of aspen plank, one-and-a-half and two inch plank which is more valuable than spruce. It is merely an effort to take our people and put them to work using one more of those resources worth very little in the raw state and transferring it into a product with very high commercial value.

Let us now turn to a less spectacular side of economic development, the fishery. This was one problem never attacked by any past governments with the degree of initiative and imagination necessary to make long-standing and permanent changes in it. They chipped the problem, they made little dents in it. The Commission of Government was better than others in that respect. They established bait service depots, electric freezing plants and filleting plants but they did not get at the root of the problem, and the root of the problem of the fishery is need for conversion from our antiquated methods to more modern and more diversified methods of catching not only cod but more diversified kinds of fish.

That problem was left for this Government to tackle and it has tackled it in the only way possible, experiments and demonstration, and by making funds available for conversion to more modern methods of fishing.

experimenting either directly or through companies it guarantees. This Government has already demonstrated the feasibility of seine and long-line fishing in Newfoundland waters from the experiments conducted at Bonavista with little boats with the characteristics of week-end pleasure crafts and maximum range of twenty-five miles; demonstrated the feasibility of long-lining in the Bonavista area and I understand there has been practically a clamour from fishermen in Bonavista for boats of this type to be made available to them. The brief experiment off Baccalieu conducted by one of the Icelandic fishing boats demonstrated the fact that there may be an important off-shore winter fishery on our North East Coast, something we never dreamed of before and something which might be of the utmost importance to the fishing industry of this country. This policy of experimenting and demonstration has resulted in inquiries from fishing interests from all over this island, and if pursued, with energy and determination may eventually produce the answer to the problem of the Labrador floater. This Government has been a powerful instrument in the hands of the fishing population, an instrument to help fight their age-long battle for justice and recognition. This Government has helped to put new heart into the common people of Newfoundland, has helped to lift them out of age-long despair, has gone at least part of the way towards touching their hearts with immortality, giving back to them the upward look and the light, rebuilding in them the music and the dream.

Supposing a few mistakes are made—they have been and they will be—supposing a few dollars are wasted—they have been and they will be—it

does not matter providing the overall direction is right. There never was any programme of development costing millions of dollars in which, on looking backwards, some hundreds, yes some hundreds and some thousands of dollars went to waste. But I tell you here this afternoon, I would rather see a Government which took our forty million surplus and spent every cent in experiments and lost the most of it, I would far rather have seen such a Government than the do-nothing government which regarded the surplus as a nest egg and sat on it waiting for it to hatch.

The question of fishermen's organization—I can see that organization accomplishing tremendous good or I can see it coming to grief. It all depends upon the fishermen themselves and how they run it. It won't depend upon the Government. An organization of that kind cannot be led from the outside, it will depend upon the fishermen. I think, I do know, the idea is right. The idea is basically right, founded on the principle that "The Lord helps those who help themselves." And I do think too that in places where they have strong, well developed fisheries, Norway, Denmark, Iceland, British Columbia, they also have strong fishermen's organizations of this type and the organization has been largely responsible for fisheries development and largely responsible for the returns from this type of development, which once went into the pockets of the producers.

But all this Government accomplished up to now, no matter how important, how fraught with good for Newfoundland, it will all pale into comparative insignificance beside the good accomplished by a third paper mill, should that mill actually become a reality.



A third paper mill has been one of the greater dreams of our people. It has been a dream stirring the imagination of Newfoundlanders ever since Squives failed to put his gang on the Gander and rightly so, because we have seen the possibilities inherent in a large mill. This has been demonstrated to us in the splendid towns of Corner Brook and Deer Lake with a population of over twenty thousand depending entirely or almost entirely upon one industry and one mill. Should the proposed mill go in Labrador, I feel it will demonstrate vision and foresight of the first order. Lake Melville, the proposed site of the mill, by natural endowment, is potentially one of the great centers of civilization of North America. I believe this just as firmly as I believe in the destiny of Canada itself. Dr. H. Paddon and Sir Wilfred Grenfell believed it before me. It is deeply to be regretted that neither of them lived to see the justification of their confidence as we can see that justification today.

More than a year ago I expressed my faith in the Lake Melville area before ever this mill was talked about. I described it in the press as the heart of an unborn nation. Here are some of the resources of Lake Melville: An inland waterway nearly a hundred miles long, a navigable waterway extending from Holton to the head of Grand Lake; forty million cords of merchantable timber on the remarkable small area of six million acres; a great river besides which the Exploits is merely a babbling brook, a river with a power potentiality of over a million horsepower of the cheapest electricity in North America flowing into tidewater.

Lake Melville also has a remarkable variety of fish both fresh and salt

water varieties and a river bottom which is said to be encrusted with marketable shrimps; a climate with summers warmer than St. John's and winters warmer than Ottawa; it has excellent agricultural areas which can produce anything which can be produced in Newfoundland with the added advantage that soil clearance there is so much easier and can be cleared at a lower cost.

There is one misfortune, a misfortune which it shares with most of the North East Coast of Newfoundland, it does not possess an ice free port. Navigation can be extended only to five or six months a year, the rest of the season it is closed with ice. But that is a difficulty which can be overcome and will be overcome as easily as the center of civilization moves farther and farther north.

The head of Lake Melville is endowed by nature to be the center of a great Northern Empire of commerce. It is no accident that the vast airport of Goose Bay was built at the head of Lake Melville. And, if this Government is the one to begin development in that region it will be looked back upon with respect and honour a hundred years from now when Newfoundland may well be known as an island off the coast of Labrador.

It is very unfortunate, as His Honour said in his speech this afternoon, that preliminary work in this field was not done by past governments. The sins of our political fathers are today being visited upon us. Though they did nothing they ought not to have done, it is certain they often left undone those things they should have done. One of those things they should have done was the survey work on natural resources of this

Province. This Government should not have had to begin a survey of power potentialities of the South Coast of Newfoundland; they should not have had to begin an aero-magnetic survey of mineral resources, they should not have had to engage IBEC to advise the possibility of establishing newspapers mills in this province. These things should have been done by the Commission of Government which we were told was set up here mainly for the purpose of rehabilitation. In spite of this the programme of economic development is growing and bearing fruit much sooner than we could have hoped, and I think it is only fair to give credit where it belongs. The credit for this programme, its composition, its development and its success, this credit belongs to no one else but the Premier. And I predict, when the annals of history are come to be written of this era in Newfoundland, that one name will stand out with paramount significance, the name of J. R. Smallwood. He is a man who set out methodically to change the history of a nation in a certain way and did so. He fought single handed most of the time what were reputedly the most powerful and came off the victor, not once but again and again. He has done more in four years of such gigantic effort as political history has ever seen; accomplished more for the common people of this country than any of its past statesmen accomplished in the whole course of its career. His name will be read with gratitude and honour not merely as the father of confederation but also as the father of reconstruction and up to now the greatest of her sons.

Mr. Speaker, I do not feel we have reason to fear; I do not feel we have reason for doubt, if we are lucky enough to escape all-out control then

we may go forward together looking to a future bright with hope, confident we are building for ourselves a land in which all people may be free, not only from physical tyranny but economic tyranny; the spectre of want; free from the pinch of hunger and of cold; free from insecurity, to eat a square meal, all we want, without wondering where the next meal is coming from. Many men who have known what it was to come home to their family with empty hands have put their trust in this Government. It is for them we need to build a better Newfoundland; for the farmer, the fishermen who have toiled all season and taken nothing; for men who have worked long hours for small reward, for mothers who know what it means to have to pinch and scrape and make-do, for children who have grown up with the stamp of privation indelibly written on their bodies. These are the people to whom the Government's policy of economic development means the most. If we can help them to a life of better security, if we can help them to hope for a living of greater comfort and happiness then we can justly feel that we have not failed, have not lived in vain and that future generations will rise up and call us blessed.

MR. JANES: Mr. Speaker, in response to the Motion by the honourable member for Labrador, I want to repeat what one of the members in the Legislature in the Maritime Provinces had to say in seconding the Speech from the Throne there. He said "I hope that next year we will be all here doing the same thing all over again."

I have no intention of elaborating on what the honourable member from Labrador has said with regard to the

industrial development by the Government of the Province; but I would, however, like to add my voice of praise to what has already been accomplished and the great good, and I feel the greater good has yet to be accomplished. You will probably hear, in this debate, much regarding the economic development programme and policy of the Government; you will see the introduction of legislation to set up the Industrial Development Corporation of Newfoundland. What has been done, has been of great significance. I will refer to it only in respect of the matter of jobs. The number of jobs might not be great, but they are, when you consider the handful of three hundred thousand, people, fifty thousand of whom have lived perpetually on the threshold and brink of poverty. Any job, whether one hundred or one thousand, creates conditions in this Province which is very difficult to estimate—not only the jobs which the industry itself will provide, but the jobs of the utilities and services for those engaged in the industry.

Now, Sir, I am not going to spend any time on industrial development; but we will have ample opportunity to debate it. But I would like to turn my thoughts to things we do not hear much about. I would like to turn my thoughts to the rural economy of this Province. When we speak of economic and industrial activity in this Province we seem to be concerned with factories, mines and mills to make jobs for the people of Newfoundland. The majority of the people of Newfoundland do not earn their living—nor is it expected that they will earn their living for a considerable time to come, from mines, factories and mills. They earn it on the land and take it from the sea.

In agriculture, this Government is formulating a policy. I think we have had a rejuvenation of agriculture in this Province. It was only a matter of a few years ago, travelling around this country, I found that the farmers were dejected and unhappy. But the scene is changing, certainly; and changing fast. I believe that the source of all wealth is land and that we have not come to utilize, in this Province, the land which we have; the good arable land which we have; and the names of those in the Government who said to the people a few years ago "before you receive your six cents a day, you will kill your cow; you will kill your pig; you will kill your sheep" should be written on the walls of this Chamber as a reminder to all governments. The majority of the people of Newfoundland still live in rural communities, and although no small part of their income, no small part of their livelihood is taken from the land; in such places like Indian Head, Trout River, the South Side of Bonavista Bay where they once carried fair herds of cattle; in the process of having to destroy them, they have nothing to take their place—nothing. One other of the big things which has held back sound agricultural economy in this Province has been roads and means of transportation. The Government is pushing ahead with roads policy and, I believe, when completed, it is going to provide more answers to the agricultural economy in this Province than this government or any government even visualized. Isolation is the curse; always has been the curse and still is a curse of Newfoundland, not far removed, Sir, from the Government's economic development policy, is agricultural independence; indeed it is probably part of the Department

of Public Welfare. If this Government had done nothing else other than set up mothers' allowances and dependents' allowances, this government would have been justified. We have people who criticized that; people who do not know the conditions under which the people in this Province lived and are still living. It might cost more than was estimated; but if it does, it is further proof of the poverty which actually exists. Thousands of widows there were who had no income; thousands of cripples, through no fault of their own, whose misery is a little bit alleviated by what this government has been able to accomplish. We can deeply appreciate what has been done and it is not impossible that we have done as much as we can do for the time being. Some people have called this "The Welfare State." I, myself, do not know the definition of a Welfare State. I do maintain that as long as we have to subscribe to the idea of competitive economy, we must also be prepared to carry the burdens of those who cannot carry their own; cost what it may.

Referring to my own district, which I have the privilege and honour to represent; we are indeed grateful to the Government for the hospital service on Fogo Island. The Island is designed to serve Fogo and Indian Island and even Change Islands. This hospital has been under consideration for many years, but the task was never undertaken until this year. The people of Fogo Island are deeply grateful to the Premier and the Minister of Health for putting these services there and it is the hope of the people that when the hospital is ready for opening, both the honourable Premier and the Minister of Health

will find it convenient to be there to receive their thanks.

Our roads on Fogo Island are improved and we will have a fair network of roads around Fogo Island. These roads, I feel, in the future are going to play a part in the Fogo Island area. Fogo Island, Change Islands and Indian Islands—there we have an area in Newfoundland which is probably the most prolific as far as inshore fishery is concerned. If there is any future in the North East Coast Fisheries, that future must lie around Fogo and Change Islands. They tell us there are red fish and scallops in the area. Let us hope these fisheries will be developed. Let us hope that the acquisition by the Government, of equipment in assisting the fisheries of Change Islands; into which the fishermen have put no small effort themselves; will either prove or disprove the operation of this equipment.

The Wesleyville-Lumsden road, we hope, will be continued over the straight shore to connect Musgrave Harbour, and this will open up the area of the straight shore; open up a completely new area of good forest land and good arable land; good land on which the people can come in from the islands and settle. We hope too that with the development of the Labrador codfishery, transportation will be provided. Transportation is now impossible by sea because of the state of the coast. We hope that if that road can be extended to Gander, we will be able to offer to Newfoundland some of the finest tourist attractions in the Province. Many people are thinking about Florida. We have many better places in Cape Freels than in Florida. Looking for salmon? We have Anchor Brook and Deadman's Bay, as good as any in Newfoundland. A road will take you to it. I am hop-

ing, Sir, that with these roads constructed; even the road to Gander, in which we shall be especially interested, will bring to this unknown part of Newfoundland many people; a place where you can fish at eleven o'clock; shoot moose at 2 o'clock; visit the Islands—Penguin Islands at 3 o'clock and be back in your camp at 5 o'clock, if you want to.

Back to more serious things, sir: This is Education Week and the topic of the day is "Education is Everybody's Business." It would be a laudable thing if education was indeed everybody's business. As it is, I find, perhaps it is the business of a very few people. I want to congratulate Dr. Dawe, not only on the very sensible address on the radio; but his words were the bold words of a cool and capable man. He said things which a lot of people would like to say but which they are afraid to say. What I am going to say on this matter might be termed "a political indiscretion." It might be termed even worse than that. But my conscience in this matter is more important than political indiscretions; and so I am going to say it. I feel that I am expressing an opinion which is not only my own personal opinion; it is the opinion of a lot of people in this Province; also the opinion of a lot of professional people in this Province; the professional teachers. We have at this moment in this Province thirty classrooms closed. We have one thousand children walking about, doing nothing; and the excuse is held forth, "we cannot get teachers." Agreed! We cannot get teachers! The truth of it is this: After a young man has passed schooling or a young woman, and they have spent a few years at a University; these people are not going to leave

the University and spend a lifetime in some forsaken hole. That is the truth. That is the truth regarding our school system today. I do not contend or dare to contend that Christian principles are not an important thing in the school system. It is desirable that it should be continued; but I do not think that in rural communities the system should continue as it is today. It is a disgrace and the children are being sacrificed and, may I ask, to whom and to what? Our system, Sir, is unique. We have no scarcity of teachers. We have plenty of teachers. The trouble is, there are too many schools. I contend our present system in our rural communities is as leaky as a basket. Here in cities and towns, there is probably every justification for it. It is not impossible to have the present denominational system in the city or town where denominations can provide sufficiently large schools and sufficient staffs; it is not impossible that these schools and colleges can provide as good an educational system; but we cannot say that of the outports in Newfoundland—the greater part of the outports. The subject is not much discussed, Mr. Speaker; it is not discussed in the Council of the churches; but it is discussed around the Waterloo stove by the father and mother responsible for the education of the children. There it is discussed very fervently. Only a few years ago I had the fortunate or unfortunate experience of having taught in a one-room school in which forty-five children attended. It was a nightmare to me every morning to go to that school at nine o'clock and look down into forty-five anxious faces. I ended up in June as most teachers end up—a wreck. Across the way, less than five hundred yards, was another little school with ten children attending.

There was plenty of room in that community, as there is in hundreds of rural communities in Newfoundland, for two teachers; but there was only room for one school. I do not know who is going to provide the leadership but come it must. We must have amalgamated schools in this Province and it is right, I think, that the leadership should come from those in whom is at present entrusted the care and education of the children of Newfoundland. Family Allowances and the Compulsory School Attendance Act are not the answers. That is only part of the answer. It is not the complete answer. Once again, may I ask, in our deplorable education system in our rural communities, what and who are being sacrificed? Is there any man or woman in this country, knowing the conditions of education in the outports, who can conscientiously say that this thing must continue? That it is warranted? It is not! It is not warranted! Every argument in favour of it is as leaky as a basket.

Education is Everybody's business and the fisheries of Newfoundland is everybody's business too. I wish that some day, some time, this House could open without somebody's talking about the fisheries. It would indeed be a wonderful thing. I wish I could avoid it. As it is, I represent the District of Fogo in which more than seventy-five percent of the population derive their living from the fisheries and I must have something to say about it. The curse which has been hanging over the fisheries of Newfoundland for generations has at last descended with a vengeance. The fishermen have hauled up their boats on the beaches. Let nobody make a mistake about it. The engines and traps are in the stages and they are there to stay and my blessings go with

the fishermen of Newfoundland. Stick to your guns, and you will do it! There must be some temporary solution found to the inshore fishery of Newfoundland, if it is going to provide the people who are presently engaged in that industry, with a means of livelihood. I am not talking about motor cars and diesel engines. I am talking about six horse-power engines. We have had platitudes each succeeding season handed out to the fishermen, saying "O.K., it will be alright next year; it will be a little better next year." Too long have we heard from the trade those talks about modernization, talks about some of the profits taken out of the fisheries and now put back in the fisheries. From my observations, these profits are being ploughed into mar-malade agencies and sole agencies. Must the fishermen of Newfoundland be sacrificed over and over again? And, even at this late hour, we hear men conversing about the fisheries of this country—either we do something or face the consequences. Talking about it now. The consequences, Mr. Speaker, have already arrived and if the President of the Salt Codfish Association does not think they have, he had better take a run around the country in a motorboat and see if they have not arrived. If he does, he will have no more worries about it at all. I doubt very much whether either this Provincial Government, or the Federal Government or even the Salt Codfish Trade know that the consequences have arrived. They are here and they are of greater magnitude than we imagine.

We need to have no worries about overproduction in 1951 unless some temporary solution is found to the situation still carried over from 1950. There will be no necessity of action

by the suppliers to curtail prices, no provision for the fishermen to stop fishing earlier. No necessity of that this year. The boats are on the banks. It is not impossible that our vendors of marmalade and jams, at last, will probably find some temporary solution.

And what are the consequences? The boats of the fishermen are on the banks to stay, until a solution; a temporary solution is found. It is no good to say to the fishermen "you must wait for development to come." What is he going to do in the meantime? If you have a patient who is sick and about to die, and you are about to perform an operation on him and he is in great pain; you do not say "Well, old fellow, you must suffer it out." You give him a shot of morphine until you are ready to do something for him. The fisherman of Newfoundland is in that condition at this moment and the trade and the Federal Government must do something. Fish, to this Province is butter and cheese and wheat to Canada. If they can do it for wheat and butter and cheese, they must do it for fish and we refuse to become a little baby that is going to fit quietly into the pattern of Confederation.

Consequence number two: It would be a very useful exercise for any of us, the next time we are in a fishing community, to take a walk down around the stages and see how many men are in the fishing boats who are under the age of forty. Our generation is out of the fishing boats to stay. The men in the fishing boats today, the majority of them, are over forty years of age. Where are the fishermen, the young fishermen of Grate's Cove, Catalina, Greenspond and Fogo? They are not in the fish-

ing boat. My generation is not going in the fishing boat. We have no intention of going there. We saw too much poverty. We are the T.B. generation, the generation who suffered the empty stomachs. We are not going back. There are many sons of fishermen who are not going back and my blessings go with them.

Consequence number three: As I have already said; we need not worry about the fisheries in 1951 unless speedy action is coming from some quarters. It is the duty of the trade to let the fishermen know what is going to happen. And consequence number three—and this is probably not a consequence at all—what is the situation in the fisheries today? I have said that the young labour force is not there and they are out to stay. I have said it is not impossible that the boats are on the bank to stay too. Why? They will tell us there is not much money in the fisheries; not much money made in the fisheries. There has been money made, but it has never been ploughed back into the fisheries of Newfoundland. A few of the men are on Bell Island and in Buchans. We had twenty-eight thousand fishermen—twice as many as in the whole of Conception Bay. If the profits which were taken out of the fisheries; if only some small portion could have gone back into experiments; even if they had been put back by the people into whose hands Dame Fortune had put the guidance of the fisheries; if they had gone back into experiments they were conversant with, we would not have the situation we have today. But, they turned themselves into vendors of marmalade and canned foods. I do not doubt that marmalade and canned foods are all right, but I do not think that fisheries industrialists should be concerning

themselves with marmalade and jains. It would be far better if the profits went back to where they took them from.

Last year I do not know what sort of price was paid for fish. We had all sorts of prices. I will say this, and say it quite conscientiously; that it is impossible for a fisherman to launch his boat, to put his trap and trawl in the water without ten dollars a quintal. If he does, he will end up in 1951 the same as he did in 1950—a little poorer than when he started. In order for the fishermen to arrive at ten dollars a quintal, something must be done. Who is going to see that it is done? It is no good to say "It is economic; it will slow up development; why put a dryer at Bonavista? Why conduct experiments?" If you do not, you will not have any labour force left. If there is a future to the fisheries in this country, and I believe there is a future, even in the inshore fishery, action must be taken now to preserve all labour force. The very fact that we are living in a world of food shortages, that alone should be sufficient to warrant every assistance available being given to the fishing industry. No small number of the people of this world are a little poorer than what we are. It is the greatest weapon of Karl Marx, of Lenin and of Stalin, that the people have not got anything to eat.

Our fishermen are producers of food; a matter with which most of us have not been concerned all our lifetime. We probably had enough, but there are an awful lot of people who have not. The fishermen of Newfoundland, being producers of fish, are people who are helping to provide three square meals a day for some-

body. If they are going to continue doing that, they must be given support and they must be given help.

We welcome the setting up of the new Fisheries Committee. We welcome the Inquiry into the prices paid for fish in 1950. I believe the Committee are going to bring forward policies which are going to be of great value to the Province. I hope the Inquiries will satisfy the minds of most of us.

Probably more than anything else, we welcome the challenge that has been thrown out by the Premier to the fishermen to organize on their own. I believe that is their last chance. If they fail this time; if the fishermen fail this time, I do not think that in my lifetime, at least, that ever again may rise up such an organization which is so badly needed. They will go down licking wounds from which they will never recover. I feel, Sir, that the fishermen of Newfoundland are out to organize themselves and to remove the very disturbing fact that they themselves are probably being their own greatest enemies.

MR. JOHN G. HIGGINS (Leader of the Opposition): In accordance with an old custom of the opposition, I rise to support this motion. Since we appeared here the last time we have seen in front of us a gallery of celebrated men of the past who belong in Newfoundland history. They are there facing us to remind us that even the great difficulty of a government majority may be overcome, and they are hanging over the Government to remind them they must have reason and conscience enough to dictate justice. As I look upon them I know most of those faces. I did not live in their time, I was not then a chartered member of this House and



I know those faces mostly from history, and I know some of them were men of vision, of giant intellect and ability. Out of all those, only three are alive and so they stand to remind us that it is appointed to all men once to die and then the judgment; to remind us that we must vote with one end. I have heard a lot of conscience but it is a far sight better that men should have the consciences and not the bills. If this is so, any bills passed, when men of conscience pass them, are going to be good bills. I do not know how far conscience goes in speeches, but I have heard a lot of prattling statements going on. To hear them one would think the last government is one of angels, that they are the colour of angels, that they have all the great men, all the leaders in the world with them, the only body of men ever to have done anything for the poor man; that great statesmen like Bond who pledged his own private funds for this country, was a man contaminated because he lived in the past; great men like Sir James Winter. Now it is beyond me how some young men suddenly blossom forth and think they have the right to attack everything and everybody and to discuss problems and build up and settle mistakes of ages here, but through all this comment and attack, Sir, there was one thing that made sense and that was when the member for Fogo repeated what someone who had seconded a similar motion said, "He hoped that next session we will all be here." I should say, Sir, in a Christian country that I hope the good Lord will be gracious enough to have us all here the next time we meet.

The second thought that comes to us when we look at them, these men opposite, facing us, we are reminded

of the men who played a big part in the pages of Newfoundland history, men far above the average of high, very high intellect, they should serve us as an example of modesty, to be modest in our own ideas, not to think too much of ourselves, not to feel we are the only statesmen in the world, the only ones that God created in this country. I think I heard someone say one 'time: "The men here are the finest body of men who ever sat in this House".

Some people put an idea in a vacuum and rotate it, but I am going to dispense a few ideas in a very small compass, Sir, because after all, now, the day is over, the glory, the cannon gun, the infantry and the police, with rifle and shouting of orders being called out, the thunder of guns and flash thereof, and then the opening of the House with a large commotion, the Mace, the Lieutenant Governor bedecked appropriate to the occasion. Then the crowd came. This is their day, Sir, not ours—we have the outsiders here as visitors, they take our places and sit in sanctum and we feel so important knowing nobody should be in those seats except on a very special occasion like this. Just to have a look around, they came, to see the portraits, to see how you look in your regimentals and see us like poppy jays in our morning coats. I think I am the only one on this side but on the other side there must be a dozen. They have Government money. Some want to see where Mr. Drover is going to sit and where the opposition sits and the still smaller independents sit? They heard the Speech from the Throne—so good it has to be read a second time; some people got it off by heart now.

Now I shall be short. One thing I want to say, Sir, with all the trap-

pings we have now—Old Age Pension forms and Income Tax forms and duplicate and triplicate and quadruple forms and sales tax forms, all these being thrust upon us to remind us of liberties we once had and will never have. We must follow twelve million Canadians we have joined and we must have a second language, we must speak in duplicate, we must be bilingual. But I am afraid we must not only be bilingual, trilingual or qualingual, I am afraid we will have to learn to speak with divers' tongues—tongues and tongues and more tongues, fish tongues before long. Tongues of the East and the West, the North and the South; tongues of the English and of course of the French, of the Latvians, Germans and Icelanders. Where are we going to be? I am afraid we are creating a confusion of tongues and later there will be weeping and gnashing of teeth. And the cement mill will disappear, the gypsum plant will dissolve and the heady hopes will all depart and the visions of some bold dreamers will vanish and leave only a wreck behind to remind us of the glory-to-be that never was. What then will be of Newfoundland? Newfoundland will not be, Sir.

Never did money speak so much as today. Three-and-a-half millions for this and three millions for that but when we think of all this money, Sir, just let us stop and consider what those men, men of the past did against difficulties and let them be an example to us. A younger generation went down in the twenties and still another in the thirties and yet we survived. None of us had money, we were all poor, all born poor, some of us even had mothers who went out and worked for us and brought us up well. In the outports, when the

fisheries failed they all managed to live. I was poor myself, I never had money. What is the use of our pretending; we are a decent people whose parents earned their bread by the sweat of their brow—And then we hear all this talk about the terrible past.

We had fifty million dollars to start with and we are spending it as fast as we can. We are told it is better to spend it than to hoard it; that we must sow to reap. Certainly; but I want to say this much: In the time when Newfoundland was different than it is now, in the days of White- way over there; our national debt was one million dollars. Then it went to three million dollars. I remember as a little boy hearing about a debt of three million dollars, then five million. Then it went as high as ten million and finally fifty million. But what was being built up on that fifty million dollars. Men of great character, honesty and ability built up enormous assets, no government will question that in spite of all that was said of "the dirty days of responsible government." In the days when one man said when he heard of a member voting on a certain bill "I hope to God it is on his conscience." Dirty days indeed, these days when men built up the great country we have today.

Now then, I could say here as it should be said, according to olden times, that the real objects of the government contained in the Speech from the Throne are all mixed up and that it is not noted for what it says but for what it does not say. But Sir I will not say it, though I might do so.

We have had today a challenge from the other side on education. That is a matter that will be brought up.

But I tell you one thing. I was Secretary of the South Coast Disaster Fund for two and a half years—The "Telegram" published an account of it recently and never even mentioned my name. Nevertheless I was the secretary. After it was all over, the Chairman told me that in his travels all over this Island one thing he was convinced of was that no matter what happened in this country there would always be denominational education. It could not be otherwise because one section of the country such as the Southern Shore was all Roman Catholic, another section United Church, another section Presbyterian. An attack on the educational system of this country could very easily develop into an attack on religion itself. I have no more to add to that.

In reference to the old customs of the country—I like to see old customs and traditions upheld. The Premier may have a mind like Belloe but I have a mind for lost causes. For instance I like to wear a morning coat here because I feel I am doing my duty and I like to see the members of the Government wearing them. Is the Minister of Justice wearing his morning coat? I thought so, I like to see these things happen; to finish up, I would like to follow the good old custom and as Leader of the Opposition give my support to the motion before the House.

HON. J. R. SMALLWOOD (Prime Minister): I think I voice the sentiment of everyone present when I extend congratulations to the two members who moved and seconded the motion that a committee be appointed to draft an address in reply to the speech with which His Honour, the Lieutenant Governor so graciously opened this session of the House. Very rarely indeed have I heard this

motion so elegantly moved and seconded as it was done here today. Speaking for myself and I am sure for all of us on this side, I am very proud indeed to be associated with two young Newfoundlanders such as the members for Labrador and Fogo. I feel that every citizen on either side of the House or merely here as temporary visitors will join with me in pride that Newfoundland has produced two young statesmen of the calibre of these men. Certainly this Government is not likely to become lackadaisical, smug or complaisant while it is supported by men such as these. I am very pleased that we are supported by men such as they and they are typical of most if not all of the members in this House who do support the Government. I am pleased indeed, and I think I, and my colleagues in the Cabinet are prevented from succumbing to any temptation to rest on our oars, to take it easy, to feel that we are doing very well and that there is nothing to worry about. If there is any danger of our falling into that trap we will be reminded more than once, as in the past, that it is not enough to go to the people and win a great electoral victory; not enough in the first couple of years to have striven hard and to have had the beginning of some success but rather the battle goes on incessantly, never does the battle of reform, the battle of progress, the battle to rise inch by inch and yard by yard the standard of living of the common people of this Island. To the winning of that battle this Government set its hand more than a year and a half ago and we will not rest, day or night, until that battle is won. I am not so optimistic, optimistic though I be by nature, as to believe that in the first three or four years of our term

in the first ten or fifteen years of our possession of the majority in this House we can accomplish all that we dream of accomplishing. That is why I said more than a year ago that I felt we would be here on this side of the House for the next quarter of a century, and Mr. Speaker, we have the courage, we have the strength, we have the nerve to face the remaining years of that quarter of a century with determination that we will finish the job we set out to accomplish. I do indeed with great sincerity congratulate the mover and seconder of the motion and in doing so I express my gratitude and great satisfaction to finding myself associated with men like them.

I congratulate also the honourable and learned Leader of the Opposition for the kindly, the generous speech he has made in support of the motion. I said on opening day of the first session of this House, this General Assembly, that, if I had had the choosing of the leader of the opposition, my choice would have been the gentleman who was the choice of his colleagues and followers. The honourable, learned gentleman is what we know proudly as a patriotic Newfoundlander; a man born with a love of Newfoundland and a man who has by reading and living acquired an intense love of Newfoundland and the history and traditions of Newfoundland. So it was no surprise to me that my honourable and learned friend in his opening remarks should have drawn attention to this gallery of portraits of the speakers of this House up to but not including Your Honour who is the present speaker, and that he should have spoken with such emotion and in such moving terms of the greatness of our men of the past in this House and of the in-

spiration which the presence here of their portraits (done so magnificently, so beautifully by Mr. Fredrick Steiger who I have seen here this afternoon with a great deal of pleasure) with their constant reminder to us that life is short, that great men have been here before us and that we would do well to emulate the best that was in the best of them.

Mr. Speaker, my honourable and learned friend has not touched at any length upon the speech from the throne, I assume, I have no doubt, that he will do so in the course of the debate upon the address in reply when the committee presents that address back to the chamber. He did, however, in passing give in to the temptation to refer with some irony and some sarcasm to Icelanders and Germans and Latvians and we all understood his allusions, I think everyone present understood it quite clearly in fact. The fact of the matter is that this Government has entered into two contracts with German manufacturing concerns who are located in the great German city of Brunswick; with the great industrial firm of MIAG for construction of a cement mill and the other for construction of a gypsum plant and a plaster wall board plant, also in a city of Germany.

Mr. Speaker, I will give my honourable and learned friend a tip; I will give any newspaper who commits itself on the cement mill and the gypsum plant in the next few weeks, a tip. I will give the same tip to every honourable member opposite and the tip is this: The less they have to say by way of sarcasm or irony about what I have done, this Government has done to build that cement mill, to build that gypsum

plant and to place the orders for construction of the machinery with German firms, in Germany, the less they say about it in the next few weeks the prouder they will be that they had said so little as they did. In a few weeks, Mr. Speaker, we on this side of the House care not as to the nationality or religion or race of the individuals or personal beliefs or creeds of any man or any company with which we deal when it comes to raising the standard of living of our people by economic development. We have dealt and we will deal with bankers, financiers, industrialists in our own country and in our own United Kingdom, as we have done and are doing in the U.S.A., as we have done, are doing and will do in Germany, in Switzerland and Belgium. As we have done, are doing and will continue to do, we will deal with any man of any nation. We refuse with contempt, with unutterable contempt to pay any attention to his nationality, his race, his religion just so long also as he can give us a better price for the people of Newfoundland, give us a better machinery, give us shorter delivery. So long also as he will help this Government to industrialize Newfoundland and to overcome the long centuries of negligence in the past. I would out of sheer friendship and I am nothing if I am not friendly to him; I have every reason to be; I have been treated with great courtesy and great decency by the honourable gentleman opposite. No premier, no government, no government party has ever been treated with more consideration and friendly, manly decency than we have been by our honourable and gallant friend opposite. And so, out of friendship, resist that temptation to sneer at Latvians and Germans, it is small town

stuff, it smacks of the bush, it is the small attitude of a back-woods man who has not had the advantage of learning, good high school or college or university education; one who has not had the advantage of having his education, his mind broadened by travelling as most certainly I have had in the past year and a half.

Resist the temptation, my friend. When my honourable and learned friend knows, when the people of this Province know, as they will, the complete story of what the cement mill really has cost by getting it built in Germany; when they know the cost of that mill compared with any cement mill anywhere in the world built during exactly the same period of time. When they know that, when the people of Newfoundland know that they will take their hats off to the Government.

MR. HIGGINS: I rise to a point of order: I attacked no Latvians, I attacked no nations, I attacked the idea that the Prime Minister took other people from Europe to take the place of our people. I attacked no nationalities but I will attack the idea that they come over here to take work that Newfoundlanders can do. I don't believe any nation.

MR. SMALLWOOD: By that, my honourable friend, has made himself a little clearer than he had during his speech, and in passing, may we say we have got in Newfoundland no Latvians that can do any work that can be done by any Newfoundlanders in Newfoundland. Now then, who have we got? What have we got? We have got Latvians, road engineers. There is not one we can get in Newfoundland, in all the great Canadian Nation from St. John's to Victoria, five thousand miles across. In all Can-

ada, in a year and a half of constant advertising, after constant writing, constant personal communications and contacts, my honourable friend, the Minister of Public Works was able to secure one.

HON. E. S. SPENCER (Minister of Public Works): Another was secured in the past week.

MR. SMALLWOOD: One road engineer in all Canada and that is because throughout Canada there is a great programme of road-building, and they want their own engineers and they raised their pay. Only one engineer we were able to get.

The work of building roads is dependent upon having engineers. We could not get them in Canada. We tried and we failed. There was one point at which we did get a road engineer in Saskatchewan.

The salary was agreed too; all the details were arranged. He was to leave Saskatchewan on a certain date for St. John's. At the last minute he was offered a considerable increase, and without telling us, he wired saying "Sorry I have changed my mind. Not coming."

MR. HIGGINS: Did he sign a contract?

MR. SMALLWOOD: No. The reason we lost him? I will tell you. In all Canada today—unless the government of Newfoundland is prepared to pay Roads Engineers very much more than scale—very much more—we cannot get a Road Engineer.

MR. JACKMAN: What about the Public Works Engineer, Mr. Speaker?

MR. SMALLWOOD: If we are to build roads, we must have Road Engineers. It cannot be done other-

wise. We can build trails through the woods, cow paths; but we cannot build modern roads without Engineers. We cannot build bridges without Engineers. So, when people in all parts of this Province clamoured for roads to be built and we had surveys to be made and we could not do it. I got angry. I got angry with my honourable colleague, the Minister of Public Works. He said "No use your shouting and bawling. I tried to get Engineers, I could not get them. Now, you try." I said "Where have you tried?" He said "Everywhere—in every Province in Canada." I said "Show me the correspondence." He showed me his files containing his efforts. I said, "Ned, I take it back, I apologize. You are right; there is no use looking in Canada; let's look somewhere else." We looked in Germany. For Germans: No. We have not employed one German since I came into office and, as far as I know, we have no intention of doing so although I would remind you that all the democratic world is endeavouring at this moment, it has been doing so for some months; indeed, for more than a year; to bring the German nation back amongst the allies; to make allies of them. But we have not employed one German. Not one. We have gone to Germany and what have we got? We have gotten one Medical Doctor, a Latvian. We got how many Roads Engineers? Four Latvians in Germany. We got one distinguished bridge designer and builder, Dr. Jacobson, who arrived a few days ago, a very distinguished designer and engineer.

Let me say this: In the past five years, the Government of Newfoundland, that is to say the Commission of Government and this present government, together, have spent on architects, no less than three or four

hundred thousand dollars on architects. Let me tell you something: Our predecessors, the Commission of Government, let a contract for the building of the Nurses' Home at the Mental Hospital. It was built under contract with a contractor. The architect in Montreal, a Newfoundlander, who designed the Nurses' Home was paid five percent of the cost of the building as his architect's fee. Five percent! Out of every one hundred dollars spent, he got five dollars for designing. Another Newfoundland architect here in St. John's was paid an additional two percent on the value of all the mechanical part of the building and an additional five percent of the building itself. So that we came in and found to our horror that the architects' fees were taking no less than ten percent in every case (and in some cases twelve percent) of the cost of the building; and that is how all the buildings erected by the Commission of Government were erected. That is to say, the contractor was given the contract to erect the building, and an architect was given the contract to design the building; and whatever the building itself cost, the architect got no less than five percent; and in many cases there were two architects; one in Montreal and one here, what they call a Supervising Architect. They got ten percent. And in many cases the buildings were built on a cost-plus contract; so that the contractor who had the contract to erect, had every reason to drive up the cost of the building, because the more it cost, the more he got and the more profit he got. And when he drove up the cost of the building, the architect sat back with a smile on his face like that on the cat who had got the canary. Up went his cost. What would my honourable learned friend do if he had been in my position or

had his colleagues occupied the positions of my colleagues? What would they have done? Would they have gone on under the same system or would they decide to do away with that system and get our own architect; pay him \$5,000 or \$6,000 or \$7,000 a year and save one hundred thousand dollars a year? That is what we did. I think that is what my honourable and learned friend would have done.

How many more? One distinguished bridge designer; four bridge engineers—two from the mainland (after a year and a half of Confederation we have lost the habit of calling the mainland Canadian 'foreigners')—we are discussing foreigners at the moment. The Province of Nova Scotia got ahead of us. They got in there first and got more Latvians than we did, about which I am sorry. That is because we did not come into office earlier than we did. Had we come in earlier, we would have not five Latvians, but ten, fifteen, twenty or thirty; and I suggest humbly that in a population of three hundred and fifty thousand souls, we will not be too contaminated by bringing in twenty or thirty Latvians. I think, somehow, we will stand up under it. I think we will survive.

Now, I am very pleased and I am sure every member of this House, including Your Honor, everyone is pleased to see back here in his place, the honourable member—I think perhaps the senior member for Harbour Main-Bell Island, after a bout of sickness,

We do trust that his health will continue to improve and that we will have him here a long time. We might even wish him the good luck of sometime being over here on this side of the House. We have nothing but the kindest regards for him.

We are all exceedingly pleased that we are honoured this afternoon by the presence of the only living ex-Premier of Newfoundland, the Hon. W. S. Monroe.

We are all, I am quite sure, pleased indeed that we have here in the Chamber this afternoon our latest acquisition to Newfoundland—a man with a very remarkable record of achievement; a man of great standing across this great Canadian nation; a man of great reputation—and he was willing to leave all that behind to come here amongst us; to throw in his lot with us; to put his hand to the plough, the fisheries plough, about which my honourable friends spoke—our new Deputy Minister of Fisheries, Mr. Clive Planta. We were proud we were able to snatch him from under the noses of Ottawa, bring him to Newfoundland and make a Newfoundlander of him.

Before I close, may I say to my honourable friend, the member for Fogo, that if he felt that in one or two of his remarks he was committing 'a political indiscretion'—as I think he put it—that in my opinion he was not. Surely we have not reached the point in this British country, in this building, that that great tradition of free speech and fair play, democracy, when an honourable member elected to take his place cannot speak his honest opinions on matters such as he discussed this afternoon, even when that discussion includes a topic which often and, I think, unnecessarily arouses passion and suspicion and foreboding—the matter of Education. He spoke his personal opinions frankly and earnestly, as, of course, he has every right to do. He himself would be the first to tell you that he was not voicing the formal, official policy of the Govern-

ment. He did not presume to do that. He did not undertake to do that. He was expressing his own personal opinion. We honour him for his fearless and frank expression of opinion. May I say, speaking formally and in behalf of the Government of Newfoundland, that we have no thought at all of taking the jurisdiction of education out of the hands in which it presently, properly rests. That is to say, in the hands of the people and of the religious denominations. There it is and there it belongs and there, so far as this Government is concerned, it will continue to be. At the same time, men being men, having insight and brains, men will differ in their personal opinions and interpretations, and God forbid that touchiness or fear or suspicion should ever make it inexpedient for a man to express his honest feelings even on so delicate a matter as this one of education. This is what my honourable friend, the member for Fogo has done, as a man; as a member of this House who is proud to support this administration of His Majesty's Government.

MR. JACKMAN: I would like to remind the Premier that we have here this afternoon a very important personage who happened to be the leader of our Party in the last election, the Mayor of St. John's. I think he should be welcomed officially.

MR. SPEAKER: Is the House ready for the question? It is moved and seconded that a Committee be appointed to draft the Reply to the Speech from the Throne.

Whereupon the motion was carried.

I would appoint the following members to draft the Address in Reply: The Hon. Member for Labrador, Mr. Horwood; the Hon. Member for Fogo,



Mr. Janes and the Hon. Member for Hr. Main-Bell Island, Mr. Fahey; and order that the Committee report to the House.

#### Notice of Motions and Questions

MR. SMALLWOOD: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Life Insurance Act, 1933" and a Bill entitled "An Act to Amend the Insurance Premium Tax Act, 1950."

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following bills:

A Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

A Bill "An Act to Facilitate the Enforcement of Maintenance Orders."

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following Bills:

A Bill entitled "An Act to Amend the Nomenclature Board Act, 1939."

A Bill "An Act Further to Amend Chapter 76 of the Consolidated Statutes (3rd Series) entitled 'Of the Permanent Marine Disaster Fund';"

A Bill "An Act Further to Amend the Shops Act, 1940."

MR. FOGWILL: Mr. Speaker, I give notice that I will on tomorrow ask the honourable the Minister of Health to table the following information:

1. If the Furnishings and Equipment for the West Coast Sanatorium have been purchased as per vote under Sub-head 1023 of the 1950-51 es-

timates of expenditure, if so state name of supplier; and if furnishings have been delivered give some detail of the number and kind of furnishings supplied, such as beds, chairs, etc., also inform the House if tenders were called, state if the lowest or any tender was accepted.

2. To ask the honourable Minister of Supply to table information showing the cost of living index for the months of April, 1950, to February, 1951, inclusive.

3. To ask the honourable Minister of Finance to table a statement showing the total revenue received from April 1st, 1950, to February 28th, 1951, under the various headings as follows: Finance, Provincial Affairs, Education, Attorney General, Natural Resources, Public Works, Health, Public Welfare, Board of Liquor Control, Supply, Fisheries and Co-operatives, and Labour.

4. To ask the honourable Minister of Finance to table a statement showing the total expenditure from April 1st, 1950, to February 28th, 1951, under the various headings as follows: Consolidated Fund Services, Legislative, Executive Council, Finance, Provincial Affairs, Education, Attorney General, Natural Resources, Public Works, Health, Public Welfare, Board of Liquor Control, Supply, Fisheries and Co-operative, Economic Development, and Labour.

5. To ask the honourable Minister of Finance to table a statement showing the total amount to the credit of the Province on deposit with the Government of Canada; also to inform the House of the total amount of the credit of the Province in the Bank of Montreal in Newfoundland as of February 28th, 1951.

6. To ask the honourable the Premier if there has been correspondence and/or discussions between the Government of Canada and the Government of Newfoundland, relating to any proposed amendment to the constitution of Canada, in respect of the right of Provinces to collect indirect sales taxes, if so, to table all information thereto, and also to state if the Government of Newfoundland is in accord with any such amendment.

7. To ask the honourable the Premier to inform the House of the total number of telegrams received by him, regarding his message to the fishermen of Newfoundland, in respect to the formation of a fishermen's organization.

8. To ask the honourable the Premier to table a statement showing a fully detailed account of the recent advertising program regarding the sale of Newfoundland-made products, the statement to show the amount paid to each person and firm employed, and the name of the Supervisor of the program and the amount paid for his services; also to inform the House of the percentage increase in sales of local products as a result of this expenditure.

MR. HIGGINS: Mr. Speaker, I give notice that I will on tomorrow ask leave to ask the honourable the Premier the following questions:

9. (1) Who bought the Merchant Seamen's Club, once known as the Mechanics' Hall.
- (2) What was the price received therefor?
- (3) What was the method of selling?
- (4) If by tender, were there any other offers?

10. (1) How much did the Icelandic herring venture cost?

(2) What has happened to the ships and equipment?

(3) What does the Government intend to do with the ships and equipment?

(4) Is it possible that the information obtained by the Icelanders will be the means of bringing Icelandic herring boats to these shores?

#### Notice of Motion

MR. CURTIS: Mr. Speaker, I would ask leave to introduce a Bill entitled "An Act Respecting the Taking of Oaths by Officers in the Armed Forces" and I would ask that that Bill be now read a first time.

Motion carried.

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, in moving the adjournment of the House until tomorrow, Monday, at three of the clock, I do so in the belief, without consultation, that my honourable friends opposite would wish to have some few days during which they might study the Speech from the Throne so that they might, perhaps, be ready on Monday to proceed with the debate, should the Committee appointed bring back its Address in Reply by that time.

MR. HIGGINS: I hope the Minister will let us have Bills in plenty of time for perusal.

MR. SMALLWOOD: I give that undertaking. My honourable friend is aware of the fact that it is not until a Bill has been given first reading that it may be printed; although

the practice has been to print it, even for first reading. My honourable friend is aware also that if he is not ready to proceed with the debate on a Bill, he has every right to ask, and the Government has the right, in courtesy, to accede to the request that there be a delay until the **Opposition** and the Independents are prepared to go forward.

MR. HIGGINS: That was not thought of the last time. The first two sessions were rushed.

MR. SMALLWOOD: I think there was a considerable rushing in the first session. In the second session, I do not think there was nearly as much hurry, except on towards the end. Never was there a Legislative Assembly that did not have a bit of rush and hurry in the closing days of a session; it has been extremely difficult to avoid.

MR. SPEAKER: The motion is not debatable.

MR. JACKMAN: I would like to ask if it would be possible to have a morning session as well as an afternoon session? After all, a lot of us fellows are all just common working men, toiling masses; and while we are here, we would like to get in as much time as possible. If the Government could arrange it, I would like to have a morning and evening session. Every day we have an adjournment until the following day at three o'clock and persons like me have nothing to do only spend money.

MR. SMALLWOOD: I am not too sure whether I am in order; but I would say that we as a Government, an Executive Government find it necessary when the House is not in session to meet quite frequently.

When the House is in session, it is necessary to meet even more frequently. If the House meets morning, afternoon and night, then the Executive Government will not have an opportunity to meet and perhaps there will not be too much business for the House. By the same token, if the Executive Government never met, there would never be any legislation and no need of a House at all.

The House adjourned until tomorrow, Monday, the twelfth, at three of the clock.

MONDAY, March 12, 1951

The House opened at three of the clock.

#### Presenting Petitions

Hon. Edward Russell, Minister of Natural Resources, presented a petition from Bunyan's Cove, regarding the building of a road.

Hon. C. H. Ballam, Minister of Labour, presented a petition on behalf of Mr. Speaker, from Belburns, District of St. Barbe, regarding menace of dogs.

Hon. Dr. H. L. Pottle, Minister of Public Welfare, presented a petition on behalf of the residents of Bay de Verde and Red Head Cove regarding the repairs of road.

Mr. Vardy presented a petition from the settlement of Blackhead Road regarding the repair of road.

Mr. Button presented a petition from Trinity South regarding the construction of a hospital.

Mr. Cashin presented a petition from Renewes regarding road repair.

The petitions were received and referred to the departments concerned.

The following documents were tabled :

Hon. James J. Spratt, Minister of Provincial Affairs, tabled a report from the Housing Corporation for distribution.

Hon. Edward Russell, Minister of Natural Resources, tabled a copy of an agreement between the Minister of Natural Resources, and Chester Dawe relative to a Birch Industry.

Also a copy of an agreement between the Minister of Natural Resources and a number of mink farmers respecting loans made during the past year to said mink farmers.

Regulations under the Wild Life Act, 1947 prohibiting the taking of Beaver in a certain section of Labrador.

Amendment of the Wild Life (Salmon and Trout) Regulations, 1948.

Regulations under the Vegetable (Grading) Act, 1950.

The Saw Mill (Licensing) Regulations, 1950.

Proclamation made under sub-section (1) of Section 2 of the Dog Act, 1938.

HON. DR. H. L. POTTLE: (Minister of Public Welfare): I would like to ask the members of the House to consider a memorandum or table I circulated earlier, a Statement of Distribution of Statutory Payments made by the Department of Public Welfare for February 1951.

If any member wishes clarification I should be glad to furnish it. I believe it is self explanatory. The honourable members may wish to have time to look into the data and probably ask questions in the course of time relating to their own districts or the total picture. If the honourable members have no further questions to ask I would beg leave to lay three copies of the Annual Report of the Director of Child Welfare and of the Judge of the St. John's Juvenile Court, the work of the fiscal year, on the table.

MR. SPEAKER: Before calling the next order, I wish to inform the House, some time ago a committee was set up to revise standing orders of the House. I hope to be able on tomorrow to place in the hands of the members of the committee the completely revised rules and standing orders of this House together with certain other papers and the committee may be able to report to the House in due course.

#### Reports of Standing and Select Committees

MR. HORWOOD: Mr. Speaker, regarding the select committee appointed to reply to the Speech from the Throne, it is already in the hands of Mr. Clerk.

The Clerk of the House read the following reply from the Speech from the Throne:

To His Honour the Lieutenant Governor,

Sir Leonard Cecil Outerbridge,  
Knight Bachelor, C.B.E., D.S.O.

May it please Your Honour:

We, the Commons of Newfoundland for Legislative session assembled, beg to thank Your Honour for the gracious speech which Your Honour has addressed to this House.

(Sgd.) H. HORWOOD.  
R. J. FAHEY.  
GORDON W. JANES.

Assembly Room,  
March 12, A.D. 1951.

MR. SPEAKER: The motion is that this address in reply to the Speech from the Throne be adopted. I understand that the debate on the question is to be made on the Speech from the Throne. Do we proceed on that debate now or defer it?

HON. J. R. SMALLWOOD (Prime Minister): We had better defer it to a point later in the afternoon.

MR. SPEAKER: It is the wish of the House to defer this debate.

#### Notice of Motions and Questions

MR. CASHIN: I give notice that I will on tomorrow ask the honourable the Minister of Finance to table the following information:

(1) A copy of the Public Accounts for the fiscal year 1949-50 as well as a copy of the Report of the Comptroller and Auditor General for the same period.

(2) A statement certified by the Auditor General showing the amount placed to the credit of the Province of Newfoundland from the surplus upon the Terms of Union; also the amount to the credit of the same account at the present time. If any withdrawals have been made from the original deposits, to give a statement of such withdrawals.

(3) A statement showing the amount of revenue and expenditure for the

fiscal year 1949-50. This statement to be shown under the various headings. Also, a statement showing the amounts received from the Federal Government as Transitional grant for the fiscal year 1949-50 as well as a statement showing the various amounts received from the Federal Government under the headings of Public Health and Welfare for the fiscal year 1949-50.

(4) A statement showing the amount received from the Federal Government from April 1st, 1950, to date for Transitional Grant as well as the amount received under the Department of Health and Welfare for Old Age Pensions, etc., also any other amounts received as Grants from the Federal Government and shown in the Consolidated Revenue account.

(5) A statement showing the amount of actual cash to the credit of the Treasury in the Bank of Montreal as at February 28th, 1951—the total amount of cash to the credit of the Board of Liquor Control as at February 28th, 1951.

(6)—Give a statement showing the operations of the Newfoundland Savings Bank for the fiscal year 1949-50.

(7) Give a statement showing the amount of actual cash loaned to the various industries, giving the names of the corporations to which the money has been loaned, the rate of interest being paid in each case and all particulars regarding such loans. This statement to include amounts advanced by the Commission of Government.

(8) Give a statement showing the amounts of money guaranteed to various corporations or individuals and full particulars concerning such guarantees.

Also I give notice that I will on tomorrow ask the honourable the Minister of Provincial Affairs to table the following information :

(1) A statement showing the cost of operating the various apartment buildings in the Housing Corporation. Give details of such cost; such as the annual cost of heating, insurance, janitor service, etc. Give the total rentals.

Also I give notice that I will on tomorrow ask the honourable the Minister of Public Health to inform the House why it is that the cottage hospital has not been constructed in the district of Ferryland as provided for in the estimates of expenditure passed through this House during the last session. Is it true that the Secretary or Assistant Secretary for Public Health has advised the Government not to perform this work and if so, would the Minister inform the House why it is that legislation passed through the legislature covering the Public Health Department has not been carried out.

Also I give notice that I will on tomorrow ask the Minister of Public Works to table a statement as follows :

(1) The total number of miles constructed under the Trans-Canada Highway plan during the year 1950—the total cost to the province of such construction—the total number of miles of such road to be constructed over the next few years under such plan, and the estimate of cost of such plan. Given an estimate of what amount this whole Trans-Canada Highway plan will cost the province when finished and whether the province is actually committed to finish this project.

(2) What amount of money was expended in the form of relief work on

public highroads during the autumn of 1950; give this information showing the amount expended in each district.

(3) Table a copy of the tenders submitted for the construction of the additional wings to the Mental Hospital, informing the House what company or companies were awarded the contracts and were the lowest tenders accepted.

MR. JOHN G. HIGGINS (Leader of the Opposition): I give notice that I will on tomorrow ask the honourable the Premier :

(1) Who started the "Buy Newfoundland Campaign?"

(2) By what authority was \$50,000.00 allocated?

(3) Who appointed the Director of the campaign?

(4) What is the work of the Associated Newfoundland Industries in connection with the campaign?

(5) Under whose auspices was the fair held in August and why was such an inconvenient time chosen?

(6) How much money was realized for the booths and to what did this money go?

(7) Who was responsible for bringing down the Circus and was the Circus recommended by anybody?

(8) How is the Buy Newfoundland Campaign carried on now?

(9) If advertisement is used in connection with it what papers get the advertising and what space is used by each paper?

(10) Has there been an audit of the funds of the organization. If not, why not?

Also to ask the honourable the Minister of Co-operatives :

(1) Did any person or companies receive any money or guarantee from the Government to build taverns or road houses or tourist lodges?

(2) If so, what are the names of the parties or companies, what is the amount involved and what is the security?

Also to ask the honourable the Premier :

(1) How much will the cement factory cost?

(2) Does the Government intend to work it. If not, who will?

(3) How many will it employ?

(4) Who got the contract to build it?

(5) Who supplied the machinery?

(6) If machinery was bought in Europe, who did the buying and what was paid for it?

(7) Was the Government offered any machinery for a cement factory on this continent?

(8) In the event of war, how will spare parts be obtained?

(9) Have any arrangements been made for selling cement out of this country?

(10) On whose authority was the order for the factory given?

(11) Has any money yet been paid on the cement mill or its machinery?

(12) On whose authority was it paid?

(13) Was the Comptroller consulted in the matter?

Also to ask the honourable the Premier :

(1) Did the Government buy the

American Aerated Water Company building on LeMarchant Road?

(2) For how much? If conveyance drafted, please table a copy.

(3) What was included in sale?

(4) Why did the Government buy it?

(5) Was it bought on an appraisal value?

(6) Is the Government aware that this building was offered for sale some time previously?

(7) Did the company approach the Government to buy or did the Government approach the company to sell?

(8) Has the Government got a warehouse for liquor, and if so, where? What was the cost of the warehouse and what can it hold?

Also to ask the honourable the Minister for Co-operatives :

(1) How much money has been advanced to or guaranteed for Lourdes Co-operative Association?

(2) How often has money been paid or guarantee given. On what dates and how much on each occasion?

(3) What collateral was given for the loan or loans or guarantee?

(4) On whose recommendation was or were the loan or loans advanced or guarantee given?

(5) Was an inquiry made at any time by the Government as to the affairs of the Association? If so, when, and was this done before any loan was made or guarantee given?

(6) What was the financial position of the Association at the time the \$40,000 loan or guarantee mentioned in the Act passed at the last session was given?

(7) What is the financial position of the Association today?

(8) How much of the loan or loans has been paid or by how much has the guarantee been reduced?

(9) Was the \$40,000 advanced to obtain supplies or pay off debts?

(10) What actually happened to the money?

MR. FOGWILL: I give notice that I will on tomorrow ask the honourable the Premier:

To table statement showing the total cost of the Royal Commission which was appointed to inquire into the high cost of living in Newfoundland, the statement to show the names of the Commissioners and the names of all persons employed by the Commission and/or by the Government in connection with the inquiry and the salary paid to each, also to show the cost of travelling expenses, the cost of printing the report and the name of the printer; also inform the House of what action is being taken by the Government to bring down the high cost of living, and if in the opinion of the Government the expenditure incurred will result in reducing the high cost of living, if so, state what percentage reduction in living costs has been evidenced or may be expected.

Also to ask the honourable the Premier:

Has the Premier any knowledge of the amount collected in Newfoundland since April the first nineteen forty-nine by the Government of Canada, in respect to the eight per cent general sales tax, if so, state the amount.

Also to ask the honourable the Premier:

To table a statement regarding the foreign rate dispute, showing all particulars, such as the number of firms

or persons employed, salaries, travelling expenses, fees, etc., paid or still to be paid on this account; state what in the opinion of the Government is the approximate total amount paid in excess of the adjusted freight rates as from April 1, 1949, to the date when the adjusted rates came into effect; also inform the House if, in the opinion of the Government a substantial lowering of the cost of consumer goods at retail prices will result.

Also to ask the honourable the Premier:

If it is the intention of the Government to pursue this matter further in respect to having the adjusted rates made retroactive to April 1, 1949.

Also to ask the honourable the Premier:

Has the services of the Director of Economic Development been secured by contract, if so, inform the House of the terms of the contract, if the Director's services have not been secured by contract, then inform the House of the conditions of his employment, stating salary, travelling allowances, and any other fee, emolument, etc., paid to him since his services have been secured.

Also to ask the honourable the Premier:

To table a statement showing the total cost of the visit of the Acting Deputy Minister of Fisheries to European fishing centres last year, statement to include the amount of travelling expenses and salary paid; also to inform the House if the Acting Deputy Minister has made a report, if so, table the report; also inform the House if the Acting Deputy Minister of Fisheries is presently employed by



the Government, if so, state the nature of his employment and the salary paid.

Also to ask the honourable the Premier :

How many Newfoundlanders are presently employed in Labrador in connection with the iron ore development; has the Government any knowledge which would indicate with any degree of accuracy the number of men likely to be employed there in 1951?

Also to ask the honourable the Premier :

Has the Government made any attempt to keep the Newfoundland Industrial Board functioning, if not, why not?

Also to ask the honourable the Premier :

Did the Government assist in setting up and the operating of a pilot fish meal plant at the Naval Dockyard in St. John's, if so, what was the cost and the result?

MR. SPEAKER: Any further notice of questions?

MR. SMALLWOOD: I give notice that I will on tomorrow ask leave of the House to introduce a Bill "An Act to Amend the Life Insurance Act, 1933," and while I am on my feet will give replies to two questions directed at me on Wednesday past, by the honourable the junior member for St. John's, East. Number eight on the Order Paper: This ought to be addressed, I think, to the honourable the Attorney General who, I believe, will give the reply today.

Number seven on the Order Paper addressed to me: "To inform the House of the total number of tele-

grams received by me regarding my message to the fishermen of Newfoundland in respect to the formation of a fishermen's organization?"

About seven hundred telegrams and one hundred letters from more than ten thousand fishermen.

The honourable the same member to ask me to table a statement showing a fully detailed account of the recent advertising program regarding the sale of Newfoundland-made products, the statement to show the amount paid to each person and firm employed and the name of the Supervisor of the program and the amount paid for his services; also to inform the House of the percentage of increase in sales of local products as a result of this expenditure.

The reply is a full and detailed report of the work of "Buy Newfoundland Campaign" now under preparation by the Director and will be tabled as soon as it is received.

Question number nine: addressed to me by the honourable the Leader of the Opposition ought to have been addressed to the honourable Minister of Public Works.

Question number ten, also addressed to me ought to have been addressed to the honourable the Minister of Fisheries and Co-operatives.

Question number five addressed to me should be addressed to the honourable the Minister of Fisheries and Co-operatives, and the statement is now in the course of preparation, and the same reply applies to question number four and to question number three. I think, Mr. Speaker, that is all the questions on this Order Paper referred to me.

HON. P. S. FORSEY (Minister of Supply): Question No. 2 on the Order Paper—Mr. Fogwill addressed to the honourable the Minister of Supply—Table information showing the cost of living index for the months April 1950 to February 1951 inclusive.

1 April, 1950 .....	171.2
6 May, 1950 .....	170.9
3 June, 1950 .....	172.9
1 July, 1950 .....	174.1
5 August, 1950 .....	176.8
2 September, 1950 .....	177.5
7 October, 1950 .....	176.7
4 November, 1950 .....	176.3
2 December, 1950 .....	178.3
6 January, 1951 .....	179.6

(Index for the month of February 1951 (not yet released).

Replying to Question No. 1 referred to me for reply—Mr. Fogwill addressed to the honourable Minister of Health.

If the Furnishings and Equipment for the West Coast Sanatorium have been purchased as per vote under Subhead 1023 of the 1950-51 Estimates of expenditure, if so state name of supplier; and if furnishings have been delivered give some detail of the number and kind of furnishings supplied such as beds, chairs, etc., also inform the House if tenders were called and state if the lowest or any tender was accepted.

Tenders for the furnishings and equipping of the West Coast Sanatorium at Corner Brook were invited through my Department from large mainland firms such as Henry Morgan & Co. Ltd., and others; Cassidy's Limited, T. Eaton & Co., Limited, Robert Simpson & Company Limited, and others in Montreal and Toronto last year to be paid for out of funds

provided under Department of Health Subhead 1023 of the 1950-51 Estimates. These firms maintain a special contract division providing free cost for the services of interior decorators, heating and equipment specialists, installation technicians, etc., and are equipped to supply properly matched items of merchandise designed to meet the needs of any institution.

The most complete and comprehensive submission was made by the firm of Cassidy's Limited through their special hotel and hospital contract division at Montreal, and in this way were successful in being awarded the main contract for the supply of furniture and equipment, all of which has now been delivered and is being installed under their supervision at no cost.

At this time it might be observed that Messrs. Cassidy's Limited, Special Hotel and Contract Division at Montreal were also successful in obtaining from the Western Memorial Hospital Corporation at Corner Brook the competitive contract to supply, supervise and install all the furniture and equipment for their hospital.

The furniture and equipment for the West Coast Sanatorium was very carefully selected on the basis of good quality commensurate with cost and a recent inspection of the completed Nurses' Residence has shown the furniture supplied and installed by Cassidy's Limited to be of exceptional quality and has justified the policy of the Government in following the modern trend in taking advantage of expert technical advice available from larger supply houses free of cost as well as obtaining finer prices made possible through bulk purchase, resulting in higher quality merchandise all round.

The greater portion of the furniture such as beds, mattresses, bedside lockers, overbed tables, screens, chairs, etc., for the 277 bed institution was made by Simmons' Limited of Montreal. Firms who were also successful in being awarded tenders for the supply of other equipment were:

Surgical Supplies (Canada) Ltd., Toronto.

Foulis Engineering Sales, Ltd., Halifax.

T. McMurdo and Co., Ltd., St. John's.

McDonald Wholesale Drugs Ltd., St. John's.

Neyle Soper Hardware Co., Ltd., St. John's.

Bowring Brothers Ltd., St. John's.

J. F. Hartz Co., Ltd., Toronto.

Ayre & Sons Limited, St. John's.

Dicks & Co., Limited, St. John's.

Goodyear & House Limited, Corner Brook.

National Wholesalers Limited, Corner Brook.

Halley & Co., Limited, St. John's.

Newfoundland Paper Bag Company.

Peter Pan Sales Co., St. John's.

Brookfield Ice Cream Co., Limited, St. John's.

A. E. Hickman Company, Limited, St. John's.

Steers Limited, St. John's.

Earle Sons & Co., Limited, St. John's.

Sanitary Products Ltd., St. John's.

Royal Stores, Limited, St. John's.

Newfoundland Margarine Co., Ltd., Toronto.

Standard Chemical Co., Limited, Toronto.

Canadian Laundry Machinery Co., Ltd., Toronto.

Dye & Chemical Co. of Canada Ltd., Kingston, Ont.

G. & A. Hardil & Co., Limited, Toronto.

Colonial Cordage Co., Limited, St. John's.

United Nail & Foundry Co., Limited, St. John's.

Heap & Partners (Nfld.) Limited, St. John's.

Provincial Sales & Contracting Co., Limited, St. John's.

Imperial Oil Limited, St. John's.

D. H. Gosse Limited, St. John's.

R. J. Coleman Limited, St. John's.  
Nfld. Tractor & Equipment Co., Ltd., St. John's.

Physicians Records Co., Chicago, Ill.  
Gilbert Surgical Supply Co., Toronto.

Ingram & Bell Ltd., Toronto.

P. C. O'Driscoll Limited, St. John's.

Casgrain & Charbonneau Limited, Montreal.

Sterling Rubber Co., Guelph, Ont.

Canadian T. B. Association, Ottawa.

J. B. Lippincott & Co., Montreal.

The Commonwealth Fund, New York, N.Y.

McAinsh & Co., Limited, Toronto, Ont.

National League of Nursing Education, New York, N.Y.

American Journal of Nursing, New York, N.Y.

Public Health Nursing, New York, N.Y.

Journal of the American Medical Assn., Chicago, Ill.

White Clothing Co., Limited, St. John's.

George P. Pilling & Son, Philadelphia.

HON. LESLIE R. CURTIS (Attorney General): Question No. 6, addressed to the honourable the Premier has been referred to me for reply:

If there has been correspondence and/or discussion between the Government of Canada and the Government of Newfoundland, relating to any proposed amendment to the constitution of Canada, in respect of the right of Provinces to collect indirect sales taxes, if so, to table all information thereto, and also to state if the Government of Newfoundland is in accord with any such agreement.

At the Federal and Provincial Conference held at Ottawa, December 4 and December 7, a provincial proposal for an amendment to the Constitution to permit the Provincial Legislature to levy an indirect sales tax at retail level was discussed, and it was agreed that the proposed amendment to the Constitution should be drafted by the Department of Justice and submitted to the Provincial Government for early consideration.

In pursuance to this agreement the Honourable the Attorney General and the Minister of Justice of Canada has submitted to the Government of Newfoundland a proposed amendment to section 92 (2) of the British North America Act, reading as follows:

"(2) The raising of revenue for provincial purposes by (a) direct taxation within the province in respect of the sale of goods (except goods sold for sale outside the province) to a buyer for purposes of consumption or use and not for resale, at a rate not exceeding three percent of the sale price, but not so as to discriminate between sales

of goods grown, produced or manufactured outside the province, and not so as to discriminate between sellers or classes of sellers of the same class of goods.

The Government approves of this proposed amendment and has notified the Attorney General of Canada accordingly.

When the amendment has been made it is proposed to withdraw the present social security assessment and substitute therefor an assessment as provided therein.

HON. E. S. SPENCER (Minister of Public Works): The answer to question number 9 addressed to the Premier by the honourable the Leader of the Opposition is as follows:

The Government finding themselves in possession of a building properly known as the Mechanics Hall considered what sound use if any they could make of it. The building is quite unsuitable for Government offices and on account of lack of suitable structural strength and age made it entirely unsuitable for a liquor warehouse. The decision was therefore made to sell the building. The sale of the Merchant Seamen's Club was made to the City Realty Company Limited. The sale price \$20,000. The sale was made by inviting tenders through the public press. One other tender was received. The offer of the City Realty Company Limited was the higher and was accepted.

HON. WILLIAM J. KEOUGH (Minister of Fisheries and Co-operatives): Number 10, addressed to me:

(1) How much did the Icelandic herring venture cost?

Answer: The findings and statements are now in the hands of the auditors for preparation.

(2) What has happened to the ships and equipment?

Answer: The vessels are tied up at St. John's, at the Naval Dock, and the equipment has been placed in storage.

(3) What does the Government intend to do with the ships and equipment?

Answer: Disposal of vessels, having in mind their worth and use.

The answer to number (4) is: Highly improbable.

MR. CURTIS: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act Respecting Survivorship."

MR. SMALLWOOD: Mr. Speaker, I beg leave to introduce a Bill tomorrow "An Act to Further Amend the Newfoundland Corporation Income Tax Act, 1949."

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I beg leave to introduce a Bill "An Act to Amend the Nomenclature Board Act, 1938."

I beg leave also to introduce a Bill "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled 'Of the Permanent Marine Disaster Fund.'"

I beg also to introduce a Bill "An Act Further to Amend the Shops Act, 1940."

MR. CASHIN: You gave notice on opening day.

MR. SPEAKER: It would be better if honourable members be called in order.

MR. SPRATT: In reply, I gave notice on opening day.

MR. SPEAKER: It will be called today.

The honourable the Premier to ask leave to introduce a Bill "An Act to Amend the Life Insurance Act, 1933."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: The honourable the Premier to ask leave to introduce a Bill "An Act to Amend the Insurance Premium (Tax) Act, 1950."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General to ask leave to introduce a Bill "An Act to Facilitate the Enforcement of Maintenance Orders."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General to ask leave to introduce a Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Provincial Affairs to ask leave to introduce a Bill "An Act to Amend the Nomenclature Board Act, 1938."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Provincial Affairs to ask leave to introduce a Bill "An Act Further to Amend Chapter 76 of the Consolidated Stat-

utes (Third Series) entitled 'Of the Permanent Marine Disasters Fund'."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Provincial Affairs to ask leave to introduce a Bill "An Act Further to Amend the Shops Act, 1940."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

MR. SPEAKER: The question before the House is that the Address in Reply to the Speech from the Throne be adopted.

MR. SMALLWOOD: Mr. Speaker, I don't propose to speak to that motion but rise merely to enquire of my honourable friend the Leader of the Opposition if he is ready to proceed with the debate for which purpose we adjourned Wednesday last until today, and if not, if he can indicate when he expects they would be ready to proceed with the debate. I may say it is our disposition here on this side to accommodate our honourable friend to the maximum extent possible. On the other hand, it is, I think quite customary to be ready for the debate on the Address from the Throne and to proceed almost at once after a day or two has elapsed following the deliverance of the Speech from the Throne by the Governor General.

We have a rather heavy program of legislature; we have in addition an extensive program for economic development which has to be debated in this House; we have as well the estimates and the budget.

I am quite sure that it would be the wish of every member of the House to conclude the work of the session without the necessity of going in on the warm summer months. For that reason,—and I am reminded by my honourable friend the Attorney General there is also the Easter recess and Holy Week before us which will still further delay necessarily the business of the House and for this reason I would sincerely hope my honourable friend opposite might be prepared to proceed with the debate in the Address in Reply at the earliest possible moment. If they are prepared to go ahead with the debate now, we are on the Government side, if not perhaps the honourable and learned friend opposite would be prepared to indicate when his party would be ready to proceed with the debate. When we know that any members on this side of the House desiring to take part in the debate can govern themselves accordingly and some friendly arrangement may be made whereby speakers on both sides of the House could, to some extent, as far as the comparative numbers on the respective sides will allow, alternate their speeches and in that way make it more of a debate and less of a series of unrelated speeches one having no bearing on the other.

MR. HIGGINS: We shall be ready on Wednesday. I am sorry we were delayed; I did not think the Speech from the Throne came up for a few days after the opening of the session. I hope the speeches will go alternately one side to the other. Because of the number over there it would be necessary to consider two or three of the Government members as one on our side.

I regret to learn there is going to be a lot of legislature this year. One

time the Ten Commandments and the Sermon on the Mount were sufficient to do business. But now there must be a large number of acts passed in which nobody would know, one way and another what was intended with the result that lawyers like myself would be tripped up and would not know the law. And as ignorance is no excuse of the law I have to go to jail, and when some client comes to me with some problem I would not know what to tell him, I would have to look it up in a law book. The lawyer will be confused more than once but as for the client, he has the good fortune that, for a fee, he can apply to a lawyer for the answer.

I move the debate be deferred until tomorrow Wednesday.

MR. SMALLWOOD: As it involves the time-table of the House of which the Government has some say, I think I ought to move the debate be deferred until tomorrow, Wednesday.

Motion carried.

Second reading of Bill "An Act Respecting the Taking of Oaths by Officers in the Armed Forces."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of a Bill, an Act respecting the taking of oaths by Officers in the Armed Forces. This bill has been distributed and honourable members will find copies on their desks. I would not introduce the second reading and move for introduction were it not for the fact that the Bill is a short simple one presented by us at the request of the Attorney General of Canada. The effect of the Bill is to enable commanding officers of His Majesty's Forces of Canada on active service in Canada or outside to administer oaths and take affidavits within or without New-

foundland for use within Newfoundland. This is necessary for testing volunteers and for other army disciplinary matters.

Bill was read a second time.

MR. CURTIS: In view of the fact we have nothing else to do, but adjourn this afternoon, and this is an important matter, could we go into committee of a whole now?

Rule 261 was suspended and the Bill "An Act Respecting the Taking of Oaths by Officers in the Armed Forces" was referred to a committee of a whole.

The committee rose and reported having considered the matter to it referred and passed the Bill without amendment.

Ordered to be read a third time on tomorrow.

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

The House adjourned accordingly.

TUESDAY, March 13th, 1951.

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

#### Presenting Petitions

Mr. Morgan from the North Side of District of Green Bay re Road.

Mr. Courage from St. Alban's, re Doctor's Residence.

Mr. Drover from Roddington and Englee, re Road.

HON. E. S. SPENCER (Minister of Public Works): I think I am in order at this time to lay on the table the regulations regarding the probi-

otion of dumping, Department of Public Works during the past year, known as Prohibition of Dumping Regulations, 1951.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): I give notice I will on tomorrow ask leave to introduce a bill "An Act Respecting the Interpretation of Statutes."

HON. J. R. SMALLWOOD (Prime Minister): I have some replies to

questions. The first is one on the Order Paper of Monday, No. 3:

MR. FOGWILL: To ask the honourable Minister of Finance to table a statement showing the total revenue received from April 1st, 1950, to February 28th, 1951, under the various headings as follows: Finance, Provincial Affairs, Education, Attorney General, Natural Resources, Public Works, Health, Public Welfare, Board of Liquor Control, Supply, Fisheries and Co-operatives, and Labour.

Question number 4 deals with the same period. For this eleven months, therefore, the revenue was as follows:

Current Revenue (For the 11 months ending 28 February, 1951)

Department	Amount
IV Finance .....	\$15,757,102
V Provincial Affairs .....	12,037
VI Education .....	218,906
VII Attorney General .....	58,707
VIII Natural Resources .....	589,289
IX Public Works .....	573,185
X Health .....	881,377
XI Welfare .....	3,737,065
XII Board of Liquor Control .....	1,600,000
XIII Supply .....	3,754
XIV Fisheries and Co-operatives .....	41,477
XV Economic Development .....	430
XVI Labour .....	2,537
	<hr/>
	\$23,475,866

Note: The above figures are subject to final audit.

MR. FOGWILL: To ask the honourable the Minister of Finance: To table a statement showing the total expenditures from April 1, 1950, to February 28, 1951, under the various headings as follows: Consolidated Fund Services, Legislative, Executive Council, Finance, Provincial Affairs, Education, Attorney General, Natural Resources, Public Works, Health, Public Welfare, Board of Liquor Control, Supply, Fisheries and Co-operatives, Economic Development, and Labour.



## Expenditure on Current Account

(For the 11 months ending 28 February, 1951)

Department	Amount
I Consolidated Fund Services .....	\$ 270,912
II Legislative .....	44,826
III Executive Council .....	41,351
IV Finance .....	841,423
V Provincial Affairs .....	55,870
VI Education .....	3,874,200
VII Attorney General .....	1,123,955
VIII Natural Resources .....	819,969
IX Public Works .....	3,001,622
X Health .....	3,819,538
XI Public Welfare .....	9,551,818
XII Board of Liquor Control .....	175,782
XIII Supply .....	306,520
XIV Fisheries and Co-operatives .....	333,812
XV Economic Development .....	55,316
XVI Labour .....	56,670
	\$24,373,584

Note: The above figures are subject to final audit.

Question No. 5—Mr. Fogwill to ask the honourable Minister of Finance to table a statement showing the total amount to the credit of the Province on deposit with the Government of Canada; also to inform the House of the total amount of credit of the Province in the Bank of Montreal in Newfoundland as of February 28, 1951.

(a) Amount on deposit with Government of Canada at 28/2/51—\$20,000,000.

(b) Amount on deposit, Bank of Montreal at 28/2/51—6,967,693.

I think, Mr. Speaker, that is all on Monday's Order Paper.

Question No. 11 asked by the honourable the leader of the Opposition addressed to the honourable the Premier:

1. Who started the "Buy Newfoundland Campaign?"

I did. I called a conference of farmers, manufacturers, retail shopkeepers, importers, packing-houses, Newfoundland Federation of Labour representatives and others to outline to them a proposal that such a campaign be started. This conference was followed by many meetings at which these representatives met with the Minister of Natural Resources and myself.

2. By what authority was \$50,000.00 allocated?

By authority of a Special Warrant on the Treasury issued, upon advice of the Executive Government, by His Honour the Lieutenant Governor.

3. Who appointed the Director of the Campaign?

The Executive Government, after consultation with the Associated Newfoundland Industries and other groups represented in the conference.

4. What is the work of the Associated Newfoundland Industries in connection with the campaign?

Their work is to collaborate very closely with the Director in the conduct of the campaign, and to contribute towards the cost of the campaign.

5. Under whose auspices was the fair held in August and why was such an inconvenient time chosen?

The fair is understood to have been held under the auspices of a committee or group headed by Messrs. Geoffery Stirling and Donald Jantison. It is not admitted that the time chosen was inconvenient. The reason for holding it at the time is best known to the promoters.

6. How much money was realized for the booths and to what did this money go?

This question would more properly be addressed to the owners of the Fair.

7. Who was responsible for bringing down the Circus and was the Circus recommended by anybody?

I have no knowledge.

8. How is the "Buy Newfoundland" Campaign carried on now?

The answer to this question will appear when the full report of the campaign, to which I made reference yesterday, is brought down.

9. If advertisement is used in connection with it what papers get the advertising and what space is used by each paper?

The foregoing answer applies to this question also.

10. Has there been an audit of the funds of the organization, if not, why not?

So far as I know, there has not as yet been an audit.

MR. SPEAKER: 12. Mr. Higgins asks the honourable the Minister of Co-operatives:

1. Did any person or companies receive any money or guarantee from this Government to build taverns or road-houses or tourist lodges?

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): This question would have more properly been addressed to the honourable the Premier, and I have forwarded it to him.

MR. SMALLWOOD: The answer is no person or companies have received any money or guarantee from the Government to build taverns or road-houses and consequently the second part of the question does not arise.

With reference to a series of questions submitted by the honourable Leader of the Opposition regarding cement mills now under construction. I must be candid: Some of the questions asked cannot be answered in the public interest. The questions that can in the public interest be answered are as follows:

3. How many will it employ?

Answer: About three hundred men full-time and some others part-time.

4. Who got the Contract to build it?

Answer: Two contracts were let. One, to W. J. Lundrigan, Ltd., of

Corner Brook, was let for the excavation, concrete work, construction of pipe lines, erection of siles, building pier, and erecting certain other buildings connected with the plant. The other, to Messrs. Maig of Brunswick, Germany, and for the erection of the steel and installation of the machinery, and for the operation of the cement mill under test for one month after completion.

5. Who supplied the machinery?

Answer: Answered by the foregoing.

6. If machinery was bought in Europe, who did the buying and what was paid for it?

Answer: The machinery was ordered by contract from Messrs. Miag by the Executive Government. It would not be in the public interest to answer the latter part of the question.

7. Was the Government offered any machinery for a cement factory on this continent?

Answer: The Government ascertained whether the necessary machinery could be purchased on this continent, and what prices would have to be paid for the purchase and installation of it. It was because the price of purchase and installation was so much lower, and the agreed time of delivery was so much shorter, in Germany, that the order was placed there.

8. In the event of war, how will spare parts be obtained?

Answer: One year's supply of spare parts is included in the original order. No particular difficulty is foreseen in obtaining additional spare parts in case of war. I could amplify that by

saying that except for one or two specialized parts of the cement mill which are distinctive of the firm of Miag the rest of the machinery is pretty standardized and spare parts can be obtained from a number of firms across Canada and in the United States but of the particular parts specialized by Miag we have a pretty ample supply and if war should come we will still be able to get them made on the North American Continent even though the cost might be higher than the cost of the original parts.

9. Have any arrangements been made for selling cement out of this country?

Answer: No firm arrangements have been made for selling cement out of this country or out of this Province.

10. On whose authority was the order for the factory given?

Answer: On authority of the Executive Government. Payment is by Special Warrant of His Honour the Lieutenant Governor, on advice of his Ministers.

11. Has any money yet been paid on the cement mill or its machinery?

Answer: Yes.

12. On whose authority was it paid?

Answer: Answer contained in reply to question No. 10.

13. Was the Comptroller consulted in this matter?

Answer: The Comptroller was consulted in this matter, as he is on all financial matters.

Where is this further observation to be made? The Government are

fully aware that a complete accounting of the whole of the cement mill project must be submitted to the House, and they are of course prepared to do it as soon as the public interest will permit. Certain negotiations are being conducted with respect to the cement mill, and until these have been concluded it would be contrary to the public interest to divulge the financial details of the transaction. It is expected that it will be practical and proper to table all particulars before the close of the present session of the House.

In the meanwhile the Government are prepared to reveal all facts and details to the honourable and learned Leader of the Opposition for his private information and the private information of his colleagues.

That is to say it is not in the interest of the public to publish the information either outside or inside the province and we have nothing to hide from the House but it is not in the public interest to have, for another little while to have the figures and details of this project, of this mill published to the world.

14. Mr. Higgins to the honourable the Premier :

Did the Government buy the American Aerated Water Company Building on LeMarchant Road?

Answer : The answer to this question is in the course of preparation and it is hoped to be able to lay it on the table tomorrow. I may give in passing, the reason I have not got the answer. I don't know what happened to it but the page passed me the question and I put it in my pocket, when I got home it was not there. It was actually not direct-

ed to me but to the Minister of Public Works.

MR. SPEAKER : 15. Mr. Higgins—directed to the honourable Minister of Co-operatives.

MR. KEOUGH : Questions Nos. 15 and 24 are now in the course of preparation.

MR. SMALLWOOD : 16. That question ought more properly to have been addressed to the Minister of Supply.

Hon. P. S. FORSEY (Minister of Supply) : In answer to question No. 16—The answer is in the process of compilation.

MR. SPEAKER : 17. Mr. Fogwill addressed to the honourable the Premier :

Has the Premier any knowledge of the amount collected in Newfoundland since April the first, nineteen forty-nine by the Government of Canada in respect to the eight percent general sales tax, if so, state the amount?

MR. SMALLWOOD : The answer is : I have no such knowledge.

MR. SPEAKER : 18. Mr. Fogwill, addressed to the honourable the Premier :

To table a statement regarding the freight rate dispute, showing all particulars, such as the number of firms or persons employed, salaries, travelling expenses, fees, etc., paid or still to be paid on this account; state what in the opinion of the Government is the approximate total amount paid in excess of the adjusted freight rates as from April 1, 1949 to the date when the adjusted rates came into effect; also inform the House, if ir-

the opinion of the Government, a substantial lowering of the cost of consumer goods at retail prices will result.

MR. SMALLWOOD: I think, in view of the fact that the Freight Rate Dispute was handled by the Attorney General, the question might more properly be addressed to him.

MR. CURTIS: The Premier, this morning, asked me if I could prepare the answer to this question. My office has had no time yet but the answer is being prepared—This applies also to question No. 19.

MR. SPEAKER: 20. Mr. Fogwill addressed to the Premier.

Has the services of the Director of Economic Development been secured by Contract, if so, inform the House of the terms of the Contract, if the Director's services have not been secured by contract, then, inform the House of the conditions of his employment, stating salary, travelling allowances, and any other fee, emolument, etc., paid to him since his services have been secured?

MR. SMALLWOOD: The Government has contracted with Dr. Alfred A. Valdmanis, former Minister of Finance, Trade and Industry of the Republic of Latvia, to be Director General of Economic Development of Newfoundland. The contract is for four years dating from January 1, 1951. The salary is \$25,000 per year. He is paying his travelling expenses. His assistants are paid by the Government. No fees or emoluments other than his salary are paid to him. Dr. Valdmanis, in the few months he has been with the Government, has earned for Newfoundland several times his total salary for the whole period of his contract.

MR. SPEAKER: 21. Mr. Fogwill, directed to the honourable the Premier—referred to the Minister of Fisheries and Co-operatives:

MR. KEOUGH: The answer to that question Mr. Speaker, is that there is no answer—There is not now and there never has been an Acting Deputy Minister of Fisheries.

MR. SPEAKER: 22. Mr. Fogwill, directed to the honourable the Premier:

How many Newfoundlanders are presently employed in Labrador in connection with the Iron Ore Development; has the Government any knowledge which would indicate with any degree of accuracy the number of men likely to be employed there in 1951?

MR. SMALLWOOD: I would like to give a verbal reply to that question because it is a matter that is just a little complicated. Under the Labrador Mining and Exploration Company agreement with the Government made before this Government came into existence, made, I think, and my honourable and gallant friend, the member for Ferryland, will confirm, in 1938 which was quite a while before this Government came into power, that agreement provided that in Labrador the materials to be used in the development shall, as far as possible be purchased in Newfoundland and that the labour, as far as possible be got from Newfoundland and that they be Newfoundlanders.

Now the railway runs, more than half of it, through Labrador and less than half of it through Quebec. Commencing at Seven Islands on the North Shore in the Province of Quebec and starting from Seven Islands

it continues through Quebec until finally it reaches the border between Quebec and Labrador. Then it enters Labrador and goes on through for more than half of its total distance, 365 miles and then finally passes out of Labrador a short distance into the Province of Quebec.

Now, Sir, that being the case, the railway commences at Seven Islands, it must be a year or possibly two, somewhere between one year and two before the railway will reach Labrador. In fact, at this moment, no railway is being built in Labrador, rather it is being built in Quebec, and under the agreement we have no claim on that railway and would not have any claim until the railway reached the boundary of Labrador, somewhere between one and two years from now.

Nevertheless, we recently had officials of four or five countries who have contracted to build the railway arrive in St. John's and call on me and they expressed a little concern about the labour situation, especially as the agreement is involved. We had a frank discussion and they said to me "If we don't employ Newfoundlanders now on the Quebec end of the railway and employ them only when the railway is being built from the Labrador border, we will have this situation: Canadian, non-Newfoundlanders, will be in Quebec working on the railway for a year or two years, then they strike the Labrador border and all Canadians who are not Newfoundlanders would be laid off and only Newfoundlanders would be employed, so that the Contractors would be in the absurd position of laying off a crowd of men with experience of a year or two and taking on a crowd of men, Newfoundlanders, without ex-

perience on the railway for a year or two before. I agreed, as I think every honourable member here would have agreed, that it would be a silly situation, and I said: "Look here, can we settle this thing sensibly—How about fifty-fifty all the way through, right from Seven Islands on to the end of the railway, 365 miles." They said that would suit them perfectly.

The number to be employed is two thousand men which means that one thousand of them would be Newfoundlanders, employed on the construction all the way from Seven Islands on to the end of the line and one thousand would be Canadians who were not Newfoundlanders.

MR. CASHIN: I thought we were all Canadians now.

MR. SMALLWOOD: Yes, but we are special Canadians, we are Newfoundlanders as well.

MR. CASHIN: We are a crowd of suckers.

MR. SMALLWOOD: I think that in two years time the position will be that you will not get any Newfoundlanders to go down and work on the railway but for the next year, it may well be that is the time for us to get down there, not wait two years until the railway strikes the Labrador boundary.

Now the actual number of men, I think, in Labrador, is forty or fifty—I think the first plane load took 26 Newfoundlanders, skilled men, bulldozer-operators, shovel operators, skilled men. Of the 26, I think six of them quit and came back, although the pay, I am told, is very good, running around \$1.80 to \$2.00 an hour for skilled shovel operators and the like. Four were laid off. That was

ten out of twenty-six. Sixteen were willing to stay and the company was willing to keep them. That is the story of the first plane load.

I will say this, I am coming to the conclusion, if they drain us of all our shovel operators and bulldozer operators, Newfoundland will be left without any to build a road or build some of those factories we are hoping to build.

That is a long answer to a very short question, but I thought I would pay my honourable friend the courtesy of giving him a complete answer, and in doing so, I thought the whole House would be interested in it.

22. Mr. Fogwill addressed to the Premier:—

Did the Government make any attempt to keep Newfoundland Industrial Board functioning, if not, why not?

We did for a while, but only a while; then we discontinued making a grant to them and they decided themselves to go out of existence. Why did we not attempt to keep them going? Because we felt the Department of Economic Development with myself as Minister, with Mr. Short as Deputy Minister and Dr. Valdmanis as Director General, would be more likely to produce industries for Newfoundland than the Industrial Board and we felt there was no need to have two separate organizations, both financed by public money, one entirely and one in part, so we decided not to vote any more money to the Industrial Board.

It is not my fault if members address all those questions to me. This one, No 24, should more properly, be addressed to the Minister of Fisheries.

MR. KEOUGH: I will have the answer tomorrow.

MR. SMALLWOOD: I was wondering, when opening day came and we did not hear from my honourable and learned friend opposite, when he did not table any questions, I was solitious for him, but he is back on deck on the second day.

The first one a copy of—

MR. CASHIN: May I interrupt. At one time the public accounts were tabled in a great big book.

MR. SMALLWOOD: It is no more. I know the times to which my honourable friend refers. A lot of fun was had on the first day of the session. The public accounts were tabled and members of the opposition disappeared down the back stairs and they had a lot of fun going through it for the rest of the session. But it is no more and has not been since the Commission of Government; they abolished it, that well known old thick ledger and substituted a much more up-to-date system.

MR. CASHIN: But not so good for political purposes.

MR. SMALLWOOD: Not so good for an opposition, put it that way.

25. (1) Table a copy of the Public Accounts for the fiscal year 1945-50 as well as a copy of the Report of the Comptroller and Auditor General for the same period.

Answer: Copies of the Public Accounts for 1949-50 are available at the Department of Supply and will be distributed to members shortly through the Clerk of the House.

(2) Table a statement certified by the Auditor General showing the amount placed to the credit of the

Province of Newfoundland from the Surplus under the Terms of Union; also the amount to the credit of the same account at the present time. If any withdrawals have been made from the original deposits to give a statement of such withdrawals.

**Answer:** Information is contained in the Public Accounts for 1949-50 (see (1) above). No withdrawals have been made to date.

(3) Table a statement showing the amount of revenue and expenditure for the fiscal year 1949-50. This statement to be shown under the various headings. Also, a statement showing the amounts received from the Federal Government as Transitional grant

for the fiscal year 1949-50 as well as a statement showing the various amounts received from the Federal Government under the headings of Public Health, Welfare for the fiscal year 1949-50.

**Answer:** As in (2) above.

(4) Table a statement showing the amount received from the Federal Government from April 1, 1950, to date for Transitional Grant as well as the amount received under the Department of Health and Welfare for Old Age Pensions, etc., also any other amounts received as Grants from the Federal Government and shown in the Consolidated Revenue Account.

#### Federal Government Grants as at 28/2/51

( I ) Department of Finance :

(I) Transitional Grant .....	\$6,500,000
(II) Federal Subsidies .....	1,540,000

( II ) Department of Education :

Grants in Aid of Vocational Training .....	46,687
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( III ) Department of Public Works :

(I) Grant in Aid, Hospital Construction .....	123,198
(II) Grant in Aid, Trans Canada Highway .....	592,713

( IV ) Department of Health :

(I) Expansion of Existing Health Services .....	427,921
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( V ) Department of Public Welfare :

(I) Old Age and Blind Persons Pensions .....	3,685,523
(II) Family Allowance Investigations .....	5,000

(5) Table a statement showing the amount of actual cash to the credit of the Treasury in the Bank of Montreal at February 28, 1951—the total amount of cash to the credit of the Board of Liquor Control as at February 28, 1951.

(a) Amount on deposit, Bank of Montreal, as at 28/2/51 .....	\$6,967,693
(b) Balance, Bank of Montreal, Board of Liquor Control Account as at February 28, 1951 .....	240,058

(6) Give a statement showing the operations of the Newfoundland Savings Bank for the fiscal year 1949-50.

As in (2) above.



(7) Give a statement showing the amount of actual cash loaned to the various industries, giving the names of the corporations to which the money has been loaned, the rate of interest being paid in each case and all particulars regarding such loans. This statement to include amounts advanced by the Commission of Government.

This information is now being compiled.

(8) Give a statement showing the amounts of money guaranteed to various corporations or individuals and full particulars concerning such guarantees.

It is assumed that this question relates to bank loans guaranteed by the Government and, on this basis, the following information is supplied :

	Amount of Bank Guarantee	Amount Availed of Under Guarantee
Andrew's Labrador Fisheries Ltd .....	160,000	150,000
Richard Limited .....	250,000	250,000
St. Lawrence Corporation of Newfoundland Limited .....	521,000	521,000
Alberto Wareham Limited .....	65,000	65,000
Northeastern Co-op Fisheries Ltd. ....	35,000	35,000
Fishery Products Limited .....	460,000	232,000
Arctic Fishery Products Limited .....	125,000	60,000
Springdale Fur Farmers Co-op .....	7,000	144
Olsen Whaling and Sealing Ltd. ....	375,000	375,000
United Church Board of Education .....	40,000	23,000
(Unpaid Int. 170.40)		
	\$2,038,000	\$1,711,144

(Note: For full particulars regarding the details of these loans, please refer to the honourable Minister of Fisheries and Co-operatives in the case of (i), (ii), (iv) - (ix) above, and honourable Attorney General in the case of (iii), and the honourable Minister of Education in the case of (x).

Note: The above figures, insofar as they relate to 1950-51, are subject to final audit:

(26) Mr. Cashin addressed to the honourable the Minister of Provincial Affairs:

Table a statement showing the cost of operating the various apartment buildings in the Housing Corporation. Give details of such cost; such as the annual cost of heating, insurance, janitor services, etc. Give the total rentals,

HON. JAMES J. SPRATT (Minister of Provincial Affairs):

**St. John's Housing Corporation**

**Maintenance**

Heat and Hot Water .....	\$ 17,180.22
Light .....	1,515.07
Wages :	
Engineer .....	2,611.30
Maintenance .....	2,074.90
Janitors .....	5,490.00
Municipal Taxes (nett) .....	6,757.38
Fire Insurance .....	4,755.24
Accident Insurance .....	203.50
Unemployment Insurance .....	117.91
Redecorating (apartments) .....	892.00
Janitors' Supplies .....	240.78
Telephone .....	30.00
Total .....	\$124,525.98

**Revenue**

The revenue for 1949 and 1950, the first years when all apartments were occupied, was as follows :

48 Apartments @ \$70.00 per month' .....	\$40,320.00 p.a.
44 Apartments @ \$75.00 per month .....	39,600.00 p.a.
16 Garages @ \$7.50 per month .....	1,440.00 p.a.
Total .....	\$81,360.00 p.a.

HON. J. R. CHALKER (Minister of Public Health): 27. Mr. Cashin addressed to the honourable the Minister of Public Health :

Inform the House why it is that the Cottage Hospital has not been constructed in the District of Ferryland as provided for in the Estimates of Expenditure passed through this House during the last session. Is it true that the Secretary or Assistant Secretary for Public Health has advised the Government not to perform this work and if so, would the Minister inform the House why it is that legislation passed through the legislature covering the Public Health Department has not been carried out.

The project of a Cottage Hospital in Ferryland District is still under

consideration. The honourable and gallant member for Ferryland should understand that the mere fact of authority being given to the Government by the Legislature to expend money does not obligate Government to expend it. The only exception to this rule is the statutory vote such as the salary of the Auditor General.

28. 1, 2, and 3—In course of preparation.

MR. HIGGINS: 29. I give notice that I will on tomorrow ask the honourable the Premier :

1. Is Mr. Feather permanently employed. If not, for what length of time?

2. Has he a contract of service and if so, please produce it. If there is

no written contract what salary is paid him?

3. What are his credentials? What characteristics does he possess over and above Newfoundlanders in his class of work?

4. Does the Premier think there is no Newfoundlander fit or competent to do the work allocated to Mr. Feather. If not, why is a non-Newfoundlander brought in from outside?

30. To ask the honourable the Minister of Co-operatives :

1. How many Co-operatives have failed in recent years?

2. Is it possible to say that all the Co-operatives are in good financial position?

3. If they are not, what is the possibility of success in supplying 30,000 fishermen by co-operation?

4. How many Co-operatives have recently been started, where, when, and did the Government aid them or any of them in any way?

31. To ask the honourable the Premier :

1. How much money has been advanced to the Andrews Labrador Fisheries Company? What was the agreement on the advancing of this loan? If in writing a copy is asked.

2. Has any money been made towards the repayment?

3. What was the security at date of loan? What is security at present?

32. To ask the honourable the Minister for Co-operatives :

1. How much money has the Government given or guaranteed to the following Co-operative Clubs or Assoc-

iations, namely, St. George's, Pouch Cove and Mundy Pond?

2. What is the nature of the loan, what collateral is given?

3. If any such co-operative fails, who will buy out the concern?

33. To ask the honourable the Minister for Co-operatives :

1. What is the financial position of Pouch Cove Co-operative Association?

2. How many members has it?

3. Was any audit made of its activities?

4. Were accounts properly kept and all its monies accounted for?

MR. FAHEY: 34. To ask the Minister of Natural Resources :

1. Were concessions made in regard to any Blueberry area?

2. Were any areas leased or rented, to whom, where and for how much?

3. Will concession holders be given sole rights?

4. Will the public be denied entry?

35. To ask the honourable the Minister of Natural Resources :

1. How many sheep have been imported since April, 1950?

2. What did they cost?

3. Have the services of a shepherd been engaged, at what salary and expenses?

4. Is there an assistant shepherd, who, at what salary and expenses?

5. Will the sheep be distributed to farmers, on what conditions?

MR. FOGWILL: 36. To ask the honourable the Minister of Public Works :

Has the Minister or the Government made any request to the Minister of Resources and Development or to the Government of Canada, in respect to having any portion of the Newfoundland section of the Trans-Canada Highway built on a lower standard than the general agreement provides?

37. To ask the honourable the Minister of Public Works :

To inform the House in detail of the work completed on the Trans-Canada Highway as follows, and the cost to date. Concrete Products, Ltd., thirty-one miles between Glenwood and Bishop's Falls.

Wm. J. Lundrigan, Ltd., five miles between Corner Brook and Stephenville Crossing.

Western Construction Co., Ltd., twenty-two miles between Port aux Basques and Tomkins, Codroy Valley.

Also to inform the House of all work performed on the Trans-Canada Highway and the cost of same to date, including the building of bridges, purchasing and cutting of right of way, and making surveys, etc.

38. To ask the honourable the Minister of Public Works :

To table a statement showing expenditure to February 28th, 1951, under subhead 907 brackets 3 items 1 to 11 inclusive as follows :

1. Maintenance of Roads and Bridges.
2. Grants to local Road Committees.
3. Improvement and Reconstruction of Roads and Bridges.
4. Construction of new roads.
5. Erection of Highways signs.

6. Snow clearing.

7. Surveys.

8. New Machinery, Garage Equipment and Tools.

9. Gasoline, Oil, and other material for re-sale.

11. Unallocated maintenance of Equipment.

10. Unallocated Stores and Labour.

MR. SPEAKER: Honourable the Premier begs leave to introduce a Bill, "An Act further to Amend the Newfoundland Corporation Income Tax Act, 1949."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General begs leave to introduce a Bill "An Act Respecting the Statutes."

On motion the Bill was read a first time. Ordered to be read a second time on tomorrow.

Third reading of Bill "An Act Respecting the Taking of Oaths by Officers in the Armed Forces."

Thereupon the Bill was read a third time.

Second reading of a Bill "An Act to Amend the Life Insurance Act, 1935."

MR. SMALLWOOD: Mr. Speaker, quite frankly this is an Act which might be described as a departmental act, that is to say it is not particularly one which the Government as a whole felt was necessary, therefore, I would introduce it here in that sense. The Department of Finance, which has administrative responsibility for insurance, fire and other forms of insurance in Newfoundland felt and

feels this Act should be brought in, this proposed amendment. There are four types. The first type comprises amendment to the uniform Life Insurance Act repealed by the Association of Superintendents of Insurance of Provinces of Canada which came into force in 1945-46 in various common law provinces of Canada. The second type includes group life insurance recommended by the Superintendent Association brought in force in all common law provinces of Canada in 1948. The third respects childrens' insurance, limits on childrens' recommended by the Superintendents Association. The fourth type comprises amendments necessary because of the union of Newfoundland and Canada. All changes necessary are changes of administration except for amendment to section 25 which provides as follows: "A beneficiary for value and an assignee for value of a policy shall have a vested interest in the policy; but except as regards beneficiaries for value who are expressly stated to be or described as beneficiaries for value in the policy, as beneficiary for value or assignee for value who gives notice in writing of his interest in the policy to the insurer at the head or principal office of the insurer in Canada prior to any other beneficiary for value or assignee for value shall have priority of interest as against such last mentioned beneficiary or assignee." Payable at head or principal office of the insurer in Canada rather than in Newfoundland as formerly provided for in both cases. Then there is a number of sections to be amended and on these, of course, when the House goes into Committee of the Whole, detailed explanations can be given from a document being prepared for me by the Department of Finance

which is the Department administratively responsible in Newfoundland for all kinds of insurance here in the Province of Newfoundland. I move the Bill be given second reading.

On motion the Bill was read a second time. Ordered referred to Committee of the Whole on tomorrow.

Second reading of Bill "An Act to Amend the Insurance Premium (Tax) Act, 1950."

MR. SMALLWOOD: This Bill requires an annual statement by fire insurance companies and payment of taxes by insurance on or before the 31st day of January in any year have been received. Due to the fact that this date only allows the bare minimum of time it has been recommended that this date be advanced to February 28, in any year. This is the date established by the Government of Canada in most provinces for filing returns by such companies. This recommendation has been accepted by the Government and the Bill now submitted for second reading is merely to advance by one month the date on which fire insurance companies must file their statement with the Government.

On motion the Bill was read a second time. Ordered referred to a Committee of the Whole on tomorrow.

Second reading of Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

MR. CURTIS: This Bill is necessary by reason of the introduction of the Royal Canadian Mounted Police Force into the Province of Newfoundland.

As the honourable members are aware, in former statutes mention is made of members of the Constabulary and members of the Ranger Force, also to Chief of Police and Officer commanding the Ranger Force. The purpose of this amendment is to permit where these words are used, the inclusion of "Members of the Royal Canadian Mounted Police and the name of officer commanding the Royal Mounted Police Force." It is merely a formality and does not involve any change in policy.

MR. HIGGINS: What is the meaning of Section No. 3?

MR. CURTIS: I am not quite sure what that means, what that date means but I will be able to inform the House tomorrow.

On motion the Bill was read a second time. Ordered to be referred to committee of the whole on tomorrow.

Second reading of Bill "An Act to Facilitate the Enforcement of Maintenance Orders."

HON. DR. H. L. POTTLE (Minister of Public Welfare): This Bill refers to the protection of certain families, and children of those families in particular, concerning which a maintenance order has been made by any given court, where the person concerned has moved his residence out of the Province and out of the jurisdiction of that court.

In practical terms, a situation like this develops; a court in Newfoundland, any court in Newfoundland may issue an order against a man for maintenance of his wife and/or children, but he has left the Province and subsequently resides in Nova Scotia or Ontario or any other province. Under the present conditions, no court in Newfoundland has any pow-

er by which his order, given in Newfoundland, can be enforced in that province. Consequently, we find under our Public Welfare Department, such dependents in Newfoundland without proper financial support. Contrawise, it may happen that a court in Ontario or Nova Scotia may likewise issue an order against one of its residents and he subsequently finds residence in Newfoundland. The Court has no power, at present, to see to it that their order is carried out in Newfoundland. But under the revised regulation, an arrangement could be made so that the Court in Newfoundland would undertake to carry out such an order in any other province which would be a happy solution provided it were reciprocal. I know this legislature is reciprocal in this sense; where similar legislature is in force in Newfoundland, any court when it has legislation of this kind may have its order channelled through the Department of the Attorney General and carried out in any other Province which has the same kind of legislation, through this reciprocal legislature. The main terms are contained in clauses No. 3 and 4. Clause No. 3 refers to cases of persons residing in any other state, called a reciprocating state for purposes of this act. Clause No. 4 provides for cases where the individual is in Newfoundland, and all the other clauses follow from these main provisions. When this act goes into force, any court in Newfoundland may make an order in Newfoundland for the support of a wife and/or children and may have that order carried out in any province in which the individual is residing, provided that province has similar legislation.

This act is modeled on the English Act 1925 and follows very closely on

the Ontario and Nova Scotia acts. As a great many of our people find their way in to Nova Scotia and Ontario this is very important to us, as we would be able to carry out any order and Ontario and Nova Scotia would be able to carry out their orders in this Province, which previously they were not able to do. Now sir, the administration of the act is a flexible matter and provided for under section No. 8, which provides the Lieutenant Governor in Council may insure that ways and means may be found where the department concerned may have carried out the provisions of this Act under the Department of the Attorney General.

On motion the Bill was read a second time. Ordered to be referred to committee of the whole on tomorrow.

Second reading of Bill "An Act to Amend the Nomenclature Board Act, 1938."

MR. SPRATT: I would like to point out to the House that this is just a formal matter which was brought about by the resignation of Senator Dr. V. P. Burke and Dr. Whiteway; Dr. Burke resigned because of his long periods of absence from the Province on his senatorial duties in Ottawa.

Both these gentlemen, Dr. Burke and Dr. Whiteway have given valuable untiring services in deliberations and decisions of this board.

It is now proposed that the Curator of the Museum, Mr. Leo English, be appointed chairman of the board and the Deputy Minister of Public Works shall be ex officio member of the Board.

The Nomenclature Board was originally instituted on the authority of

Section 1, No. 35, Entitled The Posts and Telegraphs. In 1938 certain sections were repealed and the responsibility for recommending names for roads, bridges, etc., in Newfoundland (not coming under the jurisdiction of any legally constituted municipality or local authorities) was added to their duties.

The Government has decided a representative of the Department of Public Works should be appointed to the Board, for this reason, and it is proposed to appoint the Deputy Minister, of that Department, Ex Officio member.

I may add that the board has power only to make recommendations for the renaming of towns, villages, settlements or any geographical features in the Province as well as roads, bridges, etc., and should the Lieutenant Governor in Council approve the necessary proclamation for the proposed changes, it is published in the Province, once every week for a period of three months.

With these few remarks, Mr. Speaker, I move the Bill be read a second time.

MR. HIGGINS: I have no objection to this Bill, providing there be no attempt to make it a political Act. In the past, great care has been taken to see that no politics entered into any matter in connection with what in this country we call the Nomenclature board, and I hope now that we have gotten around to that name we will keep it. Nomenclature seems a very fine and easier way of expressing it.

There has been attempts, in the past, to make this board what we term political minded, and that is a broad term. They did it on the main-

land one time when a famous lake, one of the oldest lakes historically was renamed by some politician "Johnson Lake." Now in this country only one attempt was made and that was when Port Hope Simpson was changed and the Nomenclature Board then made a ruling that no place should be called after any living man. They tried to get the Placentia Road called the "Bruton Highway" and a petition was presented for that purpose but the board turned it down on that ground. I speak from experience for I have been on that board for many years and every name is studied very carefully and when people wanted to have names changed, we always went back historically to find out if it would be wise to change it, and I hope the new board will continue to do so.

There are so many Gull Ponds and Seal Coves and Paradises, of course, it is difficult to distinguish them. I hope when this bill is put through that the members of the Government will see that the old rule is carried out.

MR. SMALLWOOD: I join very sincerely with the honourable and learned leader of the Opposition in his expression of the hope that the Nomenclature Board shall not become an organ of party politics. I just can't imagine what would put that thought in my honourable friend's head.

MR. HIGGINS: It has been tried before. What has been tried under other Governments could possibly be repeated.

MR. SMALLWOOD: Not this Government.

MR. HIGGINS: There may be a change of government.

MR. SMALLWOOD: That is so long into the future we need not worry about it and I don't imagine that this Government would try to play party politics in a matter so fundamentally important as the names of the settlements and towns and villages, and roads and streams and bridges and the like in Newfoundland because he must agree, sir, surely that of all the governments that have ever come under his observation, there never was one that was so uninterested in playing party politics, as the present government.

MR. HIGGINS: We shall see, sir, we shall see.

MR. SMALLWOOD: There is a good reason for that, this Government is just too busy to play party politics; this Government has the profound conviction that the best politics to play is not to play politics at all. That is really smart. That is why it is that some of the newspapers and implacable enemies, political enemies of this Government are sharing richly in the orders that the Government places for merchandise for various institutions, just as in the old days they had been given only to party supporters. The Government, Sir, spurns with considerable indignation, the suggestion of my honourable and learned friend that we who do not play politics with anything, should now play politics with so vital a matter as renaming the places wherein our people live.

As a member of that board, he will see to it, I am quite sure, that not even his brand of party politics should be allowed to obtrude its feet into that scene, that party politics should be kept out.

Both parties in this house agree, I am sure, that we can well rename



some of the ten or fifteen Seal Coves, and eighteen or twenty Caplin Coves of Newfoundland, but instead of naming them after some of the present members, can go back to have regard to those great Newfoundland Liberals and Torys of the past represented on this wall; might delve into Prowse's History and come up with John Downing, a great Newfoundlander; come up with William Carson another great man who dared and accomplished in the early stages of our Island history.

It is refreshing to hear my honourable friend make the first speech of the day on a matter of this sort, and I know that we can depend upon him always where the dignity of Newfoundland sentiment is at stake, to take exactly the stand he has taken here this afternoon. But I do want him to know that in taking that stand he is not alone at all but is taking a stand shared by every member of the Liberal Government, the least political government that Newfoundland has ever seen.

MR. HIGGINS: I must say at the same time that I think this board should be given wider powers to assure that the Railway or any other body is not allowed to place names anywhere.

I remember one time fishing on a beautiful river on the west coast, I found the Railway had decided to put a name on a salmon pool. Now, I was walking up this river, enjoying its most beautiful scenery, when right in front of me was a sign, "Limestone Pool" I suppose they could not spell the right name correctly. This sort of thing is just too bad, and I think the Nomenclature Board should be given the power to name Railway Stops and things like that. I don't want to see

the wonderful names changed. I am not talking about the next twenty-five years when the present Government says it will be in power. We are dealing with names a hundred and two hundred years old and in fifty years time a new party may come into power and they may be political minded, that is what I am thinking of.

On motion the Bill was read a second time. Ordered to be referred to committee of the whole on tomorrow.

Second reading of a Bill "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled 'of the Permanent Marine Disasters' Fund'."

MR. SPRATT: In moving the second reading of this Bill, I wish merely to observe that it implements a recommendation that the Marine Disaster Fund Committee may add one of the Government Departments on that Body, the Department of Public Welfare. Originally the Government representation on that Committee consisted of the Minister of Marine and Fisheries, and more recently, the Commissioner for Home Affairs and Education and the Commissioner for Natural Resources. As the purpose of the committee more directly related to the Minister of Fisheries and Co-operatives and the Minister of Welfare, the Government decided to introduce this legislature outlining the necessary changes in the personnel of this committee.

The Committee will consist of:

President—E. A. Bowring, Esq., C.B.E.

Vice-President—R. J. Murphy, Esq.

Hon. Secretary—Hon. J. S. Currie.

Hon. Treasurer—Hon. W. S. Monroe.

Secretary-Treasurer—Mrs. Flora L. Chafe.

Hon. Dr. H. L. Pottle, Minister of Public Welfare; Hon. W. J. Keough, Minister of Fisheries and Co-operatives; H. B. Clyde Lake, Esq., Harold Mitchell, Esq., R. S. Furlong, Esq., K.C.

MR. HIGGINS: Point of privilege.

I take this opportunity of paying tribute to the voluntary public services performed by the Officers and members of this Committee in the past in administration of the fund which provides temporary relief in the case of families of sea-faring men who lost their lives in pursuit of their hazardous vocation. The assistance rendered to widows and children is supplemented by a grant of \$100 in each case, due to the tremendous response and great public spirit of the late Dr. John L. Robinson, a former member of the Legislative Council and for years the editor of the "Daily News." His innumerable appeals for public support met with great response and he lost no opportunity to bring the aims of this philanthropy before the public. His name will always be associated with the benefits received by the widows and children who were assisted by his work. I take this opportunity to acknowledge the contribution which Messrs. Robinson and Company have made and continue to make to the work of the Committee. Advertising and other services are provided free of charge by them and the work is done quietly and unobtrusively; I feel it ought to be acknowledged publicly. I have great pleasure in extending sincere personal thanks to Robinson and Company, on the work they have done and are continuing to do.

On motion the Bill was read a second time. Ordered to be referred to a Committee of the Whole on tomorrow.

Second reading of a Bill "An Act further to Amend the Shops Act, 1940."

MR. SPRATT: Mr. Speaker, this is a Bill that is intended to apply to people outside the City of St. John's where the Shop Act is now existing and under which Act they are not given the privileges as are extended to the people of St. John's and it is with the intention of making these privileges universal that this Bill is brought in.

In proposing the second reading of this Bill I would like to explain two parts: The first: 3A (1) Cases have arisen in which there was a demand from certain areas for immediate change in holiday schedule and this could not be done without giving notice of proposed change and allowing a period of time for public comment. The amendment will permit the Minister to authorize a change in the schedule when circumstances appear to make it desirable, and this may apply to an entire shop closing area or any section of it.

The second provision only enlarges the articles which may properly be sold by small shops allowed to remain open, shops selling refreshments, magazines, tobacco and certain other items. Under the old Act, persons were not permitted to take soft-drinks from the store for consumption in their homes and children could not purchase school supplies in shops allowed to remain open at night. There is nothing new in this amendment, it merely extends to shop closing areas outside of St. John's where the statute is at present in force the same privileges as contained in the shop closing Act in St. John's.

I have pleasure in moving the second reading of this Bill.

MR. SPENCER: In connection with this Bill, it was moved first, recently, by the Minister of Provincial Affairs. At that time I was not aware of the fact that it concerned an area which I have the honour to represent, Grand Falls which is in the shop closing district.

It is probably well known to most of the members in this House that in that area they already have their own shop Act known as the District Shop Act. I am not fully aware of the details of that Act but I am well aware they close on certain periods, and under that Act, as has been pointed out, small stores were debarred from selling certain articles. Was it made for the convenience of the public? It may very well be the larger group of stores who handle those products and who, as in many cases, have considerable influence in the drafting and framing of this particular shop act, might possibly feel themselves obliged to interfere to prevent the smaller stores from selling these wares which are so useful for the public and which might be an inconvenience to them if they could not get them. I want to express my sentiments on this, on behalf of the small shop-keepers in the district which I represent. I have been given to understand this afternoon, by the honourable the Attorney General, that this particular Act does just exactly that, gives the small shop-keeper the permission which I was afraid they may be deprived of. If this were so I would have to express my opinion against this Act, but I understand it was mainly brought in by the demand of smaller shop-keepers and very probably some of them earn their livelihood by the sales of small articles which are of considerable interest to

the public, after regular shopping hours.

With the assurance of the Attorney General that the small shop-keepers in my district will not be deprived of those privileges, I fully concur in this particular Bill. But I do want to go on record, Mr. Speaker, as voicing my sentiments that I do honestly feel, Sir, I am sure all honourable members feel that the small store-keeper should not be penalized to the advantage of the larger firms who can very well afford to remain closed on certain afternoons.

It was moved and seconded that the House do now adjourn.

The House then adjourned accordingly.

WEDNESDAY, March 14, 1951.

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

HON. J. R. SMALLWOOD (Prime Minister): I have the honour to lay on the table of the House the report of two Public Utilities Commissions.

#### Presenting Petitions

Honourable the Minister of Education, supported by Mr. Button, from Random Island, re Bridge.

Mr. Drover, supported by honourable Premier, from Coachman's Cove, re Road.

Mr. Miller, Bar Haven, re Road.

Honourable the Minister of Labour, on behalf of Mr. Speaker, supported by honourable Minister of Public Works, from Trout River, re Road.

### Reports of Standing and Select Committees

None.

### Notice of Motions and Questions

MR. J. G. HIGGINS (Leader of the Opposition): I give notice that I will on tomorrow ask the following questions:

To ask the honourable the Premier:

39. (1) How much of the surplus is left?

(2) How many commitments are there against the balance?

(3) Has any arrangement been made to pay off the Special Debt?

40. To ask the honourable the Premier:

(1) How many Europeans have been brought to this country and for what purpose?

(2) Is it true that there have been imported two bridge engineers, four road engineers and four draughtsmen in connection with the Trans-Canada Highway or any other construction?

(3) Is it true that some Newfoundlanders who were of at least one of those professions had to leave Newfoundland because of shortage of work?

41. To ask the honourable the Minister for Fisheries:

(1) What was the catch for 1950—inshore, Labrador, and Bank?

(2) How much fish was exported to the United States and Canada by these people who operate fresh fish plants?

(3) How much fish is lying in cold storage here or elsewhere unsold and how much salt fish?

(4) If there is a large amount of fish on hand, what is the reason for

organizing fishermen to catch more fish?

(5) Why has not the Government looked for new markets?

MR. FOGWILL: To ask the honourable the Minister of Finance:

42. (1) What has been the expenditure to date of the I.B.E.C. survey?

(2) What report has been made to the Government?

(3) Is it the intention of the Government to table the report, if so, when?

(4) What is the salary being paid to the Deputy Minister of Fisheries?

(5) What is the percentage increase in personnel in the Civil Service since June, 1949?

(6) What is the total number of Taverns now operating in Newfoundland, who are the licence holders, what fee is paid?

(7) Did the Board of Liquor Control purchase a motor van, at what price, from whom, were tenders called?

43. To ask the honourable the Minister of Natural Resources:

(1) Who was employed to make the Air Magnometric Survey?

(2) What was the cost?

(3) Has the work been completed?

(4) If not, how much remains to be done?

(5) Has a report been made, if so, when will the report be tabled?

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

(1) To table a statement showing the total cost of the visit of Mr. Colin Storey to European fishing centres last year, statement to include the amount of travelling expenses and salary paid;

also to inform the House if Mr. Storey made a report, if so to table a copy of this report, also inform the House if Mr. Storey is presently employed by the Government, if so, state the nature of his employment and salary paid?

HON. EDWARD RUSSELL (Minister of Natural Resources): Sir, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Respecting the Safety of Workmen in Mines."

HON. DR. H. L. POTTLE (Minister of Public Welfare): May I beg leave, Sir, to make a comment and a correction to a schedule I distributed a few days ago in this honourable House relating to certain payments made through the Department of Public Welfare. My word of explanation is this, honourable members will notice the figures for any one of these cases vary considerably from district to district. That is because, in the first instance in the figures in districts which are totally or very nearly fishing districts, the number of old age pensioners and widows is disproportionately high, and I invite the attention of the members to this point.

My correction has to do with the totals, and whereas in the final column to the right, the total is correct, there is an error of \$100 in one district and an error of minus \$100 in another. One district's report is larger having \$100 beneficiaries too much and another \$100 beneficiaries too few.

I am very glad, to report, Sir, the District of St. Barbe has too little as it should report \$100 more than is shown there. It is with a different feeling I say that \$100 should be taken from Carbonear—Bay de Verde District.

MR. SMALLWOOD: I have here the answers to a few questions asked me by my honourable and learned friend, the Leader of the Opposition:

29. (1) Is Mr. Feather permanently employed. If not for what length of time?

Answer: Mr. Feather has been employed by the Government for a period of six years, that is to say his employment is on a contractual basis.

(2) Has he a contract of service and if so please produce it? If there is no written contract, what salary is paid him?

Answer: There is to be a written contract and that is now in the course of preparation. The salary is \$7,500 per year net.

MR. CASHIN: Does that mean you pay his income Tax?

MR. SMALLWOOD: That means there is no cost of living bonus.

(3) What are his credentials? What characteristics does he possess over and above Newfoundlanders in his class of work?

Answer: Mr. Feather is a cost accountant and in that regard he is not particularly different from some other Newfoundlanders. Indeed we have Newfoundlanders who are now cost accountants.

I assume when my honourable friend uses the word "characteristics" in his question he is not referring to physical characteristics, the colour of his hair and the shape of his nose but rather his experience in Newfoundland for a period of some years as a cost accountant and his experience in dealing with the offices of quite a number of fish firms, merchants and

exporters for the purpose of examining their books and of determining their cost of operations as fish merchants and exporters. He therefore possesses a distinctive type of knowledge and experience which this Government felt to be highly desirable in at least one person within the employment of the Government. That is to say, we were most anxious to have a man in the Government employment and at the Government's disposal and under the Government's control, a man with that highly specialized knowledge of the cost of doing business of fish merchants and fish exporters; because the Government are most anxious to ascertain the facts of the case in the matter of prices paid the fishermen by merchants for fish the fishermen sell the merchants and the prices obtained by the merchants for that fish when it is exported to foreign markets. No other cost accountant available to the Government had this highly specialized knowledge of these matters based on a number of years practical experience at this very work.

Mr. Speaker, if my honourable and learned friend opposite intends, in this or any other situation, to make a play on the fact that this Government has already engaged a number of men to do work in Newfoundland who are not Newfoundlanders, I wish to tell him that we will bring men here to Newfoundland from any corner of the earth, this side of the iron curtain, to do work for this Government, when we are sure that by so doing we are serving public interest in Newfoundland. We are completely without prejudice as to a man's religion, his language, his race and his nationality just so long always as he comes from this side of the iron curtain. We have a job to do, we were

elected to do it and the people expect it will be done, and though all Heaven falls, it will be done, though it does involve this Government employing men who are not native born Newfoundlanders. Now where we can get a native born Newfoundlander to do the work we will get him, but we know of no native born Newfoundlander, in or out of Newfoundland who possesses the kind of highly specialized experience that Mr. Feather possesses and was available to us to be our servant and put his knowledge at our disposal and not at the disposal of Water Street. We wanted a man who knew the inside story and now we have him and we took him from under Ottawa's nose. He is not the first we have taken and he won't be the last.

I will tell my honourable friend opposite, the day is done when you can build up popularity or votes by appealing to a sentimental attitude which died not long after the great World War broke out

30. Mr. Higgins addressed to the honourable Minister of Co-operatives :

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, that answer is in course of preparation.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I have here the answer to Question No. 16, on the Order Paper of March 13, addressed to the honourable the Premier and referred to me for reply.

16. Table statement showing the total cost of the Royal Commission which was appointed to inquire into the high cost of living in Newfoundland, the statement to show the names of the Commissioners and the names

of all persons employed by the Commission and/or by the Government in connection with the inquiry and the salary paid to each, also to show the cost of travelling expenses, the cost of printing the report and the name of the printer; also inform the House of what action is being taken by the Government to bring down the high cost of living, and if, in the opinion of the Government the expenditure incurred will result in reducing the high cost of living, if so, state what

percentage reduction in living costs has been evidenced or may be expected?

The following is a list of the names of the personnel of the Royal Commission which was appointed to inquire into the high cost of living in Newfoundland; also shown is the salary paid to each, travelling expenses (including board, etc.), the cost of printing the report and the name of the printer:

	Period Employed	Remun- eration	Expenses
F. S. Gridale (Chairman) .....	10 months	\$ 5,250.00	\$1,318.35
Geo. C. McNamara (Secretary) .....	11 months	4,680.00	124.82
Lee & Martin (Accountants) .....	3¾ months	9,900.00	661.50
MacKeigan, Rutledge & Cragg (Counsel) .....	5¼ months	6,240.00	839.28
W. F. Chown (Member) .....	11 days	275.00	310.04
Lewis Ayre (Member) .....	Part of 8½ months	1,750.00	
Cyril Janes (Member) .....	11 months	3,000.00	
Mrs. Finn (Reporter) .....	7 months	1,759.47	
Mrs. Fahey (Stenographer) .....	3½ months	493.13	
Mrs. MacDonald (Stenographer) .....	3½ months	556.18	
John Mahoney (Steno-Clerk) .....	2¼ months	570.00	
		\$34,473.78	\$3,253.99

Expenses of Commission while on tour of investigation, Corner

Brook, Grand Falls, etc. ....	\$3,391.14
Printing of Cost of Living Report (Evening Telegram) .....	1,802.50

The Government appointed the Royal Commission in order to ascertain if the margins of profit charged by wholesalers, distributors or retailers were unduly high. The expenditure incurred was designed to bring information and findings to the attention of the Government, to give the Government guidance for any projected action that the Government might judiciously take to protect further the consumer.

The Report of the Royal Commission has been received by the Government and the Government is presently giving serious consideration

to alternate courses of action in order to protect the consumer to the fullest possible extent.

HON. E. S. SPENCER (Minister of Public Works): The Question No. 14—The honourable Leader of the Opposition to the honourable Premier has been passed to my department for reply. The answer is in the course of preparation and will arrive later in the afternoon, if it is the will of the House. I will present that answer then.

15. I will be in a position to supply the House with this information tomorrow.

MR. KEOUGH: Mr. Higgins addressed to the honourable Premier:

1. How much money has been advanced to the Andrews Labrador Fisheries Company? What was the agreement on the advancing of this loan? If in writing, a copy is asked.

Answer: The Government has guaranteed a loan made by the Canadian Bank of Commerce to Andrews Labrador Fisheries Ltd., in the amount of \$160,000.

There are two agreements, copies of which will be tabled.

2. Has any money been made towards the repayment?

Answer: Andrews Labrador Fisheries Limited have made withdrawals against the loan totalling \$150,000. Repayment of \$20,000 made 12 March 1951. Balance of Loan outstanding \$130,000.

3. What was the security at date of Loan?

What is the security at present?

Answer: Statutory mortgage on the property of the Company including land, buildings, machinery equipment, stock in trade, and fish stocks, situated at Bay Roberts; Comfort Bight, Labrador, and Frenchman's Island, Labrador. Insurance in an amount equal to the total of the withdrawals against the loan has been effected and assigned to the Minister of Fisheries and Co-operatives.

(32) Mr. Higgins, addressed to the honourable Minister of Co-operatives.

1. How much money has the Government given or guaranteed to the following Co-operative Clubs or Associations, namely: St. George's, Pouch Cove and Mundy Pond?

MR. KEOUGH: None.

2. What is the nature of the loan, what collateral is given?

Answer: Answered in number one.

3. If any such co-operatives fail, who will buy out the concern?

Answer: No answer can be given to the question as it is highly hypothetical.

(33) Mr. Higgins addressed to the honourable Minister of Co-operatives:

Answer: The answer is in the course of preparation.

(34) Mr. Fahey addressed to the honourable the Minister of Natural Resources:

1. Were Concessions made in regard to any blueberry areas?

2. Were any areas leased or rented, to whom, where and for how much?

MR. RUSSELL: No there were no concessions made in regard to any blueberry areas. And no areas have been let to anybody, and I might add, no areas will be let to anyone anywhere for any amount until not only the interest but the wishes of the people concerned and people of any blueberry area are considered.

3. Will concession owners be given sole rights?

Answer: That would usually be included in the terms of such concession, if given, and I add, once more, the whole principle of whether or not such a concession should be given may well come up in this House, in this session in connection with the proposed new Crown Lands Act.



(35) How many sheep have been imported since April 1950?

Answer: This question came to my attention just a few minutes ago and I think I had better wait until tomorrow to prepare a definite answer to Question No. 35.

MR. SPEAKER: (36) Mr. Fogwill addressed to the honourable the Minister of Public Works:

MR. SPENCER: Mr. Speaker, I noted that question when it was asked by the honourable member for St. John's East and should possibly have prepared a reply for today. I have not had an answer prepared. I can answer the question, at this time, perhaps, without bothering the office any further in the matter. If, on the other hand, perhaps an official answer from the Department is required to be tabled, then maybe I should bring in a typewritten answer on tomorrow.

The question reads: Has the Minister or the Government made any request to the Minister of Resources and Development or to the Government of Canada in respect to having any portion of the Newfoundland section of the Trans-Canada Highway built on a lower standard than the general agreement provides?

The answer if there has never been any such thought, if the members of this House or any member of the public generally happened to notice, a similar question was placed in the House of Parliament in Ottawa and answered by Col. Robert S. Winter of the Department of Resources. The answer he gave in the Hansard at Ottawa is the answer I would have to give if it were before me and in the actual words he gave. I am not sure, but I can say for the information of

the House, there is one agreement in connection with the Trans-Canada Highway and only one signed between the Federal Government and the Governments of the various Provinces.

As the honourable Mr. Winter pointed out on that occasion, there are cases where some elasticity, if we like to use that word, in the agreement permits, under very difficult conditions, the Head of the Department to refer back to the Federal engineer who will be in this province and who has been here most of the time, I was talking to him only yesterday. We have the right to submit a problem, very difficult or over expansive for us. Some of us have, perhaps, been privileged to travel on the coast of British Columbia where Trans-Canada Highway or a great number of the highways were built at the base of a very high mountain, and where the standards set forth demand a 24 foot pavement and 2/5 shoulder, making a 35 foot grade. If this is demanded at the base of a mountain it would involve blasting away a part of the mountain in order to clear this shoulder. But it is one of the conditions which they allow elasticity for. The same thing applies to grading. In this little rolling country we have quite a bit of up and down getting across this Island. Our roads in the past were so constructed we were not bound down to a particularly high standard of modern roads which are being demanded of us today, and so we have Carter's Hill, Barter's Hill, and many others which we would not care to mention, very steep, winding and with other difficulties in construction.

The Department has the right to refer these to the Central Department who in turn, if necessity demands, will

possibly give consent to a slightly lesser degree than that very splendid standard they have set for the main portion of the Trans-Canada Highway.

In brief, Mr. Speaker, that is the answer to the question. However, I shall, with the consent of the House, present a written answer on tomorrow, or as soon as it is prepared.

(37) (38) Addressed to the Honourable the Minister of Public Works:

MR. SPENCER: Also in course of preparation.

MR. KEOUGH: If I may, I have the answers to Question No. 24 directed, in the first instance, to the honourable the Premier and passed to me for attention.

(24) Did the Government assist in setting up and operating of a pilot fish meal plant at the Naval Dockyard in St. John's, if so, what was the cost and the result?

Answer: Yes, \$9,832.65, the production of a few hundred pounds, samples of which have been tested by the Fisheries Research Board Laboratories. The report of the Pacific Fisheries Experimental Station is tabled.

MR. SPENCER: Mr. Speaker, with your consent, and that of the House, I will now table the answer to Question No. 14:

(14) Mr. Higgins addressed to the honourable the Premier, referred to the Department of Public Works for reply:

1. Did the Government buy the American Aerated Water Company Building on LeMarchant Road?

Answer: Yes.

2. For how much? If conveyance drafted, please table a copy.

Answer: \$215,000, made up as follows: Building \$190,000; land \$7,000; conveyor system, \$18,000. A draft conveyance has been submitted and examined by the Department of the Attorney General. It may be inspected at any convenient time at the Department of Public Works.

3. What was included in the sale?

Answer: Answered by No. 2.

4. Why did the Government buy it?

Answer: The Board of Liquor Control has never in recent years possessed adequate storage space for its supplies, and has been greatly handicapped on this account. Because of the factors of weight and bulk, few buildings are suitable for this type of storage, and the Board, having found it increasingly difficult to secure the accommodation required, has been pressing strongly since 1945 for the provision of its own storage space. The Board has sublet from the Newfoundland Coal Company, space in the tunnels on the South Side of St. John's held under lease by that Company from the Government of Canada. Further space is rented from Furness Withy Limited, and Canadian National Railways. In addition, the former Naval Canteen at St. John's has been available to the Board. The cost of space leased amounts to practically \$9,000 per annum. While the best that could be made, these arrangements are inconvenient and unsatisfactory. The dispersal of stores and the extra handling made necessary added materially to costs. Under the laws of Canada no rum that has not been matured for two years can be sold to the public. It is sounder to purchase the liquor green and store it here than to purchase it already matured. As many as 500 large casks have to be stored at one time.

The lease held by the Newfoundland Coal Company is terminable upon very short notice and the Government has been informed that the tunnels on the South Side would not be available should Canada go on a wartime footing. The former Naval Canteen would also have to be relinquished. To meet the demands of the Board, a parcel of land was purchased some months ago and it had been intended to construct a suitable building for storage purposes. In the light of continually rising building costs, the difficulty of securing supplies of certain essential building materials, and the possibility that the Board may have to vacate existing storage premises at short notice, it was considered advisable to avail of the opportunity of securing immediately for the Board space suitable to its requirements.

5. Was it bought on an appraisalment value?

**Answer:** The building was appraised by the Chief Engineer of the Department of Public Works and by an independent practising St. John's architect. Their appraisals coincided very closely and were somewhat higher than the actual purchase price.

6. Is the Government aware that this building was offered for sale sometime previously?

**Answer:** No.

7. Did the Government approach the Company to sell or did the Company approach the Government to buy?

**Answer:** The Government approached the Company to sell.

8. Has the Government got a warehouse for liquor, and if so, where?

What was the cost of the warehouse and what can it hold?

**Answer:** Answer in No. 4.

**MR. SPEAKER:** The honourable the Attorney General asks leave to introduce a Bill, "An Act Respecting the Interpretation of Statutes."

On motion the Bill was read a first time. Ordered to be read a third time on tomorrow.

The honourable the Attorney General asks leave to introduce a Bill, "An Act Respecting the Statutes."

On motion bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

**MR. SMALLWOOD:** Before we proceed with the debate on the Speech from the Throne I wonder if it would be convenient for the House to have 10 minutes' recess.

**MR. FAHEY:** In reply to the Speech from the Throne, first of all I would like to congratulate the Mover and Seconder of the debate for the manner in which they proposed the vote for the Speech in Reply.

I cannot say I agree with the mover when he said the Government have fulfilled all their promises. What I want to know is: What about the promise that the high cost of living would be cut in half and what about the promise that Ottawa would buy our fish supposing they had to dump it as they were doing with the wheat that time, and what about the promise that there would be no extra taxation? We were told Ottawa would buy our fish, it was only a drop in the bucket. The voters were promised many things, in my opinion, which have not been fulfilled For that rea-

son I can not agree with the mover when he says the Government has fulfilled all they promised.

In dealing with industry, under that heading the Government has made headway, but the amount for which this Island will be involved in the future, that is another story. The Government is partially or, in some cases, wholly involved and financing those projects and, I am afraid, if they don't work out, probably the people will have to pay in future taxation.

It is true, things are much better than they were this time last year. Take Bell Island for instance where the output of a million and a half tons a year has been increased to two and a half million. Those things though I don't give the Government credit for. These are world conditions, and those same world conditions have brought a better market for the things we produce, all our products.

MR. SMALLWOOD: What caused the conditions of a year ago? Was not that world conditions?

MR. FAHEY: In dealing with the farmer, I am glad to see the Government is trying to help this section of our people particularly after the opposition for two years were repeatedly telling the Government what to do, and if the Prince Edward Island potatoes have to wait for inspection while the local are being sold, I am sure the opposition can't help that. But I would say, there should be a fixed price in advance, a floor price as well as a ceiling price for our vegetables, beef, mutton, particularly now when we are going into sheep raising.

In dealing with the fisheries, the Government has made extensive loans in order to try and modernize the

fisheries and we know the market to sell salt cod is getting smaller and smaller every year, but will the Government ever get back this money being loaned out? What percentage will the Government make? That is the \$64 question.

We also find the Government is spending in the vicinity of \$20,000 for a fishermen's union. I feel the fishermen should have a union, but in all my experience with unions, in forming unions, it is the first time I ever saw a union, or heard tell of a union being sponsored by a Government. In my opinion, this union should be sponsored by the fishermen themselves. With this union, I am wondering, will it be run on democratic basis or will the Government dictate the policy. I can imagine the union having an honorary president, and I don't need three guesses to know who that would be. I can also imagine this convention turning into a Liberal Convention, at the cost of the taxpayers; and that convention will be told that Ottawa gives millions for wheat and nothing for the Newfoundland fishermen. I can imagine a lot of those things.

The Speech from the Throne referred to a Newfoundland Corporation with a partnership of public and private capital for development. What obligation would the people have in this respect? Should the corporation loan money that could not be paid back? The taxpayer would be responsible to private capital, or would the private capital have a lien on the toiling masses through taxation?

The Speech refers also to different surveys being made Under Terms of Union. Those surveys are supposed to be made by the Federal Government,

and in this respect our Local Government is wasting thousands of dollars for surveys which should be made by the Federal Government.

In the Speech from the Throne reference is made to an Inquiry into Prices Paid for Fish. This is only a duplicate of what the Federal Government is doing and, here again, is another waste of money. It referred to road work, in this respect, I notice in the Liberal Districts this work was continued under a special work program until Christmas week, while in Harbour Main, in some cases only two weeks' work was available. I consider, as a representative of this District, that this was discrimination, and at the time I brought the matter to the attention of the Minister of Public Works, also the Premier, but nothing was done about it.

I contend that every district pays taxation and each district is entitled to the same treatment.

MR. SPENCER: We have a question asked by the Independent member for Ferryland which will show you what was spent in your District.

MR. FAHEY: I can make an answer, in a round-about way to the Minister of Public Works. That may be like a wharf charged up to the District of Harbour Main and built in another district, but in the figures in Ottawa it is supposed to be in Harbour Main, at least I don't know about it. But I contend, in cases of that kind where two weeks work, and in cases nine days work is all that is available in one district while in other districts the work continues from September until Christmas. That was discrimination, more or less, and where taxation was paid evenly all around through sales tax or other means, each district should

be entitled to the same treatment. And I contend it is only small-time politicians who allow such things as this to happen.

Now I spoke of wharves a few moments ago. I would like to draw the attention of the House to this:

I happened to be out in Harbour Main on the 24th May and there was a boat there unloading wharf shores from Mr. Bradley's Riding for a wharf to be built in Harbour Main District, and work was not started. Yes, there was no hurry about getting the work going only to get the wharf shores from the Riding of someone who was in Ottawa. I consider that these wharf shores should have been cut in Harbour Main District. I imagine three or four thousand dollars, voted for Harbour Main District has been passed to another district for timber to build that wharf. And I may say again that we can well imagine why the timber was brought from another district; because the people of that district were supporters of the Liberal Government or perhaps the Rubber Stamp Government because all Liberal Governments are only Rubber Stamp Governments.

MR. SMALLWOOD: Can you get wharf sticks from Harbour Main District.

MR. FAHEY: Plenty of them, we export them to other districts. So the honourable members on the Government side of the House give the impression when they speak, most of the time, that all of the mistakes of our past governments were caused by the Tory Government. Well, I will remind the honourable members they should recall that in the past there were liberal governments as well as tory governments, and I think,

with the revenue they had at their disposal, anywhere from \$10,000,000 a year, they did good work, they built up millions of dollars worth of national wealth in the line of public utilities and only accumulated a debt of sixty million dollars. Now we did not have a revenue of \$37,000,000 in those days as we have at the present time. But, regardless of what sort of Governments we had in the past, I would say this much: Tory Government or Liberal Government we have never had any government in any country who could go through forty million dollars, spend, waste and crucify forty million dollars as fast as the present Liberal Government is doing it, in addition to spending thirty-seven million dollars a year of our revenue.

Mr. Speaker, I did not intend to be so long and I will close off at this point due to the fact that I don't feel up to making a speech, but those are the remarks I have to say. I hope the honourable members will take them as made.

MR. SMALLWOOD: Mr. Speaker, if no other honourable gentleman wishes to speak, to participate in the debate today, we might adjourn the debate until tomorrow, and I so move without doing so for the purpose of making any further remarks when the debate resumes tomorrow.

Debate ordered adjourn until tomorrow.

MR. SPEAKER: Committee of the Whole on Bill "An Act to Amend the Life Insurance Act, 1933."

Mr. Speaker left the Chair. Mr. Courage took the Chair of Committees.

MR. SMALLWOOD: Mr. Chairman, in connection with this Bill I

would like to say, for some years past, in order to facilitate the supervision of the operations of Life Insurance Companies, the various provinces, common law provinces in Canada has had a uniform life insurance act, and after careful consideration and examination of the position, it is considered this Province should now amend the Life Insurance Act, 1933, in order to bring into conformity with this uniform act.

I have here the entire Act but I think the Bill gives the changes only.

MR. HIGGINS: We must remember there were a lot of mistakes last time.

MR. SMALLWOOD: Notwithstanding the efforts of the honourable Minister for Public Welfare,

Section 1 read and passed.  
Section 2 read and passed.  
Section 3 read and passed.  
Section 4 read and passed.  
Section 5 read and passed.  
Section 6 read.

MR. RUSSELL: "Province" should mean the Province of Newfoundland.

Section 7 read and passed.  
Section 8 read and passed.  
Section 9 read and passed.  
Section 10 read and passed.  
Section 11 read and passed.  
Section 12 read and passed.  
Section 13 read.

MR. HIGGINS: Supposing it is after the 30 days' grace, does this mean—

HON. LESLIE R. CURTIS (Attorney General): It is not void in most policies.

Passed.  
Section 14 read and passed.  
Section 15 read.

MR. HIGGINS: "State or Country" Provided by law of Province, State or Country." Does this mean any state in the Union or any country outside. Suppose I take out insurance here and then go to the United States, the next of kin would be according to the state in which I reside.

MR. CURTIS: I would not risk amending that, a very serious clause, were it not for the fact that it is a uniform act.

Passed.

Section 16 read.

MR. HIGGINS: What exactly does this mean, suppose I have a child insured for \$5,000—is it \$200 per thousand or \$200 complete.

MR. CURTIS: Only \$200 not \$200 per thousand. If the law permitted that parents would be tempted to let their children die.

Passed.

Section 17 read and passed.

Section 18 read and passed.

Section 19 read and passed.

Section 20 read and passed.

Section 21 read.

MR. HIGGINS: In the main Act is there any mention of "Divorce." "When divorce of Insured or Insurer."

MR. CURTIS: It must be, ours is a uniform act. Yes, section 34, subsection 1. It must be, it is copied from the Newfoundland Act.

Passed.

Sections 22 read and passed.

Sections 23 read.

MR. HIGGINS: Supposing I get insurance here in a Branch Office and I give them notice of ratification and they don't send it to their main office for two or three months. I don't

know any head office, I deal entirely with the Branch Office. That is the same as the Canadian Act.

MR. CURTIS: That is the uniform act. I can see that is a hardship. We don't know the Head Office at all.

Passed.

Section 24 read and passed.

Section 25 read and passed.

Section 26 read and passed.

Section 27 read and passed.

Section 28 read and passed.

Section 29 read and passed.

The Committee rose, reported having passed the Bill with some amendments.

Bill ordered to be read a third time on tomorrow.

MR. SPEAKER: Committee of the Whole on Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

Mr. Speaker left the Chair. Mr. Courage took the Chair of Committees.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

The Committee rose, reported having passed the Bill without amendments.

MR. SPEAKER: Bill ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Facilitate the Enforcement of Maintenance Orders."

MR. HIGGINS: This Bill only deals with reciprocating states.

DR. POTTLE: That is how it is defined.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.  
Section 5 read and passed.  
Section 6 read and passed.  
Section 7 read and passed.  
Section 8 read and passed.  
Section 9 read and passed.  
Section 10 read and passed.  
Section 11 read and passed.  
Section 12 read and passed.

Committee rose, reported having passed the Bill without amendments.

Committee of the Whole on Bill "An Act Further to Amend the Chapter 76 of the Consolidated Statutes (third series) entitled 'Of the Permanent Marine Disaster Fund.'"

Section 1 read and passed.  
Section 2 read and passed.

Committee rose, reported having passed the Bill without amendments.

The Bill was ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act Further to Amend the Shops Act, 1940."

Section 1 read and passed.  
Section 2 read and passed.  
Section 3 read and passed.

Committee rose, reported having passed the Bill with some amendments.

Bill ordered to be read a third time on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act to Amend the Newfoundland Corporation Income Tax Act, 1949,"

MR. SMALLWOOD: Pursuant to the clause No. 7 of the Tax Rental Agreement between Canada and Newfoundland, the Legislature of Newfoundland has enacted the Newfound-

land Corporation Income Tax, 1949 providing for the imposition of a tax at the rate of 5% on that part of the income of Corporations, attributed to their operations in Newfoundland in any taxation year.

As a result of recent changes in Federal Income Tax Act, it is necessary now to make certain amendments to the Act of 1949 in order to be in conformity with Canadian Legislature. The Bill now introduced for second reading has been prepared in order to give effect to that amendment.

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

MR. SPEAKER: Second reading of a Bill "An Act Respecting Survivorship."

MR. CURTIS: This is a Bill designed to make our Act conform with the Bill with respect to Survivorship throughout Canada. It really makes statutory what has been done by the Court. The idea being that when two people die in a common accident, should it never be possible to find out which died first and the object of this Bill is to have it declared, in such an event, that the senior is supposed to have died first. Section two makes provisions for that effect. This is, I think, clear to the House.

Then the second section goes on to deal with what shall happen under the will of the survivor, or one who did not survive. In other words, Mr. Speaker, if a man and wife die in the same accident, and the husband has made disposition of his property in favour of his wife, the will will be construed as if she had died before him, and the second person entitled to the estate would inherit the estate.



It would not go to the wife's relations, which is something some of us are afraid of, perhaps.

As this is one of those Acts to bring about uniformity of Statutes, I move we support it.

MR. HIGGINS: I suppose we have to step in line in order to have uniformity. This law is only a makeshift. For instance, an infant one year old is presumed to outlive his father. It is not according to common sense, and never was.

MR. SPEAKER: Very interesting but out of Order, such questions take place in Committee.

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

MR. SMALLWOOD: That being the end of the Order Paper, I move the House adjourn until tomorrow, Thursday at three of the clock.

The House then adjourned accordingly.

THURSDAY, March 15, 1951

The House opened at three of the clock.

#### Presenting Petitions

Mr. Horwood presented a petition from the area around Battle Harbour.

#### Reports of Standing and Select Committees

None.

#### Notices of Motions and Questions

MR. JOHN G. HIGGINS (Leader of the Opposition): Mr. Speaker, I give notice that I will on tomorrow ask the following questions:

To ask the honourable the Premier:

1. To state the name of the Consulting Engineer employed by the Government to design the cement plant at Corner Brook.

2. To state the names of the manufacturers in the United Kingdom, Canada, or the United States, who were invited to submit tenders for the erection of the cement plant and to table the correspondence with such firms.

3. To state the name of the professional engineer who recommended that the contract for the supply of machinery be awarded to Messrs. Miag of Brunswick, Germany.

4. Were any contractors in Newfoundland or elsewhere other than William J. Lundrigan Limited invited to tender for the excavation, concrete work, construction of pipe lines, erection of silos and other buildings?

5. To table the contracts made with (a) Messrs. Miag and Company and (b) William J. Lundrigan, Limited.

6. Under whose supervision and inspection, on behalf of the Government, are the contracts for the cement plant at Corner Brook being carried out?

7. To give the name of the Inspecting Engineer who issues Certificates for payment on account of these contracts.

8. By whom is the material for the cement plant inspected as to quality and compliance with specifications before leaving the factory in Germany?

To ask the honourable the Minister of Fisheries:

1. How much money was paid to the Icelandic owners of boats?

2. Was any duty paid on these boats?

3. Was any amount paid to the Government of Iceland. If so, why?

4. Was any expert opinion obtained as to the value and worth for the purpose of the boats before they were purchased?

5. Were the expenses of persons in Government employ or private paid for travelling expenses in connection with these boats?

6. From whom was the equipment in the boats obtained and was this in good condition before the purchase and during the fishing experiment?

Also to ask the honourable the Minister of Labour:

1. What was the total cost of Works Relief Scheme in operation last winter?

2. To give names and remuneration paid the administrators.

3. Has the Government specific figures to show the number of former workers in secondary industries who have since Confederation lost their employment because of the forced shut-down of these industries?

And to ask the honourable the Minister of Supply:

1. Is there a Board before which tenders for Government supply are opened and discussed?

2. If there is such a Board, who comprise it?

HON. WILLIAM KEOUGH (Minister of Fisheries and Co-operatives): The answer to question 15, Mr. Higgins addressed to me, is as follows:

1. How much money has been advanced to or guaranteed for Lourdes Co-operative Associations?

A. \$40,000.

2. How often has money been paid

or guarantee given? On what dates and how much on each occasion.

A. On August 19th, 1949; the total amount was guaranteed.

3. What collateral was given for the loan or loans or guarantees?

A. Mortgages of all assets.

4. On whose recommendation was or were the loan or loans advanced or guarantee given?

A. On the decision of the Executive Council.

5. Was any enquiry made at the time by the Government as to the affairs of the Association? If so, when, and was this done before any loan was made or guarantee given?

A. Yes.

6. What was the financial position of the Association at the time the \$40,000 loan or guarantee mentioned in the Act passed at the session was given?

A. As recorded in the annual financial statement of the Society.

7. What is the financial position of the Association today?

A. Annual audit and financial statement in preparation.

8. How much of the loan or loans has been paid or by how much has the guarantee been reduced?

A. Nil.

9. Was the \$40,000 advanced to obtain supplies or pay off debts?

A. For the purposes set forth in the agreement executed December 9, 1949.

10. What actually happened to the money?

A. Expended as revealed in the financial statement, 1949 audit.

MR. FOGWILL: Mr. Speaker, may I ask a supplementary question?

MR. SPEAKER: Yes.

MR. FOGWILL: Does the \$40,000 include the amount of \$1,229 advanced before union?

MR. KEOUGH: No, that was a carry-over from the days of Commission of Government. The total is \$41,229.

HON. LESLIE R. CURTIS: The answers to questions 18 and 19 are in the course of preparation.

MR. KEOUGH: Question 30, addressed to me by the honourable the Leader of the Opposition:

1. How many Co-operatives have failed in recent years?

A. In 1950 no Co-operative Society failed.

In 1949 two Co-operative Credit Unions went out of existence, and one Co-operative Consumers Society was wound up upon its own application. No loss was sustained by either members or other persons in the dis-

solution of any of these three Societies.

In 1947 one Credit Union and three Co-operative Consumer Societies went out of existence, without loss to anyone.

In 1949 one Credit Union and one Consumers Society went out of existence without loss to anyone.

2. Is it possible to say that all Co-operatives are in good financial position?

A. Some are stronger than others.

3. If they are not, what is the possibility of success in supplying 30,000 fishermen by co-operation?

A. Answered by number two.

4. How many co-operatives have recently been started where, when, and did the Government aid them or any of them in any way?

A. Twenty-seven co-operatives have recently been started, have been registered since January 1, 1949, and at least fifteen unregistered societies have started business. The places, dates and extent of Government aid are indicated as follows:

(List on opposite page)

1949	Name of Societies	Where	When	Government aid in any way
	O'Regan's Credit Union	O'Regans	Feb. 12	Fieldworker Assistance
	Success " "	Herring Neck	March 3	" "
	Irresistable " "	Lumsden North	March 22	" "
	Northern Light " "	Newtown	March 22	" "
	Midwest " "	St. George's	April 2	" "
	Impecco " "	St. John's	April 8	" "
	Holy Cross " "	Great Jervois	May 3	" "
	Flower's Cove " "	Flower's Cove	June 5	" "
	Salvo " "	Salvage	June 25	" "
	Dauntless " "	King's Point	Oct. 10	" "
	Eastport Consumers	Eastport	April 6	" "
	Cow Head " "	Cow Head	April 22	" "
	Eureka " "	Trinity East	May 4	" "
	St. Stephens " "	Stephenville	June 7	" "
	United " "	Western Cove	June 9	" "
	Catalina " "	Catalina	July 16	" "
	Hodge's Cove " "	Hodge's Cove	Aug. 11	" "
	North West " "	St. Joseph's	Aug. 11	" "
	St. John's Agricultural	St. John's	Sept. 15	" "
1950				
	Springdale Fur Farmers	Springdale	Jan. 1	\$7,000.00
	Freshwater Consumers	Freshwater	March 10	Fieldworker Assistance
	La Scie Consumers	LaScie	June 15	" "
	North Eastern Producers	Change Islands	June 15	\$35,000.00
	Bayside Producers	St. George's	June 15	Fieldworker Assistance
	Trout River Consumers	Trout River	June 17	" "
	Vanguard Dairymen	Pasadena	Sept. 14	" "
	Hatchet Cove Consumers	Hatchet Cove	Dec. 4	" "

Also number 33, addressed to me by Mr. Fogwill.

1. What is the financial position of Pouch Cove Co-operative Association?

A. As reported in their annual financial statement.

2. How many members has it? 189 (latest available figure).

3. Was any audit made of its activities?

A. Yes.

4. Were accounts properly kept and all its money accounted for?

A. As reported in their annual financial statement.

HON. EDWARD RUSSELL (Minister of Natural Resources): The answer to question number 35 addressed to me by Mr. Fahey is as follows:

1. How many sheep have been imported since April 1950?

A. It is presumed that the question refers to sheep imported by the Government. 51 sheep have been imported since April, 1950, namely: 17 Scottish Blackface, 17 Shetlands, 17 North Country Cheviots, 15 ewes and 2 rams of each breed.

2. What did they cost?

A. The total cost, including quarantine charges and transportation, was \$6,455.97, less \$550 bonus from the Federal Government on the rams.

3. Has the services of a shepherd been engaged, at what salary and expenses?

A. A shepherd from Scotland has been engaged for two years, total salary \$2,600 per year. The Department paid an additional \$385 to cover his transportation and freight on three sheep dogs.

4. Is there an assistant shepherd, who, at what salary and expenses?

A. An assistant shepherd has been appointed temporarily for six months at a salary of \$196. It is the ultimate intention of the Government to distribute the sheep to competent and reliable persons but the terms and conditions have not yet been decided.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have not the answers to questions 37 and 38 today; they are still in the course of preparation.

HON. J. R. SMALLWOOD (Prime Minister): Question 39, addressed to me by the honourable the Leader of the Opposition:

1. How much of the surplus is left?

2. How many commitments are there against the balance?

3. Has any arrangement been made to pay off the Special Debt?

I do not know what is meant by the words "Special Debt." The information will be put before the House when the Estimates and the Budget Speech are brought down.

As far as number 40 is concerned, addressed to me by the honourable Leader of the Opposition, I would suggest that the first part of the question, "How many Europeans have been brought to this country and for what purpose," would be more properly addressed to the Minister of Citizenship and Immigration at Ottawa of which Newfoundland is a part, in fact a province of Canada. The second part, "Is it true that there have been imported two bridge engineers, four road engineers and four draughtsmen in connection with the Trans-Canada Highway or any other construction," I will be very frank and say I have not had the opportunity since I replied verbally the other day to check with the Minister of Public Works as to the exact number. I do know: One bridge architect and designer, in the person of Professor Jacopson, a very distinguished Latvian engineer, a refugee from Communism, has arrived for the purpose of supervising construction of bridges not only on the Trans-Canada Highway, but any other roads where such bridge building may be needed. I know, also, some other engineers have been brought from

Europe as well as from other parts of Canada; one draughtsman has been brought in, who is to work with the road engineer.

Number three, "Is it true that some Newfoundlanders who were of at least one of these professions had to leave Newfoundland because of shortage of work." I have no knowledge of any but if my honourable and learned friend has knowledge I would like to have it. Newfoundlanders who are road engineers, bridge engineers, draughtsmen, I have no knowledge of Newfoundlanders with those qualifications having to leave Newfoundland since this Government has brought men of those qualifications into Newfoundland from other parts of Canada and the continent of Europe. I would suggest that question number one be directed to the Minister of Citizenship and Immigration of Canada, but it might be limited in point of time; does it mean the last century, half century, last year or last week? I am sure Mr. Harris would like to have the question limited in point of time.

MR. KEOUGH: Question number 41 addressed to me by Mr. Higgins:

1. What was the catch for 1950—inshore, Labrador and Bank?

2. How much fish was exported to the United States and Canada by these people who operate fresh fish plants?

3. How much fish is lying in cold storage here or elsewhere unsold and how much salt fish?

The first three sections of this question are improperly directed, the information can be obtained from the Federal Department of Fisheries and the Dominion Bureau of Statistics.

4. If there is a large amount of fish on hand, what is the reason for organizing fishermen to catch more fish?

A. The Government is not aware of the fishermen being organized to catch more fish or of large amounts on hand.

5. Why has not the Government looked for new markets?

A. Neither market research or trade promotion have as yet been established as a function of the Department of Fisheries and Co-operatives. These functions are carried out by the Federal Department of Trade and Commerce and Fisheries in respect of Export Marketing.

MR. SMALLWOOD: Number 42, addressed to the honourable the Minister of Finance by Mr. Fogwill:

1. What has been the expenditure to date of the I.B.E.C. survey?

A. The expenditure to date has been \$43,657.49.

2. What report has been made to the Government?

A. One on a possible pulp and paper mill in Labrador and a second on a possible pulp and paper mill in Bay D'Espoir or Hermitage Bay on the South Coast of this Island; a third report which is to contain a survey of the interior market for fish of one kind and another has just about been completed and is expected to be received shortly in St. John's. I would say in reply to this it is doubtful whether the Government will table the report. It was not secured for the purpose of publication, it was secured rather for the purpose of assisting the Government to negotiate the establishment of pulp and paper mill in the Labrador or on the South Coast or both.

I will add to that that it certainly would not be in the public interest to publish either of these two reports. We have had several requests from organizations in the United States and from the mainland of Canada for copies of these reports. We have not parted with them; we have not loaned copies of the reports or permitted such parties to read or to see them. The reports were no sooner received by us than we received a request from the United States for the loan of them from a very important organization, the Newsprint Service Bureau which is the organization of all the newspaper publishers of the United States. That organization or Bureau supplies them with information and data and statistics and the like, and we felt, quite frankly, they were not the kind of body who ought to have access to that report. If it were a group of actual publishers concerned with a supply of paper for their own use and interested in establishing a mill, then we would be willing to think they were exactly the kind of people we would be anxious to deal with.

4. What is the salary being paid to the Deputy Minister of Fisheries?

A. Clive Planta, the Deputy Minister of Fisheries has been employed by the Government on a contractual basis, that is to say, under contract, which means that he is not pensionable, he receives no cost of living bonus; rather the terms of his employment are outside the ambit of the Civil Service Act and Civil Service Selection Board, and employed for five years, salary \$15,000 a year. I might add the Government are congratulating themselves that they have been able to get Mr. Planta at so low a rate of pay. We have now

several men working for the Government getting very much more pay than we are ourselves, one is getting three times as much as the Ministers of the Government.

5. What is the percentage increase in personnel in the Civil Service since June 1949?

A. The answer to that question is being prepared in very great detail.

6. What is the total number of taverns now operating in Newfoundland, who are the licence holders, what fee is paid?

A. The answer is that it is being prepared in very great detail.

7. I do not know the answer to that, my honourable friend the Minister of Supply may be able to answer that off-hand—"Did the Board of Liquor Control purchase a motor van, at what price, from whom, were tenders called?"

HON. P. S. FORSEY (Minister of Supply): I cannot answer that specific question, Mr. Speaker, but all purchases made by the Board of Liquor Control are bought on tender and I assume this one was also tendered for. I will take it up tomorrow.

MR. SMALLWOOD: I will undertake to have the definite answer tomorrow.

MR. RUSSELL: Question 43, addressed to me by Mr. Fogwill.

1. Who was employed to make the Air Magnometric Survey?

A. The Aeomagnetic Survey, Limited, of Toronto, was employed to make the air magnometric survey.

2. What was the cost?

A. \$166,596.93 has been paid to

date and \$14,400 will be paid on completion of geological report.

3. Has the work been completed?

A. All flying and computations have been completed but the geological interpretations are not yet completed.

4. If not, how much remains to be done?

A. These will be completed by the 31st of March, 1951.

5. Has a report been made, if so, when will the report be tabled?

A. A report will be submitted to the Government on or before March 31, 1951.

MR. KEOUGH: The answer to question number 44 is in the process of being prepared.

#### Notice of Motion

MR. RUSSELL: I beg to introduce a Bill "An Act Respecting the Safety of Workmen in Mines."

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

#### Orders of the Day

MR. DROVER: First I would like, Mr. Speaker, on the address in reply, to congratulate the mover and second order of the address and also, Sir, seeing it is my first time to speak in this Assembly, to congratulate you on the manner in which you have looked after the affairs of this Assembly.

During the first session of Parliament, I was a member of the Government side of the House; today, I find that I am out in the centre. This afternoon I am going to make my remarks as brief as possible, and I will try not to be vindictive in my statements.

When I went down to the District of White Bay in March, 1949, I made no promises to the people politically, but I promised them I would visit them at least once a year which I thought every elected representative should at least do, to find out the needs of the people. Secondly, if I was elected, I would work in their best interest. During the election campaign there was a proposed road for the Northern Peninsula. That road, having been built, would have meant the centralization of the population of the northern portion of our Island including the Districts of St. Barbe and White Bay.

In 1949 I visited White Bay. The people had experienced a very poor fishery and unemployment was rampant. They asked me if I would try and interest the Government in beginning the proposed road. I saw members of the Government Department concerned, and I was told at that time that to begin work on the road of the northern part of the country in 1949 would interfere with the road program of 1950, and I agreed to a postponement; that it would be the better plan.

Last summer, or the summer of 1950, I went back again to White Bay and the people were clamouring for their highway. Before leaving St. John's I was told by members of the Government that road work would begin and to find out the number of people seeking employment. After arriving in the District I was told that no surveyors or engineers could be found in the whole Dominion of Canada for that work.

Now, Mr. Speaker, roads in White Bay, health, and transportation as far as the C.N.R. is concerned, do not come under our Government. These are the things which led up to



my expulsion as a member of the Liberal Government.

Now, Sir, I am out in the centre, I am not going to dwell any more on my expulsion but I would like to say this: I want to tell this House just where the people of White Bay stand, what they have and what they have not.

In the northern part of Newfoundland we have the Grenfell Mission. They are doing a very fine job. But, the area and territory which they have to cover is too great to enable them to give an efficient service to the people who demand it. Another thing I would like to see, Sir, in my district is this: I would like to see the extension of the Health Service under the Department of Health in St. John's instead of under the Grenfell Mission. Why? I contend the people of White Bay should have hospitalization just as cheaply as any other part of this country. I know families in White Bay, married with a couple of children, having to spend their paltry earnings, probably two or three hundred dollars a year, on health, whereas in other parts of Newfoundland, which by the way has railway and coastal services throughout the year, being able to get their hospitalization for \$10 a year. I do not think it is fair to the people of the Northern Peninsula, and I mean St. Barbe as well as White Bay.

MR. SMALLWOOD: Will my honourable friend explain what system of payment there is between the people and the Grenfell Association.

MR. DROVER: They all pay into the Grenfell Mission, if they go to hospital they pay, but I believe there is some kind of a scheme or system whereby the Department of Health has asked through their relieving of-

ficer, for the Grenfell Hospital to give them the cheapest possible board. I believe that is so.

All right, Sir, we take the coastal service. Last year, in order to get transportation for the people of White Bay I had to consent to the elimination of half the ports of call asked for on the northern route. I was also promised at this time that the Federal Government—that a boat would be renovated to take twenty-five passengers, and that was not done. I travelled on that boat when I saw a mother and her three weeks old infant, standing in the corridor, crying because she could not get a place to put her baby or lie down herself; I saw the people out on deck, covered with canvas; anybody who had a suitcase strong enough to sit on, they did so, or they just stood. In a country such as we have, the tenth Province of Canada which we all feel proud of, I don't think any man or any representative of this Assembly would stand for such conditions if they existed in their district.

When I made a protest, I find I get a letter of intimidation, that: if you come out in the open and fight, we will take one boat off altogether and put another on a trip of three weeks and tell the people why. In other words, you better keep quiet.

MR. SMALLWOOD: That was from the C.N.R.?

MR. DROVER: That is right.

This treatment led up to my expulsion from the Liberal Party. Simply because, perhaps, I had the grit to show my colours in looking after the people who elected me.

What do we want in White Bay? I will tell you one thing, Sir, I would like to see this administration do one

thing, and I tell the Government to do: Give back to the people of White Bay the three-mile limit by which they can earn a living for themselves and for their families. We have in Harbour Deep, this year, hard working men going hungry, as when the last log is cut and put to the shore, they have to apply for food. Why must the lumber and timber rights be tied up and our people can't fell trees around the homes; they are living on Company land but they cannot cut the trees to get a living for their families, and you will find similar conditions around Baie Verte. It is not fair, Sir, not fair to the people who live in the northern part of our country.

I will just make mention of one more point and that is the fishery: Now you might say, "What does he know about the fishery?" When I was fifteen years old, I fished and trawled in 150 fathoms of water in Trinity Bay. We would use a roller and haul up 350 lines of mooring, and though I got sick, I thought I was as good as my father and I kept working. I understand what the ordinary fishermen of this country must go through, it is nothing new to me.

Now that we are having a Fishermen's Convention in Newfoundland, I am a hundred percent behind it because there has never yet been anything done for the fishermen of this country. Nobody seems to have done anything for the fishermen of this country from John Cabot up until today. Every Government says they are going to do something for the fishermen, they are the first and foremost.

No, Sir, it may be a little premature to have them in to St. John's before some plan has been worked out, I don't know, I am in the opposition,

but I think a plan should have been outlined to the country, the people and fishermen should have had a chance to discuss it and then come in to St. John's and probably work out a solution. We should see that it would be above politics where I would like to see the fisheries. We want for our fishermen a set price; I have to disagree with the honourable member for Fogo when he said our fishermen of Newfoundland have pulled up their boats and that is where they will stay until there is a guaranteed price. That is wrong. Newfoundlanders who are fishermen are going to fish whether they have a guaranteed price for their fish or not, whether it is sold for \$4 or \$10, but, they should never be allowed to fish without a guaranteed price, but they are going to do it and it is going to be unfair to the fishermen of this country, and I in White Bay represent 2500 of them. But until the Government comes out with a guaranteed price, which they cannot do, they should inaugurate an insurance for the winter months when the men have no work and have done poorly during the summer, so they can draw something and not go back to the merchant and take out on next summer's catch. The Government can go to work on the prices and cut them in half. That is what I would like to see as the outcome of the Fishermen's Union; cut in half the prices, give them a chance to live. Take the boot from their necks, lift it up and give them a chance to set free their imprisoned souls. And the fisherman has a soul as white as any man in this country.

When the fishermen come in I hope they will organize through co-operatives, if private enterprise does not extend the fresh fish industry, which

I do know they won't, then the Government should assist these people to do it co-operatively. I know the fishermen of White Bay and the northern portion of this Island fish only three or four months of the year, but one thing should be done; organize, go ahead and organize and if it can't be done one way then do it co-operatively. But they must have this guarantee perhaps in the form of subsidies by the Government, then, I think we can do something, Sir, and I believe the Government will do something for the fishermen of this country.

Now, that is just about all, Mr. Speaker, I did not make any notes, I did not intend to speak so long and I tried to be fair and to treat the members of this House as if we were one great body. I will tell you why: I may have a poor definition of politics, but I think whether we are members of the Government, the Opposition or Independent, we are an elected body of the people, by the people of this country. I am one of these from the fishing boats, the lumber woods where I worked and where the labourer goes up to his knees digging, I have done that too. Many fine people come out of such homes who have an idea, a desire, a wish, something they would like to do to help build and uplift the lot of their fellowmen. Well I regard this assembly in that nature, we should not be cutting the throat of our fellowmen and saying bad things, all the bad things we can against them. Now in the opposition, we may be fighting you, a good opposition is the life of a government, but there are times when for the common good of the people of our country, and I think, Sir, such times should come more often, everybody should get together and work for the larger good and one end. I

say that most sincerely, I have no grudge in me against the administration. I was elected by White Bay. I have no personal grudge against the Premier. I am a Liberal. I did not cross this Assembly nor now appeal to the people, but while God gives me breath to speak in their defence I hope I shall fulfill faithfully the trust which has been entrusted to me.

MR. COURAGE: Mr. Speaker, I must congratulate my friends the honourable member for Labrador and the honourable member for Fogo for their very fine speeches. The honourable member for Labrador gave one of the finest addresses that I have ever listened to, and the honourable member for Fogo, while I did not agree with everything he said, yet he impressed me very much. Mr. Speaker, these are just young men, they are new to this House, as we all are, but I predict for them a very distinguished career in politics in this country. I say "Politics" advisedly because there should be no evil attached to this word; it is a fine word, and there is nothing wrong with the word politician either.

I must also congratulate my friend the honourable member for Harbour Main and Bell Island, and I say my friend advisedly too, for the fine speech he gave. The only thing it was rather short and seemed to me to lack his usual vigorous style. I was sorry that the honourable gentleman sat down because, as he said, his health did not permit him to say more. I do hope, Mr. Speaker, and I know it is the hope of every one in this Assembly that the honourable gentleman's health will improve so that when he next speaks it will be with his usual spice and vigour.

We have just listened to a very fine and very sincere speech given by the honourable member for White

Bay who has been a friend of mine for the past sixteen years. We were teachers together and we attended the same summer school together for the same grade in 1945. I knew him when he was a ranger. He is a very fine type of person indeed and the vigour and sincerity with which he spoke one can note. But I do notice that he was somewhat confused in his blame. For some time he spoke to us here about the faults of the CNR and about receiving intimidating letters. We have nothing here to do with the CNR; we cannot dictate its policies in the least. But I was happy to know that he has no animosity towards the people on this side of the House, and I am sure the people over here have no animosity towards him.

I am sincere, Sir, when I make those speeches of friendship, as, Mr. Speaker, there is a total lack of animosity in this chamber, such as there never was before in the history of this country.

I know whereof I speak and that some sections of the press are rather puzzled by what is going on here. They say: "You people should be at one another's throats and fighting and shaking your fists at one another. You must be a white livered bunch." They need not be so, we may shake our fists and rant and roar but that is because we are Newfoundlanders, not because we have any ill feeling for one another. We are bound to fall out sometimes. When I visited my district last fall, a friend of mine told me this little story: He has a five-year-old daughter. She listens to the radio reports and heard about the House opening this Spring, which confused her and she asked her father: "If the House opens will the people fall out." Her father who had been a member of the National Convention

replied, "There is nothing surer than that, my dear." Sure we are going to fall out, have differences of opinions, but these differences should not leave their scar on any of us. We will, I am certain, and I can assure the member for White Bay, we will work together for the common good of Newfoundland, as Newfoundlanders.

I was very amused at my honourable friend the member for Harbour Main-Bell Island. He wanted to say something nasty to us, so he looked over here and said "Rubber Stamps." Whenever the Opposition wants to say something nasty, they say "Rubber Stamps."

Mr. Speaker, we are not rubber stamps, can't the Opposition or this country visualize that a group of people who share their feelings so much they can work together without falling out. They may have differences of opinion but it is not necessary for me to turn on my friend because he represents St. John's and I Fortune Bay which are as far apart as East and West. We have, in a large measure, a common background, we have a common heritage, we have many ideas and principles in common and our political ideologies are such that we do agree on measures put before this House and we are not rubber stamps. The honourable the Premier does not know what I am going to say, I have no written speech; the honourable Premier did not know what my honourable friend the member for Fogo is going to say, he knew himself but nobody else knew. We are allowed to stand here and say whatever we want to say. To take advantage of our God-given speech. Probably my friends in the Opposition can't understand this, but it is so.

I do not agree with what my hon-

ourable friend for Fogo said. He attacked, in one sense I suppose one might term it as an attack, denominational education. Now, I have been a teacher for quite a number of years and I am quite familiar with the denominational system of education, but I would not attack it. It is true there may be some things wrong with it, but it is the best system for Newfoundland and it does not impair very much the efficiency of our education. There is only 15% of the total places of this Island where there are two schools. The other 85% have only one school, and in many of the 15% which have two schools, they are dictated geographically rather than denominationally. For example I know places like Lamaline where there are three schools; one Catholic, two Church of England separated by about twenty minutes walk, and there are other settlements where there are two sides to the harbour in one settlement; a Church of England school on one side and a Roman Catholic School on the other. I, myself, have taught in that type of school where Roman Catholics attended my school and the Church of England children on the other side attended the Catholic school. There are a few flagrant instances, but no Government, least of all this Government would dream of interfering with our system at this time. I say this because some people have said to me: "Was that a trial balloon on the part of the Government?" they wondered if we could get up and say what we wanted to say, they wondered if it were a trial balloon, and I can assure you that it was not. The honourable member for Fogo was speaking for himself, expressing his own opinion, just as I can't let this opportunity pass without mentioning turrs.

I was very glad to see that the turr

has become very important. The humble turr, I believe the turr should supercede the dove as the symbol of peace for the turr seems to have united Ottawa; we get Gordon Higgins speaking to Chesley Carter—Pearson agreeing with Drew, all because of the turr —The lion will lie down with the lamb.

I do hope though, frankly, that an arrangement may be made whereby we will be allowed to kill turrs, because I am very fond of turrs as are most of the people in my district. Killing turrs is a lot of fun and it is not one-sided as the turr has a very good chance to get away and often does.

Very seriously, Mr. Speaker, this Government has plans for some things in the future but we are apt to forget what this Government has already done. Do you know that the number of things for the benefit of Newfoundland which this Government has already done are almost incredible; almost unbelievable that a Government could do so much in so short a time.

Roads—for example: The Trans-Canada Highway. This highway for many, many years has been dreamed of, a road right across the country and a ferry service linking us with the Mainland. That in itself is something for the Government to do. If it had done nothing else it is worth being remembered for. And look at all the other roads being built in this country at the present time and I may mention here that since last year when I spoke, made a strong plea for the road at Bay L'Argent, the people of Bay L'Argent and Fortune Bay are very, very happy when I visited them last Fall that this road is being undertaken. It will mean another link in the chain against isolation for Fortune Bay.

Medical services have been greatly improved since this Government came into power. For example, there was only one doctor in Fortune Bay and Hermitage Bay when I was elected and at the present time there are four; two very fine medical boats—A wonderful service in Fortune Bay and Hermitage, and the people are very grateful to this Government, and asked me to express their thanks. I may mention that things are not yet perfect for the doctor at Belloram, he has too much to do, I hope my honourable friend the Minister of Health is listening—he has more to do than one person can possibly do but he is a fine man, doing a good job.

And look at the Welfare measures. I am not going to say very much because my honourable friend the Minister of Welfare will be getting up in a few moments and I don't want to steal his thunder, and he will tell you more than I am able to do but here are a few facts and figures, with his consent.

Old Age Pensions—486 people receiving more than \$18,000; Blind Pensions—11 people receiving \$440 per annum; Dependents Allowances—205 people receiving nearly \$7,500; Mothers' Allowances 111 people receiving \$5,000; and we have another 904 people receiving benefits of more than \$3,000 a month. More than a third of a million dollars going into that one district and, Mr. Speaker, this money is not wasted, it is not political bait; these people badly need the money. I may say the reason is due to the fact that it is a deep sea fishing area and many who go out in the Spring do not come home in the Fall. Every year there is a loss, every

year some men who do not return, and what had the widow and children to live on, probably nothing until the Government stepped in and helped out these people and, who dares to say that that help should have been denied them. Mr. Speaker, I doubt if any Government ever had the welfare of fishermen at heart as this Government has. The fisherman, whether on the Bill of Cape St. George or on the Bill of the Burin Peninsula, is no longer a forgotten man.

This Government instituted something no Government ever dared to do before, an enquiry into the price of fish paid to fishermen. This Government has set up a committee of very distinguished men to go into the whole matter of the fishery and bring back a report to this Government. Fishermen loan boards have been set up and last, but not least, this Government has encouraged the fishermen to unite into a strong union.

I could not agree with what my honourable friend the member for White Bay said about the Government setting a policy and then having the fishermen decide on that policy. That would be putting the cart before the horse. No, the first thing would be to get the fishermen to desire to unite. That desire they already have, the fishermen realize that in unity there is strength, they realize there is a need for the union, but they do not know how to bring about that union, a strong union of fishermen and by coming here to St. John's, by getting together, by talking things over they may find the answers to the question, may decide their own policy. We cannot, in this House, we dare not impose a policy on fishermen regarding their own union, it would be folly for us, it would be putting the cart

before the horse. We will help, we will encourage them, but it will be their challenge, their union, they will be free.

I repeat what I said before, this Government, more than any other Government probably, has the fishermen's interest at heart. We realize that the fishermen, the fisheries must be developed in this country, and the Government will do what it can to encourage and develop this industry.

The birch industry will be a very good thing for this country, as it will be for my district, which has probably the largest stand of birch in this country, at Bay L'Argent, Bay D'Espoir. And speaking of Bay D'Espoir, I feel sure the development of Bay D'Espoir must come. It has a wonderful harbour, magnificent scenery and tourist attractions, great rivers. It is free from fog, it has an ideal climate, it has good agricultural land, it has abundant labour, abundant cheap water power.

The Government has for consideration, or will have very shortly two reports, one on a pulp and paper mill from I.B.E.C. and one on water power from Power Corporation of Canada. I could not speak for the Government in this matter, I could not promise the people of Bay D'Espoir anything, I do not know whether the development will come, but they should not be disappointed if the development does not come until later, but I do know this: the Government will give the matter earnest and sincere consideration. I know this Government would like to see the development come and I feel sure it will come some day within the not too distant future.

Mr. Speaker, this Government was given a mandate by the people; this

Government found a challenge, there is so much to be done in this country. This Government will accept that challenge, will attack that problem which must be met with vigour and determination to succeed.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, in taking part in this debate Sir, I should like to remind the House that since they last met, Your Honour represented this House and the people at a meeting of the Parliamentary Commonwealth Association in New Zealand. I have good reason to say that in the proceedings of that notable assembly your contribution was such, Sir, as to bring honour to yourself and Newfoundland.

It is likewise more than a formality when I join with previous speakers in paying my compliments to the mover and seconder to the Speech from the Throne. Their addresses were more than ordinary speeches, indeed they proclaimed convictions with which, I believe, most in this House can whole-heartedly agree. They are conspicuous for what they contained rather than what they omitted.

Now I should like, at the outset, to declare the frame or pattern in which my few remarks will be laid. I should like to draw attention to what the Government, in the Speech from the Throne, intends to do, and what is indicated in the Speech that may be done, apart from what the Government intends to do, and in the course of doing so, I should like to place against that back-ground the question: What are we then, as a community expected to do—what does all of this mean to us as citizens?

The Speech lays great stress on proper utilization of our natural re-

sources. As the Minister of Public Welfare, I should like to draw some attention to our human resources, and how we may use them for the greater good of our Island Province. It is, Sir, in this context then that I refer to one question which was raised early in the Speech from the Throne which has to do with Old Age Pensions. I am not going to speak any longer than necessary on these pensions, but I believe it is worth introducing at this time, because what I have to say refers to new developments.

Last year the Government was represented at the Dominion Provincial Conference held in Ottawa, which discussed a plan. A parliamentary committee on old age pensions will recommend that certain portions be adopted by parliament. Now, Sir, these proposals, I believe, have been covered pretty accurately in the press and other ways. The proposals are as follows:

There should be a contributory system of old age pensions insurance administered by the Federal Government to make \$40 a month universally available to all people in Canada over 70 years of age.

Some of the new features to which I made reference a few moments ago are these: The plan can transfer the principle of financing old age pensions by contributions from individuals and employers; as already indicated can extend old age assistance to needy persons 65 to 69 years of age; the contribution to be made on pay as you go basis, and so build up reserves for financing of old age pensions. Our Government, through their representatives took part in this and by their reply recently made their point of view known. During this meeting we were given figures compiled by the

Dominion Bureau of Statistics showing how many people in Newfoundland over seventy and between sixty-five and sixty-nine years of age. The figures which I am about to quote or make reference to now, are intended to show what difference it would mean between our present plan and financing the new plan. What is the difference in cost between our present plan whereby we pay one quarter of the pension for those 70 years of age and over and the new plan whereby we would have to pay no pensions for those 70 years of age and over but half the pension for those between sixty-five and sixty-nine, and on the basis of the Dominion Bureau of Statistics figures we are given to understand it would cost less on the new plan than on the old plan. That looks attractive. Though we understand a new group, it was calculated nearly five thousand pensioners, would be brought in under the new plan; and still it would cost us thirty thousand dollars less.

Now I have had my staff examine these figures given by the Dominion Bureau of Statistics and they seem to be lower than we estimate. They give eleven thousand and ninety, estimated number of pensioners now on the roll; in fact we have eleven thousand, four hundred and twelve at the moment. They calculated on the other hand forty-nine hundred and fifty-four between sixty-five and sixty-nine and we estimate it will probably be more like fifty-seven hundred. Now I raise this point because these new figures I have quoted seem to confirm the things we know. The number of people in the old age bracket is going to increase. Life is like that, our better health conditions and standards of living will mean the life



span and the numbers in the older age groups will increase, there will be more in these brackets. Furthermore, as industrialization and more technical knowledge is required, more people will be getting out of work earlier by displacement and more will be in need, then this figure of thirty thousand dollars saving may not only be decreased but it may even vanish.

Now, why have I mentioned all those facts which, on the face of them, look negative. I have, because I want to draw attention to the tremendous factor of cost which is involved in old age pensions; millions of dollars in fact. Whether it is this Government which is sponsoring old age pensions, or any other Government which might at any other time succeed this Government, this fact of many millions will remain as this system is here, as far as we can see, to stay.

Now let us look at the positive side, the fact that it is here to stay. We have heard a great deal of family allowances and their social and spiritual effect. It is possibly not so readily recognized that the old age pensions are in many ways quite comparable to family allowances in effect. One has only to go through our rural communities where in every community there are the aged ones; has only to visualize; one going through these communities is impressed by the fact as he sees these pensioners and talks with them that new life and new hope have come into their minds. There is perhaps no group in our community within the last few years that our mode of living so changed, so fundamentally changed as the aged people in our midst, and I am glad to note so many of them here today with us.

Now it is no use going on reiterat-

ing incoherent curses about the "Welfare State" because charitable organizations and industrial pensions have not been able to take care of the job on a comprehensible basis such as is under consideration in Newfoundland and practically everywhere in the civilized world. Only indomitable courage and systematic organization can guarantee that nobody in need is left out.

I should like to draw attention to one fact, old age has its commercial value to us and we have not fully exploited it. The present trend is to regard the man of seventy as expendable, but what we are gradually coming to see is that the man of 70 and over is coming into his own, has a new light in his eye and a buoyancy in his outlook, a lilt in his step. There is a new place for him in the community, and these are values which we should not underestimate. For age perhaps will consider its opportunity no less than youth though in a different dress.

Now, Sir, here quietly, pervasively, peacefully there is a social revolution going on in our midst and, may I tell the honourable Leader of the Opposition, if I may, revolutions can be brought peacefully and those most significant for the future of the human race are of that category. We have here, Sir, a social revolution, not one that is drastic and bloody but peaceful, pervasive and civilized.

The government then through the organized means placed at its disposal, dollars and cents and staff, have undertaken, as I said, to lift up the moral of a great number of our people. What does this mean for us—I think it should mean for the rest of us who have strong hands, steady feet and clear eyes, those of us who still

have youth in our veins, that we produce all we can for those, because we are all better off when our senior citizens are better off.

Now, Sir, I come to another phase, the phase which really characterizes the Speech from the Throne; that is the question of industrial economy which is another aspect of the fundamental change coming over our Island. Whether initiated by the Government or initiated through other means does not matter for the purpose of my remarks, because both are indicated in the speech itself. If, Sir, there is anything notable about the mission of this Government, if there is anything special about the point of view of the Government, it is the fact that we are endeavouring to make the maximum use of our own natural resources, our own energies for discovery of our own resources. That policy needs no justification from me and so I return to the original question—What does this all mean to us as citizens? Because boiled down it has to do with the wherewithal of human life. We may think in terms of dollars and cents and such items but when the case is revealed, the case has to do with some human life. I want to indicate, first of all, the effects of this industrialization on population. I made some calculations here, Sir, about where our people are living, about what section of our residents move hither and thither, where do they go and to what extent?

I took twelve communities in Newfoundland which have to do, directly or indirectly, with industries and their combined population was 48,700 people in 1921. In 1945, 81,000 people were living in these same places, an increase of sixty-eight percent in 35 years, and these last figures are five years old, so that we may expect

the new figures to be up even more. The increase in population in these industrial settlements:

Bell Island  
 Botwood  
 Buchans  
 Corner Brook  
 Curling  
 Deer Lake  
 Grand Falls  
 Windsor  
 St. Lawrence  
 Humbermouth  
 St. John's.

an increase of 68% whereas the population of Newfoundland as a whole increased only about 22% during the same period. In other words these particular places were increasing more than three times as fast in population than other settlements.

Now, Sir, this Government is well aware of the magnitude of the job it has undertaken; it is committed to that job; it not no more turn back from its commitments, nor wish to, than it can stop the inrush of the sea flood, any more than one can turn back in the middle of a dive (and I hope the honourable Leader of the Opposition won't be unkind enough to turn that remark, this figure of speech, against me when he addresses the House—just a bit of anticipation.)

How else can we pay for the undertakings we have anticipated. How can we raise the taxable capacity of our people either for social security or public services.

The Government is well aware it has automatically raised certain problems for itself and problems for the people. This matter of centralization of our population, it is in many respects quite desirable. We have shown

here today how desirable it is that our people should congregate together where the services that they should expect to receive would be, by that very fact, improved. But let us say this: when they do congregate, the cost of public services increase proportionately. To service education alone in any of these larger settlements costs many times as much as it cost to service a similar unit in a smaller place. But again, that better education given in these larger settlements is a factor.

But at the same time the little places still remain, the smaller communities are not denuded completely, there is always the remnants left. The smaller services still have to go on, must be maintained for the residual population.

Now there is another problem, the more mechanical our industries become, the more mechanized is our society, the more the unskilled worker finds it difficult to find his place in that scheme of things. The unskilled worker tends to be left outside in a mechanized age. Anyone administering, trying to find jobs for people over the years, will know it is the coming increasingly difficult for the unspecialized person to find a proper place.

A few weeks ago we conducted a survey, in the Department of Public Welfare, on our prisoners who were discharged or at that time in prison, one hundred and twenty of them, and we found a considerable disproportion of them were unskilled persons who had no trade, who had not the wherewithal to learn a trade, who are bound to be left behind in the keen race to live. I say disproportionate because the number was disproportionate to the population on the whole. The unskilled among the prisoners are

greater than among the population at large.

Now, sir, I just selected another example, and I select it in the absence of the honourable senior member for Bell Island-Harbour Main, but I selected it only to amplify what I have in mind.

It is a matter of gratification that that which has had its ups and downs, its industrial ups and downs, is now witnessing its greatest upsurge of prosperity in its history. So considerable is that upsurge that it will have a positive effect for good upon the whole community, the whole Island community. However, our Welfare Officer on Bell Island made it his business, because he knew a great many people were still without work, to inquire into the actual details of the number of people employed on Bell Island and these figures have been checked by the management, and I have heard from the Manager as well. He told us that there were, at the time of writing in February, a total of 1,872 workers, including 120 casual workers, being 328 workers less than the number employed during the peak period 1949. Now, the Manager makes this figure and according to our own report, which agrees with data over a period of years for Welfare Officers we can amplify it to this extent: According to our own report we do not believe that more than 125 men are idle who previously worked with the Company. The balance to make up the 300, we believe, are men of working age and having no previous employment with this Company. Now when we take the example in a large figure I venture to presume that the bulk of these men are men who have been left behind in the competition for

jobs, they are not qualified in a mechanized system to get a job. Furthermore, as far as Bell Island is concerned, it is quite possible they may not get any other form of work, so they are thrown back on able bodied relief, as far as we know.

Now, unfortunately, there is another aspect of this; a man out of a job for some time becomes unemployed, and in terms of human welfare that is a very serious matter. Therefore, it is with considerable relief we find a happy reference in the Speech from the Throne to vocational training, which is a fundamental step towards correcting a situation of this kind, training men who otherwise might not be able to take part in the business of enabling this country to raise the living standards, turn over the machinery of this province.

It would be a long term undertaking but the start is here. Now I should say something about vocational training, with deference to the Minister of Education now present: First, it is costly—far more costly per unit, far more costly to train a person in vocational training than it is to educate a person in the ordinary school. In the second place, Sir, I say that fundamental to vocational training is a sound academic training, let us not get away from that. Vocational training is not simply a matter of getting jobs, it is not a matter of bread and butter, mainly vocational education is not trade school training. Vocational training assumes that the person taking part, the person receiving it has to begin with, a sound academic training and that is far more important, that this is the sound basis in our mechanized life because we so often stand apart from one another, not knowing much about or being

sympathetic with the other person's problems. That is because our elementary training has not gone far enough. For the plumber to know something about the history of his country is important. But I say this, the most pernicious effect of industrialization, either here or anywhere else, is this result, that it concentrates populations in a relatively few centres, and as we think of the centers we have in Newfoundland for instance, the characteristic about them is this, that these communities are made up largely of people from numerous other small settlements, the old stand-by settlements; people who have come from scores of different backgrounds into this new area with very little in common, wrenched from their old roots, wrenched from their old heritages, where they have had more community life in these little settlements than have ever been recognized or identified.

The job of getting that community to live together as a unit is an immense undertaking to give form and direction to that incoherent mass of humanity whether in Newfoundland or anywhere else. The old communities in Newfoundland where still the old loyalties live, the old virtues stand, are nevertheless being smothered. The old community is on the auction block—going, going, gone Nine-tenths of the people who talk about old St. John's, never knew a thing about old St. John's; it is gone, never to return, nor all your piety nor wit shall lure it back. Now Sir, I say that not with any feeling of homesickness because I am well aware the hills in the distance are never as green as we believe they are. Nevertheless, I think for us as statesmen here it ought to be of less concern to us as what is happening

to our Island Province along the lines of how people live, how they move and have their being. It was in the new St. John's that tragedy of a few weeks ago stopped our consciences; in the new St. John's that this awful thing took place, and it could have happened only among people where one half of them do not know how the other half lives or had not a very informed conscience as to how they lived. It is becoming less relevant, Sir, less important, less significant to talk of individualism as if it were the crowning virtue; it is becoming less relevant to talk of rugged individualism, it just will not do, it will not do when we must be our brothers keeper to be civilized; it will not do to draw around us our blessed cloak of respectability and crawl away into our cramped corner and hide and let the wrack and ruin of contemporary developments not concern us. It is not relative to ordinary living, it does not belong, though we should like Mark Anthony, say: "Don't press upon me, don't come at me; leave me."

If, Sir, I sound too declamatory and withal pessimistic, I would remind the House that this is the Ides of March. But what a challenge to education is here. Time was when it was considered the virtue of education to stay within bounds and to abhor all challenges, but that phase, Sir, is dead, even if it refuses to be buried. Time was when it was considered a virtue to be tolerant, only to be tolerant, just tolerant, you put up with people; you don't actually go out and proclaim open hostility to them, you put up with them. But tolerance, like other good things, is just not enough. What we need, Sir, is active understanding and education that cultivate active understanding and

education in the broadest sense of the word, which cultivates sympathy, which cultivates patience. The only education worthy of a civilized people, whatever else it does, should at least make it possible for us to realize as an actual practical factor of every day life that we are our brother's keeper. Now, Sir, that is why this Government is concerned about economic well being, realizing it is not enough but that there must grow also a correlative social welfare. It is very significant that we are not merely concerned with the mere earning a living but with the facts of how people like their lives. And that second consideration is not a little consideration.

Here, Sir, in St. John's I think I see such developments, that point of view of being honestly concerned about the way people live, I think that movement is developing, I think I see simmerings beneath the surface that our people are awakening to their corporal responsibilities. I wish it were more coherent, I wish it could get wrapped together into a pattern; I wish we would not stand on our respectability so much. I wish it were more spontaneous. I wish some of the moves which were initiated by the Department of Public Welfare had sprung from the masses, I wish it were so, but if not, it were better some other way than not at all. I think I see sparks which I hope we may fan into a glow, which will be warmer, which will make our society warmer and healthier than it has been and is now and I believe this Government, Sir, will cultivate in every way they can and sponsor and further that kind of development.

We have undertaken in various ways to bring the community to-

gether, to consider its own problems. We have gone publicly and maybe we should have stopped there, we probably went beyond our role as a Government but the time is so short and the need so desperate that we have probably taken initiative that very well should have come from other sources, but we have been encouraged because there are groups in the community out here who have themselves undertaken special tasks and they come to us in order that we may be able to further what they have undertaken. I can think of the service clubs, of various organizations who are anxious to do things; we have had, only recently, a number of meetings which we believe will be the forerunner of many such undertakings whereby St. John's will grow into more of a genuine community than probably it has ever been in modern days.

We are, sir, trying to stimulate public opinion of an active creative kind. We are being bold, but because a drastic, a subversive society requires that kind of treatment. In this matter of public opinion, I refer, I deviate for a moment to think of the contentious question of alcohol, and again on this ground, Sir, the Government has been altogether sensitive to public feeling where that feeling is expressed either by a large majority or a small majority, this Government, I think, is resilient, it is close to the people and if perhaps, as it is to be expressed, a gap exists between the Government and the people, be that gap great or small, that gap by ordinary democratic processes can be closed or nearly closed. No Government can stand long, away from the concerted wishes of the people, intelligent people, intelligently expressed. But on the question of al-

cohol my ideas are rather fluid. Whether a man should have one or two or three bottles a week, I am not qualified to judge. I will leave that to the department, I only know two or three spoonfuls would be enough to liquidate me. On this contentious matter, Sir, as on any other matter, the will of the people, intelligently expressed, will be something this Government will be very sensitive to at all times.

I feel like saying this: this question of drinking is not a fundamental problem, it is on the surface much for the same reason froth is on the surface. Now, I am quite aware of the entanglements of liquor on the homes and lives of people but I don't think that drinking could ever become a great problem in a society built by a consuming, creative purpose and I am not quite sure I am not thereby casting judgment upon our Western Civilization. It is always safe to pass judgment upon our civilization. I think this problem of drinking depends largely upon the civilized level of thought and living in a community and when any individual as well as any province or any state has committed itself wholly to a mission which is able to engage the earnest creative energy of men so they can't do anything else but think, and do it for man as well as the Creator's sake. I don't think such a civilization would have to worry about any problem of drink, and I will leave it there.

So we are back again to the community, and this last example of mine I shall again take from Bell Island:

Not once or twice in that island's history has it happened that after a

long period of prosperity the people of Bell Island have had to go back on relief shortly after the work shut down; this has happened not only once or twice. Now-a-day, we have in addition to relief, its respectable cousin, Unemployment Insurance, at best only a palliative; and I have wondered if there is not a more intelligent way we can manage not only for Bell Island but for other communities as well, to have a plan put in circulation whereby a person who earned considerable for a time and then after a short period being no better off, could not by some means put by something to cover such a situation. Surely, it is a problem worth considering, and I have wondered whether the agencies concerned might not sit down and work out a system whereby self-imposed compulsory savings, voluntary compulsory savings might not be devised whereby the good earnings of fatter years may be carried over into the lean.

I know there are difficulties, maybe we shall be told it is impossible, but I would not accept that unless I knew it were definitely true. With the right motive, and under proper leadership, maybe something like this can be accomplished.

Mr. Speaker, my background in general as well as that timepiece reminds me I have come to the pillar of Hercules, and it is time for me to furl sail, but before doing so I should like to make a comment with regard to a fundamental study on the subject which is probably the most penetrating thing of its kind to come out in recent years. Here that author, studying what has been most effected by the many changes in recent times, in modern days, considers that the fundamental problem has nothing to do with wars, though he does not put

it in that way. The fundamental problem, is the problem of what is happening to the rural communities where people are being and have been effected, by secularism if you will, but mainly by the old roots being torn up and the rural life destroyed. What can we do to preserve the community which is becoming frustrated and distorted without respect for its meaning; it is being broken down. We have the situation where people are living in a community without having the means of expressing themselves as a community. That is the great frustration, the tragedy of this age.

In a word, Sir, where we are so completely committed to getting and spending, we ought not to lose sight of the necessity of fostering these qualities of mind and spirit which are the basis of any real prosperity.

So to return to my original theme, the Government has taken the initiative to sponsor and promote economic well being, but has not been at the same time, forgetful of the fundamental needs of encouraging and stimulating the best that is in man because they realize, where wealth accumulates, men may very well decay.

In our little Island community we are still largely unspoiled, and we still have robust reserves left that we should foster and further and one of our main commitments is the purpose to cultivate the resources of the community, to attain that goal of compassion and sense of independence without which any nation is very poor indeed.

In this I support the Government and I repeat that here are solid grounds for good cheer and forward looking hope.

MR. FOGWILL: If no other member would like to speak this afternoon, I would move to adjourn the debate until tomorrow.

Debate adjourned until tomorrow.

Third reading of a Bill "An Act to Amend the Life Insurance Act, 1943."

Bill read a third time and passed.

Third reading of a Bill, "An Act to Amend the Insurance Premium (Tax) Act, 1950."

Bill read a third time and passed.

Third reading of a Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

Bill read a third time and passed.

Third reading of a Bill "An Act to Facilitate the Enforcement of Maintenance and Orders."

Bill read a third time and passed.

Third reading of a Bill "An Act to Amend the Nomenclature Board Act, 1938."

Bill read a third time and passed.

Third reading of a Bill "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series), entitled 'Of the Permanent Marine Disaster Fund.'"

Bill read a third time and passed.

Third reading of a Bill "An Act Further to Amend the Shops Act, 1940."

Bill read a third time and passed.

MR. SMALLWOOD: I move the remaining Orders of the Day be deferred.

Remaining orders were deferred.

MR. SMALLWOOD: I move the House at its rising do adjourn until

tomorrow, Friday, at three of the clock.

House adjourned accordingly.

FRIDAY, March 16, 1951.

The House opened at three of the clock.

#### Presenting Petitions

A petition was presented by Mr. Button from Sunnyside and Centre Cove, re Bridge.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): I give notice that I will on tomorrow ask leave of the House to introduce a Bill, "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Also,

A Bill "An Act to Amend the Industrial Development Loan Act, 1949."

HON. P. S. FORSEY (Minister of Supply): I give notice that I will on tomorrow ask leave of the House to introduce a Bill "An Act Relating to Local Government."

Also,

A Bill "An Act to Regulate The Development of Local Areas."

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

Also,

A Bill "An Act to Amend the Boiler and Pressure Vessel Act, 1949."

HON. S. J. HEFFERTON (Minister of Education): I give notice that I will on tomorrow ask leave of the



House to introduce a Bill "An Act to Amend the Memorial University Act, 1949."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I give notice that I will on tomorrow ask leave of the House to introduce a Bill

"An Act to Amend the Fisheries Loan Act."

Also, Mr. Speaker, I beg leave to lay on the Table of the House an agreement between the Government and Andrews Labrador Fisheries as requested.

MR. SPEAKER: Question 42—Mr. Fogwill, addressed to the honourable the Minister of Finance.

MR. SMALLWOOD: 42 (6): What is the total number of taverns now operating in Newfoundland, who are the licence holders, what fee is paid. There is an increase of 29 taverns since the Act was passed here. I have here a list:

NAME OF TAVERN	LOCATION	LICENCE ISSUED TO	FEE
Cross Keys	Duckworth St.	V. W. Andrews	\$250.00
Archibald's Hotel	Harbour Grace	Rose Archibald	200.00
Ash's Tavern	Harbour Grace	J. M. Ash	200.00
Popular Tavern	Curling	J. Basha	250.00
Bradbury's Tavern	Bay Roberts	E. J. Bradbury	150.00
Hamilton Inn	Hamilton Ave.	T. J. Brownrigg	250.00
Byrne's Tavern	Donavan's	G. Byrne	250.00
Belmont Tavern	New Gower St.	James Byrne	250.00
Cahill's	Placentia	Mrs. M. Cahill	200.00
Campen Inn	Duckworth St.	Mrs. Cameron, Mrs. Penney	250.00
Corbage's	Corner Brook	Mrs. M. Corbage	250.00
Cranford's	New Harbour	A. B. Cranford	125.00
Curran's	Gambo	Thomas Curran	250.00
Bennett's	Holyrood	Mrs. Hilda Davis	200.00
Dick's Tavern	Bell Island	Walter Dicks	250.00
Didham's	Colinet	Mrs. Didham	200.00
Doyle's	Conception Hr.	M. F. Doyle	250.00
Ringside Tavern	Queen's Road	Thos Dunne Ltd.	250.00
Riviera, The	Water Street	Mrs. E. Foote	250.00
Furey's	Holyrood	Mrs. W. Furey	200.00
Gander Tavern	Gander	Gander Tavern Co.	250.00
Green Lantern, The	Water Street	T. Garland	250.00
Geehan's	Topsail	Mrs. M. Geehan	250.00
Hillview Inn	Duckworth St.	Hillview Inn Co.	250.00
Gosse's	New Gower St.	Mrs. A. Gosse	250.00
Butterpot Inn	Holyrood	J. J. Hickey	200.00
Hutching's Tavern	Whitbourne	Aaron Hutchings	200.00
Hutching's	Bell Island	Max Hutchings	250.00
Ritz Tavern, The	New Gower St.	Ritz Tavern Co.	250.00
Hilltop Inn	Cookstown Rd.	Mrs. B. Kelly	250.00
Kelly's	Avondale	Mrs. T. Kelly	200.00

NAME OF TAVERN	LOCATION	LICENCE ISSUED TO	FEE
Liddy's	Torbay	Mrs. M. Liddy	250.00
Lundrigan's	Colinet	A. Lundrigan	200.00
McCarthy's	Corner Brook	Mrs. M. McCarthy	250.00
Beachview Hotel	Stephenville Xing	Mrs. M. McFatrige	250.00
McLean's	Mackinsons	J. A. McLean	200.00
Cabot Hotel	Brigus	John Marshall	200.00
Club Commodore	Torbay	C. Martin	250.00
Miller's	Curling	Mrs. G. Miller	250.00
Murrin's	Spaniard's Bay	L. Murrin	150.00
Cuban Tavern	Deer Lake	John Noah	250.00
Noseworthy's	Bay Roberts	A. Noseworthy	150.00
O'Toole's	Conception Hr.	R. O'Toole	150.00
Middleton Inn	Bell Island	E. Parsons	250.00
Bar 50	Whitbourne	Mrs. E. Peckford	200.00
Cottage Gardens	Freshwater Road	E. Phelan	250.00
Piercey's	Kelligrews	A. Piercey	200.00
Power's	Dunville	Gerald Power	200.00
Power's Tavern	Salmonier	Jack Power	200.00
Station Tavern	Hutchings St.	Mrs. Rowe	250.00
Argyle Hotel	Botwood	Mrs. A. Ryall	250.00
Crosbie Tavern, The	Duckworth St.	William Spurrell	250.00
Sterling Tavern	Holdsworth St.	W. Sterling	250.00
Queen Tavern	Queen Street	Charles Truscott	250.00
Vail's	St. Mary's	Mrs. E. M. Vail	100.00
Veteran's Inn, The	Torbay	Messrs. Cole & LeMessurier	250.00
Walsh's	Goulds	Mrs. P. Walsh	250.00
Wheeler's	Curling	Mrs. M. Wheeler	250.00
Whelan's	Corner Brook	J. W. Whelan	250.00
Park Inn, The	Water Street	Park Inn Company	250.00
William's Tavern	Bay Bulls	Mary Williams	200.00
Collin's Tavern	Chamberlains	James Collins	250.00
Parson's Tavern	Seal Cove	R. Parsons	200.00
Jim's Tavern	Water Street	James White	250.00
Junction Tavern, The	Notre Dame Junc.	Messrs. Woolfrey & Moore	250.00
Albert's Tavern	Harbour Main	Mrs. A. Furey	200.00
Oasis, The	Grand Falls	James Constable	250.00
Caribou Tavern, The	Deer Lake	Albert Boulos	250.00
Sports Tavern	Boncloddy St.	W. Ashley	250.00
Green's Tavern	Bishops Falls	Gordon Green	250.00
Harbour Inn, The	Duckworth St.	Kevin Darcy	250.00
Corner Tavern	Hayward Ave.	Georgetown Realty Co.	250.00

The Board has set a minimum fee of \$100 which amount goes up to \$250 per tavern where the volume of business available justifies it, so that licences vary from \$100 to \$250.

(3) The Revenue paid the Finance Control, April 1, 1950, to February 28, 1951, \$1,850,000.

42 (7): Did the Board of Liquor Control purchase a motor van, at what price, from whom, were tenders called?

The Board purchased a new van in 1950, price \$1,833. It was purchased from Ford Sales and Services Company. No tenders were called as the Board considered the discount of \$235.96 less than list price was the best that could be secured at the time. That was done, I think, through the Department of Supply.

I may say, in connection with this, Mr. Speaker, that there are in Newfoundland today at least 1250 settlements and towns with no taverns whatsoever. All the taverns there are in Newfoundland are situated in fewer than fifty settlements. In the whole province there are twelve electoral districts without even one tavern. Labrador, White Bay, Twillingate, Fogo, Bonavista South, Trinity North, Carbonar-Bay de Verde, Placentia West, Burin, Fortune-Hermitage, Burgeo and LaPoile, St. Barbe. Twelve districts without one tavern between them all. Besides which there is Green Bay which makes it thirteen. In the District of Bonavista North there is one tavern, Ferryland, one tavern, St. George's-Port au Port, two taverns.

Now, Mr. Speaker, I have just one other point to add, I have two tables which just arrived a moment ago which show sales of liquors, spirits, for the 12 months immediately after the new policy came into effect.

**Comparative Sales of Spirits from 1st April to 28 February**

1949-50	1950-51
948,467 bottles	850,871 bottles
Decrease 97,596 bottles	
Decrease 10.28%.	

One result of the policy, the price

of liquors went up and the sales decreased nearly one hundred thousand bottles, a decrease roughly of 10% in the sales of bottles.

I have one other table which is rather more striking:

**Production of Rum in Board's Blending Department**

**11 Months to 28 February**

1949-50	1950-51
514,140 bottles	381,592 bottles
Decrease 132,548 bottles	
Decrease 25.78%.	

This means the bottling and blending.

MR. JACKMAN: What with?

MR. SMALLWOOD: Machinery and hard labour. I imagine there are people who find it hard to overcome the effects of it. A decrease of 132,548 bottles, this despite the fact, as my honourable friends opposite are so well aware that the latter of these two periods was the more prosperous in Newfoundland. So that in a more prosperous period we have had a decrease in the sale of hard liquor which is very gratifying indeed. My honourable friends will agree that if our policy continues to be successful it must mean a decrease in revenue for the treasury in which case some other means will have to be found to make up this lost revenue.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, on the 13th of March the honourable member for St. John's East (Mr. Fogwill) asked the honourable the Premier—

18. To table a statement regarding the freight rate dispute, showing all particulars, such as the number of firms or persons employed, salaries, travelling expenses, fees, etc., paid or

still to be paid on this account; state what in the opinion of the Government is the approximate total amount paid in excess of the adjusted freight rates as from April 1st, 1949, to the date when the adjusted rates come into effect also inform the House if, in the opinion of the Government, a substantial lowering of the cost of consumer goods at retail prices will result.

19. If it is the intention of the Government to pursue this matter further in respect to having the adjusted rates made retroactive to April 1st, 1949.

Answer: As this matter came wholly under my care as Attorney General, the honourable the Premier has asked me to prepare the statement required. This I am most happy to do.

Prior to the entry of Newfoundland into Confederation the Government of Canada had appointed a Royal Commission on Transportation. This Commission presided over by the Honourable W. F. A. Turgeon, K.C., LL.D., and consisting also of Dr. Henry Forbes Angus, and Dr. Harold Adams Innis, was instructed to—

(a) review and report upon the effect, if any, of economic, geographic or other disadvantages under which certain sections of Canada find themselves in relation to the various transportation services therein, and recommend what measures should be initiated in order that the national transportation policy may best serve the general economic well-being of all Canada:

(b) review the Railway Act with respect to such matters as guidance to the Board in general freight rate revisions, competitive rates, international rates, etc., and recommend such amendments therein as may appear to them to be advisable;

(c) review the capital structure of the Canadian National Railway Company and report on the advisability (or otherwise) of establishing and maintaining the fixed charges of that Company on a basis comparable to other major railways in North America;

(d) review the present-day accounting methods and statistical procedure of railways in Canada, and report upon the advisability of adopting, (or otherwise), measures conducive to uniformity in such matters, and upon other related problems such as depreciation accounting, the segregation of assets, revenues and other incomes, etc., as between railway and non-railway item;

(e) review and report on the results achieved under the Canadian National-Canadian Pacific Act, 1933, and amendments thereto, making such recommendation as the present situation warrants;

(f) report upon any feature of the Railway Act, (or railways legislation generally) that might advantageously be revised or amended in view of present-day conditions.

As a Province of Canada, Newfoundland came within the scope of the Enquiry. The Government accordingly instructed Mr. Eric Cook, K.C., to attend certain preparatory meetings of a group representing the Atlantic provinces convened at Moncton, with a view to assisting in the preparation of a brief to be filed with the Commission on behalf of this Province. Mr. Cook attended these meetings and proceeded to ascertain what representations should be made on behalf of Newfoundland and Newfoundland interests and by whom.

After some weeks, finding that he could not place at the disposal of the Government the amount of time required to do full justice to such an important matter, Mr. Cook asked to be relieved of responsibility therefor, and was so relieved.

It was obviously impossible for the Attorney General and the officials of his Department to handle unassisted, in addition to their other duties, such an important public matter involving intensive and detailed studies and preparation.

We were fortunate, therefore, in retaining the services of Mr. P. J. Lewis, K.C., to act with and for the Attorney General in this matter.

The dispute relating to the freight rate structure imposed by the Canadian National Railways on traffic moving within, into and out of the Province of Newfoundland also dates back to the date of Confederation, at which time the tariffs governing these movements were published contemporaneously with their being put into effect. Immediately the tariffs were published, representations were received from the trade and otherwise, as to the inequity thereof, having regard to Term 32 (2) of the Terms of Union.

In due course, representations were made by the Government, with the co-operation of the trade, to the Minister of Transport at Ottawa, and through him to the Government of Canada. Meetings and consultations were held at Montreal and Ottawa; briefs were submitted and the matter discussed. The Federal Government ultimately recommended that the matter be taken before the Board of Transport Commissioners for Canada, for adjudication. In due course a

formal application was made in the name of the Attorney General for the Province of Newfoundland to the Board of Transport Commissioners for Canada, for the cancellation of the freight rate fabric in effect in relation to traffic moving within, into and out of the Province, and to substitute therefor a scale of rates in conformity with that in effect in relation to similar movements of traffic within the Maritime region of Canada.

In due course a preliminary hearing was held at Ottawa, before the Board of Transport Commissioners for Canada. At this hearing the Attorney General and Counsel for the Province were heard. This was to determine the question of law as to whether or not the Terms of Union superseded the Railway Act. In due course the Board ruled against Newfoundland and held that they did not, but were to be read subject to the terms and provisions of the Railway Act of Canada. The Province was by no means satisfied with this ruling and steps were thereupon taken for the appealing of this decision. An Appeal lay either to (1) His Excellency the Governor General of Canada (in Council) or (2) the Supreme Court of Canada. We had no doubt as to the understanding of those who had negotiated the Terms of Union. We had to decide whether (1) the Terms of Union as signed did in fact legally express the decisions reached at Ottawa, or (2) the Board of Transport Commissioners had correctly interpreted the Terms of Union. We decided to appeal to His Excellency the Governor General (in Council). To this end a petition was drafted, which in due course was personally presented to the Honourable the Prime Minister, at Ottawa, by me. As a result of further negotiations it was decided to allow

the Case to be heard before the Board of Transport Commissioners in the hope that an examination of the facts might assist the Board in correctly interpreting the Terms of Union. In the event of an adverse decision an appeal still lay either to the Supreme Court of Canada or to His Excellency the Governor in Council, as we might elect.

A further application was then made to the Board for a continuation of the hearing and in due course the Board came to St. John's, Newfoundland, where the formal evidence of the Province was taken as well as that of the Railway in answer thereto. The taking of the evidence occupied ten days. The transcript of evidence covered 11,665 pages. At the conclusion of the evidence the further hearing was adjourned to Ottawa where argument took place on December 5th and 6th, 1950. Judgment was handed down on the 22nd day of January, 1951, and, I am pleased to say, the Province of Newfoundland was awarded judgment on all counts. A full presentation of all the facts had satisfied the Board that its previous decision had been in error.

The existing pattern of freight rates was cancelled and the Railways were ordered to put into effect a new fabric conforming with the Maritime Region structure; this applied to—

1. Through traffic from upper Canadian points to Newfoundland points;
2. To movements within the Island;
3. To inter-Provincial movements.

The application of town-distributing tariffs (C19) was left for negotiation between the parties, and I am now pleased to say that this tariff has been made effective by agreement.

The significance of this tariff is that it provides for a 20% reduction below standard mileage rates, which were those in effect in Newfoundland prior to March 1, 1951, on traffic moving between headline points. Further, the surcharge of ten cents per 100 lbs. which has been imposed on all traffic moving through Port aux Basques, was ordered cancelled. Two further points only await final adjustment: The question of commodity rates and pulpwood rates. Negotiations between the C.N.R. and representatives of the Government and the trade failed to produce agreement; so it was agreed to submit our differences to the Board of Transport Commissioners. This was attended to by me as Attorney General on my recent visit to the Mainland.

The time taken in the preparation, formulation and presentation of the Case, extended from August 1949 to December 1950.

Besides Counsel engaged, the following gentlemen were associated with the presentation of the case: Mr. Gerald Murphy, Mr. Edgar Miller, Mr. John Molloy, Mr. Arthur Johnson and Mr. Rand Matheson as Expert Advisor. All, without exception, worked assiduously towards the ultimate victory, but particular mention must be made of Mr. Gerald Murphy who was the principal witness for the Province at the taking of the evidence. Mr. Murphy was placed at our disposal by Bowaters and was four full days on the witness stand, during two of which he was under the keenest and closest cross-examination. Mr. Rand Matheson of the Maritime Board of Trade was of inestimable help in that he brought to the investigation a wealth of knowledge acquired from his extensive experience

and great knowledge of freight rate technicalities. Mr. Edgar Miller and Mr. Arthur Johnson representing the trade, together with Mr. John P. Molloy representing the Anglo-Newfoundland Development Company, Limited, worked in closest harmony with the Government, and served without remuneration. There was also an out-contribution. All those associated with me in this case would wish me to place on record their appreciation of the invaluable contribution made by our Premier, the Honourable J. R. Smallwood. As a member of the Ottawa delegation Mr. Smallwood had insisted that a clause be inserted giving Newfoundland freight rates based upon those prevailing in the Maritime Provinces. Such a clause was inserted, and the Honourable Mr. Smallwood, as Premier, made it quite clear to us all that our application to the Board was wholly in accord with the agreement made at Ottawa. The only question was, therefore, whether or not the Terms of Union as drafted, set forth in legal terms the agreement reached. His vivid memory of the detailed discussions at Ottawa and his insistence that we take Newfoundland's case, if necessary, to the highest court in the land, inspired us all with the justice of our application; and enabled us, notwithstanding a set-back at the preliminary hearing to prepare a case which proved unanswerable. I cannot emphasize too highly the value of the assistance given to us by our Premier.

The only Counsel engaged in this matter, in addition to the Attorney General, under whose guidance and direction the application was made and pursued, was Mr. P. J. Lewis, K.C. Mr. Lewis devoted very considerable time to the detailed preparation of

Newfoundland's case and the thoroughness of his preparation and the clear presentation of his arguments were of invaluable assistance in satisfying the Board as to the equity of our application. For a time Mr. George C. McNameara was employed as Secretary, and Mrs. Hilda Finn as stenographer, both in relation to freight rates and the Royal Commission on Transportation. Disbursements amounted to \$13,212.21, as appears from the summary annexed hereto.

The question of fees to be paid has not yet been considered (the case cannot yet be looked upon as finally closed), but \$9,000 has been paid on account. No bills have been presented. It has been recommended that special consideration be given by the Government to Mr. Gerald F. Murphy for the valuable services which he rendered in this case.

It is difficult to estimate with accuracy, the amount paid between April 1, 1949 and March 1, 1951 as excess freight rates having regard to the adjusted rate put into effect pursuant to the Board's judgment. This would entail a detailed examination of innumerable bills of lading and shipping bills issued during the period in question. But, after consultation with Counsel and those closely connected with the freight rates problem, I am advised that the over-riding saving to the Province is, and will be, closely within the figure of \$2,920,000.00 per annum.

Examination of data discloses that the volume of local traffic moving under town-distributing tariffs (C19) is 100,000 tons, and the resultant reduction below standard mileage rates, which were previously in effect is \$3.00 per ton, aggregating a saving of

\$300,000.00 per annum, on this movement.

With regard to through-traffic, that traffic moving from the Mainland into the Province and vice versa, that portion of the traffic moving under class rates alone, has been subject to an overriding reduction of \$6.00 per ton. The volume of traffic moving through Sydney—Port aux Basques, has increased from 65,000 tons in 1948 to 120,000 tons in 1950. The effective saving to the Province in this movement alone, is \$720,000.00 per annum. This makes a grand total of \$1,020,000 per annum saved, on rail traffic only, and exclusive of traffic moving under commodity rates.

This saving does not take into consideration the volume of traffic moving by water, either directly under shipping bills of lading from Mainland ports, or under through bills of lading issued by the Railways. The closest figures obtainable indicate that the volume of traffic moved by water, exclusive of bulk cargoes, is 300,000 tons.

As the Railways have been the compelling factor in the settling of rates, the water rates have since Confederation been related to the rail rates. Thus, it follows, that with the reduction in the rail rate, one of two things must happen: either the water carriers must reduce their traffis to the level of the rail rates, or the Railways must provide facilities to move the traffic otherwise. The reduction in the rate, therefore, will be \$6.00 per ton in order to conform with the rail rate, which will give a saving of \$1,800,000.00 on water carriage alone. The aggregate saving, therefore, is \$2,820,000.00 made up as follows:

On rail movement of local  
and through traffic..... \$1,020,000.00

On traffic moved by	
water	1,800,000.00
	<u>\$2,820,000.00</u>

Possibly the most important feature of the decision of the Transport Board is the fact that it has given to the Terms of Union the status to which they are legally entitled. It has been found by the Board, that the Terms of Union transcend the Railway Act, and it follows, that the same principle applies to similar domestic legislation of the Canadian Parliament, when, where and if there is conflict with the Terms of Union. The importance of this particular finding cannot be overexaggerated.

As a result of the lowering of the freight rates, it will be the policy of this Government to watch the effect of those lowered rates upon the cost of consumer goods, to the end that the benefit may be passed along to those to whom of right it doth belong.

It is not practical to suggest that the adjusted freight rates be made retroactive to April 1st, 1949, although in some cases that might not be unreasonable. Refunds generally, if made on goods imported for sale, would go to the importers. As in such cases the importers have already collected in full from the general public, all freight rates paid by them, and as such refunds could not possibly, at this date, be passed on to the ultimate consumer, retroactive refunds could only go to enrich the importers; and in fairness to the latter it may be said no such suggestion has been made.

The question as to excess rates paid between April 1st, 1949, and February 28th, 1951, has been discussed by the Attorney General with the authorities at Ottawa, and is under consideration by the Government.



## Re: Freight Rates—Royal Commission on Transportation

## Dr.

To Disbursements .....	\$13,212.21
To BALANCE .....	9,037.79
	<hr/>
	\$22,250.00
	<hr/>

## Cr.

By amount received .....	\$22,250.00
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## Expense Account

Evidence and Printing .....	\$ 4,063.52
Travelling Expenses .....	3,138.38
Cables .....	492.65
Stenographic Services .....	345.76
Hotel Expenses, etc. ....	2,081.45
Salaries Paid (1950) .....	2,475.00
Stationery .....	7.50
Geo. C. McNamara, disbursements .....	59.50
Incidentals .....	150.00
Eric Cook, K.C., disbursements .....	398.45
	<hr/>
	\$13,212.21
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Evidence (Already accounted for to Feb. 21/50).....	\$1,634.50
Evidence (Since Feb. 21/50) .....	770.25
	626.25
	138.01
	21.91
	<hr/>
	\$ 3,190.92

Transportation (to February 21/50) .....	\$1,804.37
Evidence (Since Feb. 21/50).....	176.50
	28.00
	167.65
	36.00
	362.56
	257.65
	305.65
	<hr/>
	\$ 3,138.38

## Cables and Telegrams—Telephones

(to February 21/50) .....	334.54	
(Since February 21/50) .....	16.50	
	41.61	
	100.00	
	<u>          </u>	\$ 492.65

## Stenographic Services and Expenses

(to February 21/50) .....	50.00	
(Since February 21/50) .....	51.94	
	51.94	
	103.88	
(Pd. Tax to Rec. Gen.).....	23.00	
	10.00	
	55.00	
	<u>          </u>	345.76

## Travelling expenses, including hotels, meals, incidentals,

(to February 21/50) .....	532.57	
(Since February 21/50) .....	530.19	
	57.50	
	24.18	
	40.00	
	20.00	
	25.00	
	96.65	
	755.36	
	<u>          </u>	2,081.45

Printing and Advertising .....	872.60
Stationery .....	7.50
Geo. C. McNamara, Disbursements .....	59.50
Legal Counsel (Eric Cook, K.C.).....	398.45
Incidentals .....	150.00
Salaries .....	2,475.00

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\$13,212.21

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MR. FOGWILL: On a point of privilege: Would it be possible that all members be given a copy eventually? It is a question of which notice was given and a public question, Sir.

MR. SMALLWOOD: My honourable friend opposite will appreciate the House is not entitled to have copies in writing in answer to questions. An answer is an answer. It lies with the Government to decide whether the answer is given verbally or in writing. We have here been giving most of the answers in writing and the only time we do not do so is when the answers may be given verbally to prevent delay.

MR. FOGWILL: I hope it will be a motion that all answers are given in writing.

MR. SMALLWOOD: Certainly where the answers can be given in writing, and I have undertaken to have that happen.

MR. HIGGINS: Point of privilege: I have asked questions and what were the answers? Go look for them yourself, or go to the Department. I asked for copies of Audit Sheets. Where am I going to find the Audit Sheet. These are public matters and the answer should be here in the House. We were promised that last time but they were never produced. I cannot go around asking for a copy of balance sheets. It is very good, I must admit, for us to be getting written answers, very good, and it is very much appreciated, but a copy of audit sheets should be here, I am not going around looking them up.

MR. SMALLWOOD: In reply, a very distinguished group of Newfoundlanders have honoured the Government by accepting membership in that committee. That committee, among

other things, is arranging for the audit of accounts of the organization in question. As soon as the audit is made it will be available, but it obviously takes some little time. I do not think—my honourable friend opposite, who must know about that committee, it was published in the press, would want to make the work of that committee any more difficult than it is.

I wonder if my honourable friend is familiar with the names of the personnel of that committee.

MR. HIGGINS: I do not think it has anything at all to do with the Committee. What I asked for is an audit at the time the loan was made, about the position at that time and I have received no reply.

MR. SPEAKER: Let me—I remember I stated this at the last session. It would be of much value to honourable members of both sides of the House if they referred to certain pages in the Hansard of 1949 and see for themselves how to ask questions and how they should be answered. Let me say too, when any honourable member asks questions, the answers to which questions are available to the public, that such particular questions are out of order. Furthermore, all questions coming into the House are subject to the approval of Mr. Speaker who may decide or refuse for the Order Paper or refer back to the member for rewording. It is the right of every member in the House to ask a question but no member can demand an answer. It is the right of every Minister to give the answer best suited to the occasion or to refuse an answer at all where it may be detrimental to public welfare. These are not rules made from this chair, they are carried from time immem-

orial. But I suggest that members would read these pages dealing with asking and answering questions.

(44) Table a statement showing the total cost of the visit of Mr. Colin Storey to European fishing centres last year, statement to include the amount of travelling expenses and salary paid; also to inform the House if Mr. Storey made a report; if so to table a copy of this report; also inform the House if Mr. Storey is presently employed by the Government; if so, state the nature of his employment and salary paid?

MR. KEOUGH: Total cost of the visit of Mr. Colin Storey to European fishing centres last year including travelling expenses and salary paid and a copy of Mr. Storey's report will be tabled, as requested, on or before March 31st. Mr. Colin Storey is presently employed in the Department of Fisheries and Co-operatives. His duties are directed to a study of exploration of fish populations, experimental fishing, new types of fishing gear and vessels, and generally to keep abreast of development in these fields in the major fish producing nations and to relate such development to the needs of the fisheries of Newfoundland. Mr. Storey also represents the Department of Fisheries and Co-operatives on the Fisheries Loan Board and has been responsible for overseeing the development of the multi-purpose boat *Matthew II* designed and equipped for long-lining, Danish-seining, mid-water Larsen trawling, drift-netting, etc., as carried out successfully by similar craft in the Norwegian fisheries. Salary—\$300 a month.

MR. SMALLWOOD: (45)—Mr. Higgins, addressed to the Premier—

1. State the name of the consulting engineer employed by the Government to design the cement plant at Corner Brook.

Answer: The cement plant at Corner Brook and Gypsum Plant at Corner Brook are both being designed, the Government has one fully employed engineer, a very distinguished engineer from Latvia, a refugee from Communism, who in his own country of Latvia was in charge of the largest cement plant and subsequently was in charge of the newest gypsum plant, plaster plant and plaster board plant in Germany. A Latvian by birth, Mr. Ernest Leja.

2. State the names of the manufacturers in the United Kingdom, Canada, or the United States, who were invited to submit tenders for the erection of the cement plant and to table the correspondence with such firms.

Answer: If I were prepared to do that I could not do it at this moment. The report is in the office of Doctor Valdmanis and he is absent on business from the Province.

3. State the name of the professional engineer who recommended that the contract for the supply of machinery be awarded to Messrs. Miag of Brunswick, Germany?

The decision to award the contract to Miag for construction of cement mill was made by the Government upon the advice of Dr. Valdmanis and Mr. Ernest Leja and our own engineer.

4. Were any contractors in Newfoundland or elsewhere other than William Lundrigan Limited invited to tender for the excavation, concrete work, construction of pipe lines, erection of silos and other buildings?

The answer is no, and now I have to be very careful at this point as to what I say. There is certain information I do not intend for several weeks to reveal, while certain negotiations are going on. I don't want to reveal this information prematurely.

Dr. Valdmanis and Mr. Ernest Leja, our engineer, worked out together the maximum that that mill should cost to construct, so as to give the very minimum cost. In other words instead of calling on contractors to tender prices they themselves said what the price should be and could get only one contractor to take the job at that price. He declared that he could not possibly break even, could not possibly make a dollar on it, and he was awarded the contract. I can assure the House of this; no contractor in Newfoundland would have tendered at so low a price as was imposed on Wm. Lundrigan Ltd. by Dr. Valmanis and Mr. Ernest Leja. The fact of the matter is we were half ashamed at what Dr. Valdmanis and Mr. Ernest Leja screwed the price down to with Lundrigan and likewise with Miag and the firm who manufactured the machinery for the Gypsum Plant. These facts will come out in proper time and my honourable friend and anyone else who chooses to makes a mountain out of this is entirely welcome to do so. At the right moment the facts and figures will come out and he who laughs last laughs best.

5. Table the contracts made with
  - (a) Messrs. Miag and Company and
  - (b) William J. Lundrigan, Limited.

Already answered, will not table the contract at this time as it is not in the public interest to do so. It will be a part of the whole story and

I will be very glad and very proud to have this House and this Province know these facts in a very short time.

6. Under whose supervision and inspection, on behalf of the Government, are the contracts for the cement plant at Corner Brook being carried out?

Under the supervision of Mr. Ernest Leja.

7. To give the name of the Inspecting Engineer who issues Certificates for payment on account of these contracts.

8. By whom is the material for the cement plant inspected as to quality and compliance with specifications before leaving the factory in Germany?

No one, that is not the way we are doing it. Miag has a contract to manufacture the machinery, to deliver it to Corner Brook, to assemble and install it in the mill at Corner Brook: to operate the mill for one month on which date delivery of the mill to the Government by Miag will be made and they will receive their final payment, only after they have operated it for one month to our complete satisfaction. As to the mere detail of shipping out of the factory, it is of the utmost unimportance. What we demand is the mill, all of it a going concern, producing cement, turning out a high-class portland cement, higher than any at present for sale in Newfoundland, a very high grade portland cement. If it does that we will be quite happy and that it will, we have no doubt.

(46) Mr. Higgins, addressed to the honourable the Minister of Fisheries:

MR. KEOUGH: Mr. Speaker, that answer is in the course of preparation.

(47) Mr. Higgins, addressed to the honourable the Minister of Labour:

HON. C. H. BALLAM (Minister of Labour): That question has been asked here in No. 32. The answer is in the course of preparation and will be available next session.

(48) Mr. Higgins, addressed to the honourable the Minister of Supply:

1. Is there a Board before which tenders for Government supply are opened and discussed?

2. If there is such a Board, who comprises it?

HON. P. S. FORSEY (Minister of Supply): All tenders for Government supply are opened in the presence of three members of the Staff of the Department of Supply, namely, Mr. Hunter, Mr. Powers and Miss Costello. A schedule is prepared of all quotations and in the case where the purchase to be made is a straightforward transaction the Order is placed in accordance with avowed Government policy of buying at lowest price. The honourable member will appreciate that in numerous instances where machinery, drugs or surgical instruments are involved, the Department finds it necessary to enlist the specialized knowledge of the medical profession or the technical advice of the Engineers of the Department of Public Works. In such cases the scheduled tenders are submitted for their recommendation. In all cases where the recommendation is not made to purchase from the lowest tender memoranda are submitted from the Departments concerned setting forth justifying reasons. The honourable member will appreciate that in the final analysis the Department of the Auditor General scrutinizes all tenders.

MR. SPEAKER: (37) (38) Mr. Fogwill, addressed to the honourable the Minister of Public Works.

HON. E. S. SPENCER (Minister of Public Works): Prior to leaving my office today I arranged for these questions to be finally typed and I hoped to have them in the House this afternoon. Up to now I have not received them.

Address in Reply.

MR. FOGWILL: Mr. Speaker, in continuing the debate in reply to the Speech from the Throne, first I would like, as all members do, to congratulate all who have spoken before me, my good friend, the honourable member for Bell Island, also the honourable member for White Bay who spoke on yesterday and who at that time registered his non-support of the Government and made a complaint of their treatment dealt out to the district he had the honour to represent.

I congratulate the honourable the Minister for Public Welfare who spoke yesterday, he made a good job as far as the position permits him to do so. He spoke of many things provided by the welfare state and many other things which we are faced with in this disturbed world. But I am afraid that what the honourable minister expressed in words will not come to pass in his life time.

To the honourable member for Labrador, who made quite a speech in moving the motion, I will say this; his speech was a very much milder type than that in which we heard him express himself in this House previously. He did tell us about the various areas of Labrador, Lake Melville and the possibilities of great

lumbering industries there and also a pulp and industry and agriculture for that district. He told us of his abiding interest in the district, but however serious and regardless of the fact that Labrador may be hotter in the summer than St. John's and not so cold in the winter as Ottawa, because of the place in which it is situated, I would say this, Sir, that at least, I myself, hope that in his life-time, a better way of life may come to the people who reside in that area.

Now Sir, last session or the session before, the honourable member for Labrador in this House, in words or in effect, voiced his opposition and he registered his opposition and feelings towards some of the people of Newfoundland who have helped to build this country. They did. That is the so-called higher princes of industry, and those scallywags, the fish merchants, they helped to build this country perhaps in more ways than the honourable member knows, being very young. Last year, the Premier, in his address in reply, did make some little excuse for the honourable member for Labrador when he said, any young man at the age of twenty-seven if he was not a socialist there was something wrong with him. That may be true and perhaps today he may be a Liberal, and the honourable Premier himself, I wonder if he were a socialist at the age of twenty-seven.

**MR. SMALLWOOD:** Were you, I ask you.

**MR. FOGWILL:** I will give you an answer at some other time. I would like to tell the honourable Premier and the honourable member for Fogo, we have some fog over here sometimes but over there you will find the fog horn, and over there you will find the echo. In his speech a

couple of days ago, the honourable member for Fogo spoke of the fishing industry and the fishermen and the hardships they had in the past and will probably face in the future, but I never heard yet such a unique theory as put forward by the honourable member when he told this House how he would solve the problem of the fishing industry, when he told us here of the people, the so-called pirates, the dirty merchants, if they would allow a little more profits to go back into the industry instead of selling puddings and flap-jacks, the problem would be solved. It would not be solved by the fact that these merchants would stop selling other things, maybe labelled canned puddings, as he put it. It takes a lot of things to solve this problem and I don't believe the Government has any idea if they are going to solve it. I am sick and tired of this barrage directed against that portion of the people of Newfoundland who have put a lot of effort into the fishery and I would say as all things are being examined today such as the fishermen's losses, I would like to see them examine the losses entailed by the people who put their money into the fishery. Mr. Speaker, I am just tired of that stuff.

The Liberal Government here in Newfoundland are always seeking and finding, they do find it too, a way of blaming all Newfoundland's ills on practically everything but themselves. We have been told over here that we have very little experience in Government. That is true; Mr. Wayfarer has told us so over and over in his column we are not statesmen. There is a gap of fifteen or sixteen years in time from when we lost our Government until we came into this House and I will say you people have less. You are gaining it now you are in office a couple of years, you are find-

ing things out you did not know before, with our help of course. We may be able to lead you to the light bye and bye.

Mr. Speaker, in reference to the cost of living, that is a sore point particularly with the Government; they have used every means in their power to blame the high cost of living during the past couple of years on this, that and everything except to blame it on the thing to which it belongs.

Mr. Speaker, in 1946 we had a cost of living enquiry by Professor Smith. I have the report still here, down under the desk and it is no more use than the report of the Royal Commission recently made for the Government. It is just a lot of whitewash and it would have been just as well had the Government admitted they could not bring down the cost of living. It did come down a little since April, 1949, I will admit that but today it stands higher than in April, 1949. The exact figures I have here, the figures the honourable Minister for Supply so kindly tabled here. It is now 6/10 of a cent higher than it was then and I say sir, the toiling masses expected much better treatment.

A few days ago I directed a question to the honourable the Premier asking him if he had any knowledge of the amount of sales tax collected by the Federal Government in Newfoundland since April 1949 and he said no. I don't want to disbelieve the honourable Premier, I believe he tells the truth perhaps some of the time.

MR. SMALLWOOD: Mr. Speaker, I rise to a point of privilege. I demand that the honourable gentleman withdraw that statement, unqualified if he does not, I know what I shall do next.

MR. SPEAKER: It is unparliamentary to impeach the truth or honesty of any member.

MR. FOGWILL: Would it please, to say he spoke the truth all the time.

MR. SMALLWOOD: I demand, Sir, a complete and unqualified withdrawal of that statement.

MR. SPEAKER: It is unparliamentary to cast any aspersions against any member. The honourable member will have to withdraw the statement.

MR. FOGWILL: As you order, Mr. Speaker, I will withdraw the statement. The honourable the Premier said he had no knowledge whatsoever of the amount collected, possibly he does not read Hansard, the amount collected was three million, three hundred and sixty-nine thousand, nine hundred and seventy-eight dollars, collected in this country in respect to eight percent sales tax. Now before Confederation, Mr. Speaker, we did import quite a lot of goods from the mainland of Canada, of which we are now a part. The last Customs Reports which I have show we imported somewhere around fifty five million dollars of goods from Canada since the date we entered union with Canada. Mr. Speaker, the imports increased very rapidly until today they really do run into an unprecedented amount. And I will say this, Mr. Speaker, in respect to the general sales tax, the Federal Government of Canada will collect in Newfoundland and on the Mainland in respect to goods coming here, not less than \$46,000,000 in 1951.

Now, Sir, in addition to this I will point out a good while ago in this Chamber the increase that would take



place in the collection of Income Tax, personal and corporation, and I will challenge the present Minister of Finance to show different from this: the amount of money the Federal Government will collect will be not less than twelve and one half million dollars.

Now I say, Sir, some of this money should be plowed back into the industries of Newfoundland, particularly the fisheries.

These people are extracting too much of our life's blood when they impose upon this country with our economy a system of taxation entirely foreign, entirely out of our way of living, we are not used to it, we can not pay it unless they put back in our industries the money they take out.

Now Sir, I want to say something in respect to the fisheries. I want to quote, Sir, from the Daily News, April 1, 1950, published in St. John's.

"Mr. Smallwood then referred to the fact that they had sent Mr. Colin Storey to visit Iceland, Norway, Sweden, England, Germany and other countries with instructions to examine the kind of boats, engines, and fishing gear; to go out fishing; to take thousands of photographs and to secure reports of all kinds; to talk with Fisheries Departments and to visit plants, he was due back shortly and he believed, if the Minister of Fisheries had done nothing else during his term of office, than to secure these reports, his selection as minister would be well justified; Colin Storey was to be the ears and the eyes of the Government. A sort of watch dog.

And I quote again:

"On the other hand," said Mr. Smallwood, "we have reason to believe

that in the triangular area of water between Battle Harbour, Partridge Point and Cape Spear we have the greatest reserve of herring in the world if you add to it the areas of the Southwest Coast and Bay of Islands."

Now Mr. Speaker, I have listened very earnestly to the honourable Premier this past few weeks, but after all I believe he is in earnest in what he is trying to do, nevertheless if we are to build anything here in this Province, we have got to build a foundation for it. It is no good going off half cocked on this idea or some other idea and spending public money unless the Government has some real reason to believe the Government money they expend will be well spent. The Icelandic venture, to my mind, Sir, has been an absolute failure, at a very high cost and I will say this, the four boats, of the four there is only one of them of any account, the others are falling apart. I have seen them, have been aboard them and I have seen the gear on them and I will say this; during the past four or five years the herring fishery in Iceland has been a failure, almost a blank and in any case the total catch of fish in Iceland, the average catch of all fish for a long time, for years back has been only 352,000 tons which is quite away from the amount stated in this House some time ago. How these boats came across the Atlantic is beyond me. Now they are hauled up with the fishing gear in storage, I would advise the honourable Minister of Fisheries somebody will have to pay some attention to the storage as otherwise the gear will rot. Now the boats are tied up and it is quite possible the Government may sell them if they can get a buyer. If not, they will

probably sink if somebody won't go down there with a big pump, or perhaps the honourable Minister of Health will give them a stomach pump.

Mr. Speaker, we have a little different atmosphere here this year than last, and it makes me very happy. I am delighted when I look across over here I see the likenesses of so many honourable members of this House who once presided over sessions. Many of them are not here today but it makes me feel proud, Sir, that at one time in my lifetime I was associated with some of them. As I see the pictures of those people across from me here, and think of their association in the Governments of Newfoundland I should say that at no time should they be associated with anything that would stink or smell as the now present Secretary of State for Canada said they did, when he personally looks back over the things he said in the years gone by; perhaps he should remember, to his discredit, the mistakes he made.

I will say this, Sir, these people of the past, in this country, on the whole they did a fine job for Newfoundland, a very fine job.

Now Sir, I have one here for the honourable the Minister of Public Works, I am very fond of you, Sir. I have here an extract from the Daily News, February 8, 1951:

"... Continuing reference to the Trans-Canada Highway, Mr. Spencer said that the regulations laid down in regard to the construction were likely to prove over onerous to this province. For instance the grade set were a maximum of 8 percent while a flatness of 6 percent on curves was demanded. It also pro-

vided for unobstructed visibility for 600 feet. This would mean a tremendous amount of excavation in many parts of this country, since little hills would often have to be greatly cut back to provide this unobstructed view, while other heavy cutting would have to be done to reduce the grade to required levels.

"This," said Mr. Spencer "means that our costs would more than triple those of flatter provinces, such as Manitoba and Saskatchewan." He contemplated putting this position before the authorities as these regulations tended to put the cost of the project beyond the ability of the province to finance.

Well Sir, the only thing I can say about this is, the honourable the Minister of Public Works and the Government must have known that before they signed the agreement. In conclusion, Sir, I dare say the honourable the Minister of Public Works will continue to build beautiful roads which he is quite capable of doing, I don't know for how long.

The honourable the Minister of Health can be depended upon, no doubt, to bring home the bacon; while the Attorney General, opposite, will continue to sit there, Sir, and nod his head and smile at every one; the honourable Minister of Welfare you can have your piece of revolution; and the honourable Minister of Natural Resources, to quote a phrase of long age; somebody at that time was going to make this House white with sheep and now they are going to put the black sheep here; the honourable Minister of Fisheries, I dare say, will continue to grace this House with his presence and in his regular style will make his splendid speeches, and cer-

tainly, the honourable the Minister of Supply will scrutinize carefully the few tenders up before him; the honourable the Minister of Provincial Affairs, the Mystery Minister—

MR. SMALLWOOD: To a point of order, Sir, I direct your attention to certain noises which are not in order in this House.

MR. SPEAKER: Members are not permitted to express any indication of feeling in any way. The honourable members may have the gallery cleared if there are any interruptions.

MR. HIGGINS: Anyway, Mr. Speaker, the laugh is on us, Sir.

MR. FOGWILL: The Minister of Provincial Affairs, I have a great admiration for him. He is a man of courage. He worked so hard for the people of the city, although most times, I will admit, when he was councillor, he was against most everything, and everybody is wondering when the honourable Minister is going to burst out against the Government; last but not least the honourable the Premier, and Finance Minister; I dare say he will shell out the dough and in doing so cement this whole thing together or we will end up with nothing as I always thought we would do in a mess of broken hopes and broken promises. Thank you.

MR. JACKMAN: I want to assure you Sir, from the start I will be very brief in what I say, and remind myself of the fact that I can say a little yet talk too much. I am going to be very short. In replying to the Speech from the Throne in which it was stated, to quote: "My Government has appointed a committee . . ." May we not also under the Act, have an investigation into the cost of produc-

ing in the Wabana iron mine in Harbour Main-Bell Island District, and if we are going to have it, will the Premier tell me when?

MR. SMALLWOOD: Is my honourable friend asking me a question? Is he finished his speech?

MR. JACKMAN: I am finished.

MR. SMALLWOOD: I hope to speak later before this debate is over.

MR. JACKMAN: I hope you will look over it.

MR. FORSEY: Mr. Speaker, allow me first Sir, to congratulate the honourable member for Labrador and the honourable member for Fogo on the splendid addresses they made and to congratulate them on their farsightedness and forthrightness. I should also like to congratulate the members for Harbour Main and for White Bay and the last speaker, the member for St. John's East.

References have been made continually in this House, and made by the member for St. John's East, that, we on this side, do not pay our debt to the past. I would remind the honourable member that there are many ways one can pay one's debt to the past; one can gaze with mournful eyes at the pictures on the wall, as I notice the honourable member was doing, or one can rant mealy-mouthed platitudes about the pine-clad hills, or one can invest in the future. This Government proposes to pay its debt to the past by investing in the future.

The honourable member for St. John's East made mention of harsh taxation which has been imposed or which he claims is still to be imposed by the Federal Government of Canada—A taxation completely foreign to our

nature. I agree entirely with him. Taxation up to the time of the Commission of Government was designed to let Water Street out from under its obligations; whereas taxation today, if it be harsh, is certainly equitably imposed.

I was rather bemused by the honourable member for Fogo when he distinguished between two types of merchants. The benevolent type take their profits and reinvest in the fishery and another type who invest their profits in jams. I will remind the honourable member for Fogo that there is absolutely no difference because of the fact that one invests his profits in the fishery and another in jam. One merchant will invest in jam because he believes there is more profit in jam, another will invest in the fishery with exactly the same idea; there is more profit in the fishery.

I do not propose to run down the capitalistic system. I think, maybe, no other system promotes such dynamical initiative and risk taking, but if we have to depend upon the social morals of merchants of this country to enhance the standards of living we are putting our trust in poor salvation.

Last year, if you remember, this Government took off the ceiling price on salmon in the hope that fishermen would get more returns. What happened?—The price of salmon to the consumer went up one hundred per cent, and the fishermen's returns were hardly enhanced whatsoever.

I was amused by the attempts of the member for St. John's West—If he would take his eyes off the past and turn to what is going on today and turn to the court records of people continually prosecuted for evasion of price ceiling, he would find the answer.

At this stage I wish to express my vehement remonstrations against the suggestion that public funds should not be used in this country to enable the fishermen to organize. Newfoundland is the fishermen—The fishermen are Newfoundland. When the depression struck this country with heavy violence, it was the fishermen who suffered hardest.

This Government has, during its term of office, made overtures to various sections of this community, has implemented a policy whereby, for example, St. John's may be helped to build a stadium. I support that policy, as I did when they introduced a program whereby the indebtedness of the St. John's Municipality may be liquidated, a "Buy Newfoundland" campaign to help out the producers of this country. It has instituted various policies on behalf of various type of producers, and the consumers, incidentally, and now the fishermen are getting a measley \$20,000. I know very little about union set-ups but I do know this, we can't cut down the fishermen to make the fishermen fit a union pattern, we have to make the pattern fit them; they dominate, they supersede everything because they are the most important element in this population.

Reference has been made to the high cost of living. The honourable member for St. John's East asked a question the other day as to what evidence there was of its going down, and further asked what reductions can be expected.

I will make a few statements on the high cost of living:

I will tell him this: The high cost of living in Newfoundland is in direct ratio to how long the tentacles of

Water Street are, and in addition I will say this, the business ethics, the code of business ethics is directly in ratio to the guillibility of the people who have to take out their supplies from these merchants.

The cost of living in St. John's is high for various reasons: One thing, there are too many grocery stores. This can be called the City of Grocery Stores, of Shop-keepers. The volume of business is so small the margin of profit of necessity has to be high in order to keep them in business.

On the Burin Peninsula the cost of living is the lowest in Newfoundland, for the simple reason that there are no longshoremen unloading ships, standing up looking at each other, getting the highest type of wages for doing nothing.

Another thing, the price of fish reaches \$1.00 a quintal more than in St. John's. I saw the returns from the Burin Peninsula and St. John's.

I said at the outset, this Government is paying its debt to the past by investing in the future, investing in the future of this country, the future of the coming generation. This Government realizes that it has a debt to various towns scattered throughout this Island in order to give those towns some local government, they have subsidized town councils, making them less dependent on the central government here in St. John's. This Government has paid its debt to old age pensioners, its debt to the widows is being liquidated, its debt to the ordinary citizens is being liquidated by the Government's investment in the Cement Mill, the Birch Industry, trying to raise the taxable income of the people to such an extent they can pay taxation

without hardship, trying to give Newfoundlanders a standard of living we have not enjoyed here before.

The question has been asked here—Where is the Surplus? I will tell you where the surplus is gone.

S—Social Security.

U—Untiring efforts of the Premier for Economic Development.

R—In Revising, subsidizing and sustaining local industries.

P—Policy of finding out the potential natural resources of this Province.

I.—Losses on the Icelandic vessels. After all every effort has its losses, and we are governed by the profit and loss system.

U—An Unequivocal pledge to the consumers of this Island that they will be supported, and an unequivocal pledge to the workers of this Island that they will get their just returns from industries.

S—A serious attempt to enhance the standards of living of the people of this Province.

The surplus is going, and I will say when it is gone, when the auctioneer's gavel has fallen, it may not have gone to the best tender but it will have gone to the people who derive it most; namely, the people of Newfoundland.

MR. SPEAKER: The house will recess for 10 minutes.

HON. EDWARD RUSSELL (Minister of Natural Resources): If the honourable members are ready to go ahead with the debate, I beg to announce my intention to speak to the motion at the next sitting.

Debate ordered adjourned until tomorrow.

MR. SPEAKER: Third reading of Bill "An Act to Amend the Shop Act, 1940."

Thereupon the Bill was read a third time.

Committee of the Whole on Bill "An Act further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

MR. HIGGINS: Is this an Act just to bring it in line with the Federal Act?

HON. LESLIE R. CURTIS (Attorney General): That is all. Is it the wish of the Committee to read the sections or just call the numbers?

Section 1 read and passed.  
 Section 2 read and passed.  
 Section 3 read and passed.  
 Section 4 read and passed.  
 Section 5 read and passed.  
 Section 6 read and passed.  
 Section 7 read and passed.  
 Section 8 read and passed.  
 Section 9 read and passed.  
 Section 10 read and passed.  
 Section 11 read and passed.  
 Section 12 read and passed.  
 Section 13 read and passed.  
 Section 14 read and passed.  
 Section 15 read and passed.  
 Section 16 read and passed.  
 Section 17 read and passed.  
 Section 18 read and passed.  
 Section 19 read and passed.  
 Section 20 read and passed.  
 Section 21 read and passed.  
 Section 22 read and passed.

Section 23 read and passed.

Section 24 read and passed.

Committee rose, reported having passed the Bill with some amendments.

On motion the Bill was ordered to be read a third time on tomorrow.

MR. SPEAKER: Committee of the Whole on Bill "An Act Respecting Survivorship."

MR. SMALLWOOD: Mr. Speaker, may I defer that order and pass on to the next one.

MR. SPEAKER: Second reading of Bill, "An Act Respecting the Interpretations of Statutes."

MR. CURTIS: This Bill is necessary in view of the fact that we will this year be consolidating the statutes and we find our present Act is not up to date. It has had a lot of amendments made from time to time and it is necessary to consolidate the existing Act and incorporate it into the terms now defined. I may say that during the recess we will take today, we plan to discuss some of the details with my friend the Leader of the Opposition, otherwise, in committee, we will waste a lot of time of the House on details which they would find not very interesting. I would move at this juncture the second reading of the Bill and intimate between now and the time we meet again, we will, with my friend the leader of the Opposition, go into the details of this Bill so we may be sure the position is clear.

On motion the Bill was read a second time. Ordered to be referred to Committee of the Whole on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act Respecting the Statutes."

MR. CURTIS: This Bill is a portion of our present Interpretation of Statutes Act which is being cut out and made into a separate Act. In our present Interpretation of Statutes Act we have the clause which deals with the enactment of statutes, and it is our opinion that, that clause might well be an act in itself as it has nothing to do with Interpretations of Statutes at all. It deals with matter, wording and procedure of the Clerk after the Act has passed the House. I move the second reading and I think perusal of this Bill will show just what I am trying to say. I did not realize my honourable friend opposite did not have a copy of the Bill.

On motion the Bill was read a second time. Ordered to be referred to Committee of the Whole on tomorrow.

MR. SPEAKER: Second reading of a Bill "An Act Respecting the Safety of Workmen in Mines."

MR. RUSSELL: Mr. Speaker, I beg to have this matter deferred until tomorrow. It is one of the more important Bills affecting as it well may many Newfoundlanders. Between now and tomorrow I hope there will be an opportunity for the Clerk of the House to see that copies of this Bill are distributed to all honourable members particularly the honourable members on the other side of the House, and I may say we wish before debating the second reading of this motion, to give the unions concerned an opportunity to see a copy of this Bill. As a matter of fact, typewritten copies are already sent to three unions most directly concerned; Buchans Union, Wabana Mine Workers Union and the Union at St. Lawrence. The employers have been consulted, their

reactions received, and we are awaiting reaction of the Unions.

MR. SPEAKER: It will not be necessary to move deferment. The House would not be able to take the motion since the Bills are not distributed.

MR. SMALLWOOD: I give notice that I will on tomorrow move the House into a Committee on Supply. As the members know, that is the occasion upon which we will seek supplies for the coming year and bring down the Budget. As was the case last year, it is necessary so again this year to ask the House for an instalment on account of the coming year's supply. I think last year we asked for two-twelfths on account of the coming year's supply pending the Estimates and bringing down the Budget. This year we will have to do the same as the motion I am about to make, if carried, would bring the House together, after today, on April 27, that is the day following Easter Monday, which would leave just a few days for the remainder of this fiscal year, certainly not enough to enable the details of the Estimates of the coming financial year to be brought in here and properly considered by the House, still less time in which to bring in the Budget.

I may say, for the information of the House, the Estimates are in the hands of the printers. The Government has not yet received the Estimates although each Minister is quite familiar with his own Departmental Estimates, no Minister has as yet seen the Estimates for all the Departments combined, for which reason, no Minister yet knows what is the total of the Departmental Estimates.

Last year, it was on the 20th of March that the first printed draft of

the Estimates for all Departments came to the Cabinet. This year, we expected to have it earlier than last, but due to mechanical delays and the like at the printing office, that hope was frustrated and it will be not earlier than Monday or Tuesday of next week when the Estimates will be received. That entails many days and nights of close study by the Cabinet in order to bring the estimated expenditure for all Departments combined into balance with the estimated revenue for the year.

For all of which reasons we will, I think, have to come to the House and plead with them to grant us on account, one or two-twelfths of our estimated expenditure for the coming

year. That, if done, will be included in the Orders of the Day of next week when the Estimates will finally be brought down at the same time as the Budget. For this reason, I give notice I will move the House into a Committee on Supply. I think, perhaps, that is the proper term or it may be to give notice of resolution to that effect or—give notice I will ask the House to consider resolution on Supply to His Majesty—whatever is the proper form. Mr. Speaker will put it in proper form for us so that it will be in order when we meet tomorrow.

MR. SPEAKER. That is the end of the Order Paper.

MR. SPENCER: If it is in order, I would like to present the answers to those two questions (37) (38).

37. Inform the House in detail of the work completed on the Trans-Canada Highway as follows, and the cost to date.

Concrete Products Limited, 31 miles between Glenwood and Bishop's Falls .....	1949-50	\$169,731.57	
	1950-51	917,666.19	\$1,087,397.76
Wm. J. Lundrigan Ltd., Corner Brook and Stephenville Crossing .....	1949-50	38,942.84	
	1950-51	220,975.76	\$ 259,918.60
Western Construction Company Ltd., between Port aux Basques and Codroy Valley .....	1950-51	549,790.62	
Road built by Department of Public Works .....			122,092.70
Bridges built by Department of Public Works .....			191,011.72
Surveys .....			43,798.66
38. Maintenance of Roads and Bridges .....			\$1,242,977.98
Grants to Local Road Committees .....			151,698.65



Improvement and reconstruction of roads and bridges and construction of new roads .....	935,808.19
Erection of highway signs .....	4,501.21
Snow clearing .....	16,419.34
Surveys .....	51,928.33
New Machinery, Garage Equipment and Tools .....	158,684.54
Gasoline, Oil and other Material for resale .....	16,125.13
Unallocated Stores and Labour .....	133,893.24
Unallocated Maintenance and Equipment .....	79,471.89

Item No. 5—I may say in this connection we are hoping this year to have a much larger sum in the Estimates as we want to try and cope with the demands which are very great.

In connection with Snow Clearing, you will be glad to know the actual expenditure amounted to about one-fifth of this year's grant. We will have to thank the weatherman in that connection.

I want very particularly to call the honourable members' attention to Item 11. Under the new system of accounting we have to set up a sum under this heading for any commitments. Honourable members will note, if they study the Estimates, that the actual vote is \$100,000. The figures shown here are \$79,471.89 and honourable members would almost immediately assume that the Department of Public Works had taken unto itself the power and authority to spend \$100,000 of public money without a vote.

My reason for this comment is to disabuse any member's mind of any such thought and by way of explanation, I will say this: If you will look at any one of these votes, the

vote has been a million and a quarter. Possibly some \$50,000 worth of supplies would be purchased by the Stores Department for that particular vote. They would be put in the general stores, and only charged out to that particular job when taken out to be used and/or distributed. Consequently, it is ambiguous, in the sense that by the end of this financial year perhaps, they will be absorbed and have gone into the particular account for which the purchase was made.

I give this explanation because I can well see just how easy it would be for honourable members to be misled, and think that we, in the Department of Public Works have taken unto ourselves to spend this money without having received a vote for it.

(38) Mr. Cashin, addressed to the Minister of Public Works:

1. The total number of miles constructed under the Trans-Canada Highway plan during the year 1950—the total cost to the Province of such construction—the total number of miles of such road to be constructed over the next few years under such plan, and the estimate cost of such plan. Give an estimate of what amount this whole Trans-Canada

Highway plan will cost the Province when finished and whether the Province is actually committed to finish this project.

Answer: (a) Total number of miles constructed under the Trans-Canada Highway plan during the year 1950-51 miles.

(b) Total cost to the Province of such construction—\$1,150,000.00.

2. What amount of money was expended in the form of relief work on public highroads during the autumn of 1950; give this information showing the amount expended in each district.

Answer:

**SPECIAL WORKS  
EXPENDITURE AS AT FEBRUARY  
28th, 1951**

Bonavista North .....	\$ 17,181.67
Bonavista South .....	59,683.02
Burin .....	68,757.65
Burgee-La Poile .....	5,127.08
Carbonear-Bay de Verde .....	106,016.01
Ferryland .....	60,448.26
Fogo .....	23,790.64
Fortune-Hermitage .....	58,068.93
Green Bay .....	26,195.11
Grand Falls .....	55,160.79
Harbour Grace .....	81,227.42
Port de Grave .....	51,499.43
Placentia-St. Mary's .....	64,620.28
Placentia West .....	50,815.85
St. John's East .....	62,857.69
St. John's West .....	22,644.50
St. George's .....	13,718.97
St. Barbe .....	9,605.89
Twillingate .....	20,365.02
Trinity North .....	104,121.93
Trinity South .....	170,697.53
White Bay .....	18,215.40
Humber .....	10,610.50
Harbour Main-Bell Island .....	77,009.91

\$1,238,439.48

3. Table a copy of the tenders submitted for the construction of the additional wings to the Mental Hospital, informing the House what company or companies were awarded the contracts and were the lowest tenders accepted?

Answer: The following tenders were received for the construction of the South Wings, Mental Hospital.

Newfoundland Engineering & Construction Co. Ltd., St. John's .....	\$1,208,000.00
Terminal Construction Co. Ltd., Montreal .....	1,237,000.00
Concrete Products (Nfld.) Ltd., St. John's .....	1,243,000.00

The tender of the Newfoundland Engineering Company, Limited, being the lowest, was accepted.

In reference to No. 38-1 would like to point out that it was five million in 1949-50 and there has been an additional ten or eleven millions in 1950-51.

MR. FOGWILL: Supplementary Question: Under Item No. 10, under unallocated stores and labour, if these stores were allocated under various headings, would that be in addition to the amounts already shown?

MR. SPENCER: Yes it would be an increase in the amount but not an increase in the total. It would be deducted from item No. 10 and distributed to the account to which it has gone. It would be in addition but No. 10 would be reduced accordingly.

The House then adjourned until tomorrow, Tuesday, March 27th, at 3 of the clock.

TUESDAY, March 27th, 1951.

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

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, in duty bound, I wish to report to the House that the honourable the member for Bonavista South has resigned as Minister of Natural Resources and member of the executive government. The Minister of Natural Resources is being replaced, temporarily on an acting basis by the honourable the member for Carbonear, Bay de Verde, Minister of Public Welfare.

#### Presenting Petitions

Honourable Dr. H. L. Pottle presented a petition from the people of Small Point, Bay de Verde District, re Bridge.

#### Reports of Standing and Select Committees

None.

#### Notice of Motion and Questions

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I give notice I will on tomorrow beg leave to introduce a Bill "An Act Further to Amend the Workmen's Compensation Act, 1948."

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will upon tomorrow introduce two Bills; (1) "An Act Further to Amend the Act No. 41 of 1938 entitled "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploring Company Limited."

(2) "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

MR. SMALLWOOD: In connection with a number of questions put to me by the honourable the junior member for St. John's East, to which I have already given verbal replies, I have pleasure in tabling written replies.

#### Question No. 2.

To table information showing the cost of living index for the months of April 1950 to February 1951, inclusive.

#### Answer.

1st April, 1950	171.2
6th May, 1950	170.9
3rd June, 1950	172.9
1st July, 1950	174.1
5th August, 1950	176.8
2nd September, 1950	177.5
7th October, 1950	176.7
4th November, 1950	176.3
2nd December, 1950	178.3
6th January, 1951	179.6

(Index for the month of February, 1951, not yet released).

#### Question No. 42 (f).

Total number of Taverns now operating in Newfoundland at the present time.

#### Answer:

72 taverns are now operating in Newfoundland.

42 (7) Mr. Fogwill: The Board of Liquor Control purchased a new motor van in 1950,

Price—\$1833.60.

Purchased from Ford Sales & Service Co.

No tenders were called as the Board considered the discount of \$235.96 from list price was the best that could be secured at the time.

MR. HEFFERTON: I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Education (Departmental) Act, 1939."

A Bill "An Act Further to Amend the School Attendance Act, 1942."

(49) Mr. Higgins—To ask the honourable the Prime Minister:

1. Who forms the committee in charge of the Buy Newfoundland Products?

2. Where does this committee meet?

3. What salaries are paid to anyone in connection with the campaign and who receive salaries?

4. Where is the office of the Committee? Who owns the building and what rent is paid therefor?

5. Is there any inspection of the Newfoundland goods sold under the auspices of this committee?

(50) To ask the honourable the Minister for Public Works:

1. What independent Architect appraised the building bought by the Government from American Aerated Water Company?

2. What payment was made for this work?

3. Please table a copy of his report.

4. Was anyone paid a commission in connection with the purchase of this building?

5. If so, what is his name and what commission was paid?

(51) To ask the honourable the Minister of Public Works:

1. What amount of money was spent on local roads in the District of Fortune-Hermitage?

2. Please give details of places and amounts spent at each place.

(52) To ask the honourable the Minister of Public Works:

1. What amount of money was spent on local roads in the District of Burgeo and LaPoile?

2. Please give details, etc.

(53) To ask the honourable the Minister of Co-operatives:

1. With regard to Question 31 (3) re Andrews Fisheries, Ltd., the Minister replied that the security is the same now as at the date of mortgage. Was there not a large quantity of fish included in the assets mortgaged and was this not sold after the date of the Mortgage?

2. Was all the money obtained for fish paid to the Government?

3. Did not the taking away of this fish lessen the security and should not the money received therefor have been paid to the Government?

(54) To ask the honourable the Minister of Fisheries:

1. As it has been reported that the Federal Government intends to make an investigation into the prices paid for fish in Newfoundland, and as this investigation is to be similar to that undertaken by the Provincial Government would the Minister please table a statement setting forth his reasons or the reasons of the Government for proceeding with its investigation which can only mean double expense to the people of Newfoundland.

(55) To ask the honourable the Minister of Economic Development:

1. To table the Report to the Government of Mr. Ambrose Shea which led up to the establishment of the birch plant.

(65) To ask the honourable the Minister of Economic Development :

1. If the Government has made any investigation into the possibility of the establishment of a fur tannery in Newfoundland?

2. If so, who is conducting the investigation and at what cost?

(57) To ask the honourable the Prime Minister :

1. Is it true that the Government has made an arrangement with a Latvian firm or firms of film producers to make documentary films of certain Newfoundland activities?

2. If so, what are the arrangements for paying for this undertaking?

3. Who suggested the hiring of this firm or firms?

4. Was the Film Council of Canada asked to undertake the work?

5. Were any firms on this side of the Atlantic asked to quote on the project?

6. What, specifically, is to be filmed and for what purpose?

7. Was any English firm approached with a view to their doing this work of film making?

(58) To ask the honourable the Prime Minister :

1. Has the Government appointed a successor to F. M. O'Leary, Esq., as Director of Civil Defence?

2. If so, what is the name and salary of such appointee?

(59) To ask the honourable the Prime Minister :

1. To lay on the table of the House such reports as the Government has

received from I.B.E.C. relative to the possibility of a third mill in Newfoundland.

(60) To ask the honourable the Minister of Labour :

1. What is the present position with regard to unemployment in Newfoundland?

(61) To ask the honourable the Minister of Labour :

1. To table a statement showing the number of Newfoundlanders working with the Labrador Company dealing with the iron ore in Labrador.

(62) To ask the honourable the Prime Minister :

1. To table a list of the number and names of foreign born personnel employed by the Government during the past year and the salaries paid to each.

(63) To ask the honourable the Prime Minister :

1. What salary or other emoluments are being paid to Miss Olga Leikuts, a Secretary in the Department of Economic Development?

(64) To ask the honourable the Prime Minister :

1. If there is any foundation for the report inspired by him in September of last year that the second largest fish firm in Boston may be located in Newfoundland?

(65) To ask the honourable the Prime Minister :

1. If he has discussed with any firms not now doing business in Newfoundland the possibility of a marine oil plant in Newfoundland.

2. If so, what was the result?

(66) Mr. Fogwill—to ask the honourable the Minister of Labour :

1. Who are the members of the Labour Relations Board?

2. Who represents the Government on the Board.

3. Who represents the Trade on the Board?

4. Who represents Labour on the Board?

5. Table a statement showing the total expenses including travelling expenses of the Board to date.

6. What amount has been paid to each member of the Board, at what rate, per day, per week, as the case may be?

(67) To ask the honourable the Minister of Labour :

1. Who are the members of the Workmen's Compensation Board?

2. What salary is paid to each member?

3. How many persons are employed by the Board?

4. Who are they, what are their duties and what salary is paid to each?

5. What is the total cost of the Board to date?

(68) To ask the honourable the Minister of Finance :

1. To table a statement showing the total revenue received under the various headings and credited to financial surplus account from April 1st, 1950 to February 28th, 1951?

2. To table a statement showing the total expenditure under the various headings charged to financial surplus account from April 1st, 1950 to February 28th, 1951?

(69) To ask the honourable the Minister of Economic Development :

1. To table a statement showing the total amount spent, committed to be spent, loaned, or loans guaranteed, in respect to industrial development, since April 1st, 1950?

2. State the number of new industries that have been investigated by the Government, what was the cost of investigation for each?

3. How many new industries have the Government decided to assist financially?

4. Is it the intention of the Government that these new industries are to be financed wholly or in part by the expenditure of public money, to what extent for each?

5. Where are the new industries situated, what districts, when will they operate?

6. What is the total cost of travelling expenses since April 1st, 1950, to date in respect to new industries, how many trips were made, who went, where?

(70) To ask the honourable the Minister of Finance :

To table a statement showing the total amount collected under Subhead of Revenue 470, Social Security Assessment, to date.

(71) To ask the honourable the Minister of Finance :

1. Who are the members of the Industrial Development Loan Board?

2. Table statement showing the total expenses of the Board to date, including travelling expenses, wages, etc.

3. Have the Board made any loans or guaranteed any loans, if so, how much, to whom and on what terms?

(72) To ask the honourable the Premier or the appropriate Minister:

1. To table a progress report on the slum clearance project?

2. What is the total cost of the Project, to the Province, to date?

3. How many houses have been constructed?

4. How many apartment houses have been constructed?

5. Where are they built?

6. When will they be ready for occupancy?

7. What rent will be charged per month?

8. Who are the builders?

9. Was the work done on contract, state terms of contract?

10. Who supervised the work for the Provincial Government, at what rate of pay?

11. Who represents the Newfoundland Government on this project?

12. Does the representative of the Newfoundland Government receive remuneration for his services, if so, how much?

13. What is the cost of travelling expenses to date?

(73) Mr. Miller: I give notice that I shall on tomorrow ask the honourable the Minister of Public Works:

1. Has the cost of the repairs made on the Wharf at Portugal Cove last year been paid?

2. Who made the payment?

MR. SPEAKER: With the permission of the House, I would like to make a comment or two on certain points of procedure, in response to questions asked me by several honourable members and others. Since the House enjoys freedom of speech in debate, subject only to wide standing orders and certain parliamentary procedure, visitors are required not to make any comment whatsoever or take any notes or any such action interfering with this freedom of speech, and on a point of privilege by any member, any stranger misbehaving may be asked to withdraw. The house has the right to prohibit the publication of debates and proceedings. Nothing that has been said prohibits reporters from making notes and newspapers from printing and publishing debates faithfully recorded. This dates back to 1778, and the rule still exists, reports may not be printed or published if the House sees fit to waive that rule for the general good of the public.

I would ask, particularly, that members take note of this privilege of freedom of speech, which protects what is said in the House, but does not protect publications outside. If a member publishes his own speech or any part of his own speech he is there liable for any libellous statement it may contain. Similarly that privilege will not protect any newspaper or any other person who publishes it apart from the debate any member may take. These are not rules we have laid down here. These are rules laid down by Lord Chief Justice Cochrane in 1768, and in that year also the Canadian Parliament passed statutes which set all the privileges then in existence, up to 1768 as applicable to the House of Parliament in Canada.

I felt it was my duty to warn members regarding publishing their own speeches or any part of them.

The honourable the Premier read a message from the Lieutenant Governor as follows :

The Honourable the Minister of Finance :

I, the Lieutenant Governor of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1951-52, a vote, on account, of \$8,203,000 calculated on the basis of roughly one-fourth of the total vote for the year 1950-51 to meet essential public services, be provided by the Provincial Legislature.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.  
March 27th, 1951.

MR. SMALLWOOD: Mr. Speaker, I move that the House resolve itself into a Committee of the Whole in relation to granting supplies to His Majesty's Government. The purpose is, as the request of His Honour the Lieutenant Governor indicates, to enable the Government to request the Legislature, in His Honour's name, to grant supplies to His Majesty on account of the forthcoming financial year which begins April 1st. These have been prepared by the various Departments, have been handed to the Department of Finance, have been printed and have been presented to the Executive Government, that is the Cabinet. The Cabinet is now in process of examining, considering and revising the suggested estimates of expenditures for the coming year.

My feeling is that perhaps by the end of the present week, the Cabinet will have completed its examination and revision of the proposed Esti-

mates. As soon as that revision is concluded the Estimates will go back to the printer so that corrections and revisions made by the Cabinet may become effective in the printed edition. I should think that it will take the printers a week or possibly ten days to effect these corrections and revisions, and as soon therefore as these corrections have been made, by the printers, the Estimates, in final form, will come before the House, and at that exact time, I will have the honour to bring down the Budget Speech. I think that will be somewhere in about two or two-and-a-half weeks from today.

But unfortunately, we are very near now to the end of the current financial year; the last day of this month is the end of the current year and the new year begins April 1. The Government has no authority to spend money unless and until the House votes money to the Government for the purpose. The Legislature has voted money to the Government but only to the end of the current year and on the first of April and thereafter, the Government will not have any authority to spend any money unless the legislature gives it that authority.

The purpose of the resolution today is to ask the House, not to grant the Government authority to spend money, all of the money it will need to spend in the coming year, but rather an estimated amount to carry it over comfortably, the period between now and the date of the Budget presentation and then after the Budget, the length of time the House may care to take considering the Estimates and considering the Budget, maybe a week or two or three or even four or more. So, for that reason we ask the legis-



lature to grant to His Majesty the sum of \$8,203,000 for the period beginning on April 1.

So, Mr. Speaker, I move that the House resolve itself into a Committee of the Whole on this resolution.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committees.

MR. CASHIN: Mr. Chairman, that amount of \$2,050,000 for Economic Development is, I take it, a portion of what will be voted in accordance with remarks made by the honourable the Premier just now. Does that mean there will be \$8,000,000 for the Department when the Estimates are brought in?

MR. CHAIRMAN: No the honourable the Premier might explain to the House.

MR. SMALLWOOD: Mr. Chairman, I am very happy indeed to do that for the honourable and gallant member. That is not to be taken as approximately one quarter for 12 months. That is indeed, and here I speak from memory, virtually nearly all that will be spent in the twelve months, but it has to be spent in the first month or two or three of the new financial year. I can say what it is. As the House knows, the Government has entered into contracts for construction of a cement mill, at Corner Brook, and of a gypsum plaster and plaster board plant at Corner Brook and a birch plant at St. John's. Payments on account of this contract have been made but only on account, further payments on account must be made in the course of the next few weeks.

MR. CASHIN: Could you tell the House whether payments that have

been made were passed by the legislature last year? Where does the financial controller come in?

MR. SMALLWOOD: The money that was paid on account came from the Treasury, was issued by the Treasury upon the special warrant from His Honour the Lieutenant Governor, which warrant was issued by His Honour upon the advice of his Ministers under section 33 (1) being of Audited Account which gives ample authority for the purpose.

MR. HIGGINS: Only in cases of emergency.

MR. SMALLWOOD: If my honourable and learned friend will examine the clause in question, carefully, as the Government was obliged to do, and the Government was obliged to seek the advice of its legal advisor in the person of the Auditor General; then my honourable and learned friend would agree we have authority for what we have done.

MR. HIGGINS: I don't agree at all, Sir.

MR. SMALLWOOD: I am sorry, but I repeat, if he will examine section 33 B—of Audit Account, he will, I hope, agree with the Government view that it has lawful authority for advising His Honour, the Lieutenant Governor to issue a special warrant to the Treasury for payments which in fact were made from the Treasury for this purpose. But the particular question the honourable and gallant member for Ferryland asked was whether this \$2,050,000 represented roughly one quarter of the amount to be spent by the Department of Economic Development for the next 12 months. No, far from it, it represents by far the

greater portion of what the Department of Economic Development proposes to spend in the coming 12 months, I may further amplify my remarks in that regard: The machinery for the cement mill has arrived in part, the steel for the frame of the building has arrived and is now in the course of erection. Some more of the machinery for the gypsum plant has arrived and soon now a steamer will arrive at Corner Brook carrying machinery for the cement mill and for the gypsum plant as well.

MR. CASHIN: Is that paid for?

MR. SMALLWOOD: That is not paid for, it would be out of this sum, if the House grants the Government the authority to spend that sum. Now that shipment of machinery for the cement and gypsum plant, which will arrive shortly, will not clean up the machinery and equipment for the two mills; there will come, after machinery and equipment for the two mills, there will come, after that, one further shipment. That will, I think, complete the record. None of it is paid for until it arrives.

MR. CASHIN: How much is it all going to cost?

MR. SMALLWOOD: That I am afraid I must decline to say, for reasons you will understand, it is not in the public interest yet and may not be for a month or more to reveal what the cement mill and the gypsum mill have cost. It is not outside the public interest to reveal the cost of the birch plant because the disposition of the birch plant has been arranged so there is no purpose that would serve the public interest in continuing to conceal the cost of the birch plant. The contract for operations has been signed, but in the

case of the cement mill and gypsum plant, no contract has been signed either for operation of these two plants or for the sale of them. Negotiations, however, effecting the disposition of these two mills are now proceeding, have been proceeding for several weeks past and will continue to proceed for perhaps another month and actual negotiations for the disposition whether operating or renting or sale of these mills are proceeding. Therefore, it would, the Government holds, be very much contrary to public interest to reveal what they have cost the Government to put there.

I will say this, I don't know but that I have in confidence told my honourable and gallant friend, I believe I have, in confidence told my friend, as I have offered to tell my honourable and learned friend, the Leader of the Opposition, what the mills are costing us.

MR. CASHIN: No.

MR. SMALLWOOD: Well, I would be very happy to do so, providing the information is not published. They have cost a pretty penny, but let me say this, the Government are proud of the Contracts it has made for building of the cement mill and building of the gypsum plant, I saw with my own eyes, Canada Cement estimates, specific cost of the cement mill at New Brunswick, shown to me by the President and General Manager of that great company. I have seen the cost of a cement mill now being built in Kingston, Jamaica, of identically the same size and capacity. There are three cement plants of the same size all producing the same quantity of cement; one at New Brunswick, one at Kingston, Jamaica and one at Corner Brook.

and I say now that we are building our mill for the people of Newfoundland at a cost which compares, and here I must choose my words very carefully, compares very favourably with the cost of the other two cement mills of the same size and capacity being erected at the same time. Now my honourable friend opposite, would not, I am sure, take second place to the Government in their desire to serve the public interest of Newfoundland, anything the Government can do privately to lay before my honourable friends opposite the relevant facts that will show this Government has made a deal for the people of Newfoundland, we are prepared to do it, but it must be on condition that for some weeks yet such information shall not be published and shall not reach the eyes or ears of certain people in the world with whom the Government are presently negotiating with regard to disposition of these two mills, whether they be leased to them, rented to them or operated by the Government or what disposition is made of them. Now I do hope that my honourable friend opposite will see the fairness and the justice to Newfoundland, to themselves, to the Government of that position.

MR. HIGGINS: We are asked to pay the sum of \$2,050,000 without being given any itemized reasons for this expenditure except to say that it is for certain projects, ventures which the Government has of its own accord started in the past months, a cement mill, a birch factory, and I forget the other one. Now we have no evidence at all before us of what was spent in the past 12 months on these things. Reference was made to the Audit Act, this Act was meant only to carry through in a state of emergency which would necessitate expenditure of

money by the Government, but it is a subterfuge to say the cement mill and gypsum plant are in emergency. Monies can only be spent through this authority in very important cases of emergency, the Government can take unto itself to spend money and afterwards come into the House and get the House to confirm the authority. To spend two and a half million dollars with the authority of the House is a breach of the Audit Act and the Department of the Comptroller of Finance should never have passed it, and I say this, two and a half million dollars should not be passed unless, we get some other information and I disagree very strongly with that; the Government can take it upon themselves to spend millions of dollars, without receiving any legislative authority.

MR. CASHIN: I feel I do not want to say anything that would affect the future of the Province, I would draw the attention of the House to the fact that we had voted a sum of \$277,000 for economic development, and obviously they have over-spent that amount. Well now, we have a Comptroller of the Treasury, I am told. What is the use of him? It is only a farce to call him a comptroller when he has nothing to say about the matter, and the Government can pass a warrant and spend what it likes and the Comptroller of the Treasury can't stop them. I don't know how much they spent, am not particularly interested, but I do say we were asked to vote two million dollars for three months of the year for the Department of Economic Development or any other department and we are told we can't give you any particulars because we are negotiating with some Tom, Dick or Harry with respect to the operation or

sale of these things, I will say this—the usefulness of this House is over. We ask a logical question and we are told, it is not in the best interest of the public, we are now expected to get the information privately and give an undertaking we will not reveal what is told. What does the public think? You, an elected Government go in and spend a lot of money without any authority of the legislature but in further legislation ask for permission to spend more money and the country is told we can't tell you why we are going to spend this money. Has the comptroller then nothing to say, the opposition or independents; there are two or three of them now. What do people elect a government for, what did they elect us for? It is just as well they never elected another Government, only a committee, another commission which will ultimately come. If we ask questions and the Government feels like it they will answer, if they don't feel like it they don't have to. I don't think that is fair to the members of the House. I am not speaking from the opposition standpoint. I am saying it is not fair to the members of the Government. I don't want to get up here and talk about the economic development programme or Dr. Valdmanis or any one but I will make this statement: I hope they are successful, but in hoping they are, I want to know what it is all about, and I think the public are entitled to know right now. It looks fishy and I suggest the Government, in their own interest, don't want to let the people know. Well, they have not called a meeting of the House privately and closed the doors and told the story. We come here like a bunch of fools. In the old days of the opposition that would never pass here, this evening. I remember an occasion thirty years ago,

and please Mr. Chairman don't let anyone tell me about the Comptroller of the Treasury any more, his position is a joke. The man is all right but the position is a joke.

MR. HIGGINS: I move an amendment, this amount be reduced to one dollar.

MR. SMALLWOOD: Mr. Chairman, so far as I am concerned the House can do exactly, and of course will do exactly, as it pleases in the matter of this \$2,050,000. They can authorize the Government to spend it, they can cut it down to one dollar. Without doubt they will do one thing or the other. I do ask each member of the House to bear in mind one or two facts. One: The Government has made a contract, that means Newfoundland has made a contract for the building of a cement mill to be paid for, for the building of a gypsum mill and wall board plant and a birch plant. Two: The payments are to be made under this contract at certain specified times laid down, that is to say upon delivery of the property to the Government, steel for the frame work of the building, machinery required for operation and another number of items of property. Shortly there will arrive at Corner Brook a steamer containing another delivery to the Government and as soon as that steamship arrives we must do one of two things, we must clear the imports through the customs and pay the freight and for unloading the ship or we must say "So Sorry"! but the House of Assembly decided you are not to be paid, the contract is to be broken, so you might as well take your ship and turn back again.

MR. CASHIN: The House of Assembly never made the contract.

MR. SMALLWOOD: The Government made the contract, legally, lawfully, and with lawful authority.

MR. CASHIN: And the House can't see the contract?

MR. SMALLWOOD: I will show it to every member privately but because the cost is in these two contracts—

MR. CASHIN: I think that is unusual.

MR. SMALLWOOD: It is a very unusual government, my honourable friend will admit. Quite true it is a Government that tries to get things done.

MR. CASHIN: But here is the boss place in here.

MR. SMALLWOOD: Right, this is the people's House and the representatives of the people demand to get, and are entitled to get this authority and the Government has no right to deny the people's representative that authority.

MR. CASHIN: That is what all the row is about.

MR. SMALLWOOD: No the Government also are the people's representatives responsible to this House of course. It has the right and duty to protect the public interest. It is our duty.

MR. CASHIN: There are millions of dollars involved.

MR. SMALLWOOD: Now my honourable and gallant friend, it is public money coming from the Treasury.

MR. CASHIN: All the more reason for the people's representatives knowing all the details.

MR. SMALLWOOD: True, very true but when that same millions of

dollars involved present a picture of possible loss or profit for the people of Newfoundland, whether this money will make a million or a thousand dollars profit or lose a million or a thousand depends, entirely depends upon the action of the Government and I say here, now that the Government, insofar as I can speak for it, are cheerfully willing—I will speak slowly now so that those who are entitled to make notes may do so, I will speak at dictation speed. This Government, Sir, are fully prepared to stand or fall on the cement and gypsum mill projects. We are fully prepared to undergo public suspicion, that as my honourable and gallant friend stated, it looks fishy.

MR. CASHIN: I did not say it stinks.

MR. SMALLWOOD: I know, but he said it looks fishy. We are cheerfully prepared to have the whole public of Newfoundland suspect us of a fishy deal, of a deal involving graft and corruption for another week or more, we are cheerfully prepared for it and we still won't reveal what these mills are costing the public, and the public may damn us for it but we still won't reveal it because it is our duty.

MR. CASHIN: The public be damned, you are not going to tell them.

MR. SMALLWOOD: My honourable and gallant friend could not resist saying that, I know. We are prepared to be judged by the public and suspected but we will not reveal what these mills will have cost for some weeks yet, because we feel it is our duty to the public to protect the public and we will do it.

Now the House can vote a dollar, at the suggestion of my honourable friend the leader of the Opposition, to the Government to fulfill its obligations or vote us the amount necessary to fulfill the contracts. It is in the hands of the House, all of us Liberals, Tories and Independents, we can vote a dollar or the necessary two million.

MR. HIGGINS: We did not make a contract, Sir. The Government think they can spend all they want and the House may not cancel it—We made this contract costing millions, therefore, you are going to pass it. That is what it amounts to.

MR. SMALLWOOD: I have had the floor long enough for the moment, and I am prepared to stand or fall, cheerfully, and proudly on the question of what the cement mill costs and whether Newfoundland is going to profit by it or not, and I would not ask a better issue to go down on, and I am quite sure other members will feel the same.

MR. JACKMAN: I would like to ask the honourable the Premier a question, as a labour man, the question is this—If this money is voted will this put men to work; that was the question, and will you give the House the information within a period of 30 days?

MR. SMALLWOOD: Yes it will—and may I go on to say this: There is arriving in St. John's on the fifth of April the managing director of a monumental firm in Britain. The managing director is arriving in St. John's on April 5th, and the same day there will arrive in New York City a very famous and very distinguished European industrialist, a Belgian this time, but I am no respecter of persons so long as they come from this side of the Iron Curtain. This person

is a Belgian nobleman and the owner of vast industries, the owner of the greatest cement producing business on the continent of Europe, ex-statesman, and present great industrialist who will arrive in New York on April 5th. Nor can I, in answer to a sincere question, tell him that with these two great industrialists, one British, one Belgian and a third a great American Corporation with whom negotiations are going on now, tell him we will conclude those negotiations in a month. God help us, we are doing the best we can, trying to get things as quickly as we can, we don't want to give the mills away, we want to make money for Newfoundland tonight. Privately, we will lay our cards on the table for our honourable friends and publish them the moment the contracts are signed. It may be two weeks, three weeks, four weeks, or it may drag into five weeks.

MR. JACKMAN: If you can give assurance this money is necessary to put men to work and as quickly as possible, and there is a reason why you can't mention that at the present time, the cost and so forth, I have to say here I will certainly vote this money to see that men get work.

MR. CASHIN: I just want to point out the irregularity of the whole thing; when this House was open last year, there was nothing brought in here to cover this expenditure which has been made. The Premier knows, the House knows a contract was made without the authority of the House. If we are going to have a legislature the least we might do is recognize its authority. No contract is legal until such time as it passes this legislature. Bring them in, agree with them, put them through with the authority of the House previously given, but spend

money which was not voted here last year. The point I am trying to make is this, the Controller of the Treasury's job is to stop the expenditure of money that has not been voted by this House and he has not done it. Section 33, used to be section 32 which was to be used in an emergency, well I remember and how much money was spent, but generally for relief not for the making of contracts with individuals or corporations, for starting up industries. If we went back to the Humber Deal in 1922-23 passed by minutes of council in 1922 and the General Legislature in 1923, we find a contract but the Government had not been committed to any expenditure prior to the passing of the legislature in this assembly. I note this money has actually been spent, actual cash, an entirely different matter which the Government gave and brings in a Bill for some Tom, Dick or some Nobleman, probably a pauper today.

MR. SMALLWOOD: He is a multi-millionaire, a director of several large Canadian Companies.

MR. CASHIN: In that case, if he is a director and a citizen of Europe, the dollars got to go to Europe particularly in Britain. All stocks held by a Britisher today, or any British Company holding stock in the United States for which they received dollars got to make a return to the Bank of England and the British Government, and they are not allowed to spend dollars unless or until they get permission of the Financial Treasury of the United Kingdom.

MR. SMALLWOOD: This gentleman has Canadian dollars blocked in Canada.

MR. CASHIN: Then again, he has to get permission from the Government of the United Kingdom to invest

that money anywhere he likes. I don't know, I doubt it, in Britain and in Belgium they are hungry for dollars, they are selling the pound for \$3.00 in order to get them and they are not allowed to spend them coming out here with a few dollars in their pockets hardly enough to pay their board when they arrive and someone got to pay it for them. If they have money out here well and good, I question these fellows, they are the slickest individuals who ever came through Gander. We are only children in their hands, I would not take one of their words taken on a stack of Bibles.

MR. CHAIRMAN: The amendment is that \$2,050,000 be deleted and the figure \$1.00 be substituted therefor.

Amendment lost.

MR. CASHIN: Before the Bill is actually passed, I take it from the remarks of the Premier, the Estimates will be brought down in about three weeks, maybe a little less. I know what is happening—if they are not passed by the Government at the present time, they have to go back to the printers who spend a couple of weeks, since they want to make a little extra on them (whoever they are). Now do I take it this eight million, two hundred and thirty thousand dollars is just a quarter of the estimates that are to come?

MR. SMALLWOOD: No, that is not so.

MR. CASHIN: You mentioned in your remarks, you wanted enough money to carry on, or are we to anticipate a higher expenditure.

MR. SMALLWOOD: I can assure you, very much less.

MR. CASHIN: This two million dollars is not coming out of current revenue—you don't have it not even down in the rum shop.

MR. SMALLWOOD: Our temperance measure resulted in a great decrease in sales.

MR. CASHIN: In the greatest bootlegging crime in the history of the country; you have been subsidizing the bootleggers.

MR. SMALLWOOD: We are catching up with them.

MR. CASHIN: Sure when you were forced to. With respect to revenue the Government has very little to draw on except the rum shop, the transitional grant, the Board of Liquor Control, I notice here today \$1,800,000 a repayment in part, not a profit, just taking back some money your predecessors loaned them, whether credited to revenue or posted to surplus, I don't know.

MR. SMALLWOOD: Both.

MR. CASHIN: But when you speak to me about your temperance measure, I have another story about the sponsors of beer licences in saloons and making a very impressive business of it, I have here a very impressive document listing them. Now I don't want the House to think I have become one of those temperance preachers, far from it, but these fellows are going down and selling it while employed in the Government—some deputy minister in the business, paying more attention to the beer business. I notice his name is not in here, (his company is) paying more attention to the beer business than looking after his job in the public Health.

The Committee rose, reported hav-

ing passed the Bill without amendments.

On motion these resolutions were read a first time. Ordered to be read a second time on tomorrow.

Carried.

MR. CURTIS: At this juncture, I move the House take a 10 minutes recess.

Carried.

The House recessed for 10 minutes.

MR. SPEAKER: Honourable the Premier asks leave to introduce a Bill "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Premier asks leave to introduce a Bill "An Act to Amend the Industrial Development Loan Act."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Fisheries and Co-operatives asks leave to introduce a Bill, "An Act to Amend the Fisheries Loan Act."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Supply asks leave to introduce a Bill, "An Act Relating to Local Governments."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Supply asks leave to introduce a Bill, "An Act to Regulate the Development of Local Areas."



Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Labour asks leave to introduce a Bill "An Act to Amend the Workmen's Compensation Act."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Education asks leave to introduce a Bill "An Act Further to Amend the Memorial University Act, 1949."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

MR. RUSSELL: I wish Sir, to support the motion before the House that the address in reply be presented to His Honour the Lieutenant Governor, but before getting down to the actual discussion of the Motion, I would ask Sir, the indulgence of the House while I make a few remarks or comments regarding my change in position.

The facts are, as the honourable the Premier has already reported to the House, that since the last sitting I have resigned from my position in the Cabinet and from my position as Minister of Natural Resources. I have since been informed that the Liberal Government has expelled me from its ranks, and thus I am no longer a Liberal. By that I mean a Liberal today has a distinctive mission, I take it that a party has certain authority to admit or expell and those who are in between being expelled are Liberal but within that definition that after they are expelled, regardless of what their political ideals or political beliefs they cannot be called Liberals, so it is no good for me to pretend.

MR. SMALLWOOD: A man can be a Liberal and not a member of the Party.

MR. RUSSELL: Then I am a Liberal with a capital "L," good, though not a member of the Liberal Party.

Before going into my reasons, I want first of all to say how very very happy I am to have heard, just I think during the last 24 hours that the Liberal Party, what is left of it, apart from me, had met and given unanimous assurance of confidence and loyalty to the Party, to the Government. Anyway that means surely I will be believed when I make the statement, my action was not meant in any way to influence the actions of anyone else, and it has not. If I had intended to do that, I failed in any case. I am glad that I will never be suspected of having tried to start a movement. It is my own action, without any attempt or wish to influence another. On the contrary, I wish to say I am genuinely happy that the party has so unanimously expressed their confidence in the Government.

If any honourable member today, Mr. Speaker, is expecting me to break out into some scathing denunciation of the Premier, and all his work, or make any startling exposé of evil or vice or bad behaviour of the Liberal Government, he is due for a disappointment, for the reason, for my doing what I did, and I assure you I realize the seriousness of what I did. The things I am going to mention are in the main, public knowledge already; to mention them is not exposing them except what the public, if they don't know, they have a very good opportunity of knowing. The

second reason is that the Government is still the Government, honourable the Premier is still the Premier elected by the people of this country; I don't see any alternative Government, I don't see any point if I could abuse them, of saying anything whatever detrimental to them, or to the work they are trying to do. The third reason: That anything I know today by reason or by virtue of having once been a cabinet minister, I am not going to reveal, I do not intend to reveal, even under pressure; if I did, I could tell what the cement mill is going to cost and the gypsum mill, I don't intend to do it. A Cabinet Minister is bound by an oath of secrecy, not to divulge anything that goes on in Cabinet meeting. Not only is it disloyal to the Cabinet, it is more serious than that. I am not sure, I have not gone into it very deeply, it maybe even a breach of an oath which is taken by every Cabinet Minister when he is entering the Cabinet, and that brings up a very important point.

Mr. Speaker, you will have heard the honourable the Premier mention, once or twice about joint responsibility of the Cabinet, and I am getting now to one of the most important reasons why I could not remain in it. Joint responsibility is this way, suppose you were a Cabinet Minister, Sir, and you disapproved most heartily, most vigorously, vehemently, on principle, on an imaginary point, for any reason whatsoever in a Cabinet meeting, on a measure being discussed and you are out-voted. When happily everybody agrees on everything, then that joint responsibility does not matter, naturally anything I am in favour of I am perfectly willing to take responsibility for the rest of my life, but the problem comes when one disagrees. I want you to consider the position of

the man who disagrees with what the Cabinet is considering, and from then on he has to assume responsibility for that particular action. Now without divulging anything confidential, and if any more experienced member of the House finds I am getting near the border-line I will welcome his warning. It must be obvious to the public, to the House and to you, Sir, that when ten or twelve men, members of a Government, committed to a make or break policy, a policy to which I have never subscribed, when from time to time in accordance with that philosophy they discuss measures to be taken, urgent ones, probably ones involving considerable quantities of public money, it must be obvious there will be times when there won't be absolute unanimity. The Cabinet member then, who is on the losing end must for the rest of his life carry around the result of a decision he did not agree with, not only that, but when speaking outside the Cabinet, he can't say—well I didn't agree to it. And if he gets into an argument, to try and defend it is more difficult still, and under the difficulty of trying to defend things I don't agree with I am no expert. He has that hung around his neck for the rest of his life like the albatross around the neck of the ancient mariner, and there is also a danger of acquiring that odor my honourable friend from Ferryland mentioned, a fishy one, might or might not, it is there—joint responsibility.

Now Sir, I am going to give the Premier a word of advice, friendly, I intend it so anyway, if I pick the wrong words unfortunately, I want to assure him it is with no thought of rancor, no thought of anything but wishing him well, I am going to advise him to do one of two things in

future, as head of a Cabinet. First of all maybe what did serve in the 19th century these ideas can be changed a little, softened a little, made less rigid. Maybe, they will do in other countries, probably they can't be changed, probably this rigid condition must continue which began with the first Cabinet, maybe can't be changed in other countries, but I am going to ask him to consider if they can be changed a little bit for Newfoundland. I am sorry I cannot go and face the world and pretend I agree, maybe other people of other countries can, and I appeal to him, if it can be done, if he can possibly soften the rigidity of Cabinet control regulations, or if he can't do that another thing he can do and somehow I think he will. Try and make every effort to get unanimity, it may mean deferring something which appears urgent, it may even mean shelving some pet scheme until every member of the Cabinet has had the same opportunity to study it properly as he had, and it may need longer time, we don't all have a rapier brain which the honourable the Premier has, is fortunate enough to possess. If he won't do one of those two things, I am afraid, Sir, that I cannot express that I have sufficient confidence in him even to head a Cabinet for a very long period, because, Sir, you just can't insist upon a matter of principle, I am not the only man in the Government forever and ever being forced to take joint responsibility for things he does not believe in, I mean, Sir, things of a serious nature, not who will be a J.P. and who will be put on a board of Education, but serious things, and I hope he will do it.

Now I can't defend things I don't agree with, I find it difficult to keep

quiet, but if by keeping quiet, I have to give passive defense: In my own district, in the presence of a committee of 10 or 12 pretty select men picked by a public meeting, I was asked what did we mean by certain measures, since I won't mention what the measures are, I am free to say now that I did not necessarily agree with any one of them and I felt they had a right to know, to judge whether the member they had elected had any sense or not. Anyway I wanted the right to express my opinion, I may not insist upon using that right, but I want to know I have that right to express my opinion on public matters, wherever, however, to whomsoever I wish. For a year and a half I have not had it. Now I have it, I have paid for it. Incidentally, one of my children said to me "Daddy, where are you going to work now"? She suggested a job, a very commonplace one, she had not been around to any of the mills yet, she suggests that perhaps I could get a job collecting garbage, an honourable job, but I explained to her, first of all I didn't think I would get it, if I applied for it, and in the second place I don't think I would endure very long, but as long as I had the right to criticize the doings of his Worship the Mayor and all the Councillors.

Now Sir, coming to the story of what happened, when, why and how? I had not been in the Cabinet very long, four or five months probably, not being specific, when I had occasion to feel that on principle I was opposed to certain important measures. I opposed them violently, vehemently, asked permission of the Government to give me the right to oppose it publicly, this I did not get, Cabinet rules are Cabinet rules, and I was quite properly refused that per-

mission. I heard once the story of a great English Statesman who was allowed to do it once, on a matter of principle. Well my principles are as important to me as his to him. So I spoke in confidence to one of my colleagues, who is listening to me now, as far back as four or five months after my election I was seriously thinking of resigning. Why not then? I did not have the courage, I should have obviously, when I felt I could not conscientiously support a Government measure. A year later, I can mention this now, all the public have made reference to it, I did give a written resignation to his Honour the Lieutenant Governor, which I never withdrew, and one to the Premier. I gave as my reason, I am not sure of the wording, but to the effect I could no longer assume joint responsibility in the eyes of the public with certain Government policies, that was the gist of it, I don't know what the words were, I have no copy, there might be one in my files, the honourable the Minister of Public Welfare may check. I was very gratified with the sympathetic understanding given me by several senior members, especially by the Premier and I agreed after some discussion that I would defer action. Then we come to the famous letter of January 27. I have already said to someone from the press, two or maybe more, it was pointed out to me by two together at one time, it was not fair to the Premier to have my resignation on his desk, any day he would wake up and find I had published it or not, although he was easy enough about it. It was not fair to him. I want to say now, he is the most hard-working man in Newfoundland today, works with greater intensity than anybody else ever elected, certainly harder than I. This was in

January, it was a particularly busy time and trying time in the Premier's life and I did realize it was not fair to him to have this thing hanging, it was better to settle it one way or the other, and what I should have done then was resigned. Why did I not? I don't know of any reason except I just did not have the courage. I will mention one thing, at that time the Government was just about to do what in my opinion is one of the wisest things it has ever done, the organization of the Fisheries Council where trade, fishermen, and both the Federal and Provincial Governments are working jointly. It is a pity it had not been done long before, we were doing expensive things without the advice of such a council. But it was rather cheerful to think, here is the first concrete definite attempt made to get some possibility of some assistance for the fisheries from the place where most of it should come, the Federal Government. Anyway, with all that, actually the main reason was I did not have the courage, did not make up my mind—indecisiveness, I hope none of you ever do it, it is not an easy job, resigning from a Cabinet, I will assure you; not easy to do and I hesitated quite a while doing it. I wrote a letter and that letter served one useful purpose for the time being, gave the Premier the letter, then though I needn't bother about that any more, that is off my mind, go on to something else. Finally when I did resign, I did it cleanly and because I use the word clean, I don't want any contradiction on the word clean. By clean I mean like Alexander with the gorgon knot—Now at least the honourable the Premier would know where he is and would not have to worry about that.

Now, I will come back to my actual

resignation. Saturday morning was to have been a Cabinet meeting, which I would have ordinarily attended. It was probable that we would begin discussing the Estimates for next year, revenue and expenditures. Recollecting joint responsibility, I realized if I sat in on those sessions, I was making myself responsible for the financial policy of the Government for next year. I did not go. There was only one way I knew not to go. I am not Sir, I can not be responsible in the eyes of the public for next year's Estimates. I don't know what they are yet, I had a draft, but I felt quite sure that that will be cut down a lot, a great deal will be taken off but not enough to convince me the financial policy of this Government is a sound one. There will be other opportunities during this session, when the Budget is brought down and debated and still in the House I may speak at greater length on the financial picture as I see it, the financial prospects for this province.

At this time I want to say, it is my sincere opinion that the Provincial Government is heading for financial ruin, that we are rapidly reaching a point, if we have not already reached it and passed it, where not only our capital surplus, that is two-thirds what was left when we went into Union, not only will all be gone but we have committed ourselves to spending more than we actually have in our current account. We have built up services, many unnecessary, far more costly than we can raise revenue to pay for them; and all that before the transitional grant has begun to taper off, interest and sinking funds charges beginning to pile up on money the Government must pay on if they are to maintain their present

position. Now I can't feel; I wish I could; I have tried to but I can't feel too optimistic about what is going to happen when our money is all gone and the Royal Commission comes here. I have met a lot of those men from Ottawa, found them all right but reasonably hard-boiled, no suspicion whatever of a red coat or white whiskers in any of them and I would not want to put any ideas in their head; I cannot, sorry, I cannot feel any great optimism about what will happen then. So, Sir, I submit, we are rapidly heading into a financial mess, the taxpayers of the Province must eventually pay for it in one way or another, and that the Government lacks either the will or courage to avert it. That statement, Mr. Speaker, may be wrong, I hope it is wrong and I will do all I can from whatever side of the House to help make it wrong, but if it is wrong let it be my political epitaph..

Well now, maybe the Government will be better, certainly they are sadder but while the lamp holds out to burn, the vilest sinner may return. Maybe they will get on what I consider, rightly or wrongly to be a better road, and I am going to give the Premier a tip as to how to get on that road. One of the immediate problems is to get a successor, and I am going to advise him what to do. Don't put anybody in there, in fact, again for more reasons than one, and if two more went don't replace those at the moment. I urge you not to replace the two vacancies existing now. There are not enough members in the Assembly to justify the number of heads of Departments. The honourable Premier knows, I don't think he can contradict me, he is reasonably sure of it. I have been perfectly willing to take

the same salary or less than he is getting. Save one or two cabinet ministers' salaries, it is not much, only \$14,000 but there are people in Bonavista District depending on saw mills who did not haul \$14,000 worth of lumber last year or did not catch that much fish all last summer. It may well be we will have to appeal to the fishermen to tighten their belts until some of the planning of the Government bears fruit, and if our people have to be appealed to they can take it if the Government will only give them inspiration; set an example and if there is going to be any belt tightening, I suggest the Honourable the Premier can do a bit in the Government.

Now, Sir, singing my swan song, there are a few odds and ends I want to tie up. I want to pay a tribute to the people I worked with in the Department of Natural Resources; one or two were not too loyal but good hard working men and capable men. I want especially to mention my Deputy Minister, Mr. Carter; express my satisfaction and pleasure and pleasant memories of my work there; I want to make two apologies to the Premier, I don't know whether he needs them or not but I need to make them. One for the abruptness with which I severed my connection with him. I knew it was the only way, any other way might have meant, committees, telegraphs, long distance telephones probably ending up, as I did not have too much courage, in my remaining, if he had been so kind as to ask me. The second one, I feel this particular time, I still feel it is the right time to do it, the time to make up my mind whether or not by attending one or more meetings of the Cabinet I would be committing myself to the policy of the Government for the whole

year because there is going to be some fairly weighty legislature coming in and it is no reflection on my successor whatever to say he is going to find it a little difficult in the committee stage to make the explanations, so I am sorry I have left a little gap there. I can assure them I will do all I can to help. I don't suppose it would be proper for me to ever come over and sit at the table but from this side of the House I will do all that I can to explain to the House on second reading and do anything else I can to help them, that is if he wants me.

Now to my District, it need not be much of a shock to find I have left the Cabinet, that is all I have done, I did not know I was going to be in the Cabinet when they elected me; they voted me in, to the best of my knowledge, as a private member, so on that score I don't feel I have any need to say much, but they did elect me as a Liberal and a member of the Liberal Party, and here I am now not in it, that is going to require some explanation. I don't know how much more they will need, I don't know what their reactions will be. I can say to them, only this, I made no promises, I told them in my campaign that I would try to do the best I could to represent them and make no other promises, not one except that I would do my best, I will do that now, probably better than I used to, now that I have more time I will be down pestering the life out of the Public Works on behalf of my district. So, if they want me, I am not going to put the Province to the expense of a by-election by resigning. They can't afford a by-election, they need all the money they got, but if they insist there are various ways they can tell me. I won't count the signa-

tures to see if there is a majority but if there is any strong sentiment, pronounced sentiment in my district against me, I will resign to you, Mr. Speaker, and I won't contest the by-election. I would be a fool if I did.

Now my future behaviour, if and when I remain here. I am going to support, unqualified, every measure taken by the Government before I left the Cabinet. There will come in here from time to time, there was one this afternoon, supplementary supply resolutions; I will vote with the Government whether or not I agree or disagree with the Leader of the Opposition on the interpretation or other matters, but I will vote with the Government because I was with the Government when all these things were done. I can't pick and choose and say I will vote for some and not for others, but I am not going to divulge which ones I supported and which I did not. So I will consistently support the Government on all matters referring to things done by the Government while I was a member of the cabinet, but in matters from now on, I must use my own judgment, and I can not do otherwise. Now this does not mean I am going to be consistently against them, I am going to use my own sense and conscience God gave me, I can do no other.

Now I must say a word to my partner in crime, the honourable member for White Bay. Incidentally, he and I are now in a party to ourselves. The honourable member for Ferryland is not in our party at all. He did not do what we did, we are not in the same boat at all. But I listened a few days ago to the honourable member for White Bay, I understood the feeling and imagination with which he spoke and I understand them better now than then. All right

call him politically immature, indiscreet, but no one who listened could doubt his sincerity and surely there is room in the Liberal party for a man like that. He asked me one question, Mr. Speaker, about my department, something about giving the people back the three mile limit. The reason is the Government does not owe the three mile limit. Bowaters Limited owns some of it and Reids Transportation practically all the rest of it, and the Government can no more give it away than they can give away St. John's. But I can't see a man like that outside the Liberal party and nothing worth speaking about keeping him out.

Now, Mr. Speaker, I want to thank you and the House for your indulgence in listening, I had not intended to speak a great deal today about matters contained in the Speech from the Throne, in view of the statement by me that from now on I would support every measure taken while I was a member of the Cabinet. The Speech from the Throne was drafted while I was a member and I give it my unqualified support.

**MR. SMALLWOOD:** Mr. Speaker, one of the greatest mistakes the honourable member for Bonavista South ever made in his life was the mistake he made when he accepted my invitation to him to enter my administration. Of many, that I have made in my life was the mistake of inviting him, my honourable friend, into my Cabinet. And I have never seen two mistakes so well illustrated and described as my honourable friend has just done, in his very frank and very honest speech. If ever a man unfitted by temperament and belief and convictions to be a member of a Cabinet, revealed his intellectual temperamental unfitness for cabinet rank, my hon-

ourable friend has just done it. He will understand well, what I mean, and that I mean this in the kindest way when I say that he is an intellectual anarchist—He knows well that does not mean one who goes around throwing bombs and killing people, governors, emperors and kings, but that he is in the great tradition of freedom and independence which is indeed a great and glorious thing in the world, but a Cabinet is not a committee, a Cabinet is not a jubilee guild, a Cabinet is not a co-operative society, a Cabinet is not a study club. The Cabinet is the Government, at all events it is a part of the Government. With the King in England, with the Governor General in Canada, and with the Lieutenant Governor in Newfoundland it is the Government. The Cabinet, the body of men who must govern, and not be a study club to sit around and debate and philosophize, but rather where one must sit around a table and decide, we will do this, we will not do that and decide, ten, twenty, thirty times every meeting. Action, decision, and obviously men must think, men must study, men must read and weigh a mass of papers. My honourable friend is to be envied to be rid of the papers, armfuls of them. I read them at 1:00 and 2:00 and 4:00 in the morning, in bed, armfuls of them. Any Minister with any proposal to make to his colleagues, puts it in a paper and it is circulated to all his colleagues and all read and read, in bed and while they are eating breakfast and dinner, papers, armfuls of papers, bagfuls of them. You don't vote in a Cabinet meeting to do this or that, unless you read and know the text and details. It is action all the time in a Cabinet, and if action is lost in the pale shades of thought, the Government ceases to

govern and becomes a study club, becomes a debating club. A Cabinet is made up of men who decide, sitting around a table, decide to build that road, or not to build it; that for the coming year we will spend a million on roads or two or three millions; to build this cottage hospital or not to build or not to do this, to do this, do that; or do the other or not. Always action, doing things, deciding around a Cabinet table, making decisions of that sort. Besides which a Cabinet Minister has to sit at his own desk in his own office and receive hundreds of telegrams, hundreds of phone calls a day, hundreds of letters a day, hundreds of visitors a day, they pour in in multitudes, they flood, they drown you. Unless and until you are willing to work seventeen and eighteen hours a day, you should not be in a Cabinet. Hard work, gruelling work, not just philosophizing. Above all it requires that a man should not be an independent philosopher: John Dewey in New York, at Columbia University, he is a man to whom you can take your hat off as I do, but could we have him in a Cabinet? Bertrand Russell, a man with intelligence and imagination to make all of us clod-hoppers and clowns, but God forbid that such a great philosopher should help us to decide whether we should build a road from Seal Cove to Baie Verte because he would sit there all day and wrangle and debate and there would be no road built.

Now my honourable friend has entreated me to bring unanimity into the Cabinet and appealed to me to change the rules. I can't do that. I did not make the rules. The rules were made before I was born, or any man in this building and before his father and grandfather. Made in



England, the home of Responsible Government, the home of free speech, democracy, the home of British Parliamentary Government. That is where the rules were made, and what are the rules? They are these: If I join a co-operative or a study club, and I am selected to the committee of that club, there are five of us around the table and we are debating this and that decision and I disagree with the other members of the committee, what do I do? When I disagree with the decision taken what is the democratic way in a public meeting, in a lodge, a jubilee guild, a church meeting, some motion is put, there are so many for, so many against. Do I get up and walk out? Do I say I won't play in your back yard? No I stay in. Do they break up the organization? No they stay in. Now a Cabinet is not a study club, it is not a debating club and long before I was born the rules were made. The rules were made that if twelve men in a Cabinet, and I am a member of it and something comes up and I am against it, but the 11 are for it. I may be the very man called upon by the Government to stand up and defend it, and I got to do it or I don't belong to a Cabinet. Now if something violates my conscience, I have to walk out for conscience sake. If for example, in the present Cabinet we were to bring in a matter to decide about, for instance denominational schools and our decision were to do away with denominational schools and the decision were eight to four, then the four who were in favour of denominational education would in conscience have to walk out of that Cabinet. Supposing we were to bring in a Bill to create a divorce court, and we were all in favour of it except my honourable friend the

Minister of Public Welfare, he is only one, there are 11 in favour of it. We say, we will have a divorce court, but my honourable friend says, my conscience won't allow me, I must leave the Cabinet if you persist in that Bill. Where a man's conscience is at stake, he cannot stand up and defend a decision. But in everything else except conscience or principle; I have stood here in this House and I have advocated things and sponsored and defended things that I did not agree with, and no man can be Premier in this world, if he does not do it. Now, I have not defended anything against my conscience, anything against my principles, but again and again in Cabinet when decisions are taken which I don't agree with, what do I do? Do I say I won't play in your back yard? I don't. I go along with the majority the same as in a jubilee guild, a trade union, a fisherman's union; whatever the majority say I go along with them unless my conscience or principles are at stake.

There was a good example of this in England when Lord Suowden, the great Chancellor of the Exchequer, the last of the great free traders of England, the inheritor of the traditions of John Bright, was Chancellor of the Exchequer in a Cabinet that decided to throw over free trade. That was a position for a man to be in. All his life behind him, he had advocated free trade, now he is Chancellor of the Exchequer and all his colleagues decide to throw over free trade. Lord Snowdon said he could not go into the House of Commons and defend the Government's act; could not do it conscientiously. Do you know what he did? It was the one and only time in British history it ever happened before or since. The Cabinet said,

Snowdon go into the House and attack us and remain a member of the Cabinet and remain Chancellor of the Exchequer. The one and only time in British History, British Constitutional History and that one proves the rule.

Stand or fall together, not revealing any Cabinet secrets. I am not revealing any Cabinet secrets when I say there is not a member in the Cabinet, not one who has not dickered some time, very strongly resisted and opposed propositions that were before the Cabinet. Do you suppose you can get twelve Newfoundlanders—Newfoundlanders—we will rant and we will roar—to go into a Cabinet without disagreeing sometimes, you ought to hear the ranting and roaring and fist pounding. What else do you expect from twelve Newfoundlanders. We fight and squabble and argue, and so in every cabinet in the world, but we slug it out, I stand up to my view point and my honourable friend the Minister of Public Works, does he know how to stand up for his view point? Does my honourable friend there know how to stand up for his view point or my old and honoured friend from St. John's West, whoever could have believed (I am going to break a rule and mention names) whoever could have believed that Jimmie Spratt could be kept quiet. He is not kept quiet in Cabinet but whatever is decided he is a man with any of us who will get up and defend it, defend it to the death. That is what it means. Twelve men, now eleven who in honesty can be wrong; we can be wrong but who in honesty, sincerity, decide to build that road there or not there, build this year, build a cottage hospital, in Ferryland this year. Do you think we don't debate that? We fight and we squab-

ble and we disagree and then we take a vote. We don't take a vote in the Cabinet, a Cabinet is not a committee. We don't take a vote in Cabinet, and I say here and now, I would not turn to the Cabinet and say "enter that minute" unless that Cabinet were agreed on it, practically agreed, or there were more than two members of the Cabinet who could not agree with it. My colleagues are here, they hear what I am saying—I am telling the truth or lying, one or the other. Then if there are one or two who still object, what do I do. I say, well now old man, or Ned or Tom or Les or Bill or Jimmie, don't forget you may be the very one I may ask to get up and defend it, are you so hot you cannot do that. He will laugh and say, very well I will go along with it, with the majority—that is the only way you can run it and if any man thinks he can go into a Cabinet and still be an independent, he is making an awful mistake. It is nice to be able to run with the tide, to be independent, but it does not belong in a Cabinet, that is one sacrifice, he and I have to make. My honourable friend here has done it, the Minister of Education, the Attorney General, Minister of Fisheries, Minister of Labour, Minister of Provincial Affairs. Do you think for one minute that all those men have always agreed on everything? It would have to be a meeting of the saints, to get agreement like that, it could not be done on earth. And we are not saints. We would not be prepared to take on this job in Newfoundland and overcome a hundred years of neglect. How many thousand old people are you sending out five million a year to? Two thousand. We did that. How many thousand widows and mothers do we send out pensions to

every month? 3,500. How many cripple people who cannot work or who are rheumatized or twisted up from fishing too long: 5,700. How many is that altogether? Newfoundlanders who until the last year and a half, what did they have before we came into power. Have you lived in Newfoundland, do you know Newfoundland?

I see a man here today from a place that I know well, and as long as I live on this earth, to my dying day, I will never forget a meeting I attended of a committee in that settlement one night in the dole days. A man at that meeting said to me, I have not had a bit of butter on my loaf, and he meant bread, for the last two years. And he did not mean butter, he meant margarine. For two years, he and his family lived without even "Solo" to spread on their bread. And I remember a remark of another fisherman who sat on my left—"By God, before I see my family live like that, someone will die." His first name was Guss and two months later I missed him, that man who had not had the margarine on his white bread and I asked where he was, and I was told he was sick. What is wrong, I asked, has he had a doctor? I went over to see what was wrong with him. He had a little small fisherman's home and a little garden in front of it as big as a postage stamp, about 5 x 12 and a fence on the road and a little walk up to the front door. It was a fine summer day and I saw him open the front door and walk down towards the gate. He did not see me, because he could not look up, he was coming down scuffing his leg, then with an effort getting that leg straight, then the other one and he landed at the gate out of breath and I said to him: In God's name Doug,

what is wrong with you and he said, I don't know, master. The doctor came over, he had beri-beri. He was one of the finest fisherman-planters Newfoundland ever bred. They don't grow them like it today. All right, we came in and we got elected a year and a half ago. How many people did you say, Doctor? Nearly twenty thousand, but they tell us we are heading for bankruptcy. Are we? Heading for a financial mess, are we? Wait and see, wait and see. We have made mistakes of course, we have made mistakes, look at the mess we have made of the Iceland boats, an awful mistake, it has cost us a lot of money. We did not start off to lose a lot of money that way, did we sit around the table and say: "Boys what say we lose \$300,000, \$400,000, \$500,000 on this Icelandic venture. We are not that foolish, we were not that bad. We tried to help the fisheries, and we had bad luck. Bad luck, the very first time when we got the boats, we could not get a herring in Fortune Bay, the first time in years, in Placentia Bay there was a failure, in St. Mary's Bay, in Conception Bay, in Trinity Bay, in Green Bay, where the herring had been they were not there any more. The herring were not there and we lost a pot of money. And we made other mistakes. I have made more than one mistake. No Government can work harder than we are working. No Government could have accomplished more in two years than we have accomplished. The only man who makes no mistakes is the man who does nothing, and that is a mistake, therefore he makes one. I have made mistakes, they have been mistakes, perhaps of the heart. They were not deliberate and Mr. Speaker, we are going to be judged by the

people, I talk about the toiling masses, well that is where we are going to be judged. But as my honourable and gallant friend from Ferryland, the old veteran of the House who has sense enough, has seen Governments come and go, he knows, he is cute enough and experienced enough, that the people do not judge a Government by their occasional mistakes, what the people want to know is this: Is this a do-nothing Government, just drawing their fat salaries and sitting on their fat back-sides, or are they trying to do something? That is how people judge a Government. Not by your mistakes, but by what you try to do. Are you willing to spend? Spend what? Money? More important, are you willing to spend yourself, spend your sweat, spend your time, spend your mind, spend your body for the people of Newfoundland, are you willing to do that? That is what they judge you by, not by the few mistakes. They will forgive them, they will overlook that so long as they can feel in their hearts that it is a Government trying to do something, not a do-nothing Government.

As I travelled around Newfoundland for many years in more than a thousand of the thirteen hundred settlements, six thousand miles around, in most of those I have been, and I kept my ear to the ground and I listened to a lot of talk and also did a lot of talking, but I did a lot of listening, I did both, and what did I hear: Why doesn't the Government do this and why doesn't the government do that, and why doesn't the government do something, one thing they don't want is a do-nothing government. Well they have not got one now, they can never accuse us of that. That is one charge they will never make against us. We may scare ourselves and

our supporters who stand behind us, loyal supporters who stand behind us and we can't be the government unless they do stand by us, they must get scared a little too sometimes at the speed with which we act. I am sure my honourable and gallant friend would rather a government that looked like it was going mad than one he could not see moving at all. Can't keep up with them, that is the way I want—

MR. SPEAKER: May I interrupt. The visitors are to make no comment whatever. There has been noise once or twice already. It is competent for members to have the gallery cleared.

MR. SMALLWOOD: Now my honourable friend the member from Bonavista South has had quite a bit of experience in his lifetime. He was for some years a school teacher and then for some years he was a magistrate, then for some years the director of the co-operative division, all that mounts up to 25 or 30 years. In those years he travelled around Newfoundland quite a bit and got to know Newfoundland very well, he has read quite a bit, thought a lot, like all of us: where would you find a man who knocked around Newfoundland more than the honourable Minister of Public Works, sure he surveyed half of it, building roads and bridges all over it. We have all been around a lot, knocked around a lot, we all came from the common class of people. My honourable friend, the Minister of Public Welfare, was a fisherman, his father and his brother were fishermen. Do you think it has nothing to do with it that he was a fisherman, why does this man come into the cabinet and pound his fist and say, spend on roads and hospitals and schools and cement mills and I won't object but I want the widows and cripples

taken care of. Why does he say that? Because he came out of a fishing boat. All of us came from the people, the only aristocrat among us is the Attorney General; he is a lawyer, we got to have one or we would all end in jail. His principle job is to keep us out of jail. To see that if we build a cement mill we do it lawfully and won't end up where the leader of the Opposition can say you did something unlawful. That is his job to keep us out of jail. He is the Attorney General; the first law officer of the Crown and his lawyers down there in the Department with him, who draw up all the Bills and contracts and tell us what is legal and what is not legal. Except for him, and he is an outport boy born in Twillingate, we are all common people, we are not ashamed of it, I am not ashamed of it. We are all common people in here, look at my honourable friend from Bell Island, a working man all his life and my honourable friend next, working with unions all his life and my honourable friend behind, a trade union man also. My honourable friend, the leader of the Opposition, a working man all his life, a lawyer and they have their good uses. We are all ordinary poor men here. I am not as poor as I was a year and a half ago. First time in my life with a dollar, and still have not got one, believe it or not. Yes I have, I got paid part of my sessional pay here the other day and put it in the bank I have drawn some checks on it. My Minister's pay I get is gone before I get it.

MR. CASHIN: The high cost of living.

MR. SMALLWOOD: The high cost of being Premier. The high cost of having every woman who is put out of her house, not every one but

a good many of them; I have seen about four out of five put out in the last year, they have all come to me. And when my honourable friend here does not give enough dole they come straight down to me and if it is in the night, I can't send them back. That is why I have no pay left.

We are not in this for money, it is too hard. You can earn a living a lot easier than in the job I have. Of course there is a lot of fun in it. I enjoy it, I love every minute of it and would be heart-broken if we were kicked out. I know I would, I would go to bed for about two weeks but when I woke up I would eat my heart out thinking that this was not being done and that had probably been dropped because some other Government came in.

We get a lot of satisfaction out of it. I like to call it fun, I don't call it work. It is not work when you love doing a thing.

Now regarding my honourable friend over there, I am sorry he is not here, I don't want to say anything when he is not here to hear. I have not said anything in print except I said this, he is happier out of the cabinet, and I don't think he was ever happy in it, he is not the kind of man who should be in there. Now it is a luxury to sit across there like my honourable friends. They got to oppose the Government, they are His Majesty's Opposition. It is their duty to attack the Government, it is their duty, if they don't do that they would be falling down on their jobs. But the Independents, they are not Tories, they are not Liberals. They can support the Tories when they like and the Liberals when they like or not vote at all if they don't want to, as my honourable and gallant friend

from Ferryland did not cast a vote today. They are not held accountable for anything, no one to say you should have done this, you made a mistake here, no one will ever blame them or say a word against them, that is a real luxury. But over here on this side of the House we have to be prepared every time that a motion might be defeated and we would have to go to His Honour the Lieutenant Governor and say we have been defeated, and he would have to say "Well, Mr. Premier, I am sorry you have been defeated, you will please hand over your seal of office," and I would hand them over. Then there is one last advice I am supposed to give him. When he asks me whom would you suggest I should call on to form a Government, and I would suggest he call on the leader of the Opposition to form a Government. Every time a Government motion is defeated, I must resign and the whole cabinet resigns with me. That is the law, that is why we got to have a party to keep a Government there because every time the Government makes a motion, introduces a resolution—if that amendment proposed this afternoon by my honourable and learned friend the Leader of the Opposition had carried I would be over at Government House five minutes later resigning and by now my honourable and gallant friend would be over in Government House discussing with the Lt.-Governor how to form a cabinet. That is what democracy means. If we do not have the majority, if members do not support us and keep us in power we go out and that is why every time there is a motion a member has to make a decision, will I support it as I did yesterday?—and every day he makes that decision and when the majority fails to support the Government they go out of

office. That is why members often vote when they don't think very much of it but they say, on the whole they are the best of the lot, and so they support it.

Now I have no hard feelings, God knows, against my honourable friend the member for Bonavista South, no hard feelings and don't know whether he has any. I am a little hurt, we are all a little hurt. Do you suppose when my honourable friend, the honourable Minister for Public Works, took up the "Daily News" this morning and read that one of his colleagues came out and said "I have no confidence in the Government," do you suppose the honourable Minister for Public Welfare or the honourable Minister for Public Health, felt very good about it when they heard their former colleague come out and say he had no confidence in them, in any of them, in any of the members of the Government? Do you think we liked that? We could have gotten sulky and said we had no confidence in you, tit for tat, but we don't want to be childish about it. We are not going to say a word.

One more thing I would like to say before I adjourn the debate. When my honourable friend made so much of the fact, said it to the "Daily News" Saturday morning, said it to the radio stations and said it here this afternoon. He is not going to divulge anything, any cabinet secrets, he is not going to divulge any information that he got in cabinet. When he says that, I wonder if he realizes what an ugly sound it has. Some people can take that to mean this—I am bound by oath not to divulge what I learned in the cabinet, I am bound by oath to keep to myself but—If I were not bound by oath what I

could tell. Now some people will understand it that way. Let me say this. That every single act of the Government, without exception, since we took office, from the moment we took office and were sworn in until this moment and every moment from then to now, every single act of the Government was so clean, honest, honourable, we would invite, we would welcome open scrutiny. We can't ask him to break his oath, though I do now invite him before this session has closed, I invite him to say this, that he does not mean that if he could talk, if he could break his oath, people would hear all kinds of stories of graft and corruption. He does not imply it, I must say that, but I say that without doubt there are people who when they hear him say "I am bound by oath, I can't tell what I learned in cabinet," people who will say, O but if he could talk, if he could break his oath, he could tell us something. There are people. I dare say, who would think that, and for that reason invite my honourable friend who was our colleague here for a year and a half, I invite him, before this session is over, to stand up and say he does not mean that he knows of any graft or corruption or improper things done by the cabinet. I invite him to say that and I think he is man enough to do it and honourable enough, and I invite him to do it and ask him to do it. It is bad enough and hurtful enough when a colleague, one man out of twelve, goes and tells a newspaper, "I have no confidence in this Government and I have no confidence in my eleven colleagues," that is hurtful but on top of that it lays suspicion in people's minds that he can not talk. Then he leaves them open to suspicion that they are a pack of rogues, grafters, incompetent, not only incompetent but

if the truth could be told a bunch of scallywags as well. He is not here but no doubt he will hear what I am asking him before the session is over that frankly, to the best of his knowledge and the best of his belief that this is an honest government, I ask him to get up and say that before the session is over in the next few weeks. Because I hope my honourable friends opposite, if they should ever live long enough to occupy our place over here, will be the Government of Newfoundland, I hope when you are in the cabinet giving time and energy to the job and one of your colleagues leaves you, I hope he won't insult you and hurt you by saying the cabinet is no good to govern so I had to get out—all out of step but Ted—I hope you won't have that experience, it is not very grateful, not very grateful and we don't appreciate it over here one bit, that is the nearest I am going to go to being bitter or vindictive. What I am sorry for is that it has happened, I am sorry for his sake, sorry for our sake that I ever made the mistake of inviting him in to the cabinet in the first place, but I am only glad now for his sake and mine that he is out. I know he is glad too he is out—we just could not hit it off, and it is better for Newfoundland now that we should be apart.

Mr. Speaker, I move the adjournment of the debate.

Debate adjourned until tomorrow.

MR. HIGGINS: May I ask if the debate on the Speech from the Throne is over?

MR. SPEAKER: The honourable the Premier has not finished his speech. Remaining orders deferred. House adjourned until tomorrow at 3:00 of the clock.

The House then adjourned accordingly.

WEDNESDAY, March 28, 1951.

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

HON. J. R. SMALLWOOD (Prime Minister): I want to make a statement that will, I feel sure, be of interest to a considerable number of fishermen in many parts of the Province.

Yesterday, the honourable member for Green Bay presented here a petition from some of his constituents praying the House to intercede or assist them to get a fresh fish plant established in that part of Green Bay. Now, other petitions along the same lines have been presented to the House or the Government has received many applications from people in the Province, fishermen, for fish plants of that kind. I want to say that the Government have not established one single fresh fish or frozen fish plant in Newfoundland, we have not established one anywhere. We do not expect to establish one, it is not the policy of the Government to establish fish plants in Newfoundland. We are not going into the business of freezing fish or establishing fish plants.

The Government has assisted a number of people to establish or expand their fish plants. We have assisted by making loans, not cash loans but guaranteed loans from the bank. I suppose it runs to well over a million dollars, nearer two million of bank loans issued to various companies on the guarantee of the Government, but the Government would pay the interest and the principle if these borrowers were not able to do so. That is what we have done, that is our policy and that is what

we hope we can go on doing. The great distinction to be drawn is between the Government building plants on the one hand and the Government helping others to build them on the other hand. Throughout Newfoundland there must be thousands of fishermen anxious to get fish plants, modern fresh freezing plants, established in that part of the Province, and it seems that a good many of them believe that it is the Government that has been starting these fish plants they have been hearing about and reading about, and so they wonder why it is that the Government won't start a fish plant in their cove or their harbour or their bay.

It is to inform the fishermen that it is not the policy of the Government to build plants, that I make this statement, and I do sincerely hope that the gentlemen of the press and the radio will assist the fishermen of Newfoundland in this matter by making it clear, what has been said and what the Government's policy is.

Petitions were presented by:

Hon. the Minister of Health, from Harbour Grace, Re Pavement of Street.

Mr. Morgan from New Bay, Re Road.

Hon. the Minister of Fisheries and Co-operatives tabled:

Regulations made by Fisheries Loan Board.

Regulation made by Co-operative Development Loan Board.

#### Notice of Motions and Questions

MR. SPEAKER: Question No. 49: Tabled by the Leader of the Opposition, addressed to the Premier.



MR. SMALLWOOD: Mr. Speaker, I have already said in reply to a question on this whole matter of Buy Newfoundland Campaign, that the answer is in course of preparation in the form of a very detailed and documented report, copies of which will be furnished to all members of the House.

MR. SPEAKER: Question No. 50, addressed to the honourable Minister of Public Works.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have not the answer with me, it is in the course of preparation. I have no answers prepared today for any questions on the Order Paper.

MR. SPEAKER: Questions 51, 52, 53 and 54 are in course of preparation.

Question No. 55.

MR. SMALLWOOD: Mr. Speaker, I did not see the questions, I took them yesterday, they are still in my pocket. I have been in Cabinet all day and had a very important meeting last night, beginning almost as soon as the House closed. The questions asked are still in my pocket, but I see them on the Order Paper and without doubt they have gone to the various Departments and the deputies are preparing them. Probably I will have them tomorrow.

I wonder if the honourable and learned gentleman would be content to have the report or does he want copies for everyone. As a matter of fact there are four or five made by Mr. Shea.

MR. J. G. HIGGINS (Leader of the Opposition): One is enough.

MR. SMALLWOOD: It would be the original, and we would need to have them back.

MR. SPEAKER: Question No. 56: Mr. Higgins, addressed to the honourable the Minister of Economic Development.

MR. SMALLWOOD: The answer is yes, we are making it, in the present tense, an investigation into the possibility of establishing a leather tannery, we are also investigating the possibilities of establishing a fur processing and dyeing plant. With regard to (1) the investigation is being conducted by the Director General of Economic Development and his assistants and costs only their salaries and ordinary incidentals of the Department, but no one other than the Director of Economic Development and his assistants is in receipt of any payments. And a man was here recently for a week for consultations in the matter of the leather tannery and fur dyeing and processing plant, at his own expense. He represented a number of industrialists in Europe.

MR. SPEAKER: Question No. 57—Mr. Higgins, addressed to the honourable the Premier.

MR. SMALLWOOD: I ought to be able to answer all of this now, from memory, and any part I can't answer I will answer after I have had a chance to refer to the records. We have not made a contract with a Latvian Firm to produce documentary films in the plural. We have made a contract with a Latvian firm to produce one documentary film of certain Newfoundland activities.

(2) Latvian Firm presumably would mean a firm in Latvia but it is not a firm in Latvia, it is a firm of Latvian citizens, specifically, refugees, displaced persons, refugees from Communism in Latvia, their country having been

over-run by Russia, they are now displaced persons, the firm is situated in Hamburg. The head of the firm was the head of the Latvian Official Film Council of Latvia. He started the Council, built it up and was the head of it, and most of his associates are former employees of the Film Council of Latvia. Latvia was an ally of ours in the last war and was over-run by Russia, and these particular Latvians are refugees.

There are two men here. The head of the firm who is the head of, or director of film production and the camera man, and they are accompanied by Mr. Derrick Marshall for two reasons: One, Mr. Marshall is quite familiar, generally speaking, with motion picture films and sells them and is familiar with photography, and perhaps more important English is his native tongue and he is therefore better able to make arrangements with various groups and organizations.

We are buying from them one film that can be shown in any regular commercial movie-picture theatre in St. John's, Ottawa, Montreal, anywhere a standard size film can be shown, and twelve (12) prints of 16 M.M. size used in film councils all over Canada. Hundreds upon hundreds of councils, use schools all over Canada and now a good many in Newfoundland. They can be used by Clubs and at Conventions for sports, of tourist organizations, by Government Departments all over North America. The reason we had 12 of the 16 M.M. size is that we want very wide distribution of that film as an advertisement of Newfoundland. We estimate it will cost us \$12,000, or \$15,000 or \$16,000 though we have agreed among ourselves as a Government that we

will set a maximum of \$20,000 as all that we would be prepared to pay.

(3) I did, I suggested it to the Government.

(4) No. Why not? They don't undertake that kind of work for the Province free, if they did undertake it, it would have to be paid for and would cost at least twice as much as it will cost us.

(5) No not on this particular project—Yes they were asked their prices for work of this kind and they are double what it will cost us for the same work.

(6) Being filmed: Some of Newfoundland's industries, some sceneries, hospitals, public buildings, schools and believe me it will not be a case of the sort of thing with which we were so familiar, of American and Mainland of Canada photographers who came to Newfoundland and photographed our few slums and unprepossessing scenes but rather photographs which when shown will give a good impression of Newfoundland across Canada, the United States, England and other countries where we will have the film shown. And for what purpose? Mainly to acquaint people in Newfoundland and outside of Newfoundland that Newfoundland is not a land wrapped in fog and covered with snow and ice and inhabited by aboriginal Indians, but that we are a modern, up-and-coming place. To praise Newfoundland and create a good impression.

(7) The answer is no.

MR. SPEAKER: Question No. 59:

MR. SMALLWOOD: I don't think it would be in the public interest to table those reports—two reports—very

sincerely, I am quite happy to let my honourable friend opposite read the reports, but the Government do not think it would be in the public interest to publish those reports while actually negotiating for establishment of a paper mill.

MR. CASHIN: Have these people been paid?

MR. SMALLWOOD: The answer is yes, I tabled that information some time ago. The answer is yes, the amount I forget unless some colleague can remind me.

Question No. 60, 61, still in the course of preparation.

MR. SPEAKER: Question No. 62:

MR. SMALLWOOD: I will have to ask my honourable and learned friend to wait for a written reply but from memory I can say, in the past year, we have employed five in the Department of Public Works, a bridge engineer, Professor Johnson and three road engineers and one draftsman. That is five in the Department of Public Works. We scoured Canada from one end to the other and could not get road engineers and we could not get road engineers in Newfoundland, and these road engineers are displaced persons, refugees from Communism, Dr. Valdmanis, Director General of Economic Development and his assistant, a Master of Arts and Science in Latvia; his personal private secretary, and an engineer in connection with the Cement Mill and Gypsum Plant at Corner Brook, also the Chief Engineer on Construction which makes 10. No Newfoundlanders are available to fill these jobs. If we can find Newfoundlanders in Newfoundland or outside of Newfoundland, capable of filling these jobs we will be happy to get them. We have

advertised and we are still advertising but we have brought in ten Latvians allies in the last war and refugees from Communism. Canada as a whole has brought in many hundreds of them, the United States, Australia, New Zealand, South Africa and other British Dominions brought in hundreds of them and we have brought in ten.

MR. SPEAKER: Let me point out it is not proper to ask the same question twice in the same session, to say nothing of one sitting.

MR. SMALLWOOD: What my honourable friend means by foreign-born people I do not know. Would he say a native of the United Kingdom is foreign born? I consider that in a certain technical sense they are. Certain people in England, Ireland and Scotland can be called foreigners in the immigration sense but I think I understand he means people not from the British Empire. Ten out of a population of 260,000 this Government has brought in. I believe I left out one, a Latvian Doctor which makes eleven brought in from Austria; I believe the former Government brought them in from England, Ireland and the Mainland of Canada, I am not sure, but we have brought in one Latvian doctor who is a refugee from Communism. Now I am afraid I can not give you their names, most of them I can't pronounce. But I can get their names on a list and their salaries and submit it in a written reply.

MR. SPEAKER: Question No. 63 Mr. Higgins addressed to the honourable the Premier:

MR. SMALLWOOD: In addition to being a secretary she is a linguist who speaks five languages, and handles a terrific volume of correspondence that Dr. Valdmanis conducts with Eu-

ropean Industrialists and Bankers in France, Belgium, Holland, Switzerland and Germany. Communications arrive when he is away and she reads and translates them and cables them, the gist of them, to wherever he may be because he has to keep in constant touch with his office and me. She is a university graduate and is getting \$2,000 a year. It should be more.

MR. SPEAKER: Question No. 64, addressed to the honourable the Premier.

MR. SMALLWOOD: The answer is yes there is a good foundation in the report. I would not have made the statement if not. I may now add that the same firm is next door to being in Newfoundland. They are now bringing to a final conclusion, I hope, negotiations with a Newfoundland firm here in the fish business to enter Newfoundland as their partners.

MR. SPEAKER: Question No. 65, Mr. Higgins, addressed to the honourable the Premier.

MR. SMALLWOOD: I certainly have, with firms in Newfoundland and outside Newfoundland. I have discussed the matter of establishing a plant in Newfoundland, and the results were excellent.

MR. SPEAKER: Question No. 66 in course of preparation.

Question No. 67, Mr. Fogwill, addressed to the honourable the Minister of Labour.

HON. C. H. BALLAM (Minister of Labour): We have no such board at the moment, we have a committee, a board will be set up when the Act is proclaimed.

MR. SPEAKER: Question No. 68,

Mr. Fogwill, addressed to the honourable the Minister of Finance.

MR. SMALLWOOD: That information will be tabled shortly when the budget is brought down, but if my honourable friend insists on having the answer, I will bring it down with the speech. The second part of the answer would involve how much the cement mill and gypsum plant cost, and for reasons which you are now familiar with, it would not include that.

MR. SPEAKER: Question No. 69—Mr. Fogwill addressed to the honourable the Minister of Economic Development.

MR. SMALLWOOD: Yes, I can get that, the Fisheries Department will, no doubt provide part of it for me. I could give you the list of new industries if I could take twenty minutes and sit down and make a list of them. We have been very busy and active investigating new industries.

(2) That would require a little more research on my part.

(3) Same.

Three new industries. Situated in Humber District, the cement mill and the gypsum plant. The cement mill will operate in August, the Gypsum Board Mill in September. The Birch Veneer, Plywood and Clapboard plant is in the District of Harbour Main. You will be pleased to know it is in the District of Harbour Main, six miles out the road. We did not know we were establishing industries in Harbour Main District.

MR. FAHEY: Unfortunately it is in our district.

MR. SMALLWOOD: You may live to regret that.

MR. JACKMAN: I hope so.

MR. SMALLWOOD: That industry will employ three hundred men all the year around and give employment to 2,500 men in cutting and sawing birch. That will commence operation in June or July. It will be the first to commence. Travelling expenses in respect to new industries, that will have to be a written reply, I have made so many trips myself if I were force put to say where and how many miles I travelled and what money I spent, you would have to hang me, I would not know to save my life.

MR. SPEAKER: Question No. 70. Mr. Fogwill addressed to the honourable the Minister of Finance.

MR. SMALLWOOD: That will appear in the budget. I can say that it is coming along very well, showing up very nicely.

MR. SPEAKER: Question No. 71.—Mr. Fogwill addressed to the honourable the Minister of Finance.

MR. SMALLWOOD: (1) List.

(2) The only two paid members of the board are the Chairman and the Secretary who are chairman and secretary also of the other two boards and the salaries cover the work on all three boards.

MR. SPEAKER: Question No. 72.

MR. SMALLWOOD: This question I will have to refer to the honourable the junior member for St. John's West who is grounded at Gander and hopes to be in here tomorrow.

MR. SPEAKER: Question No. 73.

MR. SPENCER: Mr. Speaker, I will reply orally but I would like

just for a minute to go back to Question No. 50 which you called just as I entered the chamber after being out at the request of someone who came to see me.

Question No. 50. The name of the architect was Mr. Thomas Long a well-known architect of St. John's. He was paid \$75.00. I shall be glad to table a copy of the report as soon as I can obtain it from the office. Was anyone paid a commission, the answer is no. If paid out of my department, we pay for the building when the time comes and we know nothing whatever about any commission.

Question No. 51. Answer in course of preparation.

Question No. 52. Answer is being prepared.

Question No. 73.

(1) The answer is yes.

(2) The answer is the Department of Public Works on behalf of the Provincial Government.

MR. FOGWILL: Question No. 42 I have never received the answer to this question.

MR. SMALLWOOD: The Department is preparing and as soon as it is prepared, I shall be glad to table it.

MR. JACKMAN: Point of privilege, Mr. Speaker, I addressed a question to the honourable the Premier last week, of course not in writing, but I would like, Sir, to find out if the honourable the Premier has anything to give me in regard to forming a board of inquiry insofar as the Wabana Mines Organization is concerned. I raise this question for this reason, I have to make a report to-

morrow night to my union, and I would like to have something definite one way or another. I wonder if the honourable the Premier would enlighten me just a little insofar as to what he has done or intends to do in this respect.

MR. SMALLWOOD: The position is that the honourable gentlemen in a very brief speech in reply to the Speech from the Throne asked me a direct question. If I would, if the Government would, I am not sure which, order an enquiry into wages paid the mine workers at Bell Island. I must say that the answer to that would have to be by the Government or by me after the Government had considered it, and come to a decision. The Government has not considered it, and very frankly, I don't know that the Government would be entirely justified in giving consideration to a rather unusual request when the request comes purely as that of a private member of his party. If the Government were confronted by a formal request of a large body of citizens in any part of Newfoundland to do such a thing, the Government would be duty bound to give the request consideration.

MR. JACKMAN: Mr. Speaker, in reply to the honourable Premier, I might say that the ground has been thoroughly covered, we have already taken steps under the Labour Department which we are not going to bother the Minister of Labour so quickly now, but I would like to say that the request has been put forward not by me but by those people representing 8,700 people on Bell Island.

MR. SMALLWOOD: If the honourable member will allow me, he speaks as a member of the House of

Assembly and not as a president of an organization.

MR. JACKMAN: I never said that I spoke on behalf of a union, but I say that I speak on behalf of 8,700 of my constituents and they want an answer, I realize your position, Sir, and I am agreed to appreciate that but after all I have to go home tomorrow night and give a verbal report at least, and all I asked my question was this: Is the Government prepared to consider the request which I gave verbally, not written, but I will give it in writing if I have to, this Government works on behalf of the working people, all I ask is can I have an assurance when I go home and meet our membership tomorrow night, fifteen hundred members representing eight thousand people, can I go home with a message from this Government that it is going to do something about it. If you want it in writing, I will give you that, all I ask is assurance you are looking into the matter, that is sufficient.

#### Orders of the Day

The following Bills were read a first time:

A Bill "An Act Further to Amend the Workmen's Compensation Act, 1948."

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

A Bill "An Act Further to Amend the Act No. 41 of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited.'"

On motion Bill was read a first

time. Ordered to be read a second time on tomorrow.

A Bill "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

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

A Bill "An Act Further to Amend the Education (Departmental) Act, 1939."

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

A Bill "An Act Further to Amend the School Attendance Act, 1942."

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

On motion the House recessed for 10 minutes.

MR. SMALLWOOD: Mr. Speaker, I don't intend to take up very much more time of the House to speak in this debate. Yesterday, I dealt in part with the resignation from the Government of the honourable member for Bonavista South and having done so, I went on to make some other remarks less relevant to him and his resignation than to other matters of a more general character, such as may appropriately be made in a speech in a debate and address in reply. But this afternoon, I would like to summarize some of the points I made yesterday in reply to the honourable member for Bonavista South, the former Minister of Natural Resources.

Now the honourable gentleman, out of kindness of his heart, offered me a piece of advice, that advice was

that I should do one of two things: Abolish the ancient and practical rule of the Cabinet, to get some unanimity amongst the members of the Cabinet, one or the other. Slacken up on the basic principle of Cabinet solidarity, or if you can't do that, try to get as much unanimity as you can amongst the members of your Cabinet. Now I will deal first with the second of these recommendations of the honourable gentleman, and in so doing I am fully aware that I speak in the hearing of my colleagues in the Cabinet, and I speak with full knowledge of a suggestion which appeared in the "Daily News" this morning, in the column written by Wayfarer. It suggests that I am probably a bit of a domineering dictator, a man who rules the Cabinet with a rod of iron, a man so domineering that the members of the Cabinet are afraid of me, nervous of me, scared to cross me, or to oppose me or my views, or my opinions. Now that suggestion put rather broadly by Wayfarer, and less broadly by the honourable member for Bonavista South yesterday, is, of course, insulting to every member of the Cabinet, insulting to me, but far more insulting and offensive to every member of the Cabinet, every colleague of mine and to the former colleagues of my honourable friend himself. Offensively insulting, offensively untrue and I would say this, that if any attempt were made to dominate the Cabinet it was made more, far more by the honourable gentleman, the member for Bonavista South than it was made by me. Because I was aware, after the Cabinet had started and was operating a few months, of what my honourable friend told the whole House yesterday. I became aware of that a few months after the Cabinet was in existence,

namely that my honourable friend is a strong minded independent, a man probably completely lacking in any sense of party loyalty or discipline; a man of strong views, and because I recognized those characteristics, in him, I tended to defer more to him than I did, perhaps, to any other member of the Cabinet, and I have more than once wondered, in Cabinet, whether my so doing might be offensive to my other colleagues in the Cabinet. What I say, I say in the hearing of my colleagues and in the hearing of the honourable gentleman, I repudiate the suggestion that the Cabinet, these ten gentlemen are dominated by me. These men are men of education, men of standing, well read, highly experienced in many walks of life, just as independent as my honourable friend across the way, and I feel that he himself would not contradict, that he would not suggest that he is more independent than are we who remain. He would suggest, quite truly, as I did, that he, besides his independence of mind which we all have, possesses also, unlike us, an ability, or he possesses rather a disinclination to fall in line with his colleagues. So my honourable friend, and I don't condemn him for it, is a man who must have his own way or he won't play, and a Cabinet made up of such men as that, of such temperament, would get nowhere, accomplish nothing. Because if no member of the Cabinet would allow the Cabinet to do anything that he did not agree with, then the only thing the Cabinet could do would be that minimum which secured the unanimous consent of the entire body. Now I ask the House to imagine any kind of body, organized body that requires unanimous decision on their course of action, or try to imagine any-

body, a club, a union, any kind of body that never does anything except when all its members, without exception, agree completely. If you want a name for inaction that is it.

Now what are the facts: The fact is that at cabinet meetings we don't take a showing of hands, we don't take a standing vote. The matter is thrown on the table; there are the proposals, you have all read it in your homes, in your offices; now, there it is. Each member of the cabinet, without exception, is specifically invited to express his opinion, one by one, as many times as he wants, and as freely as he wants, one by one until every last member of the cabinet has been canvassed. How do you feel about it? Finally, when the matter has been truly canvassed, if there is unanimity, that ends it, the order is made an order in council. If there is not unanimity, I say, well the matter is we do this or we don't do that, how do you feel? So and so, he says, and I go right around. Say there are two who oppose it, all the rest agree, but one or two oppose it. What is the next step then, just to brush them aside and say you are in the minority? No, as a cabinet we stand or fall together. The very man who opposes a thing in a cabinet meeting may be the man who has to stand up here and explain it or defend it, because what the cabinet does, every man does, what one member of the cabinet does, the whole cabinet does. That is cabinet responsibility, and it could not be otherwise. It is not otherwise, anywhere under the British flag. In Britain also in cabinet, in every Province of Canada, in Australia, in every state of Australia; in New Zealand, in South Africa and in every state of



South Africa, that is the rule, they did not discover that rule or invent it, that rule was discovered and invented, and adopted in the Mother Country, the original home of parliamentary democracy. And so I say to my honourable friend, I cannot accept his suggestion, Newfoundland will adhere strictly to the rule of cabinet solidarity, and I will not try any harder than I am already trying to get some unanimity in the cabinet. I could not try any harder, now all my colleagues are witnesses to what I said: If I have dominated the cabinet, I invite them to stand and say so. If I have denied them the full free opportunity to play a man's part, the part of a British subject, and a Newfoundlander, as independent men in the cabinet, I invite them to say so. And I say that the suggestion of my honourable friend, not too broadly put, I admit, but fairly broadly put this morning by Wayfarer, that I dominate the cabinet, dictate to the cabinet, act like a little Hitler, run a one-man show—I repudiate, it is not true. It would be easy for a man to clash with my will, and if that man clashed repeatedly, and came off second best, it would be easy for him to explain that it was merely because I was a dictator.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Wouldn't it be only fair to say that your cabinet clashed with you about the resignation of the honourable friend on the opposite side.

MR. SMALLWOOD: I think my honourable friend meant colleagues, yes perhaps I will come to that.

Now I want to touch on one other point, my honourable friend, yesterday, in the only written part of his speech, in a paragraph which he read

out, declared that the Government is heading for or toward financial ruin, a financial mess—I put quotation marks around financial ruin and financial mess. I ask you to note my honourable friend has a fluent speech, perhaps one of the most fluent speakers in the chamber, he does not ordinarily need to write out his speech, and it was very notable to me that when he came to express his opinion on that matter, he had it written down so that he could read it out. That was very significant to me. Now, without a doubt, the same reporter on the "Daily News" who sent a message last Friday night, Good Friday night, to all the newspaper across Canada, true Canadian Press "C.P." describing the member for Bonavista South as the right-hand man of Premier Smallwood, also that same reporter, I have no doubt, sent to the same "C.P." last night, for publishing in every newspaper across Canada and in the United States, and in England, my honourable friend's statement that he was so careful yesterday to have written down, so that he could take it up and with his words checked, carefully chosen, read out the secret that Newfoundland, the Government of Newfoundland was heading for financial ruin, a financial mess. Now the reporter is a personal friend of the former Minister of Natural Resources, a contemptible cur! And when I say that here if any newspaper chooses to repeat the word, they cannot be sued, it is a privileged statement. A contemptible cur! beneath the respect of a decent man, a man who is an insult to the great profession of journalism, a journalistic knave. A bitter and unscrupulous opponent, personally, of the Liberal Government, who, after he had succeeded in tricking me several times, was dismissed by me, and ordered

never again to approach me or call me on the telephone; but who then associated himself with the Minister of Natural Resources. I knew at the time, in fact I followed with some dread and a considerable amount of amusement and I doubt not that that same gentleman saw to it that the honourable member's written statements of yesterday was sent to all the newspapers of Canada and the United States and England, last night.

MR. RUSSELL: I just want to ask a question, on a point of order, I have to listen to all this, and will there be an opportunity sometime for me to contradict it?

MR. SPEAKER: The honourable member for Bonavista South made his explanation yesterday speaking in the debate on the speech from the Throne.

MR. RUSSELL: And I don't get another opportunity to contradict this? It is amusing at least.

MR. SPEAKER: I will see if the honourable member can reply.

MR. SMALLWOOD: It may be amusing to the honourable gentleman, would he consider it so amusing if I were to suggest to him, as I do, that his statement yesterday, carefully worded in writing and read by him, that Newfoundland is heading for financial disaster and a financial mess, coming from him and published across Canada, in the United States and in England, is likely to do his native land, perhaps, irreparable damage?

MR. RUSSELL: That is serious, the amusing thing is you are imagining an association between me and a reporter.

MR. SMALLWOOD: My honourable friend, perhaps, had better let the matter drop of this accusation of association. I say, and what I say is entitled in the Daily News and in the Telegram and on all the local radio stations, to the same publicity as the honourable gentleman's statement received. I ask that that statement be noted: Every radio station that broadcast his statement and every newspaper that published it, owes me as leader of the Government, owes me the same publicity on my statement that the honourable gentleman's statement may do irreparable harm, damage to the good, fair name of his native land and mine. It has a familiar ring—Blue Ruin—I heard it in this Chamber before, Blue Ruin—it came true, blue ruin, and the cries of blue ruin helped it to come true.

Now I am personally convinced that my honourable friend does not really believe that Newfoundland and its Government are heading for financial ruin or a financial mess. I do not believe that he really thinks that. I know that he would not want it to be so. Those few last remaining diehards who hate Confederation, they would like it to be true. My honourable friend, I know, would not like that to be true and I think that he does not for a moment really believe that it is true. Well, I say it is not true, and I wonder if Gill will report that across Canada. That the Premier of Newfoundland scorns the suggestion that Newfoundland is heading for financial ruin, scorns it.

MR. RUSSELL: What ever influence I have I will try to use it to get him to do it.

MR. SMALLWOOD: I hope the honourable gentleman does. This political game, this political game has

to be played by the rules and I know perhaps the thought that is passing through my honourable friend's head when I use the word "Party Game". I use it with the same contempt that he has in his own mind. But that is not what I mean. This party struggle to hold power should be played according to the rules and the rules do not include striking Newfoundland in the back. I say it is not true. Newfoundland's position is good financially; now perhaps I am going to hurt Newfoundland when I make this statement. My honourable friend will understand the dual part I play, must play; it is something to which I dare not make much reference. A dual part I must play, and I would not want this published on the Mainland of Canada. I must play the part in Ottawa of the representative of a poor struggling province, and I do. I do it in public and I do it privately when I talk with the Federal Ministers. That is one part I must play. But I must also, when I deal with bankers, financial houses, industrial firms, in England, in Switzerland, in Germany, in Belgium, in the United States and on the Mainland of Canada, when I talk to them I must paint Newfoundland in bright colours, not run her down but paint her as a land with vast untapped wealth, in the seas around her shores, in the forests of Labrador and Newfoundland, in mineral possibilities, in hydro possibilities. I must build up in their minds an interest in Newfoundland, faith in Newfoundland so that I can bring them here with their capital to establish new industries. Last night, shortly after I left this Chamber, several of my colleagues, who had not already tied themselves up with other appointments, joined me in my office to have a long conference with five great European industrialists, the presi-

dent of a very large industrial corporation in Germany, and I don't think there will be any objection if a German firm starts a paper mill in Newfoundland—will we object then to Germans—

MR. RUSSELL: I won't.

MR. SMALLWOOD: The president of a great German Corporation on the Continent of Europe, producing paper of various kinds including newsprint in six mills that they own and operate in Germany and besides the president of that corporation there was another director of it and besides him there was that corporation's engineer, the fourth was their chief pulp man and the fifth was their chief paper man. Five. I wonder if those five men read the Daily News this morning, and the Evening Telegram tonight, and read in it my honourable friend's statement that he wrote so carefully on that strip of paper and read with such deliberation yesterday—that Newfoundland is heading to financial ruin and a financial mess—if they read it, I wonder, and I am sure my honourable friend will agree with me that I hope not. But I wonder if their interest in building a new pulp and paper mill in Newfoundland was rather slackened thereby.

On the 5th of next month, April, the managing director of a great and famous British corporation which owns and operates in the United Kingdom, fourteen of the largest factories of their kind comes to discuss industrial development in Newfoundland. I wonder—I had a letter from him today, but that was air mail and was sent by him some days ago. I wonder if he took up his "Times" of London this morning and read that the Minister of Natural Resources, the right-hand man of the Premier, had prophesied Newfoundland's financial

ruin? I ask my colleagues to take note of that description, they will know how true a description that is, that the honourable the Minister of Natural Resources was my right-hand man. Now I don't imagine that you told him that, that is the kind of thing that a sleeven that he is would cook up to add a little more damage to the Premier and the Liberal Party. That is just the touch of the sleeven. It was not enough to say that the honourable Minister of Natural Resources had cleared out, broken from the Premier, from the Government, but to give the right touch, to make it look more serious, has to call him the Premier's right-hand man, Premier Smallwood's right-hand man. Now Gill knew that was a lie. No, let me put it the other way—it was not so, so he lied.

I say that Newfoundland's position, I started to say it and got off on another track, the position of the Newfoundland Government is sounder than that of any other provincial government in Canada, sounder. We have no public debt—five million dollars—how much a head is that? \$14 a head, that is our public debt. Now the next lowest in all the Provinces of Canada is rich and wealthy Quebec which has \$90 a head, and when you go by Quebec it rises until in the Province of New Brunswick it is over \$200 a head, the Provincial debt of the Province of New Brunswick. We have no public debt—we have five millions debt but many times (my honourable friend, like myself, enjoys a smoke and goes to listen to me, standing in the corridor as I do with other honourable gentlemen when I wish to smoke, that is quite all right) that in actual cash in the till. How can it be argued that we are in financial hot water, that we are heading for

financial ruin, that we are heading for a financial mess? No the honourable gentleman is speaking of some time in the far-off dim and distant future but while this Government remains in power, its whole effort and strength will go to build Newfoundland, to build it, to find out what resources she has that we were always talking about in the past with such big words, to find out what she has and develop what she has and create industries and employment.

My honourable friend, yesterday, the member for Bell Island in connection with the cement mill and gypsum plant said: "Will it give employment?" and when I said it will, he said he would vote for it and he did. So long as we are in power that is what we concentrate on, this Government, this party believes absolutely in Newfoundland, absolutely, never say die, we can't take no for an answer, we are not defeatist, we are not pessimistic, we are buoyant, we are optimistic, we have faith in Newfoundland, we have faith in ourselves, our strength mentally and intellectually and psychologically, in ourselves and our dreams and we think we are the best government, we think there is no other government that can even be a patch on us. We are very fond of ourselves, very proud of ourselves and proud of our record of the past two years and full of faith in Newfoundland and repudiate the suggestion that we are heading for financial trouble. The budget will tell that story and I won't anticipate the budget, it will be down in a few weeks.

Now I have only a few things left that I want to talk about. I understand that my honourable friend from Placentia and St. Mary's desires to participate in the debate but perhaps he would prefer to move its adjourn-

ment, at the right moment and speak tomorrow.

My honourable friend referred yesterday, and now I did not take down the exact words, but I think I read it in one of the papers, that he had been thrown out of the Liberal Party, kicked out. I think the paper quoted the honourable gentleman as having said "kicked out"—that is what appeared in print, I won't hold the honourable gentleman to that—Expelled, thrown out, kicked out, all amount to the same thing anyhow. Now what is the position?

If a private member on this side of the House, not a member of the cabinet but a member of the Government, one of the men who make up the Government, one of the men who supports us in the Government so long as they believe in us—if one of these private members went to Mr. Gill or Mr. Gill went to him tonight and that private member were to say to Mr. Gill, for publication, and the statement were to appear in the newspaper tomorrow morning, the statement I have no faith, no confidence, I have no confidence in the present Government, in its ability to govern Newfoundland successfully,—if a private member were to make that statement, for publication, would my honourable friend think that that member had any right whatsoever to remain a member of the party supporting the Government in which he had no confidence? How can a man support a government? If any member of this House, even one of my honourable friends across reached the point where he had confidence in this Government, in its ability to govern Newfoundland successfully and came to the conclusion that it was the best Government under the circumstances, it would be his duty to come across

and join the Liberal party. If a private member holds that confidence in the Government that it is the best Government to govern under the circumstances, looks around and says, well, Smallwood is a queer character, shouts and roars and bawls and pounds the desk and talks too long and makes mistakes, and the Attorney General there, he is this and that, and the Ministers of this and that are this and that, but striking a balance, I don't agree with everything, I don't think they are always right, but striking a balance, I think they are the best government, so long as a private member thinks that, he supports us and keeps us in power but if he loses confidence there is only one thing for him to do, either to resign from the party or be expelled. Now that is a private member, but what about a cabinet minister? If a cabinet minister resigns from the cabinet and declares publicly he has no confidence in the ability of this Government to govern Newfoundland successfully, can he with no confidence in the Government sit amongst them, as a member of the same party, men who have belief in the Government, who support the Government, can he continue to sit amongst them, and be one of them politically? Now privately the honourable member and I may be the best of personal friends, where we differ is politically. The honourable gentleman has personal friends on this side, I have personal friends amongst my honourable friends across the way. Where we differ is politically. How can the honourable member without any faith or confidence continue to sit amongst Liberal Party members who have confidence, and join them and be part of them? Who expelled the honourable gentleman? Himself. I am the leader of the party, I accepted the honourable

gentleman's resignation as Minister, I did not tell the honourable gentleman he was expelled, I did not need to do so—he expelled himself from the party. I have no power, this party has no power to make him cease to be a Liberal. The honourable gentleman is an Independent, I presume and I hope is an Independent Liberal at that, perhaps I had better not go into that, I wonder if he ever was a Liberal. However he certainly is not going to complain because he is not still in the Liberal Party. He is not going to complain. My honourable friend from White Bay did a far less serious thing than he, my honourable friend from White Bay came out and lambasted the Government for breaking all our promises to White Bay, the year after we were elected, It will take four or five years to do all the roads, so he says, all our promises are broken and he lambasted us. Rightly or wrongly we expelled him but he did not make an onslaught on the Government saying, "I have no confidence in the Government to govern Newfoundland." The member for White Bay did not say that, then how could a Minister? If my honourable friend, the Minister for Public Welfare, reaches a point where he ceases to have confidence he goes out for that reason. If for ill-health or any such reason he could still be a good member of the Liberal Party, a private member but because he has lost confidence in the Government's ability to govern successfully, then there is only one place for him, out of the Government, out of the party, he does it himself—not the party.

Now, finally, I am going to invite the honourable gentleman, if an opportunity comes during the budget speech on the debate on the budget, to make an opportunity to stand in this House, or tomorrow, on a point

of privilege before the business commences. A Minister is entitled to make a fairly long statement, a private member is not, but certainly he is entitled, under the rules, to stand and make a brief explanation before the business of the House commences and perhaps he may wish to take advantage of that opportunity. Another procedure he might adopt would be to move the adjournment of the House for the purpose of making an explanation. But I do invite him to offer his personal comment on a point that I am going to make, and the last point I am going to make in reply to the honourable gentleman.

He told us yesterday—now as a matter of fact I would prefer that the honourable gentleman did not reply to me today, if he does the radio men are gone and the newspaper men are nearly all gone, so I invite him rather to make it tomorrow where it will get the proper publicity. It will be his answer not mine, if he makes any answer.

Now on more than one occasion; in an interview with the "Daily News" on Saturday morning and again in his statement here in the House, he said that he was oath bound, bound by oath not to reveal what he had learned as a member of the Cabinet, not to make public the information he got as a member of the Cabinet. Now it could have been made to anticipate anyone who thought he was going to start giving the details of the cost of the cement mill and the gypsum plant and so on. What he meant was that it was this sort of business of the Government with which he was so familiar that he did not intend to make public, because he was bound by oath not to. It could well be that was what he meant when he said, I am bound by oath

not to give away, to tell, to reveal what I learned as a member of the Cabinet, and I would surely hope that was what he meant, and I am sure this Government would hope and the Party members would hope and I think most of the public would hope that, that was what the honourable gentleman meant when he was referring to the period of business of the Government and the rule that in a Government you are bound by an oath which you give to His Honour the Lieutenant Governor, representing His Majesty the King, that you will not without proper authority to do so reveal the business of the council and that is what he is referring to, but I would be very glad if he said so. But here he must consider this, there are bad-minded people, he has probably discovered that in his years knocking around, there are bad-minded people. This Government, even in two years, has been the victim of malicious rumors of graft and corruption, and I might say, these rumors have been cooked up and spread around by bad minded people who would like to believe the worst, never the best but the worst about a man, and I would venture to say there are people in Newfoundland today who think the honorable gentleman has been bought to cross the floor. It has happened in the past, men have been bought to cross the floor, and so I say there are some bad-minded people who would say, they got him, they landed him alright. I infer my honourable friends opposite would get a a great kick out of that.

MR. HIGGINS: We have not got enough money to buy over \$7,000 a year.

MR. SMALLWOOD: It is a little too much money for our friends

opposite. Nevertheless, there are people bad-minded enough to think it. Now let me say for the record, I believe my honourable friend is mistaken, I think he is wrong, I think he is muddle-headed, confused in mind, but I think he is honest. I think what he did, he did honestly, that he was not bought. I know him well enough to know that nobody bought him over. He is hopelessly wrong, in fact absurdly wrong, confused in his thinking, a homespun philosopher gone to seed. But I think he is sincere, I think he is honest.

Now, by the same token, there are people who are bad-minded enough to think he is being bought over, not willing to credit him with sincerity, so also, I have no doubt, there are bad-minded people who when they hear my honourable friend say he is bound by his oath, I can't tell what was done or what happened in Cabinet or what I learned or what information I got, I am bound by oath—there are many people who are going to say, Oh if Russell could only talk, if he could only talk, you would hear something. Now, each one of us here, it is just as well to face it, each one of us has been left under a cloud of graft or corruption, that is why I would rather it tomorrow, when all the radiomen and newspaper men are here, because I will tell you this, there may have been a Government in Newfoundland so honest, it has been quite a while if there was, quite a while: straight honest, probably wrong but honest, perhaps wrong, perhaps mistaken in policy but honest, hardworking, he has already given us credit for that. Honest, hardworking, perhaps wrong, perhaps blundering, perhaps incompetent but at least honest, trying to do our best. In God's name, if we are not

going to get credit for being honest and doing our best, what are we here for? There is not one of us, but in a way envies the honourable gentleman, in a way we all envy you. The burden which I know the honourable gentleman felt so greatly this last year and a half is off, it is still on us and it is some burden, and if ever my honourable and learned friends opposite occupy this position, they will agree.

MR. HIGGINS: In twenty-five years, you said.

MR. SMALLWOOD: In twenty-five years, then he will have more wisdom than energy. Since we are going to carry the burden, let us be recognized, let us be given credit for working hard and being honest unless somebody proves we are not. Now that is all I am going to say. I was going to ask my honourable friend to avail of the opportunity tomorrow, to tell the people of Newfoundland in this House that if he were released from his oath, could he tell the people of any graft or corruption taking place amongst us, does he know of any graft or corruption taking place, because that is the implication left in the minds of some people. Now that is all I am going to say about the honourable Minister. I think he likes this far better than being a Cabinet Minister and we will probably have many a debate here and clash more than once, and I will refrain from quoting again "that while the light holds out to burn, the vilest sinner may return."

Now just in conclusion, Mr. Speaker, it is a poor time to say it because it won't go beyond the doors of this Chamber, there are very few newspaper men left.

If anybody thinks this Government

is breaking up; this man is hinted at, that man is getting out, that man is going to leave. Trash and nonsense. We are down, I think now, to our rock bottom, we got a crowd now, that will stick—we will stick and see it through. We may have ups and downs, and there may be moments when public opinion will seem to be against us, and other times when we are extremely popular, but whether up or down in the public's eyes we will stick it out together. We were elected for five years, we will stick it out five years. We will prove that the Liberal Government can come in and not be broken up by this man crossing and the other man crossing. Here is a crowd of young men and the old veteran, the Minister of Provincial Affairs, 75 years. 27 at one end, 75 at the other, and I am the youngest of them all. Men prepared to stick it out and win through and make Newfoundland a better place than ever, better than we found it two years ago.

MR. MILLER: I move the adjournment of the debate until tomorrow.

MR. SPEAKER: Third reading of a Bill, "An Act to Amend the Newfoundland Corporation Income Tax Act, 1949." On motion Bill read a third time, ordered that title be as on the Order Paper.

MR. CURTIS: I move the next three items on the Order Paper be deferred.

MR. SPEAKER: Second reading of a Bill, "An Act for Granting to His Majesty Certain Sums of Money, etc." Read a second time, ordered referred to a Committee of the Whole House on tomorrow.



Second reading of a Bill, "An Act Respecting the Safety of Workmen in Mines." Moved and seconded, this order be deferred.

Second reading of a Bill, "An Act to Amend the Accident Insurance Company (Licensing) Act, 1949." Ordered referred to a Committee of the Whole House on tomorrow.

MR. CURTIS: I may say the sole reason of the Bill is to amend the schedule attached to the present Bill for the reason that it has become out of date due to the changing of the Statutes of Newfoundland, since we are now a Province. The date is changed, the original Act provided that Accident Insurance Companies should file certain returns within the month of February. Under this Act, returns are to be filed on the first day of March.

I move the next four items be deferred.

MR. BALLAM: The Workmen's Compensation Act; last year we passed a Workmen's Compensation Act, that was the Act, 1950. Contained in the Act were many requirements in order to put the Act in force that could not be included in the Act at that time which necessitated that it be amended. This year it is our intention to proclaim the Act by the accompanying amendment on April 1st., and at that time a board will be set up. Setting up of the board is part of the Act. We have had a committee working on this Act since August. This committee has had a hard job, and I must say they have done a big job, and have done it well.

MR. SPEAKER: Let me interrupt.

As far as I am concerned the Bill is not distributed, I have no copy.

MR. BALLAM: The committee visited Nova Scotia and New Brunswick and studied their procedure, their regulations and the amounts of their rates, assessments and classifications of the various industries and jobs, to help us in preparing our legislation.

We found that in the Act last year, we had included the crews of fishing vessels, trawlers and draggers, etc. We have not been able as yet, to lay down a basis for including them in the Act, because as you know, this new Act is based on an assessment of wages and salaries and whilst you have crews, etc., on a share basis, we could not very well as yet, include it in the Act. In order to overcome that, we are making an amendment to the 1948 Act, which includes these people and we are also making this amendment for owners of trawlers and draggers and fishing crews etc., to cover their help. Our intention is to set up a future committee or commission to go into this question of coverage for the people working on a share basis. It will be done, some means will be arrived at, but in order to have the Act proclaimed so the new board can be started to function on the 1st of April, we have not gotten so far yet, as to be able to include people working on a share basis.

These amendments are pretty bulky, the amendments and procedure and schedule to the Act are fairly bulky, and I would like to ask the honourable members if they have received copies of them. I did ask last week that during the holiday they would be distributed so that you would have

an opportunity of studying them during the holiday.

However, Mr. Speaker, I would say that if there is any question of the fishermen being left out of the Act, that is not so, they are covered in as far as the 1948 Act will cover them, and also we have made it compulsory that they will be covered under that Act. You heard the first reading, and we do intend setting up a committee or commission to go into it fully and investigate to the fullest extent the possibility of coverage for those who work on a share basis. Many firms with trawlers and druggers etc., cover their employees and some firms cover the sealers, but in order to keep that part of coverage for these men who are covered as such, we are amending the 1948 Act for this purpose.

Now I will say, when this Act comes into force April 1, that probably workers throughout the country will for the first time come into their own as regards Workmen's Compensation. This Act follows the pattern of other Workmen's Compensation Acts across the Mainland except that ours is perhaps a little better if anything. We have had the opportunity to study all of them, we have based our own on them and set it down here so ours will be not as good, but better than the best. I will say, in many respects, ours is better because we have had the experience of all the other provinces. Our committee have worked on that Act, studied the Acts in other provinces and how they go about it, and I pay tribute to Mr. Fogwill who was the chairman of that committee and who, it is intended, will be the chairman of the Board.

Now, Mr. Chairman, I don't know anything further I can add to what

I have said. I hope we will get great support, and I am sure we will in presenting this amendment. It is very complicated in some respects but there is nothing in it that has not been carefully gone over by the committee, the Department and myself, and also the Department of Justice has seen to it that we keep everything in strict legal form. I repeat I am genuinely proud to bring this Bill before the House. It is something, I may say, I was working on eighteen or nineteen years ago, an Act we hoped then to get the Government to put through, but by the time we got finished we did not have any government except the Commission and I don't know what happened to it. However, I can repeat as the honourable the Premier mentioned so well, it is a good Act, that will go down in history, one of the finest pieces of labour legislature that we have put through. In years to come, our people who never in their lives received compensation, though thousands have been injured and many thousands of deaths have been caused in this country through accident for which our people got nothing, will come into their own. I move the second reading of this Bill.

Ordered referred to a Committee of the Whole on tomorrow.

House adjourned until 3:00 of the clock tomorrow.

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THURSDAY, March 29th, 1951.

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

MR. RUSSELL: The honourable the Premier, during the course of his remarks yesterday afternoon referred to portions of my address on Tuesday,

in which I pointed out that there were many things I could say to help explain my resignation, but I was bound by an oath of secrecy not to reveal things which were discussed in Cabinet or that I learned by virtue of being a member of the Cabinet during my term as Minister of Natural Resources.

The honourable the Premier has made complimentary and true remarks regarding my honesty and argued my words might be construed by evil minds as inferring that there was graft and corruption within the Government and that I was barred by my oath from divulging it. In other words, but for my oath, I would just blast them all. He has invited me to make a statement to clear up the matter. The Premier will admit that there is no obligation whatsoever upon me to make such a statement. In the words I used, there was no reference whatsoever, and no insinuations whatsoever regarding graft or corruption within the Government. It is possible that evil and unscrupulous minds may have drawn, or may in the future, draw unjustified conclusions from my words, but no man who has his simple words 'Twisted by knaves to make a trap for fools' is bound either morally or legally to spend his days untwisting them. Therefore, any statement I make elaborating on these particular words last Tuesday would be made, not because of any obligation that I must feel but because of an obligation that we are always willing and happy to do what we can for the sake of friendship, good feelings, peace on earth and good will amongst men.

In order to assure myself that I have not a monopoly on generosity and good intentions and good will,

I am going to show just how the honourable the Premier and I could enter into a sort of a quid pro quo on that matter, I am not permitted to rebut his remarks, I do not want to rebut them, the opportunity will come later if I wish it, it was not my intention, but when he made the statement about me that I was strong-minded, that I was intelligent and that, when referring to my action in leaving or resigning, I don't know the exact words but definitely—muddled thinking, I can well see that the Government might be concerned over the construction evil minds might put upon my statement, because, Sir, what an evil mind could do to those three facts about me: I am strong minded, I am intelligent. Strong-minded intelligent men ordinarily do not do muddled thinking, muddled thinking is not normal for a strong-minded intelligent man and evil minds or suspicious minds might say; what is behind that muddled thinking. They know Russell is not a teetotaler, but one of the good fellows at the Laurier Club and at the Prime Minister's birthday dinner and elsewhere, might say that the honourable the Premier implied he was drunk when he did that, in spite of the fact I did the last Act during a busy morning in my office, dictated it to my secretary and went home.

Now, here are two things: I am asked to make a statement elaborating my remarks, in order to clear up the possibility of evil minds thinking I am imputing graft and corruption to the Government. I am willing to make the most generous and honest statement my conscience will allow, provided the Premier will inform this House that he has no reason

whatsoever to assume that when I gave this act of resignation I was not perfectly sober. I will make the statement such as I have just indicated.

HON. J. R. SMALLWOOD (Prime Minister): I had no thought in my mind in the least that the honourable member was not strictly sober, the thought of sobriety never entered my mind, the thought of sobriety, drunkenness or being under the influence, did not enter in my mind. I still say the honourable gentleman is confused in his thinking, I believe he is, honestly. Intelligent, highly educated, strong-minded men are frequently confused in their thinking, and my honourable friend has no monopoly on that characteristic. I said confused, muddle-headed, wrong, I think I used all three together and I certainly had not thought, and if I had I hope the honourable gentleman does not think so badly of me as to suppose, I would refer to it, if I did think if it, which I did not, certainly not—the answer is certainly not—

MR. RUSSELL: I hinted that there were things, perhaps discussed in Cabinet, things I have learned, I would not have learned, but that I was a Cabinet Minister, bound by oath of secrecy not to divulge them. If all the things I am bound not to tell were lying on my desk ready for publication and could be, they would not add up to one jot or tittle of evidence of any graft or corruption in the Government.

MR. SMALLWOOD: Thank you.

MR. DROVER: I beg to present a petition, Sir, from the people of Great Harbour Deep in White Bay, signed by all the male residents. It is a rather unusual one, I believe, because they are asking the Govern-

ment to define the three mile limit and also asking for the right to cut logs and operate a saw mill in that area.

Now perhaps this House is aware it is owned by the A.N.D. Company. Years ago it was leased by past governments to the A.N.D. Company and their three mile limit runs from the coastline, but Harbour Deep itself is indented and it runs inland for some distance, but the block of land belonging to the A.N.D. Company is square and cuts off most of the point. The people at the present time are allowed to cut logs on the headland. Where they live, this House will recall when I addressed this House a couple of weeks ago, these people would like to earn a decent living, and where they live on land owned by the A.N.D. Company, they have their homes and gardens. I do not know what can be done, but I would like very much for the Government to give it consideration, and if there is some solution, that it be done. These people are intelligent, industrious, and would like to earn a livelihood. I have much pleasure in giving this my whole-hearted support and ask that it be forwarded to the proper Department for consideration.

MR. SMALLWOOD: I have very considerable pleasure in supporting the prayer of the petition from that part of White Bay and I would like to add a word or two on that general matter.

Away back, there was some government so wise it decided that all the timber growing along the fore-shore, or the shore for a distance of three miles back from the salt water ought and should be reserved for the use of fishermen for flake material, fencing, saw mills, and boat building, schooner

building and the general purposes of the people. Unfortunately, other governments subsequently were not always as wise, alienated portions of that three mile limit from the Crown, from the people to private companies. In my own constituency of Bonavista North exactly the same situation exists, where privately owned timber now grows down to the water and the people if they cut it have to pay royalty to private companies.

The Government has, on more than one occasion, since we have been in power, considered and discussed the matter of the three mile limit and places in White Bay, Bonavista Bay and elsewhere in Newfoundland part of the three-mile limit, have been taken from the people and given to some private company and what could we do about it?

The Crown owns certain timberlands in Newfoundland and the thought has been that we might be able to arrange a swap, a fair exchange with private paper companies which would take back the three mile limit and give the paper companies corresponding blocks of Crown land timber, because there may be Crown Land timber in a place not of any value or any use to the fishermen and people on the coast, but very valuable to some paper company, because it might lie close to their own land where they are already operating. In that way we could serve the purpose of both the people and the company. Then a new thought came up (My honourable friend the former Minister of Natural Resources must be thinking hard now), a new thought came up, suppose there is a new paper mill, suppose there is a new paper mill in Bay D'Espoir where there is not very much timber, something less

than a million cords, in that case, what would be best for Newfoundland, and that includes White Bay, for the whole is greater than the part. What would be best for Newfoundland? Exchange certain Crown lands with a paper company for what they own on the three mile limit, or get all the timber possible for a new paper mill? Now we have to decide. We are the only ones who can decide, and we have to make a decision. We have not made it.

I do support the prayer of the petition.

MR. J. G. HIGGINS (Leader of the Opposition): It is not the first time a swap has taken place, it is going on between the companies all the time. One winter is gone and another coming and it would be best to have the matter settled as the fishermen have to get wood for their fires.

HON. LESLIE R. CURTIS (Attorney General): They are allowed to do that but they are not allowed to cut wood to saw.

MR. HIGGINS: They have to get their flakes ready.

MR. CURTIS: They are allowed to do that, everything but saw wood.

#### Notice of Motions and Questions

25. Mr. Cashin addressed to the Minister of Finance:

1. A copy of the Public Accounts for the fiscal year 1949-50 as well as a copy of the Report of the Comptroller and Auditor General for the same period.

2. A statement certified by the Auditor General showing the amount

placed to the credit of the Province of Newfoundland from the Surplus upon the Terms of Union; also the amount to the credit of the same account at the present time. If any withdrawals have been made from the original deposits, to give a statement of such withdrawals.

3. A statement showing the amount of revenue and expenditure for the fiscal year 1949-50. This statement to be shown under the various headings. Also a statement showing the amounts received from the Federal Government as Transitional Grant for the fiscal year 1949-50 as well as a statement showing the various amounts received from the Federal Government under the headings of Public Health and Welfare for the fiscal year 1949-50.

4. A statement showing the amount received from the Federal Government from April 1st, 1950, to date for Transitional Grant as well as the amount received under the Department of Health and Welfare for Old Age Pensions, etc., also any other amounts received as Grants from Federal Government and shown in the Consolidated Revenue account.

5. A statement showing the amount of actual cash to the credit of the Treasury in the Bank of Montreal as at February 28th, 1951—the total amount of cash to the credit of the

Board of Liquor Control as at February 28th, 1951.

6. Give a statement showing the operations of the Newfoundland Savings Bank for the fiscal year 1949-50.

7. Give a statement showing the amount of actual cash loaned to the various industries, giving the names of the corporations to which the money has been loaned, the rate of interest being paid in each case and all particulars regarding such loans. This statement to include amounts advanced by the Commission of Government.

8. Give a statement showing the amounts of money guaranteed to various corporations or individuals and full particulars concerning such guarantees.

#### MR. SMALLWOOD:

(1) Copies of the Public Accounts for 1949-50 are available at the Department of Supply and will be distributed to members shortly through the Clerk of the House.

(2) Information requested is contained in the Public Accounts for 1949-50 (see 1 above). No withdrawals have been made to date.

(3) As in (2) above.

#### (4) Federal Government Grants as at 28/2/51:

(i) <b>Department of Finance</b>	
(i) Transitional Grant .....	\$6,500,000
(ii) Federal Subsidies .....	1,540,000
(ii) <b>Department of Education</b>	
(i) Grant in Aid of Vocational Training .....	46,687
(iii) <b>Department of Public Works</b>	
(i) Grant in Aid, Hospital Construction .....	123,198
(ii) Grant in Aid, Trans-Canada Highway .....	592,713
(iv) <b>Department of Health</b>	
Expansion of Existing Health Services .....	427,924

- (v) **Department of Public Welfare**  
 (i) Old Age and Blind Persons' Pensions ..... 3,685,523  
 (ii) Family Allowance Investigations ..... 5,000
- (5) (a) Amount on deposit, Bank of Montreal, as at 28/2/51 .. 6,967,693  
 (b) Balance, Bank of Montreal, Board of Liquor Control  
 Account as at 28/2/51 ..... 240,058
- (6) As in (2) above.  
 (7) Information requested is now being compiled.  
 (8) It is assumed that this question relates to bank loans guaranteed by the Government and, on this basis, the following information is supplied:

NAME	Amount of	Amount
	Bank	of under
	Guarantee	Guarantee
	\$	\$
(i) Andrews Labrador Fisheries Ltd.....	160,000	150,000
(ii) Richard Ltd. ....	250,000	250,000
(iii) St. Lawrence Corporation of Newfoundland Ltd. ....	521,000	521,000
(iv) Alberto Wareham Ltd. ....	65,000	65,000
(v) Northeastern Co-op. Fisheries Ltd. ....	35,000	35,000
(vi) Fishery Products Ltd. ....	460,000	232,000
(vii) Arctic Fishery Products Ltd. ....	125,000	60,000
(viii) Springdale Fur Farmers Co-op. ....	7,000	144
(ix) Olsen Whaling and Sealing Ltd. ....	375,000	375,000
(x) United Church Board of Education.....	40,000	23,000
		(Unpaid Int.)
		170.40
	<hr/>	<hr/>
	\$2,038,000	\$1,711,144
	<hr/>	<hr/>

(Note: For full particulars regarding the details of these loans, please refer to the honourable Minister of Fisheries and Co-operatives in the case of (i), (ii), (iv),—(ix) above, the Hon. Attorney General in the case of (iii), and the Hon. Minister of Education in the case of (x).

Note: The above figures, insofar as they relate to 1950-51, are subject to final audit.

MR. SMALLWOOD: This is an answer to a question asked by the same honourable gentleman—the number does not appear on the answer paper.

Reports of Mr. Ambrose Shea—these are the original reports, I do not think they are complete, there were

four or five, some of them are up in the Department of Natural Resources on loan but if they are necessary we will get them back and submit these as well. These are originals, may we have them back and have good care taken of them.

(74) Mr. Fogwill addressed to the

honourable the Minister of Fisheries and Co-operatives :

1. In regard to answer of question No. 24 on the order paper of March 13th, relating to a pilot fish meal plant in St. John's: did the Government negotiate for the sole right to the process for Newfoundland, if so, have the Government been successful in acquiring sole rights?

2. Is it the intention of the Government to assist in the introduction of this process into the many fishing settlements in the Province?

Answer: (1) The Government of Newfoundland did not negotiate for the sole rights to a process for the production of fish meal.

(2) The Government would consider giving assistance for the production of fish meal in small plant operations if such plants can be provided with assurance of economic operation and the processes involved are proved.

(76) Mr. Fogwill addressed to the honourable Minister of Fisheries and Co-operatives :

Answer: (1) The members of the Fisheries Loan Board are Mr. J. Baxter, Chairman, and Mr. J. T. Callanan, Secretary, with Mr. John T. Cheeseman, Honourable Ray Petten and Mr. Colin Storey.

(2) Attention is drawn to Paragraph 15 of the Act, outlining that a full report is required to be submitted to the Minister not later than the 30th day of May, covering operations to the end of the previous fiscal year. All the questions submitted would be, as a matter of routine, answered therein. Expenses to date have been entirely by way of salaries.

(3) There have been three meetings of the Board. Considerable correspondence has been carried on and numerous applications dealt with, the majority of which did not qualify under the Regulations. A few small loans have been approved but not finalized so far. No guarantees have been given.

(77) Mr. Fogwill, addressed to the honourable Minister of Fisheries and Co-operatives :

(1) Who are the members of the Co-operative Loan Board?

(2) Table statement showing the total expenses of the Board to date, including travelling expenses, wages, etc.

(3) Have the Board made any loans or guaranteed loans, if so, how much, to whom and on what terms?

Answer: (1) The members of the Co-operative Development Loan Board are Mr. J. Baxter, Chairman; and Mr. J. T. Callanan, Secretary; with Messrs. W. F. Chafe, C. C. Janes and F. J. Scott.

(2) Paragraph 14 of the Act calls for a complete report to be submitted to the Minister not later than the 30th day of May, covering operations to the end of the previous fiscal year. All the questions submitted would be, as a matter of routine, answered therein. Expenses to date have been entirely by way of salaries.

(3) The Board held its first meeting recently. No loans have been made or guarantees given.

Question No. 78 in course of preparation.

(79) Mr. Fogwill, addressed to the honourable Minister of Economic Development :



(1) Table statement showing the total expenses under Subhead No. 1505 of the 1950-51 Estimates of Expenditure.

(2) Inform the House of the number of investigations made, who made them, and the amount paid for each investigation?

MR. SMALLWOOD: That vote is sub-divided into two—one amount for investigations not specified \$75,000, and the other is the Hydro survey, \$150,000. \$107,000 has been spent leaving a balance not spent of \$42,000. I ought to say however, to my honourable friend, that in the coming year there will be further expenditure made by way of drilling. The survey on these watersheds cannot be complete from the stand-point of ascertaining the exact cost of production of power from them until the sites where dams would be put and canals and powerhouses are first drilled to find out the nature of the ground underneath, because the excavation at such places would constitute part of the cost of producing the power and that drilling will be done as soon as weather conditions permit. \$106,700 spent, \$42,000 not spent. The other amount is over-spent by \$7,000 so that instead of \$75,000 it is \$82,000. That includes a number of things, for example; the cost of I.B.E.C. survey, reports on birch industry made by Mr. Thomas Muffett of New Brunswick. It includes also some of the expenses of Dr. Valdmanis's office.

There has just arrived to me further information on the report of Mr. Ambrose Shea, I think I can table it, it is a departmental file, so, obviously, I would like to have it back.

MR. SPEAKER: Question No. 80.

MR. SMALLWOOD: Unless that refers to the Dolan investigation and report, the answer is normal departmental expenditure as mentioned in the Estimates as what has been spent; no unusual expenditure except the engagement of Mr. Leo Dolan and the receipt of his report. If that is what is wanted, I shall be glad to table the report. It is a fairly lengthy report and I would hate to have it copied for all the members. If I put one copy on the table of the House, would that suffice?

MR. HIGGINS: There was only a small report in the newspaper.

MR. SMALLWOOD: That is probably because they did not publish the whole report.

(81) Mr. Fogwill addressed to the honourable the Minister of Public Works:

Hon. E. S. SPENCER (Minister of Public Works): As far as I am aware the answer to that and perhaps one or two others may arrive before the closing this afternoon, but at the moment they are all in the course of preparation.

(84) Mr. Higgins addressed to the honourable the Minister of Fisheries:

Answer: The Government is aware that the Government of Canada, through the Fisheries Prices Support Board, intends to review the prices paid to fishermen in relation to the average export price for 1950 shore fish.

The Enquiry being conducted by the Government of Newfoundland, under the Public Enquiries Act, does not overlap to any appreciable extent the investigation by the Fisheries

Prices Support Board, and it does not involve duplication of expense to the people of Newfoundland.

MR. SPEAKER: The last section of the question "Which can only mean double expense to the people of Newfoundland" is out of order and should be stricken out.

(66) Mr. Fogwill addressed to the honourable the Minister of Labour:

Question 1. Who are the members of the Labour Relations Board?

Answer. Mr. Kevin L. Barry, LL.B., Chairman; Mr. L. E. Baggs, LL.B.; Mr. W. F. Chafe, Mr. W. J. May, Mr. H. T. Renouf.

Question 2. Who represents the Government on the Board?

Answer. The Government is not represented on the Board.

Question 3. Who represents the Trade on the Board?

Answer. Mr. L. E. Baggs, LL.B., and Mr. H. T. Renouf.

Question 4. Who represents Labour on the Board?

Answer. Mr. W. F. Chafe and Mr. W. J. May.

Question 5. Table statement showing total expenses including travelling expenses of the Board to date?

Answer. \$4,545.00.

Question 6. What amount has been paid to each member of the Board, at what rate, per day, per week, as the case may be?

Answer:

Mr. Barry .....	\$640.00
Mr. Baggs .....	435.00
Mr. Chafe .....	390.00
Mr. May .....	420.00
Mr. Renouf .....	405.00

Rates: Members \$15.00 a day, Chairman \$20.00 a day while engaged in the work of the Board.

MR. FAHEY: I give notice that I will on tomorrow ask the honourable the Minister of Finance:

1. What was the final disposition of the Clarenville boats?

2. To whom were they sold?

3. At what price were they sold?

4. What were the terms of sale?

To ask the honourable the Minister of Finance:

1. Did the Government loan or guarantee a loan to Hollett & Sons of Burin, if so, how much?

2. Did Holletts buy one of the Clarenville boats—which one—at what price?

MR. FOGWILL: I give notice that I will on tomorrow ask the honourable the Minister of Labour:

1. Who are the members of the Workmen's Compensation Committee?

2. What salary is paid to each member?

3. How many persons are employed by the Committee?

4. Who are they, what are their duties and what salary is paid to each?

5. What is the total cost of the Committee to date, including travelling expenses?

MR. CURTIS: With the consent of the House I would move that the next four items on the Order Paper be deferred until later in the afternoon. We are getting near the end of the month and the House might be willing to proceed with the Work-

men's Compensation Act which the Minister would like to have proclaimed.

MR. FAHEY: Do I understand you want to defer the address in reply?

MR. CURTIS: Just for half an hour until we deal with these one or two bills which are more or less urgent, and then refer back.

MR. SPEAKER: Committee of the Whole on Bill "An Act granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Services."

Mr. Speaker left the Chair. Mr. Courage took the Chair of Committees.

MR. HIGGINS: Regarding the section brought in the other day, the Audit Act. At the time I did not have it in my possession but I expressed my opinion then that it was not in accordance with the Act. There are certain cases outlined where money may be spent without legislative authority. Section No. 33 has been quoted; now let us turn back to it:

"No cheque for public money shall issue except upon the certificate of the Comptroller and Auditor General that there is authority for the expenditure, save only in the following cases:

There must be authority except in those cases, "If upon any application for a cheque the Comptroller and Auditor General has reported that there is no legislative authority for issuing it, or that it would be illegal." Then we come to "B", if the legislature is not in session, any accident happens to any public work or public

building which requires an immediate outlay for the repair thereof, or any other occasion arises when any expenditure not foreseen and provided for the public good." Now that refers to expenditures of money by the Government when the legislature is not in session and refers to cases that require immediate attention. It does not refer to building but when a building, for instance, is badly in need of repairs and can't wait until the House opens in order to get a special grant. "Then upon the report of the Minister of Finance and Customs that there is no legislative provision and of the Minister having charge of the service in question that the necessity is urgent, the Governor in Council may order a special warrant to be prepared, to be signed by the Governor, for the issue of the amount estimated to be required, which shall be placed by the Minister of Finance and Customs to a special account, against which cheques may issue from time to time in the usual form as they are required."

MR. SMALLWOOD: Emergency means unforeseen. Would you mind reading that again, did you not read 'public interest.'

MR. HIGGINS: For the public good, I am not denying it but it must be an emergency. What is the use of the House here? It is only a farce if you can make an expenditure of \$20,000 or \$30,000, it is only a matter of degree in my estimation, if you go ahead with one million, you go ahead with 10,000,000.

MR. CURTIS: I would like to tell my honourable friend that the entire Section "B" has been repealed. The section was quoted but not the section as read by my honourable friend. I have here the proper section which I will read:

No. 33 now read, amended, amended and further amended, I quote what I believe is the present day wording :

"(b) If any accident happens to any public work or public building which requires an immediate outlay for the repair thereof, or any other occasion arises when any expenditure not foreseen and provided for by the Legislature is urgently and immediately required for the public good, then, upon the report of the Minister of Finance and Customs that there is no legislative provision and of the Minister having charge of the service in question that the necessity is urgent, the Governor in Council may order a special warrant to be prepared, to be signed by the Governor, for the issue of the amount estimated to be required, which shall be placed by the Minister of Finance and Customs to a special account, against which cheques may issue from time to time in the usual form as they are required."

MR. SMALLWOOD: So that, Mr. Chairman, we were covered handsomely under several of these provisions when we made this expenditure. The position was this, there was an opportunity before the Government to build a cement mill and a gypsum plant and plaster board plant in Bay of Islands. If we had waited until the House met or even if we had called the House together in a special session, it would have been too late to get the prices we did for both of these factories. As it was, it was touch and go because after we had made the contract the prices of steel began their tremendous increase, that we all know now. An effort was made to induce the Government to call off the contract and the opportunity to build those two mills came at a most crucial period in the post-war history

of the world. By seizing the opportunity when we did and securing the contracts we saved many hundreds of thousands of dollars. Now to do that we had to avail ourselves of the authority which the law provides. The House when it was last in session had not voted His Majesty the money with which to build those two mills so we availed ourselves of the authority of the law which the Attorney General just read and asked His Honour the Lieutenant Governor, after we had the opinion of the Attorney General and the opinion of the Treasury, to issue a special warrant upon the Treasury for this amount. His Honour did so, the whole thing was done with the knowledge and consent of the Attorney General, of the Treasury, of the Auditor General and upon special warrant of His Honour the Lieutenant Governor. There was nothing illegal about it, nothing unlawful about it and it was very definitely for the public good, and, I am sure, if my honourable and learned friends had been in our position they would have been just as zealous to further the public interest in that same matter as we were and would have done exactly what we did, that is to say, they would have felt as strongly as we did, that to proceed with the mills, it was quite lawful thing to do.

MR. HIGGINS: Mr. Chairman, to resume my remarks, I still feel and hold this was illegal and one can understand the position this section was amended to cover. The Government allocated a certain amount for an action and found they required a little more money, then they can revoke that Act. It does not mean the Government has the right to take up new projects which were not taken at the time of the legislature. Economic De-

velopment, an amount of \$170,000, and there was no talk of a cement mill at Corner Brook nor a mill on the Gander, nor any of these things at all. It was a new thing that came up, entirely new; it was not thought of at the time at all, had nothing to do with the allocation of money which they asked, \$270,000, then they find they want \$2,000,000. The House should have been called together. This is a precedent most serious; if you can spend a million, you can spend twenty millions, that is sure. That was all that was needed, that allocation of \$270,000, an allocation of two or three million dollars was never considered. If the situation before the Government was that they required more money to finish a project for which money had been allocated and some more money was required without opening the House, I can easily understand that, but this practice is very serious practice, and illegal according to the Act passed for the very purpose of preventing the Government from spending money never voted. The House should have been called into session immediately. When did the run start, at the last moment, could it not have been foreseen at all? You have to take your chance at that, you cannot jeopardize the finance of the country.

Now there are twelve men in the Cabinet and only 20 in the Government. The Cabinet acts as a majority of the House and runs the other side, therefore the Cabinet may jeopardize the country, not the members of the Government at all. What is the good of talking against twelve Cabinet Ministers—they come in three or more ranks deep.

MR. SMALLWOOD: The blame for that you will have to place on the people who elected us.

MR. HIGGINS: I am talking logically, the cabinet has the majority. The people did not elect the Cabinet, the people elected the members of the House, and the Cabinet has the majority, the Cabinet are 12, they can run the whole thing. That Act was passed for the sole purpose of preventing the Government from spending money without legislative authority:

"33 (2). The Comptroller and Auditor General shall in all such cases prepare a statement of all such legal opinion, reports of Council, special warrants and cheques issued without his certificates, and of all expenditure incurred in consequence thereof, which he shall deliver to this Minister of Finance and Customs, to be by him presented to the Legislature not later than the third day of the session thereof next ensuing."

Has that been done? The table is there and I would like the clerk to hand me the papers. The Comptroller's reports of council, special warrant and all expenses. Mr. Chairman, I ask you to request the Minister of Finance to hand me those reports which are supposed to be laid here the third day of the session. Will I presume that these have not been filed?

MR. CURTIS: They are not required under this Section "B".

MR. HIGGINS: Was Section No. 2 repealed?

MR. CURTIS: This is the new section "B" of the Audit Act passed in 1935. I cannot tell you the state of the law. I do not think, Mr. Chairman, that there is any provision in this section "2" under which this is made which requires a written re-

port or opinion or anything else, nothing to file.

MR. HIGGINS: The first section just laid down certain cases but then in all those cases the Auditor or Controller General would have to give an explanation to the House and pass it, in order to pay the Bills.

MR. CURTIS: I think perhaps the special warrant should have been issued, my learned friend has only now just drawn this section to my attention.

MR. HIGGINS: Where has the legislature made provisions for the cement mill or factory. It has only allocated \$270,000. Take the next one—how is it urgent to begin a new project? If that is very urgent a half dozen may be more urgent, another three and a half or six million dollars.

MR. SMALLWOOD: If my honourable friend would allow, we had the authority of the law, we did not make this law, it was made in 1935. If an opportunity comes up in the next 12 months for half a dozen more new industries as sound and as solid as the cement mill, we will seek the same authority and start these new industries, and we will be kicked out and we will be glad to go back to the people if we have to do it all over again, and I am sure they will —

MR. HIGGINS: The Prime Minister is not the law of the Province. If it was that urgent why was not the House called together? Did the Minister of Finance give his opinion?

MR. CURTIS: It does not have to be written.

MR. SMALLWOOD: The whole cabinet agreed it was urgent, the At-

torney General, the whole cabinet agreed it was very urgent and in the public good, and money would be saved for the Province, hundreds of thousands of dollars.

MR. FAHEY: Spend millions to save hundreds of thousands.

MR. HIGGINS: I know I will be voted down but I contend that it is only making a farce of parliamentary government. This House is the only authority to pass money bills; the Government has passed the Budget and it was not included. It will jeopardize the country, anytime the House is not in session and they can keep the House out of session as long as they wish and when it meets, find everything is gone.

MR. SMALLWOOD: We cannot keep the House out of session.

MR. HIGGINS: You can hold it twelve months, long enough to ruin the country. Come in and say we have made a contract for \$2,000,000 but it was essential to the country. The only authority in the country representing the people is the House of Assembly, the Government, the Cabinet does not and the House of Assembly has not passed on one cent of this money only on \$277,000 for exploratory work in the Department of Economic Development.

MR. SMALLWOOD: They have not passed on it yet, we are asking them to confirm it.

MR. HIGGINS: The House is asked to vote on something illegal and by sheer force of number, majority of the Government and nothing else.

MR. SMALLWOOD: My honourable friend is entirely entitled to his

opinion. He thinks we are wrong and he is right. See what the House thinks. The House, my honourable friend, includes me, it includes all of us.

MR. HIGGINS: I move an amendment that the sum be reduced to \$1.00.

MR. RUSSELL: There is a mistake in line four and five and the total.

MR. CHAIRMAN: The figure two million to be deleted and one dollar inserted in its place.

MR. FAHEY: In speaking to that amendment, I rise to support that amendment on these grounds, in the first place the sum of two million dollars is completely out of proportion, in my opinion, with the total amount asked for. We understood that when the Attorney General moved this resolution it was necessary for the year ending March 31 in order to pay various departments their wages and so on. We must advance an amount and it is so urgent four other items must be deferred.

MR. CHAIRMAN: You can't discuss that now, we are speaking on the amendment.

MR. FAHEY: I contend if it is so urgent the Government should have called the House together if necessary. Now if the Government can between sessions spend two million in Economic Development and two millions in Public Works as well as Health, that is not asking for an amount to take us over into the financial year, in my opinion it is already spent and not an amount to take us over until the Budget is finalized, that is why the supplementary amount is brought in but in my opinion it is already spent and is not an advance to take us over

the next month or two until we get proper authority through the legislature. It is altogether wrong in my opinion. I am not qualified to deal with the legal end of it but the legislature. It is altogether wrong in my and we were only asked last year to vote something like \$277,000 for Economic Development. I don't know what it will cost next year, to give an advance now of \$2,000,000, it may be \$10,000,000 or \$20,000,000 in the Budget. I contend it is altogether wrong and for that reason I support the motion that it should be reduced to \$1.00.

MR. MILLER: It seems to me that this matter arises out of a difference of opinion on the interpretation of a clause in the law. Now it is intimated that force of numbers will put this through, but does that clear the matter up? This House does not definitely know whether that was correct or incorrect procedure. I don't know. There has been difference of opinion between the only two legal authorities in the House, and I think it is sort of premature. Nothing should be really passed by this House until such time as above all else the legal issue in doubt is cleared up.

MR. COURAGE: The House settles that, nobody but the House can settle that themselves.

MR. MILLER: I move that a committee give it more time. This has been a heated argument this afternoon, very fine, but we can be wrong in our interpretation when we get heated. We should not take too many chances and be wrong too many times.

MR. FOGWILL: That is my opinion also. There is a difference

of opinion between the Attorney General and the Leader of the Opposition. It seems clear to me. I accept the opinion of the Leader of the Opposition in interpretation of the Law, I do not accept the interpretation that the Government can spend the public money when the House is not in session to such an amount as is listed in this Bill. I say such a thing is absolutely unprecedented, to give the Cabinet of a democratic country, particularly in time of peace; if we were at war or there was a state of emergency, there might be some excuse for it, but it is no excuse for the Government to do such a thing and, in my mind, it is absolutely wrong and if we do it, will make a precedent for years to come and people will suffer for it.

MR. SMALLWOOD: The people of this Province will suffer if it is not done. It is not a matter of opinion, it is a matter of hard facts. The Government has made two contracts for the building of a factory, a mill, and under this contract machinery is delivered and paid for; a steamer will arrive shortly with a load of machinery for these mills, a cement mill and plaster board mill. If the amendment is carried it will mean that the steamer on arriving is turned back.

MR. HIGGINS: And the rights of the Legislature will have been upheld.

MR. SMALLWOOD: And the rights of the people will have been damaged. There will then be no cement mill, there will then be no gypsum mill. No mill in Corner Brook, just the unfinished portion of a mill standing out to rust, and there will be no hundreds of men employed, there will

be no two large mills opening 24 hours a day, three shifts, instead just a skeleton rusting out in the weather. That is what it means if this amendment is refused, that is what it means, it will injure the people of Newfoundland seriously. I suppose, actually, if my honourable and learned friends thought that their amendment might carry they would not make it, I doubt they would make it. I doubt they would make the motion. I doubt they would run the risk of closing down the construction of these two mills, I doubt that they would run that risk. It is because they know they are only four present, they make it in a badly mistaken idea of smart politics.

MR. FAHEY: I understand from the remarks of the Premier that the Government made a contract, they have a ship load of machinery—therefore we must pass this, legally or not. I contend the thing was done altogether wrong in the first place. If it is to give employment, I am one who will always support giving employment, I also say I appreciate the effort of the Government in trying to create a new industry, but I think if the Government had come in and opened the session and asked to have this passed instead of going ahead and obligating the legislature for \$2,000,000 and saying now you got to pass it because of the fact we made a contract. If I should be an agent of the Government tomorrow, that would not give me the right to go and obligate the Government for millions of dollars without proper authority for doing so and that is exactly what the executive council has done now, obligated the legislature for two million dollars without proper authority and then come back and say, we have made a contract, we



got ship loads of equipment and because of that now we got to pass the Bill. We have not legally, in my opinion, and I referred to rubber stamps long ago, and rubber stamps will carry it.

MR. CURTIS: As long as any government has the support of the House it can carry out the provisions of this or any other Act.

MR. HIGGINS: Naturally, but the Government and the Cabinet can only by legislature.

MR. SMALLWOOD: Well, we come to you now and ask you to approve it. What is the position: The honourable Leader of the Opposition says we are wrong, I submit we are not wrong. We say this was urgently and immediately required and if we had not spent it when we did we would not get it at the same prices or not at all.

MR. HIGGINS: I draw attention to the fact the comptroller, in all cases should prepare a statement, if the cheque was issued without a certificate.

MR. SMALLWOOD: It was not, it was not disputed, we did not do it over the head of the Auditor General.

House divided—15 for, 4 against.

MR. SMALLWOOD: That is a lot of rubber, gentlemen.

MR. CHAIRMAN: Reported the Bill passed without amendment.

MR. CURTIS: I don't know whether the House will be willing to have the House read it a third time now as His Honour the Lieutenant Governor is coming here at 3:00 o'clock tomorrow. If the House will agree to have him come here at 3:00 o'clock, I move the third reading.

MR. HIGGINS: I don't want to make an issue at present, I don't think we should set a precedent.

MR. SMALLWOOD: As to the precedent part of it the commonplace practice is for third reading immediately following the Committee of the Whole, that is the common practice, normally given immediately after committee stage, in this country.

MR. HIGGINS: In this country yes, not in this Province.

MR. SMALLWOOD: The practice in Canada is to give third reading immediately after the committee stage and so in the United Kingdom. When the Bill has passed second reading and the principle has been approved and gone through the Committee of the Whole and approved in detail, the third reading is merely a formality. You can't change it after that, you can only make verbal amendments. It has been adopted in principle, in detail and the third reading is merely a formality, but if the House does not care to give it third reading — — —

MR. HIGGINS: I don't care, I am indifferent. As I said we are quite willing to agree but I don't want this precedent, there was a precedent before.

MR. SPEAKER: The situation is any Bill may be read immediately.

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

MR. FAHEY: I move we refer back to the regular orders of the day.

MR. SMALLWOOD: I wonder would it serve the convenience of my honourable friend opposite, if you wish to proceed with the debate on

the Address in Reply but let me point out that the Workman's Compensation, Act Amendment would need to be done before the month ends for the new financial year and if we proceed now today with the address in reply we would like to have the cooperation of my honourable friend on this Compensation Bill but whatever suits the convenience of my honourable friend.

MR. MILLER: I think that since I am the next speaker, as far as I am concerned, I am prepared to wait until any day or proceed now.

MR. FAHEY: I understand the Government wants to continue the Workmen's Compensation Act, I am quite sure the Government must have felt and knew it was on the go yesterday and the day before and I sat yesterday and heard the same thing repeated for an hour, repeated from the day before, there was no rush then. But now when we want to refer back, my motion to refer back to the address in reply, we are jammed up for time in so far as we must get ahead for the Workmen's Compensation Act.

MR. SPEAKER: I won't withdraw the motion, I will leave the motion for the House to decide.

MR. FOGWILL: I second the motion.

MR. SMALLWOOD: I think we need only suggest we revert to the motion in reply. I think the Government is in control of the situation. Might we revert to the address in reply and meanwhile have a ten-minute recess.

MR. MILLER: Mr. Speaker, I must first, Sir, in conformity with the previous speakers offer my congratulations for the very able manner in

which the honourable members for Labrador and Fogo moved and seconded the motion that an address in reply be forwarded to the Lieutenant Governor. I find it rather easy to congratulate these men because I find, at least in some respects, their thinking concurs with mine and they have come around to my way of thinking, I do not propose to enlarge on that right now, perhaps some remarks as I go along, nor do I propose to be very long this afternoon though a very great controversy took place as to whether I get the floor at all or not.

The Speech from the Throne permits a wide range, a very wide range of subjects, very many things, generally dealing with activities of the Government during the past year and on that I am not sure I can make any comment on the different projects the Government has started. I want to be fair while I am in this House, fair in all my dealings. I am in this House, I will say, almost without politics. I spent the two years of the National Convention, and also when I as far as I am concerned whether on this side or on the other side I am only interested in one thing, a better Newfoundland evolving from the deliberations. I mentioned in the National Convention, and when I spoke in last year's debate, the vulnerability of our economy when we came into Confederation. I don't propose to pursue that matter. Yes, we have a vulnerable economy just as does Spain, so also England, the United States and South America and European countries as well. We are no longer living in our own backyard.

The Speech from the Throne warns of the very bad effect on the Government's program, world peace or rather

the deterioration possibly of world peace and the threat of war. We recognize that, but we also recognize that that has a good effect as well as bad effect on Newfoundland because of our vulnerable economy. We recognize that in our big industries when the threat of war came we got orders, men went to work. It was not so in 1949. As I previously said, in order to be fair I would have to connect the actions of the Government with the bringing about of this prosperity in Newfoundland. I recognize, presently, we have in Newfoundland, in our big industries, with the exception of the fisheries, a mild war-time prosperity. It is grand to have it, and let us hope we will not go back from where we stand today.

We are told of the possibility of the tightening of the supply of steel and other things like that may slow up the cement mill. Well I say, in my opinion, the Canadian Government should do everything possible to hasten the supply of anything we might be short of in that cement mill. I know, of course, that most of it is coming from the other side, nevertheless, there must be a tie-in. The Federal Government must take some action and release some restrictions when the time comes. We are to understand there is a good market for this cement, I take that at face value as submitted, but I argue that the threat of war must not slow up Newfoundland's development program.

Why do I argue that? I argue because I recognize—I talked about it every time I stood in this House—we are getting on very thin ice regarding our salt dried fishery as an industry. I have said it is an exception to the rule in modern war-time prosperity. We have a development program, we voted money for it last year, at least

I did, with sincerity too. I favour the development program. I recognize the Federal Government, and we are so greatly involved that we must undertake a very large preparatory program, recognize that through preparedness only is there lasting peace and probably not even then. We must build a huge war machine, and it is very apparent we must maintain it for years to come, a big army, navy and airforce and build atom bombs as well too, but what does that mean? It means taxation, money from the people to pay for it all. Can we get it out of the cod fishery as it exists today all around our coast line? I can't be for a moment reconciled to the fact the people of Corner Brook, St. John's and Grand Falls pay all the necessary taxation **and the men** around the coast line are released from paying anything. That never was and never will be, and I expect they will pay gladly their share in the future, providing they get a chance to do so. So I say, then, the Federal Government should take a very active interest in our economic program here. I say also, as in the last war, they went out and built jam factories, and these kind of industries do give employment, they should come down and make some of these factories in Newfoundland as after all, unless we can get right in our midst factories that produce necessities for the table, then we are never going to get the cost of living down. That is one way of getting the cost of living down, to have the Federal Government come in now they have this war time fund and erect some factories. I can't suggest at the moment what they can do, we can't have such a blank future; something would be found here in peacetime, we could go on producing these things and give the people perhaps some cheaper foodstuffs. The Fed-

eral Government has a program of rearmament, they are going to build so many more airports. Well, it is all very fine but this business of building airport is good for a while, then a complete vacuum after all is over. What we need is the real industries of our country developed, and this brings me back again among the fishermen, this brings me to my subject.

I said I would not be long, I don't propose to be long. There are so many angles to the fishery, perhaps one might drift along. We must recognize that in a world of rising prices, Newfoundland fish has suffered a drop. Last year I told this House about how serious I thought this situation was. This year, as I previously mentioned, my honourable friend, the member for Fogo said, in effect, the boats are hauled up to stay. The fishery is over, he intimates. How can we accept that without getting somewhat alarmed about it? I cannot. I am glad the honourable member for Fogo sees that right now, but I regret it took him a year to see it. I regret it took him a year to see it because I hold now, as then, it was the duty of the Government then to approach the Federal Government to have a special committee set up, the all-powerful committee which can effect so much. I think our Government should have been more aggressive last year on that. In fact, I think, I remember telling the Premier he ought to resign his job if he did not get good satisfaction on that matter.

What has been done? There again I will be fair. I say there may be something in process, but the Premier spoke of action. The action is not fast enough to my liking.

MR. SMALLWOOD: I am de-

lighted to hear that, a man after my own heart.

MR. MILLER: Not after your heart, no. But there is a serious situation, I will say now it is a losing fight the Government has been waging. Newfoundland's people must live by the fishery, do what we will we will still have a salt fishery, a salt fish industry in this country. It may be a poor one, your job is to make it profitable. The fishing populations of the country, hard-working, God-fearing people, men, yes and women too produce but the Government through red tape gets a hand in the marketing of their products not always for the best.

Last year you proposed a temporary—I say a temporary, with emphasis on that—a temporary floor price. I suggested that these matters should be delved into by responsible men in Ottawa. A temporary floor price and we could have fished last year, sold the fish last year and gotten a fairly level price along with an adjustment at the end if necessary. This was not done. Of course I am not laying all the blame on the Government opposite, I am merely suggesting that they should sit on Ottawa's doorstep until they get this done. It is strictly my own opinion.

MR. SMALLWOOD: We have done quite a lot of sitting, look at our travelling bills.

MR. MILLER: You turned down our motion to make a floor price for fish. Now you may very rightly ask me why do I take that attitude? Well I am going to quote from the Speech

from the Throne "Since Newfoundland became a Province of Canada, responsibility for public administration of the fisheries is no longer borne by the Government of Newfoundland alone but is shared to a large extent by the Government of Canada". Honourable members will have to agree with me, thinking how national business done by the Department of External Affairs, the Department of Trade and Commerce and the Department of Finance can seriously affect the fishing industry of this Province. Because we got to go out and sell our fish outside of the Canadian Border and most often in the Sterling Block, all these departments are involved, so I say only a complete representation of all these three departments can fully appreciate, determine and valueate Newfoundland's cod fish industry. I say things happen very rapidly in these things. Yesterday there appeared in the Daily News an agreement made in 1949, then suspended and the railroad now proposes not to put into effect. That would have raised the price of fish going to Halifax by up to five cents a pound, and I say that might be the straw that might break the camel's back as regards crews fishing out of Halifax. I am not arguing the case for Nova Scotia but were it not for the fact that so many of our South Coast fishermen could have gone and fished out of Halifax and delivered their halibut in Halifax we would have had a much more acute situation. Yes the affairs of these departments directly affect us for all time. But for at least three, four or five years while we are trying to get adjusted to our new form of government, Federal guidance would be very, very helpful, it might preserve our fish industry, at present it looks as though we are going to lose

it, I don't know whether the honourable member who said—the boats are hauled up to stay—whether he would agree with me when I say that I feel they are not. I feel that if we do together something like that, we can guide our fisheries, expand them. Far more than that, I feel if not then we will have less returns, less productive returns from fishermen for work and more financial burdens on the Government of this Province, and that is not good enough for us.

What about this new Fisheries Council under Sir Albert Walsh? In my opinion it does not get at the real problem. To my mind it is a fine way out for Mr. Mayhew to turn the spotlight on some Newfoundlanders while they are left alone to dish out assistance to Western wheat growers with apologies because the wheat deal, apparently, has been badly bungled, too.

It may be argued similar committees have been set up, down in P.E.I., but P.E.I. does not have to live by it, they do not have to try to get into the salt codfishery and sterling block as we must. I am not criticizing or insulting these highly respected individuals who comprise this Fishery Department Committee, I merely want to say, and I don't go behind closed doors to say it, in my opinion they are acting in a secondary sphere. I say the fish matter to be satisfactorily resolved is marketing. Just one example: Newfoundland, for years, sold fish to Brazil; a couple of years ago that market closed. Last year, Brazil ate Newfoundland fish but it was shipped to Holland first and back from Holland to Brazil. And who paid for that? The fisherman did, for he received lower returns because of the extra freight charges. Now is that a sensible way to conduct a business?

I am glad to see the fishermen get together in a union. Here I would say, I wish it had been done clear of politics and that may be a point I may be taken up on. I feel a better understanding will come about by the fishermen knowing more about the whole transaction from the day the fish is caught until the fish is on somebody's table somewhere, maybe eighteen months later, eighteen hundred or eighteen thousand miles away. The whole thing is very difficult and as we were told last year, fish is a perishable product, how well we know that.

It has been a regrettable fact, a historically regrettable fact in this country, that people such as fishermen and merchants should be so suspicious of each other, going along mistrusting each other. It is a great wonder it did not lead to even greater breaks. I am not defending the merchants either present or in the past. In the past, I speculate, a lot of graft was done, I doubt there is very much going on today.

With respect to the investigation which is now proposed by the Provincial Government, I have but one thing to say about it and it is this: In my opinion, it is the wrong time of year to pursue such an investigation, unless we are going to nurture mistrust. We must go and get a full picture, we must wait until the last cod tail is sold, then examine, then see the returns; then if there are grafters, treat them rough.

I doubt, if there are malpractices disclosed, that this Government can do anything about it. In my opinion, this Government, right now, should be bringing in legislation to take care of any unfairness going on.

MR. SMALLWOOD: The House has not prorogued yet.

MR. MILLER: The invitation is extended from this side. It is the logical conclusion.

My friend, the honourable member for Fogo, said the boats are hauled up to stay. Last year we were told the Labrador Fishery is through, and we accepted it. I believe we were told then that the Shore Fishery had a fairly bright future. I believe today, when that statement was measured out to us by the Federal Government, with the knowledge of events which they should have gleaned from world grouping going on, they should be able to picture, should know the future standing of the industry so important to us, should I feel, be really able to give us this information. If they can't do that, then I say they are not as big as I think they are, and that is admitting that they are big.

I will pull aside the curtain of the fishing industry and come into a new season. What would we see? In my opinion, we would feel very discouraged if we knew the true facts. Such facts as no conversion of sterling this year. If it is being done, why not now? We are now ready to go fishing, trawling starts in May or June around the shores but we must start preparation in March month. What about the sale this year in the sterling area. Last year Great Britain was very cooperative. Great Britain hurt herself to help us get our fish into the sterling block—exporting, and building up her dollar surplus, as she is, and making a grand job of it too. We learned in 1949, at the end of 1949 she had a trade deficit of fourteen hundred million dollars, and changed that figure in one twelve

months, to read eight hundred and five million of trading surplus at the end of 1950. At the end of 1950 we saw the threat of war, and the threat of war meant stock-piling and no more exporting, and meant spending her surplus for her own commitments, and we don't disagree with that I am sure. So, in my opinion, we could not expect Great Britain, good neighbour though she be, to convert sterling this year. So we must have some other proposal and it is now due. Ottawa must be prepared to give it.

What has Ottawa said about this surplus fish? Efforts should be made to sell in Southern Markets. What do we know about the Southern Markets? Last year to go in there we had to reduce prices, and now it is no longer economically sound to continue with the prices, in view of the high cost of living and the higher cost of production. Can we associate this with anything the Federal Government has done before. I hold we can, I hold that when the wheat growers of Western Canada complained they could no longer produce wheat due to rising prices in the last war, the Federal Government established floor prices, guaranteed minimum prices, and I think that must be done for the fisheries now, this year, immediately, not in the next month. If we delay such a pronouncement, then we will retard the progress of the industry, we will get men earning half enough rather than the full amount which will have to be made up by the Government. Are we going to continue making claims like that on the Federal Government? That would be unreasonable. No we are not. I think, eventually,—it will be a hard fight, I know—but I think, eventually Newfoundland will emerge and be

able to take care of itself. But I do hold, and I sit down on that remark, for the first four or five years the price of fish should be established and there should be a statement here today from the Federal Government specifying what they will do here. I also hold it is a pressing urgency that a committee representative of the aforementioned departments should be appointed immediately. This can be a challenge to their financial ability and to their trained ability and further to that it can be the first step in the economic survey, promised, made available to us by the terms of union. In my opinion, this part of our problem can only be solved by them. In my opinion it is their duty to us to do it; and, in my opinion, it is your duty to go to them and see that they do it.

MR. KEOUGH: I move the adjournment of the debate until tomorrow.

MR. SMALLWOOD: Could we perhaps, Mr. Speaker, move on to a Committee of the Whole on a Bill "An Act to Amend the Workmen's Compensation Act 1950." That is a rather urgent matter because it is highly desirable it will be effective and receive Royal Assent in advance of the beginning of the new financial year.

Committee of the Whole on a Bill "An Act to Amend the Workmen's Compensation Act."

Clauses one through 8 read—carried.

DR. POTTLE: I raise the question, how long does the payment continue with regard to children?

MR. CURTIS: As long as they are dependent.

MR. BALLAM: If the child were an invalid and continued so after it became a man or woman and the parents had to look after it, it would still come under the Act.

DR. POTTLE: The answer is that when that child would come of age what would be done, would be determined by the amount of money available to the child. All payments are made on the basis of maintenance.

MR. HIGGINS: If the child got \$20 a month you would pay \$5 more.

DR. POTTLE: That is right.

Clause 9 through 11 carried.

DR. POTTLE: I noticed the word "same" appears where one might expect the word "case."

MR. HIGGINS: I think we should ask the Attorney General about that. It has not been adopted yet.

MR. CURTIS: Well, it follows the Canadian Act. We have a note here, it is common procedure, all the Acts are worded so.

Clauses 12 through 16 read and carried.

We have a correction to make on Page 20, fourth line—Strike out Steamer including river and harbor—down to sailing vessels, and in the second last line, cut out Transportation by air, that is the second last line, and in the last line cut out aircraft testing. Cut out those words. Add—To include passenger and cargo servicing, and office personnel in and around airports.

Now in clause 7, top of page 2, the word "collection" should be deleted.

MR. HIGGINS: Page 27—What about—supposing you employed one man to work with you, that was a hardship in the last Act.

MR. MAKINSON: On page 44—First Aid Kit, is that the minimum?

MR. BALLAM: I might say this Act here is standard practice. It might be sound to consult the Department of Health and get a list that would be modern. There is authority to change that under the regulations, to keep it up to date. In view of that it would be alright to let it stand as it is upon advice of doctor.

MR. HIGGINS: It may have left out some of these modern drugs as many people are unable to take them, and I assume they are left out because this list is only for laymen.

MR. MAKINSON: Tanic acid is out of date for burns.

MR. SMALLWOOD: It seems to me the Workmen's Compensation Board will have to consult the Department of Health and other medical authorities. The regulations give the Government in Council authority to amend and that I think should cover it.

The Committee reports having passed the Bill with some amendments.

MR. BALLAM: Could I move the third reading of this Bill?

Read a third time. Ordered now passed and title be as on the Order Paper.

MR. SMALLWOOD: Could we now take second reading of item No. 4, from the bottom of the page, "An



Act Further to Amend the Act No. 41, of 1938 entitled 'An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited.'

MR. CURTIS: In connection with that Bill, Mr. Speaker, I may say it was made at the request of the Labrador Mining and Exploration Co., the Government considered it carefully and see no reason why we should refuse to accede to the request and this legislature is to make that amendment. It will provide for two things, first: a very minor one, namely, where now the existing Act provides their Head Office must be in Canada, this will provide that a branch office for purposes of serving processes may exist because it is well known a lot of the capital of this company is American. The second point with regard to electricity, enabling them to export from the province of Newfoundland at Labrador in the Province of Quebec immediately contiguous to Labrador hydro-electric power which they propose to develop along the line of the railway where they can develop a maximum of fifteen thousand horsepower. This is not the big horsepower now, and the amendment makes sure it refers only to that and not to export the power that may develop any time in Labrador, but on this one concession where they can produce a maximum of fifteen thousand horsepower and what they don't need of that power in Labrador they would be permitted to export out of Labrador into the Province of Quebec. In the agreement of 1938 and 1944 it is required they pay 15c. royalty a horsepower to the Newfoundland Government; they will now pay 50c. a horsepower a year and they agreed when we suggested in return that they

make this small concession to us. The big thing is, this amendment will be the means of enabling them to start mining one year earlier than they could otherwise. It will advance by one year the date on which they will begin actual production of iron ore.

Bill read a second time—ordered referred to a Committee of the Whole on tomorrow. Remaining orders of the day deferred.

MR. SMALLWOOD: Before moving the adjournment I would like to say this: I suggest that tomorrow when the House meets and the minutes are read, before strangers are admitted or the official Hansard reporter is admitted, we hold a brief session during which we could examine thoroughly the agreements made for the construction of the cement mill and gypsum plant at Corner Brook, in which explanation I would give the contract prices in detail and such other details as the House might want. The purpose of the private session is to prevent it becoming available to the press for some short time, while negotiations are proceeding for I won't say sale, and I won't say rental or lease or qualify the words any more than to say disposition, while these negotiations are going on.

Now if that is agreeable to the House I would very cheerfully be willing to proceed in that manner. It is not exactly what our friends opposite have requested but I feel it is the maximum at this present time that the Government feel they can do in the public interest. We may say we intend to suggest to the House that in view of the very great importance of the events occurring in St. John's next week, I mean the holding of the Fishermen's Convention, of

delegates selected by fishermen in all parts of Newfoundland and Labrador we intend to move tomorrow on rising that we adjourn for one week so that all the members of the House may be in a position to consult with these fishermen and visit them and assist them and be present at the Convention and endeavour to make it non-party and non-political, for which reason we move tomorrow that the House adjourn for one week. An invitation has been extended to the honourable learned Leader of the Opposition to address the convention on opening and we are genuinely and honestly anxious to make this convention non-partisan. We admit very frankly that there might have been better ways of having the fishermen become organized but no one was moving and we suggested a convention just to get the ball rolling and when they organize themselves we wish to step out, and I assume my honourable friend also would wish to step out and leave the fishermen's organization to itself to do its own business. Naturally as Newfoundlanders we will try to assist them in their good work if they undertake that good work.

House adjourned until tomorrow at 3:00 of the clock.

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FRIDAY, March 30, 1951.

The House opened at three of the clock pursuant to adjournment.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

MR. J. G. HIGGINS (Leader of the Opposition): (85) To ask the honourable the Attorney General:

(1) How many members of the R.C.M.P. are on duty in Newfoundland.

(2) How many of these are paid by the Newfoundland Government.

MR. SPEAKER: Question No. 82, Mr. Fahey, addressed to the honourable Minister of Finance.

HON. LESLIE R. CURTIS (Attorney General): The honourable Minister asked me to reply to this question. When the present Government came into office, we found we had nine of the so-called splinter fleet, the Clarenville Boats entrusted by the Commission of Government to the Newfoundland Railway, to operate. When the Newfoundland Railway passed over its management to the C.N.R. it continued to manage these boats. After they were in operation about a year, we received from the C.N.R. a bill for \$130,000, (that is from memory but it was less than \$150,000 and more than \$110,000), for losses on the operation of these boats. The Government decided therefore the sooner they got rid of them the better. We could not do it by mere motion, Mr. Speaker, or we would have done it. We arranged for C.N.R. to buy the boats but they agreed to buy only three and paid \$60,000 each and in March of 1950 paid the Province \$180,000 for these three boats. Then we offered the boats for sale by tender. We advertised them for sale and as a result we were fortunate in selling two: Mr. H. B. Dawe, the *Placentia* for \$45,000, who took his pick of the remaining

six. Captain Joshua Windsor offered \$54,000 for the *Trepassey* which we accepted and sold him. Mr. Framp-ton agreed to buy the *Glenwood* for \$52,000 and we had left three boats: The *Twillingate*, *Exploits* and *Ferry-land*. There was no one interested in them and we advertised them again and we received three offers. Two of them were absolutely unacceptable one was \$5,000 and the other, I think was \$25,000 on terms. We also received an offer for the other three from The North Star Shipping Company, payable on terms. The shipping company undertook to keep the vessels insured, to operate and put them into repairs and we sold them for \$100,000. We have since received \$33,333.33 as representing one-third, payment for one of the boats. We have been informed that within a very few days we will receive the balance of \$66,000 together with interest. In the meantime the Govern-ment holds a mortgage on the boats and they are insured and the Govern-ment is fully protected, Mr. Speaker.

MR. HIGGINS: What do you mean by the C.N.R.?

MR. CURTIS: They made a claim. They inherited them from the Newfoundland Railway and did not come to us to make a new agree-ment.

HON. J. R. SMALLWOOD (Prime Minister): The C.N.R. did not want to touch them with a 40 ft. longer. They said: take them, we don't want anything to do with them. They said take them, and we were stuck with them. The bill was, the Com-mission of Government made a deal with the Newfoundland Railway for the management of the boats. They paid the Railway 5% and \$300 a

month per boat, \$3,600 a month and 5% of the gross earning and paid all repairs and any deficits, and they all had deficits except two; paid all that to the Railway and the C.N.R. said to us, no thanks, we don't want them. Anyway we tried to get them to operate them and they would not. Then we tried to get them to buy them. They bought three and pres-ented us with a bill for \$140,000.

MR. HIGGINS: Was this a back bill owed the Railway?

MR. SMALLWOOD: Partly and partly the losses incurred and charges made by C.N.R. We were stuck with them and decided (wish we had decided the same thing about the Ice-land Boats) to sell them and people wanted to buy them for six and seven thousand dollars. We would not look at that.

With regard to the C.N.R. bill we had to try and whittle it down and we finally got a settlement for \$50,000 which we paid and called it square.

HON. E. S. SPENCER (Minister of Public Works): I have replies to three of the questions directed to my Department on Order Paper of March 28th.

(50) MR. HIGGINS: To ask the honourable the Minister of Public Works:

1. What independent Architect ap-praised the building bought by the Government from American Aerated Water Company?

Answer: Mr. T. A. Lench.

2. What payment was made for this work?

Answer: \$75.00.

3. Please table a copy of his report.

Answer: Copy of report attached.

4. Was anyone paid a commission in connection with the purchase of this building?

Answer: No.

5. If so, what is his name and what commission was paid?

Answer: Answered by 4 above.

February 19, 1951.

The Hon. E. S. Spencer,  
Minister of Public Works,  
St. John's.

Dear Sir,

At the request of the Premier, I submit to you an appraisal of the building occupied by the American Aerated Water Company and situated on LeMarchant Road, in St. John's.

This building is of concrete construction, substantially built with reinforced concrete columns, beams and floors.

Part of the building, approx. 54' x 66', is excavated but has no concrete floor.

The Ground Floor is practically all laid out for storage and is now used for the bottling works and contains, in addition to this, facilities for employees such as rest-rooms, lockers and toilets. The main portion of this floor is finished with quarry tile and the remaining part in concrete with a hard trowel finish. The furnace-room is located on the West side

of the building. The ceiling height is approx. 12' 0". In the north end of the building a two section garage approx. 24' 6" x 79' is located. This floor contains 10,020 sq. feet surface area.

The Second floor has an area of approx. 4,130 sq. ft. and consists of the following: along the front of the building offices are located and on the east side are ladies and gents' toilets. The rear section of the building is now used for storage. The walls and ceilings on this floor are plastered and decorated. Floors are of tile tex asphalt finish in approved pattern. Ceiling height on this floor is 9' 0".

The plumbing, heating and electrical installations are adequate and modern in every respect.

I am of the opinion that the replacement value or appraisal of this building would be two hundred and three thousand five hundred (\$203,500.00) dollars. This does not include the conveyor system installed in the building.

Yours very truly,

(Sgd.) T. A. LENCH,

Thomas A. Lench, M.R.A.I.C.,  
Renouf Building, Duckworth St.,  
St. John's Nfld.

MR. HIGGINS: (51) To ask the honourable the Minister of Public Works:

1. What amount of money was spent on local roads in the District of Fortune-Hermitage?

Answer :

Settlement	Committee Contribution	Government Grant
Anderson's Cove	\$ 300	\$ 400
Bay L'Argent	1,250	1,250
Boxey	500	700
Bay du Nord	250	300
Brunette Island	150	250
Coombs Cove	300	450
Conne River	250	250
Dawson's Cove	150	150
English Harbour East		3
English Harbour West	350	900
Femme	250	300
Furby's Cove	100	350
Great Jervais	200	200
Grole	100	150
Goblin	50	75
Gaultois	400	500
Grand Le Pierre	20	50
Great Harbour	150	200
Head of Bay D'Espoir	150	200
Hermitage & Hardy's Cove	350	400
Harbour Breton	500	800
Jersey Harbour	300	400
Little Bay	200	300
Lally Cove	250	350
Little Bay West	310	400
Little Bay East	250	300
Little Harbour East	100	125
McCallum	200	200
Milltown	300	300
Miller's Passage	150	200
Morrisville	50	80
Pass Island	300	330
Pool's Island & Turnip Cove	200	200

Settlement	Committee Contribution	Government Grant
Point Rosie	150	200
Pushthrough	300	300
Raymond's Island	200	200
Red Cove	100	155
Round Harbour	200	200
Rencontre East	200	300
St. Bernard's	100	100
St. Alban's	600	600
St. Veronica's	150	200
St. Jacques	450	550
Stone Cove	500	575
Seal Cove	350	400
Wreck Cove	300	350
Total	\$11,980	\$15,193

2. Please give details of places and amounts spent at each place.

Answer: The following expenditures on local roads were authorized under the Special Works Project :

Settlement	Grant
Little Bay	\$ 750
Harbour Mille	2,000
Little Bay East	1,500
Rencontre East	2,000
St. Alban's	6,000
Conne River	1,500
Total	\$13,750

(52) I. What amount of money was spent on local roads in the District of Burgeo and LaPoile?

Settlement	Committee Contribution	Government Grant
Burnt Island .....	\$300	\$420
Cul de Sac West .....	75	105
Diamond Cove .....	150	200
Fox Roost & Margaree	200	260
Fox Island & Coppett	150	200
Francois .....	250	475
Grand Bruit & Otter's Pt. ....	175	235
Gray River & Dog Cove	210	280
Grand Bay West .....	200	250
Grand Bay East .....	250	350
Harbour Le Cou .....	200	250
Isle au Morte .....	500	650
Mouse Island .....	350	500
New Harbour .....	200	300
Petites .....	200	250
Ramea & Deer Island	400	550
Red Island .....	125	145
Rose Blanche .....	500	790
Rencontre West, Cul de Sac .....	320	500
East & Lock's Cove		
West Point .....	160	220
Total .....	\$4,915	\$6,930

2. Please give details, etc.

The following expenditures on local roads were authorized under the Special Works Project :

Settlement	Grant
Richard's Harbour .....	\$ 500
Grey River-Dog Cove .....	1,500
Great Harbour .....	400
Total .....	\$2,400

The House may be interested in knowing that in addition to local grants the Government granted authority for special work around the Island in special places, and in the

District of Burgeo and LaPoile three such were inaugurated.

MR. HIGGINS: Mr. Speaker, the honourable Minister seems to have started a competition and a lot of us are wondering if we ought to be satisfied with the amount of money spent in our district.

MR. SPENCER: Mr. Speaker, I have in addition the answer to Question No. 73.

(73) MR. MILLER: I give notice that I shall on tomorrow ask the honourable the Minister for Public Works:

1. Has the cost of the repairs made on the wharf at Portugal Cove last year been paid?

2. Who made the payment?

(83) MR. FAHEY, addressed to the honourable the Minister of Finance:

Did the Government loan or guarantee a loan to Hollett and Son of Burin, if so, how much?

Did Hollett buy one of the Clarenville boats—which one—at what price?

MR. CURTIS: The honourable the Minister of Finance asked me to answer that question. Some months ago Holletts of Burin asked the Government to guarantee a loan of \$125,000 in order to finance the purchase of a boat to carry fish from Burin to the market. The Government gave it some consideration and agreed to guarantee the amount of \$125,000 upon having sufficient security. As security the Government is to get (1) a mortgage on the boats, (2) a mortgage on other boats of the company to the value of at least \$100,000, and of course the over riding guarantee of the company whose assets we have investigated and find to be worth at

least \$150,000. So we considered we were very amply protected. A Bill will be introduced into the House in due time to cover the guarantee. As for the boats they are buying, we don't know what price they are paying for them. It is intimated it might be from the North Star Shipping Co.

(84) MR. FOGWILL, addressed to the honourable the Minister of Labour.

MR. BALLAM: The answer to this question is in course of preparation.

(78) MR. FOGWILL, addressed to the honourable the Minister of Fisheries:

Table information regarding the experimental fishing boat recently built at Clarenville as follows:

1. What is the total cost of the boat?
2. Give dimensions of boat, tonnage, carrying capacity, etc.
3. State horsepower of engine, type of engine, the name of the supplier of the engine and the cost of the engine.
4. What type of fishing is the boat equipped for?
5. Who supplied the equipment, what did it cost?
6. When and where will this boat operate?
7. If this type of boat is successful, is it the intention of the Government to have additional boats built on assembly line basis in order that fishermen may be assisted in the fishing industry?

MR. SMALLWOOD: His Honour the Lieutenant Governor is due to arrive at 5 of the clock to give Royal assent to two bills which have passed the House. It is now 20 minutes to

5 of the clock. The adjournment of the House yesterday was moved by the Minister of Fisheries and Co-operatives and it seems to me he might prefer postponing that until after the Lieutenant Governor has been here instead of having to break off. For this reason we might go into one or two items of the Committee of the Whole, one or two of the shorter ones:

MR. SPEAKER: Committee of the Whole on Bill "An Act Respecting Survivorship."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committees.

Section 1 read and passed.

Section 2 read and passed.

MR. HIGGINS: I presume this is the same as the Canadian Act. As I said before it is better to have certainty. It is presumed here that an infant lives longer than its father. An infant a day old would succeed to its father's estate, what does that mean? Is that right?

MR. CURTIS: If the two were in an accident, it would be presumed the infant died second and the father first.

MR. HIGGINS: It is topsyturvy. Is it in uniformity with the Acts for the other provinces, that is all I want to know?

MR. CURTIS: Yes.

The Committee rose, reported having passed the Bill without amendments.

On motion the Bill was ordered to be read a third time on tomorrow.

MR. SMALLWOOD: This is a good opportunity to have a recess for ten minutes and resume a minute or two

before His Honour the Lieutenant Governor arrives. Members will have to make a special point of being in their places before his arrival.

The House recessed for ten minutes.

The Lieutenant Governor then arrived.

MR. SPEAKER: Your Honour, in previous sessions the Legislative Assembly has passed certain bills to which we now respectfully request your Honour's assent.

HIS HONOUR THE LIEUTENANT GOVERNOR: In His Majesty's name I assent to these Bills.

MR. SPEAKER: Your Honour, the Legislative Assembly has passed a Bill "An Act for Granting to His Majesty Certain Sums of Money."

HIS HONOUR THE LIEUTENANT GOVERNOR: In His Majesty's name I thank His Loyal Subjects and accept this beneficiary and assent to this Bill.

MR. SPEAKER: I announce to the honourable House His Honour has assented to two Bills passed in this session.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): "Where are these men; do they pour into the world that which is honourable, that which is good; do they protect our altars; do they preserve our freedom; do they safeguard our heritage; do they have sight of some far vision clear and splendid that gave them courage for great endeavour or do they rather spend the sum of their stewardship watching for ships that never come in, searching for treasure that they never found?"

I don't know if the House recalls those words, honourable members have

heard them before. They were words I used in the closing of the first address I delivered in this Assembly, sometime in July of 1949, on motion of address in reply.

At that time we were a Government without a record and I was arguing that we might perhaps be judged when the time of our stewardship had been served. Today, part of the reckoning is on the record, and we think it is a record that indicates that so far, the time of our stewardship has been well spent. It is not my intention to go into that record in any detail at this time. That may, more properly, be left for later in this session. But I do think it would be most ungracious of me not to take notice at this moment of the ceaseless and unrelenting efforts of the Premier during all the past year, and indeed, throughout all the days of his term as Premier, to revive the good and abundant life and go forward. I say without hesitation that the Premier has, since this House met last year, spent himself as no other Newfoundlander has ever spent himself, on behalf of his people. He is working around the clock in a desperate attempt to make up for all the wasted years and there has come of it results that will prove of great and lasting benefit for this land we all do love. And it is my earnest hope that the worsening prospects for world peace, noted in the speech from the throne will not prove such as to forestall the realization of that fair vision shining and splendid, that gives him courage for his great endeavour. And I say all that, gentlemen, not out of party loyalty, not out of any desire merely to praise the Premier. I say all that because I believe all that to be the simple truth. Here is a man giving himself utterly to the advance-



ment and welfare of Newfoundland. There are many who will not admit that in our generation but I am convinced that history will so record it.

It is the view of this Government that, important though general economic development must be, no lasting prosperity is possible in this Province as long as the fisheries fail to give a fair living to all those who engage in them. It will, I hope, help to set at rest the fears that all may have had to find these words in the Speech from the Throne. During the past year the action has been predominantly upon industrial development, and since because of war and rumors of war the Government has been so concerned with making clear the way which is rapidly changing in Newfoundland, other than in the fisheries, it may have seemed to many we were forgetting that first and before all else in this Province we must fish that we may live. If such there be, then I hope it may be reassuring to them to know that we have never lost sight of that fact. In the fisheries, the time since the House met last year has been a time of searching for the answer, and all fair-minded men will admit that to search out the answers in the fisheries is a long process. The search was not too fruitful in providing the answer for 450 years, but fishery problems built up one on top of the other against the future, the day when some other generation would have to attempt an overall solution. The past has come up with little more than the cod-trap, the marine engine and NAFEL. The solutions which we must now seek, if we are to survive in the fisheries, will not come overnight. For the time being we have passed the burden of searching for the answers to the Fisheries Development Committee, and in that

way the combined resources of the Federal and Provincial Government will be brought to bear upon the most urgent problems confronting us. That is as it should be, for both governments share in the responsibility of development of our fisheries and the welfare of our fishermen.

Now, I had it in mind, since there seems to be some uncertainty in the matter, that I might with profit discuss the jurisdiction and authority of the Federal and Provincial Governments in fisheries administration. But to deal at any great length with the complicated problems involved in the fisheries would be to ask the honourable members to share to some extent the portfolio I have the honour to hold. I have no desire to do this, I will content myself for the moment in saying the Government of Canada has full jurisdiction over our fisheries except in so far as legislature is required by the Government of Newfoundland in respect to civil and property rights. I think I should add this, that the honourable Mr. Maybaw, Minister of Fisheries of Canada, realizing the complexity of these problems, suggested that it might be well worthwhile for the Governments of Canada and Newfoundland to consider establishing a fisheries development committee on which the Government, the fishermen and the trade may be represented. Newfoundland has been the first Province to avail of this plan of action. The general objective that has been set up is to study all phases and aspects of the fisheries and determine a program within which specific recommendations can be made for the solution of many problems which beset our fishing industry. We are fortunate in having that y.shrdll of Sir Albert Walsh, Chief Justice; the fishermen's representatives are men

who know the basic problems of all those who make their way of living from the sea, of all those who go down to the sea and fish in small boats and large, out of our coves and harbours; the Government representative is a man of vision, and a man who knows the in-shore fishery problems, and he can speak with the voice of one who has shared all the toil of that calling. Captain John Gill of Grand Bank knows the off-shore fisheries, knows what it is like to have 15 dories, 30 men over the side when a storm comes on; and high liner out of Grand Bank for the last several seasons. What they don't know between them about the fishery they know right well where to find out. The trade representatives are men of wisdom and enterprise in their own field having made outstanding contributions to the fishing industry. Harold Dawe of Port Union representing the Salt Fish Trade and H. A. Russell, representing the fresh fish trade are men who have the resourcefulness, the wisdom and knowledge to bring strength to the committee's deliberations. The Government of Canada is represented by Mr. Raymond Gushue, Chairman of the Newfoundland Fisheries Board and Chief Supervisor of the Newfoundland Division of the Federal Department of Fisheries; and the Government of Newfoundland is represented by Mr. Clive Planta, Deputy Minister of Fisheries.

Both Governments are contributing to the operation of the committee. Several technicians and a group of scientists including technologists and biologists are being made available to the Committee by the Government of Canada, and the Government of Newfoundland is providing the finances to defray financial expenses, administrative expenses. Moreover we

must recognize the fact that any development program in the fisheries will involve all the departments of the Government, for example: the building of new roads, the erection of new houses, building of new hospitals and the extension of existing hospitals, health facilities and a fair break for fishermen with one leg on land and the other in the vessel. This and more will be included in the development of the new fishery committee, and in recognition of that fact, the Government of Newfoundland has appointed an inter-departmental committee on fisheries, consisting of the deputy ministers of all departments to collaborate with the fisheries development committee where problems arise that relate to these departments. On Saturday night last, I believe, the Chairman of the committee made a statement to the public over the radio in which he dealt with functions and procedure of the Government activities. I don't know how many of my honourable friends heard his address, but if they did not, I would suggest strongly that they procure copies and read it.

Prior to Confederation, there was no such thing as any division of responsibility for administration of the laws of Newfoundland. Our laws were then the laws of a sovereign nation. Today, the Government of Canada shares full authority for regulating and controlling our fisheries as provided in the British North American Act, and that included responsibility for conservation, determining the size, any type mesh of gear that may be used for taking certain species, and where they may or may not be caught; the regulating of conditions under which fish may be processed for market and for regulation and control of the quality and grade of fish

for market. The Government of Canada is responsible for technological and biological research, experimental fishing and preservation of fish population.

Having said all that, I might well be asked: Why a Department of Fisheries at all in Newfoundland? The answer is simple. It is important at this juncture in the transition of Newfoundland from the status of a sovereign nation to a tenth province of Canada. The Federal Government of Canada was conceived as a creature of the Provinces, but the Government of the Provinces could not effectively administer laws governing defense, crime, policies, transportation, customs and excise calling for uniformity.

But the Governments of the Provinces, and Newfoundland, hold steadfast to legislative jurisdiction over and responsibility for administration of civil and property rights of citizens. The concern of the Government of Newfoundland is fishery administration, the concern of the Government is with the well-being of all those who have been and who are concerned in marketing of fish, who operate deep-sea craft. The concern of the Government of Newfoundland is that the dignity of individuals engaged in the fisheries should be maintained inviolate. It is the concern of the Government of Newfoundland to supervise the conduct of business, so that the liberty to do business may not be misconstrued as the liberty to exploit. It is the concern of the Government of Newfoundland to strive for the advancement of our fishermen, to encourage the advancement of community life and undertake that the advancement that falls in larger centres can fall in areas where schools, hospitals, good water, roads and highway

transportation can be developed. It is the duty of the Government to see that fish processing is developed and advanced, fishing methods improved by the introduction of better type boats and gear and the process of handling fish be developed in compliance with all the advances that modern science affords. It is the concern of the Government of Newfoundland to maintain vigilance in marketing of fish products and join with the Government of Canada and the industry in the promotion of the sales of fisheries products abroad and in the markets of North America. It is the concern of the Government of Newfoundland that the fishermen should come by a just return for their labour.

The honourable the Premier, in a statement made to this Assembly May 1, last year, said: It will be our duty to see that nobody takes an unfair rate of profit on fish. It is our duty, and we will fulfil it, carry it out, this duty to the fishermen.

During the past six months and for longer, there has been a persistent complaint from the fishermen in all parts of the Province that they were not receiving a fair and reasonable price for fish. Consequently, on December 16 last, the Government acquired the services of Mr. Bruce Feather, to undertake an enquiry into the price of fish paid to fishermen, and profits made on the 1950 production.

It will be recalled, Mr. Feather did an enquiry for the Commission of Government some years ago, and, as of the day of union, left the Government to join the Dominion Bureau of Statistics at Ottawa.

On February 1, we appointed a Royal Commission to conduct the en-

quiry. At the same time the Government of Canada, through the Fisheries Support Board, was planning to launch an investigation into marketing of 1950 production, to determine whether payments made to fishermen were justified. That action was in keeping with a pledge given last year by the honourable R. W. Mayhew. When the announcement was made of the enquiry to be conducted by the Government of Newfoundland and by the Government of Canada we become aware of duplication which we were afraid there would be if parallel enquiries were made. As a result of exchange of views between St. John's and Ottawa, it was agreed to canvass the position of procedure being worked out by the Royal Commission and Acting Chairman of Fisheries Support Board, to eliminate the duplication anywhere by the Governments, concerning fishermen and trade and facts concerning buying and selling of the 1950 production.

The Acting Chairman of the Fisheries Support Board came to St. John's and negotiations were conducted here with the result I announced in this House yesterday, in answer to a question that had been asked. Procedure has been determined to make the enquiry complimentary.

As indicated in the Speech from the Throne, the Government has taken the initiative in inviting the fishermen to organize themselves into a strong, Province-wide, occupational organization, with a view, to enable them to make their collective views heard in all matters concerning the fisheries. This House will be asked to vote funds to pay the cost of each representative.

To me it is difficult to argue for this convention, because it is difficult

to argue for the obvious, difficult to argue six and six make a dozen, because six and six just make a dozen there is nothing more to be said about it. Difficult to argue a triangle has three sides, because it can't have four or two or one, and difficult to argue for the holding of the fishermen's convention because the necessity for a fishermen's organization is so obvious. Obvious as that mace on the table there, nothing was ever more obviously a mace. Nothing was ever more obvious than the need of our fishermen, in this hour, for organization to make certain of their place in the sun.

Twenty-eight thousand fishermen scattered on a score of capes, fishing out of a thousand coves, they constitute the last great unorganized section of our population. Most other of our occupational groups are organized and have the politics of their parties, but this great preponderance of our population, they have no organized total voice.

Twenty-eight thousand fishermen who tend their lines, haul their traps, eat their fish and brewis, carry home the occasional barrow of blasty boughs and wonder what the price of fish is going to be in the fall—they have no total voice to trumpet the sorrows of their lot and to sound the splendour of their dream. Surely all men of right reason will admit that they should come together as one crew, more than any other, that will lessen the insecurity of their position and augment their prestige.

Now I acknowledge that there may well be some who are saying, on the outside, some frowning of brows going on about the proposal to call this convention. If that be so, it is not so much the fishermen's organization

that hurts as the suggestion that public money should be applied to paying the cost of that convention.

But who, I would like somebody to tell me, has a greater right to have public money spent in their interest than the fishermen of Newfoundland? If I might mention something, purely incidental, yet nevertheless pertinent, you can see a great many new cars around this town today, a great many of them in the first instance, came over the side of a dory somewhere on the Grand Banks or a trap skiff in Trinity Bay or a schooner in Labrador. You can see a great many fine homes around this town today, and a great many of them in the first instance, came over the side of a fishing boat somewhere. That is where the money came from in the first place. But we don't see many fishermen driving around in Cadillacs or living in any of our fine homes. Somehow some of the returns of their fish does not seem to have ended up in their hands. If in respect to this convention some several thousands of public money are diverted and channeled into serving the fishermen's interest, then they are being channeled back to serve the interest of those who, in the first instance, created the new wealth this fund represents. However, this is something incidental.

The situation that confronts us in our fisheries today is, for those of us who live in this Island in the category of a nation emerging, we have reason to believe in a strong fishermen's organization and that it can be of value in arriving at an overall solution that we must seek. It is, therefore, in the public interest to see that the possibility of establishing such an organization

should be fully explored and conscientiously followed. That is a fitting and proper purpose to which to divert public money, to finance the cause of this proposed convention. It is as simple as that, as I see it, and anyone who prefers to see it otherwise is merely avoiding the issue.

The Speech from the Throne ended hopefully for the future. And indeed, we have more reason, in this hour, to look forward to a future bright with promise than we have had in a long while. The improved position of our established industries, prospects of large defence expenditures, and promises of industries newly established with more to come, all make for a happy outlook.

True the situation in our fisheries still gives us cause for concern, but we believe we have at long last set in motion the machinery to provide solutions for age-old problems and such problems as the future may bring. It seems to me we have always been down-in-the-mouth about our fisheries. Except during the two world wars when things went well, the attitude of many people to the fisheries was that nothing much could be done; it always has been a source of concern and anxiety and always would be bowed down by what appeared to be monumental difficulties of achieving any satisfactory development. We have been prepared to admit that, and even today most people apply to our fisheries the same attitude of mind. The fisherman says his boats are hauled up to stay unless he can see reasonable prospects of prices for fish; the merchant hesitates to underwrite the cost of fishery requirements because he is fearful fish may not be sold at

all, and in the eyes of all too many people there is little hope when they contemplate the future of the fishery.

I want to go on record as not sharing in all the grim forebodings that many harbour in their hearts about our fisheries. I believe, on the contrary, that we are entering upon a period of a happier situation in our fisheries than we have ever known, and I would appeal for widespread cleansing of ourselves of this approach to the fisheries with downcast eyes and voicing of the worst. I have every confidence that our Fisheries Development Committee will point the way to development that will bring our standard to the equal of the foremost fishing nations, and bring to our people a new prosperity and a new concept of themselves in this generation; and I feel quite certain, that in all that, we will have the support of the honourable R. W. Mayhew, Minister of Fisheries for Canada, to do all that he can to contribute to advancement of our fishing industries and increase of the position and dignity of our fishermen.

This House, and this Province can be assured that this Government will never rest on its oars while yet there remains to be done anything to increase the prospect of our fisheries and advance the welfare of our fishermen. I feel that I can speak for all the other members of the Government when I say that we attach first importance to our fisheries, for they are at the basis of life in this Island, and what happens to the fisheries and fishermen, first and before all else, moulds the destiny of Newfoundland. And we shall continue, never ceasing, to strive after a pattern in our fisheries that will make for more happiness and prosperity and dignity

among our people. Taking it all in all, it may well be that we are nearer, in this hour, than we have ever been before during the course of our country's long history, to a happier and more satisfactory pattern of life that will admit all in this Province who fish or farm, who work in the woods and along the shore and behind counters, to stand up straight before the world in their generation, with their faces to the sun.

MR. CASHIN: I don't know where I am going to fit in here after listening to the honourable Minister of Fisheries and Co-operatives; when he began his speech, I felt he had taken a text from the Bible and when he concluded his address, I felt we should have said "Amen." However, Mr. Speaker, before I make any remarks on the Speech from the Throne, which I might tell you in advance is going to be brief, I want to express my congratulations to the mover and seconder of the motion, the honourable member for Labrador and the honourable member for Fogo.

Now, I would not have spoken at all on the Speech from the Throne were it not that events of recent days or weeks, as the case may be, have brought about some peculiar things, and I refer particularly to the resignation of one of the Ministers of the Government who has now taken an independent seat in this House, and also refer to the stand taken by the honourable the member for White Bay who also has taken an independent seat in the House. I presume that I am really, as pointed out by the honourable member for Bonavista South, the only independent member in the House. I was elected as an independent with a great big "I"

attached to it, I feel it will not be out of order, if I state personally why I happened to be an independent member of this House.

I think all the members in this House and a lot of people outside of it realize and know that away back about six years ago, on June 6, come to think of it, I instituted a radio program in order to bring Responsible Government back to Newfoundland. Every Saturday night I spoke over the air, demanding, as best I knew how, that Responsible Government be restored to the people of Newfoundland. Ultimately the convention was held, a National Convention which I called a farce from beginning to end, rigged by the English Governor in league with Canada and the Commission of Government.

We held the convention, and incidentally, in the course of that convention, I made certain remarks which landed me in the Supreme Court, made history, political history. Certainly, Mr. Speaker, when I lose the incentive to make history in Newfoundland, politically, I am going to retire altogether. However, many of those people who later did not side with me or I them, in the fight to bring back Responsible Government after the convention closed, offered up prayers the day I appeared in court, that I might be convicted. I will say this, however, the honourable the Premier, who was the toughest political opponent I had, was my strongest supporter, I imagine, in that fight, and this is the first opportunity I have had to express my appreciation, and I am taking advantage of it, for the courage he displayed in giving me hope, because, Mr. Speaker, I hope you will never,

or any other member of this House, have to wait three hours for a Jury's verdict. I had to do that.

After that was over we went to Great Britain, and that was rigged to put me in jail. We went to Great Britain and came back and made our report. They then brought down this solution; you will put three things on the ballot paper, Responsible Government, Confederation or continuation of Commission of Government. Naturally, as I am still, I was probably one of the strongest advocates for Responsible Government, before anything would be done about bringing about union with Canada.

Finally after two referenda, our cause was defeated. It is not necessary for me to go into details and it is not necessary to repeat it at this time. Then the lining up of parties came along. The Liberal Party was lead by the present Premier of this Province. Two or three individuals came down from Ottawa to see me. As I look back on them, they were the greatest political babes I ever saw in my life, we met, twelve or fourteen of us, and I at that time advocated a National Newfoundland Party, but I was turned down on that for the simple reason, there were those who did not want a National Party, they were afraid they might have to pony up to pay for it. I caved in, I said, I'll support this so-and-so Progressive Conservative Party, under the leadership of the present leader at Ottawa, Mr. Drew, and I was approached by one of those gentlemen who came here, to contest the District of St. John's West, federally. I was seriously considering doing that, but I had to think of many things, finances and so on. I felt that I could not afford to spend six months in Ottawa on

the sessional pay of \$6,000. I made up my mind I was not going federal, and I returned to the Progressive Conservative Provincial outfit here and told them I did not intend to contest the Federal Riding, I was going to go Provincial, and I was told I could go to the devil, they did not want me, not in their party provincially but would support me federally. I said, well alright, I don't care whether you do or not, I am going to stand Independent. Some of these gentlemen, now members of the Opposition, said that they were opposed to me because I did not fit in with the Progressive Conservatives. I owe them a debt of gratitude today, because I would not be identified today with the Progressive Conservative Party for all the money it would cost to build a cement mill. Why? Because I look upon them as political children, their leader a fool politically, dressed up and no place to go. A fine looking individual but as a politician, in comparison with St. Laurent, he is a joke and I don't care who hears me say it. I am only too sorry he is not here to listen to it, and please God, if he is ever in a public meeting again, I am going to be in that meeting and he is going to hear a few words from a fellow elected in spite of him, in the District of Ferryland, as an Independent. What a crowd of fools that individual thought Newfoundlanders were, came here, dressed up, corseted, everything to fit. Raced over to Conception Bay, shed a few tears on the grave of his old grandmother, but like another Canadian said about us, we must have been too green to burn to swallow a thing like that. That is history, and there is only one regret I have, I contributed in no small amount, politically, not financially,

because I did not have it, I paid my own election. But politically, to help elect the member for St. John's West, the worst day's work in my political career, I helped to elect the greatest hypocrite in Newfoundland, but I promise him, if I am on my two feet, politically or otherwise, next election, there is going to be some fun in Ferryland District, and there was some fun when I elected him. There was some fun at that time and I don't think the Premier will be offended with me when I say to him, I didn't elect Brown, he elected Brown, not me, and if he had listened to me, Ferryland did not intend to vote, I am going to tell you, we would have shown we were real Newfoundlanders, we elected an Independent and the Progressive Conservatives were just the same as the Liberals, all for Confederation, six of one and a half dozen of the other, and our people had made up their minds that they were not going to vote, they were not intended to. But mistakes, politically, were made, everyone, the best politicians, make them, I have made plenty, and the Premier made a political mistake, and I got a bit high-hat and became indignant and said Smallwood is not going in there and take charge while I am alive and so I elected the greatest hypocrite in Newfoundland, and then after a month, publicly and without any reservations apologized to the people of Ferryland and the District of St. John's West. Well these people elected him, he got a bigger vote in the District than I did, and that is saying something, and then in the course of that election the Provincial Progressive Conservative Party put out the propaganda,—Cashin is not going to be elected—Why every Con-



federate man up there defeated their candidate.

Look, Mr. Speaker, I would not have spoken at all but for those gentlemen who moved over, I have been longing for this opportunity. I had to use those independent members to voice that personal view of mine, and I am glad you gave it to me. That is that, and let me say here now, I am committed to no party; I still believe in a National Party for Newfoundland. I would stifle under the present politics of the Progressive Conservative Party, but right here and now, I am going to make this announcement, consulting no one, it came to my mind this last ten minutes. I may never go into politics again but I here now, lay the foundation, in the person of Peter J. Cashin, the foundation for a National Newfoundland Party. Anyone who wants to join, come to me without payment of money, because I know when I come to ask for anything, I get nothing. They would sacrifice the Country, most of them for fifty cents not fifty thousand dollars and that is why you had a Progressive Conservative Party here in 1949 as the money magnates of Water Street were too mean to contribute a dollar. I could go over their contributions, I have seen the amounts. I contributed more money myself and I was bankrupt. I will give you an example of our 20 millionaires, 21 I hear the Premier say. One gave \$300 contribution, and he is a millionaire, and he gave something to the other side, I don't know how much, I wager you fellows if he gave \$300 and his place of business is on Water Street. A junk man running a business where he does \$40,000 business a year gave \$40.00. I congratulate you and your saucy little boy over there, smiling at

me, wondering what I am going to say, I like him, a certain amount of fight in him and that is what I like, but he does talk unusual facts, the people of Fogo are going to haul up their boats, but I don't hear of any fish firm in Fogo going out of business. And incidentally, one of the fellows who kicked me out of the Conservative Party, told me I was getting kicked out of that party for talk about sectarianism. I don't care who hears me as long as I am alive. He came to me to say the reason, they said, we don't want you, the Protestants won't elect you, the Orangemen won't elect you, No; That is what they told me and, incidentally, I'm going to make another statement now, the greatest and most enthusiastic meeting I ever had—in Ferryland? No. Not in St. John's East and West, and I am going to take this opportunity to thank those people, and a gentleman outside of the bar of this House tonight, the best reception I ever got from any bunch of men in Newfoundland was in Upper Island Cove, and not a Catholic amongst them. I take my hat off to them for it. I know in the end they voted Liberal for the Minister of Public Health over there.

MR. SMALLWOOD: All good Liberals.

MR. CASHIN: There were two gentlemen in that Conservative outfit I had the greatest respect for and I want to pay public tribute to honourable J. C. Currie, owner of the Daily News and the other, Malcolm Hollett. The rest of them I would not speak of them at all, I would have to go down there with a bottle with a teat on it in order to get them.

Now the Speech from the Throne, Mr. Speaker, I am going to be very, very brief now that I have passed my time by being more personal than I should have been. The Speech from the Throne this year does not outline the future policy of the Government but the past and it does not outline a lot of things they have not done, and I am chiefly concerned, and it is expected of me that I should speak more or less on the financial side. At the present time, how do we stand financially? People have talked to me, it's cackling nonsense for you to speak about finance, nobody listens to you, I don't care whether they do or not, it still boils down to dollars and cents that is going to be the rule of what the Government is at. I predict now, I was not here the other afternoon when the Premier said we were the most prosperous province in the country.

MR. SMALLWOOD: I said the soundest.

MR. CASHIN: Well, I will claim this now, you are scattering into bankruptcy. You see I am an Independent. I think the Auditor General's Report for 49-50 shows a deficit of 10 million, surplus is roughly down to 32 million and that does not take into account the money you spent or committed to spend during that period and on into this period, at the end of February, roughly 26 millions in the Treasury committed at this time, how are you going to carry on? I am always making predictions, some right and some wrong, I don't claim to be infallible: That within two years from now, the people of Newfoundland generally will be fairly well off, the people—the Government will be bankrupt. The Government won't have a dollar. The Premier said the other day the

National Debt is \$5,000,000, I read it in the newspapers, like Will Rogers. \$5,000,000, what guarantee has the Premier we can go out tomorrow and borrow five million dollars. Once your budget does not balance and you go to financial men, that is the first thing asked you, I was placed in that unhappy position once when I had to go to the money bags of Montreal and look for a loan. We were showing a deficit of two or three million dollars; they would not look at us. Our banker would not talk to us, they almost threw us out of the board meeting. We went to New York, and it was the same thing, finally they gave us a couple of million to carry us on, the crash came and away she goes. We do not know what is going to happen from day to day. The opening paragraph of the Speech from the Throne spoke of war, it may or may not come; my guess is as good as yours, yours as good as mine; listening to experts today and commentators, frankly, I have no faith in any of them. None whatever.

Now, with respects to economic development of the country, the Government have gone into the open market to investors but so far not one dollar not even the great Rockefeller—I am reading a very interesting book at the present time concerning the great fortune of the United States and I want to tell you, Mr. Speaker, the Rockefeller outfit, like all the rest of them, feller outfit, like all the rest of them, honestly and are doing nothing for nothing. They are paid for everything they do, paid down here. When the Premier announced last year, the ordinary man on the street, the outport fisherman when he heard so much about this big oil man with hundreds of millions of dollars, we all thought

we were never going to see a poor day in our lives again and now it transpires that IBEC is being paid for conducting this survey in here. Let's be honest, don't hoodwink the people down here. Rockefeller made a report on the possibility of establishing a pulp and paper mill in Labrador; they have no interest whatever in putting a dollar into it. I understand from the Speech from the Throne (I have not read it very thoroughly, I am very lax in my duty this year) they recommend the Labrador. I disagree with them entirely. Let us look at the situation. They have great engineers but they have employed not one, not a water power man, not a transportation man, they say we can build a mill in Labrador with wood from Labrador. Do they know that the longest period, on the Southern edge of the Labrador you can run, with insurance, is four months and in the Hamilton area **only three months?** Now you got to manufacture and store it for eight to ten months before you can ship it. Build a mill for 8 thousand tons a year and have five or six thousand tons a year being stored on Labrador, tied up, money tied up at \$100 a ton. Five or six million dollars. Mr. Speaker, the great Rockefeller, in my opinion, does not know what he is talking about.

Now, Doctor Valdmanis, to me the greatest actor who ever came to Newfoundland. The greatest actor, Barrymore, is a fool compared to Valdmanis. Paying him \$25,000 a year. Here are the estimates of Canada. Outside of the Chief Justice and his assistants, I challenge you to find anybody who gets more than \$17,000 a year. The Deputy Minister of Finance and the Auditor General \$17,000 and the Chief Justice \$25,000 and other justices

\$20,000 and now our friend Mr. Feathers is getting \$15,000 a year. The Deputy Minister at Ottawa gets \$12,000 a year and is boss over Mr. Feather, I have nothing personal against these men, except I think Dr. Valdmanis is a great actor, he is wasting his time in this business, he should be on the stage, he is putting it all over us. \$25,000 a year, ridiculous. Now we may or may not get this cement mill and other stuff. He is getting closer to \$40,000 a year, I can tell you, with all expenses and hotel bills. He is away three parts of his time. \$40,000 and nothing turned in in Newfoundland at all yet. The Premier said he has turned in hundreds of times more than his salary. He has not turned in one cent yet, only what he took out. He is in velvet. I have nothing personal against him but he is not worth \$12,000, \$25,000—he could never get it any other way, and could not get it from any private company. He unloaded himself here. A great actor, I say, a great actor, and when I say actor I mean what I say. Take me away from the individual who rolls his eyes when he looks at you, and can't look you straight in the face. I would not trust him with a hot stove and he will go out of here wealthier than any of you fellows when you leave the Government.

Now, I have very little time, Mr. Speaker. I could speak for weeks on this thing but there is one item: I can't forget the hospital in Ferryland. I would be derelict in my duty if I did not bring that matter up and I can assure you the Premier is not a dictator, he is dictated to by the Deputy Ministers. Last year, in this House the estimates voted \$90,000, voted by every member in this House to construct a hospital in Ferryland, and I

am informed the Deputy Minister of Health advised the Department, mis-advised, not to do what was voted for, a hospital in Ferryland, certainly carrying out the traditions of those who tried to starve the people, made them kill their cattle and hens. So they have handed me a glass of water, which indicates I should speak longer. Now, I am going to go a little into the history of that hospital.

During the campaign I met the Premier in Trepassey and he promised it to the people then. I took the late finance minister, the honourable Mr. Quinton to Renew's and he told the people there that they were going to build a hospital, and I can say there is not a nail driven in it yet.

MR. SMALLWOOD: May I say something?

MR. CASHIN: Yes, as long as you build the hospital, you can say what you like.

MR. SMALLWOOD: The estimates are in the process of being brought down, but I can tell the honourable gentleman that a vote is in the estimates for the coming year for the hospital. I know he will say it was in the previous year, it is true it has not been spent and it may not be spent in the current year but the vote is going to be included for the hospital in the estimates for the coming year.

MR. CASHIN: I know, the vote was in here last year, now the House has the assurance of the Premier that it is going to be built this coming year.

MR. SMALLWOOD: I did not say that.

MR. CASHIN: Didn't say that, then don't cod us for another year, it does not pay off politically.

I am independent, I owe allegiance to no one except Ferryland and what you promised that District you fell down on because of a deputy minister. It is much fitter for this deputy minister to look after his job. Do what this House of Assembly wants, instead of going out and starting beer dives all over the community. I refer, now I am pulling no punches, to the Asst. Deputy Minister of Health, who is better qualified to run a beer parlour than a Health Department because, incidentally, he does not care about the Ferryland people or any other people; only in slopping that belly-wash down in him until it kills him, I know all about that, I did it myself.

That brings me to a piece of legislation, that is the amendment to the alcoholic liquor act. Now you are looking at a real alcoholic, one of those who helped to found this thing called Alcoholics Anonymous. Some people don't like their name in it, I don't care who knows; I know what is going on here, none of you have had the experience I have had during these past few months, seen homes broken up, and I am not here to preach, I am not a prohibitioner. I don't care how much rum Doctor Pottle drinks, it is none of my business. He does not drink, it would not be for his welfare that he should take it, and I am glad he does not absorb this kind of liquid.

MR. SMALLWOOD: I don't drink either.

MR. CASHIN: Well, you take a glass of sherry. If I were to take a glass of sherry I would be here all night, I can't even touch that without going on a real binge. In a week or so we will have the estimates of revenue. The greatest revenue of the Government is derived from the

Liquor Department of your own Government. I say the system we have here does not meet the situation for dispensing liquor. I am a great believer in one thing English at any rate and that is the old pub and I believe it is the only way to beat drunkenness, where a man can go in at a certain hour and get a drink and walk out, and does not have to buy a crock to have a drink and end up probably down under the clock or beating up his wife. That is what is happening here and in my opinion, if the Government must make money off liquor, devise some other way of collecting it, this present system is going to destroy this city. Do you realize, Mr. Speaker, that right here in this city of St. John's there are 1500 alcoholics or potential alcoholics, men and women, and this condition exists according to statistics based on the findings of the Mainland and the United States of America, and once those poor unfortunate people (I happened to be one of them one time) start to try to take a drink, try to be sociable, that first drink is the one that does the damage, the first one.

Now there are a lot of fine people in this country, men and women, I include both sexes, particularly in the City of St. John's, who have wrecked their homes, their living, went bankrupt, losing everything in the world because they are not able to handle liquor, because they can go down to the Controllers and the Government encourages them because you want revenue; say all right come in, here is a bottle, \$3.30. It encourages them, go down there, put down three dollars and a half. Now they are going to put people on a diet, three bottles a week, to cure them. It will encourage them and then they can drink brandy, a great drink for getting off

the beer, and there will be a lot of that in future. Now we know the Government should devise some other method of getting its money out of that liquor without establishing four or five rum shops where people can go in and buy a bottle, and beer parlours out all over the place. Since we went into confederation, they can buy a bottle of Pinky for a dollar and mix it with beer. That is a Canadian wine, they get it for a dollar and mix it with beer and it's got a kick like a mule. I have never indulged in it, it was not on the market in my time, but I understand from those who are well qualified, it has a kick like a mule. Go into a beer parlour, haul out their pinky, mix it with their beer and they are all fixed up and can go to town in twenty minutes. But your revenue is down, they are buying pinky instead of rum. I would suggest, Mr. Speaker, in all seriousness, because in all my life, in all my sixty-one years, I have never been identified with anything I loved more or put more energy in, this helping distressed people who have become alcoholics, and can't take a drink because I know that by helping them, I am helping myself, and God knows it might be tomorrow one of them might have to help me, and I appeal to the Government tonight. I think an honourable member mentioned to me that later on we shall have a Bill brought in for amendment. That "A.A." as we call it, has done more work with respect to handling of liquor in this city than all the Churches and all the denominations combined, and in our organization this year, on Christmas Day, we had men sober who were drunk the year before. Now Sir, I am going to conclude my few remarks, I got them off my chest and

I have nothing further to say about this whole issue until the Budget is brought down.

Well Sir, I am not going to bring you back tonight, but I again repeat that I think, I feel, the honourable member, the Late Minister of Natural Resources did a courageous thing in resigning a few days ago, a very courageous thing. He mentioned the fact that he would have resigned before, but he did not have the courage; gave it a great deal of consideration. He deserves a lot of credit. Walk along the City Street and people wonder why Russell left the Cabinet. I am allowed to say that—it has been published and talked about, wonder why a man gave up seven thousand dollars a year. It is a lot of money, there is something wrong, a principle involved. Something to have changed his mind, he should have been an independent like myself. Now I got booted out of one or two Governments myself. For instance, I was elected in 1923. I believe any young member who comes into this House should first try and get into the Opposition, I am telling you because when you are in the Government the Cabinet runs you, you are just a voting machine, but over here on this side, there are all kinds of opportunities to train yourself for the future. I am speaking now to younger people in training to become public men. Every bit of Legislation has to be criticized, and no Government yet under God's blue heaven is free of criticism, we all make mistakes. The Premier is going to make them, I am going to make them over here. Therefore, the younger generation, I advise them politically, to become a member of the Opposition to

begin with. That is what my father told me in 1923. It is the only place you get some training politically. If Mr. Russell gave up \$7,000 a year, he had a principle. I did it in 1924, I was read out of a party at three or four o'clock in the morning over Monroe's Budget. They had gone to the country in 1923 and promised a reduction of taxation and the following year a Budget came in increasing taxation. I was a young man, fighting the party on the Budget and one night the Prime Minister, the only living Prime Minister now from the past, told me if I did not like it I had to get out. There again is an episode which when written up is going to be interesting. I have a man in mind to write my epitaph, politically, after I pass out. Again when I was Minister of Finance, the country went bankrupt. The Government could not help that, I could not help that, but certain things happened I did not like and there was no course left me but to get out, and by getting out I probably brought about the Commission of Government in Newfoundland, again the worst thing I ever did in Newfoundland when I indirectly helped in bringing about Commission of Government and the other, when I helped to elect the greatest hypocrite in Newfoundland, in St. John's West.

Now in conclusion, as I said, I am going to make further remarks when the Budget is brought down. When the debate on the Speech from the Throne resumes, I imagine some member of the Government who has not yet spoken will wish to speak when the debate resumes, so whoever wants to adjourn the House may do so and I will take my seat. You won't hear from me any further until

the Budget is brought down—the Budget Speech two or three weeks from now.

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I move the adjournment of the debate.

MR. SMALLWOOD: I move the remaining Orders of the Day be deferred.

Mr. Speaker, on Monday of next week, the Fishermen's Convention opens and is expected to last throughout the week. I, therefore, move that the House at its rising do adjourn until tomorrow Monday, April 9th, that will be an adjournment for the whole week that the Fishermen's Convention is in session, so that all members of the House, Liberals, Torys and Independents—

MR. HIGGINS: Give us our official name.

MR. SMALLWOOD: Mr. Speaker, all members of the House, Liberals, Torys and Independents may be able to attend the convention.

The House then adjourned accordingly.

MONDAY, April 9th, 1951.

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

#### Presenting Petitions

Honourable the Attorney General presented a Petition from the Industrial and Cost Accountants of the Province Re Incorporation.

The following Committee were Selected to consider this Petition:

Hon. the Attorney General.

Hon. Mr. Vardy.

Mr. Janes.

Hon. Leader of the Opposition.

Mr. Fahey.

Honourable the Attorney General presented a Petition from the Architects of the Province Re Incorporation.

The following Committee were Selected to consider this Petition:

Hon. the Attorney General.

Hon. the Minister of Public Welfare.

Mr. Horwood.

Hon. Leader of the Opposition.

Mr. Fogwill.

A petition was presented by Hon. the Minister of Supply, on behalf of Mr. Speaker, from Port Saunders Re Menace of Dogs.

Hon. the Minister of Labour presented a Petition from Humber Re Shop Act.

The following Committee were Selected to consider this Petition:

Hon. the Minister of Labour.

Hon. the Minister of Provincial Affairs.

Hon. the Minister of Public Works.

Mr. Miller.

Mr. Russell.

#### Notice of Motions and Questions

MR. FOGWILL: I give notice that I will on tomorrow ask the honourable the Minister of Finance:

1. To table a statement showing the total Current Revenue received

under the various headings during March, 1951.

2. To table a statement showing the total current expenditure under the various headings during March, 1951.

3. To table a statement showing the total Revenue received under the various headings and credited to financial surplus account during March, 1951.

4. To table a statement showing the total expenditure under the various headings charged to financial surplus account during March, 1951.

MR. SPEAKER: Question No. 81.

HON. E. S. SPENCER (Minister of Public Works): I have here the answer to question No. 81, on the Order Paper, of March 29, in reply to a question asked by the honourable the junior member for St. John's East.

Question: How many miles of new road, other than Trans-Canada Highway has been constructed since April 1st, 1950?

Answer: 47 miles.

Question: Where was the work done, in what Districts?

Answer:

MILES

<i>Burin</i>	
St. Lawrence to Epworth .....	7.0
<i>Humber</i>	
McIvers—Gillams .....	5.0
<i>Placentia West</i>	
Marystown—Terrenceville Rd.	8.0
North Hr.—Swift Current Rd.	1.25
Terrenceville Rd.—Rushoon .....	.75
Terrenceville Rd.—Mooring Cove .....	.75

MILES

<i>Bonavista North</i>	
Pound Cove towards Lumsden	4.50
<i>Bonavista South</i>	
Lethbridge towards Southern Bay .....	1.5
<i>St. Georges</i>	
Three Rock Cove—Mainland	3.5
<i>Twillingate</i>	
Campbellton—Loon Bay .....	1.0
<i>Grand Falls</i>	
Browns Arm—Lawrenceton .....	3.0
<i>Fortune-Hermitage</i>	
Terrenceville Rd.-Bay L'Argent	2.0
<i>Placentia-St. Mary's</i>	
Fox Hr.-Villa Marie .....	.75
North Hr.-Jct. Placentia Rd. ..	2.25
<i>White Bay</i>	
Cooks Hr.-St. Anthony .....	3.25
Rd. to wharf at Roddickton .....	.25
<i>Green Bay</i>	
Pt. Leanington-Bobby's Cove	.50
Hall's Bay Rd. to Springdale	1.25
Question: How much did it cost?	
Answer: \$593,718.00	
MR. SPEAKER: Question No. 85.	
HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, in reply to that question, I would like to say that we have no official information as to the number of R.C.M.P. members on duty in Newfoundland, but I understand there are about 156. We only know what we pay, you see they do Federal work and don't come under our department except insofar as I understand there are 156. Newfoundland pays for 140 and there are another 15 at present undergoing training on the Mainland, whether an addition to the 156 or not, I am not in a position to say.	



MR. FOGWILL: Question No. 42.

HON. J. R. SMALLWOOD (Prime Minister): I wonder if the honourable gentleman would be kind enough to remind me what the question is?

MR. FOGWILL: The percentage of increase in the civil service.

MR. SMALLWOOD: Mr. Speaker, I have already told the honourable gentleman the answer to that is in the course of preparation in the Department of Finance. I distinctly remember telling you so. I have no doubt they will be forwarded to me when prepared.

MR. FOGWILL: That was about ten days ago you said the answers were in course of preparation. I thought they would be along by this time.

MR. SMALLWOOD: I may say this is the time of the year the permanent staff of the Finance Department are especially busy, working on the estimates and revising them as the Cabinet revises the tentative estimates. These revisions are done by the Department, the permanent staff, and the preparation for the budget and all that sort of thing, they are extremely busy and there is not a big staff, when you think of the executive side of the Department, only two men Mr. Marshall and Mr. Channing, and I know they have been working day and night for months past, but I will undertake to enquire as to just what progress is made. There is no desire to escape the answering, and I am most interested myself to see the answers.

MR. FOGWILL: Mr. Speaker, it is really just a simple question, and would only mean a couple of hours' work for some under-clerk to prepare.

MR. SPEAKER: Question No. 68.

MR. SMALLWOOD: I must refer that question to the honourable the junior member for St. John's West, if he would look it up on the Order Paper.

MR. FOGWILL: There are other questions outstanding. No. 68, 70, 84.

MR. SMALLWOOD: I will have the Departments check all questions outstanding, with a view to expediting the preparation of replies. They know themselves because the Order Paper goes up to them, and they know the questions. I don't ask for them, I merely wait for written replies, except in such cases where I have to give the reply myself, when it is not a case of their preparing it, in which case they leave it to me.

HON. C. H. BALLAM (Minister of Labour): There is one question the honourable member for St. John's East directed to me, one dealing with the Workmen's Compensation Committee, salaries and so on. At the time it was decided to me we had no Workmen's Compensation Board, but the question put was who were the Workmen's Compensation Committee. Well on that day the Act was passed and so now we have no Workmen's Compensation Committee, we have a board and no committee.

MR. FOGWILL: Yes, is the Minister going to answer it. There is no committee now but we will make reference to the date on which the question was asked.

#### Orders of the Day

MR. FOGWILL: One more question No. 75, addressed to the Minister of Labour.

MR. BALLAM: No, we don't keep that, you may be able to get it from the Unemployment Insurance Commission, that is their job, we don't keep it. I may be able to get it from them.

MR. FOGWILL: Why have we got a Minister of Labour.

MR. BALLAM: I would be glad to answer that, if the honourable member will put it in writing.

MR. SMALLWOOD: The adjournment of the debate was moved by the honourable the Minister of Education, unfortunately, he is not present, having been struck with an attack of flu or something. I imagine he would yield his place in the debate to any other member desiring to speak and take the opportunity to speak later on. If no honourable member wishes to speak, I will have to make a motion to further adjourn the debate. I have spoken to the motion, so it is not with any desire to participate again in the debate that I move now the adjournment.

MR. J. G. HIGGINS (Leader of the Opposition): I will move the adjournment if you like, I would like to speak on Wednesday. I am going out to lunch tomorrow and will not be able to speak. I move the adjournment until Wednesday.

MR. CURTIS: I think the Minister of Education may be able to speak tomorrow. He has not an attack of flu but injured his knee.

Debate adjourned until tomorrow.

MR. SPEAKER: Third reading of Bill "An Act Respecting Survivorship."

Thereupon this bill was read a third time.

Third reading of Bill "An Act Re-

specting the Statutes." Thereupon this bill was read a third time.

Committee of the Whole on Bill "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited."

Mr. Speaker left the Chair. Mr. Courage took the Chair of Committees.

MR. CURTIS: This water power is barely enough to be worth operating.

MR. FOGWILL: What is the H.P.?

MR. CURTIS: I will try to find out and give you the answer at the third reading. They have agreed to pay a minimum of 50c. per horsepower. I believe about 5,000 horsepower.

I wonder if we should put in "said company" instead of "company" and the same in the first paragraph.

MR. HIGGINS: What is usual in the Acts now?

MR. CURTIS: My department left out the word, I would be prepared to leave it out. I have just remembered the amount of horsepower is 1,500, 50c. per H.P., \$75.00. The agreement provides for 50c. per horsepower with a minimum of \$500.

Committee rose, reported, having passed the Bill with some amendments.

Committee of the Whole on Bill "An Act Respecting the Interpretation of Statutes."

HON. DR. H. L. POTTLE (Minister of Public Welfare): I wonder if Director of Supply is the proper interpretation. Was there a Commissioner for Supply?

MR. CURTIS: No there was not, was there?

Section 8 (c) and 8 (d) deferred.

MR. HIGGINS: I would like to draw the attention of Mr. Curtis to (d). What is the word exactly, the nomenclature. I am rather indefinite on that. "Neat."

MR. CURTIS: Anyway it is technically correct, I asked my secretary to look it up. I was wondering about the word Victoria—I think the 24th of May is designated "Empire Day" but the British Empire is now more a commonwealth. There is nothing about "Empire Day" here just "Victoria Day". I think that is a little more accurate. I will look up the Statutes and see. "Empire Day" is right, the only thing is, we don't hear much talk about the Empire these days. Change it to Empire Day.

MR. HIGGINS: There are some more, what about St. Patrick's Day and St. George's?

MR. CURTIS: The others are just under proclamation from year to year.

DR. POTTLE: For the edification of the House the word in question refers to cattle of the oxen rather than the horse, as distinguished from the horse.

The committee rose reported the matter to them referred and had made some progress, and begs leave to sit again.

Committee of the Whole on Bill "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

The Committee rose, reported having passed the bill with some amendments.

DR. POTTLE: Move the next order "An Act Respecting the Safety of Workmen in Mines" be deferred.

MR. CURTIS: I move the deferment of "An Act to Amend the Industrial Development Loan Act." I also move the adjournment of the "Fisheries Loan Act."

MR. SPEAKER: Second reading of Bill "An Act Relating to Local Government."

HON. P. S. FORSEY (Minister of Supply): In moving the second reading of this Bill I will point out it proposes to give power to the Lieutenant Governor in Council to appoint an administrator to conduct the affairs of a municipality which is in financial difficulties and a receiver to wind up the affairs of a municipality which is insolvent or in imminent danger of insolvency.

Several councils have borrowed money, substantial sums of money from the Provincial Government. During the past year others have received approval to sell bond issues, which, when confirming legislature is passed, will be sold with a Provincial Government guarantee as to both principle and interest. If, for any reason, the members of Councils with Government loans or guaranteed bonds were to resign and no one or less than the required number were to accept nomination, there would be no authority to collect the local taxes. On the other hand members may not resign but may spend revenues and fail to repay loans. In either case the Government would

either lose the amount loaned or guaranteed, as the case may be, without having any means of protecting themselves.

Authority to appoint an administrator in any such case would enable Government to collect the municipal revenues and repay the debts. It is provided that the management of the municipality may be handed back to a Council when the Lieutenant Governor in Council sees fit.

It is not anticipated that it will be necessary to appoint administrators: The knowledge that they can be appointed will probably enable councils to conduct their affairs in a fitting and proper manner.

There is no provision in existing Local Government legislation for winding up the affairs of a municipality if it should become insolvent. If a town were unable to meet its obligations but tax resources existed to enable it to do so, the solution would be to appoint an administrator who would either increase taxes or reduce services. If, however, there were no hope of the town being able to meet its obligations because of a sharp decrease in population, for example, it is necessary for Government to have authority to liquidate the Council's assets and thereby save as much as possible.

The Bill provides this authority through the appointment of a receiver. I move the second reading of this Bill.

MR. SPEAKER: Second reading of Bill "An Act to Regulate the Development of Local Areas."

MR. FORSEY: The purpose of this Bill, Mr. Speaker, is to control building along scenic routes and in

other places considered to have tourist possibilities, when such places are outside the boundaries of municipalities. It is contemplated that inside municipal boundaries control will be exercised by the municipal councils.

A Committee appointed by the Government consists of the Deputy Attorney General and the Deputy Minister of Public Works, Economic Development and Supply and that the Deputy Attorney General, be Chairman. This Committee was appointed for consideration of the Bill.

Power is granted to the Lieutenant Governor in Council to make regulations under section 4 of the Bill.

(a) To control the location and design of buildings and to prohibit the erection of buildings unless sanitary facilities are provided.

(b) To prohibit or restrict the occupation or use of land where this is thought to be desirable.

(c) To require the owner of the land to remove undesirable buildings and do anything necessary for the protection of rivers and ponds.

The Lieutenant Governor in Council would define the areas to which such regulation should apply.

Section 6 of the Bill gives the Minister of Supply power to create local planning areas, and to appoint a local planning board for any one or more of such areas.

It would be the duty of the board to prepare a plan for the development and improvement of the area for which it is appointed, and when such plan is approved, to make regulations, subject to the approval of the Minister for the control of the area in a manner similar to that in which

control over building is exercised by municipal councils.

It is the intention that regulations made by the Lieutenant Governor in Council would apply to areas which are either uninhabitable or sparsely populated at present or in other areas which are populated or become populated from time to time, but which are not included into any municipality, prepare a plan, make regulations and enforce them.

While the idea for this legislation arose out of the need for controlling areas likely to be attractive to tourists, it will be noted that the Bill is not restricted to these areas. The creation of new industries will build new settlements or extend old ones. Unless control is exercised, shack towns will result. The Bill provides the authority to exercise control for any purpose, in any area, except a municipality. I move this Bill be read a second time.

MR. SPEAKER: Second reading of Bill "An Act to Amend the Boiler and Pressure Vessels Act, 1949."

MR. BALLAM: Mr. Speaker, in moving the second reading of this amendment, I might say this Bill is just in order to clarify the word "designed" and the difference between the design and the design pressure, as stated in the old Act. This amendment here just clarifies the meaning of these words. It has been recommended to us by the Boiler Inspectors and I move the second reading of this Bill.

MR. SPEAKER: Second reading of Bill "An Act Further to Amend the Workmen's Compensation Act, 1948."

MR. BALLAM: I would ask to have that deferred.

MR. SPEAKER: Second reading of Bill "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

MR. CURTIS: Mr. Speaker, this Bill is made necessary by the taking over by the Newfoundland Light and Power Company Limited of distribution system of Bowater's Newfoundland Pulp and Paper Limited and Bay of Island Distribution of electricity in the Corner Brook Area.

The Bill is in uniformity and gives the company the right to distribute electricity in the area defined, also the right to transmit electricity over crown lands; reserves to the Government the right to purchase the undertaking at any time after the first day of January 1950, and provides for payment of taxes. I don't think I need to elaborate on the Bill. I move the second reading.

MR. SMALLWOOD: I move the remaining orders on the Order Paper be deferred.

MR. CURTIS: I move the adjournment of the House until tomorrow at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 10th, 1951.

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

#### Presenting Petitions

A Petition was presented by Mr. Courage from Fortune Bay Re Protection of Herring Fishery.

#### Reports of Standing and Select Committees

None.

### Notice of Motions and Questions

HON. C. H. BALLAM (Minister of Labour): I give notice that I will on tomorrow ask leave to introduce a Bill, entitled "An Act to Remove Doubts as to the Coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation, (Amendment) Act, 1951."

HON. LESLIE R. CURTIS (Attorney General): I give notice on behalf of the Minister of Education, that I will on tomorrow introduce a Bill, "An Act to Incorporate the Newfoundland Teachers' Association." Also a Bill "An Act Respecting Vocational Education in Newfoundland."

I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to make Uniform the Law Respecting the Distribution of the Estates of Interests."

MR. J. G. HIGGINS (Leader of the Opposition): I give notice that I will on tomorrow ask the honourable the Minister of Supply:

1. Did the Government purchase approximately 800 pairs of boots to send to the Labrador last year, and did the Government send any boots to Labrador in that period?

2. If so, were tenders called for, and how many tenders were received?

3. Were the boots purchased from the lowest bidder?

4. From whom were the boots purchased, and at what price per pair?

MR. FOGWILL: I draw attention to Question No. 44, Order Paper of March 15. The question was answered in part.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): The total cost of the visit of Mr. Colin Story was: Travelling Expenses \$3,362.03, Salary \$1,800. I have here for tabling the summary of Mr. Story's report and the report in detail. Regarding the summary, I have had copies made for all members, but the report in detail is rather voluminous, and I have but one copy, I would ask that it be returned to me.

MR. HIGGINS: I draw attention to Question No. 53, which is not answered. Addressed to the honourable the Minister of Fisheries and Co-operatives.

MR. KEOUGH: Question No. 31 (3) Andrews Fisheries:

Question: What was the security at date of Loan? What is security at present?

Answer: Statutory mortgage on the property of the Company including land, buildings, machinery equipment, stock in trade, and fish stocks, situated at Bay Roberts; Comfort Bight, Labrador and Frenchmen's Island, Labrador. Insurance in an amount equal to the total of the Withdrawals against the loan has been effected and assigned to the Minister of Fisheries and Co-operatives.

MR. FOGWILL: Part of Question No. 15, No. 68 and No. 70 still remain unanswered. Also No. 84.

MR. VARDY: Answer to No. 72.

MR. FOGWILL: May I interrupt for a few minutes. I understand the honourable member for St. John's West is to answer this question. As a point of procedure, what department would the question most suitably be supplied by? I understand the honourable member has Cabinet

rank. Nevertheless, it is on procedure, what department is responsible for this answer.

MR. SPEAKER: The question was addressed to the honourable the Premier or appropriate Minister, and the Premier said Mr. Vardy was the appropriate Minister to answer the question.

MR. VARDY: The following information is supplied in answer to question No. 72, asked by the honourable member for St. John's West.

1. Question: To table a progress report on the slum clearance project.

Answer: Before any actual slum clearance could be undertaken it was necessary to have alternative accommodation provided for those who would be removed from the condemned area. Consequently no actual slum clearance has taken place up to the present time, although the programme of providing alternative accommodation is proceeding with all possible despatch. This programme has taken two forms: in the first instance it was possible to provide for the construction of 140 residential units on land already serviced with water, sewerage, etc. However, that was the extent of the land immediately available for building purposes. Another programme of land preparation was necessary, and a contract was awarded recently for the servicing of an area of land owned by the Housing Corporation which will provide approximately 350 additional lots suitable for building purposes.

2. Question: What is the total cost of the project, to the Province, to date.

Answer: The total cost to the Province to date is \$264,773.21.

3. Question: How many houses have been constructed?

Answer: None.

4. Question: How many apartment houses have been constructed?

Answer: 35 (containing 140 flats).

5. Question: Where are they built?

Answer: On the property formerly known as the Ebsary Estate.

6. Question: When will they be ready for occupancy?

Answer: 4 have already been occupied and the remainder are being occupied as quickly as the construction is completed. It is anticipated that the final buildings will be ready for occupancy during the latter part of July.

7. Question: What rent will be charged per month?

Answer: The apartments are being rented on a basis of 20% family income with a minimum rental of \$15.00 per month for two in family, with an income of \$80.00 per month, to \$7.00 per month with ten in family at an income of \$80.00 per month. The maximum rental would be \$59.00 per month for a family of two with an income of \$265.00 per month, reduced to \$51.00 per month for a family of ten, with an income of \$265.00 per month.

8. Question: Who are the builders?

Answer: The Horwood Lumber Company.

9. Question: Was the work done on contract, state terms of contract?

Answer: The work was and is being done on contract. The contract

is a firm, all-inclusive construction contract, awarded on competitive bidding to the lowest tender, the amount of the Horwood Lumber Company tender being \$923,474.20 for 140 units, bringing the average unit price to \$6,592.

10. Question: Who supervised the work for the Provincial Government, at what rate of pay?

Answer: There is no Supervisor for the Provincial Government, as such. The Provincial Government has entered into a Partnership Agreement with the Federal Government in this undertaking and the supervisory work is being done on behalf of the Partnership by Central Mortgage and Housing Corporation. All expenses pertaining to the supervision of the work is absorbed by the Federal Government as part of the service provided by them.

11. Question: Who represents the Newfoundland Government on this project?

Answer: The Newfoundland Government is represented by the honourable Oliver L. Vardy.

12. Question: Does the representative of the Newfoundland Government receive remuneration for his services, if so, how much?

Answer: The Newfoundland representative receives no remuneration for his services; consequently, nothing.

13. Question: What is the cost of travelling expenses to date?

Answer: The cost of travelling expenses to date has been \$1,023.08 of which the Federal Government absorbs 75% making Newfoundland's share of this cost \$255.77.

In this respect it is interesting to

note that the entire programme of housing and slum clearance entered into during the tenure of the present Government has been on a partnership basis with the Federal Government in which all costs involved are shared on the basis of 75% Federal, 25% Provincial.

(2) I might add an elaboration to that Mr. Speaker, \$43,600 has already been applied as credit against that \$264,773.21 in contributions from the St. John's Municipal Council in lieu of land purchased from them for which they are going to return the money.

(7) This is worked out Mr. Speaker, on an approved basis of family income with a minimum of \$960.

MR. BALLAM: I have the answer to Question No. 61 asked by the honourable member for St. John's East.

Question: To table a statement showing the number of Newfoundlanders working with the Labrador Company dealing with the iron ore in Labrador?

Answer: No information is available relative to the number of Newfoundlanders employed with the Labrador Company dealing with the iron ore in Labrador. There are several companies involved in mining exploration and the construction of the proposed Railway from Seven Islands. It is understood that the Company engaged in building the Railway has agreed to employ approximately 1,000 Newfoundlanders if they are available.

MR. SPEAKER: Question No. 86.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the Budget will be brought down fairly soon,



and information requested in this question will be tabled with the Budget.

MR. BALLAM: I have here the answer to Question No. 84.

Question: 1. Who are the members of the Workmen's Compensation Committee?

Answer: Mr. Irving Fogwill, Chairman; Mr. John J. Maddigan, Member; Mr. Clarence Hancock, Member.

Question: 2. What salary is paid to each member?

Answer: Chairman—\$5,000 per annum, Members—\$4,000 per annum.

Question: 3. How many persons are employed by the Committee?

Answer: 19.

Question: 4. Who are they, what are their duties and what salary is paid to each?

NAME	POSITION	SALARY
Mr. W. J. May	Secretary	\$3,100 per annum plus \$360 cost of living bonus.
Miss June Norris	Steno-Typist	\$1,150 per annum plus \$270 cost of living bonus.
Mrs. Bertha Gruchy	Executive Steno	\$1,300 per annum plus \$270 cost of living bonus.
Miss Jean Howell	Assembly Clerk	\$1,300 per annum plus \$270 cost of living bonus.
Mr. George T. Brown	Assessment Officer	\$3,100 per annum plus \$360 cost of living bonus.
Mr. Rex W. Kelland	Claims Officer	\$3,100 per annum plus \$360 cost of living bonus.
Mr. Jonas May	Utility Man	\$1,200 per annum plus \$270 cost of living bonus.
Mr. Harold Slade	Accountant	\$2,700 per annum plus \$360 cost of living bonus.
Mr. F. X. Linegar	Cashier	\$2,600 per annum plus \$360 cost of living bonus.
Mr. W. Gaulton	Assessment Clerk	\$1,900 per annum plus \$360 cost of living bonus.
Miss Joan Kirby	Steno-Typist	\$950 per annum plus \$180 cost of living bonus.
Miss Dorothy Horwood	Receptionist P.B.X. Opr.	\$750 per annum plus \$180 cost of living bonus.
Miss Ruby Andrews	Steno-Typist	\$950 per annum plus \$180 cost of living bonus.
Miss Nancy French	Steno-Typist	\$950 per annum plus \$180 cost of living bonus.
Mr. William Udell	Auditor	\$1,900 per annum plus \$360 cost of living bonus.
Mr. R. Fagan	Assessment Clerk	\$1,800 per annum plus \$360 cost of living bonus.

NAME	POSITION	SALARY
Mr. P. Barry	Pensions & Statistic Clerk	\$1,800 per annum plus \$360 cost of living bonus.
Mr. Samuel Brace	Computing Clerk	\$1,800 per annum plus \$360 cost of living bonus.
Miss Mary Greene	Steno-Typist	\$1,150 per annum plus \$270 cost of living bonus.

Question : 5. What is the total cost of the Committee to date including travelling expenses?

Answer : \$24,367.51, which includes recoverable expenditure for equipment and office supplies for Board's permanent setup.

I may say relevant to this question, this Department will handle all the Workmen's Compensation throughout the country and will do approximately a million dollars worth of business on assessment basis a year. This staff here is not quite sufficient, they will need a few more, but to date this is as far as we have gotten and it is quite comparable to similiar staffs in other provinces.

MR. HIGGINS: Is that Act in force yet.

MR. BALLAM: Yes on April 1.

MR. RUSSELL: Mr. Speaker, before we proceed to the Orders of the Day, may I speak on a point of privilege. There appeared, Sir, in yesterday's Evening Telegram an editorial entitled "Blueberry Cultivation" and because the editor, unintentionally, I am sure, reflected upon my common sense as Minister of Natural Resources and, most certainly, upon my ability while in the Cabinet, to give to the Crown the type of advice I was being paid \$7,000 a year to give. I would like, Sir, to correct one or two very, very wrong impressions the editorial must have conveyed to the public.

The editorial is short, and with your permission, I will read it.

"Having first decided to lease certain blueberry grounds to a business corporation and financially to assist in the cultivation of the areas in which the berry pickers would be paid on a wage basis, under strenuous opposition to the plan the Government has abandoned that scheme. Instead, in the areas which are to be taken over and cultivation assisted by public funds, the people will be free to gather the berries and to sell them to the firms that handle this product.

There is much to be said in favour of the change of plans. The expenditure of public funds to increase the productive capacity of areas under the control of private concerns for whom the pickers would work at wage rates, would be open to criticism on various grounds. To cultivation of the areas in the public interest, no such objection may be raised. Further it has the advantages of stimulating production, to the benefit of communities as a whole, and it also affords the pickers the opportunity to remunerate on the basis of their ability to reap the harvest as well as to sell the product in a competitive market."

I want to make it clear Sir, I have no grudge whatsoever against the editor who wrote, I believe, honestly and fearlessly on the facts, or such information as had been supplied to

him. But I do wish to enter a complaint of the people who supplied him with that information.

The truth of the matter is that in an agreement with which I was intimately connected as Minister of Natural Resources, in an agreement discussed but not finally ratified, there was no intention whatsoever on my part to give nor on the part of the companies to ask that one single dollar of Government, Public Funds should be spent to assist in burning over and cultivating areas that would be leased. Not one cent.

Had arrangements gone through the company would not only have undertaken the whole expense of such fencing and burning and any other form of cultivation, not only undertake this whole expenditure, but would have done other things besides. Would have paid a rental for the land, would have paid a royalty on berries picked on the land but would have co-operated with the Government and stood half the cost of whatever such burning or cultivation the Government might have wished to do outside these leased areas for the benefit of the public at large.

We did not offer, they did not ask for any rights to hiring people. I doubt very much people would hire out to pick by the hour, if they could make more money by picking by the gallon. It is not only a reflection upon my conscience, but also upon the public spirit and patriotism of the group of business men, all of whom, with one exception, and they will know which one I mean. I entertain in the highest respect.

I say, Sir, I believe this was written in all sincerity, I believe the

editor was grossly misinformed. I do not wish the House to take any further action but rather permit me to table a copy.

MR. SMALLWOOD: On a point of privilege: On the article read by the honourable member for Bonavista South, I would like to add just this single word: That this is not the first time that the editor of a daily newspaper in St. John's had published editorials critical of the action of the Government upon the basis of completely inadequate information.

MR. HIGGINS: I trust, Mr. Speaker, the opposition is not going to be blamed for this. The member, the department nor the public don't know. Our hands are clean.

#### Orders of the Day

MR. BUTTON: Mr. Speaker, in rising to take part in this debate, I wish to congratulate the mover, Mr. Horwood, and the seconder, Mr. Janes, of the address in reply to the Speech from the Throne. I join with the honourable members who have already spoken and have made good Liberal speeches. This afternoon it is my intention to make a good Liberal address, everyone may not agree that it is a good Liberal address, however, I can assure you it will not be a Social Credit address or a CCF address or Tory address, therefore a Liberal address, good or bad.

I am going to deal first of all with that part of the Speech from the Throne with reference to the program of Economic Development to which the Government is directing its energies. I may say that I am proud to have lived to see this program of

economic development enter the final stage and well underway, at least we have gotten beyond the stage of introduction of empty talk about our natural resources. The Premier and the Government have given us action. All down through the years I have listened to high-sounding talk about the wealth of our natural resources but never was there an attempt made to do anything about it. Nothing but hot air. Now, at last, we have a man at the tiller who is prepared to work, to burn the midnight oil, to give all he has in order to transfer the hopes of so many generations into something tangible and worthwhile. I remember thinking to myself while viewing the activity of the birch mill site that this project would continue to support thousands of Newfoundlanders and their families long after all of us here had been gathered to our fathers.

I realize that some of our political opponents don't think the projects will be successful and I must say, and I hate to think this of any of my fellow countrymen, that it is obvious in more ways than one, that the wish is father to the thought. I would not be sure, not too sure it would be a political satisfaction to some people if the Government's Economic Program were to end in failure; it might indeed, provide a political advantage. Everyone knows they are politically badly in need of a shot in the arm, but any political advantage that would cost the people of Newfoundland a portion of their bread can never be an enduring advantage. When the Newfoundland producer loses, everyone in Newfoundland loses. So, I would say to these political opponents of ours that these pessimists and prophets of doom, financial doom, it would be far better for Newfoundland and far better for them too if they

would help with the constructive instead of obstructing with destructive and unjustified criticism.

The policy of economic development has been undertaken with the idea of helping all Newfoundland of every class and creed, of every shade of political opinions; Newfoundlanders North, East, South and West. So, let us all get our shoulder to the wheel and help out when and where we can. If some of us cannot be of much assistance, at least we should be able to say we have not tried to hinder our Island and its people by criticism and groundless doubts as to our financial position. Do the people who create such doubts ever stop to realize that for the sake of a political advantage they may be settling Newfoundland's financial future, they are discouraging those who may be inclined to invest their money in Newfoundland.

There has been some criticism, Mr. Speaker, of the Government's liquor policy, so let us have a look at this policy. What course has the present Government adopted with a view to restricting the sale of liquor? In the past year its aim has been to restrict sale by increasing the price and since the records show that the sale of spirits for 1950-51 is considerably lower than the previous year although profits are up, it can hardly be said the Government has adopted the most sensible course possible. Yet there is a lot of boot-legging going on particularly in St. John's. I know the Police Department is not to blame, because as a former policeman, I have first-hand knowledge of the difficulties encountered in trying to prove a case of illegal sale. I believe, however, there is an easy and sure way of wiping out the illegal liquor trade in

St. John's. The reason people patronize bootleggers is easily explained. All Government stores close at 5:00 o'clock in the afternoon. When they cannot be sure of purchasing at Government stores people will get it anyway, patronize the bootleggers and pay double for what they get and so the illegal sale is encouraged. If it were customary to obtain liquor through legal channels until nine or ten in the evening, people would hardly go to the bootleggers and pay them outrageous prices, therefore, I suggest that one of the city liquor stores would be allowed to remain open until nine or ten in the evening, then the bootleggers would be wiped out of existence and the hard-working police would be relieved of a lot of futile work. I do not know if the House agrees with this suggestion but I sincerely hope they will give it consideration.

Re my reference to the Police Department, I would point out that in the year 1807 the St. John's Constabulary consisted of a number of tavern keepers, yearly given a license before the issue of which they had to agree to perform the police duties. This went on until 1831 with this make-shift police force until there was appointed one high constable with eight assistants and in 1833 a Bill was passed providing a night watch for the town and on July 22, 1856, the Constabulary sallied forth, arrayed for the first time in a regular uniform, and for accoutrements and aids to subjugation of the lawless, our local "Bobbies" sported a Bull's Eye lantern, a toggle which did duty as handcuffs and a stick. From that day to the present, the police force in Newfoundland compared favourably with that of other countries, and with this

in mind I bring before this House the subject of our present police.

Of all those things that come up for discussion in the House I do not hear many members speak of the welfare of the Police. I suppose they have no reason, as probably they don't like getting mixed up with the law, which is, no doubt, a good thing.

Mr. Speaker, here is my sole reason for speaking this afternoon on the police, I was once a policeman and for this reason, I deem it necessary someone in this House of Parliament should be their spokesman and I know the Attorney General who is their commander is not going to get up and talk about the policemen, he is going to let someone else do that. Since Newfoundland became a Province of Canada the RCMP have taken over the duty of policing the Province except in the City of St. John's. Now that the RCMP are taking over, what is going to become of 150 constables and 24 non-commissioned officers. Mr. Speaker, if the Government intends keeping these men on the force, are we going to continue paying them such a low wage, that when they are pensioned after 25 years they have then to apply to the Welfare Department for assistance? Some of you here this afternoon may say, what has he done with his money after 25 years? I will tell you. The police have been receiving such low wages all these years that after paying rent, educating their children and so on, he is left penniless. For instance, a sergeant pensioned recently received \$82 a month, has to pay \$ a month rent, has a daughter taking Grade XI and one studying to be a nurse, what chance has this man to help his children? I can tell you, Mr. Speaker, this is a serious matter, therefore, I

am fighting for the welfare of our present police; therefore I am asking that the present cost of living bonus be included in their salary and further increase be granted so that when they complete their term of office, they have sufficient to live on and not go around begging as some of them must before long.

Mr. Speaker, I am not speaking on behalf of the police to receive any special favour because only last week I received a ticket for parking, breaking the parking regulations. I am speaking here, Sir, because I was once one of them, I know what they have gone through and how unfairly they have been treated in the past, but now-a-days they are getting away from the eighteen hundreds. For instance they were recently granted an eight-hour shift by their new commander, the Attorney General. It was asked for years ago but always a deaf ear was turned to them.

Mr. Speaker, I am not criticizing this present Government, but only bringing the matter to your attention, and I feel accountable that this Government will do all in its power to assist these men.

Before I discontinue, Sir, the subject of the Police, I am going to ask the Attorney General to see that the police will be given an issue of a light raincoat. Now they have to wear the long black coat, rain or shine, and I feel the Attorney General has the welfare of the police at heart but due to many duties he probably has not had time to attend to their welfare, but let us pray that from this very day he will pay special attention to the best police force in the world, in giving them a fair deal.

Mr. Speaker, when the children at-

tend the House of Assembly, no doubt there may be some, not many, but Mr. Speaker, while on our trip on which you accompanied me, while in Ontario, I was talking to the Premier and asked him about the children while the House was in session. In the House of Parliament in Ontario special privileges are granted to school children. In that Province they are given sole right to attend meetings of the House while in session and seats are reserved for them. I am of the opinion some arrangement should be made in this Province. One day a week should be set aside and the pupils from grade six up should attend. This would be part of their education, and by attending the sessions they would learn and see the way the affairs of their country are handled.

I would suggest that arrangements might be made, that all schools in the city and outside be made to this effect through the honourable the Minister of Education.

MR. VARDY: In speaking to the Address in Reply I would like to join with other members of the honourable House who have already spoken in tending my congratulations to the mover and seconder for the very admirable and enlightening presentations they made at that time.

I would like, Mr. Speaker, at this time, to take advantage of this opportunity of expressing very sincerely my congratulations to the members of that new Fishermen's Union here today, for the very advanced and forward step taken in bringing their followers into line with the other workers of the Province, these mem-

bers of organized trades and crafts which have done so much to improve the standard of living of their members and to bring about the uplifting of their entire industry at large.

I was very much taken, the other day, Mr. Speaker, in speaking of the fisheries, with a clipping I noticed emanating from the near-by Province of Prince Edward Island, in which criticism was voiced over the fact that Prince Edward Island was not getting what it considered to be a fair share of the business offered in Newfoundland, and I was very much taken with reading a newspaper comment on the consumption of fish in various parts of the world, and various parts of the Dominion of Canada to note that Prince Edward Island, our neighbour, the province which looks to Newfoundland, and stated Newfoundland is their most natural market, that it has, from the standpoint of Newfoundland at least, the name of being the lowest fish consuming Province per capita in the entire Dominion, and one of the lowest aggregated in the entire world.

I was so much impressed that I had prepared some statistics on this matter of fish consumption and I will elaborate on the point as to the purpose for that in just a moment. I feel sure the honourable House will be interested in hearing some of the rather interesting figures these statistics disclose. For instance, Iceland, which, of course, is a fish producing country like ourselves, has a per capita consumption of 60 pounds a year; Norway a per capita consumption of 59 pounds per year; Sweden 40 pounds per year, the United Kingdom 33 pounds per year; Portugal 20 pounds per year, the United States of America 10 pounds per year, the

Dominion of Canada as a whole 12.8 pounds per year; the province of Newfoundland 76 pounds per year. Now I am not sure whether those who compiled those statistics gave an accurate account of fish consumption in Newfoundland, but it does indicate that Newfoundlanders are consuming, to a very large degree, the merchandise they produce themselves.

As compared with that, Mr. Speaker, we have the Province of Prince Edward Island consuming 4.5 pounds of fish per year, Nova Scotia 16.8, New Brunswick 9, Quebec 5.38, Ontario 5.19, Manitoba 9.40, Saskatchewan 4.26, Alberta 7, British Columbia 4.33. All of which goes to prove that, when we talk of foreign markets for the products which we catch, produce and offer for sale, we have in our own Dominion of Canada one of the most natural markets, readily accessible, which have the where-with-all to pay for our products, and which, if we are to believe legend, could still stand some very valuable brain food.

Mr. Speaker, if we are, by the same token, to accept that legend that the consumption of fish tends to increase the braininess of the individual consuming it, then I take it we in Newfoundland should have a very high rating over the rest of our neighbours in the Dominion of Canada and in the United States of America. I am sure, Mr. Speaker, most of us will agree at least that we can hold our own in that respect, and I would just like to pursue this point a little further.

An editorial appeared the other day in a Mainland paper which I think leaned very kindly to what I am trying to present when it said,

that with the price of meat moving from peak to peak, Canadian housewives were turning to other proteins for their families, and fish seemed to be becoming a very popular food. It is hard to understand that Canadians bounded by 3 oceans and having the largest lakes on earth eat so little fish as only two other countries consume less fish than Canada—they are America and China. Canada has been eating 12.7 pounds per person per year, while in the United States 10 has been eaten and in China 6 pounds, and I am going on to say this compares with 46 pounds in Norway, 65 in Iceland, 29 in Britain and 83 in Japan. It is a good thing the legend about fish being a brain food has been shattered. I won't labour that point any further, Mr. Speaker, but I feel they are important and impressive figures which undoubtedly could be used to advantage by those responsible for the development of fishery markets, and I am not certain, it is now time an effort was made in the Dominion of Canada as well as the United States of America, the two most natural markets for Newfoundland, to have a greater proportion of our products of the sea brought in to this market and their dollars brought back into our Province.

I was very much impressed Mr. Speaker, with the manner in which the representatives of the fishermen of Newfoundland gathered together for the past week in this town, here in the capital city of St. John's. During that past few years, it has been my privilege, as it was of many other members of this honourable House, I feel sure, to attend various conventions, and I think that we all are agreed the majority of individuals going to conventions, go for one thing

only, to enjoy themselves to the ninth degree. Others go with a determination to get as much information as is available, but also to have a good time while doing so. But I must say that it was conspicuous that on the part of those individuals who came from every nook and cranny in Newfoundland to attend this historical meeting, applied themselves diligently and with devotion to the effort of bettering their own welfare and bringing into being an organization which would be of benefit to themselves, their families and their industry. I think the congratulations of this House should go to them for the manner in which they conducted themselves in that respect.

I notice, Mr. Speaker, that the address from the Throne omitted to make any reference to the question of housing, and I take it that was possibly because the matter of housing has been taken for granted here in the Province of Newfoundland. But I do not feel it is something that can be shoved aside very lightly. It was my privilege to present the answers in this House to a number of questions which had been tabled in relation to the manner in which the Housing Program in the City of St. John's is developing. Some of these questions were in detail and others in not so great detail. I think it only fitting, and perhaps expected of me, that I spend a few minutes at this time, giving a somewhat more detailed account of just what is being done or is proposed to be done.

I think it will be recalled that in the Estimates last year, an amount of \$750,000 was set aside for slum clearance and re-housing. It was not suggested that entire amount be



spent in the City of St. John's itself, because housing problems are not something exclusively the problem of St. John's, but I am afraid of many other parts of this Province of ours.

As a result of this realization an agreement was entered into with the Federal Government to take advantage of the National Housing Act which empowered the Provincial Governments, who in turn are empowered under the Act to enter into partnership with municipalities for slum clearance and development of re-housing projects. Requests have been made of the Government from various other sections of Newfoundland, but for one reason or another, it has not been possible up to the present time to bring about any tangible result for any program, but it has been possible to start in the City of St. John's. The start was made by delineating an area on the East by Carter's Hill, the West by Casey Street, the North by Monroe Street and the South by New Gower Street. That took in a very comprehensive area embracing in all, practically one thousand units. But before it was possible for anything to be done, as to the elimination of the undesirable features of that area; in order to determine what the necessities were, it was necessary to have some sort of organization set up which could assess, make a survey, tell what was required, tell something of the situation of individuals concerned, with the families concerned, what was their feeling on the matter? Were they Welfare problems, or were they respectful producers. As a result of that the St. John's Housing Authority was created, under the chairmanship of Mr. Harry Powell, retired Manager of the Imperial Oil, and with the assistance of an-

other group of volunteer members, a survey was started. Three surveyors were employed to make a detailed survey of the area and find out all the information which, I say, should have been available for any project of this nature.

During the eight years I have served as a member of the St. John's Municipal Council, I was, with others, presented time after time, with the problem of what to do with families living in condemned houses. A report would be submitted to the Council by the City Engineers saying such and such a house is condemned, unfit for habitation, a menace to the community and the inhabitants. But unfortunately there was no place for the family to go, and what were they going to do about it? Well the responsibility was passed over to us, the members of the St. John's Municipal Council; we were not hard-hearted individuals, had the usual amount of compassion for fellow beings, particularly if this happened during the winter months, or unpleasant weather, and we said: Well, what will we do, let the poor fellow stay until he finds some place to go? Unfortunately, and I take full blame for it as well as anyone else, nothing was done to determine whether the individual was worthy of that consideration, to determine what was his situation, his income, could he afford to live in the Newfoundland Hotel while looking for other accommodations? We did not do that, unfortunately. We merely said the man can't be put out on the street; he is going to have to stay, and he stayed there. Only now, Mr. Speaker, when this survey was made and these reports were coming in, we are finding that, living in this distressed area

termed the slums, are condemned houses, a menace to the community and the inhabitants, and the city as a whole—with families whose total income is \$6,000, \$7,000, \$8,000, yes, and one over \$10,000 a year. Do you, Mr. Speaker, or does any honourable member of this House, feel the St. John's Municipal Council, or anybody, is justified in allowing a family to live in that type of housing whose income is \$7,000, \$8,000, \$9,000 and \$10,000 a year? I feel, Sir, I know what your answer would be.

As a result, Sir, of this investigation we have made—445 families have been investigated—there are now 145 units available and nine families have already been established there. Now, you may ask why not more than nine families. Well, first of all, some of these families living in condemned houses, like to own their own homes, and until they receive very substantial compensations for houses already condemned they are not prepared to move out. We also find families who are eligible and do not qualify for removal to the apartments being prepared gradually for their occupation, they may have too large a family and the Federal Regulations say we can only put so many members in a certain area and say only so many can occupy a bedroom. Some others are disqualified also, a very large proportion have incomes not in the bracket permitted by the Federal Government to occupy units with subsidized payments and are subsequently disqualified. But we have found a definite reluctance on the part of these individuals in condemned houses who have for the past number of years paid no rents at all—a very definite reluctance to move out into decent, clean, modern, respectable shelter because they "got to pay rent."

That rental is allocated on the basis which I have outlined very briefly in answer to a question asked here. That twenty percent of income is accepted as a universal basis for subsidized housing values throughout the whole world. In Norway, Denmark, and the United Kingdom countries they are far ahead of either the United States or Canada in development of housing. They have been operating for years, building houses for their less fortunate citizens, and they have arrived at this basis for rental assessment. Twenty percent of income, in some places twenty-five percent is normal, but more universally adopted, as quoted, twenty percent. Now what does that amount to? It means that for a family of two, with a welfare income if you like, the old age pension where the husband and wife each get \$40 a month, making an income of \$80 a month between them, \$960 a year, should pay \$15 a month for rent. Now that is shelter, and adequate shelter, Mr. Speaker. But, if that same couple have been accustomed for years and years past to living in such circumstances as would not be permissible for you to keep a dog in, and have paid no rent for it, they have a very definite reluctance to move into a decent habitation.

Now take the other side of the question, we have been—and I say we advisedly—jaded day and night, Sunday and Monday, with telephone calls, personal interviews, letters, people walking up and down the sidewalk in front of our homes, from all over the City of St. John's anxious and willing to pay any kind of rent. But the very people, the very people they are designed to help, undoubtedly have a very definite reluctance to take advantage of it.

Which suggests, frankly, Mr. Speaker, a very difficult problem and one that has no possible solution at this time. It seems to me that the St. John's Housing Authority which is the body invested with the responsibility of administering has got one alternative only, which is this. Having determined that a certain family, qualified, coming within the income bracket and are the type we want to help, living in condemned houses which should be torn down for the sake of the community as a whole not only for their sake, should be removed. I don't see for this authority any alternative but to say to Mr. Jones or Mr. Smith or whatever his name may be: You are living in a condemned house which has to be torn down and is going to be torn down. The only reason it was not torn down before is that we had no alternative accommodations to move you into but now we have alternative accommodations. Ebsary Estate, Apartment so-an-so, now available. Move up there. You will pay 20% of your income for rent. If Mr. Jones or Mr. Smith says "no, I am not interested," then the authority has no alternative than to say: Well, the house is going to be torn down now, you will have to find your own accommodations. I don't see how the slums of the City of St. John's are ever going to be cleaned up until a very definite and firm action is taken.

It surprises me, Mr. Speaker, to hear reports brought in by surveyors of individuals, eligible, qualified, living in distressing circumstances but won't move out because they do not like the area or because there is only an upper apartment at the moment and they want a lower flat or vice versa. These are the sort of things I have to contend with in dealing with problems of this nature. It is not a simple

one and taxes the patience of those concerned to the utmost; on the other hand there are compensating, satisfying features as well.

I was very gratified to hear that one family living in one of the condemned houses on Flower Hill, I believe, is now in there paying \$48 rent a month. The family income justifies that, and they are tickled to death with it, happy as larks and so pleased they can't say enough in appreciation. It is gratifying to have people like that a deal with and to know that in spite of obstacles we are doing some good.

I don't know what is being done about extending it to rural areas, not just St. John's, in order to achieve this purpose which the Federal Program started. I know it is going to be necessary before any definite decision is made to enlarge the scope of operations. With the Federal Government paying 75% of the money for conversion, I am sure we will be able in the final analysis to work out a solution to the satisfaction of all concerned. But Mr. Speaker, in speaking of that. I would like to take this opportunity to pay tribute to the organization to which the honourable and gallant member for Ferryland made reference during the course of his remarks some days ago. I don't suppose it is any great secret to members of this House that certain individuals living in that area are brought to the conditions in which they find themselves as a result of partaking of strong drink and it is very refreshing to be advised by someone responsible for the development of the program that Alcoholics Anonymous has been called in on the job in a number of instances and aided immeasurably in redeeming some of the bread winners of these

families, who previously contributed nothing to the home, going out and coming home rosy-eyed and breaking up everything. It is obviously impossible to put a family like that up in the apartments before referred to. Now it looks like some of these individuals are going to be shown the light of the effect of liquor and already there are indications that at least one is going to be given the opportunity of moving in. I know this man, he wants to, in his better moments, but unfortunately there are periodic disturbances and we are very reluctant to take a chance until some assurance is given that there will be no recurrence of this, and I think that full credit should be given to the organization for the excellent work done in that respect.

Mr. Speaker, so much for the City of St. John's. It is not the only place, and I do feel, and I speak as an individual now—I do feel it is going to be necessary for the Government to proceed with the enlargement of the program very soon to take in outside areas as well. I do feel it will be necessary, before very long, to give very serious attention to the situation in Gander. I was in Gander ten days ago for two days waiting to get into St. John's and during that time had the opportunity of seeing some of the conditions under which people are living in slummy, shoddy quarters. I am sure we are all familiar with the history of Gander, know there has been no housing development, what happened to it. We know that most of the buildings are temporary, never meant to be permanent, never meant for occupation for permanent habitation, in fact, are beginning to fall down and even the most optimistic will admit that another two or three years will see the

end of those buildings being used now for living quarters by residents of that area.

I discussed the matter with the Department of Transport on behalf of the Minister of Fisheries and Co-operatives while in Ottawa a little while ago and they are very concerned and conscious of the situation. They want to take all the residents in the area of the airport and set up a community, but that is going to take a long time. In the meantime while talking to a number of people in Gander, I find these people naturally seem to have become obsessed with the idea that they are forgotten, overlooked, for the simple reason they feel now they are in such a position of division of authority that they don't know whether they are fish or fowl, but they are very cognizant of the fact that they do pay taxes in Newfoundland, and feel entitled to Newfoundland representation. They have been trying for a long time to get some sort of housing program developed but there again it seems there is some sort of division of authority between Ottawa and the responsible officials here in St. John's. Now I know that the matter is under advisement, I know that the member representing that district is very conscious of it and no doubt will be dealing with this matter in due course but I do want to call attention to the fact that on April 15, only a few days from now, 140 people in Gander living under the most distressing and deplorable conditions in an old MacNamara construction shed, are being evicted and put out on the street.

MR. SPENCER: Mr. Speaker, you will be happy to know that decision

has been repealed, they will not be evicted.

MR. VARDY: I am sure they will be glad to hear that. It will be gratifying for the people involved as the situation is such, that unless the Department of Transport gets down to business in Gander and becomes serious from the viewpoint of getting some action on the housing conditions, the housing problem in Gander is so acute that it is going to be necessary for the Provincial Government to step in and do something about it.

Gander, unfortunately, has become a problem child. It is one of the few points of dictatorship, I think, in Newfoundland. A dictatorship of individuals who are using power to the detriment of the residents of the community. There are certain small, isolated cases which are going to add up to make a very serious situation nurtured in the bosom of these people. Take for example, a young lad out in Gander who had initiative enough and ambition enough to start a little shoe-shine operation there in the main terminal, and he is ejected, booted out; and yet a Mainland firm is allowed to come into this terminal and set up shoe-shining machines all over the place. A small thing but I feel sure you or I or any member of this Government, if we had the final say, our first consideration would be for the individuals in Gander, and any young lad showing initiative enough would have been encouraged instead of being booted out. I would further say, that the novelty booth in the Gander Terminal Building is a disgrace to Newfoundland, filled up with gimmicks and junk you can find in any novelty store in any part of Canada or the United States.

There is nothing there indicative of Newfoundland, representative of Newfoundland and it could be used for the benefit of advertising this province. Newfoundland never intended that it should be put up for anyone else to have the opportunity to take over this operation and be given exclusive rights to set up shop and shut out the bit of Newfoundland merchandise which was there when they came.

MR. SMALLWOOD: I have a letter received within the last day or two from the Minister of Transport, in reply to a formal protest made by me to him on the matter of that very booth, and the fact that products of Nonia had to be removed from the booth. Mr. Chevier now offers the section previously occupied by TCA in the main terminal for use of Nonia, and I tried to get Nonia on the phone but have not succeeded, and the first they will hear of it unfortunately will be the newspapers, but before that, I hope to be in touch with them.

MR. VARDY: Thank you, Mr. Speaker, that is very encouraging news and I am sure that only by bringing this matter up, can we get the information that these things are being given consideration by the authorities in Ottawa, who have the final say. I know I have the consent of the Premier, and I am sure we are all gratified to hear he is getting some results.

MR. HIGGINS: That is only Nonia, what about the boot-black? That was an attack on the liberty of one man.

MR. VARDY: In reference to the comment of the Premier, the Minister of Transport is going to turn over

the Booth. I don't know if it is permissible for the Provincial Liberal Government to criticize anything being done by the Federal Liberal Government, but I am taking that insubordination. I do feel it is fantastically ridiculous for the TCA booth to have remained idle so long while TCA travellers had to travel long the duck walk to get into the main terminal. That is a matter, I know, for the officials concerned. I cannot understand Canada's own airline being shoved over in a corner isolated from the rest of them in the terminal building, and yet be afforded all the privileges of the bar and certainly the necessary use of the dining room. Yet TCA itself, the operating company of the whole airport, is not permitted in the main terminal. I think Mr. Chevrier would do well to put TCA in there and give them back the booth proposed for the display of Nonia's benefit. However, all that, I feel, will be adjusted in time. But I do want to say in reference to the housing situation in Gander that that problem is growing so acute now that I feel, unless something is done within the next few months, the Provincial Government is going to be faced with the situation, we are going to be called upon to take some very definite action, and I hope that when that time comes it will be treated with all due isympathy, as I feel sure it will be.

Mr. Speaker, in speaking of housing or slum conditions, we have a situation in Corner Brook which is going to require attention, and I know the matter when presented will receive sympathetic consideration but during the past years the slum conditions in the city of St. John's has been the subject of very much comment by foreign newspapers and writers. We

have had some of our poorest buildings picked out for special attention and photographing and broadcast through the press from one end of the continent to the other. Well, during the past few weeks, under date of March 24, there is a case of the worm turning. Here is a case of a Newfoundlander who goes to Montreal and picks out some of their beauty spots and photographs them and publishes them in the Montreal Gazette. Done by a newspaper man, Mr. Brian Cahill, and here he shows how bad the situation is in the city of Montreal, and I think it serves, Mr. Speaker, to bear out a statement I made on the Floor of this House a year ago after making a very intensive study and survey of slums through the Provinces and in the United States and in which I saw as bad conditions as there were in Newfoundland. I have seen some in other cities throughout that area that far exceeded them. Now, that is no excuse for a continuation of the slums in Newfoundland and I am sure no one would wish to see them continue but I would like to refer to the concluding paragraph of this article which deals with the matter we are dealing with now.

Under Section 35 of the National Housing Act, the City could go ahead with a low rental housing project for which the Federal Government would pay 75 percent of the cost with the other 25 percent being paid by the Government.

"The Corporation may pursuant to agreements made between the Government of Canada and the government of any province undertake jointly with the government of the province or any agency thereof, projects for the acquisition and development of

land for housing purposes and for the construction of houses for sale or for rent.

An agreement referred to in subsection one, shall provide that the capital cost of the project and the profits or losses thereon shall be shared seventy-five per centum by the Corporation and twenty-five per centum by the government of the province or an agency thereof, and shall contain such other provisions as are considered necessary or advisable to give effect to the purposes and provisions of this section, and notwithstanding section eighteen of the Central Mortgage and Housing Corporation Act, shall be executed on behalf of the Government of Canada by the Minister with the approval of the Governor in Council."

In other words, I think, we in Newfoundland can feel proud of the fact that we have shown more progress in dealing with that matter, and in fact, I believe we are the first Province to avail of this section of the National Housing Act and the agreement entered into by the Province of Newfoundland and the Federal Government is the first of its kind in existence and much of the work we have to do is missionary work with no precedent to guide us. Most of the legislation and most of the Act produced here in consultation with the Federal Government are being used now as a guide in a number of the other provinces who are finally coming in and taking advantage of this opportunity.

I may say in conclusion that we all hope (I have hoped but I have never gone so far as to suggest it to the Cabinet or any member of the Cabinet) that we may embark on an additional program this year to pro-

vide additional rental units. I don't mean subsidized housing of the type we are engaged in at the present time. But I mean to make units available to those who can afford to pay an equitable rent for decent housing.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): What provision is being made for a family of six children where the father has fairly continuous work but is earning not sufficient to even support the family—how is he going to live?

MR. VARDY: Mr. Speaker, in answer to that question, that is a welfare question, the Minister of Public Welfare will have to deal with that, and in that respect too, the Welfare Department is working very closely with the Housing Authority, they deal with these problems as they develop by close co-operation and discussion of problems, and I feel sure information will be made available at a later date as to the outcome. The Federal Government says that under certain figures we are not interested, but I would like to develop that theme a little further. I have said there is a minimum of \$960 income per year or a rental of \$15 a month. That is as far as the Federal Government will go and the extra rental they will divide with us on a 25%-75% basis. But if a family has no income and pay a rental of \$55, then the first \$15 would have to be paid by the Provincial Government. That would mean the first \$15 entirely and the \$40 would be divided on a 25%-75% basis.

I think that is all I have to state at the present time, Mr. Speaker, concerning those facts but would repeat the situation is one that has been given a lot of serious thought on the

part of all those involved and concerned and I believe the outcome will be for the ultimate benefit of the individuals concerned and the community as a whole.

**MR. SMALLWOOD:** In the absence of the honourable Minister of Education who still is absent, I move the adjournment of the debate. He adjourned the debate the day before yesterday and has not since been present on account of the fact that his health would not allow him, but he will, I believe, be present tomorrow. I therefore move the adjournment of the debate in his behalf.

**MR. SPEAKER:** "An Act Further to Amend the Act No. 41 of 1938, entitled "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company, Limited."

Bill read a third time and passed.

"An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Bill read a third time and passed.

Committee of the Whole on Bill "An Act Respecting the Interpretation of Statutes."

**MR. CURTIS:** This Bill passed the Committee with the exception of two clauses, they are still under consideration by the Department and therefore ask it be further deferred. I think it would be well to divide that "C" in two parts.

**MR. SPEAKER:** Committee of the Whole on Bill "An Act Relating to Local Government."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

Section 8 read and passed.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

Section 13 read and passed.

Section 14 read and passed.

Section 15 read and passed.

Section 16 read and passed.

Section 17 read and passed.

Section 18 read and passed.

Section 19 read and passed.

Section 20 read and passed.

Section 21 read and passed.

Section 22 read and passed.

Section 23 read and passed.

Section 24 read and passed.

Section 25 read and passed.

Section 26 read and passed.

Section 27 read and passed.

**MR. CURTIS:** I wonder if we could revert to clause No. 1—after the word Local Government put the word "Receivership" in brackets.

Committee rose, reported having passed the Bill without amendments.

**MR. SPEAKER:** Committee of the Whole on Bill "An Act Further to Regulate the Development of Local Areas."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read.

**MR. HORWOOD:** What is the meaning of "District." You have been saying "Area" and now it states "District."

**DR. POTTLE:** District is a subdivision of an Area.



MR. HORWOOD: Another point, it seems a bit impracticable prescribing the maximum density of population it is not the same as the maximum number of buildings.

Passed.

Section 7 read and passed.

Section 8 read and passed.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

Committee rose, reported having passed the Bill with some amendments.

Committee of the Whole on Bill "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

MR. FAHEY: Referring to Clause 3—Until such time as the next certificate is issued. Suppose it is not issued for 18 months, a boiler should be inspected not less than every 12 months at least. This new Act may be for two months may be two years.

MR. BALLAM: The original Bill states from date of certificate until next inspection or such shorter period as may be specified. It is laid down, the inspection should be taken once a year or any shorter period, that two inspectors may decide. It is supposed to have an annual inspection unless the Chief Inspector provides otherwise. I am not quite sure on that but this amendment provides only they could certify the boiler for a shorter period.

MR. FAHEY: It is stated in the certificate, unless sooner cancelled.

MR. BALLAM: That is right, if for some reason they are called in to inspect it, for any reason they can cancel their certificate.

Committee rose, reported having passed the Bill without amendments.

It was ordered that the said Bill be read a third time on tomorrow. Carried.

MR. SMALLWOOD: Might we just pass on over the next two items and come to the second reading of "An Act to Amend the Industrial Loan Act." And in that connection Mr. Speaker, there is very little that I need to say I think, if the honourable members have the Bill before them. The principal purpose of this amendment is to add two or three things and put an amendment into section No. 7. The original clause reads as follows:

"The Board shall, in accordance with the regulations, administer the Fund and such other monies as from time to time come under its control for the purpose of developing and improving, any industry devoted chiefly to the production in Newfoundland of a product derived directly from the resource of Newfoundland, or any industry established in Newfoundland and based primarily on raw materials which are the product of Newfoundland, and in particular but without restricting the generality of the foregoing, may make loans to any person, partnership, association or company engaged in producing such product, or in processing, manufacturing, refrigerating or otherwise dealing with such raw materials for assisting in the construction of plants and the purchase of plant equipment generally, and other types of capital expend-

iture which in the opinion of the Board are proper expenditures for which loans should be made by it."

Now the board has found since it began operating that on a number of occasions where applications for loans were received by them, they have not been able to make the loans because in certain marginal cases, only in certain cases, clearly the clause does not permit the loan to be made, in others it does, but in some it is not too clear whether they are permitted to make the loan as a result there are several very worthy cases where dependable people with good projects have been refused a loan and the only purpose of this amendment is to remove that doubt by giving the board a little more initiative and elbow room to make the loans. Now that is the principal change, the remainder is merely to add some clarity to the financial statement referred to in Section 14 of the original Bill. These are the purposes of the Act and finally, deemed to have come into force the 7th day of December 1949.

MR. HIGGINS: Retroactive?

MR. SMALLWOOD In this respect only.

Bill read a third time. Ordered to be referred to Committee of the Whole House on tomorrow.

MR. SPEAKER Second reading of Bill "An Act to Amend the Fisheries Loan Act."

MR. SMALLWOOD This is purely formal to tidy up two or more odds and ends which we overlooked with the original Bill when passed. I think it is self-explanatory and I move the second reading.

Bill read a second time. Ordered

to be referred to Committee of the Whole House on tomorrow.

MR. SMALLWOOD The next three I think we might defer in the absence of the honourable the Minister of Education, and come finally to a second reading of "An Act to Amend the Workmen's Compensation Act, 1948."

MR. BALLAM Mr. Speaker, I ask to have that Order withdrawn from the Order Paper. It is on the Order Paper in error.

The House adjourned until tomorrow Wednesday at 3 of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 11th, 1951.

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

#### Presenting Petitions

Honourable Dr. H. L. Pottle presented a petition from the people of Carbonear-Bay de Verde District, re road.

#### Notice of Motions and Questions

MR. HORWOOD: I give notice I will on tomorrow ask leave to introduce a resolution to request the Parliament of Canada that steps be taken to relax the provisions of the Migratory Birds' Convention Act so as to prevent undue hardship to the fishing population of Newfoundland and Labrador.

MR. COURAGE: I was going to say something, I think it would be out of order.

MR. FOGWILL: I give notice that I will on tomorrow ask the honourable the Minister of Labour:

1. To table the annual report of the Labour Relations Board.
2. To table the annual report of the Minimum Wage Board.

I give notice that I will on tomorrow ask the honourable the Minister of Health:

Is it true that the heating system in the Corner Brook Sanatorium had to be re-arranged, if so, who was responsible and what was the extra cost involved?

I give notice that I will on tomorrow ask the honourable the Minister of Fisheries and Co-operatives:

Has the Provincial Government taken any steps to ascertain from the Federal Government if dollars will be available for 1951 exports

of salt codfish to non-dollar areas, if so what is the result?

I give notice that I will on tomorrow ask the honourable the Minister of Fisheries and Co-operatives:

1. Did the Government purchase a Carrigut scallop dragger?
2. From whom was the dragger bought?
3. What did it cost?
4. Table a report of her operations for the 1950 season.
5. Where is she at present?
6. What arrangements have been made for her operation in 1951?

HON. J. R. SMALLWOOD (Prime Minister): I have a reply to a question asked me by the honourable the junior member for St. John's East.

Department	No. of Civil Servants as at 30/6/49	No. of Civil Servants as at 28/2/51	% Increase
IV Finance (including Consolidated Fund) .....	43	61	41.9
V Provincial Affairs (including Legislative and Executive Council) .....	25	28	12.0
VI Education .....	93	100	7.5
VII Attorney General .....	448	376	—
VIII Natural Resources .....	214	109	—
IX Public Works .....	149	139	—
X Health .....	1,515	1,673	10.4
XI Public Welfare .....	150	244	62.7
XII Board of Liquor Control .....	62	72	16.1
XIII Supply .....	26	31	19.2
XIV Fisheries and Co-operatives .....	15	41	173.3
XV Economic Development .....	—	13	—
XVI Labour .....	6	12	100
	<hr/> 2,746	<hr/> 2,899	<hr/> 5.5

Now I may say that is a little misleading, that is the question asked and that is the answer but it does not actually explain the situation. There is a decrease of 72 for the Attorney General's Department. On the other hand, contracts with the Mounted Police for police officers are not included in the Civil Service of Newfoundland. The Ranger Force and a number of the police ceased to be civil servants and became members of the Royal Canadian Mounted Police (in addition three or four wardens, river wardens, ceased to be Provincial civil servants and became Federal). And the decrease in the Public Works accounted for by the additional new hospitals, and two years ago they were understaffed but in the meantime they were able to get the additional staff they needed. Public Welfare: At first when the Rangers ceased to be Provincial Civil Servants and became Federal, they, or those of them who had been doing relief work now do none and someone had to be appointed to take their place and, due of course to a considerable increase in the work of Public Welfare and while the new system of Public Welfare itself had been in the course of introduction there has been, and still will continue for another short while, an overlapping. That is to say there are both welfare and relief officers and will be for a time to come. The increase in the Board of Liquor Control is due mostly to taking on inspectors for the Board of Liquor Control.

There were none before the new system came in. Under the Department of Supply, local Government affairs come and the increase in that number of employees in this Department is due to this. Fisheries and Co-operatives Department: Two years

ago there was no Co-operative Department, it was a division of Natural Resources. Due of course to the fact that an entirely new department has been set up and for which staff are being recruited, and the end is not yet. The Department will be building up to more than 41. The overall result, therefore, is a total increase in the whole civil service in the two years of 153 or 5½%.

MR. SPEAKER: Question No. 87.

HON. P. S. FORSEY (Minister of Supply): I have here an answer to Question No. 87, asked by Mr. Higgins on the Order Paper of April 11th.

Question 1. Did the Government purchase approximately 800 pairs of boots to send to the Labrador last year, and did the Government send any boots to Labrador in that period?

2. If so, were tenders called for, and how many tenders were received?

3. Were the boots purchased from the lowest bidder?

4. From whom were the boots purchased, and at what price per pair?

Answer: The Government did not purchase approximately 800 pairs of boots to send to the Labrador last year, but the Government did purchase exactly 652 pairs of Rubber Boots on behalf of the Labrador Trading Operations last year. The position was this. The vessel engaged in the Labrador Trading Operations arrived here in St. John's with a cargo of produce and the Department was given the requisition which had to be filled in four days as the vessel would have had her cargo discharged in that time. If the goods were not delivered in time for the vessel to leave four days after

her arrival, the position would have been that the cost to the Government for the vessel lying up here in St. John's would have been \$150.00 a day. Tenders, therefore, had to be invited telephonically and the lowest tenders were accepted.

Tenders were invited from the three firms here who represent the three Rubber Companies, namely, Parker & Monroe, Limited, Halley & Company, Limited and Ships' Stores.

254 pairs of Men's Rubber Boots were purchased. Of this quantity 150 pairs were purchased from Ships' Stores at \$5.95 per pair. It should be obvious that the reason the total of 254 pairs were not purchased from Ships' Stores at the lower price was that they were not in stock and we could not wait for the balance of the Order at the lowest price for the simple reason that we had to avoid delay to the vessel sailing for the Labrador.

290 pairs of Boys' Rubber Boots were purchased. Of this total 108 pairs were purchased from Halley & Company, Limited, at \$2.75 per pair and 182 pairs from Ships' Stores at \$3.48 per pair.

108 pairs of Childs' Rubber Boots were purchased. Of the total order 96 pairs were bought from Halley & Company, Limited, at a cost of \$1.92 per pair and 12 pairs from Ships' Stores at \$3.10 per pair.

The Rubber Boots were purchased in the manner I have stated above. The lowest tender was accepted in each instance and where additional supplies were required the balance was obtained from the next lowest.

All the items purchased were on account of the Labrador Trading

Operations and, of course, were for re-sale.

MR. FOGWILL: Question No. 68 and 70 have not been answered yet, on the Order Paper of March 28.

MR. SMALLWOOD: Mr. Speaker, Question No. 68 directed to me to answer and at the moment the answer is that all that information is within a week or two of being tabled in the House in the course of bringing down the Budget and I won't know if the purpose of the House, or of the public would be served by putting the Department of Finance to the time and difficulty of compiling information which has to come in with the Budget in any case.

Question No. 70: Mr. Speaker, that too will be brought down in full detail in the Budget. I may say it is not at all customary in any Legislative House to ask, and still less answer questions asked requesting information at the very eve of the Budget when it is a matter of days, within measurable distance of bringing down the Budget which can answer these questions, in a very thorough and detailed account of these financial statistics.

MR. FOGWILL: I am not very concerned about No. 70, but about No. 68, relating to expenditure of money and revenue in relation to our surplus account and I do understand the Minister of Finance gave an undertaking that he would give that answer with the exception of expenditure in connection with the building of several new plants. He was going to give the expenditure with the exception of that, or that was my understanding. Of course, Mr. Speaker, this was tabled over two weeks ago and I don't think it is too much

on the Department to give the answer of the expenditure for the first 11 months of this financial year.

HON. C. H. BALLAM (Minister of Labour): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Remove Doubts as to the Coming into Force of the Workmen's Compensation Act 1950, and the Workmen's (Amendment) Act, 1951."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. BALLAM: I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Incorporate the Newfoundland Teachers' Association."

Bill read a first time. Ordered to be read a second time on tomorrow.

HON. S. J. HEFFERTON (Minister of Education): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Respecting Vocational Education in Newfoundland."

Bill read a first time. Ordered to be read a second time on tomorrow.

HON. LESLIE R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce a bill "An Act to make Uniform the Law Respecting the Distribution of the Estates of Interests."

Bill read a first time. Ordered to be read a second time on tomorrow.

### Orders of the Day

#### Debate on Address in Reply

MR. HEFFERTON: I should like at first to concur with words spoken by my colleague, the honourable Minister of Public Welfare, in congratulations extended to you for the able

manner in which you represented us at the meeting of the Empire Association, and at the same time to the members for Labrador and Fogo in recognition of their somewhat provocative addresses they gave because they evidenced deep personal conviction and serious consideration.

In a recent issue of the Atlantic Guardian, Bert Mayo, a former Newfoundland, a native of Fortune, Rhodes Scholar and Professor of Political Economics at the University of Alberta, put forward a suggestion that many of the difficulties confronting this Province of ours would probably be solved if the population were stabilized at somewhere around 250,000, that is to say 100,000 fewer than we have today, and went on to outline a proposal that Newfoundland will remain a national park. Under those conditions he thinks our national problems would be solved. This Government does not subscribe to that theory and evidence that we do not subscribe is found abundantly in the Speech from the Throne.

Any Government coming into power is faced, as all governments have been faced, by two alternatives, either a policy of continuing things on a routine basis, not upsetting the apple cart, trying to balance the budget with a minimum of service rendered to the electorate who have put them into office. The other alternative, trying to overcome some of the evils that they as well as the people are all cognizant of. These alternatives confronted us when we came to power. It is a problem which has confronted us ever since whether we should deliberately as a government, follow a "Laissez Faire" policy of sitting down and letting things run as they will. On the contrary we have tried the utmost in our power to solve some of

the economic difficulties which have been with us in Newfoundland since the days of John Cabot.

Our difficulties in Newfoundland are not only economic, they are social as well. When we finally became a Province we set in motion the machinery whereby certain social benefits came to us because of our provincial status, benefits which we are convinced could not come to us because of our own standing, but implementation of these only tended to serve one section of the people. It was necessary that we should try to meet all ways and means whereby there should be no return of depression which has been such a frequent visitor amongst our people in previous ages. The problem was one of great difficulty. Many of us were convinced that in Newfoundland we had resources which had never been tapped. We all have heard loose talk for a number of years of certain potentialities we possessed but were not developing in full. Our Departments, some of them, particularly the Department of Natural Resources contained a scrap of information of this, that and the other thing but not sufficient to give us a clear picture, a clear cut idea of what we possessed or are able to do to attract available outside capital and consequently it was necessary to try and get an accurate survey of these possibilities which we felt and believed that we did have and therefore you find the first three pages of the Speech from the Throne deal largely with summation of what we have been trying to do during the comparatively short time we have been in office and that record will stand for itself, and the end is not yet.

It was fundamental that we should be able to appraise the wares, the re-

sources that we have. There are two recognized ways of conducting business in the ordinary mercantile procedure. One, for shopkeeper or merchant to display his wares in a store to the best advantage and invite his customers to come in and choose for themselves, and the other is to prepare your prospectus, the only available data you have and go out and seek capital. And if the former is not practicable it is necessary that you collect what information you can and then go out and seek for those who might be interested in putting their capital into the business you have to offer. Consequently we have concluded that it was necessary we should with the least possible delay try and find out just what we have. The members of this House are very well aware that the blunt necessity for this prompt action was forced upon us almost overnight on September 21, 1949, when the devaluation of the pound brought about a serious change, in what up to that time had seemed to be some what of a boom in the marketing of all of our natural resources. That recession was brought about by events outside our control. Fortunately or otherwise, national events outside our control brought another change during the next four or five months, and today we find, with one exception, that these events had helped us again and our primary producers were reaping good wages, with one exception, our salt cod fishermen.

During the course of the past six months, on different occasions, our Premier has made public statements to the extent that this Government is committed to a more or less do or die policy. It was necessary to expand or else we immediately and for all time committed ourselves to be hewers of wood and drawers of water. He ha-

been criticized for making that statement. When the honourable the member for Labrador was speaking a few days ago in a similar vein he referred to the necessity for experimentation to be carried out by this Government to prove if there was something there to change the face of this Province, give to us industrialization and raise our standards of living. He was once again criticized but the history of mankind shows us all progress has come from experimentation by individuals and Governments. In recent years, there have been many examples of experimentation being carried on by the Government with public funds, a great deal of economic research. Fishery experiments are going on at the present time by the Provincial and the Federal Government paid from Government funds and even if they do try and sometimes fail, if we want the projects we have to carry on experimentation. Naturally in experimentation the pros and cons of each venture have to be considered realistically and mistakes are bound to be made as has been pointed out in this House when we made a mistake in the Icelandic venture. But, unless we make some attempt to bring about changes in the industrial pattern of this Province we are committing our people to the same old story of years ago when external market difficulties immediately plunged us into the depths of despair.

Sometimes I think of the Premier, whom I am very glad to serve, as the people of Athens one time said: These people have an insistent power driving within them which allows them to take no rest themselves or permit any to others. Now, speaking as one member of the Cabinet I am glad it is so because he has brought to his

position a special knowledge of the conditions of this country and a knack of getting around and making contacts, and the art of salesmanship invaluable if we are going to make this Province something more than merely a tenth province.

It is almost impossible to speak at a time like this without some reference to the high cost of living. It seems to be on everybody's lips and everybody is talking about it. The budget brought down within recent hours, reflects a rising cost. No man yet has been able to find a remedy or has been satisfied to apply a remedy, but there is a partial remedy, in the imposition of controls. But the imposition of controls presents many difficulties of which those who have had experience during the World War Two are only too cognizant, and they deem, and Mr. Gordon who is the controller, has put himself publicly on record as saying, that an excellent job had been done but at the end things were getting very thin when they didn't know if they could continue to function much longer. Some six weeks ago the United States imposed price control and in three days came out with a revision.

Incidentally there is some idea of the rising prices during the last few years which give evidence in one or two quotations of what we consider to be common essentials. For instance prices on rubber, wool, and tungsten advanced considerably. And these prices have been reflected on some of our regular commodities. One of the clearest illustrations I have seen to the high cost of living was given by Senator Paul Douglas, one of the presidential prospects: He put a glass



of water on his desk and took three one dollar bills and laid them alongside it. Then, he said, in normal situations there is one unit and there is water. A dollar per unit. Now there are 3 units and the same quantity of water. That, I think, is a very good illustration of the soaring cost of living. The remedy is not easy to find, the greatest minds of the world have been attempting for a long, long period to apply some solution, some palliative but no one is able to overcome it, this great tremendous task.

There is a certain amount of remedy in our hands, in the hands of every consumer. The position in Newfoundland is made somewhat more difficult by our unbalanced economy. When we look at the ordinary trading picture of this Province, we find the ratio of our exports to the national economy is comparatively three times as great as that applying to the Federal Dominion, and if we look at the other side, our imports, the ratio of imports to our national economy is comparatively four times as great as that of the Dominion. Now there is one serious thing about that, that is our imports on paper are much greater than our exports are but when we consider it further it must be borne in mind it does not give a true record because in Newfoundland, as in any other province or country, there are many intangibles in imports and exports that do not appear in those figures at all. In Newfoundland we have records of hundreds of men going to the United States year after year, spending six or seven months and coming home with their wages in their pockets. That is an intangible not being statistically recorded, but a statistical prop in the balancing of our national economy.

I say the remedy today lies in our

own hands. It is advice already given time and time again by people more experienced than myself. To produce more consumer goods and not buy unnecessary goods. When we are in the habit of buying things from day to day we find it difficult to carry that out, yet in provincial economy as a whole there is something to be said for this consumer spending.

However, at least in trying to bring down the high cost of living in this Province of ours in the successful issue of the freight rate dispute, we have gained for the economy of this country some three, four or five million dollars a year. But there are other things too which possibly we might consider. There are two things that can be done in this Province; speed up industrialization to create more industry, more employment, and secondly there is the increased consumption of local products. I understand the honourable member for St. John's West in his speech yesterday mentioned that our consumption of fish is about the highest on this side of the world. That is commendable and probably a very good reason for thinking we should consume these other things in which our consumption is much lower than it ought to be. I am speaking of local products particularly of agriculture. In poultry raising it is comparatively easy, even though a number of poultry farmers have given up, there seems no valid reason why two millions dozens of eggs were sent from Canada to Britain and last year another million dozen of them came here to Newfoundland. A million dozen of eggs does not seem to be a very important item but yet remember that for egg purchases at least some half million dollars went out of this Province which might very well have been kept in if more people

were interested in the poultry business.

It is interesting to note that in addition to the industrial action as portrayed in the Speech from the Throne quite a bit of work is going on in other directions and from the Department of Natural Resources we noted last year some 90 thousand additional acres of ground is ready for cultivation. This year efforts are being made to improve the breed of sheep and although I do not think for a moment we will ever see the Southside Hills white with sheep, I do know of many areas where sheep could be maintained and made a profitable industry. For that matter it would go a long way if we were to rear in sufficient quantity for ourselves and yet we have large imports year by year. But in one particular field, that of peas and beans where every gardener knows it is quite simple to rear peas and beans, we have often done so. Yet it seems incredible that we import three and four million pounds a year, and people as a rule adopt the attitude it is all right to go into a store and buy a tin of beans yet hesitate about bottling the same for themselves, so once again, just by that kind of thing it is possible to decrease our imports by a great deal of money spent on those two articles. I am glad to note the Jubilee Guilds put on an activity during recent weeks to encourage people about local consumption, and I think they may be able to have a great measure of success in the immediate years because these things, small as they may seem, can play a vital part in stabilizing the economy of this Province.

If we look at things from another viewpoint, Mr. Speaker, and think about the occupational pursuits of our people we find that, roughly, we have a labour supply of one hundred thou-

sand people. We have probably twelve thousand people engaged in the paper business and if we are fortunate enough to get a third mill this number will be augmented another five or six thousand. Our mining industry at the present time probably employs four to five thousand people. Then we have a large number of civil servants, people engaged in district trades and so on, so that our biggest problem is that of finding some greater compensation for those who occupy our biggest occupational risk, that is the fishermen themselves. The solving of the fishery problem is indeed complicated and I am not going to make any comment at the present time except this. In 1929 Cape Breton's fish markets dropped almost a third and the people were in despair, and as one writer said in a commentary on conditions at that time: "There they were, and a black robed priest walked among them and said to them, you can get your profits, men, if you have education, if you learn how to co-operate." That was the beginning of a miracle. That same enthusiast, Monsignor Cody spent two or three days with us last week and gave to the fishermen's convention one of the most inspiring addresses possibly ever heard. In his words, in co-operation is, I believe, hope for some remodeling and some reformation of the fisheries in this particular Province.

Industrial activities and actual progress are both dependent upon many factors, one of which is communications. The policy of this Government throughout its regime has been to encourage as far as finances permit, the construction of roads, not only of the Trans-Canada Highway but of secondary roads, making it possible for people within these areas to

take advantage of marketing possibilities. Road construction in this Province of ours must continue to play an important role for many years to come. I think this is particularly true about the tourist possibilities as well as for the ordinary farmers and fishermen, people who have children attending these schools. Fourteen percent of the whole population attend those schools.

In three or four other letters dealing with salaries they are fairly and reasonably written but there is one respect which mars the whole picture presented by them. In discussing the salaries of licensed teachers every one omitted to mention that in addition to salary there is placed to the credit of each teacher each year \$100 which can be used by them in further study or in a training school. It is quite true they are not able to cash it in but the \$100 added to the salary is a most important factor to be borne in mind when looking at the salary picture. This is for the information of the House and I think it is extremely important. I think you should know that during the last fifteen years or from 1934 to 1935, the school enrollment in this country advanced some twenty odd percent, the number of classrooms went from fourteen hundred to twenty-four hundred and the number of teachers from seventeen hundred to approximately twenty-six hundred which gives you some idea of the difficulty we have in education thrust upon the resources of this country. Coming back to that \$100 business it is interesting to recall that the very first effort made by a Government of Newfoundland to pay anything for teacher-in-training was in 1876 when by Statute of this House roughly \$600 was voted by this Province. In 1951 we voted \$145,000 for

that very purpose. From a point of history too, it is perhaps interesting to recall that the basis of our education dates back to 1876 and there was no major change in that Act until 1949 when summary proposals were put forward and adopted, a change of system of payment in vogue for years. That was passed only after we had received previous sanction from religious authorities.

Now getting back to the honourable member for Fogo, the biggest factor in our entire educational system today is the one-room school. Out of some twelve hundred schools in this Province, eight hundred are one-room schools. Now I am not denying that contour barriers and denominational control may aggravate some of the difficulties but it is only an aggravation, the main trouble is the one-room school, and how are we going to place in them mature and experienced teachers and give to the children an equality of educational opportunities which they get in large centres. It is not a problem of this Province alone but occurs in others.

When it is recalled that last year some five million tourists visited Canada, and when it is recalled that in 1949, twenty million dollars came into Nova Scotia alone through tourist industry, I see no reason whatsoever, why, upon the completion of some of our most necessary roads and suitable accommodations that the national revenue of this Province of ours should not derive anywhere from one twentieth to one tenth of its total from the tourist industry. I believe it is capable of contributing to our economy four or five million dollars a year.

At the beginning I pointed out it was necessary for us before embarking

upon industrial activities to secure a survey of things which we have in order that we might ask who would be interested in our industries. That conviction of ours was not ours alone, the Chairman of the Newfoundland Industrial Development Board in the 1947 annual report used these words :

"An urgent need for Newfoundland is competent and scientific survey of resources on which industry may be built. By survey I mean not only knowledge of things we have but just as important, the gathering of all facts every investor requires to know before deciding to lay out money." That opinion, Mr. Chairman, is the conviction of this Government and we are trying to make available for the best possible use the industrial resources of this Province. Before I sit down, Mr. Speaker, I want to refer somewhat briefly perhaps but objectively to education in this Province.

The honourable member for Fogo in his address expressed the opinion that denominational education was the greatest fault in our system. The Premier himself pointed out that our policy of education was governed largely by the Terms of Union of Canada.

On the subject of the question of denominational education I remain quiet except to point out, I think the honourable member is wrong and I will come back to it in a moment or two.

During the past three or four weeks several letters on educational matters appeared in the press, and with one or two I take exception. For to state that all amalgamated schools are Godless is, in my opinion, an insult to the intelligence of religious authorities who represent us and we have an Act 1944 which does that, and it is

an insult to the Provinces all through Canada and in the United States and England and Australia. Objectively, I want to deal with two ways they have tried to overcome this problem elsewhere. First of all by correspondence courses. Now we have a full correspondence division in the Department of Education, we have had it for years, in which we do help children in isolated areas by correspondence but in Alberta where the teacher situation is as acute as here, they are unable to get qualified teachers, they have placed in schools a supervisory teacher whose job is to teach lessons sent out directly from the Provincial Department of Education, worked out under the supervision of the school and then the lessons are transmitted back to the Department for correction and examination. Thus they are able to overcome some of the difficulties. This problem has been under discussion for years but it seems to us impracticable to expect that a teacher without high qualification and little or no training should have to teach the higher grades in these one-room schools.

Two: Possibly there seems to be a way out by using a correspondence course much more freely than was done before so that teachers may carry on work as teachers up to grade nine but the rest of the work with pupils in grade ten and eleven may be done by supervisory courses from the Department of Education.

The other way which has been used by some provinces is much more effective and is much more widely used where they have the same problem as we have, the one-room school. They have gone to work and selected an area and have gotten a central high school. The smaller schools still remain as they are but teachers in these

schools are not allowed to take children above the grade of eight or nine. The other children, grade nine and over are taken to the larger areas and were given either dormitory accommodations, boarded throughout the term or what is more common still, a daily bus transportation takes children, all the children in the higher grades every morning, takes them to school, gives them lunch at a cafeteria and the buses take them back in the evening. That method has proved most successful and more and more places in the Provinces are availing themselves of the regional school idea. In order to carry out the latter of these two methods, the idea of regional schools in Newfoundland would, I am afraid, take much more money than we find it possible to find at the present time.

The implementation of the school services already in existence call for a tremendous increase in expenditure, and if we are to give to our people the equality of educational opportunities, it requires a much greater outlay than anything we have been capable of up to the present time. We are not alone in that either, most of the Provinces, with two exceptions, are finding they are unable, with ordinary current expenditure, to find the answer to all their undertakings. As a matter of fact, some are generally depending on bond issues of 20 years, and only a short time ago the Legislatures extended that term to 40 years because of the need for more financial assistance. There has been a clamour throughout the years for Federal aid to assist in the building of schools and to carry out the ordinary routine work and for the extension of education throughout the Provinces. At the Dominion Provincial Conference held last Fall, in a

brief presented to the Federal Government by Premier Douglas Campbell of Manitoba, we find these words:

"Federal grants could be made to the Provinces on the understanding that they will be used by the provinces in support of a specific but fairly broadly defined type of service. For example: grants might be made for education or for health services.

"In our view education is a subject which has now assumed such major importance that it should be dealt with in accordance with one of these three methods. Education is a subject which is of fundamental national concern because it far transcends the interest of any local community that the utmost use should be made of all our human resources; and that no child should be penalized as to the education which is available to him merely because he happens to live in one part of Canada rather than another.

"We therefore strongly advocate that the Federal Government should accept responsibility for a substantial part of the cost of education."

There are many of us who know some of the works of the Educational Department in this Province, and some of the difficulties with which they have to contend, and the heavy expenditure involved if we want to get a better system of education, who echo these words. Mind you, in the House of Commons, during the last three years, it is extremely striking to note the changing attitude towards Federal aid for education. In 1949, Mr. R. R. Knight, member for Saskatoon, tabled a resolution calling for Federal aid to education. Three members spoke on it and the motion died a natural death: In 1950, Mr.

Knight tabled the same resolution, seventeen members joined in the debate but were talked down: In February of this year, Mr. Knight again tabled the same resolution, forty-one members joined in the debate including the Prime Minister himself. The vote was defeated, although this time, forty-five voted in favour and one hundred and twelve against. Nevertheless the change in these three years gives evidence of a change of thought right across the Provinces as to the importance of education and the desire of the Provinces to give the people educational services which are theirs by right.

In the Speech from the Throne reference was made to vocational education, and we are hoping that we may be able in the shortest possible time to have a building at our disposal, which will offer at least a beginning to students in St. John's, and those we select and bring in from the outside and give a chance to supplement their education. I use that word supplement advisedly because I agree with the Minister of Public Welfare that there is this danger in vocational education. After all, as an American writer pointed out some years ago, the case should not be based on a suggestion that the student is not good academic material but rather has an additional aptitude for technical and manual skills. The fact remains that he needs a thorough grounding in what we call academic education. We have evidence of that day after day in our school on the Southside. Evidence of pupils who want to prepare for a navigational course and have not the necessary mathematics that they may be able to study thoroughly and properly the course laid down in order to get a captain's ticket. It is the same in other walks of

life, in training for diesel engineering and motor mechanics—there is a certain amount of mathematics which they must have.

The Vocational Training is merely a supplement to round out the education, to give to the boy or girl privileged to take it, whether a course in mechanics or economics, a chance to give to his duty the very best of which he is capable, because he is being trained to do that very thing by academic and vocational school combined.

To sum up what I have been trying to say in a few words: The future of this country depends upon two things: industrialization providing ways and means whereby it is possible to raise the standard of living among our people, so that they are not subject as hitherto, to the cross currents of supply and demand, making them self-sufficient. There are certain things within our own reach we can do in order to become a little bit more independent. Secondly, I believe that no matter how much industrialization we have there is still something else to be done and that is: I would like to see the Fishermen's Convention, held last week, try to organize themselves into a strong unit because the two things go hand in hand.

That is the policy of this Government—to try and make industries and to make people think a little more of themselves, and by so doing and with true cooperation, there is hope that this Province of ours may not be merely the tenth Province but the land to which we are proud to be long.

MR. J. G. HIGGINS (Leader of the Opposition): Mr. Speaker, the old order changes yielding place to the new. But the Government side al-

ways welcomes the new so—Ring out the old, ring in the new, but I am afraid things are not going to be the same. At last notice has been served and I hear no notes may be taken and it is out of order to make a joke and a smile would be contempt of the House. It would be a terrible thing if the Sergeant-at-Arms were to draw his sword because of a smile or a raising of an eye-brow. No longer now can we convey our feeling by frown or wink. All gone. The old days are gone forever. I am very glad, the honourable Minister told us on the other side, in his few short remarks, the old is not met with respect. He, like all the rest, likes the new, and let him have it.

Now there have been many expressions and resolutions of loyalty in the picture. They might just as well go ahead and pass resolutions in order to show people all is fine weather when the Government gets together but to me it is reminiscent of other times, times of boxing days and one man is introduced as Honest John and Honest Bill and he challenges anyone to deny his honesty. There is always a great doubt, we think, when we hear this harping on loyalty and honesty.

And my old friend, the Minister of Provincial Affairs is happy. Probably, he says, he will be with the Premier until he fails, and probably he will be. But we were surprised to know he is going to fall some time. The time is indefinite. He does not say five years time he will fall, but—until he falls. It is indefinite. Later he say: I am prepared to go down with the Premier. You will notice the preparations are made already. He is prepared. Then he often gets conscience stricken. Men of that age have a conscience, we younger men don't think much of these things. He

does not say—will not—but doubtlessly to ease his conscience he adds—I do not think the Premier will go down. He will be with the Premier when he falls, the Premier has already prophesied that he will be in power for twenty-five years, but at the end of that twenty-five years, the honourable Minister will have shuffled off his mortal coil. One can't expect him to live out 102 or 103 years.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I did not know you were a prophet until now.

MR. HIGGINS: Well, I will be a prophet again. I might not have the happy knack of you or the Premier, but I am going to prophesy and for that I will borrow from the famous lines: "Tis my sense of proposition gives me common sense and Liberal failure casts shadows before."

MR. SMALLWOOD: We realize that, we on this side of the House can see the shadows over here.

MR. HIGGINS: Maybe the men of the past on the walls are casting shadows over here to us saying you are going to fall eventually, Sir. You can't see those shadows but we can over here.

MR. SPRATT: Why not say—Coming events cast their shadows before—

MR. HIGGINS: No—that would be too commonplace.

MR. SMALLWOOD: The only shadows you feel are those of the cold shades of the opposition.

MR. HIGGINS: Now let me say at the outset; my old friend, the one-time Minister of Natural Resources is no longer on your side of the House. I know I used to like that long face

when he put his chin on the desk there and when some member got up to say something, I would get a wink from him, but I could not hear the words the Saucy Member would whisper in his ear. I think I can speak for all my colleagues here when I say we were glad when he got up to speak. He had fluent delivery and always spoke with sincerity and common sense, and constructively. Above all he had a very great sense of humour. He made particular effort always to help the farmer. We were sorry because he could help the farmer better as a Cabinet Minister than as an Independent. But one thing I confirm he is a man of great virtue, of sincerity and integrity.

Now, the Premier made a bitter attack on a reporter here, because he was supposed to have said that Mr. Russell is the right hand man of the Premier. He spoke so bitterly and at such length that I came to the conclusion that he was. The more he spoke and ranted, the more I came to that conclusion.

MR. RUSSELL: That phrase embarrassed me more than it did the Premier.

MR. SMALLWOOD: There was never a thing more untrue.

MR. HIGGINS: I am very sorry I passed the remarks then about my learned friend, about the member for Bonavista South. I am sorry I have repeated that, in view of the fact that he does not want to be called the right hand man. I wonder, he must be a very important man for the Premier to spend so much time talking about him. His opinions must be valuable and he must be afraid people might listen to him too much. The Premier called him an

intellectual anarchist and gave the impression he was carrying a bomb. An anarchist is one who comes with bombs and some intellectuals started throwing bombs and landed in Siberia. The Premier called him trouble-minded, unfit for a Cabinet; referred to him as muddle-headed. But that word should never have been used, as I know from being in this House. He called him strong-minded, independent. Then I say if such characteristics are unfit for a man in the Cabinet, I say God help the Cabinet. Mr. Russell —

MR. SMALLWOOD: Mr. Speaker, to a point of order, my honourable and learned friend knows by now, just as well as I do, the members of this House are not to be mentioned by name. Surely he has enough respect for the rules of the House to carry them out.

MR. HIGGINS: I wonder if you would mind bringing me to order any time I am out of order. It is your prerogative.

MR. SMALLWOOD: Any member of this House has a right to arise to a point of order. I have done so. The honourable member is not supposed to refer to any member of the House by name. No honourable member is supposed to do that and he knows it as well as I do.

MR. FAHEY: I sat here during the last three sessions and I challenge any member here that he has not at some time referred to Mr. so-and-so rather than honourable member and the Premier more often than anybody else.

MR. SMALLWOOD: Not once, the Premier did not. He knows the rules too well.



MR. SPEAKER: Even if the Premier had, it is still out of order. The use of a member's name is a privilege reserved to Mr. Speaker, which I hope I will never have to use. Members will refer to Ministers by Portfolio.

MR. RUSSELL: Can't they agree any better than that, Mr. Speaker.

MR. HIGGINS: I will, Mr. Speaker, and I thank you if you would draw my attention to the fact that I am breaking a rule. I would sooner have your magnanimous, charitable, reminder.

MR. SPEAKER: It is in order for any member to rise to a point of order.

MR. HIGGINS: To come back to my colleague, the honourable member of Natural Resources, he is a man who always seems to take things very seriously and seemed to be worried over findings of the condition of his country. Now the Premier told us that he had a dual personality, and I am not going to say Jekeyll and Hyde, he did not go so far as that, but when he is persuading Ottawa he paints one picture and for financiers and bankers he at the same time paints rosey, colourful pictures of this country and many believe what he is saying. When he says Newfoundland is a fine thriving country in a good financial position with a rosy future lying ahead, is he still just playing a game with us as he does when he appears before the Government of Canada. Is he playing a game when he talks that way?

Now we have come back to the House, gotten down to duty after a long week in which fishermen sat and formed a union. A wonderful week for some of us. The men of

the Government party tried to make hay while the sun shone, made out of the meeting a wonderful occasion of political propaganda.

MR. SMALLWOOD: The honourable gentleman will retract that statement. It is unwarranted. It is a lie. A lie is a statement made for the deliberate purpose of deceiving. It is a lie and I fire that statement back in the gentleman's face. He lied, which means he is a liar.

MR. HIGGINS: Mr. Speaker—

MR. SMALLWOOD: He is a liar, a cold calculating liar, anything for a bit of politics. He will withdraw that statement. Will my honourable friend withdraw his foul and rotten and lying statement. It is untrue. He was asked to speak.

MR. HIGGINS: I was asked to speak, a joke—were my colleagues asked to speak—

MR. SPEAKER: Order—otherwise I shall leave the chair. What is the remark to which the honourable the Premier took exception?

MR. SMALLWOOD: I took exception to the remark made by the honourable and learned gentleman that the members of the Government went to this convention of the fishermen of Newfoundland and made political hay. A false statement, and furthermore, Mr. Speaker, the honourable and learned gentleman is not going to go on until he takes it back—He is not going on.

MR. HIGGINS: You are going to frighten us.

MR. SMALLWOOD: It is not a matter of frightening. Don't let the honourable gentleman think he is going to get away with it. That is go-

ing to be taken back. Mr. Speaker, I ask that it be taken back.

MR. SPEAKER: The honourable the Leader of the Opposition has made a comment to which the honourable the Premier has taken exception. I ask the honourable members to disregard anything else that has been said in the heat of debate and confine themselves to that one point only, as probably, in the heat of debate, the honourable the Leader of the Opposition may have allowed words to escape him, which may be interpreted to mean something obnoxious to the honourable members of the Government. I feel quite sure he will have no objections to withdrawing an obnoxious statement, or offer some explanation.

MR. HIGGINS: My, my, I was going on to say that none of the rest of our colleagues were asked to speak. The honourable member for Bonavista South was not asked to speak nor the member for White Bay. They were there and the member for—

MR. SMALLWOOD: To a point of order: I asked the honourable gentleman to retract that statement. I asked the honourable gentleman to retract.

MR. HIGGINS: I am not going to retract it.

MR. SPEAKER: I have already pointed out to the honourable the Leader of the Opposition that he will be willing to explain or retract the statement and the House is to take no cognizance of what was said afterwards in the heat of debate. As for certain members being asked to speak or not, that has nothing whatever to do with the question, for that matter, I was not asked myself.

MR. HIGGINS: Mr. Speaker, do you ask me to withdraw the words.

MR. SPEAKER: I would order you to withdraw the words or re-state them.

MR. HIGGINS: If you ask me to withdraw them?

MR. SPEAKER: I do.

MR. HIGGINS: In that case I withdraw them, Sir.

MR. SMALLWOOD: Then, to a point of privilege, I have pleasure in withdrawing the statement I made about the honourable gentleman. I withdraw it unreservedly.

MR. SPEAKER: Are both the honourable members satisfied?

MR. SMALLWOOD: Mr. Speaker, I am satisfied.

MR. HIGGINS: I am satisfied, Mr. Speaker, I don't want to be called a liar, Sir.

MR. FAHEY: I presume Mr. Speaker, the House is satisfied.

MR. HIGGINS: The fishermen were allocated 20 thousand dollars by the Government to form a union.

MR. SMALLWOOD: The honourable gentleman is quite wrong, the fishermen were not allocated one cent. The speech merely said; the House would be asked to vote the expenses of the Convention.

MR. HIGGINS: Alright then, it is as the Premier just said, I don't care. But how about the five hundred thousand dollars of a fund belonging to the fishermen. I remember the Minister of Fisheries and Co-operatives last year, in that Bill, getting up and making a speech—it was something wonderful I thought, and I be-

lieved it, got up like a boob and asked about it. I did not know what it was about, and I found it was this five hundred thousand dollars to be allocated for death and accidents of fishermen. He also mentioned something about a conscience; a Bill with a conscience and this was one, I should think, giving back to the fishermen what belonged to themselves. What about that five hundred thousand dollars? Why not give that to the fishermen, that is their money.

Now following the convention, I must pay tribute to the proposer and second of the motion, the members for Labrador and Fogo, they made wonderful speeches for the Government, could not speak better for the Government, everything the Government did was right, no trouble to them at all. And I must say, as far as defence of the Government goes, they were both very good speeches. The member for Trinity South referred to the fact that they made good Liberal speeches with a capital "L." He also made a good Liberal speech. There are not Liberals with a small "l" and the other members were wonderful on that too.

The member for Trinity South is eighteen months late now in supporting the police. If he is such a staunch supporter why did he not support the police at the time of the Act? I also like our police system, think it was wonderful. They have rendered more mercy than justice, no man committing his first offence was dragged off to jail. I am very sorry our old police system is gone, and I say our old way of living went with them. I feel that if we had some support at the time the Bill was brought down we may have fought

that and saved the finest institution in this country, the police.

MR. MARINSON: It is only eight or ten years old.

MR. HIGGINS: You have been out of the country too long. That is the Ranger Force you are talking about. The police force has been wiped out in the outports, it is only left in St. John's. I admire the Mounted Police, they are a great institution, but the police force of this country was founded in 1871 by Timothy Mitchell. Among his successors we had McGowan, Carty and Sullivan and others, all good men. No, we were not afraid of our policemen at all, if anything happened—go over and tell the police. They are afraid of the Mounties. I know one district where they were told if you do not do this and that, the Mounties will do this and that.

MR. SPEAKER: Let me interrupt the honourable member. I want to inform the visitors, they are to make no comment whatsoever, no matter what happens. They are not to make exclamations of approval or disapproval, otherwise I will be forced to clear the Gallery.

MR. HIGGINS: The time is coming when the Sergeant may have to raise his arm.

MR. SPEAKER: I was only trying to get a clear floor for you.

MR. HIGGINS: The member for Trinity South stated that the school children should come here once a week. Have a regular Roman holiday for themselves. That would be a real Government day and there would be a regular dress parade for those on the other side. The children would come and listen and go back

to Daddy and say what a wonderful crowd the Liberals are. You will take care, Daddy will know that. And he will say, what about the men on the other side. Seven men over on this side, five Progressive Conservatives and two Independents, said nothing but just sat and listened. Had no chance to talk at all, the other side did all the talking.

Now yesterday, Mr. Vardy, the honourable member for St. John's West, made a very fine speech, particularly the section on export facts. The speech was very well delivered. On the subject of eating fish, he gave a clipping from a paper showing how little fish is eaten in the United States and Canada, and this clipping he said, exploded the theory that fish eating produced brains. Now, Mr. Speaker, that is alright but it is always possible to find another clipping and my heart rose greatly when I found this other clipping called "Cod and Dulse" in Nova Scotia :

"London Free Press : Nova Scotia has rightly plumed itself on the historic fact that its greatest export has been brains. The record proves it. Now we learn from Government records tabled in the House of Commons that Nova Scotians eat more fish than any other Canadians. Second are the British Columbians.

It is fish on which the brainiest people in Canada feed—fish which live on plankton, and the sea weeds and dulse, and fortify themselves with essential liver fats, and have their being within the element which scientists tell us is the source of all life;

Not only brains but brawn, and vigor, and durability seem to

emerge from those raised on sea food so that even when they move to the effect inland provinces the original force remains with them. Perhaps we should include cod and mackerel and halibut and dulse in our diet."

That is the very opposite, Sir, just shows that any argument can be actually reduced and broken down. Sir, I am not a fish eater myself but I don't like to admit I have no brains at all.

It is not out of place to tell a decent story I suppose? In court one time, back in the days of Mansfield, there was a case, and the first witness called was John Elm. At the end of John Elm's evidence given in a clear voice he gave his age as 90 years of age and the judge said: "I suppose you take a drink?" "No, Sir, never in my life." "Go to bed late?" "No, Sir, always before dark." "Oh," said Mansfield, "early to bed and sobriety is conducive to longevity of life."

The next witness followed, his brother Donald, 92 years of age, and gave evidence in the clearest way. The judge also asked him: "Take a drink?" "Never sober in my life, Sir." "Go to bed early?" "Never before dawn, Sir." So Mansfield said, just shows heavy drinking and going to bed late is conducive to longevity of life. No, said the council, just shows Elm is tough wood, whether wet or dry.

So I say, fish is good whether salt or fresh, good for eating and good for those who don't eat it because the more fish eaten the better it is for the country.

Now the honourable and gallant member for Ferryland made a very bitter attack on Mr. W. J. Browne, called him a hypocrite. Mr. Browne

is quite capable of looking after himself, but all I know is that he is a very honest, decent man, a religious man, that he should be called a hypocrite because he is religious is too bad. Then the honourable member attacked Mr. Drew, called him streamlined and said he wore corsets. Cheap talk. Mr. Drew went from the ranks to Lieutenant Colonel in the first world war and as a result has a badly shattered arm. No man of that type is streamlined or wears corsets. It is cheap to hit at an old soldier. But I don't know what the honourable member for Ferryland meant, I would like him to be here to answer that question, when he made remarks about being kicked out by the Progressive Conservative Party, I don't know anything about that. I was not a member of the party at the time, I was, like himself, expecting a National Party.

Now there was a question about the American Aerated Building. I know it was worth the money possibly, a fine building, a fine concrete building and if it were put on the market maybe a bargain if somebody wanted it and no doubt the replacement value is true. But the Government, like Caesar's wife, must be above reproach and we have a lot of liberal supporters of the Government. The question remains, did the Government need it? I do not think they wanted a bottling plant, they may have wanted a warehouse, and I say a hundred dollars would build a fine big warehouse. It would have been very much better if the Government had spent a hundred thousand dollars on a warehouse. At the same time I say, undoubtedly that building is worth a lot of money.

Now Dr. Pottle made a fine—

MR. SMALLWOOD: For a gentleman, a lawyer all his life, and not able to learn one simple rule and carry it out.

MR. HIGGINS: I am here in the House only two years, and have been in court for 30 years. I apologize to Mr. Speaker.

Now, Dr. Pottle.

Well, one time, first when I was in court I kept saying to the judge "yes My Lord," and the judge said "don't say My Lord to me, say Your Honour." And I said "pardon me My Lord." I was just as unfortunate now in that remark.

Now the honourable the Minister of Public Affairs—The honourable the Minister for Public Welfare—all right, I don't know what the honourable Ministers do, I only meet them for a short time each year, I can't remember.

As I said, the honourable Minister for Public Welfare made a very fine speech, very interesting, and in very fine language, though there were a few things I could not follow which may have been my own fault. I was going to rise up at one time to uphold the dignity of the House but his eyes were on the gallery, not you, Mr. Speaker. I don't know what he means by peaceful revolution. What does he mean by peaceful revolution?

It may be our fish forbears. One section of my family came out in 1797, Sir, my family started from that time.

The great English Divine, Rev. Sydney Smith, one time when he was at a dinner and a young chap was boasting about his ancestors, said: "Don't go talking about ancestors, my grandfather disappeared after the national

trials of 1779 and we never enquired the reason why." So I suppose my people started in 1797 and I could not tell the reason why.

He said he liked the old St. John's better than the new St. John's, but I believe he preferred the new. I give him the benefit of the doubt. He talked about our rugged individuality, I concluded he was the one man on the other side true to the days of old, the old way of life, because he liked them, liked the boastfulness and rugged personality, virtues akin to independent people.

Now he talks of the welfare state in most glowing language. No one doubts it, but as I said before, the welfare state goes so far then becomes a restriction when it interferes with the private freedom of people as it did in Australia where the people feared it would become a servile state, and they rose against it. Now I don't think there is a welfare state in this country, I admit it is not big enough. The honourable Minister was in the Commission Government when they accumulated all that \$40 million. They should have raised the benefits and given better old age pensions. But I understand that in the days of commission it was quite good, people got blankets and everything else.

There was lots of welfare work in this country, orphanages were kept up by private subscriptions, private in the sense they were not Government. The clergymen did wonderful work, men with small salaries raised up large sums for the people's service, large numbers of charitable organizations, we had all that, and it was private in the sense that it was not Government. Now there are other more important things than the pro-

viding of family allowances, most of all work, Sir, to carry on, work for the people, that is important. Now regarding the history of family allowances. The Liberal Government can not take praise in that respect, the system came before we joined Canada. MacKenzie King did not have any high motive for it, he did it as a subterfuge. It is common knowledge he did it for no lofty reason at all. It was different in Australia and for the people of Belgium. There it was no doubt not for war time but for the logical purpose of helping people with children. They decided that of two men working side by side and paid the same salary, one man having five children and the other single, some way must be found to help the married man out, the company must not be expected to do it, so the Government must help him. In ancient Rome a mother with three children or more always received an allowance.

He got bitter about it last year, the honourable Minister for Public Welfare spoke about it.

Now we come to the other words: The words rubber stamps. Now I don't know what the members of the Government think. The mind of man is not triable.

**MR. SMALLWOOD:** You just tried the honourable Minister of Public Welfare a few minutes ago.

**MR. HIGGINS:** I can judge by action. I judge him just as I judge you, by his actions. The Premier did not agree with the honourable member for Fogo's remarks about denominational education but talked about the freedom of speech. Did he give the freedom of speech to the honourable member for White

Bay? Apparently when anyone says anything against him he is up in arms.

MR. SMALLWOOD: If one of your colleagues attacked his party in public, would you like that?

MR. HIGGINS: He did not attack the party, he came out just on White Bay. He only said the people of White Bay were not being treated properly and rightly and he is the member for White Bay. You are all slaves, not rubber stamps. Last year we saw the Prime Minister pass a note to a gentleman speaking and the gentleman sat down and eventually voted against his convictions. When the Certified Accountants' Bill was brought in, the Premier got up and said this has to go through.

MR. SMALLWOOD: The honourable gentleman is wrong, completely, entirely, unfortunately wrong. There is not even a syllable of truth in the statement.

MR. HIGGINS: All right, I put it this way, he got up and made a speech in his own democratic way, said he would like to have the support of the party, made a pretty strong speech in favour.

MR. SMALLWOOD: Mr. Speaker, I think it is very wrong for the honourable member to attempt to quote from a speech made a year ago. My recollection is that the honourable gentleman made a speech himself last year, but I can't remember one word he said.

MR. HIGGINS: I can remember, and I can remember the Attorney General getting up right after and going against what the Premier said and then the Premier getting up and making a very clever and caustic

speech, and he said this Bill must go through.

MR. SMALLWOOD: Mr. Speaker, I ask that my honourable friend retract that statement that I got up and said this Bill must go through.

MR. HIGGINS: I will retract that he said it, but I am saying he implied it.

MR. SMALLWOOD: The honourable gentleman is entirely wrong again. He can't remember this and that and now he can't remember what the Bill was about. It was not the Certified Accountants Act. The Certified Accountants Act was not a party measure, therefore, I could not say it had to go through.

MR. HIGGINS: All right I withdraw that, but you practically told the Party it had to go through.

MR. SPEAKER: Order.

MR. SMALLWOOD: If he had said that I said that, in connection with a certain Act, but this Bill was not a party measure. He is confused, he is mixed up. It was the Garage Closing Act.

MR. HIGGINS: When the honourable the Premier gets up and makes a speech of that kind it is nothing more than an intimidation to his party. I remember quite well, I remember the vehemence of it, everything about it.

MR. SPEAKER: Honourable members, I think there is some bickering about the subject of the Bill. The honourable Leader of the Opposition said the Premier made a speech to a Bill, and said the honourable the Attorney General spoke on it.

I may point out that if the honourable the Leader of the Opposition wishes to criticize the Government he has a perfect right to do so. The term "rubber stamp" has been permitted here, but I would like to inform honourable members that that very expression, the term "Rubber Stamp" has been ruled out of order in the House of Commons in Ottawa.

MR. HIGGINS: I rise to a point of order: I am talking about the Public Accountants' Bill.

MR. JANES: The honourable the Leader of the Opposition is absolutely wrong in his contention. I think it was myself and the honourable member for Green Bay and the member for Fortune and Hermitage who brought in the motion, and the member for Trinity South voted against that Bill. As a matter of fact, when the vote was cast there was only a margin of eight to ten. You have not got ten over there. Where did they come from?

MR. SPEAKER: The Honourable member will have to apologize to the House.

MR. JANES: I apologize. I would still like to know where they came from.

MR. HIGGINS: I will tell you who spoke, the Prime Minister, the Attorney General, the honourable Minister of Supply and Mr. Russell all spoke, I can tell you the whole thing. The other, the garage Bill, the honourable Premier said: This is a party measure. It was not brought in as a party measure, they had to get the opinion of the House on it. Some of the members on the other side spoke against it, while one member was speaking the Prime Minister said it was a party measure and the

member sat down and later voted for it. No, Mr. Speaker, I am as sure of this as I am that two and two make four.

MR. SPEAKER: Before this thing goes any further, I will remind the members of this rule: It is not competent to refer, to make any reference to Bills passed in previous sessions, unless the honourable member makes a motion that it be repealed.

MR. SPRATT: To a point of order: I would like to remind the honourable member that the members on this side of the House have not been accustomed to dictatorship and I say members of the Government indignantly resent that suggestion. As a member of the Cabinet I know that we express our views on anything brought before it before it is brought in here, as a Government measure it must naturally be approved and every Cabinet member submits his opinion at Cabinet meetings. I think it is a direct insult and I speak for myself and every one of my colleagues. It is an insult to me and to them to call anyone a rubber stamp. I have never been a rubber stamp for anyone in my life as anyone who knows me as Jimmie Spratt (I suppose it is all right to use my own name) in this City of St. John's knows. I never took a back seat for anyone for fire or tongue. I can stand on my own feet and am a rubber stamp for nobody.

MR. SPEAKER: The point is already ruled out.

MR. HIGGINS: Talking about attacking people, I heard the Premier attack a reporter here in this House in the strongest language and I am told he did nothing that he was accused of. I heard an attack on a



well-known man here, a gentleman in Corner Brook, and I think it was without foundation. A well known architect, A. J. C. Payne, a man famous all over Canada and in the United States, a man presented with the gold medal in the Province of Quebec, for work he had done there and saved money for this country.

A Newfoundlander—who went away and did well. I have heard him mentioned in many places on the mainland, a fine citizen and a wonderful architect with a fine reputation and I am told he did very good work here in connection with the Corner Brook Hospital.

MR. SMALLWOOD: He did indeed—the hospital in Corner Brook, which according to answers tabled here today, is costing thousands to undo his work right now.

MR. HIGGINS: Give the man a chance to answer. Say it outside and give him a chance to answer. It is funny he should come down here and do that while on the Mainland he has the highest reputation.

I won't be finished for another hour, shall I go on or move an adjournment until tomorrow, Mr. Speaker, I will go ahead if you like.

MR. SPEAKER: Continue.

MR. HIGGINS: To some of the questions, Mr. Speaker, we have asked, we have received a reply, to others we have received the reply that it was not in the public interest to give that answer. Now such an answer may be given in time of emergency or on some very important issue when it is not right that matter should be made public, but to say that information about a cement mill and a gypsum factory must be secret, in my estimation, is farcical and the Gov-

ernment is making a mockery of parliamentary rule. The Government decided to build a cement factory for three and a half million dollars, with no parliamentary sanction. There is no emergency, it is not sanctioned by the House of Assembly. The Government got over that, I claim, illegally. The House is not opened, the House is not informed, the public is not told about it. Now when all the money is spent and the mill is finished, the public will be told about the whole program, and then told too late to make any objections. Now the House should know all about these ventures before the money is taken and spent, the money should be voted by the House of Assembly before these projects start and not arranged in the secrecy of the Cabinet, with the public not knowing one word about it. Yes, I am saying this was done wrongfully. Now it is time these things were change and the public should be informed what projects are in view and what money is to be spent by the Government. When the Government comes in here and asks for a certain amount and overspends by three or four million dollars, I tell you they are making a farce of us and a farce of the system.

Now take for instance the cement factory. Three weeks ago the Canadian Cement Company held a meeting in Montreal.

MR. SMALLWOOD: They are now planning to import cement from Britain.

MR. HIGGINS: I don't know what they are doing but what is their report?

MR. SMALLWOOD: I can tell the honourable gentleman that the Company is now planning to import cement because all the cement mills

put together can't meet the demand for cement for years to come. And I can tell the honourable gentleman, Canada Cement tried to buy our mill, approached me and asked if the Government would sell them our mill and I said, No.

MR. HIGGINS: I know there was a cement mill built in Ontario and they went down there and bought it out and did not operate it.

MR. SMALLWOOD: They haven't got enough money to buy ours.

MR. HIGGINS: If it turns out all right that is fine, but one good result may bring about a number of bad speculations.

Returning to the Order in Council, let us get the record straight. The Government signed a contract without legislative authority and the Prime Minister puts the burden on us every time to support those contracts he made telling us he can not carry out his commitments unless the House passes the money. Now, Sir, that is putting the horse before the cart. If he wants to have money, let the House know all the facts and pass on the money, not come in here and say: I have made a contract for three million dollars for a cement mill.

MR. SMALLWOOD: I did not say I, the Government is not I.

MR. HIGGINS: He very often says the word "I" Sir—I this and I that. He said one time here—I am the Government.

MR. SMALLWOOD: I did not.

MR. HIGGINS: You turned on us one time and you said that. Now you say you must get the cement factory finished and I want you to pass on

the money. You must give me the money to pay for a special warrant. I want you to pass it and hand it over to me. Say nothing but give me this money for the machinery is held up and the cement factory is held up and the country—Now gentlemen that is making a farce of parliamentary government, when the General Assembly is told it has to hand over the money for those projects and not be told anything about it but that they have to pass it. I am afraid this House of Assembly will be of no consequence if the Government holds that this House of Assembly here is just for the sole purpose of passing money for projects that the Cabinet decides on. I don't see the necessity for this House at all, Sir. What is the good of estimates. What is the good to bring them in when the government undertake vast projects which overpower everything. What is the good of passing estimates if the Government takes carte blanche for doing anything they wish? What is the Audit Act for but to stop this very thing? The Government is allowed to spend certain amounts of money for the completion of a project started and passed on or authority for repair to some building but it certainly was not intended for the purpose of giving the Government a chance to involving an amount of 30%, 40% or even 50% of the estimates.

Now the Premier told us he is fair in his treatment of political opponents. They are treated just like friends. Now I say that is not my experience. I say that today for a man to get a job he needs a letter from the Government. I have given people notes for work on ventures government run or semi-government run without success.

MR. SMALLWOOD: Well, I have given notes myself and not gotten jobs.

MR. HIGGINS: What is happening with work on birch and mental asylum factories?

MR. CURTIS: You say the Mental Asylum Factory, are we producing mental patients?

MR. HIGGINS: I sent a chap in there with a note and one man told him, you go down to see the Premier, we had notes from him and we got jobs today.

MR. SMALLWOOD: I will answer that, my honourable friend will be interested to know this. Out of a possible 250 men taken on, I was able to get jobs for five men and they were from my own district. Four were laid off and had to go back to their homes. I have one man from my district on the mill in there.

DR. POTTLE: I haven't any.

MR. SMALLWOOD: Probably my honourable friend has more men and the member for Harbour Main more men than all the rest of us put together.

MR. FAHEY: Why shouldn't I, it is in the Harbour Main District?

MR. SMALLWOOD: I don't say you should not, but the point is we are not ramming them down the contractor's throat.

MR. FAHEY: Do men from Harbour Main and Conception Bay go to other districts for work.

MR. HIGGINS: I can tell you every one of them had a note from the Premier.

MR. SMALLWOOD: Five men.

MR. HIGGINS: Well, it is very strange it should happen that day, and they went the next day and were told the Premier's men had to be taken care of. And I have an affidavit—

MR. SMALLWOOD: My honourable friend can tell the public I got jobs for five men, no more, no less. Four were laid off and had to go home.

MR. HIGGINS: I tell you this, the following day they came back to me and said that to be accepted for a job in there one had to have a note from the Premier, as the company was told they had to look after the Premier's letters.

MR. SMALLWOOD: I wish I could hear that I could get a job for men in my district.

DR. POTTLE: My remark had to do with the mental hospital.

MR. SMALLWOOD: I will say this for the record, I did not get one job on the mental hospital.

MR. HIGGINS: Who gets the work then? The building is built out of public funds.

MR. SMALLWOOD: The contractor engages his men. I can't get a job for a man in there.

MR. HIGGINS: I give up now.

MR. SMALLWOOD: I have given up too, I am fed up with it.

MR. HIGGINS: If public money is spent this way there should be some enquiry about why men can't get jobs.

MR. SPRATT: I don't think there is any discrimination. If a man comes to me I do not ask him what he was or who. If he wanted work I should

give it to him. That is the policy I have pursued all along. If a man wants a job he engages the sympathy of any right thinking men.

MR. HIGGINS: I wonder if there is anybody working at those factories.

MR. FAHEY: Only about ten men from Harbour Main.

MR. HIGGINS: Where do they come from? I don't know one from my district.

MR. JANES: There are two from Fogo.

MR. SPRATT: I think there are fifteen or sixteen up from Petty Harbour.

MR. HIGGINS: One thing, I caused an uproar. Members are not reading their newspapers now, they are paying attention.

Now, denominational education was attacked by the member for Fogo. Now building up education in this country was done by experience. Some people condemn the denominational school system without going into the matter at all, attacking it without knowing anything of the subject. And there are many, I would think, who believe that once this system of denominational education was done away with and all would attend one school, children would be very much better educated and we would save money.

Now let us see what the situation is:

On the whole the population of the country is divided up into Roman Catholic, Church of England and United Church. In places you will find a certain number of Roman Catholics and Church of England, for example, attending the same school. The hon-

ourable member for Hermitage told us there are only 15% of the places in this country which have two schools and in most cases where there are two schools it is because of geographical features of the settlement rather than denominational division. There are a few cases where there are not enough children of one denomination to have one school so the school is amalgamated. The Minister of Education said there were eight hundred one-room schools. There are seven or eight amalgamated schools outside of Corner Brook and Grand Falls.

MR. HEFFERTON: Roughly about twenty.

MR. HIGGINS: Out of twelve hundred schools, eight hundred are one-room schools. Prince Edward Island is full of one-room schools and the Dominion as a whole is talking about one-room schools.

MR. JANES: How many in one community, that is the point. How many schools altogether, no matter how many rooms?

MR. HIGGINS: So there are twelve hundred schools and eight hundred one-rooms out of twelve hundred, two-thirds of them one-room schools. I don't see anything wrong with that.

Now, what these people forget is that this denominational system saves the country thousands of dollars every year in building as well as in running expenses. It is not so when the government runs them; things are always a bit higher when the government runs them. There is great value being received for money spent on education. We have schools here the Government never could have afforded to build or run, and if the Government takes over these colleges or finds it necessary to start rebuilding,

you must realize the education of this country costs millions of dollars of capital and millions of dollars a year. Take in the City of St. John's, there are very fine schools here built by the untiring zeal and industry of clergymen who spent a lot of time getting money together to build them and I will say again that the schools and colleges we have in this City are really fine schools, and on the Mainland, as the Minister of Education can point out, they think very highly of the standard of education in the city of St. John's from St. Bon's, Bishop Feild and Memorial Colleges.

Now I don't deny that in the smaller schools in certain places it is not so good. But it is the same on the Mainland and in the United States. In the last war when taking the educational qualifications as routine army information, an enormous amount of illiteracy was found among the troops.

Considering how efficiently well run this system is in comparison to other countries, I can't see how anyone can make an attack on that system.

MR. SMALLWOOD: You left out the most important angle that due to our population distribution by denominations, the actual amount of overlapping is insignificant. We have settlements and sections with Catholics, United Church and Church of England and the vast majority of the settlements are all one denomination, so there is no overlapping.

MR. HIGGINS: Very good, you use the very argument I used at first.

I will go on if you like, Mr. Speaker, but I really feel tired.

I move the adjournment until tomorrow, Mr. Speaker.

MR. HORWOOD: I second that motion.

MR. SPEAKER: Third reading of Bill "An Act relating to Local Governments."

Thereupon the Bill was read a third time.

Third reading of Bill "An Act to Regulate the Development of Local Areas."

Thereupon the Bill was read a third time.

Third reading of Bill "An Act to Amend the Boiler and Pressure Vessel Act, 1949."

Thereupon the Bill was read a third time.

Committee of the Whole on Bill "An Act Respecting the Interpretation of Statutes."

Mr. Speaker left the Chair. Mr. Courage took the Chair of Committees.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

MR. CURTIS: We are on, Mr. Chairman, Clause No. 7. I have re-drafted clause No. 7, and if the clerk will read the amendment?

Thereupon the amendment was read by the Clerk.

MR. CURTIS: I have checked up on (d) and there is no need to amend that. Now if the Committee will revert to clause No. 6: I suggest a slight amendment to section No. 6 which reads:

"Printed copies of Acts published in the Newfoundland Gazette or purporting to be printed by the King's Printer for Newfoundland are evidence of such Acts."

As you know it very frequently happens that various departments of the Government get copies of regulations printed and it might be desirable that these published regulations be admissible and therefore the point is—

In the appendix of the Act, I would suggest after Newfoundland be added: "or by any person appointed by the Lieutenant Governor in Council," only if printed by a printer who so publishes by the authority of the Lieutenant Governor in Council.

MR. HIGGINS: Only the original Act will be published.

MR. CURTIS: I am thinking of the outport where they have only a pamphlet and it will contain in it a copy of the Act.

MR. HIGGINS: But that is the original one filed with the clerk, that is the Act.

MR. CURTIS: Well as a matter of fact at any time we might get an Act printed and there might be two or three mistakes in the printing. That is possible even with the King's printer.

MR. HIGGINS: The King's Printer is the only one who prints the Acts.

MR. CURTIS: That is the point, I think I will make that amendment too. Instead of "Printed copies of the Act and Regulations—" put in the words: "Printed copies of the Act and Regulations or purported to be printed for the people of Newfoundland."

DR. POTTLE: Should you not say only printed copies.

MR. CURTIS: No because we still have in force the Act of 1919 which makes provisions for certain evidence being admissible.

My honourable friend probably remembers when prohibition cases were on in 1916 several failed because the Crown did not produce the proclamation. They had to do some racing up to the Attorney General and he had to produce it.

The object of the amendment is to produce satisfactory copies of the Act.

DR. POTTLE: Suppose there is a disparity between the original and the printed copies?

MR. CURTIS: In that case the Department would withdraw them.

DR. POTTLE: Suppose the regulation is printed by other printers.

MR. HIGGINS: That is the point I raised.

MR. CURTIS: This is copied from the original Act, that clause is in force for many years.

MR. HIGGINS: Suppose the first Act is printed and accepted by the House, then sometime later is reprinted incorrectly, can that be put in as evidence?

MR. CURTIS: Yes, but it could be contradicted. This is merely to facilitate matters, and if there is any suggestion that it is not accurate, a case could be held up while the accuracy of the printed copy is determined.

MR. HIGGINS: That is just as well.

MR. CURTIS: After the word "Act" in line one: Add: Printed copies of the Act, and Regulations

made thereunder and published in the Newfoundland Gazette or purporting to be printed by the King's Printer for Newfoundland or any other person by leave of the Governor in Council are evidence of such Acts and regulations.

There is one other point which has come up during the debate: On page 15 of the Bill. "Victoria Day" we have discovered that it is designated by Canadian Statutes as "Victoria Day", but in Newfoundland, by our own Act, it is "Empire Day," which means it is both. Victoria Day stands and we should ask the Federal Government when repealing the next bunch of Acts to repeal our Empire Day Act and call it Victoria Day.

MR. HORWOOD: It must be referred to Empire Day somewhere in Canada as it is always referred to in public as Empire Day.

MR. CURTIS: Still by Statutes it is Victoria Day.

MR. HORWOOD: Well, can't we refer to it as both in this Act.

MR. CURTIS: Yes, amended to read Victoria and/or Empire Day.

The Committee rose, reported having passed the Bill with some amendments.

Committee of the Whole on Bill "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

MR. HORWOOD: When it says: any street, road, highway and such things, does that include private roads?

MR. HIGGINS: No street or highway means a public highway. If I have a road through my property, I can call it a road or whatever I like but it is really private property.

MR. CURTIS: I would like to move an Amendment: After the words "Municipality" in Clause 6: Put in the words "now or hereafter" and two lines lower, take out "Not exceeding" and put in "of."

MR. FAHEY: What is Section 7 (3), could the Attorney General explain that to us?

MR. CURTIS: No I really cannot. I am afraid I will have to refer to the statutes.

MR. FAHEY: I must raise a point. Suppose the Telephone Company were given permission to erect a pole and it interfered with private enterprise, does this Act provide protection? I remember a case similar to that and would like to raise the question because of it.

MR. CURTIS: I think the board acts as referee between the two. It acts as arbitrator and sees that the rights of the individual are protected and that the work of the company is not held up. I think the effect is to have a permanent board.

MR. FAHEY: Suppose there is to be a line installed and there is a village nearby but the Company does not consider it worth while to run wires down there; could the people of that settlement make application to the Public Utility Board and have them make a decision as to whether or not power lines should be run down to that settlement? Then again there is an individual in that settlement and the poles interfered with his business, would that individual

be protected? It is difficult to explain the point, for instance the pole may be in a street but shutting off his display.

MR. HIGGINS: I can give a better instance: where an individual has a private road, can they put a pole right there?

MR. SPRATT: They are not allowed to place a pole where it interferes with an individual or a business.

MR. FAHEY: The point raised is: where does the individual get protection?

MR. CURTIS: The point raised is a good one, and in view of the lateness of the hour, I move the committee rise until tomorrow, report progress and beg leave to sit again tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it do adjourn until tomorrow Thursday at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 12, 1951.

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, the first session of this honourable House appointed a committee to consider the Rules of the House and recommend

a new set of rules. That committee has met and largely with your help has drafted a new set of rules for the House. I ask leave to table these today and move that provision be made on some future Order Paper for these rules to be considered by a committee of the whole House.

On motion the order was referred to Committee of the Whole House.

MR. MILLER: May I ask if each member will be presented with a copy of these? I think, in fairness to the members they should have such copies before the committee sits as it would be unfair to ask the members to sit without proper study of the memorandum.

MR. SPEAKER: The point is well taken, and I think the honourable member will see that honourable members opposite will have a copy before it is brought up to Committee of the Whole. The House will take care that the Committee has all the time needed.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I ask leave to file copies of the Report of Child Welfare for the year ending March 31, 1950 and the annual report of the St. John's Juvenile Court. I should like to draw attention to the fact that I have taken the liberty to have distributed copies of four pamphlets published by the Department of Public Welfare. (1) Facts and Foundations. (2) Which gives the point of view of the Department of Public Welfare which outlines the structure, organization and factual information about the operation of the Department. (3) Draws attention to one practical undertaking of the Department namely: Adoption of Children and



(4) The more generalized features of placing of foster children. These last to signalize the way the Department endeavours to get the co-operation of the community in this very worthwhile enterprise. These documentary reports of the Department's duties subscribed by Statutes and illustrate one branch of public service which Public Welfare tries to place a point of view and facts of public interest before the community which it serves.

MR. MILLER: I don't know if it is in order to make a comment on this report or not.

MR. SMALLWOOD: I think the law requires that these reports be merely tabled and any questions arising out of them come by way of the Budget or else by motion.

MR. SPEAKER: I think it is hardly competent at this time, since the honourable member has had no opportunity to study the report. If the honourable member would reserve comments unto future date.

MR. MILLER: That is quite all right.

#### Notice of Motion and Questions

MR. FOGWILL: In reference to question No. 68 tabled in this House March 28th, relative to revenue re-

ceived on surplus account and expenditure of surplus account, it was my understanding yesterday that the Minister of Finance undertook to answer when he brought down the Budget specifically, and undertook to answer question 86 relative to expenditure and revenues in both surplus and current accounts and current expenditure and revenue for the month of March 1951. I understood he undertook to do this, I just want assurance that he undertook to answer No. 68 and No. 86.

HON. J. R. SMALLWOOD (Prime Minister): In connection with question No. 68, I don't remember. I do not remember what question No. 68 is.

MR. SPEAKER: Question No. 86 is exactly the same as No. 68.

MR. FOGWILL: It is not identical Mr. Speaker, one part dealt with capital expenditure and revenue from surplus account for the fiscal year, but No. 86, the same account for the month of March, 1951.

MR. SMALLWOOD: Mr. Speaker, the one to which I have the answer is the one asking for statement of revenue and expenditure for the month of March on both current and capital account.

(Statement on opposite page)

## Statement of Revenue and Expenditure for the Month of March 1951

Head	REVENUE		EXPENDITURE	
	Current \$	Pre-Union	Current \$	Pre-Union
		Surplus \$		Surplus \$
Consolidated Fund Services			1,370.82	51,431.59
Legislative .....			55,515.48	
Executive .....			4,089.86	
Finance .....	2,508,665.08	12,871.86	93,136.86	141,707.90
Provincial Affairs .....			3,622.22	252,510.44
Education .....	22,228.90	1,151.21	352,806.11	73,928.29
Attorney General .....	9,014.71		96,778.84	
Natural Resources .....	17,797.93		109,134.58	62,198.98
Public Works .....	6,660.29	548,286.47	216,397.82	882,721.01
Health .....	204,176.76		428,799.36	34,892.10
Public Welfare .....	45,192.83		1,116,849.76	
Liquor Control .....	700,000.00		16,491.36	
Supply .....	1,756.90	500.00	48,669.13	259.55
Fisheries & Co-operatives .....	46.71		21,990.43	844,604.01
Economic Development .....	43.73		10,972.16	238,874.67
Labour .....	2,252.28		16,227.48	
	<u>\$3,517,836.12</u>	<u>562,809.54</u>	<u>2,592,852.27</u>	<u>2,583,127.54</u>

NOTE: The above figures are subject to final audit.

The figures that appear for revenue and expenditure from time to time throughout the year must be taken with a great deal of caution, I did notice that both daily newspapers jumped, very unwisely, to the conclusion there a month ago that we would have a deficit this year, of one million dollars. My honourable friend has come to the same conclusion. I will not attempt to say what happened in respect to the financial year which came to an end at 31 of March at that time; when I bring down the Budget I will give figures as exact as they can then be. But in view of the fact that we have been a province for only two years—our system of public finance is undergoing very considerable changes—I ought to utter a word of caution to the members of the House and to the Press and the public not to jump

to conclusions when certain figures are published in the middle of the year, or quarterly, or three parts of the way through as they are tentative and not final. They are not final for one month alone, particularly the month of March, because they are subject to final audit.

MR. FOGWILL: Mr. Speaker, I am forced to make reference again to question No. 68, in the Order Paper, of March 27, dealing with expenditure and revenue of the first eleven months of this fiscal year. I would like to have those figures.

MR. SPEAKER: I have a notice here to the effect the honourable Minister said they would be given at the bringing down of the Budget Speech.

MR. FOGWILL: Mr. Speaker, I rose in the first place to ask that

assurance could be given by the Minister. He has just now given to the House, the figures for the month of March, and I think he might be prepared to give us the figures for the first eleven months of the fiscal year. That is, I would not want to have included the amounts spent on the several plants I would be satisfied with an amount of ordinary capital expenditure except of course the several plants like the birch and gypsum mills.

MR. SMALLWOOD: On that understanding, I think there should be no difficulty whatever. We did not, as the honourable gentleman knows wish to publish just yet any figures which will enable anyone in or out of Newfoundland to come to a final conclusion as to what the cement mill and gypsum plant are costing. We don't mind if they think a million or three million and a half dollars so long as they don't know, and on that understanding, with the honourable gentleman which he is fair enough to state himself, I think these figures can be obtained.

MR. FOGWILL: I wonder if the honourable member would be prepared to bring them down tomorrow or the next day, so that we over here may have a better opportunity to study the financial structure of the Government.

MR. SMALLWOOD: I think very likely I will be able to get out of the Chamber this afternoon for a moment, and I can telephone to the Department and ask to have these figures prepared and have them here for tomorrow's meeting.

MR. SPEAKER: Question No. 88.

HON. C. H. BALLAM (Minister of Labour): The answer to that ques-

tion, Mr. Speaker, is in the course of preparation. I will probably have it tomorrow.

MR. SPEAKER: Question No. 89. This has been referred to the Department of Public Works.

Question No. 90.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Representatives of the Government of Newfoundland have frequently discussed with officials of the Government of Canada the question of currency difficulties in respect of export trade for salt codfish, and continuous liaison is being maintained in regard to this vital matter.

No specific result can be stated at this time.

MR. SPEAKER: Question No. 91 is being compiled and will be answered tomorrow.

MR. HORWOOD: Mr. Speaker, I ask leave to introduce a motion of resolutions. I don't know exactly what the form is from here on, but I presume it will eventually get on the Order Paper for the Day. "To ask the Parliament of Canada that steps be taken to relax the Provisions of the Migratory Birds Convention Act, so as to prevent undue hardship of the fishing population of Newfoundland and Labrador.

MR. SPEAKER: You will introduce your motion. It will come up for discussion of the House, who will decide to accept or reject.

MR. HORWOOD: Would it be in order, Mr. Speaker, since the motion is not yet ready and the petition is in the hands of the Department of the Attorney General, who are preparing it, to have the motion adjourned?

MR. SPEAKER: The honourable member may have it adjourned.

MR. HORWOOD: I adjourn.

MR. SPEAKER: The honourable member now has the right to begin tomorrow or any other day.

#### Orders of the Day

MR. J. G. HIGGINS (Leader of the Opposition): Now that the heat engendered by the debate yesterday has gone away, and the calmness of the aftermath has come, it is time for us to ask where we are or whither tending.

We, on this side of the House, must uphold the dignity of Mr. Speaker, as the sole arbitrator of the rights of the minority. Yesterday, a statement was made—you shall not go on—you would not have allowed the opposition to go on unless retraction was made, this is an infringement upon the rights of Mr. Speaker, and I look very gravely on this statement. Where is freedom of speech when anybody in the House, high or low, can say to another member—you can't go on, you can't proceed. We can say to you, the dignity of Mr. Speaker shall be upheld, and no members shall transcend his authority and nobody will say to me—you shall not go any further, I say that, Mr. Speaker, just in reference to the most important part of your rights.

One thing I must say to the member for Trinity South. He said certain opponents of the Government want to sell this country down the river. I do not know what he meant. It is already sold down the river.

MR. SMALLWOOD: To a point of order: I ask the honourable gentleman to withdraw that state-

ment. The implication is there clearly, that those of us who started and helped to bring about Confederation, sold Newfoundland down the river. Imputation of motive, unparliamentary. I take personal objection if meant for me, I ask him to withdraw that statement. I did not sell Newfoundland down the river. Nobody did, it has not been sold down the river.

MR. SPEAKER: I do not think the honourable member's remarks are directed at the Premier of this House or at the Government.

MR. HIGGINS: My speech is open, there is no difference between opponents of the Government and people I refer to. Am I going to be sent to the bastille? Is there no freedom of speech in this House? I am getting tired of things. The Prime Minister attacks me, calls me an unmitigated liar, I'm unproductive, have a 14 or 16 century mind of the middle ages. But as soon as I attack him he springs like a spider from the cobweb. It is time for freedom of speech. If I can't give implications, it is just as well to disperse and let the Cabinet run themselves. I am getting tired of being attacked. Mr. so-and-so attacked me yesterday, because I did not use the proper term. Two days ago or four days ago, I heard the Premier refer to Jimmie. I can't remember where the member came from, I can't recall, I can't even say his name, and I can't remember the District he is the member for. It is just my memory fails me, I can't remember the various names, I don't mean to insult you or the House of Assembly, I just can't remember. I have a lack of memory for names. I can remember dates just as well as anybody and other

things, but I can't remember names. Mr. Speaker, we just came from lunch and at my time of life we suffer afterwards, at my age and somehow or another I prefer to sleep off my speech today, I don't want to get up and talk in my sleep. Once a member of the House of Lords dreamed he was making a speech in the House of Lords, and he woke up and he was. I would hate to make an address and wake up and I am. But I have to resume the debate.

Now I will speak on something less controversial. I am mellow now. I may not be in a few moments. I want to speak of the museum. I hope it won't be a modern museum. I hope they bring in the ancestry and the aboriginals, all the old pieces. Everything was nicely started, Sir, I hate a modern museum. It is alright to have modern paintings, yes Sir, but all our nice things, let us have them. I submit this is a very vital thing in the culture of a country, so important, I put it down first. We must take steps immediately that no record or historical release whatever will be permitted, whether aboriginal or anything to show former occupation should be allowed to pass out of the country without the consent of the Historical Association of Canada. Historically, I feel we are right in saying the Norsemen landed here. It is the first country they would strike if they came on ships. This idea of saying Great Britain came there first, I believe they must have struck Newfoundland first. So must the Norsemen, who came to Greenland, have landed in Newfoundland; there are sites here, one supposed to be a stone in Bonavista which is supposed to have been signed or engraved by Sebastian Cabot.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): They are not being allowed to be carried out, Sir. They are all being protected, all at our disposal at the present time.

MR. HIGGINS: I am glad to hear that, there was no Act passed in my time to insure that this should be done.

MR. SPRATT: As far as the architecture setup is concerned, all that architecture will be there to be seen and the things will be properly set up.

MR. HIGGINS: Now, Mr. Speaker, to come back to things of the House, leaving the culture of the country. I was rather sorry to find attacks upon the merchants, we have among us, in this House.

Do you know it was the aim of Karl Marx to place class against class to raise up Utopia and it was he who coined the phrase "Toiling masses." Why all this? People here, it seems to me, having a destructive idea of everybody of importance, a clear hatred of patrimony.

Let us favour capitalism, but let us destroy their errors. Let us do that if we want to.

The member for Labrador, last session, made a terrific attack on the merchants, but this year the Minister of Supply carried on the torch. He made a tirade against the merchants, and all the time he meant the merchants of Water Street. The Outerbridge family, head of which is the Lieutenant Governor, all fine men, gave without stint to public service, helped every charitable purpose, and I may say the same thing of the Jobs and McPherson and Bowrings' and why unleash the poison of hatred

against decent gentlemen like that? Then think what have they done for Public Welfare, for order and decency, I would rather check myself from attacking men with such worthy family connections behind them.

MR. SPRATT: Perhaps the profits were too high.

MR. HIGGINS: That may be, but these people carried on the business of this country and they were honourable and decent families.

Then we would have to pass on to the various members who failed, the various mercantile failures and ruin of merchants. Indeed even the honourable the Minister of Provincial Affairs must pay respect to families like the Outerbridges and Harveys and so forth. We come from a different race, but as we are Newfoundlanders we must pay respect to highly decent, honest, religious men. I must say I do, I pay respect, I like the Harveys and the Outerbridges. Of course I never mix with them, except when I go to lunch—was there this afternoon—but when I do meet them I find them perfect gentlemen. The merchants of Water Street, I say the merchants are the merchants of Water Street, of whom there are only a few left. There is a new crowd coming up now, I am talking about the merchants of the past, of the days of Responsible Government.

MR. JANES: You are talking about those who were here since the Norsemen's days.

MR. HIGGINS: No, merchants of the present time, Harvey and Job are still here. They are the merchants who were attacked during the Commission of Government, and I say I

am not of their class. I am a different class entirely and I am decent enough to pay tribute to men to whom tribute should be paid.

There are those who quarrel with every individual and successful endeavour, those who want to regiment business endeavour. To those people prosperity is a crime and the individual who succeeds is a criminal or one whose character is open to impeachment.

Now gentlemen that quotation was not written, in your generation or mine, not in the past generation, nor in the past century, but was written by Socrates the greatest teacher of all, 354 years before Christ, when civilization was crumbling. Mr. Speaker, history repeats itself. We are not decent enough to realize that people in the past were once in the same position as we are now.

MR. SPRATT: It may not be sound.

MR. HIGGINS: Do you stand there and say there is no soundness about that, with your views and principles. I am going to tell you that Greece in these days, this day is going into a morass, the same as in the days when Greece was declining.

I was rather surprised by the Minister of Supply uttering such declamatory remarks about the long-shore men. I like to see him get up and speak. He speaks rather nicely, except once or twice, he got rather caustic towards the honourable mem-

ber for Ferryland particularly. But I was amazed by these remarks, Mr. Chairman, about longshoremens standing about with hands in their pockets looking on, getting high wages, and that is the reason for the high cost of living in St. John's. Why did he not go and tell the Premier that, and thus avoid the heavy expense of some fifty thousand dollars to have a Royal Commission decide on the cost of living?

Mr. Speaker, I must pay very great tribute to the two young men at your disposal, I wondered what was happening when the next thing I knew I got a nice drink of water.

He also told us, Mr. Speaker, that the surplus is being spent on social security. If so, I am wondering how long this surplus is going to last. Certainly this should come out of ordinary revenue. There will come a point of saturation, a point of running out of surplus. You can't use the surplus to the saturation point. It will mean more taxes, more money from our people already taxed very highly. Where is it going to end? That brings me to the question of taxation.

Now there is no doubt that taxation has been heavily increased since Confederation, in St. John's more so because municipal taxes necessarily increased at the time for reasons quite evident and people in St. John's are paying 50% more taxation than in past years and taxes will be increased further. That is unfortunate. There are people here, Sir, among the toiling masses who own their own little houses and I am going to tell you, I am just as much interested as the member for Fogo, in the toiling masses. I was never wealthy, was brought up by my poor old mother.

My father died when I was one year old. I knew not what real prosperity was, certainly not what wealth was. I survived and I look back upon my youth with great delight and pleasure. I did enjoy what little money we had. I had my holidays, my trouting rod, my books. I went off fishing with my cake of hard bread in my pocket. And I think after all with all due respects to anybody who thinks otherwise, I fared better than many of a better class today. I did enjoy life of the past day, and I would like to see my children enjoy it as I did. Many times I would have liked an excursion and could not, but I had the regular pleasure with rod and line and my cake of hard bread in my pocket and the Lieutenant Governor told me the same thing, though he could have bought any amount of stuff better than I could. To go on, unfortunately, Sir, this is not true of the present day, or of the poor people of St. John's who have a house, for everyone of those people who loses his house, loses a part of his personal interest in the country. Any man who owns his own house, that man owns a part of the country and that is the one person we must protect. We must see that no man loses his house.

MR. SPRATT: I agree with you, Sir.

MR. HIGGINS: Thank God you agree with me at last. I often think of those people. If I lose my house I might get a smaller one, but the man who has a small house has nothing left if he loses that house, that is the sad part of it, the sad part of civilization. The honourable member for Labrador may laugh; but

the honourable member knows well enough that the people of his district want first of all a house to live in—That is first of all.

MR. JANES: We get them and we don't have to go to lawyers to get them.

MR. HIGGINS: That's enough about lawyers. A lawyer here in this country never denies a poor person, I am going to tell you, and if a man can't afford to pay him the lawyer will help him out as best he can and I am going to tell you Mr. Curtis is no different from me in that respect and has taken many a case for nothing. Let the slurs on lawyers go, we are not a pharisaical class.

MR. JANES: You asked if we had houses.

MR. HIGGINS: I am not speaking here as a lawyer, I am speaking as a member of the House of Assembly, and not as a lawyer. As to the lawyer you need one if you are to have a clear title of the house to make sure the house will be passed on to your own children, and if you can't afford to pay for it, you will find the lawyer will take nothing. The honourable the Attorney General will bear me out in that.

Now we have joined a big country with a heavy national debt, we have to carry our share of the burden which we have thrust upon us, the biggest part of which was garnered during the war of 1939-45. During the last war we reduced our debt, the only country in the world which reduced its national debt, but not only that—we had a surplus. If there is another war, we shall not emerge with a surplus, but shall carry the yoke of increased debt, this time our

poor country will find its national debt increased.

There was recently a lot of talk of increased taxation from Ottawa. The Head of the Bank of Canada told us that there was going to be a need for increased revenue to pay for re-arming the forces and because of defence measures, and this must be met and that would fix us for years to come. Now we find it is true, Finance Minister Abbott's last Budget was an effort to get further money to defray the expenses of mounting defence. Some items are subject to 20% increase, income tax and sales taxes are increased. There was 30% recently on carbonated beverages and chocolates, which has been decreased, I think, and there is a dollar a gallon on rum.

MR. VARDY: They did not decrease carbonated beverages.

MR. HIGGINS: Oh that is a shock, Mr. Speaker, I turn to water henceforth. Mr. Speaker, that is frightful.

Now the Canadian Press indicated to us there was going to be further taxation and yesterday morning we woke up and found, unfortunately, it was true. But there was a tremendous red herring to take people's minds off the taxes—that MacArthur has been taken from the command in Korea. After all, budgets and things like that are of little consequence when the lives of men are at stake, and the security of the nation at stake, and very little thought is given to the Budget in the face of that eternal principle and when our day of death approaches that is the time we will forget about the House of Assembly, Confederation and Party



Government, and perhaps our conscience may trouble us a little before we pass that eternal border from which no traveller returns.

Now at the opening of the Provincial Conference last year, Prime Minister St. Laurent predicted an increase in Federal Taxation. In the past we were free from such taxes, free from international situations. Social security, Sir, we could have the same social security if Confederation had not taken place. We all talk now of security, I have a feeling that most of us may be paupers in the future just the same as England. It is just as well to see the future and not look with rosy colours; we may have a hard struggle, and we may be better off if we find we have to make a struggle to live. It is the prospect in England that there will be heavier taxation and these men who are used to a little more in life may find themselves in the same situation.

MR. JANES: And what about those who did not have the essentials of life?

MR. HIGGINS: They may find themselves having to pay more and won't enjoy half the essentials of life. We who have the essentials of life can go back and get the essentials but the people who had nothing before will find themselves with half the essentials. I want to tell the member for Fogo, I think just as much about the common people as he does. I remember I was once told one of the essentials of life in this country was salt port and corned beef. It was then \$28 a barrel and is now \$78. One of the essentials.

MR. JANES: But you are talking about the people in England.

MR. HIGGINS: I tell you once upon a time the price of tobacco was 20c. and it is now 47c., and that is entirely the result of Confederation, ordinary tobacco has gone up probably 70 % or 80%.

MR. JANES: Our boys going into service will be paid \$150 monthly instead of two and six, 50c. a day.

MR. HIGGINS: I have a son going to Korea tomorrow. I don't care if he gets two and six or one hundred and fifty dollars, it will be all the same to him and I hope to God, that he is that way about it, that is all I got to say.

Now in spite of all this talk about Federal Authority, we can see no attempt to make some sacrifice, any attempt made to bring down the high cost of living. As we have been joined to a bigger nation, we must accept the disadvantages with the advantages and there are many grave disadvantages and our people must know they must also get the disadvantages.

Is the Provincial Government giving us any evidence of saving their assets or is there a serious attempt on the part of the Government today to curtail, any attempt at all. Cannot a certain amount be saved each year.

The honourable the member for Bonavista South told us we could do without two Cabinet Ministers, we could do with ten or less and save the money but no, the spending goes on. We learned yesterday the Civil Service has been increased five per cent and that does not take into

account the Ranger and Police Force absorbed by the Royal Canadian Mounted Police. New jobs made and payment made for extra work which is really a part of regular work. Sure we have millions—let's make hay while the sun shines.

We are now a part of Canada and as a part of a very large political unit we must take up our burden, our share of the cost of running, we must pay our share of taxes, we must remember that this country during the last war piled up a terrific debt, we are responsible for this too though we had nothing to do with running up the debt. We cannot call the piper but we must pay the tune.

MR. JANES: Who kept the submarines off, you don't know but you are paying for them now.

MR. HIGGINS: Mr. Speaker, if the honourable gentleman wants to interrupt me, he should get up and speak out.

MR. JANES: The point I make is this. The per capita debt of Newfoundland decreased during the war and the per capita debt of Canada increased because of war. I ask the honourable member since he lived here during the second world war, I ask him who kept the submarines off the coast of Newfoundland?

MR. FAHEY: Uncle Sam,

MR. SPEAKER: All interruptions are subject to the member speaking.

MR. HIGGINS: We had nothing to do with that as a small country. We had in this country the smallest per capita national debt in any country in the world but what has that got to do with the question, we

sent men overseas; the honourable member for Fogo went over, and I am proud of that. Went over and I presume did quite well, came back with a good conscience. But why ask a very foolish question. We did not build submarines.

MR. JANES: We lived in peace while the rest of the world was at war. We are here now and did not bring the debt up.

MR. HIGGINS: In the days of peace following the war, the Canadian national debt increased, and now the rearming program will increase this heavy debt very substantially and our share will naturally be increased. Newfoundland had no great responsibility for defending in the last war. In the first war we paid heavily for it. We came out of the second war with a reduced national debt, Sir, and a heavy surplus. If a war takes place now we won't increase our surplus, but the very opposite. During the war we had heavy work here making Newfoundlanders the hewers of wood and drawers of water but the day of reckoning will come and the heavier the national debt will be and I say the lone fisherman on the Bill of Cape St. George won't be able to get his radio.

Now Mr. Speaker, I turn to the question of farming. The farming class of this country is a hard working class, their hours are long, their work is hard, back-breaking. Maybe it is because they are close to nature; few farmers belong to the criminal class. There are no criminals among the farming class, somehow the farming class stand out with dignity. Go down to the White Hills for instance, and you will find as fine a group of men as anywhere in the world. Far-

mers for many generations, making a success of farming, people whose forebears came from places like Kent and Cornwall, and built up wonderful farms. There are nice houses and they are fine decent honourable people. These are the class, the kind of people whom we talk so much about with pride, bold, proud, free—our country's pride and if that class is finished, then Sir, the pride of the country is going to go. For instance look at the people in the other parts of the District of St. John's West or in Harbour Main; take around this nearer part of St. John's, Seal Cove, Manuels, and Topsail. Another fine class of people.

MR. FAHEY: The best people in the world. That is fine, I am confirmed by the members of my side, Sir.

MR. HIGGINS: I was just wondering if this was water, I did not see the Speaker was not there. Taking a glass is most exhilarating. It is very rarely I am abroad in the early morning, except while I am in my camp at Gambo.

MR. SMALLWOOD: That is my district.

MR. HIGGINS: Yes, Sir, that is your district. I go up there.

MR. SMALLWOOD: That is my native home, my birthplace.

MR. HIGGINS: A great country Sir, and I hope you see it is preserved, and not cut over by the commercial interests. I have a camp up there.

MR. SMALLWOOD: The first word I ever heard my honourable and learned friend say against the merchants. The very first word.

MR. HIGGINS: Mr. Speaker, there is only one kind of fish recognized in this country, codfish, and according to a ruling once from the Supreme Court. Fish means codfish.

MR. JANES: The Supreme Court must not be up to date.

MR. HIGGINS: Let me tell you, the day may come when you go down there and you may want me to defend. I have defended many people not always criminals. And I am going to tell you fish is codfish and merchants are merchants of Water Street, and I don't care what anyone says I would like to see the banks of that river preserved. The merchants of Water Street are the only ones being attacked and when other people attack them, I defend them, if necessary.

There are two thousand farmers living out of their farms and ten thousand living partly out of their farms, an enormous number of people. What amount do these people represent. If a cement mill factory worth three and a half million gives employment to only three hundred, let us judge then by production. How much more important are the farmers than the birch or cement plants which can only give employment to two or three hundred men. The sad part of all this is since we became a part of Canada, agricultural products of Canada are brought here at a very cheap rate. I will talk to that later, Mr. Speaker. The fisherman or what we term the fisherman-farmer gets money from his fishing and existence from his farm. In Norway, I understand, the fishermen farm part-time and though the soil may be poor they make the best they can out of it and the fishermen therefore live well, and know what they should eat

and like most Europeans the wives are good cooks. I must admit the wives of France and other European countries are really good cooks. They have nothing more in front of them than the people of this country, but they know what to do with it. They reap the grain and reject the chaff; make the best of what they have because God placed it in front of them. Now if we look around in the out-ports we find that certain people are better off than others, they were all alike to begin with, but you always find a certain number better engaged, better looked after. I remember one time talking to the brother of the Minister of Health and he told me he was going up north for the winter and I said to him: "Do you get enough food up there?" and he told me, "Yes, I get the best of food." I said: "The best of food up there, away from transportation?"

He told me they get fresh raspberries and cranberries and rabbits and fish, fresh duck and chicken, turkey, and he told me he lived like a lord, like a fighting cock. You can get that here in this country without going anywhere outside. A man in the city can starve, die or go to jail; if he wants to live, he must toil. It is right that we must toil to live but in this country we have everything in front of us—fish, caplin, herring, berries, but unfortunately in big cities there is nothing and the Minister of Public Health's brother can live better up north than he or I can live down here in winter.

HON. JAMES R. CHALKER (Minister of Public Health): Yes, I have tasted the food.

MR. HIGGINS: Now we say the fisherman and farmer need never starve but you can starve in the city, but not where God provides every-

thing, but a man who does not try deserves to starve. When you walk up against poverty there is a reason for it. We do the same today as we did years ago. Live from day to day by the sweat of our brow. It is just the same now as in the past. Keep your powder dry and put your trust in God, is just as true today as in the days of the past.

Mr. Speaker, I just want to tell you, not to finish the debate, the truth is that God helps those who help themselves. And, Mr. Speaker, we only have our share of physical energy to do it.

Mr. Speaker, if I am to go on I wonder if we could have a recess for a few minutes.

The House recessed.

MR. HIGGINS: Farming has become a very important industry in this country. I have said two thousand jobs. It has become a million dollar a year industry, and apart from that there are a large number of part-time employees and those people who own their own gardens. Last Autumn the Secretary of the Federation of Newfoundland Farmers gave a lot of information about agriculture and I presume all members here realize the importance of agriculture in this country. In the old days, I hate to say the good old days, it was possible to set up barriers against foreign importations; when the Maritimes were ready to drown our markets with vegetables we barred them off—when the Maritimes had a big crop and could get rid of their surplus by exporting to this country at the expense of the farmers and ourselves. The result was that in those days prices were kept at a level with protection for the farmer and the buy-

ing public. These days are over now and the Maritimes are able to flood this country's markets any time they like. It is a very sad thing that the public will buy where they get the cheapest though not the best and that is more particularly done by the ladies who like to buy a \$1.20 shoe because the heel looks bright and it is red and blue rather than buy the best shoes three times that price even though a decent pair of shoes lasts longer than a cheap pair.

Now the saddest part of all that, although people are helped along by public funds in most cases they will not try to help those very people who bring money into the country and thus help those people who get the money, farmers and others who produce. Nobody really seems to give a thought to the vast amount of money paid for labour on the mainland that could be kept here. For instance mail order houses on the mainland spend vast amounts of money in making up parcels for the post office and sending them down here and people here are often out of work because they have not got that labour. One thing they don't think about at all—if they buy a suit of clothes in our own stores they might have to pay two or three dollars more. But don't make this mistake, very often we can buy things cheaper here than on the mainland. We can because I found it out myself by experience. We can get a tailor-made suit here cheaper than we can on the Mainland, just as good and pay much less for it.

MR. CURTIS: I would not go so far as to say that, I wish it were so.

MR. HIGGINS: I will. I have this blue suit, I know I have not that new form, am built rather on battleship lines, but last year in Halifax a

tailor told me I would pay \$100 for that suit and I paid \$70 and he admitted it was cheaper than I could get it there and better material, good English serge. I had a tweed suit and he said they paid a heavy amount of money for that and didn't get it at all.

People ought to be patriotic and pay four or five cents more on the dollar in order to help out people here.

We now turn to the fisheries and I will say what a wonderful crowd of people are the fishermen. I spent my boyhood holidays in the outports, went out to catch fish and squid in a boyish and energetic way. I caught fish and smoked with them and in later days I went up and had a drink with them, and in my younger days I smoked with them. I say that I have the fishermen in my blood. They are the same as I. The same decent goodness, God forgive me, for boasting, I hope, honestly, I hope I have the same as they have. They are the same kind of people, no matter if they are poor or not they have that innate hospitality you can't take away from the fishermen. As many American servicemen and others have told me one thing they admired about the Newfoundland fishermen, they talk to you, they are not subservient but show decent, genuine friendliness.

A General once told me he lost his road and came to a place where there was a poor fisherman getting his tea ready, a bit of bread and fish and he said: "I am sorry I have nothing more to offer you, would you mind having some of this." The next day the General sent him a quarter

of beef. He knew that man had that instinctive decency that he would accept a gift. You don't find that in other places in the world. I love this country, and the kind people who sit down and talk with you, and when the brother of the Minister of Health goes up north he is just going among his own people. Here we have men of dignity, of pride, men who look after their children well. Now the sea is part and parcel of them and all they ask is for a living and they don't mind the knocks—a hard living never hurts a man. Proud men, free men, honest, because they own their own homes, capitalists in a small way for four hundred years or more—the backbone of this country, not looking for pity. The strange thing about it, the educated men of this country don't come from the merchants, but from the fishermen. Go to any part of the United States or Canada and you will find the university men there are the sons of fishermen who decided that if they have not the education themselves they saw to it that at least their sons had it. The fathers are that type.

Now the unfortunate part of it, the fruits of their labour have to be thrown away because of some financial reason. The fishing industry of this country was primary before the paper mills, and is still the major industry. Now the Premier is optimistic of projects which he founded although the first one was brought to failure with heavy losses to the country—the Icelandic venture. Yet somehow or other someone is always trying in the fishing industry. Now I'm not going on to talk about fishing out around Bonavista; we could go on for weeks but the fishermen must be helped in some way, a

union itself is not sufficient. You can have co-operation in connection with lobster, in any part of the world it can be sold and we must fall in line. The rest of the world realizes that lobster is a luxury not like a lot of other fish, but rather for the wealthy and can be dealt with in that way. Go up to any big restaurant in the United States and you will pay \$3.00 and \$4.00 for lobster. It consequently can be looked after in a co-operative way. At Wood Island when working co-operatively the fishermen the first year got 7c. a pound, 12c. the next year, then 30c. Lobster can be handled co-operatively and perhaps certain other kinds of fish. I think caplin could be looked after co-operatively. I eat caplin and halibut, but I don't eat codfish. They should be looked after like Norway sells sardines, co-operatively. I don't know how you are going to do it, but you must have markets. That is the main difficulty—we have to get the markets. People now-a-days with mass production of tinned goods are off-setting us and we have to have some scheme to sell fish in the same way.

Now let us turn to the expenditure of the day. We learn of new projects and always of spending of more money and the rising cost of Government. Now we are told all this money will be spent and expenditure next year will be higher than this year. Now the worst part of it, by 1953 we will have falling revenues because the transitional grant will be decreasing. If revenue declines, how is the Government going to meet daily expenditure? That is a question very pertinent. Money is needed for education, we have not enough money from taxes, and people are crying out for roads and further public services, they will

demand new roads, new wharves, and certainly we will need more money for education. What are we going to do? Do we realize we may go bankrupt? In a sense Government is a business. We could not balance our budget and outside of that we have spent from our surplus, then when the surplus is spent there is nothing to stop our going insolvent. Now where is the money to come from to carry on the rising cost of Government? The Province is restricted in a manner to carry on provincial services. Most of the money in this Province goes to Ottawa, we know that the Province is left with only a few sources of revenue; the gasoline tax, and the sales tax and of course there is the tax on liquor. And we are told by the Premier that the tax on liquor may go up, if necessary, he said. But there is a saturation point in liquor, and if that goes up too high, nobody is going to buy it. The people are not going to pay \$6 and \$7 a bottle for rum and when a friend comes in they will realize people are not going to have liquor at that price and we will have to cut it out and the cost of liquor will be too high.

MR. SPRATT: The development of our natural resources.

MR. HIGGINS: Can you tell me of any natural resources that develop rum or whiskey?

MR. SPRATT: I just made the remark that development of our natural resources will offset that by producing revenue.

MR. HIGGINS: I would like to see that, Sir, I would like to see that but until that time comes, people are not going to pay \$7.00 a bottle for rum or whiskey.

It was different a few years ago when our taxes were fewer. Confederation resulted in rising taxes and the public do not seem to realize it. The Federal tax puts 7% upon objects sold in the stores. The public does not realize that. It does not realize we are paying more for certain supplies because we could not import them from the United States. A dealer told me yesterday, a radio costing about \$37 a year ago, now sells for about \$68. In 1947 there was a very small percent on radios and we now pay \$68 for a radio which sold for \$37 or \$47, I don't know which.

Now the cost of living has gone up since the days of Confederation or whatever you wish. The Government index shows an increase and this does not take into account supplies which are not necessary, and the index is very much higher and still rising considerably. If the fishermen must have tobacco, he is paying 47c. for what cost 27c. before. You will admit he is now paying for rum \$3.20 for which he paid \$1.50 before.

MR. JANES: He does not pay much revenue, there is not very much rum sold in the outports. There were two hundred sober men up here for a week.

MR. HIGGINS: I don't care—a poor man now pays for a bottle of rum \$3.50. Lots of fishermen come in here and buy it, I am not going to stop any man from buying it.

We have, for instance, a sales tax, 3% and that is going to be increased.

MR. SMALLWOOD: Who said that?

MR. HIGGINS: I heard it around. Well they are talking about an agreement with the Provinces and New-

foundland is mentioned and other Provinces are mentioned, and you know well enough the Provinces are trying to get a right to tax further. Do you mean to tell me that is not true about increasing the tax?

MR. SMALLWOOD: I don't know.

MR. HIGGINS: Do you mean to tell me as Premier of this country you did not discuss this tax agreement?

MR. SMALLWOOD: I am talking about increasing the 3% tax. I don't know.

MR. HIGGINS: You want the right to put other taxes on the country. You don't care about the 3%, you would not bother with that 3% if you were not allowed to put it above 3%.

MR. CURTIS: There is a ceiling on it of 3%.

MR. HIGGINS: What other taxes do we deal with in Ottawa besides that? I saw in the paper the other day, the Provinces agreed to that.

MR. SMALLWOOD: Agreed on what? There was no suggestion to increase it.

MR. HIGGINS: What is it about?

MR. SMALLWOOD: Not about increasing it.

MR. HIGGINS: I heard the rumour.

MR. SMALLWOOD: That is the tax my honourable friend spoke of, there is no other tax we know of. No provision that we heard of with regard to that 3% tax. That is the tax.

MR. HIGGINS: There is talk of other taxation besides the 3%.

MR. SMALLWOOD: I would say, without anticipating the Budget, we know of no increase of taxation. There is no desire for the right of taxing anything; nothing new about the 3%.

MR. HIGGINS: Fine, I only got the newspapers and thought there was some truth in it.

Now let us turn to development. Was the Premier properly quoted when he warned the Federal-Provincial Conference, last fall that Newfoundland might have to seek annexation to one of the Maritime Provinces in ten or fifteen years, if we did not get rapid economic development?

MR. SMALLWOOD: Approximately, that was what I said.

MR. HIGGINS: Did you find fault with some Federal speakers because you expected there would be a cut down, because there was a war in prospect, and people like you can't stop a war? Did you say a slow down in Government spending would mean retarding economic development; that a large number of people would have to leave Newfoundland and consequently the collection of taxes would go down. Now a large number of young men in this country are leaving for the Mainland and the two boats are filled every time they go over. Every ship carries with it young men and we are losing a large number of people.

MR. SMALLWOOD: Do you know that in the two years before Confederation, twenty-five hundred of our people left, twenty-five hundred in one year and twenty-four hundred the next year? That is 4900 people, in the two years before Confederation,



the two years before we were a Province. There must be half a million people who are Newfoundlanders or of Newfoundland descent in the United States and on the Mainland.

MR. HIGGINS: There is always a number of people leaving this country for a certain number of months each year and coming back, but I might add a large number of people went over in the early nineteen hundreds and stayed, but a large number each year go and come back, I would say twenty-five hundred people go for the harvest, or for the winter and come back fishing. I say at least twenty-five hundred people come back every year, but I know that twenty-five hundred will go up now and won't come back. That is my opinion and I hold to it.

The Premier raised a question—Develop or Perish—Told us he was gambling on the future, that is correct, I heard him myself. The dangerous part of this is rushing, this rushing of the C.C.F. and the Liberal Party, always in a hurry, seems always to be rushing. What is the necessity for such hurry? To save people from going away. Development of industry takes a long time and careful expert advice is necessary. The Government cannot carry on business as well as private individuals.

MR. JANES: How about a navy?

MR. HIGGINS: A Navy can be carried on because money does not count, does not come into it at all and always at times when we are at war we overspend and the nation always goes bankrupt. Spend money in order to support a navy and an army, nobody thinks of money at the time, and many countries became bankrupt as a consequence.

There is a possibility of some good but might prove a possibility of evil and such industries might be carried on just as well by private enterprise.

MR. SMALLWOOD: Go back a few years to the St. John's Water Company.

MR. HIGGINS: I am talking about things of the present day. St. John's was run better under a municipality of five or six one time. We know that Nationalization in Britain is not so successful as private enterprise.

MR. SPRATT: Services are at a minimum, you can't draw comparisons at this time under present conditions.

MR. HIGGINS: They passed the Nationalized steel industry in England, what good has come out of that? The Government are apt to spend too much money and give too little employment. A cement mill costing three and a half million dollars and employing three hundred men is not going to compare with business costing half as much and employing twice the people. Take the Butter Factory, when they finish their six hundred dollar extension they will employ 250 people on a business which cost six hundred thousand, they are able to employ 250 people.

MR. VARDY: That is a question. You are entirely wrong. They intend by installing machinery to reduce the necessity of labour, reducing it to the minimum.

MR. HIGGINS: I was told they would employ 250.

MR. SMALLWOOD: The birch mill will employ three hundred all the year around and twenty-five hundred for part of the year.

MR. HIGGINS: I was told that the addition meant they would employ two hundred and fifty people.

MR. VARDY: I would say less than fifty.

MR. HIGGINS: I will ask them and I will be up in the House tomorrow. But I heard this from a person who must know.

MR. JANES: How many are employed there now?

MR. HIGGINS: I would not know. All I know is that I asked somebody in the business. I understood they would spend another six hundred thousand and employ another 150 people.

Now the member for Labrador would like to see the Premier go on. He said he would prefer to have money wasted rather than have it kept.

MR. HORWOOD: I did not say anything of the sort. I never said I want to see money wasted. I would like to get Hansard.

MR. HIGGINS: I would like to get Hansard too, but where is Hansard? I would like to get Hansard produced and see the words, Sir.

MR. FAHEY: But where is Hansard?

MR. SMALLWOOD: Can't you take an honourable gentleman's word? If the honourable member says he did not say that, does he have to bring in witnesses to prove it.

MR. HORWOOD: If you want to know what I said—I said, I would rather see the government take our surplus and put most of it into development, and gamble it on development and see most of the money that went

into development wasted, looking back, wasted and some having paid off, rather than see the Government sit on the surplus like a nest egg waiting for it to hatch out.

MR. HIGGINS: Then I am right. That is the proper interpretation I put on it. I ask him if I am right?

Where is the foreign capital you would produce? You told us in the referendum that millions of dollars of Canadian capital would be coming in here from Canada. I repeat—millions—now where is all that money that was to be brought in here? I am afraid that promise did not turn out very well, like many of the other promises made. I am not discussing the future but the present. I want to see this coming in. But we remember a lot of those things we were told. Remember our surplus cannot last long. But—we must have industries, and if some of these ventures fail we must take the long view—that is what we are told.

Well, take the Icelandic Fishing venture. These men were to come here and tell us the proper manner of fishing, and were to revolutionize the herring fishery.

MR. SMALLWOOD: I still think that.

MR. HIGGINS: You told us the other day that you have no explanation for that failure.

MR. SMALLWOOD: We did a lot of things—that is the only thing we have failed on.

MR. HIGGINS: I don't care. It cost four hundred thousand dollars. We were told they would catch a million tons of herring.

MR. FOGWILL: Then they came in here and said the herring fishing in Iceland was a failure this year too.

MR. HIGGINS: And now we find that even the boats were not in good condition, and we will probably realize very little on them.

Then we asked the Minister of Fisheries and Co-operatives whether it was true that it was possible that the Icelandic fishermen may bring in a large number of fishermen to this country. He made the answer—that is not likely. That is no answer to make.

We had the seal fishery to ourselves twenty years ago, had nobody else fishing here, then came the Norwegians 2,500 miles across the ocean. They are apt to spoil our seal fishery unless some steps are taken. I understand these men are actually killing seals in the embryo stage.

MR. SMALLWOOD: I have been told by our own men who talked with the Norwegians that they are as disgusted about that as our own men, and would welcome, and their Government would welcome, an international treaty to stop it.

MR. HIGGINS: If that is so, why do they kill them. They have done this for the past three or four years and before the second world war there was trouble over it. They kill them at four and five days old, when they are only about 10 lbs., three weeks later they are 45 lbs. This year it was the same thing again. Why do they not put their preaching into practice. Why not all get together and do something about it, do it while there is still time. It is pretty well time for something to be done about it.

MR. JANES: Why not put out a buoy.

MR. HIGGINS: I don't understand you at all.

MR. JANES: Why do our trap fishermen put out buoys to mark fish areas before the fishery begins?

MR. HIGGINS: You had better ask the fishermen that.

MR. JANES: They do it for place rights, they own the place if they get there first. It is exactly the same thing.

MR. HIGGINS: What are you trying to tell me is that our sealers should go out and stay on the ice in order to put out marker buoys, that there is nothing to prevent our fishermen from going out to the ice and anchoring there until the seals come down. Talk sense, man, talk sense.

Now Mr. Speaker, to get back to sanity: Again, Sir, I apologize for carrying on an argument.

The Premier objected when we asked questions about the Latvians brought in, said, don't ask me, you will be sorry you asked me, sorry you criticized me. He must think we are foolish enough to be lulled into a sense of false security in this way. We are not children. I know he thinks we are children. He tells us these are very important people. A lot of people can't spell their names, but we are told they have the best brains and the best ability in the world. And I may say this, re this contract which the Prime Minister paid for building bridges, we never paid a cent for architects to plan bridges. Mr. Robinson and Mr. Knight and Mr. Whelan paid fine expert builders. I'll admit you have to have an engineer to get the bridge in place and set it up, and I hear they are drawing plans. Mr. Max Whelan and his

father did some marvelous work on bridge building; on the Grand Codroy River they built a bridge which I understand cost \$90,000, Newfoundlanders could build that bridge. Mr. Robinson was the engineer and that is a beautiful bridge and any Newfoundlander who can build a bridge like that is an expert in his field. I remember going over that bridge and thinking it was too good a bridge for so small a place and I remarked it to an American and he said it was good enough for Brooklyn, and he was right. He asked how much it cost and I said about a quarter of a million dollars. I went back and asked and found out it cost only \$90,000. So we have really good bridge builders here.

There is a feeling here confirmed by the Prime Minister himself who said he wanted to get a cost accountant here, but he said he could not get a competent one here.

MR. SMALLWOOD: I wish the honourable gentleman would learn one thing; to listen with his ears open and I say now again, he misquotes me. I will tell you what I said, and gladly, and at the same time ask you in future to listen intently. I said we had not in Newfoundland a competent cost accountant with Mr. Feather's experience. That is a lot different from what the honourable gentleman said and—

MR. HIGGINS: And you also said: One not under the thumb of Water Street, and I am not so far wrong.

MR. SMALLWOOD: The honourable gentleman quoted me as saying there was not a competent cost accountant—I said no such things.

MR. HIGGINS: And; he was under the thumb of Water Street.

MR. SMALLWOOD: I did not say that, I said this: In reference to Mr. Feather: That Mr. Feather had experience as a competent cost accountant in the very business for which we engaged him, spent several years engaged in examining the merchants' accounts to see the costs in the fishery, that is why we got him for our service and not a Water Street man.

MR. HIGGINS: I took it down, I can tell you that you said, under the control of Water Street, that is what you said. I don't see the necessity for saying anybody is under the control of Water Street. We have accountants here, good cost accountants, and you have some here on the high cost of living. I don't care about the exact words, I say what I think right and as near as possible. You said—We have not got a cost accountant with the exception of Mr. Feather who is not under the control of Water Street and he gets \$7,500 a year. You can get men here for that not under the control of Water Street.

MR. SMALLWOOD: The point was he had had several years experience investigating fish merchants accounts to see their costs. That is why we got him; there is no other cost accountant in Newfoundland who has had that experience, that is why we brought him back from Ottawa, for that reason.

MR. HIGGINS: That is a matter of opinion, in my opinion, and my opinion is just as important as the Premier's. When he gets up and gives an opinion, it is not going to be shoved down my throat, and I say there are just as competent cost accountants here as Mr. Feather, on the mainland or anywhere else.

MR. SMALLWOOD: I have not denied that, that never arose until the honourable gentleman just raised it now. I said a competent cost accountant with his experience investigating the merchant's books.

MR. HIGGINS: I move the adjournment of the debate. I am tired of it.

MR. SMALLWOOD: So are we. Sick and tired of it.

MR. SPENCER: I don't know if I would be in order, there has been a great deal of interruptions, many of which I did not agree with. If I may possibly ask a question, some time I would like to say the honourable Leader of the Opposition in his remarks has referred to a point which effects the Department over which I have the honour to preside, and with your kind permission, Mr. Speaker, I would like to give an explanation.

MR. SPEAKER: All interruptions are at the pleasure of the member who has the floor.

MR. SPENCER: Have I your permission to proceed?

MR. HIGGINS: I am delighted, Sir.

MR. SPENCER: My explanation was in reference to the construction of concrete bridges. The honourable member paid a tribute to the work of some men with whom I was very happy to be associated, and with one of whom I am very proud to hear a word of commendation. These men have had, and those who are still living continue to have my very greatest respect in their several abilities. The time referred to, however, was back in 1924. The honourable gentleman referred to a certain bridge which

has withstood the test of time and was constructed more cheaply than any other of its time in North America or up to this time and for that reason I am very glad he referred to it. I take it, however, the reference was meant to refer to present day methods. He referred to seeking this year for bridge designers for special bridges which we propose to build in connection with the Trans-Canada Highway. I merely want to clarify this and to say it is an entirely different matter. The bridges built in that day were built for traffic of that day, and if I were to use technical terms, the bridge load at that day was H. 15 ton load. We are now building the Trans-Canada Highway and we are building bridges according to the standard demanded, the standard H. 20 ton load.

The two gentlemen of the Government referred to—Mr. Robinson, now retired, and Mr. Knight a present member of the staff, both of whom were competent and Mr. Knight is still with us, is still a very competent official but he does not profess to be in a position to produce the designs necessary for this. He is of very great importance to us in the position on the staff he now occupies, and has no time at all; we could not even spare him, he is going around like a blue fly at mine and everybody else's beck and call, trying to do various things demanded of him and he is a very competent official.

There was not a man, in this Province of ours. I am proud to be a native son, and always will be. Unfortunately there was not a man in the Province of Newfoundland capable of designing this bridge. We tried, as the honourable gentleman knows, to get men elsewhere on

the North American Continent, and we were successful in getting a designer in Europe, a Latvian, and we are proud to have this professor with us. His job is to design the bridges and our men will build them according to the design. Mr. Speaker, I wish to say the men referred to worked well in their day, but there were no men available today, and we brought in a European designer and I wish to assure the House and the honourable gentleman that if a more thorough search could be made in North America, then the Department over which I preside would have made it. We advertised in the Canadian Engineering Journal and everywhere else.

MR. HIGGINS: I am glad to get this information, I was told he was the bridge builder.

MR. SMALLWOOD: You were told?

MR. HIGGINS: Our men here can build bridges as well as anyone.

MR. SMALLWOOD: With his notorious bad memory, the honourable gentleman quotes me as saying Professor Johnson is a bridge builder.

MR. HIGGINS: These gentlemen could not recall two Acts passed here yesterday, and I could recall every word with my notoriously bad memory—may not turn out to be so bad.

MR. SPEAKER: The honourable Leader of the Opposition still has the floor.

MR. HIGGINS: I move the adjournment of the debate.

MR. HORWOOD: I second that, Mr. Speaker.

MR. SPEAKER: Moved by the honourable Leader of the Opposition,

seconded by the honourable member for Labrador.

MR. SPEAKER: Third reading of a Bill "An Act Respecting the Statutes."

Thereupon this Bill was read a third time.

On motion, the remaining Orders of the Day were deferred.

MR. SMALLWOOD: I move that the House at its rising do now adjourn until tomorrow at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 13th, 1951

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

Honourable the Minister of Labour tabled the following:

"Report of Newfoundland Labour Relations Board for the year 1950."

"Report of Minimum Wage Board established under the Minimum Wage Act, 1950."

#### Notice of Motions and Questions

HON LESLIE R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to have "An Act Respecting the Statutes" re-committed. It has already passed third reading but has not been assented to and one paragraph has been omitted.

I would like to have it inserted when it comes up on Monday.

HON. C. H. BALLAM (Minister of Labour): I give notice I will on tomorrow ask leave to introduce a Bill "An Act Respecting Apprenticeship."

HON. S. J. HEFFERTON: I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Teachers' Pensions' Act, 1950."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, Question No. 91 is in course of preparation, will arrive in the course of the afternoon, and I ask leave to table it later.

MR. CURTIS: When the orders were read I omitted this: I beg leave to table a report of a Select Committee appointed to consider the introduction of an Accounting Act for Newfoundland.

1. That the Rules of this House with respect to Private Bills have been complied with.

2. Your Committee recommends the introduction of a Bill as prayed by the Petitioners.

(Sgd.) LESLIE R. CURTIS  
OLIVER L. VARDY  
GORDON W. JANES  
R. J. FAHEY  
J. G. HIGGINS.

Dated at St. John's,  
this 12th day of April,  
1951.

HON. J. G. HIGGINS (Leader of the Opposition): To ask the honourable Minister of Economic Development:

1. Has the Government started a

project to cut ice at Gaff Topsails. If so, when?

2. Why was this done?

3. How much has been spent to far on the project?

4. When will the project finish?

5. Has there been any loss so far, and, if so, is it expected there will be a further loss?

#### Orders of the Day

Address in Reply.

MR. HIGGINS: I do not wish to proceed any further, Mr. Speaker.

MR. SPEAKER: Am I to understand that the honourable Leader of the Opposition has completed his speech.

MR. HORWOOD: Mr. Speaker, I probably should not have spoken to this motion, but for two interesting events which have occurred during the past three or four weeks. I might, in the normal course of events, answer some of the arguments put forward by members of the Opposition, but their criticisms of the Government policy have been made in such a spirit of good will and their arguments have in the main been so trifling and inconsequential as hardly to merit a rebuttal.

There are, however, just one or two small points which I wish to take this opportunity to answer.

First of all, let me refer, to the honourable the junior member for Harbour Main-Bell Island. He has taken issue with me because I said it was the proud boast of this Government that it has fulfilled all its promises to the people, and he instanced what he thinks are three ex-

amples of broken promises. He said this Government had promised, first of all, under Confederation that Ottawa would buy our fish; second this Government promised there would be no extra taxation and thirdly, this Government promised the cost of living would be cut in half.

Now, I must tell the honourable member that this Government never made those promises. First of all, if any of the promises were ever made, which they were not, first of all because this Government was not in existence prior to Confederation and consequently could not have made any predictions or reports as to Confederation. Individual men, some of whom happen now to be sitting on this side of the House, did promise under Confederation, the cost of living would come down. I for one, made that promise and under Confederation the cost of living did come down. We never said, neither I nor any other member sitting on this side of the House ever said the cost would be cut in half, nor that it would start coming down forever and ever. We promised it would come down and one of the first results of Confederation was an immediate cut in prices.

Does not the honourable member remember that in 1949 the price of clothing on Water Street dropped thirty percent; does he not remember that in 1949 the price of coal on Water Street dropped \$3.00 a ton from \$23.90 to \$20.90 and does he not remember that the cost of soap was cut approximately in half. These are merely incidents. Does he not realize that even today, the cost of sugar is something like one and a half cents a pound less than in 1949?

Many items are still, even after two years of climbing prices, not up to a level with prices which they reached prior to Confederation. It is not a result of Confederation that prices have gone up. Confederation cannot be blamed for that, they have gone up all over the North American Continent, the United States and Canada and all over the world. But this is the thing to remember: If it were not for Confederation the cost of living, had we retained the old form of Government or gone back to Responsible Government, would be sky high because we would have our present day prices plus the old customs duties, plus profit on duties, plus taxes which we should in all likelihood have had if a Tory Government or Water Street Government came in; one of their first acts would be to abolish price control and let prices soar where they would.

MR. MILLER: I take objection to one word which the speaker just used. A Tory Government, a Water Street Government. Now, Sir, I really object to that, and every man over here, and I take personal objection.

MR. HORWOOD: If the honourable member objects, I withdraw the remark, as unimportant. My personal opinion may be a Tory Government is synonymous with high taxation and could not be the Government of the toiling masses, purely an opinion, and if the honourable member takes exception as it applies to him personally, I withdraw it without reserve.

HON. J. R. SMALLWOOD (Prime Minister): My honourable friends opposite object to Tory, claim they are Progressive Conservatives and claim they are not Tories.



MR. HORWOOD: I am not attempting to accuse the honourable member in any respect, I have the highest personal regard for him, believe he is honest and has the interest of the people at heart.

Now, the second point made by the honourable member for Harbour Main and Bell Island; we promised under Confederation, Ottawa will buy our fish. The answer to that is we never promised anything of the kind. No one on this side of the House ever said that.

MR. FAHEY: Point of order: Mr. Speaker, in my remarks I said the people were told, Ottawa would buy our fish and I did not, to my recollection, say that the Government on that side of the House said it.

MR. HORWOOD: I accept the honourable gentleman's word for that. I will say, however, that it was not said by any member on this side of the House, we never implied that, never said anything calculated to give that impression. What we did say, (I probably said and other members said) was that Ottawa would be in a position to convert sterling to pay for our fish and Ottawa has done that. Another thing I did say and other members said, that the Fisheries Support Board would help to keep up prices of fish and the Fisheries Prices Support Board has done that. I wonder if the honourable member will tell me what he thinks we would have received last year for Labrador Fish, if it were not for the Canadian Government? Would it average \$7.00 per quintal for fishermen or \$4.50? Gentlemen, I know the answer to that if he does not know.

His other point: We promised there would be no extra taxation,

Now that again is simply not true. We never promised there would be no extra taxation, but we said, under Confederation, taxation would be lighter on the toiling masses of the people, on the common people, on fishermen, that their taxes would not be paid in their grocery bill, that they would not be taxed for every mouthful of food that went into their mouths and every stitch of clothing on their backs; and that has come to pass. We promised no property taxation and there are no property taxes and there will not be any property taxes as long as this Government remains in office.

Now the honourable, the junior member for St. John's East, has criticized me because of something I said about the merchants. Because I don't like those scallywags, the fish merchants, he thinks I am a little socialist.

MR. FOGWILL: Now, Mr. Speaker, I did not say that.

MR. HORWOOD: You quoted the Premier.

MR. FOGWILL: Now keep to what you said.

MR. HORWOOD: I wonder, if you felt free to do so, would you like to call me somewhat of a Communist?

MR. FOGWILL: Until such time as I do — — —

MR. HORWOOD: I don't mind, it would not be the first time I was called a Communist. Nor the first time the Premier was so called.

MR. SPEAKER: He has not done so, the honourable member has not done so.

MR. HORWOOD: No, he has not done so, I give him credit for

that. Mr. Speaker, I here and now reiterate everything I said about the fish merchants. There are some good fish merchants, but there is that outfit called NAFEL which contains some of the scum of the earth. The fishermen of this country have been robbed wholesale and retail for that matter. If pointing out that fact that some bloody-handed profiteer charged 16c. a pound for turnips as they have on the Labrador; if pointing out the fact that some ruthless monopolist charges \$18 a barrel for potatoes as they have on the Labrador, if pointing out the fact that some conscienceless crook charged \$50 a barrel for flour as they have on the Labrador, if that is socialism then I am a socialist, if that is communism then I am a communist; if that is being an atheist, then I am an atheist; if I have to join the Devil's party to be allowed to stand up and speak the truth, if I have to sell my soul in order to stand up and plead for justice, then the devil can have my application tomorrow, for speak the truth and plead for justice I will, just so long as I have breath and God gives me strength.

Now the honourable and gallant member for Ferryland—I am sorry he is not present, I want to criticize something he said. He made a speech which was, for a pleasant change, rather friendly to the Government. I give him credit for that, but do not give him credit for some of the other things he said in reference to Government members as little better than voting machines. He made much of his own independence. Now that remark about Government members being nothing but voting machines may have been true in the far distant past. The honour-

able member has sat in this Chamber through many long and weary sessions, has seen governments come and go and assisted both at their coming and going, and it might have been true of some of these governments that the honourable and gallant member helped to defeat. These governments may have looked upon their members merely as voting machines but it is not true in respect to this Government. Every member on this side of the House helps to form the policy of this Government—even I, the youngest and least of all. The members all help to form that policy and the people who elected me help to form that policy, and the people who elected all of us help to form that policy.

The honourable and gallant member went on to say that he disagreed with the IBEC report favouring Labrador as a site for a paper mill. He condemned that report without ever having seen it, read it, laid eyes on it in his life—condemned it purely on the face of it. Yes, he was gazing in a crystal ball. He gave no facts or figures, not the slightest shred of evidence but proceeded to condemn Labrador as an area unfit for economic development and gave the shipping season as three and a half months which is pure rubbish as everybody who lives on Labrador knows, pure unadulterated rubbish. He still believes the old fables, still believes it is far away to the North Pole with Esquimaux climbing in and out of igloos, and polar bears. If he had been down there in the summer time and seen the tomatoes and cabbages and gone swimming on the first of June he might revise his opinion, which is based purely on ignorance, superstition and fable.

Now I have this to say, I must inform the honourable and gallant member (in his absence it is true) that the subject of Labrador timber is a subject upon which I, if necessary, will assert my independence. I am not going to sit here as representative of the Labrador people and see another Gander deal pulled in Labrador. I am not going to sit here and see that done by this Government or any other Government. Fortunately this Government is not the kind of government that pulls that sort of deal. The old fallacy, the old attitude which the honourable and gallant member still voiced, this regarding Labrador as a great heritage which the people of Newfoundland have to exploit and skim the cream off, that attitude is dead and as far as this Government is concerned will remain dead. They are not pulling any Gander deals in Labrador or anywhere else.

Now, Mr. Speaker, I began by saying that except for two interesting events of the last few weeks, I should probably not have spoken at all on this occasion. The two events to which I refer are these: The honourable member for Bonavista South has seen fit to cross the floor of this House, and a great national convention of fishermen, Newfoundland Fishermen's Federation has passed into the stage of organization.

Now the honourable member for Bonavista South resigned from the Cabinet and made a statement about the Government which automatically placed him across the floor. That is his right. I don't take issue with the honourable member on that course; he has a perfect right to do so, to leave this House altogether if he sees fit, but I do take issue with him on some of the statements which he made in explaining his action.

He saw fit to attack the principles of cabinet solidarity. He left the impression with me anyway, and I don't think he will get up and object if I say he inferred that our Premier is a dictator, strong willed and high-handed demagogue, ruling the government with a rod of iron and he advised the honourable Premier to relax the rules governing cabinet procedure, to relax the principle of cabinet solidarity as far as Newfoundland is concerned. In doing so, Mr. Speaker, he showed only his own ignorance of the fact of parliamentary history.

The principle of cabinet solidarity was not invented by the honourable Premier, he did not dream it up as a vehicle for expression of dictatorial urge or a way of giving vent to Napoleonic complexes. The principle of cabinet solidarity grew up with the system of responsible government evolved out of it and is inseparable from it. Destroy cabinet solidarity and you destroy the whole system of party government. The whole of that system is so closely and painfully evolved, forged in so many fires, which so many fought for and even died for, men who were truly great. Now you don't have to take my word for it when I say cabinet solidarity is the very basic principle of parliamentary system. I quote from Halsbury's Laws of England:

"The members of the Ministry are jointly and severally responsible to Parliament for every legislative and executive act of the Crown, as also for every legislative measure introduced in Parliament with the authority of the Government."

The members of the Ministry are jointly and severally responsible. I quote also from the Laws and Custom

of the Constitution by Sir William R. Anson :

"Another principle and this was of slow growth was that of the joint responsibility of ministers. If a body of Ministers stand or fall together, the influence of the Crown upon the working of government is obviously much diminished, and that of the Commons is increased. If the King should be dissatisfied with the working of a particular department he cannot now, as the King could and did during the eighteenth century, dismiss the Minister responsible for the department unless he has lost the confidence of his colleagues as well as of the Crown; to do so would bring about the retirement of the entire ministry. The Crown has to deal with a body of men who stand or fall together, because they represent common interests and the opinions of a party. They can only remain ministers while a majority of the House of Commons is willing to support their policy, and is not willing to support any other. They are collectively the nominees of that majority, or rather, of the majority of the electors who on the last occasion of a general election chose the party who should hold office until the time came for the country to reconsider its decision."

I quote again, Sir: Arthur Keiths: constitution unity and Administration of the Laws of the Empire :

"The doctrine of Cabinet unity and collective responsibility was slow to develop. It was not clearly recognized as late as 1806, when the idea of the cabinet as necessarily confined to a group of members working in harmony was asserted by Addington who excluded Lord Loughborough from its membership

on that score but Pitt clearly saw that there must be an avowed and real minister possessing the chief weight in the council, and the principal place in the confidence of the King. The Power of the Prime Minister has grown with the transfer of power from the House of Commons to the electors in consequence of the Reform Acts. The election now of a new House of Commons, is essentially coupled with the obligation, more or less avowedly, undertaken by candidates to support some great political leader's claims to the Premiership, and the man thus favoured is clearly in a position of dominant strength as regard the Cabinet. The responsibility of the Cabinet being elected, its advice to the Crown must be unanimous."

Now I have one more quotation from a great authority and this is in case the honourable member might think his proposal has never been tried before. He proposes the loosening of the rule of cabinet solidarity and that the laws of cabinet conduct be relaxed. He may not know it but that has already been tried in England and proved a failure. I quote from A. V. Dicey—Laws of the Constitution." Now he is referring here to the abolishment of free trade in England. In 1932 when the Cabinet brought in a report which was not unanimous concerning the abolishing of free trade and the imposition of certain customs duties. The Cabinet then formulated in 1932, an agreement to give authority, while remaining united to break with precedent demanding that the Cabinet should speak with unanimous voice collectively responsible to the Commons.

"The Cabinet has accordingly determined that some modification of

usual ministerial practice is required and has decided that ministers who find themselves unable to support the conclusions arrived at by the majority of their colleagues on the subject of import duties and cognate matters are to be at liberty to express their views by speech and vote.

The Cabinet being essentially united in all other matters of policy believe that by this special provision it is best interpreting the will of the nation and the needs of the time.

It is to be observed that the justification purported to be the belief that the Cabinet was best interpreting the will of the nation and needs of the time. This is the ultimate justification for all conventions modifying or regulating the use of the prerogative of Government."

Now note this:

"The dissenting minister, in spite of the fact that he was given permission to dissent, goes in there and by his speech and vote airs his dissenting views; the dissenting minister resigned after a few months on the cognate issue."

As a result the convention of Cabinet unanimity was reinforced.

MR. RUSSELL: Would the honourable member yield for a moment on a point of fact. This attack which I am supposed to have made, although the word attack is used, was merely a personal appeal from one friend to another, maybe not political friends but we have a lot in common, that the rules of cabinet might be relaxed a little and that if he could not do this, maybe he would in the interest of good fellowship and happier feelings among human beings who, after

all, live for most of their years without the opportunity to belong to a cabinet, make a little greater effort at unanimity. I don't think I attacked this all-hallowed system so violently that it needs all this criticism I gave a friendly tip to the Premier, and asked him, out of the goodness of my heart, to relax a little but I quickly said, if that could have been done, I would be over there yet and that is why I am here. If he could, maybe in future he would try to get a little more unanimity.

MR. HORWOOD: I appreciate the honourable member's explanation. Thousands of people are wondering why the honourable member is over on that side instead of on this side and I am helping to explain why he is on that side instead of this side of the House. I want to emphasize this subject of cabinet solidarity. I imagine it has not been sufficiently clearly put and I want to quote the authority for it.

Now, if you will indulge me, Mr. Speaker, and the honourable members, I have yet two more authorities, I would like to quote very briefly. They are much more recent, if you don't want to go back into history.

During this past month this principle, in Ottawa, was reiterated, restated, by the Right Honourable St. Laurent in a debate which had something to do with agriculture. Now these were his words: I am quoting from official hansard:

"Obviously in any government under a parliamentary system, all men do not always necessarily have the same thoughts nor necessarily use the same speech in communicating their thoughts. There are many matters of interest to human beings about

which we do not always have the same views. If it were otherwise it would be very much simpler to have a one-man government. Our system is cabinet government and cabinet government involves cabinet responsibility and cabinet solidarity. As I understand it cabinet solidarity requires agreement on policies and on conclusions."

Five days later in the same House of Commons in Ottawa, another statement was made by Mr. George Drew while criticizing the Minister of Agriculture, the honourable Mr. Gardner, for some holding of policy.

In his criticism Mr. Drew again demonstrated this great principle of cabinet solidarity in these words in referring to Mr. Gardner:

"I regard the fundamental principle of cabinet solidarity as the very foundation of our system of responsible government."

It is this principle, Mr. Speaker, which is the very foundation of our system of responsible government, that the honourable member for Bonavista South expected the Premier or suggested or hinted or tipped off the Premier that he ought to relax or abolish or do away with. Our system of government is not something we just got. It is not something new, not something the Prime Minister in Great Britain, the Prime Minister in Canada can mold or shape to his own will or do what he likes with. Out of the confusion of the dark ages our system emerged, out of the evolution of facts, the boiling rack of all civil rights and warfare this principle developed and evolved. As I said before it was fought for and even died for by men who were truly great and saw beyond their own time into the time when constitutional government should no

longer be a dream but take root and flourish when full dominion of Kings and of Lords would be curbed and when, to quote the words of the immortal Bartholomew:

"Man should be no longer a Wolf but a man."

Now, Mr. Speaker, I think I have said enough on that subject, probably more than honourable members think I have any right or need to say.

No, I will not call the honourable member an anarchist, or perhaps I might say an anarchistic intellectual.

MR. SMALLWOOD: An anarchist as far as his intellectual processes are concerned.

MR. HORWOOD: Now, the other event, Mr. Speaker, of great importance, of very primary importance which has occurred recently, is the organization of the Fishermen's Federation of Newfoundland.

Now, we on this side of the House have been accused of going up there and making political hay while the sun shone. I admit that we went up there and made political hay while the sun shone, if helping the fishermen of this organization, of this Province to form for themselves an organization which they have badly needed for so long, if assisting them in every possible way, going up and working seven eight and ten hours a day on the platform on the committees is making political hay. Making political hay, true, but the right kind of political hay, the kind this party believes in, helping the people, taking the part of the toiling masses, of the people of this Province and in furthering this organization we are helping the people, that is the kind of political hay we made and intend to go on making,

please God, for many, many years to come.

I must congratulate the honourable the Premier personally on having conceived and carried out the plans for this badly needed and long overdue organization. As most honourable members know, I have been connected with the working men's organizations from the time I left school. I have spent hundreds of hours, literally hundreds of hours, sitting around conference tables negotiating, fighting, for the rights of what I consider to be the rights of the working men, trying to get a few extra cents in their pockets or food on their table, trying to see to it their children got a better chance in life than they had beforehand and, for several years past, hoped for and planned and talked about an organization of Newfoundland fishermen. I never saw how it could be brought about until now. It required a greater man than I was to formulate the plans and put them into operation, to formulate and develop the plans for bringing that organization into being. And our local merchants love me for it, for the work I have just spoken of and the things I stood up for. If I attacked them they attacked me plenty before I came in here. They did not come along and congratulate me for the work I was doing, they hated my very guts; they said that fellow Horwood, why he is a red communist, the personal agent of Joe Stalin in Newfoundland, in the pay of Moscow, he ought to be in jail. I did not worry too much about that, I was in good company. They were saying the same thing thirty years ago about the young upstart named Joey Smallwood and many in this town in those days did not call him a communist but a Bolshevik and wanted to take and throw him out of

the court house but today he is the Premier of this Province.

But this organization, this Newfoundland Federation of Fishermen is going to meet opposition, it may be subtle, not obvious, it may be hidden but it will be there and they will have to be prepared to meet and fight it just the same as we did in other organizations, and the honourable members of the Opposition who were or are labour leaders will bear me out in this, the same as all organizations of this type meet opposition and fight for their rights if necessary. Because the merchant class, the people Monsignor Coady last week in his inspiring address referred to as men at the top, have not yet gotten used to sharing the wealth of the world with the men who toil and you can't blame them because they had everything their own way for so long. The world has been going on for thousands of years and it is only recently that workmen's organizations have been started. Do you know it is only about a hundred years ago since the working men of the world began to get up on their hind legs and stick out their chests and through workingmen's organizations to assert for themselves the rights of free men in a free society.

The movement began in Europe and especially in England. It is essentially a British institution. Growing out of the fever and torment of the people it came forward to dig down and to uproot and to build again and to plan to prepare the ways and to make straight the paths for better things to come. That movement arose out of unrest and discontent of oppression of down trodden people with power of new vision, forward and upward.

Like all new movements and especially those that aim at fair distribution of wealth, taking from those who have already more than their share and giving to those who have less than their share, like all movements of that sort, it meant at first violent and prolonged opposition. Union leaders were jailed, unions themselves for all practical purposes outlawed, conspiracy acts were passed which in effect forbade all working men to organize and a part of one of those conspiracy acts was consolidated in 1910 as a part of the law of this country and remained in force until repealed by our trade union organization last year, a law which under certain conditions and in certain situations forbade the right to strike, and little by little, step by step, until in the face of opposition, in the face of that kind of opposition the aims of the unions, of the workmen's organizations were realized—first of all the right to organization, then the right to speak with a united voice, then the right to collective bargaining and last of all, and only quite recently, the right to make that voice heard, the right to make it heard by legal process, if necessary to go to court and force them to listen to that united, collective voice.

In a world as highly recognized as in our day, and we have been told repeatedly it is a highly organized world, it may be difficult for us to visualize the amazing brevity of trade unions history, yet it is a fact that the first successful union on a national scale was organized exactly one hundred years ago this year, in 1851 in England, I am sorry I don't recall off-hand the name of that union, possibly the honourable the Premier may know, I don't recall it but I do know it was in 1851. In

that brief one hundred years, the trade unions, the workman's unions accomplished more good than any other organization from its beginning as a back-room conspiracy, a little group of men hiding away, talking things over—afraid to show their noses to the light of day. From that kind of beginning one hundred years ago it has today reached to every free corner of every free country in this world, one of the most important factors and influences in modern life. Organized labour, the working man's movement has taken its place today in this Province.

No doubt, Mr. Speaker, some of our more backward merchants, some of our more reactionary merchants will gnash their teeth in private, they dare not in public, but they will do it in private, but let them, that is their privilege. They must learn by experience if necessary, we are no longer living in the age of industrial slavery. Learn, by experience if necessary, that this is the century of the common man and that the so-called merchant prince—the absolute ruler of his own private little empire whether down on Water Street or in an outport or harbour, the absolute ruler of his own little private empire—is as outmoded as the coach and four in which he used to drive.

This Federation will be hailed and welcomed by every man of good will in our midst. It will confer upon the fishing population of Newfoundland, if successful, and I am sure it is going to be successful, some of the rights they have long known to be theirs but of which they could never take advantage, and will at the same time, impose upon them certain responsibilities which some of them



might be glad to shirk, but which will, in the long run, be good for the economy of this Island.

I envisage this organization, this new great Federation of Fishermen, as one of the great architects of freedom, great builders of freedom in this Island. When I talk about freedom, Mr. Speaker, I don't mean the freedom to live on bread and tea and an occasional plug of Beaver tobacco. I mean freedom to have a tight roof over their heads and a sound boat under their feet, to eat enough without wondering where the next meal is coming from, the freedom to give their children decent education, to enjoy their share of good things, the decencies of life. That is what I mean when I talk about freedom. I envisage this new organization, which has been set up as a result of the policy of this Government, as an important step on the road of social progress. Only a step, it is true, but a step towards that time which is coming whether we think for it or against it, the time which is coming and which we can hasten if we work for it, a time when all of us can live freely together in a free system, when the voices of poverty and oppression and the voices of greed and degradation and ill-will are heard no more in this land of ours but are memories out of a darker past that has blossomed into a new day.

MR. CURTIS: Mr. Speaker, since it seems apparent that no other member wishes to speak to the motion before the House, I propose a recess for ten minutes.

The House then recessed for ten minutes.

MR. CURTIS: It is customary for the honourable the Premier to close the debate, but he has waived his right by speaking already.

First of all I would like to congratulate the mover and seconder of the motion that an address in reply be drafted to His Honour the Lieutenant Governor by this House.

MR. RUSSELL: To a point of information on procedure. I am probably wrong, is the debate closed when the mover talked again, I assume it is. I am not sure.

MR. SPEAKER: The motion was moved and seconded by the member for Labrador and the member for Fogo, that a committee draft an address in reply. The motion is that the address be adopted, and, as the honourable the Attorney General just said, it is the honourable the Premier's right, but he saw it fit to waive that right and spoke in the debate as an ordinary member.

MR. RUSSELL: There are two motions?

MR. SPEAKER: Yes that motion disposes of the first.

MR. CURTIS: First of all I would like to congratulate these two young men, both new, as are most of us to this House. These young men have the advantage of being younger than most of us and I am sure the intelligent manner in which they performed their duties which fell upon them will indicate to us they are coming men, and we will all, I am sure, look forward to their future.

I would like also to congratulate the speakers who preceded me and then your good self, Mr. Speaker, upon your appointment to represent Newfoundland at a recent conference of speakers or other representatives of parliament at New Zealand. I have had the pleasure of listening to your own report of your experience during that visit, and I am happy to feel

that you had had a pleasant visit, and I am sure one that will be profitable to you and ultimately the province you had the honour to represent.

As the Speech from the Throne indicates there were several Dominion-Provincial Conferences during the year. You will remember, Mr. Speaker, the first was to devise the method of amending the Constitution. These conferences may not appeal to the rank and file of this House or to the people of this country as a whole, but I would like to assure you these are very important conferences and the time spent there has not been wasted. The Constitution, as you know, Sir, is in the form of an Act of the British Parliament and can, at present, be amended only by the British Parliament. The hope is that in time, Mr. Speaker, this Act will be brought across the water and made an Act of the Dominion of Canada. But before that is done, some method must be agreed upon as to how in that instance it is to be amended. For that reason the conferences have been long, we have had sub-committees working on the various details. I wish to assure you that progress is being made and ultimately, we hope, that a satisfactory solution will be reached. When that has been done and a means of amending procedure has been devised, then and only then will it be safe to bring the British North American Act across to Canada. If it is brought across without any amending procedure, we will have a very rigid Act which will not suit a growing country such as Canada, the country of which we are now a proud province.

We have had other conferences during the year, which have also

been mentioned during the Speech from the Throne, with reference to renewing the tax agreement. I was fortunate, Mr. Speaker, in being there and I would like to tell the House on that occasion our Premier represented Newfoundland truly and well. I don't think, Mr. Speaker, that Newfoundland has another son which she could have sent to that conference who could have spoken with such fervour and received the endorsement that our Premier did on that occasion. While that conference was in session other matters were discussed which are of importance to Newfoundland. We discussed the question of old age pensions and discussed the possibility of having pensions made payable to those who needed them and are between 65 and 70 years of age. The plan, Mr. Speaker, was that the Federal Government would take over and pay entirely all pensions owed to those over 70 years of age, without a means test and without any contributions from the Provinces. It was hoped then that Canada would take a step forward and have a pension, with a means test, for those between 65 and 70 years of age. I am sorry my honourable friend, the Leader of the Opposition, is not quite ready to come under that category but I think in six years, if he can pass the means test, I hope to have it working.

We also discussed at that conference, Mr. Speaker, a plan for collecting the sales tax on the turn-over level. It is called Social Security Assessment in Newfoundland, in other Provinces just a sales tax. We will be glad to make our Social Security Assessment collectable in the same manner. I think my honourable friend, the Leader of the Opposition, got it wrong when speaking of what was contemplated as a new tax. It

is not a new tax but simply a replacement of the present tax which need not necessarily be limited by the Act creating it to a 3% levy. Now at the present time we pay 3% social assessment on a retail basis. If we get the necessary legislature we will be able to collect it in the form of a turn-over tax which will have several advantages, considerable advantages, because some Provinces are afraid the Government may take advantage of the fact it is a hidden tax. They object as it may be a hidden tax, but that is not the reason, Mr. Speaker, that we will welcome the ability to collect it under the new guise. Money will be saved if we do, it will be easier to collect and we can be more sure of collecting the whole amount. It is very difficult to collect the present tax, but we hope, with the new method, we may be able to collect from everyone and be quite sure there are no defaulters.

I am not going to discuss, Mr. Speaker, the international situation, I am not competent, it is causing us a great deal of worry, but there is one thing, one statement made by the Minister of Finance of Canada of which we will have to take notice and that is the recommendation that the Provinces spend as sparingly as possible. Now that does not mean, Mr. Speaker, that we must let down on our present plan of spending what is necessary for economic development. We must continue this expenditure until the very last minute and not stop until we have gotten employment for our people, continual employment for our people, until we have improved our fisheries and until we have gotten work for every man willing to work. To that purpose we will devote every bit of our energy and if necessary every cent of our

surplus. We have a surplus, we came in with a surplus, that surplus is not in a chest, we cannot sit on it and we have no intention of sitting on that surplus, that is not what it is for, but to be spent for the benefit of Newfoundland and the people of Newfoundland, and we intend to see that it is spent in just that way. And because that surplus is diminishing, Mr. Speaker, people must not conclude that Newfoundland is going to the dogs and the Government is going bankrupt, and people need not feel they must forfeit confidence in the Government, we are doing with that surplus just what should be done and what, indeed, the Commission of Government should have done rather than hold on to it as they did and hoarded it as they did.

I regret that the honourable the Minister for Bonavista South has left us, and that it became necessary for us to read him out of the Party. I assure you it was with very mixed feelings that I participated in this action, but I think after what was said during this debate by the honourable member and others, the honourable the member for Bonavista, himself, will realize that no man who has publicly denied confidence in the present Government could possibly continue to sit on this side of the House and be expected to endorse the policy. The very fact that he was willing, suggests very strongly he did not mean what he said, when he added he had no confidence in the Government. The very fact that he was willing to sit over here and support us must show that; otherwise how inconsistent would he be?

Mr. Speaker, let us be quite sure of one thing, the financial position

of Newfoundland is not flimsy. In fact, as the Premier has told us, it is sounder than that of any other Province of Canada. The financial prospects of Newfoundland are good and give cause for satisfaction. We have abiding faith in Newfoundland, we have faith in our people; we have faith in our fisheries, faith in our forests, and have faith in our minerals. All we lack, Mr. Speaker, is development of these fisheries, the harvesting of this timber, the recovery of these minerals and the harnessing of these water-powers. For that purpose, Mr. Speaker, this Government has worked, day and night; Sunday and Monday and holidays. We have not spared ourselves. The Premier himself, Mr. Speaker, has taken few, if any holidays, many of my colleagues have taken none, and I myself, have not been able to take any holidays but, I must say, I have given notice to the Premier that if I don't get some holidays, I am going to walk across the House and see I get some. We are working, Mr. Speaker, to get the middle syllable, rad. out of Labrador and leave Labor. And we are working hard to get the despair out of Bay D'Espoir and bring back the hope into that name—working hard to expose our hidden minerals and produce our hidden assets. Those are the objects, Mr. Speaker, of this party and this Government is working on and will continue to work with that sole object in view. Under the energetic leadership of the Premier we are working and, as I say, will continue to work.

Ever since I was a boy, I have been hearing about Newfoundland's wonderful resources, what wonderful resources we had, but it was all talk. Now we are beginning to see this talk replaced by action and with that

action, and to help bring about that action we intend to use our surplus and the fact that it is being used should not encourage any member of to believe that because this surplus is diminishing, we are near bankruptcy and that we are not capable to run affairs. I don't think it is at all likely to suggest that, Mr. Speaker, we have the money and we are going to spend it.

The honourable the junior member for Harbour Main-Bell Island suggested we have not lived up to our promises. I think the honourable member for Labrador answered him fully this afternoon. I would like to see, Mr. Speaker, the cost of living that we would have in Newfoundland if it were not for Confederation. The cost of living in the countries from which we get our supplies has risen and normally costs here would have risen very much more, a great deal more than they have during the past two years. Newfoundland has reason to be very happy that she went into Confederation when she did. If she had not, the taxation burden on the people would be enormous.

I am not going to discuss the fishery. Mr. Speaker, I am not a fisherman.

MR. MILER: You would not like to see the cost of living high, would you?

MR. CURTIS: No, that is why I am glad we went into Confederation. We would be paying much more, if you had had your way.

MR. MILLER: Would you grant me an opportunity to answer that now?

the last speaker just said, if I had my way we would have had certain

results. I just want to tell that last speaker that in this House my record here shows that I voted for the delegation to go to Ottawa to get the terms of union. I voted against them when I did not think they were good enough and I am sure history will prove I was right. They then went back and got better terms and I am still not satisfied and I presume when we get a royal commission to investigate I probably will not be satisfied then. But that proves but one thing: I wanted the best deal for this country, the best deal wherever it came from.

MR. CURTIS: I am very happy I did give room for this explanation. Apparently, the honourable member was a Confederate at heart, and just got cold feet as we got near the border line. We would be glad to welcome him across this House with the true Confederates at any time he wants to come.

MR. SMALLWOOD: I say the best possible terms procurable at that time were procured at that time. They are not final.

MR. CURTIS: I say, Mr. Speaker, whatever my honourable friend did, the people of Newfoundland were never as well off as they are today. I think my honourable friend will admit that. The people of this country as a whole country, were never as well off as today.

MR. MILLER: I will enlarge on that, Mr. Speaker, there is one section in my District where 45 men went up to Ontario and I am sure they are better off. I am not quite so sure about the fishermen who are left.

MR. CURTIS: I say the people who are left are better off than ever before. Every settlement represented

by the honourable member is better off than ever it was, and I challenge him to deny it. The standard of living of every person in this country has risen since Confederation, is better than ever and we are proud to be in a Government that would sponsor such conditions. You got the old age pensions. What did we find when we came in? \$30 a quarter. Now it is \$40 a month. Family Allowances we never had before. This Government has been a party to bringing in old age pensions, dependents' allowance, mother's allowance. I don't think my honourable friend (and I have the greatest respect for his integrity) I don't think he will deny that. The people would never be as well off, never get the breaks the Government has given them and we are glad we have been privileged to serve the people in that way.

MR. FAHEY: May I have a word there. I would like to make this point clear that I don't see why the speaker should give the Government of today credit for social security conditions which are brought around due to changes in world conditions and it was not until 1944 Family Allowances came into Canada, brought about by world conditions, and I think this country is backward due to the fault of the Commission of Government giving away free of interest our money instead of spending it on our people who then could have better than \$30 a quarter and these policies are not due to this Government or that Government. It was due to the fact that we never had a surplus and gave what we did have interest free. These changes in social services are due to a change in world conditions over a lapse of 14 years when we did not have our own Government.

MR. CURTIS: The honourable the Premier has reminded me, Sir, that the terms of union are not final, they can always be amended, it was that fact that my honourable friend did not think of when he was prepared to oppose them as they were made.

Now, Mr. Speaker, I do wish that my honourable and learned friend, the leader of the opposition, would cut out the nonsense which he inserted into his address wherein he explained what the Audit Act is for. Yes, I say to him what we did in financing the cement mill and the gypsum plant and in financing the birch plant were contrary to the provisions of the Audit Act. Now I could be very nasty to my learned friend but I don't like to be, yet it is only fair to say that the Audit Act to which he referred was amended in 1933. Now, then, Mr. Speaker, who was the Government of 1933? The Conservative Government, or the Tory Government, or the Progressive Conservative Government, or whatever they like to call themselves, (Mr. Alderdice was in power in 1933) and in 1933 that Government, not a Liberal Government, amended the Audit Act, and made it possible for us to do those things we do, and Sir, it is surely the irony of fate for the successors of these men to question what we have done under the Act that they themselves amended.

MR. HIGGINS: That is nonsense.

MR. CURTIS: The Act says, Mr. Speaker, the subject of expenditure, one for which no legislative provision has been made "then upon the report of the Minister of Finance and Customs that there is no legislative provision and of the Minister having charge of the service in question that the necessity is urgent, the Governor

in Council may order a special warrant to be prepared, to be signed by the Governor, for the issue of the amount estimated to be required, which shall be placed by the Minister of Finance and Customs to a special account, against which cheques may issue from time to time in the usual form as they are required." Until the necessary legislative provision had been made that was done. That report is here. Then upon the report of the Controller of the Treasury to the same effect, that is there. The Government in Council may order special warrant to issue.

I say, Mr. Speaker, and I am satisfied now concerning the fact, I am addressing this House as the Attorney General and I say definitely, finally, and without any prevarication that each and every step enumerated in this Act has been carried out, conscientiously, carefully and scrupulously and expenditures that were made, were made legally and without any questions whatever and I hope my honourable friend will not again suggest any such laxity on the part of the Government. I want to tell him that this Government is as honest as any Government that ever sat in this House. We have said that a dozen times and the honourable member does not like it.

MR. HIGGINS: It has nothing to do with honesty or dishonesty.

MR. CURTIS: If it is a question of the legal point, anybody in this House can read that. I say it is clearly given and not a question of opinion and any man who needs a lawyer to read that phrase is wasting his money. We could have read that just as well if we had not qualified for the bar.

As I said, Mr. Speaker, this is as honest a government as ever sat in

this House. I know my honourable friend does not like it, and he told us in his speech that our suggesting that we were honest was only trying to emphasize our own honesty. Well, I want to tell the honourable member why on this side we emphasize our honesty.

MR. HIGGINS: I never said honesty at all. I said you were uttering resolutions of loyalty as in the old boxing days when fellows had to say they were honest.

MR. CURTIS: Well we are going to insist on rubbing the noses of the members opposite in the fact that we are honest. I remember the campaign of 1949, The honourable member got up in the C.L.B. Armoury and made a speech which was broadcast over the air. I was not at the meeting, I would not waste my time being there, but I listened, my honourable friend on the other side of the House referred to us as having itchy palms. Now he referred to us as having itchy palms. Now, Mr. Speaker, what does that mean? He got up and said we had itchy palms, not in the House, in the C.L.B. Armoury during the election, he got up and said we have itchy palms. I heard him say it over the air, and I made up my mind that as soon as I got a chance I would expose it and assure him that on this side of the House there are no itchy palms, that is the reason we emphasize our honesty and will continue repeating it ad nauseam that we are honest, and my honourable friend has only himself to blame. When he goes home he should get some old copies of the "Daily News" and read the statement I said he made.

MR. FAHEY: I rise to a point of order: Any suggestion that the

speaker made outside of the House of Assembly, is it proper to bring a member up about that?

MR. CURTIS: What about the promises we were supposed to have made, were they made in this House or on the outside?

MR. FAHEY: I said the people were told. I did not say that the Government here made any. I also said that Ottawa's budget was millions and Newfoundland's only a drop in the bucket, but I could go so far as to say the members promised outside the Government, I could go so far as to say that.

MR. HORWOOD: You said that in reference to my speech when you said —

MR. HIGGINS: I would like the honourable the Attorney General to tell me when that speech was made.

MR. CURTIS: I wish to assure my honourable friend I am not trying to misquote him and if I were I would be very happy to apologize. But in the C.L.B. Armoury, my honourable friend, in the course of his speech said the Government had itchy palms.

MR. FAHEY: Well, Sir, another member said, in the C.L.B. Armoury, that there would be three jobs for every man if the Government were elected.

MR. CURTIS: We probably will have that. However, I am trying to point out when my honourable friend made that statement.

MR. SPEAKER: Let me state, strictly speaking, it is not proper to argue about what is said outside the House. In this debate great laxity has been permitted and I am sure I have allowed no greater brief to this

side of the House than the honourable member on the other side.

MR. CURTIS: Now, Mr. Speaker, I am glad that speakers have made reference to the freight rate case. That, Mr. Speaker, was a most fortunate decision for Newfoundland. In fact, it might well rank with the decision of the Privy Council in the case of Labrador. As a result of the Government's act in this case the country has been saved two million seven hundred thousand dollars a year. That was undoubtedly a marvelous victory and that amount of money, \$2,700,000 a year, is more than we will ever receive from the Labrador during the lifetime of any of us. The beauty of the decision, Mr. Speaker, is this, the more Newfoundland grows, the more business Newfoundland does, the greater amount we will save. \$2,700,000 is not the maximum, if our trade doubles, that saving will be \$5,400,000 and so on. So you see, Mr. Speaker, as time goes on the savings as a result of that decision arrived at will pyramid greatly. That is a great decision and personally I feel proud in playing some little part in carrying it out and the Premier of this country was behind us every step of the way. True he only had declared what was in the terms of union, we must have had a good case to have won it but many a good case can be lost by bad representation of the facts.

I was going to refer, Mr. Speaker, to the cost of living, but I think my honourable friend, the member for Labrador, has done that and the House is well satisfied that the cost of living in Newfoundland is much less than we could have hoped it would be had we not gone into Confederation.

It is very good indeed to see in the Speech from the Throne a reference to the Alcoholic Liquor Act. The Bill we passed last year was productive of much good and reduced considerably the consumption of hard liquor. But I can not forget the people of this country voted for total prohibition but while it is not practicable, the people are justified in bringing in the most temperate liquor legislation they can possibly have, and for that reason I trust that when the Premier brings in the Alcoholic Liquor Act it will have some word as to still further reduction in the consumption of liquor. My own opinion is the more money we get for liquor the more we have to pay out for institutions of correction which exist largely because of the sale and consumption of hard liquor.

Now, Mr. Speaker, I have no intention of prolonging the debate, it has already dragged over five weeks and you and I and the rest of us are pretty well sick of seeing it on the order paper. I would like to emphasize one thing in closing, that is this: When this House closes at the end of this month or the middle of next or the end of next month, this Government has no intention of stopping its plans for economic development. When this House closes we will have more time to devote to that work and if the Audit Act is going to cripple us in doing that, there are only two alternatives, to vote the entire balance or to keep the House in continuous session. We are not going to be stopped in our efforts to rehabilitate this country by the Audit Act. We think and are sure that what we have done and plan to do and will do is in compliance with that Act, and if there were any question, if I thought there were any question of our compliance



I would bring in an amendment and have the offending clause wiped out. We are here to serve the people, to bring prosperity to this country and we are not going to let one section of one Act stop us.

MR. CANNING: I move the adjournment of the address in reply to the Speech from the Throne.

MR. SPEAKER: Committee of the Whole on Bill "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

The Committee rose, reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

On motion the second reading of Bill "An Act Respecting the Safety of Workmen in Mines" was deferred.

Committee of the Whole on Bill "An Act to Amend the Industrial Development Loan Act, 1949."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

The Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Amend the Fisheries Loan Act, 1949."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

Second reading of Bill "An Act to Amend the Educational (Departmental) Act, 1939."

MR. HEFFERTON: Mr. Speaker, when the Act was amended last year, we omitted to repeal one of the sections. This was really an oversight and this Act simply calls for an addition to the Bill last year.

Bill read a second time. Ordered to be referred to a Committee of the Whole House on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act Further to Amend the School Attendance Act, 1942."

MR. HEFFERTON: Although this is an extremely important matter I do not intend to speak at length on it. I would simply ask the House to increase the school leaving age to 15 years of age. I have much pleasure in moving the second reading of this Bill.

Bill read a second time. Ordered to be referred to a Committee of the Whole House on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act to Amend the Memorial University Act, 1949."

MR. HEFFERTON: In the appointment of the Board of Regents the Act calls for fourteen members to be appointed, this raises the number to fifteen in order to make the board more representative of the Province and we even might be able to appoint one or two outside the Province. I move the second reading of this Bill.

Bill read a second time. Ordered

to be referred to a Committee of the Whole House on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act to Remove Doubts as to the coming into Force of the Workmen's Compensation (Amendment) Act, 1951."

MR. BALLAM: Mr. Speaker, last year when the Act was passed it was stated it should come into effect on the date proclaimed and this year we brought in an amendment to the Act, and it was stated in the amendment that the former Act and the amendment would come into force together on a particular date. The first of April was the date on which it was to come into effect. There seems to be a little question of doubt as to whether that was so or not, so we bring in this amendment, to remove any doubt as to the date of coming into effect. I therefore move the second reading.

Bill read a second time. Ordered to be referred to a Committee of the Whole House on tomorrow.

MR. SPEAKER: Second reading of Bill "An Act to Incorporate the Newfoundland Teachers' Association."

MR. HEFFERTON: For some time the teachers of Newfoundland have been banded into an association, the Newfoundland Teachers' Association. During that time they have had an effect on the education of this Province, but they have been handicapped by the fact that membership fluctuates from year to year depending on the situation. They have made several obligations in order to have the association become statutory as is common policy in the Dominion of Canada, the United States, Australia and England. The request of the association is similar to one

granted elsewhere. I have much pleasure in moving the second reading of this Bill.

Bill read a second time. Ordered to be referred to Committee of the Whole House on tomorrow.

MR. COURAGE: I have much pleasure in seconding this motion, I was a teacher for years, and most of the time a member of the Newfoundland Teachers' Association. I have as a former Newfoundland teacher a consciousness to promote the proficient standing of teachers in this country. I think it is not only desirable but absolutely necessary. I understand from my honourable friend, the Minister of Education, the Newfoundland Teachers' Association, which represents by far the majority of the teachers, certainly of the better qualified and more experienced teachers has requested it. As a former teacher I second the motion.

MR. SPEAKER: Second reading of a Bill "An Act to make Uniform the Law Respecting the Distribution of the Estates of Intestates."

MR. CURTIS: I beg to have the second reading deferred, Mr. Speaker.

MR. SPEAKER: Second reading of Bill "An Act Respecting Vocational Education in Newfoundland."

MR. HEFFERTON: As already indicated in the Speech from the Throne, it is the intention of the Government of Newfoundland to make available a vocational school as soon as possible. In order to build that school, we have to do it within the foreseeable future in order to take advantage of the per capita grant given by the Federal Government, in our case an amount furnished on a fifty-fifty basis, \$150,000, in order that

we may be able to set up several schools within the Province, if and when the occasion rises. In order that we have the proper legal machinery, it is necessary that this Act be in force. This Act is modelled upon those of other Provinces, where vocational training is a part of regular procedure. I have much pleasure in moving the second reading.

MR. SPEAKER: Resolutions to request the Parliament of Canada that steps be taken to relax the provisions of the Migratory Birds Convention Act so as to prevent undue hardship to the fishing population of Newfoundland and Labrador.

MR. HORWOOD: I move that order be deferred. It will be ready on tomorrow.

MR. KEOUGH: In reply to Question No. 91: Early in the afternoon, I said it would be on my desk during the afternoon. I now beg leave to table the report.

1. The Government did buy a caraque dragger.

2. The dragger was purchased by arrangements made through the Fishermen's Loan Board of the Government of New Brunswick.

3. The cost was \$22,000.

4. Tabled herewith.

6. The dragger is at present operating out of Burin.

7. Arrangements have been made for the charter of the dragger to Hollett Sons and Company, for the period of one year, to be used chiefly in scallop dragging operations, and with the option to purchase.

MR. SMALLWOOD: I move that the House at its rising adjourn until

tomorrow Monday at three of the clock.

The House then adjourned accordingly.

MONDAY, April 16, 1951.

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

#### Presenting Petitions

Mr. Courage presented a Petition from the people of English Harbour West, Re Roads.

Mr. Vardy prohibiting Dogs in the Portugal Cove Area.

#### Reports of Standing and Select Committees

HON. LESLIE R. CURTIS (Attorney General): The Select Committee to consider the Bill for the Architects of Newfoundland beg to report as follows:

1. That the Rules of this House with respect to Private Bills have been complied with.

2. Your Committee recommends the introduction of a Bill as prayed by the Petitioners.

(Sgd.) LESLIE R. CURTIS  
H. L. POTTLE  
H. HORWOOD  
FRANK D. FOGWILL  
JOHN G. HIGGINS.

Dated at St. John's this  
12th day of April, 1951.

The Committee also begs to state that the results of the Committee do not commit ourselves to the support of the Bill.

### Giving Notice of Motions and Questions

MR. CURTIS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Proof of Death of His Majesty's Military, Naval or Air Forces."

MR. J. G. HIGGINS (Leader of the Opposition): To ask the honourable the Minister of Supply or other Minister:

1. Does the Government own, operate, control or have any interest in any store in Labrador?

MR. FOGWILL: I refer again, Mr. Speaker, to Question No. 68 directed to the honourable the Minister of Finance and I wonder has the answer been prepared? That is the one dealing with revenue of surplus account for the first eleven months and expenditure, with the exception of extraordinary expenditure.

HON. J. R. SMALLWOOD (Prime Minister): I may say, I phoned a moment ago to the Deputy Minister to ask if he had that ready, and he said he did not but might have it during the afternoon, in which case he will send it down, otherwise I assure the honourable member it will be ready tomorrow.

MR. SPEAKER: Question No. 92.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): The answer to that, it is being prepared by the Department. I had hoped to have it available to present to the House but it has not arrived yet, it will be brought down tomorrow.

HON. E. S. SPENCER (Minister of Public Works): I have the answer to question No. 89 on the Order Paper of April 12.

Question: Is it true that the heating system in the Corner Brook Sanatorium had to be re-arranged, if so, who was responsible and what was the extra cost involved?

Answer: No. It was, however, advisable when possible saving in fuel costs became apparent. The cost of conversion is estimated at \$1,800.00.

I would like to add, Mr. Speaker, for the information of this honourable House, when the Corner Brook Sanatorium was being planned, enquiries were made as to the possibility of obtaining delivery of bunker C fuel oil. That, incidentally, as I have no doubt honourable members know, is a type of fuel oil less expensive than ordinary fuel oil in use. At that particular time that bunker C fuel oil was not obtainable nor was storage available in Corner Brook, and it was decided the use of furnace fuel oil though more expensive was cheaper than coal, and as a result the decision was made to put in oil burner installations suitable for use of furnace fuel oil because at some later date, if and when bunker C oil became available, conversion could be made at a comparatively small cost. Last year, 1950, Bowaters decided to convert their mill in Corner Brook from coal to bunker C oil and in doing so provided two large storage tanks and arrangements have since been made by them whereby delivery to the sanatorium can be obtained and an order was placed for the necessary heating coil for the tank and this conversion, as previously stated in answer to question, is to cost \$1,800 which will mean an annual saving of about \$14,000. I have no doubt honourable members, and the House, will consider the spending of \$1,800 sufficient justification for saving \$14,000.00 annually.

### Orders of the Day

MR. CANNING: Mr. Speaker, in rising to take part in the debate, I wish to congratulate the mover and seconder, the member for Labrador and the member for Fogo on their addresses in reply to the Speech from the Throne.

Before I go on, Mr. Speaker, I would like to defend myself and my fellow colleagues on this side of the House in regard to our program of making speeches for voicing our opinion. The Opposition very sarcastically called us rubber stamps, told us we have been dictated to and so on. I am about to make a speech this afternoon and nobody on this side of the House has any idea what I am going to say. The Premier does not know, nor any Minister nor any of the private members. I am absolutely free to say what I wish, to express my opinion. And I can safely say now, that any policy the Government puts forth, if I were to tear it apart and then offer some constructive ideas, I would not get a note from the Premier to walk across the House. I say if I were to offer something constructive. That is our policy here.

A few days ago the honourable member for Labrador during his speech attacked NAFEL and when expressing his opinion said; it is my opinion, NAFEL was not the thing. Sir, I did not agree with him. He was free to express his opinion, and I am free to express mine, to voice mine now. In my opinion, Sir, up until now NAFEL has done a good job. That is my opinion. Now the member for Labrador may be right, I may be right. But I feel it is the only organization that can deal with the marketing of fish, up until now.

Of course if we can replace it with something better, well and good.

Mr. Speaker, I have been very attentive to previous speakers, particularly to those from the other side of the House. Some of them had ventured to condemn some of the Government's actions, but not in one single instance have they had any constructive remedy. During the previous sessions in the last three years, they told us; you should not do that, vote money for that, rush this, rush that, but in not one single instance did they offer any remedy. They told us we should not do it, but have not come across and told us what we should do. It is very simple, Mr. Speaker; to tear down and condemn. The tearing down and condemning of policy is worthless unless he who condemns is justified by offering something better than that which he condemns. For example, the Opposition is always worrying about our spending the surplus. Well if we are not going to spend the surplus and get new industries going, what does the Opposition suggest? Again they have nothing constructive to offer. I believe they mean to keep the surplus hoarded up. They should like for us to leave it there, do nothing, get no birch plant, no cement mill, let the fishery go on, then by the time the election rolls around they could go before the people and condemn us for not having done the very things our Government is doing now, or trying to do.

Now if I were a member of the Opposition, I would not condemn the Government for such projects unless I could prove they were going to fail and could show them how to spend for something more profitable. I am sure if we were to have an election

on the issue whether the surplus should be spent to develop industry now, or be left to accumulate interest in the Savings Bank or the Bank of Montreal, practically one hundred percent of the people would vote in favour of spending it as the Government is spending it in an effort to insure a better living for all of us. That is what it was collected for, and the only thing it is any good for. Mr. Speaker, this is my personal opinion, and it is also the opinion of the people I represent.

Since I have been elected to this honourable House, Sir, I have lived in my district, I have mixed with my people from all walks of life. I am fairly friendly with the merchants, know the younger crowd also, the fishermen, the working class, the housewives and so on, and during the last year I have been questioning them and getting their opinion as to what they thought of our new industries and the development of the fisheries, modernizing the fisheries, and I assure this honourable House and the honourable the Premier, the people of Placentia West are one hundred percent behind him, I know. As I told this House in my maiden speech some years ago; long enough have they lived in poverty and now they can see their way of living, their standard of living raised and I assure the Government, that when speaking of my district, I imagine I am speaking for the whole of Newfoundland.

The honourable member for Bonavista South said as a result of this expenditure, we are doomed to financial ruin; which in other words, means the cement mill, the gypsum plant and the birch plant and various fishery developments will end in failure. But, the honourable member has not told us how he arrived at

this conclusion or where he got that knowledge of economics that justifies this opinion, which would be worth much if his experience and training qualified him to discuss such things. As a former Director of Co-operatives the honourable member had an opportunity, over a period of years, to put his own ideas into operation. May I be permitted to ask him, in his absence, what his ideas were and what has become of them. It is futile to condemn without offering some better alternative. In other words, if one is not capable of doing so, offering something constructive, it were better one held his peace and said nothing at all.

Let us say for example, the Government continues to hold the surplus during its term of office, we would find at the end of the term, we would still have our nest egg, but the fishermen would still be in the same condition of bankruptcy and poverty as before we took office. Does the Opposition believe any Newfoundland fisherman who was then on the dole would be consoled in his misery by the knowledge that the Government still has \$40,000,000 in the bank? No it were better to spend some, or in fact, all, in my opinion spend all and spend it fast, get our resources going, on some kind of fisheries and development of resources. It is better to spend some of the \$40,000,000 in creating new industries to give employment to loggers and miners and fishermen and give security in Newfoundland, security as there is on other parts of the mainland. I contend the failure to spend and create profitable employment will result in a depleted population. Surely our people will not remain in Newfoundland if we can't offer some hope of security and assistance. What was it

accumulated for anyway? It must be for the idea of using it for the purpose to which this Government has applied it. It is not sensible to assume it should be hoarded away in an official mattress while our people seek employment in Canada and the United States or remain at home on the dole.

In conclusion, Sir, may I be permitted to say to the Premier and to the Government: carry on the good work you are doing for the long forgotten producers of Newfoundland. Please God, our efforts will be blessed with success and I assure them the workers of Newfoundland are behind them. I believe the future, Sir, is full of promise and long years hence our children's children will bless the day that Hon. J. R. Smallwood was Premier of the Province.

MR. JANES: I did not intend to speak in this debate at all, and I would not have, I suppose, had not the honourable leader of the opposition provoked me to do so.

Before coming to that, Sir, I have to congratulate the honourable member for Labrador on delivering in this Chamber on Friday what must have been one of the finest speeches ever delivered here and the thing that amazes me, Sir, is how he is able to sit on this side of the House with his back to all those great men from which the opposition seem to be drawing such inspiration. That the honourable member is able to stand over here and make a speech like that is a great and a wonderful thing. I don't know what he would accomplish over there with all the inspiration the other side of the House derives. We are not reminded too much of the past, either.

Now, Mr. Speaker, beginning on Wednesday: When this House was

meeting last year the honourable member for Ferryland had the bad habit of waiting for Wednesday and every Wednesday starting a little bit of fun here knowing he had quite a nice gallery. The honourable leader of the opposition, Sir, kept putting off his speech until finally Wednesday arrived and then he started. He was supposed to have finished on Thursday; no, Friday, but he forgot himself and finished on Thursday. After sitting here for two days listening to it, at the end of the two days I was trying to find out what had been omitted. After sitting here for two days and listening, Sir, I suppose I must go to the White Hills and gather up the yeoman bedecked in leather jackets and poles and on the double run them up from the White Hills to St. John's, I suppose, to the C.L.B. Armoury, or somewhere in that vicinity. Then, undoubtedly, Sir, sitting on a fine black stallion, not snorting fire but misquotations, like some Don Quixote inside a visor and with a little skull cap on my head and a cake of hard bread in my pocket, and undoubtedly, Sir, with the little bit of courage of the familiar yeoman, dash down over Carter's Hill on this snorting black stallion, and at the point of a trouting pole, mind you, demolish the slum areas in St. John's. Just to add a little backing to that I am required to take my pack down shore to some cove and sit on a rock awaiting the arrival of the Armada sailing out of Spanishroom. Beside me the valiant old man, the valiant old captain with a cake of hard break in his pocket telling me tales of Francis Drake and Nelson while I, listening as boys through all ages have done, to the great tales of heroes, heroic men, but never a word of the men who

built the ships nor of the men who sailed the ships but always the men who captained the ship. Never a word about these men who forged the cannon or the cannon ball, but always about the men who directed the fire. What an example of Tory theories was expressed in this atomic age when the social and economic rights of mankind are crying to be asserted even at the point of the bayonet. For two days I listened to the most ridiculous things I ever heard in my life and I never want to sit through two days of it again and then the imagination of the press, Sir, which could take up columns with it and make big black headlines, amazes me.

One thing, Sir, in regard to the honourable leader of the opposition's address that struck me very forcibly was when the honourable the leader of the opposition referred to recent taxation, increased cost of living in this Province and blamed the increased taxation on the Federal Government. The honourable member, Sir, with his knowledge of history should know better. I am not defending the increased taxation on the part of the Federal Government, it is none of my business yet I will pay knowing I am probably paying for something worthwhile. We are paying for men who must go into the armed forces, and paying them better than men who went in the army from this Province in 1940 for 50 cents a day and lived for five or six years on little better than that. We are part of the Dominion of Canada; we could very well as a country on our own have had to raise here a battalion for the Army, a squadron for the Navy. We would probably be in a position where we would have to pay them 50c. a day.

MR. HIGGINS: You got more than 50c. a day.

MR. JANES: I did not, Sir, I got 50c. a day.

MR. HIGGINS: The Patriotic Association arranged for a fixed amount for you.

MR. JANES: They did not, Sir, I sailed from here in January, 1940.

MR. HIGGINS: After you came back, something was done.

MR. JANES: After I came back we received some rehabilitation, but after Confederation, we did get the rehabilitation pay of Canada.

How are we treated today in comparison with two years ago? If we must have increased taxation in order to do that, by all means let us have increased taxation.

Now, Sir, there has been much belly-aching about spending the surplus, on the other side of the House; much belly-aching and what they expect the Government to do with the surplus, I don't know. Undoubtedly if we built another road to Topsail everybody would clap and say a fine project. Another railroad to Random so that on week-ends everybody could go fishing. We would all clap for that, but it is not good enough to build a hospital at Fogo or at Springdale, not good enough if we build one in Port aux Basques, and we will probably build one in Ferryland, too.

MR. FOGWILL: It is about time it was started.

MR. JANES: Now there were three little niggers one time and then they were eliminated one by one.



Now, Sir, the surplus is being spent but on the part spent on Government industries I am no judge. But so far that part of the surplus being spent in the districts of Newfoundland, if you want to know what the Newfoundland people think about it then, for God's sake, get outside the Narrows and go elsewhere than the Codroy Valley. There are other places in the country and along the coast where people live. As the Attorney General said a few days ago, I have an abiding faith in this Province and in the ability of the Government of today to govern this Province. I wish, Sir, that my faith in Gordon Higgins and his turrs was as great as my faith in this Government. Now if there was ever a smart piece of political propoganda that is it, I don't know if Gordon Higgins knows the difference between a turr and a pigeon, whether they are killed singly or by the punt load.

MR. FOGWILL: That is one item the Liberals forgot.

MR. JANES: Let me tell you this: that since we went into Confederation not one single prosecution has been taken in this country for killing turrs, not one fisherman in Newfoundland has been fined for breaking the Act.

MR. FOGWILL: What is the kicking about?

MR. JANES: Because they have been stirred up by Tory politicians.

MR. FOGWILL: There have been letters in the press from all parts of the country.

MR. JANES: I could tell you on the other side, it is good politics but nobody is being impressed by it. Let

us see you stand on your feet in a few days time when the new regulations are brought in, regarding turrs when the Government of Newfoundland will start in the only possible way to have an agreement brought about between the United States and Canada for this amendment, for certainly this Government has to make the approach. I don't know what Gordon Higgins is going to do about it. If he used as much energy to get this Act amended, he should see that he gets something done for the fisheries.

MR. FOGWILL: Are you afraid someone else will get some credit for doing something good?

MR. JANES: I won't say it, I will tell you confidentially after. I will tell you about turrs, and what I know about turrs. If Mr. Higgins, Sir, up in Ottawa spent as much time and devoted as much thinking and energy to finding out about the salt codfishery of this Province as he has talking about turrs it might have been appreciated more by the fishermen of this Province. We know and others know the turrs will be all right, the turr situation will look after itself.

MR. FAHEY: What are the five Liberals up there doing about the salt cod fishery?

MR. JANES: I can tell you that too, they are not shouting about turrs.

MR. FAHEY: Not shouting about anything, I think they are all rubber stamps.

MR. SPEAKER: I ruled that remark out of order the other day, that honourable members would not apply it to one another.

MR. JANES: The Government has been accused of making political

propaganda out of the Fishermen's Convention last week. The honourable member for Labrador has answered that, but I am not going to elaborate on it, only to say I enjoyed it immensely and only this morning a very prominent St. John's citizen who probably has not had very much interest in the fishery or the fishermen, said to me, "I know since that convention I have the feeling that a lot of new life, a lot of new thinking is going on amongst the fishermen." I said, "I guess you are right, I guess you are right."

I was very proud, Sir, to see the fishermen come in here. Two hundred men from our fishing communities in Newfoundland come up here and 99.9% of them attend every meeting of the convention and not a smell of a bottle of rum or even a bottle of beer off one of them for the whole time. They are a credit, Sir, to the fishermen of Newfoundland and we of the fishing districts are proud of it, proud to see them come in and be able to do it. It is to be hoped, Sir, the Fishermen's Federation will become a permanent organization. Standing up here this afternoon, I would be saying a lot more about the fishermen than I am going to say, I am getting a little sick of it, it is a job today and not my job to steal any thunder the federation will have.

The honourable member for Labrador, Sir, levelled a very logical and a very reasonable opinion on NAFEL. As regards to NAFEL, my mind is not clearly made up. My mind is not clearly made up, but it is to this extent, though, that NAFEL was a private, not Government monopoly. It was not promoted by this Government, but by the Commission of Gov-

ernment. — a Government - promoted monopoly on which neither the Government nor the producers are represented on the board. Whose fault it is, Sir, that that was overlooked? I don't know, but it is the greatest tragedy that ever happened to the fishermen of Newfoundland. If NAFEL goes, freedom goes, unless something better takes its place. I think the fishermen of Newfoundland should know what is going to happen to the substantial reserve NAFEL has been able to build up. When the Government built up a reserve of this sort from taxation on fish it was put here in a fund, is kept in a fund, even though it was offered to the fishermen in the form of insurance and I hope some day they are going to accept it and they probably will some day in the not very far distant future. I wonder if NAFEL is going to do something? Don't let anybody say or even suggest that their profits, the profits they have made over the last few years, do not permit them to do it. It is a very interesting question, Sir, a question to which I hope the Fishermen's Federation will find the answer, it is rather interesting, I don't say they will be successful, I don't think they would, as a matter of fact, but it is interesting, for down there is a fund the fishermen of Newfoundland should have. During the convention and since, every time a member stands up in this House to speak, who is not going around with a cake of hard bread in his pocket and a scull cap on his head, there are shouts of communism and socialism. It is a little sickening, Sir, a little sickening. The fact is I sometime wonder if we are not back with the yeomen with leather jackets and feudal lords or are living in a world

ruled over by reactionaries like the great MacArthur. That is the sort of world we are asked, as the old fellow says, to bide in, not live. live. Well we are not going to bide here, we are going to get out of it whatever lesson the past has meant for us, and I don't doubt the past has lessons to teach us, but we are here and we are going to take out of this world everything we put into it and it is just as well for the world to know, the Government to recognize it and everybody else to recognize it. You can talk of socialism, communism, anything you like, but a spade is a spade and as the honourable member for Bonavista South said, a black cat is a black cat, and that is true—we are going to call this by the proper name.

That brings me to another point. I could have almost rolled under the chair with laughter when the honourable member of the Opposition said they were happy to see him over there, see the honourable member for Bonavista South, see what happened now, we got him. If I live long enough to see the day that Ted Russell, the honourable member for Bonavista South, becomes a Tory, I will eat my hat. If they get him, but don't ask me to elaborate on that either, don't tempt me now. He is an independent, sure he is an independent.

The high cost of living, Sir, since Confederation, the honourable member for Labrador answered that quite effectively, and when are you fellows over there, the honourable members of the Opposition, going to give up talking about Confederation? I don't know.

MR. FOGWILL: When we want to, we will do it.

MR. JANES: You got it chewed over so often now.

MR. FOGWILL: It is still a juicy morsel, don't forget that.

MR. JANES: Every time you chew over it, it gets sweeter and sweeter, you must keep it up, you have nothing else to talk about. Ask the honourable member for Placentia West, he has gone ahead and criticized and criticized every time he stood up, and nothing constructive ever comes from it. Confederation is the greatest thing that ever happened in the history of Newfoundland—Says me, wyes and so says you, oh no, you don't say it here, probably often say it in your own mind.

MR. FAHEY: When I got to pay more taxes.

MR. JANES: It is alright when it gives our men \$150 a month instead of 50c. a day, I am happy to do that.

MR. FAHEY: Are you happy to pay off the national debt of Canada which they had before we became a part of Canada, are we happy to do that?

MR. JANES: Utter trash, utter nonsense. It does not mean a thing, Sir, I am not going to take any more time of the House.

MR. FAHEY: That is fine. Tell us some more about the merchants, we would love to hear it.

MR. JANES: I could tell you that too.

MR. FOGWILL: The broken record going on and on and on.

MR. JANES: Do you want to know something about the merchants?

Right you will get it. Fish has been exported by NAFEL today, paid for to exporters one hundred percent more than they paid fishermen for it. Put that in your pipe and smoke it, and don't tell me I don't know. One hundred percent more than fishermen were paid for it in 1950.

MR. FOGWILL: Tell us some more.

MR. JANES: I am not interested in the merchants at all, I am interested in what people are going to do for themselves. We will find a way to get over the merchants, to do without them altogether eventually, not today or tomorrow—it is going to do no good at all to talk about them. It won't do us any more good to talk about them than it does the fishermen who smoke their pipes and talk about them. What we will do is get out and do something about them? That is what you are going to get from the fishermen of Newfoundland and it will redound, Sir, to the credit of this Government in the history of this Province. It was this Government led by the honourable the Premier who gave the fishermen the opportunity to do it.

MR. FAHEY: And spent the \$40,000,000.

MR. JANES: And spent \$80,000,000 if we had it.

MR. SPEAKER: The motion is that the address be adopted and presented to His Honour the Lieutenant Governor. Carried.

MR. SPEAKER: Honourable the Attorney General asks leave to rescind the Third Reading of a Bill "An Act Respecting the Statutes," and to recommit the said Bill.

Order rescinded recommitted to a Committee of the Whole House forthwith.

MR. CURTIS: Mr. Chairman, the honourable members will please refer to this Bill which is a Bill entitled, "An Act Respecting the Statutes." The position, Mr. Chairman, is this, in putting through that Statutes an omission was made, and my motion now is that there will be a new paragraph 4 (a) and 5, and the present Paragraph 5 will be renamed paragraph 6. All Acts will be numbered consecutively from the beginning to the end of each calendar year, thus No. 1 of 1951 or as the case may be and Acts may be cited by reference to a short title or by reference to its number and year in which it was passed. That is simply a re-enactment of the present law. I would move that amendment, as a new clause five to replace the existing clause.

The Committee rose, reported having passed the Bill with some amendments.

MR. CURTIS: I move, Mr. Speaker, that the Bill be read a third time now.

Thereupon the Bill was read a third time.

MR. SPEAKER: Honourable the Minister of Labour asks leave to introduce a Bill, "An Act Respecting Apprenticeship."

On motion bill was read a first time. Ordered to be read a second time on tomorrow.

MR. SPEAKER: Honourable the Minister of Education asks leave to introduce a Bill "An Act to Amend the Education (Teachers' Pensions) Act, 1950."

If there is no quorum I shall have to leave the chair.

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

MR. SMALLWOOD: Mr. Speaker, I think it would be acceptable to the House if we had a recess for five minutes.

House recessed for five minutes.

House resumed sitting.

MR. SPEAKER: Third Reading of Bill "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

Bill read a third time and passed.

Third Reading of Bill "An Act to Amend the Industrial Development Loan Act, 1949."

Bill read a third time and passed.

Third reading of Bill "An Act to Amend the Fisheries Loan Act, 1949."

Bill read a third time and passed.

Committee of the Whole on Revised Rules of the House.

On motion this order was deferred.

Committee of the Whole on Bill "An Act Further to Amend the Education (Departmental) Act, 1939."

Section 1 read and passed.

Section 2 read and passed.

Committee rose, reported having passed the Bill without amendments.

Committee of the Whole on Bill "An Act Further to Amend the School Attendance Act, 1942."

MR. FAHEY: Mr. Chairman, I would like to ask the honourable Minister, I am not quite clear at the moment and probably the Minister will enlighten me. Where children are at-

tending school and in some settlements it may be seven miles away and there may not be bus facilities, during stormy weather or through no fault of the children, for instance if the bus could not be there, has it anything to do with family allowance?

HON. S. J. HEFFERTON (Minister of Education): No, this Bill merely raises the age one year from 14 years to 15 years, but in the main Act provisions are made for children if they are not attending school.

MR. FOGWILL: It is compulsory to attend school at Grade one.

MR. HEFFERTON: Yes, at the age of six years.

The Committee rose, reported having passed the Bill without amendments.

On motion the bill was ordered to be read a third time on tomorrow.

MR. SPEAKER: I would like to remind the honourable members of the House it is quite legal to commit two or more Bills to Committee at the same time if the House so desires.

MR. SMALLWOOD: I think perhaps we might take the hint and allow Your Honour to get out of the Chamber for a little relaxation and go into Committee of the Whole on the next four.

"An Act Further to Amend the Memorial University Act, 1949."

"An Act to Remove Doubts as to the Coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951."

"An Act to Amend the Newfoundland Teachers' Association."

"An Act Respecting Vocational Education in Newfoundland."

MR. SPEAKER: Each Bill will be reported individually and separately.

Committee of the Whole on Bill "An Act to Amend the Memorial University Act, 1949."

Section 1 read and passed.

Section 2 read and passed.

Committee rose, reported having passed the Bill without amendments.

Committee of the Whole on Bill "An Act to Remove Doubts as to the Coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951."

Section 1 read and passed.

Section 2 read and passed.

Committee rose, reported having passed the Bill without amendments.

Committee of the Whole on Bill "An Act to Amend the Newfoundland Teachers' Association."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 5 read and passed.

Section 6 read.

MR. FOGWILL: Section 6—Membership Fees—These may be paid annually? Mr. Chairman, I think that section is one that does not belong to this Act at all. It makes it compulsory that if a person is a teacher he is compelled by that Act to be a member of the association. As I have served as a member of trade unions for some years, I don't believe in this at all. No organizations makes it compulsory by law to become a member of any organization, you are curtailing the freedom of this coun-

try by putting it in and I move it should be scratched out.

MR. HEFFERTON: Under Section 5, sub-section 2, there is a provision where anyone can write oneself out of the organization.

MR. SMALLWOOD: Besides which it is not competent for any member to discuss the principle of the Bill at this stage, the principle has been adopted by the House. The principle of any section is not debatable but only the wording, since the principle of the Bill itself has been accepted by the House.

MR. FAHEY: I second the motion that this clause be stricken out and may say while rising to second that motion I say it is not the principle but that this clause two should be stricken out, and for that reason I second the motion.

Motion lost.

Passed.

Section 7 read and passed.

Section 8 read.

MR. FAHEY: With reference to regulations, section "C" Selection of members of General Council, how would members be selected?

MR. HEFFERTON: General procedure, annual meeting.

MR. FAHEY: Should not the word elected be used, rather than selected?

MR. HEFFERTON: I don't think it makes very much difference.

MR. FAHEY: The point is, this selection of members of the General Council. If you select them it must be done before the meeting otherwise I take it it would be election by the general meeting of

membership or whoever has the right to attend meetings.

MR. HEFFERTON: May I go back to section 8: By-laws are to be made the General Welfare of the Association.

MR. FAHEY: But who makes the by-laws, I presume the General Meeting which selects the membership to the general council.

MR. HEFFERTON: In the by-laws we have procedure to be followed by the members of the association, which takes care of the schedule later on.

MR. FAHEY: Again I would like to ask the honourable minister, who selects the committee?

MR. HEFFERTON: The schedule contains the constitution and the officers to be elected, that is all written down in the schedule of the Act. We will come to it in due course.

MR. FAHEY: It is still not clear to me, perhaps I am a bit dense. I don't see how a committee can be selected—they should be elected by the general body, in my opinion.

MR. HEFFERTON: You must remember the Act that has been in force now for some years and there is an executive existing now and if this Act goes through they will call a general meeting and it is all laid down under this Act.

MR. FAHEY: They remain in office.

MR. COURAGE: Refer to page 9.

MR. FAHEY: I am only asking for

a point of information, I am not interfering with the Bill going through. But it should read there in my opinion, until the new executive is elected.

MR. HEFFERTON: Page 9 talks about the election of officers.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Would not elected be a better word?

HON. P. S. FORSEY (Minister of Supply): The Act provides, shall be elected under the provision of the Act.

MR. FAHEY: It does not matter what it says there.

MR. HEFFERTON: The Department of the Attorney General drew up this Bill.

MR. FAHEY: Personally, to make my meaning clear, I don't like the word selected. If it is to be run on democratic lines, it should be elected, no selected.

MR. HORWOOD: Would it help any to point out the fact, selecting is merely one means of electing somebody for something.

MR. FOGWILL: It may be, but, elected is more plain and a much better term.

MR. COURAGE: Honourable members will please rise and address the chair.

MR. HEFFERTON: Selected means chosen deliberately. Most officers are elected, but the secretary is appointed and there may be one or two others.

MR. FAHEY: First we refer to St. John's City and then to St. John's East External, and Bell Island and then later in 22, the Head of Conception Bay. Where does the region

of the Head of Conception Bay start and end? It would be different if it said Bell Island and Harbour Main included in St. John's Extern, then I could understand the distribution. It is divided in 23 rather than 28 districts, I would like to get that point clarified.

MR. HEFFERTON: I may say this was worked out by the association and the officials of our Department. We refrained from delineating exactly as there may be need to make some modification later.

MR. HIGGINS: The Head of Conception Bay means nothing.

MR. FAHEY: Under 21 you define it as from Carbonear to Brigus, but in 22 you don't define it. It really comes in between Brigus and the boundary of St. John's.

MR. HIGGINS: We are just wondering, for your own sake,

MR. HEFFERTON: We found it very difficult to get it specific.

MR. BUTTON: I don't know, Sir, if the honourable Minister forgot to put in Trinity North.

MR. HEFFERTON: Bonavista Peninsula. We could not be more specific on this point.

MR. HIGGINS: Might we not say that these are districts that may be changed by the Board? They might want to change it if they find it more convenient.

MR. HEFFERTON: That would have to be a part of the work between our Department and the parties.

DR. POTTLE: What we really mean is the electoral district of St. John's.

MR. HEFFERTON: No.

MR. FAHEY: The point is, Mr. Chairman, if the Minister is quite satisfied, it is alright.

MR. HEFFERTON: That is as close as we can go at the present time.

MR. HIGGINS: How many do you expect to attend the meetings, approximately I mean?

MR. HEFFERTON: 50 members probably.

MR. HIGGINS: They might decide on a place and find no accommodations.

MR. HEFFERTON: The whole purpose is that all meetings may not take place in St. John's.

MR. HIGGINS: They might be held in Trinity, then find there were no accommodations.

MR. FAHEY: You have a clause there—notice of all meetings—that would take care of it.

I am just going to ask the honourable Minister would it not be detrimental to the association to have it confined to two vice-presidents. Would it not be better to have it read, better to have a president and as many vice-presidents as may be decided from time to time as something like that may react later and you will have to come back and get the Act changed.

MR. HEFFERTON: There are three main denominations. If the president is Church of England, then the two vice-presidents are Roman Catholic and United Church.

MR. FAHEY: That is alright unless you get more denominations.

MR. SPENCER: We seem to be doing alright on that score.



MR. HIGGINS: Mr. Chairman, in a sense we have no business criticizing any of this, because the teachers themselves made it up and they passed these terms and it is really a private matter, but there is just one thing. That first clause about fares, now that is not expenses, only train fare, they are surely entitled to food when coming from the West Coast, for instance. I wonder if those who passed this matter have taken that into account.

MR. HEFFERTON: I assure you that matter and quite a number of others were taken into account, and for the moment we thought that was best.

Passed.

Section 9 read and passed.

Section 10 read and passed.

The Committee rose, reported having passed the Bill with some amendments.

Committee of the Whole on Bill "An Act Respecting Vocational Education in Newfoundland."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

Section 8 read and passed.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

Committee rose, reported having passed the Bill without amendments.

On motion the remaining Orders of the Day were deferred.

MR. SMALLWOOD: I move the House at its rising do now adjourn until tomorrow at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 17, 1951.

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): I give notice, Mr. Speaker, I will on tomorrow ask leave to introduce certain resolutions asking for supplementary supplies.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Respecting Proof of Death of members of His Majesty's Military, Naval or Air Forces."

MR. J. G. HIGGINS (Leader of the Opposition): I give notice that I will on tomorrow ask the honourable the Minister of Supply with regard to Question 87:

1. What type and brand of men's rubber boots and boys' rubber boots were purchased on behalf of the Labrador Trading Operations last year?

2. What type and brand were supplied respectively by Parker and Monroe Limited, Halley and Company Limited and Ships' Stores?

3. What Rubber Manufacturers do Halley and Company, Limited and Ships' Stores represent in Newfoundland?

To ask the honourable the Acting Minister of Natural Resources :

1. Was anyone brought in last year from outside Newfoundland for the purpose of surveying and making a report on Birch and its possibilities?

2. Was a Report on the survey made to the Department and, if so, the Department is asked to lay this Report on the table of the House?

3. What was the cost of the Survey and Report?

MR. FOGWILL: I give notice that I will on tomorrow ask the honourable the Minister of Finance for information in respect to the Board of Liquor Control :

1. What is the amount of cash on hand as at April 1st, 1951?

2. What is the balance, Bank of Montreal, as at April 1st, 1951?

3. What was the total amount paid for the purchase of spirits, beer and wine, etc., for the fiscal year ending March 31st, 1951?

4. What amount is held in bond?

5. What is the cost value of stock on hand as at April 1st, 1951?

6. What was the total value of sales for the year ending March 31st, 1951?

To ask the honourable the Minister of Economic Development :

1. How many assistants has the Director of Economic Development,

who are they, and what salary is paid to each?

2. Has the Director any part-time assistants, if so, who, at what salary?

To ask the honourable the Minister of Finance :

1. To table a statement showing the total amount of salaries paid under Appendix One of the 1950-51 Estimates of Expenditure.

MR. SPEAKER: Question No. 93.

MR. SMALLWOOD: In the absence of the Minister of Supply I would give the answer, and the answer is yes.

MR. SPEAKER: Question No. 28.

HON. E. S. SPENCER (Minister of Public Works): Question: The total number of miles constructed under the

Trans-Canada Highway plan during the year 1950—the total cost to the Province of such construction—the total number of miles of such road to be constructed over the next few years under such plan, and the estimate of cost of such plan. Give an estimate of what amount this whole Trans-Canada Highway plan will cost the Province when finished and whether the Province is actually committed to finish this project.

Answer: (a) Total number of miles constructed under the Trans-Canada Highway plan during the year 1950—51 miles.

(b) Total cost to the Province of such construction—\$1,150,000.00

Question: (2) What amount of money was expended in the form of relief work on public highroads during the autumn of 1950? Give this information showing the amount expended in each district.

Answer :

**SPECIAL WORKS**

Expenditure as at February 28th, 1951	
Bonavista North .....	\$ 17,181.67
Bonavista South .....	59,683.02
Burin .....	68,757.65
Burgeo-LaPoile .....	5,127.08
Carbonear-Bay de Verde .....	106,016.01
Ferryland .....	60,448.26
Fogo .....	23,790.64
Fortune-Hermitage .....	58,068.93
Green Bay .....	26,195.11
Grand Falls .....	55,160.79
Harbour Grace .....	81,227.42
Port de Grave .....	51,499.43
Placentia-St. Mary's .....	64,620.28
Placentia West .....	50,815.85
St. John's East .....	62,857.69
St. John's West .....	22,644.50
St. George's .....	13,718.97
St. Barbe .....	9,605.89
Twillingate .....	20,365.02
Trinity North .....	104,121.93
Trinity South .....	170,697.53
White Bay .....	18,215.40
Humber .....	10,610.50
Hr. Main-Bell Island .....	77,009.91
Total .....	\$1,238,439.48

In connection with this, if any of the honourable members would care to work out the figures, they would find the actual average cost per mile to be \$26,000. The second part deals with our commitment or otherwise to complete the Trans-Canada Highway. In that respect I need not go any further than to point out that in the recent Budget presented in Ottawa, honourable members will have noticed, I am sure, requests by the Federal Government for curtailment wherever possible of expenditures which might not be considered of an urgent nature where Provinces are concerned, and as a result, we of this province have passed some inform-

ation to the honourable Minister of Finance, who will present that to the House in connection with the Budget. I don't think I need elaborate further on that.

MR. CASHIN: I take it the answers should be tabled without being read, which is wasting a lot of time and I have never seen it done before, until this Government took office last year. Answers should be tabled in reply to questions, i.e., No. 2 so and so, whatever it might be. They are tabled and talked over now, every Minister answers a question, reads the whole thing over and the whole afternoon is occupied in that respect.

MR. SPENCER: I respect that opinion.

MR. HIGGINS: I think it is a very good thing, because what happens is one copy is filed. We would like to get the information, I and my party.

MR. CASHIN: They are published in the House. When any individual member asks a question, it is public once tabled and is the property of every member of the House. If I ask a question and an answer is tabled, it does not belong to me, but to every member of the House. Whether I ask it or any other member, once it is tabled it belongs to every member in the House, just the same as to the member who asked the question. As a matter of fact the Government has supplied copies to every member of the House, and it takes an awful lot of time without making speeches on them.

MR. FOGWILL: The procedure we have been following, since we came in, was that questions have been tabled and a copy provided for every member and the honourable Minister

concerned reads it out, unless it is involved and contains a lot of material. It may not be customary but the rule has been established here and I think we should carry it on, unless it takes a lot of time to read it when the Minister should take the question as read, but usually it only takes a few minutes.

MR. SPEAKER: Should we leave it to the discretion of the Minister who answers the questions or to the pleasure of the House?

MR. SMALLWOOD: I think, Mr. Speaker, we have no choice but to leave it to the Minister concerned. He has the privilege to decide whether he should have the answer typed and laid on the table or read it out. If it is long and involved, then it should be at the pleasure of the House.

MR. SPENCER: I have no particular choice in this case. I am not so fond of hearing my own voice and I take it honourable members don't want to hear my voice. I have prepared the necessary copies so that each member will receive one, so in this particular case it won't matter whether or not I read it. I therefore place it on the table of the House and every member will have a copy. Actually were we to read this it might be to the advantage of the Government, but we have lots of advantages and I shall not take advantage of this reply.

Question No. 28 (3) the answer is also provided and involves three contracts, one to the Newfoundland Engineering for construction of an additional wing to the mental hospital. There were tenders in that case and the figures for all three are there.

The following tenders were received for the construction of the South Wings, Mental Hospital.

Newfoundland Engineering & Construction Co., Ltd., St. John's .....	\$1,208,000.00
Terminal Construction Co., Ltd., Montreal.....	1,237,000.00
Concrete Products (Nfld.) Ltd., St. John's	1,243,000.00

The tender of the Newfoundland Engineering Company, Limited, being the lowest, was accepted.

#### Orders of the Day

Third reading of Bill "An Act Further to Amend the Education (Departmental) Act, 1939."

Bill read a third time and passed.

Third reading of Bill "An Act Further to Amend the School Attendance Act, 1942."

Bill read a third time and passed.

Third reading of Bill "An Act Further to Amend the Memorial University Act, 1949."

Bill read a third time and passed.

Third reading of Bill "An Act to Remove Doubts as to the Coming Into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951."

Bill read a third time and passed.

Third Reading of Bill "An Act to Incorporate the Newfoundland Teachers' Association."

Bill read a third time and passed.

Third reading of Bill "An Act Respecting Vocational Education in Newfoundland."

Bill read a third time and passed.

MR. SMALLWOOD: That concludes the third readings and I suggest that the next five orders be deferred for the time being and that

we move on to the final item on the Order Paper. Should that be finished today then we may revert to the first of the orders presently deferred.

MR. SPEAKER: Pass over the second readings and proceed to the "Resolutions to request the Parliament of Canada, that steps be taken to relax the provisions of the Migratory Birds' Convention Act, so as to prevent undue hardship to the fishing population of Newfoundland and Labrador."

MR. HORWOOD: Mr. Speaker, these resolutions ask the Government if Newfoundlanders inhabiting the coast of Newfoundland and Labrador have long depended on migratory seabirds as their principal source of fresh meat during the greater portion of the year and since the rules restrict entirely the killing of game species these resolutions therefore call upon the Government of Canada to take such steps as may be advisable to regulate the provisions of the Migratory Birds' Convention Act, to the end that killing of these birds under adequate controls may be permitted in the Province of Newfoundland.

Now, I have no doubt, Mr. Speaker, various honourable members will avail of the opportunity to debate this issue. There is no doubt that those especially who came from fishery districts especially on the North East Coast, where they are such an important item of food, will avail of the opportunity to comment on these resolutions.

I personally have very little to say about the resolutions, other than what is contained in the resolutions themselves, as I consider the resolutions entirely self-explanatory. It is something we have all worried about on this side of the House anyway. I can't speak for the other side, but it is

something we on this side have worried about for a long time and only recently, while members of the Fishermen's Convention were in town and discussed that matter with me, did it occur to me that it would be quite within the rights of this House to introduce and pass resolutions to call upon the Government of Canada to do something about it. It simply did not occur to any of us sooner. These resolutions are now introduced.

Mr. Speaker, I have now one or two brief comments to make, aside from the fact that everybody knows the resolutions are sound. To begin with it struck me to suggest that previous to the day of union Newfoundland was not a party to the Migratory Bird Conventions Act and had no act of its own. Maybe Newfoundland was asked to take part in the Migratory Bird Convention, but as far as I know it was never requested by the United States or any other Government party to that convention to become a party and I thought that being so, it seems to me not unreasonable to assume, that these governments were approached with the fact that Newfoundland was not a party nor asked to be, to ask that we continue in the position we were previously; that is to say they must have felt the birds were not being slaughtered to any extent previous to the day of union or they would have required pressure to be brought to bring Newfoundland into the convention, if it were necessary for the preservation of the species.

The second point: Indians and Eskimos are already excluded from the provisions of that act. Any Indian or Eskimos may go at any time of the year and kill all the sea birds he can make use of, both in the migratory and non-game species. Now the position of the Indians and Eskimos is

exactly the same as our fishermen and trappers in Labrador and on the North East Coast of this country. They both depend upon the birds they can kill for their food and it is only reasonable and fair. Since the Government of Canada now permits Indians and Eskimos to kill them and take them for food, that other inhabitants of the same areas on the North East Coast of Newfoundland and Labrador be permitted to do the same. They are just as dependent upon these birds as our Indians and Eskimos.

The Migratory Convention Act, Mr. Speaker, was, I believe, conceived as a sportsman's measure, for the protection of sportsmen; to prevent their running amuck our fauna and helping to destroy the species. It was never intended for conservation in the far northern districts, where they are not pursued as sport, but only as a matter of need. Our people do not kill those birds for sport, they simply kill them to eat and I have never known anyone to kill more than he could use or needed. I do not think it is fair or reasonable that a sportsman's measure, devised for the protection of sportsmen, should be made to apply to our fishermen and trappers who are not sportsmen and do not hunt and kill for sport but only for what they need. Doctor Tony Paddon in Labrador put the matter very clearly when he said: "That is not a question of game preservation but merely a question of which is more important, the conservation of the Canadian duck or the conservation of Canadians."

MR. SPEAKER: The motion is that the House do adopt these regulations.

MR. COURAGE: Mr. Speaker, a few days ago, when the honourable

member for Labrador brought in this motion, I was so anxious to support it, that I rose somewhat precipitously, then remembered I could not support it, because he was merely giving notice of motion. But, today, Mr. Speaker, I have much pleasure in wholeheartedly supporting these resolutions. I represent a district, I come from a district, where sea birds play a large part in the diet of the people. I have killed in my time a great many turrs and ducks and other sea birds and I agree with what the honourable member just said: They are not slaughtered wholesale; our people do not kill them for sport; every bird that is killed is eaten, there is no waste. This will interest the honourable Leader of the Opposition, I know; in the outports people still keep up the good old tradition of hospitality, their idea of sharing with their neighbour. If a person goes out and gets a fine bag of turrs or other sea birds he shares with his neighbour. In other words if three or four men killed sea birds on Saturday, practically the whole harbour has a good meal on Sunday. I know that tradition is still kept up in Fortune Bay.

Mr. Speaker, this Migratory Bird Convention Act imposes a hardship upon the people in the outports of Newfoundland. I read in "Time Magazine" of a very recent date, few people could say this, but I must contradict that great magazine, and I say without fear of contradiction: that practically all of the people of the Newfoundland outports will agree with me, that this Act does impose hardship upon our people.

In my district there is not one single butcher shop, not one. That does not mean the people don't eat fresh meat, but it does mean they get

very little, they have to depend to a very great extent upon game and sea birds are the most important of that game.

I would like at this time to say that Mr. Gordon Higgins was not the first person, not the first member of the Federal Government to try and have this question of migratory birds convention Act changed. The representative for Burin and Burgeo, Mr. Chesley Carter showed me, a year ago, a long memorandum he had prepared on the subject and which he intended to pass along to the government Minister concerned.

I should like to repeat for emphasis, Mr. Speaker, that unless this Act is repealed or modified to some extent, and I hope that we can put it across, to the Canadian Government, unless this is done, there will be great hardship for the people of the Newfoundland Outports. Such a great hardship, that their health may be in danger and for that reason I think that we can make those concerned see that this Act must be relaxed. I have a great deal of pleasure, Sir, in supporting these resolutions.

MR. HIGGINS: Mr. Speaker, I rise to support these resolutions.

MR. FOGWILL: Mr. Speaker, I also support the resolutions. Perhaps I am not so conversant with the details of shooting of sea birds, as my honourable friends opposite, nevertheless, I do hold to the fact that as we Newfoundland people, particularly those of us concerned with the shooting of sea birds and have shot them for so many years, in fact centuries, and on that grounds alone, the rights that we have enjoyed for all these years should be protected, and people

should be allowed to shoot these birds for the purpose outlined by my honourable friend opposite. At the same time, as far as I am concerned, the nearest time I ever got to killing a turr was to remove the head off a chicken.

Nevertheless I do support the resolutions and I hope and pray they will be given heed to by Ottawa and those concerned in the United States, so that our people in Newfoundland may maintain the rights they have enjoyed for the past centuries, and that they be allowed under proper regulations to take these birds for the purpose they have always taken them.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I beg to support the resolutions before the House. I know that when we came into office and found, that under Confederation, we could not shoot these birds it was a great shock to us. The position is, as I understand it, subject to correction, there is a treaty between Canada and the United States, whereby Canada undertook that these birds would not be shot and I understand, consequently, it is not possible for the Canadian Government of its own notion to amend the Act and allow killing of these birds. Before they can amend the Act, they have of course to negotiate with the United States for leave to amend the terms of the treaty. Now I am not sure that is the position but it is as I understand it. As stated here yesterday, there have been no prosecution taken in Newfoundland yet for killing these birds, and I can't go beyond that, I cannot speak for the future. I do hope the Government of Canada will engage with Washington and in due time grant the prayer of that petition. I heartily support the resolutions, Mr. Speaker.

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I rise to support the resolutions. Not that my district is very greatly dependent upon the use of these sea birds for food. But I do know that around the coast farther north and on the North East Coast and Labrador these birds have been a great source and indeed, one of the main sources of supply of food for our fishermen.

I don't know how long it will take to get this convention act changed but at least we are making an effort, and it is something that probably should have been done before but as the honourable member for Labrador mentioned something has been done by the honourable members in the House of Parliament, in Ottawa, and by both sides, I think. All members up there on both sides are trying to do something about this. Probably this is the right procedure, what we are doing here now, and we will probably get somewhere with it.

I remember well, when a lot of my friends, who live in the Town of Corner Brook, first came from other parts of the country around the North East Coast and so on, one of the things they missed most was their shooting of birds and their sea birds in the fall of the year.

Because it is an article of food and not just game, and something our fishermen enjoyed for so many years. I think it is very necessary that we should do what we can to have this position remedied.

I may say that whilst it does not effect my district very greatly, at the same time I know it does practically every district in the country and Labrador of course is included. I have great pleasure in supporting these resolutions.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I rise to support the resolutions, Mr. Speaker, which are now before the House and it is not because I participate in shooting birds of any kind and, as far as I am concerned, I would not know a turr if I saw it. But it is because of the principle involved which is an interference by law of a privilege and right, which the fishermen have enjoyed down through the ages. I feel that the resolutions are, therefore, justified and I join with the previous speakers in hoping that the return of their privilege, resulting from these resolutions, will bring about the peace and happiness to the fishermen as it existed in the past.

I have much pleasure, Sir, in expressing my views in support of these resolutions.

MR. JANES: I was supposed to have said my piece on turrs yesterday, Sir, but there was something I said yesterday regarding the sea birds, the turrs, which I was sorry for. Now I said, there has not been one single prosecution in Newfoundland since we went into Confederation in the matter of killing sea birds, especially turrs. I would like to add to that, Mr. Speaker, I am quite sure there has not been one killed since we went into confederation. Just to make sure, Sir, nobody is breaking the law.

MR. CURTIS: Nobody has been reported to us.

MR. JANES: None have been killed, there has simply been no reason to prosecute.

Now, Sir, with reference to these resolutions here, I have grave doubts as to how soon the convention, to which the resolutions refer, can be amended. I sort of feel that the



sportsmen, who caused this Act to be passed, are a little stronger than the fishermen who want the turrs. That does not mean we should not give these resolutions our support. The honourable member for Labrador in his speech referred to Indians and Eskimos of Labrador. This may be a good time to assert, what has often appeared in papers on the Mainland, that we are all Indians and need the sea birds.

In Fogo district, Sir, sea birds have always supplied no small part of the family food, especially on Cape Freels and Fogo Island. Every year great quantities are canned and bottled and they have them for the whole season. It seems too bad the day should come when they are not permitted to kill these birds and the day could very well come, when our people would be at a tremendous disadvantage in finding meat. I have great pleasure in supporting the resolutions, Sir.

MR. MORGAN: Mr. Speaker, having the honour to represent a district, which would be affected very much by these resolutions, and has been affected very much, it gives me great pleasure to support the resolutions.

As a matter of fact, I can't think of anybody sitting in this House who would oppose it.

I understand that during the past year the area from Cape Bonavista right around to Cape Race has had more or less a temporary permit to shoot these birds. I also have a feeling even if this had not been given, several sea birds, turrs particularly would have met their death by various means around Green Bay District. Now, though we are not quite so backward as the District of Fortune Bay, we have at least one meat shop in the district, yet turr and other sea birds

form a very important part of the diet in the Fall and Winter season. It gives me, Sir, very great pleasure to support this motion.

MR. BUTTON: As representative, Sir, of Trinity South, I beg to support these resolutions, put before the House by the honourable member for Labrador.

In connection with this, there is not a great deal I can say in this matter, because most of the honourable members have already given their views in this connection. But I support it because I am a lover of turrs. I have eaten more turrs this year, I suppose, than any member in the House. That goes to show you, Sir, the kind of people we have in our District. Well, I heard that certain areas, the honourable member for Green Bay said there are certain districts where you can kill turrs, and I believe Trinity South is one of them.

MR. CURTIS: If you say that, I may have to disinter the turrs.

MR. BUTTON: That is all right. I beg, Sir, to give my hearty support to the resolutions.

MR. VARDY: Mr. Speaker, as the representative of St. John's West, a district not too vitally concerned with this matter, although it does affect certain sections of it, but speaking principally as a Newfoundlander and a native West Coaster, I do say the resolutions now before the House certainly merit the most sympathetic consideration of the authorities.

As a boy, I knew exactly what the turr meant to the diet of people of the West Coast because my own father—in my own family, I can recall my own father going out and bringing back a bag of turrs and a few ducks

and when he did, it filled a need in the house. I think that same situation prevails to a large extent in the small communities of Newfoundland today. It is not the only meat but the principal meat obtained is that obtained by the use of the gun by the head of the house and not through access to any butcher shop, where you can go in and pay \$1.00 and \$1.25 for a pound of steak. I think we all have sympathy for the member for Trinity South, and the Attorney General should not take too seriously remarks made by him.

I have great pleasure, Sir, in supporting what has already been said. It is a measure of vital importance to the people of Newfoundland.

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, as a representative of one of the constituents, in which the people depend to a large extent upon the killing of sea birds, I feel I can not do otherwise than support the resolutions the honourable member for Labrador has brought in.

I have been trying to do some research into the matter, and I find no record that Newfoundland was at any time asked to be a signatory to this convention but the conditions were entirely different. While there may be some truth in the assumption, that this measure came into action because of the sportsmen's idea of preservation, I think it goes a little deeper than that. The carrier pigeon is gone, the great Auk has gone. Not so many years ago there was a very great danger that some others of the migratory birds, the duck for instance, particularly the Mallard species, might be going the same way. Now these migratory birds, which were killed for game purpose, were largely killed in inland areas and it was chiefly be-

cause of destruction that this Migratory Birds Act was passed, in order that there might be some conservation and prevention of the loss similar to that which had happened to the carrier pigeon. The main purpose of that Act, I think we must agree, was conservation. We will all find ourselves in agreement because for one reason Jack Miner, who had been a very great hunter in his earlier days, saw all the danger of wiping out certain species and spent the latter years of his life in conservation matters and the policy he did so much to formulate, worked out to good effect.

We are not a signatory to the original Act and, at the time of union, we went into a set of conditions entirely different than those in existence among those actual signatories of the Act. Nowhere in the United States or in Canada, except possibly in the Far North, do you find people dependent upon bird life as a means of food such as you find here in Newfoundland. The killing of ducks, for instance, in the middle States and in Canadian prairies was a sport and the people were not dependent upon it as an article of food, as we in Newfoundland are. As has been pointed out by many speakers already, it does play a very vital part in our food diet and as one speaker already pointed out, I think the honourable member for Fortune and Hermitage, it would be a serious step, from the health point of view, if people were debarred altogether from the variation of diet which they get from delectable sea birds. I have very much pleasure, Mr. Speaker, in supporting the resolutions.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I should like to give my somewhat more than formal approval to the

substance of this series of resolutions. I am happy to do that because of the principle involved and because I represent one of the more popular districts, which would be affected positively by the resolutions themselves.

Now, Sir, the point has been amply spread before us and I have no intention of elaborating on the point already made but to rise and support the resolutions in principle and detail.

HON. W. J. KEOUGH (Minister of Fisheries & Co-operatives): Mr. Speaker, the Migratory Bird Convention is, I believe, an international agreement to which both the United States and Canada are signatories, and I take it, the consent of both those high contracting parties is required if the convention is to continue in effect and Newfoundlanders are permitted to shoot turrs, ticklacs and stern.

Now if the Government of Canada should decide to move in this important matter and the turr fleet off the Funks become objects of international concern, such a development would at least be free from the things that usually accompany the development of a national situation. We would at least know in advance that no matter what came of it, there is no danger of civilization being shaken or nobody is likely to take a shot at anybody or anything except perhaps the turrs.

I cannot hope that the citizens of the United States and the remainder of Canada will ever come to appreciate the situation of sea birds in this Province. People who live in highly mechanized civilization and push a button to serve men's needs even so simple as a cup of coffee; have never seen the ocean and know nothing of those who make their way of life from

the sea, are possibly likely to wonder, if they ever hear of it, what the fuss is about turrs and what are turrs anyway. Even here in St. John's, where most citizens pick up a phone and have the butcher deliver a T-bone steak, it is difficult to appreciate the fabric of people's lives around our coast, of those who can't pick up a phone and can't call the butcher and baker, have no electric light and no refrigerators and must depend upon, to vary their diet of salt fish and potatoes, the right to take sea birds for the difference whether they have fresh meat during the year or not.

Now we have had the right to take sea birds from time immemorial. Candidly I have no doubt that had Newfoundland been a party to union, when the resolutions were accepted, steps would have been taken to protect the historic rights of Newfoundlanders.

Now I have heard it stated that Newfoundland would not have entered Confederation, had it known the effect of this Convention. Candidly that is stuff and nonsense. Newfoundland would not forego the privileges of union for a mess of pottage or a dish of turrs. As I have said, I am quite confident had Newfoundland been in union at the time the convention was ratified, necessary arrangements would have been made at that time to permit, under the Act, killing these migratory sea birds, non-game, and I believe the citizens of the remaining provinces of this nation will not deny us that right now.

MR. HIGGINS: Mr. Speaker, may I elaborate on just one point not mentioned and a very important point. We are given dominion over fish and fowl but have to be guided by justice and when men went too

far, the state came in and passed laws, that is the reason for the migratory law.

MR. SPEAKER: I am not sure, when the honourable member first rose he supported the motion.

MR. HIGGINS: Mr. Speaker, it is only a point but of very great importance which I was going to bring in.

MR. SMALLWOOD: It would be a second speech.

MR. HIGGINS: I know.

MR. SMALLWOOD: You are only allowed one speech.

MR. MILLER: Mr. Speaker, after all that has been said on the opposite side of the House, I feel like some one who had a good look at a good flock of turrs seen by someone else first. There has been a lot of shots fired and I am just another one but there is one point I would like to enlarge upon. The Attorney General more or less suggested that this might take considerable time to adjust to the satisfaction of everyone. I do agree with it, though I feel I should recommend that perhaps some resolution may have to be brought along as well. We would not like to see any bird destroyed entirely, that would be a tragedy; and neither, I feel, do these people who shoot the birds wish that either, when they are quite dependent on them. It is the duty of our legislature to see that that day will never come. But I do feel that this thing can be brought about rather quickly. Now I must congratulate the member for Burin-Burgeo and the member for St. John's East for the fine thing they have done in bringing this to the forefront and if the world saw fit to have a little laugh at us we will live it down but the fact

remains somebody somewhere, whether politician or civil servant, last year brought severe pressure to bear on the authorities to have a certain area exempted, while the law went into force elsewhere. I do feel, that if we can engage such a party again, we will have exemption all around the coast and then the matter can be laid aside and there need not be any further controversy over it.

HON. JAMES R. CHALKER (Minister of Health): I would like to speak in favor of these resolutions, Sir, on behalf of the people of the district of Harbour Grace. During the past few months I have had many requests asking me if it were possible to have the Provincial Government to have these resolutions raised, so that they, in the district of Harbour Grace, could go and shoot turrs. Unfortunately I had to inform them that the Provincial Government had no jurisdiction over the matter. I was glad, Sir, to see it taken up at the Federal level in Ottawa and also glad to see the honourable member for Labrador bring in these resolutions in this honourable House.

It is needless for me to go on, Sir, it says what it means to the average Newfoundlander, especially on the North East Coast and the Labrador, and the Leader of the Opposition in his speech referred to certain parties bottling various meats for use by them over the winter, I would like to inform him that turrs was one of these things bottled.

I would like to support these resolutions and I do hope the Newfoundlanders may be able to continue to hunt the old turr.

MR. CANNING: Mr. Speaker, I wish to add my voice to all the other

speakers in supporting this motion before the House. I come from a district, which has not the benefits of refrigeration and electricity, and the turrs provide our chief source of meat throughout the winter time.

I take great pleasure in supporting these resolutions.

MR. SMALLWOOD: Practically every member of the House present has now spoken in favour of the resolutions, and I have no doubt whatever that it is the overwhelming sentiment of the House that the resolutions now before the House should be adopted and indeed, though every last member has not spoken to the motion, although they may yet do so, I have no doubt the vote will be unanimous support of the resolutions. We are going therefore to the Government of Canada with the unanimous support of the House and the resolutions ought to carry fairly considerable weight. It is not a party measure. It is not a matter upon which the House divides upon party lines at all. It is a matter which affects the whole of the population of Newfoundland living along the sea shore, along the coast and when I say Newfoundland, of course, I naturally include Labrador.

The position now is extremely well known. Frankly, I do not know just what are the chances of getting modification made in the treaty or agreement between the United States and Canada, but that will be better known to the Government of Canada and if they should be lacking any desire at all, on the part of the Canadian Government, to take all possible steps to secure modification of that agreement, this request from the legislature of Newfoundland ought to go a long way to strengthen the desire of

the Canadian Government to make the request of the Government of the United States. But I doubt very much, that the Canadian Government needs to be prodded in this matter. I think they are fully aware of the matter. These resolutions will be most valuable as an indication to the Government of the United States of the sentiments of the fishermen of Newfoundland. Now I have some reason to suppose that the Government of the United States would like to maintain the friendliest relations with the people of Newfoundland; they have these great bases in Newfoundland, they have hundreds of their armed forces in Newfoundland and they are, I submit, quite anxious to maintain the friendliest possible relations with the people of Newfoundland. A request of the representatives of the people of Newfoundland, regardless of political opinion, will not, I venture, fall on an entirely deaf ear in Washington. So that if the Government of Canada approach the Government of the United States and is able to point to a unanimous request, expressed by the elected representatives of Newfoundland, for some modification of the agreement, my belief, certainly my hope, is that that fact will go some considerable distance towards persuading the Government of the United States to agree to relax and modify the existing agreement along the lines of the present resolution. So also I am glad, as are all of us, to give my cordial support to these resolutions and I believe it will receive the unanimous assent to this house.

MR. FAHEY: Mr. Speaker, I rise to support the resolutions and I feel that they will be of benefit to the fishermen of this country and perhaps to the benefit of those not clearly classified as fishermen. Much has

been said here this afternoon and it leaves little room for me to elaborate, any more than to say I support, but there is one point I would like to make clear. The honourable member for Fogo yesterday intimated that the Progressive Conservative member at Ottawa, who brought forward this resolution, was playing politics. Now I hope, if this House passes these resolutions unanimously, it won't be accused of playing politics. From my point, Mr. Speaker, whether I am accused of playing politics or not, I rise to support the resolutions.

MR. JACKMAN: Just to make this unanimous, Mr. Speaker, I have great pleasure in supporting this resolution.

Resolutions adopted unanimously by the House.

MR. SMALLWOOD: I move a recess for ten minutes.

House resumed sitting.

MR. SPEAKER: Second reading of Bill "An Act Respecting the Safety of Workmen in Mines."

Order deferred.

Second reading of Bill "An Act to Make Uniform the Law Respecting the Estates of Intestates."

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I move the second reading of this Bill. It is a legal measure; nevertheless, a Bill, I think, which will interest every member of this House. It deals with the title of estates of people, who die without having made a will, and alters the existing law rather considerably. As a matter of fact, our present law is an antiquated one, and must be over a hundred years old.

MR. HIGGINS: Three hundred and fifty, I think.

MR. CURTIS: Well, however, the main point is this, the time has come, when in common with many other provinces of Canada, we feel this entire law should be revised. It was revised in England in 1925. Now out of the ten Provinces of Canada—the only Provinces that have not enacted this particular Act are Ontario, Quebec, Nova Scotia and Prince Edward Island; but I could not say their law has not been amended, though they have not adopted this Act. I refer to this particular Act which has been drafted and submitted to us by the Committee for Uniform Legislation.

You will note, Mr. Speaker, if you refer to the Bill, if an intestate dies now, leaving a wife or widow and one child, one half goes to the widow. The present law is if a man dies leaving a widow and one or more children, the widow gets one third and the children divide two thirds; this amends that law, so that, if a man dies now leaving a widow and one child, the estate is divided equally between the two.

MR. HIGGINS: The widow is entitled to half.

MR. CURTIS: I think it is rather fair they should get one third each to two children, but we are anticipating the committee and I am trying to show the general support of the Bill.

It goes on to say, if the child dies leaving issue, the widow shall take the same share of the estate as if the child were living at that date, Sub-section 3—section 5 reads:

"If an intestate dies leaving issue, his estate shall be distributed, subject to the rights of the widow, if any, per stirpes among such issue."

The distribution, Mr. Speaker, is per stirpes rather than per capita. In the case of distribution per stirpes the children take among them the father's share, if it were per capita, each would share alike, but if per stirpes, the only child takes the father's share, but if there are five grandchildren, the father's share among them. Now, Mr. Speaker, the Bill goes on further and protects the widow. If a man leaves a widow with no issue, his estate goes to the widow. In other words the widow gets the entire estate, under the present law all widows get two thousand dollars clear and half of the rest. Now if a man leaves no children, the widow is entitled first to \$20,000 under section 6, 7, 8 and 9. The net value of the estate is defined, the only difference is the funeral expenses are looked upon as a deduction before the estate is distributed. Under the present law the funeral expenses are not deductible before.

Now under the present law, if a child dies leaving a father and a mother, the money goes to the father. The law is now changed here, and if a man dies leaving a mother and father they share equally, but if either one is dead the entire estate goes to the survivor. In other words the estate goes per stirpes. Under section No. 9 the estate does not go per stirpes, but per capita, that is the exception to the usual detailed distribution referred to a few moments ago. It then goes on, Mr. Speaker, to children of half-blood inheriting. Under section 13 is a provision which, I think, is properly made law at the present time, whereby if a father said to a child, I give you five thousand, the gift is included in the estate. This applies purely to intestates, since a man

can make a will and do what he likes with it.

No. 15 does introduce a new principle, and one I think worthy of explanation. I think, Mr. Speaker, that is a very proper clause, there is no such thing as an illegitimate child, the illegitimacy is on the part of the parents, therefore if a mother has an estate, it is only proper her illegitimate children should rank with any other children in its distribution.

Section No. 17 has a brand new feature, which we have not had under the laws of Newfoundland. Under the law we have had up to now in Newfoundland, if a woman died, all her estate went to her husband and nothing to her children, if she left no will. That is one of the big arguments of the suffragettes, but when the children died, everything went to the husband. It was changed in England in 1925 and has taken us until now to get to it. Now if a woman dies, the husband gets exactly the same treatment as she would have gotten. Under the law a man was responsible for the support of his family, therefore it followed if a woman died and the estate went to her husband automatically it went to support the children, but such is the frailty of human man, cases appeared where the money was kept at the expense of the children, therefore, he now gets up to \$20,000 and anything over goes to the children.

Item 18 is also new and very desirable.

MR. HIGGINS: There will be a number of law cases arising out of that.

MR. CURTIS: Well we are not adverse to creating new law cases. At the same time, I think the principle is

right. I would move the second reading of this Bill, Mr. Speaker and recommend same to the House.

Second reading of a Bill "An Act Respecting Apprenticeship."

MR. BALLAM: Mr. Speaker, I have great pleasure in introducing this Bill an "Act Respecting Apprenticeship." I don't think that we have ever had anything in our statutes regarding apprenticeship or apprenticeship training and it is very necessary, in my opinion, to have legislature to regulate and to set down the requirements for apprentices in training.

This Bill is also supported by the Newfoundland Federation of Labour, who submitted a draft Bill to us. The introduction of a properly supervised apprenticeship scheme is desirable, in my opinion, and it is our wish that assistance be given to training of workmen in various trades.

We do have now some very good apprenticeship schemes in the bigger industries which are very well worked out and this Act is not intended to interfere with schemes they have, rather to encourage them and encourage employers generally to introduce newer and better schemes if possible.

The Bill will regulate the powers required for apprenticeship in various trades and it will also give additional training, that is from the Department of Education in their vocational training scheme. It will also provide for the agreement with the Government of the Dominion as they do with other Provinces who help in vocational training and they are lying in apprenticeship with vocational training. I may say that this Bill here is patterned after the New Brunswick apprenticeship act, which is probably the best in the whole Dominion and has been

working there for many years and has done a fine job.

I think this Bill will be welcomed by employers, because the standard of workmanship of tradesmen will be improved, and I think employees themselves will welcome the training they get during apprenticeship term and prove their ability to get more quickly in to a trade and make more money for themselves.

I have great pleasure, Mr. Speaker, in introducing this Bill and I now move its second reading.

MR. FOGWILL: Mr. Speaker, I rise in support of the Bill and probably may say this, the Bill perhaps is 30 years too late. I notice that the board set up under the provisions of this Bill if it becomes an Act, has a right to set the wages or remunerations paid to apprentices. Now, I don't know how this Bill will fit in with agreements already in effect between the employers in Newfoundland who work under provisions of the Federal Act and perhaps there will be no conflict at all. I have not had time to read it through, though I think it is a good Bill and I think we should have something in this country to regulate the hours and wages of apprentices. Nevertheless, I do say that maybe later in the life of this country to have such an act come into effect, may help our young men going into new trades and professions during the next few years. That would naturally depend upon how the act is applied. I notice there is a board to be set up to carry out the provisions of the act and also many other rules dealing with hours of work, which they shall work in each year, also dealing with the amount of pay an apprentice gets in this Province.



I was wondering, Mr. Speaker, if the honourable Minister in Committee, would bring forth at that time how this Bill would act as reflected upon the Federal Act dealing with the same subject. There is no doubt there is probably not in this country a big field for apprenticeship to train people to learn the trades and the trend is today that people don't learn their trade any more but I still agree that there are some who must but most people I know today who engage in some trade or profession did not go into a shop at all and learn the trade or serve a regular apprenticeship for four or five years. For instance the trade I am working in, an electrician, in many cases the people who did not serve time as an apprentice in many cases turn out better tradesmen than those who went and served time, that is a well known fact. We have in fact today, in many places in Newfoundland, in Canada and the United States where tradesmen today most likely are machine operators, there are very few places today where an apprentice goes in and serves time, perhaps a stone mason or bricklayer but today a person goes in at any age and works so much time at the job and becomes conversant with the rules of that trade and leaves after a year or years and goes some place else and sets up as a tradesman or contractor. It has happened in Newfoundland and everywhere else. Today we are faced with the fact that everybody gets out and earns a living in the quickest way possible.

There is one way though this Bill might serve a purpose and might help young men here in Newfoundland but I will say again it is a long way behind at this time in the age of this country. But I do support the Bill

with these remarks, it may help our young men and it may not, it may restrict them to working four or five years in a place where under ordinary conditions after working two or three years they could get out and earn a living for themselves contracting, which has happened and in Newfoundland men have made a success of it, particularly during the past fourteen or fifteen years. Though I support it, Sir, in principle, I am afraid some of the provisions of the Bill will not work out to the advantage of some of the young men who would go into the trades, which this Bill will cover.

MR. JACKMAN: Mr. Speaker, first of all I would like to congratulate the Minister for bringing in this very important measure. It is bound to be of great help to the younger people growing up in Newfoundland.

I wish to say that I support the Bill in principle one hundred percent. There is, however, one matter the Bill covers which I'm concerned about. In our working agreement today with the company we have a clause covering apprenticeship. I am not quite sure—I have not the contract in my pocket—I think the starting rate for apprentices is 80c. an hour and after three months it is raised to \$1.00 an hour. I believe the Act gives power to determine the wages paid. Will the board consider we have an agreement on wage rates covering apprentices? For instance in our case the starting rate for apprentices is 80c. Apart from that I certainly support the principle of the Bill.

MR. BALLAM: I think in introducing the Bill I stated it was not intended this Bill should interfere with existing apprenticeship schemes and I go along with the junior member

for St. John's East in saying that this is long overdue. I think years and years ago we should have had such legislation and we should have had something to guide young people, when they set out to learn their trade. But I can't agree that it is too late. It is never too late to do good, and if it helps or gives guidance to any young people it is still doing good. I don't think there will be any conflict with Dominion Legislature because this Act is the same Act in force in New Brunswick and almost every Province and I don't think there could be any conflict. One section of the Bill, No. 27, I think, it is: "The Minister may from time to time, with the approval of the Lieutenant Governor in Council, enter into such agreements with the Government of the Dominion of Canada, municipalities and other parties as he may deem necessary for the administration of this Act." So that I don't think there can be any conflict and I am sure it will do a lot of good. It is long overdue and I am very proud to have the privilege of introducing it.

MR. HIGGINS: I presume it is all meant for the public good.

To be referred to Committee of the Whole House on tomorrow.

Second reading of a Bill "An Act to Amend the Education (Teachers' Pensions) Act, 1950."

MR. HEFFERTON: Mr. Speaker, in moving the second reading of this Bill I may say the amendment came as a result of certain representations by the teachers' organization in the light of experience they have had during the past year since the original Act was passed. The amendments will be taken up as we go into committee. I move the second reading.

To be referred to Committee of the Whole House on tomorrow.

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

The House then adjourned accordingly.

WEDNESDAY, April 18, 1951.

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

#### Presenting Petitions

Hon. J. R. Smallwood presented a Petition from the people of Pinchard's Island, re Road.

Mr. Jackman presented a Petition from the people of Bell Island, re Public Wharf.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): I beg leave to table a report of the Accounts of the St. John's Municipal Council for the year ending March 31, 1949, together with the report of the Auditor General thereon.

Reports tabled.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, in reply to Question No. 94, by the honourable member for St. John's East.

Question: 1. What type and brand of Men's rubber boots and Boy's rubber boots were purchased on behalf of the Labrador Trading Operations last year?

2. What type and brand were supplied respectively by Parker and

Monroe, Ltd., Halley and Co., Ltd., and Ships' Stores?

3. What Rubber Manufacturers do Halley & Co., Ltd., and Ships' Stores represent in Newfoundland?

Answer: 1. The types of rubber boots purchased on behalf of the Labrador Trading Operations were—

- Men's Hip Rubbers.
- Men's Thigh Rubbers.
- Boys' Knee Rubbers.

2. The types and brands supplied were—

Parker and Monroe Ltd.—Men's Hip and Thigh Rubbers (Bluebar and Suprex Brands).

Halley and Co., Ltd.—Boys' Knee Rubbers (Lifebuoy Brand).

Ships' Stores—Boys' Knee, Men's Hip and Men's Thigh Rubbers (Action Brand).

3. Ships' Stores represent the "Action" brand, which is purchased through the Toronto Shoe Co., Toronto.

Halley and Co., Ltd., represent the Kauffman Rubber Co., Kitchener, Ont. (Lifebuoy Brand).

Parker & Monroe, Ltd., represent the Dominion Rubber Co., Montreal (Bluebar Brand) and the Hood Rubber Co., Kitchener, Ontario, (Suprex Brand).

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, in reply to Question No. 95 the report to which the question refers is an extensive one and it will take some time to copy. That work is being done and the answer is being prepared.

MR. SMALLWOOD: In reply to question No. 96 and two questions

following 97 and 98 are in course of preparation.

Mr. Speaker, I announce receipt of a message from His Honour the Lieutenant Governor.

The honourable the Minister of Finance:

The Lieutenant Governor of the Province of Newfoundland transmits estimates of sums required for the public services of the Province for the year ending March 31st, 1951, as Supplementary Supply, and in accordance with the Provisions of the British North America Act of 1867, as amended, he recommends these estimates to the House of Assembly.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

April 18th, 1951.

Mr. Speaker, I move the House into Committee of the Whole to consider certain resolutions which is the first step in bringing in a money Bill to vote this supplementary supply to His Majesty in respect to the year which came to an end on March 31, 1951. The amounts are set forth in resolutions by departments and the total is approximately three and a half million dollars, to be exact \$3,550,700.

In Committee of the Whole on resolutions, I will be, of course, glad to give the House an explanation of the amounts required and requested. I may say this, that figures which have been published in the House here of expenditures for the year in question, of expenditure in excess of the amount of expenditure shown in figures tabled in the House from time to time. The House will recall in reply to questions I tabled figures showing the total expenditure of the

Government for the first eleven months of the year and that, a few days ago, I tabled further figures showing the total expenditure for the final month of the year, the month of March. So that, at this moment, the House has before it figures showing the total expenditures of the Government for the twelve months in question. Then members may ask: Why a supplementary supply bill in the amount of three and a half million dollars, if it is not an additional amount over and above the figures already tabled and the answer, of course, is this; that in the first place this money has been spent, this three and a half million dollars has been spent but, spent without legislative authority. That is to say, when the House last voted supplies to His Majesty in respect of last year, the year ending March 31, 1951, it did not supply these amounts, nor did it vote these amounts of money for the purpose for which it was spent, and now we come asking for legislative sanction of the spending of this amount which has been spent and which amount is included in the figures already tabled in the House.

Now, furthermore, I ought to draw the attention of the House to the fact that this has no bearing whatever on interim supply, which the House has already voted in respect to the current year which began April 1, 1951, when the House recently voted some \$8,000,000 interim supply to His Majesty, pending bringing down of the Budget and Estimates for this present financial year. That has no bearing whatsoever on this supplementary supply which has a bearing only on the past fiscal year, in an amount of three and a half million dollars for which legislative sanction was not given when the Estimates

were presented last year and for which legislative sanction is now requested of the House.

I may say that the presentation of a supplementary supply after a year has passed to sanction expenditures made is not undue practice. It is not a practice introduced by this Government, it is a practice carried out, I would think, by most Governments that ever held office in Newfoundland and furthermore it is a practice carried out by most governments in the world, the reason being of course, in the course of the financial year expenditures are made by every government with regard to things not anticipated when the Estimates were brought down and therefore they are not sanctioned. Now that happens in Governments throughout the world, democratic, parliamentary governments who are answerable to parliament almost constantly in session and governments who have much better opportunity to know, to be able to anticipate its expenditures. During the course of the current year they are able to follow a practice which we don't have in this House and that is the practice of asking for additional estimates.

Now, I will state that in the House of Commons at Ottawa and also in the House of Commons at Westminster, the practice is for the Government to come before the House with estimates and after they have been approved by the House in respect to the current fiscal year they then come forward maybe weeks or maybe a month later with an entirely new set of estimates in respect of that same current year. So that in respect of each year, it is quite commonplace for two sets of estimates to come before the House, the reason being that

the first set they find it is impossible for them to anticipate a whole year in advance as to what money they will require or what money to ask the House to sanction. They bring forward what they do anticipate and get sanction for those and then later on when they know still more about what they will need they bring in additional estimates and sanction is given to these. Yet, in spite of the fact that their estimates for a given current year are brought down in two sets of estimates, in two instalments, they bring in other additional estimates. It is their practice to come in when that year is over and ask for a third set, namely supplementary supply.

In our case we bring down one set and in that set we anticipate as far as we can, what expenditure is likely to be needed for the coming year and we let it go at that, then when the year is over and we find that we needed to make additional expenditures not anticipated in the one set of estimates we take sanction in the lawful way by requesting His Honour the Lieutenant Governor to issue a special warrant from time to time and then when the House meets, bring in supplementary supply bill asking the House to concur, to sanction the supplementary expenditures made in the past year.

The reason for that, of course, is that unlike the House of Commons at Ottawa or at Westminster our House is not in session for most of the year. In Westminster the House is in session the whole of the year with the exception of Easter Holidays and Mid-summer Holidays, and at Ottawa they are in session for more than half the year for which reason,

we, who are in session a matter of two or three months find it necessary to bring supplementary estimates in after the passing of the year in question.

I move the House into Committee of the Whole in relation to the granting of supplementary supplies to His Majesty.

MR. CASHIN: Mr. Chairman, I have listened to the honourable Premier hold forth on this supplementary supply and here is what it means. Mr. Chairman, last year the House voted expenditure under ordinary account of \$26,000,000 but the Government spent \$3,500,000 more. Yes, here is your vote for 1950-51, voted last year in the House.

MR. SMALLWOOD: The honourable gentleman is quite wrong.

MR. CASHIN: I am not wrong, take for instance Economic Development; the expenditure in 1950-51 was \$2,000,000. The House voted \$32,700.

MR. SMALLWOOD: If my honourable friend will allow me, he said this three and a half million is expenditure in addition to \$26,000,000 which the House authorized last year. I say it is not so. Some of this three and a half million is indeed excess expenditure over and above the \$26,000,000 but the three and a half million is not an expenditure over and above.

MR. CASHIN: Just take the Department of Economic Development, the vote was \$23,000 last year in the House laid down in the Estimates. The Department spent two million more.

MR. SMALLWOOD: There was more than that voted last year.

May I say this so that the honourable and gallant gentleman may not be under any misunderstanding. This three and a half million is not all current account expenditure, it is current account and surplus together, and if the honourable and gallant gentleman will look at the Estimates for the Department of Economic Development last year, he will see the amount is more.

MR. CASHIN: Yes it is \$277,000 and they spent in addition \$2,000,000. In other words the department has spent for 1950-51 over two million dollars in addition to what was asked the House for. I forget the exact amount, I haven't got the figures here, but it is going to be charged up to the fiscal year. You spent last year in the Department of Economic Development over two million dollars but only took a vote from the House of \$277,000. Now the total vote for the House last year including capital account and every other kind amounted to \$38,000,000. You are asking now for three and a half million in addition for supplementary supply. Supplementary Supply, as I understand, is an additional expenditure to the amount voted in the previous year.

MR. SMALLWOOD: If the honourable and gallant gentleman will allow me: When the House votes money to His Majesty, it does not set a specific amount. Now I ask the House to take careful note of my statement: Here are the estimates. These estimates were not voted by the House. They were not voted by the House, they never are. The House votes an appropriation Bill which consists in this instance of twelve items of expenditure, or rather more than that amount, one for Legislative, one for Consolidated Revenue and so on for

each of the Departments of the Government coming to fourteen items. If the House will look it up, what is the number of the appropriation Bill? I will show the House what the House voted last year.

This is not time wasted. It is necessary that one and every member be thoroughly familiar as we begin shortly to consider the estimates, and will again be voting an appropriation Bill and going through the same procedure. It is just as well that we should all understand quite clearly what we do when we vote this money. Now here is the Bill which was passed May 13, 1950, by the House in respect of the money which the Government asked the House to vote to His Majesty for the year ending March 31, 1951. "May it please Your Majesty that the sum hereinafter mentioned to defray the expenditure of the public service of Newfoundland." May 13 is the date on which the Lieutenant Governor gave Royal Assent to the Bills enacted by the House last year.

Now what are the estimates for if they are not passed on? Why are they printed? Why are they tabled? Why read out item by item and debate them, if we don't adopt and pass them. We did not, we never did; no House ever does. The estimates are a guide to the House to indicate as closely as the Government is able to anticipate at the time what is the order and what is the nature of the expenditure the Government proposes to make in the coming financial year. It is merely a guide, within the limits of the total appropriation for each department. There is no necessity on the part of that Department or on the part of the Government to spend the amount that is authorized. There is no necessity to do that. I will give my honourable

and gallant friend an example of what I mean, and this will touch him very intimately. We put into the estimates last year an amount of \$90,000 for a hospital for Ferryland and similar amounts for cottage hospitals in other places. The mere fact an amount is shown in the estimates is not to be taken as meaning that that amount must be spent, indeed, there is no obligation upon the Government to spend any money authorized by the House with the exception of Statutory amounts; that is to say the salaries of the Governor, of the Judges of the Supreme Court and the Central District Court and the Auditor General and the interest on the public debt. These are statutory but with the exception of these amounts there is no obligation whatsoever upon the Government to spend the total amount voted to it and still less obligation to spend the particular amount shown in the estimates. There is no obligation whatsoever. Now here is the result: If in the course of a finished year, although the Government has had the money voted to it for the purpose and though the amount may be mentioned in the estimates, the Government may decide not to spend any of it or may spend part of it. It may find it has overestimated the amount they will need for a given purpose and it is permitted where this money is a countervailing saving in a given Department, that saving may be spent on something else in the same department which has been overspent or has to be done calling for more money than given in the estimates. For instance, here are two items, one for \$100 and another for \$100. On one item the expenditure was \$50 and on the other item \$150, the amount is taken from

one and applied to the other. Now in the course of the year the countervailing savings in the various departments may run up to one or two million dollars and if it is not applied to underestimated items, it would mean a total over-all surplus at the end of the year. That is why I say this amount does not represent additional expenditure for the year—I am speaking of the total of three and a half million dollars. It does not represent a net increase in the expenditure of the Government for the year, perhaps some of the items do represent an over-expenditure over and above the amount voted for the Department in question when the appropriation Bill was approved in the last session.

MR. CASHIN: Mr. Chairman, I appreciate the lengthy explanation of the Premier. It always happens when estimates are brought down, the estimates are approved and then an appropriation Bill is brought in and later the estimates are discussed. That is procedure, has always been procedure. It does not necessarily mean that this three and a half million is additional expenditure to the \$38,000,000. I know that, the Premier did not have to get up and tell me, I know it. But, unfortunately, it is an additional three and a half million. In other words the total expenditure for the year 1950-51, when they bring down the budget surplus or capital account development, will amount to over \$41,000,000 against which you show a revenue of approximately \$29,000,000—in other words a deficit of \$12,000,000 for the year 1950-51.

MR. SMALLWOOD: Very good, suppose there is only a deficit of \$2,000,000 on ordinary account.

MR. CASHIN: But I am telling you, you are going to have \$12,000,000.

MR. SMALLWOOD: How do you think, on surplus account?

MR. CASHIN: I don't know if you charge up to current or capital account. This Economic Development, I take it.

MR. SMALLWOOD: The honourable gentleman is beginning at the last item.

MR. CASHIN: Well, the first item, Legislative \$100, I don't imagine that is on capital account.

MR. SMALLWOOD: I will explain them one at a time.

MR. CASHIN: The point I want to put over, Mr. Chairman, I don't want this House to be misinformed in this respect. They are brought in when debating the estimates and an appropriation Bill is brought in to cover the amount and that is the Bill the Premier read here. True, we don't vote for the estimates, that Bill is the thing and that Bill covers the total amount in these estimates. That has always been done since 1855. It is nothing new. We don't have to hold a night school over that.

MR. FOGWILL: The fact is according to figures I have here presented from time to time, on current account, it seems to me the Government intends to show a small surplus. At the same time some of them don't jive at all. For instance the vote for the Department of Health. In that department for the first eleven months the expenditure is less than the vote, still they ask for another \$100 on that account. I think we should look into these figures we have. I can't see that we will be in a position to deal most of the money this has to deal

with now comes out of current account.

MR. SMALLWOOD: I will be glad to explain it, if we take it item by item. Mr. Speaker, the position with regard to that one hundred dollars is this: that is a total provision to give legislative sanction to a larger amount than that. There was the Commonwealth Parliamentary Association and we paid the subscription of \$800 which was not provided in the estimates of last year and Mr. Speaker's expenses while attending the New Zealand Conference. But there were contravening savings for the year in that vote and what we ask for now is \$100.

MR. CASHIN: Drop balance.

MR. SMALLWOOD: No, my honourable and gallant friend is familiar with the term drop balance which is an amount the department has and does not spend up to the end of the year; it then becomes a drop balance and goes back into the treasury. These are not—these are countervailing savings. But this hundred dollars is quite important, the answer is the expenditure during the financial year, not authorized by this House, was \$1,550 but we saved that amount, there was no net increase, we saved it out of the money voted, the money to pay the annual subscription to the Commonwealth Parliamentary Association and Mr. Speaker's expenses as our representative. Now we ask authority for doing so by putting in that token vote of \$100. If the House agrees it was all right for Mr. Speaker to go to New Zealand to represent us and for the Government to pay his expenses, if the House agrees it was all right for us to join the Commonwealth Parliamentary Association and pay \$800 annual fee, which we did out



of saving, if the House agrees, they will not give sanction by voting this \$100.

MR. FOGWILL: Is that an addition to the total voted?

MR. SMALLWOOD: It may be an addition of \$100.

MR. FOGWILL: Mr. Chairman, the figures I have here, presented by the Minister of Finance giving the expenditure for the first 11 months, were voted, but there was a saving on the total vote of just about \$900.

MR. SMALLWOOD: Yes, and the token vote of \$100 will give the legislative sanction for what we did to take some savings and apply them for these two purposes. Now we ask for confirmation and the form is to ask the House to vote a total amount of \$100.

MR. J. G. HIGGINS (Leader of the Opposition): Mr. Chairman, I think, as my colleague said, this thing has been thrown at us all of a sudden. We have not had a chance to compare it with the Estimates.

MR. SMALLWOOD: It is quite futile to compare it with the Estimates.

MR. HIGGINS: We have not had time to think it over, I would suggest that the Committee sit, rise and report progress.

MR. SMALLWOOD: That is quite right, I agree thoroughly to that. I think it is a pity to lose the afternoon. Today we will discuss the items and get an explanation, but will not pass the title of the regulations.

MR. COURAGE: The House will rise and report progress.

House resumed sitting.

MR. SMALLWOOD: Item No. 2 \$305,900 under Finance Department. This amount is made up of several items, \$15,000 for Railway Pensions. The amount provided in the original Estimates, \$260,000, proved to be inadequate by the amount of \$15,000, \$50,000 deficit on Clarendville Vessels. An amount of \$40,000 had been provided in the 1949-50 Estimates, but had not been used as the amount of the payment could not be exactly determined. A compromise agreement was eventually reached whereby they agreed to take \$50,000 for full payment. They first claimed for more than \$100,000 on this account. This is another \$50,000 which would come from surplus. There was a figure of \$70,000 in the Estimates for that purpose but it proved to be quite inadequate. Now, as the House will remember, before we were a Province we had customs revenue which people paid on certain goods but certain goods were exempt from duty and were subject to refund. For instance barrels for packing herring, they came in and duty was paid but when exported the duty paid on the barrels was refunded. Ever since we have come into office we have been confronted with bills from various firms for refunds of revenue and in the Estimates last year we made a guess—that is all we could do. We guessed that in the forthcoming year we would need \$4,000 to pay back customs duties which had to be paid back by law, but we found instead we required another \$65,000. The next item \$2,200 that is in respect to secondary United Kingdom officials. It is not finished yet, we have to vote another \$200 in respect to Mr. L. J. Machim as auditor general which were not re-

ceived in 1950-51. His services terminated in January, 1950, and we subsequently get this bill from the British Exchequer and the auditor general and paid it, we now ask the House to confirm our act. We paid it. Another amount \$150,000 interest free advance to the St. John's Municipal Council, out of surplus account in addition to the \$100,000 outright grant provided in the 1950-51 Estimates to aid the Council in its difficult post Confederation finance. This \$150,000 came from surplus account. \$150,000 Newfoundland Fair and special current account not provided for in the original Estimates. \$8,700, it became necessary during the year to acquire one more payroll machine required to provide against any mechanical breakdown of this equipment to cope with very heavy additional duties, contingent upon the decision to make deferred payments upon the relief program which accounted for almost 15,000 workers. As the House knows, all cheques issued now are issued in one department and that has necessitated the installation of very modern and up to date mechanical means of accounting and that amount of \$1,000 covers a machine for the Finance Department. \$100, and this will interest my honourable and gallant friend the member for Ferryland as well as the honourable member for Placentia and St. Mary's and other members of the National Convention. \$100, National Convention. During the year we paid long outstanding bills amounting to \$3,200 on account of the National Convention. The amount of \$100 is to give legislative sanction, there is no payment necessary since the bill has been paid by money saved out of countervailing savings, \$78,000 teachers' salaries, original provision of

\$2,600,000 proved to be inadequate and this amount was needed to meet the needs of teachers' salaries. It was spent and we now ask the House to ratify it. Pardon me, I have gone away over. Machines was the last item under Finance, that explains the \$305,900. Provincial Affairs, \$15,000. That is the outstanding cheque in respect to the National Convention, outstanding cheque presented for cashing and this amount is now asked as a total vote. Education; under this item we have \$78,000 teachers' salaries. \$5,000, school buildings and \$5,000, examination costs. These three items make up \$90,000 all on surplus account. Attorney General—\$100, that is deferred pay for ex-servicemen, that is the total amount of a late received claim for about \$600, that comes from surplus. \$500 out of countervailing savings from Attorney General Services. \$24,000 Northern Labrador Trading Operation. \$100 acquisition of land at Gander and \$5,000 Diamond Drilling. With regard to the Labrador Trading, it was found necessary during the year to extend the operations south of Hopedale and re-open the Post at Mackovik. \$100 acquisition of land at Gander, total of cover purchases at Gander to enable Newfoundland ex-servicemen to avail of the Veterans Land Act. The amount available for actual diamond drilling we overspent by \$9,000.

Public Works: That is a total vote to cover items for which there is no vote; chiefly the Portugal Cove Wharf, I hesitate to mention this but must do it. We spent the money to repair the Portugal Cove Wharf under protest and without prejudice to our contention that it ought to be spent

by the Government of Canada, not Newfoundland. We still contend, though, that they should maintain that wharf, but the wharf was falling down and without prejudice to our own claim, our own contention, we did repair the wharf. The amount was not voted, but we ask the House to confirm our action.

MR. HIGGINS: What did it cost?

MR. SMALLWOOD: \$14,000.

MR. CASHIN: In other words, we did Ottawa's job. They did not care whether the people got out of Bell Island to the Mainland here or not.

MR. SMALLWOOD: Well, it was a long drawn out argument.

MR. CASHIN: It gives us an idea about what they think of Newfoundland in Ottawa. For \$15,000 they fell down on a job—it was lousy.

HON. E. S. SPENCER (Minister of Public Works): I think it was worse than that.

MR. SMALLWOOD: Public Welfare: This is made up of a number of items. For the information of my honourable friend, the member for St. John's East, I think I can say that all of it is current account, none of it is surplus.

MR. FOGWILL: The million and a quarter is not in addition to the total vote for the Department in the estimates last year?

DR. POTTLE: Yes, mainly it is.

MR. CASHIN: In other words that department spent nearly \$11,000,000 on us.

MR. SMALLWOOD: \$5,000 travelling under the heading of Mothers'

Allowances Division. The original estimate of \$7,500 was not enough. We spent another \$5,000; \$8,000 instead of \$7,500. Dependents' Allowances \$195,000. The number of allowances for payment proved to be greater than actually estimated for 1950. The vote had to meet a number of payments in respect to 1950 because it was difficult, practically impossible, to figure payments under this system until after the opening of the 1950-51 year. The whole scheme of Mothers' Allowances and Dependents' Allowances had necessarily when the estimates were being prepared to be largely in the nature of guess estimates rather than estimates. We could not know how many widows and mothers would become entitled to get an allowance nor did we know how many dependents would become entitled to receive allowances. Anyway we underestimated on mothers' allowances and \$15,000 public assistance. That leaves for salaries \$69,000 and for travelling for relieving officers and welfare officers we underestimated by \$2,000. Public Assistance \$9,000 and for widows and orphans and infirm the original estimate was predicated upon the assumption that a great bulk would terminate upon the introduction of dependents' and mothers' allowances. It proved not to be so and it was necessary to spend this \$145,000 on widows and orphans and the infirm. Relief, \$445,000. This additional provision was required in the main to liquidate liabilities carried forward from the previous year in respect to Public Relief, Old Age and Blind Persons: Old Age \$370,000 and Blind \$15,000. The original estimate of the number of people in receipt of such pensions of \$400,000 and \$100,000 was under-calculated. The total cost of this service is shared with the Federal Govern-

ment and the Committee will understand that this expenditure of \$370,000 and \$15,000 for old age and blind pensions; 75% of this comes back from the Federal Government and later we will recover it from Ottawa but we did spend it so we ask for confirmation of it. The Manitoba Flood and Rimouski fire disasters; a contribution of \$10,000 to Winnipeg and \$5,000 to Rimouski were made during the year. The amounts were covered by contravening savings within the Department. Total vote \$100 to get legislative sanction. That is the explanation of the one and a quarter million in the Department of Public Welfare. That is gross not net.

MR. FOGWILL: How much is net?

MR. SMALLWOOD: Three-quarters of \$400,000 we get back; \$350,000—\$950,000 net and I believe all on current account. Supply, \$18,000; that is made up of two items \$10,000 office equipment. The original estimate based on normal demand from supplies proved to be inadequate, and \$8,900 for an annual grant to local councils, local town councils, original estimate of \$70,000 proved inadequate by that amount.

Fisheries and Cooperatives: These are total advances against the fisheries enquiry. We don't know exactly what that is going to cost; that is the enquiry into the fishery prices received by fishermen and received by the merchants. The enquiry straddles two years, began one year and extended into the next, not calendar years but financial years. Some of the expenditure, only a small part in the fiscal years passed and the bulk will be in the current year. Fishermen's Convention: of the total over-all cost of fishermen's convention estimated \$20,000

\$5,000 will be paid out of countervailing savings in the year past and the balance will be paid out of the current year, this present financial year.

The Fisheries Development Committee, that is the committee of which Sir Albert Walsh is Chairman, there is a total amount there for preliminary expense of about \$2,000 incurred but paid for out of countervailing savings, and we again ask the House to confirm our action in setting up the Fisheries' Development Committee and paying money to them.

Economic Development: \$1,850,100. Now, here I am not going to be as specific about the details of this amount for Economic Development. It covers payments made during the past financial year on account of the cement mill, the gypsum plant and the birch mill, the three new industries. Yes, in the interim supply the House voted, as I recall, there was a lump sum for economic development, just a lump sum of two million, in that case I think it is all right, too; it won't enable any one who ought not to know to find out what the total will be for each mill. Cement Mill: \$1,240,000; Gypsum Plant \$300,000; Birch Mill \$300,000.

MR. FOGWILL: That was spent, part payments spent in the last financial year. The balance of the cost of these three mills will of course be in the interim supply which the House has already voted in respect of the current financial year.

MR. SMALLWOOD: If that is given in a lump sum, nobody can figure out what each cost as we want to withhold that information for another week or two anyway.

Total \$4,550,700.

Mr. Chairman, I move the committee rise, report progress and beg leave to sit again on tomorrow.

#### Orders of the Day

Committee of the Whole "An Act to Make Uniform the Distribution of the Estates of Intestates."

MR. HIGGINS: I don't like section 4 (2); I think the widow should get a half in every case. Suppose she has a half dozen children, what difference does it make if the widow carries on the house and has to make a living. However I am not going to move an amendment.

HON. LESLIE R. CURTIS (Attorney General): Well the idea is to make the law uniform with other Provinces but I think it is fairer too. I don't think a widow with one child should have half, it is fairer to have one-third and the children get the rest. You must remember you are only providing for fellows too lazy to make a will.

MR. HIGGINS: That often happens, no man is ever going to die.

MR. CURTIS: If my learned friend is very strong on it, I will take the matter up with the Government, we don't have to rush. The point is if a man dies leaving a widow and one child, the widow and child get one-half each; if more than one child the widow gets one-third and the children, no matter how many, two thirds. That is the existing law.

MR. HIGGINS: What is the amount judgment carries? Is it 5%?

MR. CURTIS: I think it is 4%. The legal interest in Newfoundland is always 4%.

MR. HIGGINS: 4% I think, in judgments.

MR. CURTIS: I will check up that point.

MR. CURTIS: In clause 15, the word "Chattel" should be written in before the word "real."

MR. HIGGINS: That is the one I talked about. Suppose a woman deserts her husband there is no difference whether she is living in adultery or not. Suppose she leaves voluntarily and is living in adultery but again, suppose she has been kicked out and is starving, what is the difference once she deserts the husband? I mean where a woman voluntarily leaves her husband she is in just as bad a position as though she committed adultery. I think it is a hard position, it is a hard job to prove those things.

MR. SPENCER: I take it the honourable member wants the words "living in adultery" struck out.

MR. HIGGINS: I mean she may have good reason to leave, it makes no difference in the legal sense. Suppose I mistreat my wife, she is entitled to leave me.

MR. CURTIS: She still gets your estate.

MR. HIGGINS: But how are you going to prove the other.

MR. CURTIS: I think you can assume the proof. I have come across many cases of divorces. In all cases there were co-habitation and children. It is a very simple matter to prove, difficult to lay down for every case but I think it is a good law.

MR. HIGGINS: I know in England a man is bound to support his wife during his lifetime. Now he is supposed to support her after death. If a man dies and leaves a heavy estate he was once allowed to cut his

wife off entirely but now Buckingham put an end to that and a wife is allowed to come into court and claim she is entitled to support out of her husband's estate. Now the other claimants can claim she is a bad woman and deserted her husband. If she can claim she is a decent wife living with him at the time of his death and there is no reason to cut her out she will get a certain amount of the estate. There are cases where she is entitled to it but she is not entitled to it while living in adultery at the time of the man's death.

MR. CURTIS: I move the committee rise, report progress and ask leave to sit again.

MR. HIGGINS: I wonder might we get an interpretation of section No. 9.

MR. CURTIS: I don't know what it means.

For instance, British Columbia might pass a judgment on this and our judge could say, we don't care about British Columbia but the Supreme Court of Canada binds us all.

MR. HIGGINS: They do that in any case.

MR. CURTIS: That is the object in having Acts made uniform so that a decision on one might be a guide for all.

MR. HIGGINS: It is not so now. On certain interpretations the judges of the different provinces give different decisions.

MR. CURTIS: But my learned friend must therefore see the value of having the wording the same in all provinces as they eventually go to the same court.

MR. HIGGINS: It means nothing unless it goes to the Supreme Court of Canada.

Committee rose, reported some progress and beg leave to sit again.

Ordered to sit again on tomorrow.

Committee of the Whole on a Bill "An Act Respecting Apprenticeship."

DR. POTTLE: Mr. Chairman, I would like to draw attention to sub-clause Paragraph A—Apprentices mean a person at least 16 years of age. I would like to draw attention to this particular fact; the definition of "child" in the welfare Act is 17 years and it is worthwhile to see that the provisions of that Act do not conflict with the provisions of Child Welfare Legislature. In many cases there are provisions laid down covering the employment of children. That is the main body, there may be other effects on the employment of children and it may be wise to see that this Act may not interfere with the other Act.

HON. C. H. BALLAM (Minister of Labour): It was taken that is the school leaving age and that is the time to start apprenticeship.

DR. POTTLE: But may be employed by an employer before seven o'clock in the morning and after seven o'clock at night.

MR. BALLAM: I think as we get on with this Bill we will find sections that control all those things; control the time worked and the number of hours.

MR. FOGWILL: In connection with that clause—Age 16, I believe most apprentices serve between the age of 16 and 21, and it provides for hours of work. I would like the

honourable Minister to give some explanation of Clause 9 (D).

MR. BALLAM: You follow on, you see, Trade experience as a workman or as a member of the Armed Forces, may be taken into consideration in considering the time of apprenticeship.

MR. FOGWILL: How would that conflict with the Act. The board might give a man credit for two years, then in what rate of pay would he start? Would it be on the third year, what should be the position? If he gained the credit would he be stepped up in the number of years and wages adjusted accordingly? What is the position in relation to his fellow employees? Another man would come in with one or two years' credit and get a higher rate of pay.

MR. BALLAM: That would create dispute and the board would settle the matter. I think generally all points are covered in the Act.

MR. FOGWILL: You are going to have trouble with that.

MR. BALLAM: I don't think so, I don't anticipate any as yet.

MR. JACKMAN: I would like the honourable Minister to give some guarantee in positions like ours where we have already an agreement and the starting rate is 60c. an hour and after three months \$1.00 an hour.

MR. BALLAM: I think that is taken care of later on in section No. 4.

MR. FOGWILL: Section No. 24—Establishing wages or setting up right of wages by collective labour agreement. What particular agreement would you take? There are various ones in the trades.

MR. BALLAM: It means in any trade. For instance in any trade being carried on now if they have a collective agreement regarding apprenticeship, this Act would not conflict with it.

MR. FOGWILL: What I mean is this, for instance in Grand Falls there is one agreement and a different one in another place and there is a different wage scale in Grand Falls and Corner Brook, and in the Act established in St. John's, and you have a different set-up altogether, a different collective agreement for wages than that provided in other sections. Some places pay higher and other places less, both established by labour agreements.

MR. BALLAM: I am sure all the existing arrangements have been taken into consideration by the board. Right now they covered in the collective agreement. It will be maintained and lived up to.

MR. FOGWILL: I would like to point out the difficulties the board may be faced with. Now for instance, right here in St. John's, what would you take to be the established wage by collective agreement, would it include the railway and some of the employees in the city? What would be the established rate by agreement?

MR. BALLAM: It would be a matter which would have to be worked out by the Board.

MR. FOGWILL: I think you will have trouble under that clause.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.  
 Section 8 read and passed.  
 Section 9 read and passed.  
 Section 10 read and passed.  
 Section 11 read and passed.  
 Section 12 read and passed.  
 Section 13 read and passed.  
 Section 14 read and passed.  
 Section 15 read and passed.  
 Section 16 read and passed.  
 Section 17 read and passed.  
 Section 18 read and passed.  
 Section 19 read and passed.  
 Section 20 read and passed.  
 Section 21 read and passed.  
 Section 22 read and passed.  
 Section 23 read and passed.  
 Section 24 read and passed.  
 Section 25 read and passed.  
 Section 26 read and passed.  
 Section 27 read and passed.  
 Section 28 read and passed.

Committee rose, reported having passed the Bill without amendments.

Ordered to be read a third time on tomorrow.

Third reading of Teachers' Pensions, 1950.

MR. CURTIS: I move, Mr. Speaker, the next item on the Order Paper be deferred.

Second reading of Bill, "An Act Respecting Proof of Death of members of His Majesty's Military Naval or Air Force."

MR. CURTIS: Mr. Speaker, I will explain this Bill very briefly. It is an Act to Amend and take the place of Proof of death of Members of the Armed Services Act, 1945, and provides for the production of a certificate in writing signed or purported to be signed by certain Military men in the Department of National Defence. The person referred to will be

deemed to be dead. It is purely a formal Act just to clarify the position and make it clear without other proof that there has been a casualty. I move the second reading of this Bill.

Bill read a second time. Ordered to be referred to Committee of the Whole House on tomorrow.

MR. CURTIS: I move the adjournment of the House until tomorrow at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 19, 1951.

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

MR. SPEAKER: I have the honour to inform the honourable House that today we have been in attendance on His Honour the Lieutenant Governor, and he saw fit to give Royal assent to a Bill "An Act for the Confirmation of agreement between the Government and the Labrador Mining and Exploration Company, Limited."

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motion and Questions

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Old Age and Blind Persons' Act, 1949."



HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, Question No. 95. The answer is still in course of preparation and may arrive here during the course of the afternoon, if not, I have no doubt it will be here tomorrow at the latest. It is being prepared in the department.

#### Orders of the Day

Third reading of Bill "An Act Respecting Apprenticeship."

Bill read and passed.

Third reading of Bill "An Act to Amend the Education (Teachers' Pensions) Act, 1950."

Bill read and passed.

Committee of the Whole on Resolutions Relating to Granting of Supplementary Supply to His Majesty.

Thereupon the House resolved itself into a Committee of the Whole.

MR. SMALLWOOD: I believe it was decided to read over today, all clauses explained yesterday. I move that this vote be carried.

MR. FOGWILL: Is the schedule now passed?

MR. CHAIRMAN: We could go back.

MR. FOGWILL: I move the Committee refer back to schedule.

Mr. Chairman, there are several things in connection with the schedule, which I don't understand. We tabled questions here on certain days and received answers in relation to the revenue and expenditure for the year ending March 31. Now, I would like to know, Mr. Chairman, is this amount embodied here in addition to the amounts listed in the answers we got to questions, the total amount spent,

in the answers we got from the Minister of Finance \$26,966, are these amounts in addition to that on current account?

MR. SMALLWOOD: The answer is no. The amounts shown in the answers to questions of expenditure for the twelve months, in two instalments, first for eleven months, and then for one month, give the actual expenditure for the year, and the amounts shown here in the schedule to these resolutions are not to be added to the total amount shown in the answer to questions. The amounts shown in the answers to questions are inclusive of amounts given in these resolutions.

MR. FOGWILL: Mr. Chairman, from the answers I received here, there appears, on current account, it is the intention of the Minister of Finance to show a small surplus.

MR. SMALLWOOD: To answer, Mr. Chairman, would be to anticipate the Budget. The proper time to announce results is when the Budget is brought down and I would not dare to anticipate the Budget. The honourable member and honourable members of the House, of course, draw their own conclusions. We have tabled answers to questions showing the revenue of the Government and what was spent for the twelve months and the honourable gentlemen will draw their own conclusions. They may be correct or incorrect. The final statement of the Government's finances for the year will be shown in detail when the Budget is brought down, and I am sure my honourable friend will appreciate the fact, that I can give no other answer.

MR. FOGWILL: On the answers

given by the honourable the Minister of Finance, I can assume nothing else, then to say on current account, the Government will show a small surplus. But there is one thing here to which I must draw the attention of the honourable the Minister of Finance: In answer to questions in respect to current revenue for the first eleven months ending February 28, 1951, under heading, Board of Liquor Control, the revenue is listed as \$1,600,000 and in another answer some time later it says; revenue paid from April 1, 1950 to February 28, 1951, \$1,800,000. That is \$200,000 difference. Now there may be an error there.

MR. SMALLWOOD: I can give the honourable gentleman an answer to that, Mr. Chairman. In fact the revenue of the Board of Liquor Control passed into the treasury as trading profit at the year end was \$2,300,000, for the year, to the end of the year, that was the total of the trading profit. The Estimates, as my honourable friend can see if he looks at the Estimates for last year was \$2,200,000, actual receipts amounted to \$2,300,000 of trading profits by the Board turned in for the year to the Treasury. Now in addition to that, there was surrendered by the Board to the Treasury an amount of \$700,000 on capital account. That is return of capital borrowed by the Board from the Government, and now paid back, so that the total received by the Treasury from the Board for the year consisted of \$2,300,000, on account of trading surplus and \$700,000, on account of borrowed money returned to the Government.

MR. FOGWILL: That would make it agree to the answer here, and I am satisfied as to that.

I understand now, from the hon-

ourable the Minister of Finance, these amounts in the schedule here are not in addition to the amounts set forth in the Estimates for 1950-51.

MR. SMALLWOOD: No, I did not say that. What I said was: these are not to be added to figures of expenditure shown in the answers to questions. Because, if my honourable friend will compare the answers to his questions, and the expenditure for the year passed with the Estimates of a year ago of what would be spent in the year then ahead, he will see more was spent, according to the answers to his questions, than was estimated to be spent when the estimates were brought in a year ago. What I said was: that amount is not in excess of the answers to questions. It is partly in excess of the Estimates, but only in part.

MR. FOGWILL: Now, Mr. Chairman, I believe I understand the honourable Minister of Finance's answers. Now, as far as I can see, where they estimated \$26,500,000 they received \$26,900,000 or approximately that amount and while expenditures were estimated at \$24,000,000 it actually was such as to leave a small surplus on current account, and on surplus the exact amount estimated.

MR. SMALLWOOD: May I say something at this point. The House may remember, Mr. Chairman, that in the first session of this Assembly an Act was passed, an amendment to the Audit Act, and that amendment provided that any revenue refunded by the Government of Canada in the month following the close of the financial year, may and must be credited to the year preceding it. Revenue from the Government of Canada and any

other revenue received in the month following the close of the financial year is automatically credited to the year of which that month forms part. Any revenue received from that source one month after the close of the financial year is credited to that year, so that it will be clear that when the honourable gentleman takes our answers to questions and adds up the revenue received by the Government for twelve months, he must add to that any revenue which might be received in the month following the close of the year. Is that point made clear?

MR. FOGWILL: Yes, Mr. Chairman, that is clear. Is there any?

MR. SMALLWOOD: The month is not up yet, but this revenue, any revenue by the Government from the Government of Canada is credited to the year in question and not to the year, of which that month forms part.

MR. J. G. HIGGINS (Leader of the Opposition): We got money for pensions and family allowances.

MR. SMALLWOOD: Any money received from the Government of Canada in respect to anything received within one month after the close of the year of which the month forms part.

MR. FAHEY: In other words if they took from the Provincial Government \$1,000,000 in a given month and at the close of the year were reimbursed for benefits by the Federal Government, that would be credited to the year ahead.

MR. CURTIS: All amounts received up to April 30.

MR. FAHEY: Now, I want to get one point clear. I am not clear on this \$1,500,000 estimate. Last year

the expenditure was \$38,000,000, now you are asking us to vote another \$3,500,000 and all that makes a total, in my opinion, of \$41,500,000, but you may have a drop balance from the various departments.

MR. SMALLWOOD: If the honourable gentleman's assumptions are right, his conclusions would be right.

MR. FAHEY: We are asked to vote three and a half million here which makes \$41,000,000 roughly, then if there were a drop balance the total amount would be in the vicinity of \$40,000,000.

MR. SMALLWOOD: In reply to my honourable friend from Bell Island, that is not quite correct. This three and a half million is only partly in excess of amounts shown in the Estimates. For this reason some of the money represented in that three and a half million, which we now request in the present resolutions, some of it is money spent but not authorized, but not representing new money.

Does my honourable friend follow me? But represents savings made in different departments during the year and spent not on the purposes indicated, but rather on other purposes not voted by the House but spent on different purposes in the same Department. We are not permitted to transfer from one Department to another but are in any given department, if we have two items, a hundred dollars for one and a hundred dollars for the other—two items. One item costs \$50 and the other item costs \$150, we save fifty on the one and so take what we save on one item and apply it to pay the additional cost on the other item. That is what is known as countervailing savings, a

well known practice in all governments.

Now, some of the money in this three and a half million represents countervailing savings, therefore, the whole of this amount is not an amount in excess of the amount shown in the Estimates, it is not all new money. Some is money voted last year by the House, but spent on purposes different from the purposes indicated. There is a net increase but it is not three and a half millions.

MR. FAHEY: I can understand that, the point where you get a total vote of one hundred dollars.

MR. SMALLWOOD: That is to authorize, but the money spent was more than one hundred dollars shown.

MR. FAHEY: I understand that, but when you add it all up, the total vote still comes to three and a half millions, there may be more spent from savings in the departments, but the actual vote will be three and a half million dollars, as I see it. We vote a total sum for argument's sake of \$100, there may be \$3,000 spent and with that \$100 and various other items down through, it still adds up to three and a half millions. I will admit you may have spent more than you are still asking for, a vote of three and a half millions, as I see it.

MR. FOGWILL: One further point, Mr. Chairman: I would like to have the honourable the Minister of Finance explain, for example, the Department of Education, current account so much the actual expenditure, estimated so much leaving a drop balance of \$14,106, and in surplus account there was a sum voted estimated and expenditure in the answer I got a saving of \$25,000, total somewhere around \$46,000 and

you still ask for an additional vote here.

MR. SMALLWOOD: Well, I assume that must be a case where in addition to the spending of countervailing savings rather than allow them to become drop balance in addition to that \$90,000. More than that was spent and \$90,000 is the amount we now ask for.

MR. FOGWILL: Well, Mr. Chairman, that would be in addition to the total estimated expenditure?

MR. SMALLWOOD: It might well be, and that \$90,000 might be split up in current and surplus account?

MR. SMALLWOOD: No, in this particular account none are surplus, all are current.

MR. FOGWILL: You got a saving, but this \$46,000.00 is spend and you ask for an additional \$90,000?

MR. SMALLWOOD: Yes, and \$67,000 of that is for teachers' salaries.

MR. FOGWILL: I am not concerned about what it is for.

MR. SMALLWOOD: The whole schedule has to do with current and surplus account, and I indicated yesterday which was which, with regard to this \$90,000 it is made up: \$78,000 for teachers' salaries paid out of current account, \$5,000 school buildings. That might be surplus, and \$7,000 examination costs. It is conceivable that \$5,000 of the \$90,000 would come from surplus, I would not say that it will.

MR. COURAGE: I might mention here, we have passed this schedule, but when an honourable member wishes to speak after we have passed,

we can then move, that we revert back.

MR. HIGGINS: I think, Mr. Chairman—I did not hear the schedule being passed, it must have been done very fast. I was going to ask one question. There are total payments down here, no heading, amounts allocated to Departments to certain Departments which have not been spent, will that \$100 in Legislative, will that cover with the amounts saved the exact amount?

MR. SMALLWOOD: Exactly.

MR. FOGWILL: In that case, will it more than cover in other cases? It will not cover that but Legislative will be covered because you got a savings of \$9,600.

This is off the point, Mr. Chairman, I would suggest to you and to the honourable the Minister of Finance that when bringing in a supplementary supply bill dealing with two accounts, when dealing with total amounts to pay for the expenditures not voted under the estimates, that the honourable Minister of Finance bring in a more comprehensive explanation, so that we here will be able to vote on each particular item.

MR. COURAGE: I might mention, as chairman of the committee, that yesterday the Premier made a rather full explanation of that matter, and it was decided then, by the honourable Leader of the Opposition, that today we would merely put the total amounts.

MR. HIGGINS: Not at all, we said we could not discuss it intelligently then until after hearing the explanation and thinking over the items.

MR. COURAGE: I can assure the committee, as far as the Chair is con-

cerned there is no hurry whatever, but every member will be given opportunity to express his opinion, when he rises to address the chair.

MR. SMALLWOOD: I may say in reply to my honourable and learned friend the leader of the opposition, I am quite agreeable to accede to his request, a very reasonable request in my estimation. I may say, in presenting the supplementary supply resolutions, I have followed the normal procedure, the same exactly as in the original estimate. The details are not shown so much in these resolutions in the printed word but the verbal explanation is every bit as explicit, I think, and I am prepared to explain any point that is there. I do not pretend I carry all this information in my head, the honourable House would not believe me if I said I did, but with the help of notes I think I can explain. It is a perfectly normal procedure in every House and naturally the minister is obliged to give all necessary information in detail and I am only too pleased to do that and have no desire in the world to rush this money, what we seek is legislative sanction for what we did, there is no hurry, the money came in and we spent it and now we seek for confirmation of what we did. There was hurry when we asked for interim supply for the month that began April 1, if we had it we could not spend any after April 1, unless the interim supply were granted. Now this amount does not effect this year at all. Last year is over and done with. What we seek is legislative sanction for it. There is no hurry, we are not pressed for time. If the House says it was properly spent, perhaps the House may not agree it was properly spent in the strict sense of the word, but in the sense that rightly or wrong-

ly we did it according to our lights in the public interest. If they feel that there was no theft or robbery or misappropriation of funds or anything of that character, the House may be contented to vote authority to us for having spent this amount.

MR. FAHEY: I was just wondering if every member could get an explanation in writing it would make it easier, take for instance in Fisheries and Co-operatives. I understand there are four different items of \$100 each. I think the honourable Minister gave a good explanation but if each member had a copy in writing it would simplify things.

MR. SMALLWOOD: To have to do that for all of the estimates would take at least three months in addition to the preparation and getting printed and taking to the House and making verbal explanations, in addition to have to prepare an endless description of what the various estimates were for. It is gigantic task enough to prepare them for printing, without having to prepare written descriptions of what the amounts are.

MR. FAHEY: I was referring to the heading under the estimates here. They are detailed more or less under the various departments in the estimates anyhow, what I was referring to in this case there is a new vote on the total amount for various department. My idea was if we had to get a copy of the explanation we know there is a drop balance or saving from other departments and that it is used but we did not get that in writing. I am not referring to the estimates or the general budget at all but to this supplementary amount.

Committee rose, reported having passed the resolutions.

On motion resolutions were read a first and second time.

MR. SPEAKER: Honourable members ask leave to introduce a Bill based on same resolutions.

Thereupon the resolutions were read a first and second time and referred to a committee of the whole.

Committee rose, reported having passed the resolutions without amendments.

Thereupon the Bill was read a third time.

Committee of the Whole on Bill "An Act Respecting Proof of Death of Members of His Majesty's Military, Naval or Air Forces."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Committee rose, reported having passed the bill without amendments. Ordered to be read a third time presently.

Bill read a third time and passed.

Second reading of Bill "An Act Respecting the Safety of Workmen in Mines."

MR. SMALLWOOD: Mr. Speaker, we are not prepared to go ahead today or perhaps for some short while on the next two items. The one respecting the safety of workmen in mines has been referred to mining unions and companies for their comment and the one to make uniform the laws respecting the distribution of the estate of intestates has been referred, I think, to the legal fraternity and we are awaiting word from them. For which reasons I move consideration of the two next items on the order paper be deferred.

That being all the business for the day, I move that the House at its rising adjourn until tomorrow Monday, April 30th, at three of the clock. That means, Mr. Speaker, that the House will not meet tomorrow or next week if the motion carry, it will give the members of the Government more opportunity, than they have had in recent weeks, to concentrate on preparation for legislature that must come before the House and preparation of the estimates and budget for submission to the House. I dare say the honourable gentlemen, who are not members of the Government, may also appreciate the opportunity to attend to neglected private affairs, that claim their attention.

MR. SPEAKER: Moved and seconded that the House at its rising do now adjourn until tomorrow, Monday, April 30th, at three of the clock.

MR. FOGWILL: Mr. Speaker, I know this motion is not debatable, but I was going to suggest to the honourable House that if this motion carries it would be the third time the House has adjourned for one week since the first day of the session. Now I have some idea of the amount of work the members of the cabinet have to deal with but nevertheless I do think the honourable Premier should undertake now that the next day of sitting we should continue until the end of the session.

MR. SMALLWOOD: Yes, I think, Mr. Speaker, I can give that assurance. I see no reason why when we resume we should not go straight ahead to the conclusion of this session.

MR. FOGWILL: It is almost into the summer time now.

The House then adjourned accordingly.

MONDAY, April 30th, 1951.

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

MR. RUSSELL: Point of privilege concerning an article which appeared in the Sunday Herald, May 6th issue, which was prejudicial and maligned me as a member of the House of Assembly.

HON. J. R. SMALLWOOD (Prime Minister): Objected as the matter did not involve a point of privilege.

MR. SPEAKER: I think the procedure is to have the article in question laid on the table of the House and read by Mr. Clerk.

MR. SMALLWOOD: I think the proper procedure might be to have the necessary paper submitted to his Honour to ascertain whether any privilege of the House had been attacked through the honourable member. Your Honour is the proper one to decide.

MR. SPEAKER: Without having seen the article in question, I cannot give any decision. If the honourable member would lay the article in question on the table, I would like to have time to look it over because it is a different point to get a ruling on. I shall give a ruling on that question tomorrow.

#### Presenting Petitions

Hon. the Minister of Education from Burgoyne's Cove, re road.

Hon. the Minister of Education from Kerley's Harbour, re road.

Hon. the Minister of Public Welfare from Carbonear, re road.

Mr. Russell from Canning's Cove, re road.

### Reports of Standing and Select Committees

None.

### Notice of Motions and Questions

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Mr. Speaker, I give notice that I will on tomorrow beg leave to introduce a Bill, "An Act to Amend the St. John's Housing Corporation Act, 1944."

I also give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950."

I also give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

HON. LESLIE R. CURTIS (Attorney General): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act to Grant Certain Powers to Public Utilities," and a Bill "An Act to Further Amend the Act 5, Edward VII, Chapter 10, entitled, 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony.'" Also a Bill "An Act Further to Amend the Law Society Act."

On behalf of the Minister of Supply, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Local Government Act, 1949", and also "An Act Respecting Elections in Municipalities."

HON. DR. H. L. POTTLE (Minister of Public Welfare): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act entitled the Poultry Products Act, 1951," and also a Bill "An Act to

Provide for the Establishment of Family Courts."

HON. S. J. HEFFERTON (Minister of Education): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Memorial University (Pensions) Act, 1950."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Department of Public Works Act, 1950."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I give notice that I will on tomorrow beg leave to introduce the following Bills:

"An Act further to extend the operation of the Shipbuilding (Bounties) Amendment Act, 1945, and the Shipbuilding (Bounties) Amendment Act, 1947."

"An Act to Amend the Co-operative Development Loan Act, 1949."

"An Act to Amend the Co-operative Societies Act, 1939."

MR. FOGWILL: There are answers to four questions outstanding Nos. 95 through No. 98.

MR. SMALLWOOD: Mr. Speaker, I beg leave to table a reply to a question which was asked by, I know not whom, and I know not what number, but it has to do with the Buy Newfoundland Campaign. When the question was asked, I asked the honourable member, if he would mind waiting for the report of the Director of that campaign to be completed and submitted to the Government. That has now been done and I have pleasure in tabling the report and in



so doing, I would like to read a letter received by me, from the Associated Newfoundland Industries, which is the organization of the local manufacturers :

"Dear Mr. Premier :

At a recent meeting of this organization, we received an oral report from Mr. Don Jamieson, Director of Buy Newfoundland Products Campaign, of the program carried out during 1950, to stimulate and foster the sale of Newfoundland made goods.

The Association wishes me to convey to you our very high appreciation of this campaign. We are of the opinion that it was well carried out and that it could not but be of value to local manufacturers generally, and thus to the Province as a whole.

Your Government's interest in support of Newfoundland manufacturers is a source of real encouragement to those who are sincerely endeavouring to meet and overcome the various difficult problems, with which they have been faced in recent years.

Yours faithfully,  
(Sgd.) H. T. RENOUF,  
Secretary."

This report also, Mr. Speaker, contains some letters from manufacturers and others, expressing appreciation of the Buy Newfoundland Campaign.

There is only one copy and I suggest the honourable member, who asked the question, be responsible for the return of the report as it happens, at the moment, to be the only copy we have. I think additional

copies are to be mimeographed for the benefit of the members of the House.

Would the honourable gentleman who asked the question indicate, so that I know where the report is to go.

MR. J. G. HIGGINS (Leader of the Opposition): I asked the question, Mr. Speaker, but the main thing, I asked for was the audited account, which the honourable the Premier said was forthcoming.

MR. SMALLWOOD: That has not yet been received. I assume the Auditor General is the one who either conducts or arranges for the audit and when it has been received, it will be tabled without delay.

MR. SPEAKER: Hon. the Minister of Public Welfare—To ask leave to introduce a Bill "An Act Further to Amend the Old Age and Blind Persons Pension Act, 1949."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Committee of the Whole on Revised Rules of the House.

DEPUTY SPEAKER: I think that since Mr. Speaker is not here we are not prepared to take this one up at this time.

MR. SMALLWOOD: Excuse me, Mr. Speaker have the revised Rules been mimeographed or printed for the benefit of the members of the House?

DEPUTY SPEAKER: I think they have been delivered to the Clerks Office.

MR. SMALLWOOD: I think, Mr. Speaker, that copies, if available in the building, might be distributed to

members so that we can proceed without undue delay to consideration of them. I may say, while on my feet, it is my hope to bring down the Budget on Wednesday of next week, that is one week from Wednesday of this week, and at the same time the Estimates for this current year. I would imagine it is the desire of the House now the business is laid before it to proceed as quickly as possible to our consideration of the Revised Rules of the House. I don't know when the honourable the Speaker will return to the House. My understanding was that he would be absent today and tomorrow and perhaps be here again on Wednesday. There may be certain preliminaries in consideration of these Revised Rules, that might be met and complied with, so that by the time Mr. Speaker returns, we would be ready to proceed with the active consideration of them.

DEPUTY SPEAKER: I have been informed, the copies of the Revised Rules are not in the Clerks Office, however, I will make enquiries and find out where they are and if they can be distributed, I will have it done this afternoon.

Committee of the Whole on Bill "An Act to Make Uniform the Law Respecting the Distribution of the Estates of Intestates."

Deputy Speaker left the Chair. Mr. Horwood took the Chair of Committees.

Section 1 read and passed.  
 Section 2 read and passed.  
 Section 3 read and passed.  
 Section 4 read and passed.  
 Section 5 read and passed.  
 Section 6 read and passed.

Section 7 read and passed.  
 Section 8 read and passed.  
 Section 9 read and passed.  
 Section 10 read and passed.  
 Section 11 read and passed.  
 Section 12 read and passed.  
 Section 13 read and passed.  
 Section 14 read and passed.  
 Section 15 read and passed.  
 Section 16 read and passed.  
 Section 17 read and passed.  
 Section 18 read and passed.  
 Section 19 read and passed.  
 Section 20 read and passed.

Committee rose, reported having passed the Bill without amendments.

Ordered to be read a third time on tomorrow.

Second reading of Bill "An Act Respecting Safety of Workmen in Mines."

DR. POTTLE: Mr. Speaker, I move this order be deferred.

MR. SMALLWOOD: Mr. Speaker, that concludes the Order Paper for the day, therefore the business of the sitting. When we last met, we had cleared up just about all the business then outstanding, and today we met with virtually nothing to do, as we are not prepared to go ahead with consideration of the Revised Rules. We have, however, given notice of a large number of Bills, but unfortunately for first readings and virtually no debate unless we are ready tomorrow for second reading of a Bill "An Act Respecting Safety of Workmen in Mines." So that I think I ought to warn the House that besides having nothing that we can legally do today, tomorrow we will have very little more because on first readings there can be no debate and the Order Paper will consist mostly of first readings. First readings can be

debated only by unanimous consent, and it is a little early in the session to ask the House to waive the Rules of the House, which is never done as a standing thing, it may be done for one Bill or one item of business, but for general business of the House, waiving rules is never done until the last few days of the session, and then it is done in just about every elected House under the British Government. So that tomorrow, I take it, there is very little to be done as well.

I move the House at its rising adjourn until tomorrow, Tuesday, at three of the clock.

DEPUTY SPEAKER: Before putting that motion, I think we might distribute the copies of the Revised Rules. I have here some copies of standing order which will be distributed now.

The House then adjourned accordingly.

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TUESDAY, May 1st, 1951.

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

MR. SPEAKER: Before proceeding with the Orders of the Day, I have a ruling to give:

On Monday, April 30, the honourable the member for Bonavista South claimed a point of privilege concerning an article in a newspaper, the "Sunday Herald." The honourable the Premier thereupon rose to a point of order, and stated the honourable member did not have a point of privilege, since the privileges of the House were not concerned.

I stated that to constitute a breach

of privilege the article must concern the conduct and character of a member in that capacity, and must further be based on matters arising in the actual transaction of the business of the House. I said further, it was the usual procedure in such cases that the newspaper be tabled, and the Clerk read the article complained of to the House.

The honourable the Premier thereupon suggested that the Speaker read the article and give a ruling. Since no honourable member objected I took the newspaper passed to me by the honourable member for Bonavista South, but stated that since I did not know the article in question, I would have to consider it carefully, and give a ruling tomorrow.

I am now prepared to give that ruling:

Since to constitute a breach of privilege the article must concern the character and conduct of a member in that capacity, and must further be based on matters arising in the actual transaction of the business of the House (Beauchesne, Page 86).

I ask the honourable members to note this carefully "Matters arising in the actual transaction of the business of the House."

My ruling must therefore be based on the question: Was the honourable member criticized for anything which he said or did as a member or with regard to transaction in this House. I find this is not so, rather this is a published account of a dispute arising between two honourable members as to allegations of facts outside the House; the Cabinet is not the House. Therefore this hardly fulfils the condition of a privilege. (See Beauchesne).

MR. RUSSELL: Mr. Speaker, I do not intend, Sir, to have any disrespect whatsoever for your position or your ruling, but I wonder if you find it that this ruling applies to the whole article or the article concerned in parts?

MR. SPEAKER: I read the whole article.

MR. RUSSELL: Mr. Speaker, I wonder if I could call your attention and respectfully suggest that there is definitely an inference there, and at least one of the statements alleged to be made by me on the floor of this House was a lie.

MR. SPEAKER: I must at this point inform the honourable member, if he wishes to, he may appeal the Speaker's ruling to the House, but the question, should the ruling of the Chair be sustained, would be put forth with and without debate.

MR. RUSSELL: I so move, Mr. Speaker. May I speak in support of my motion?

MR. SPEAKER: Not without debate, but since the House must judge and some of the members may not have read the article in question, I will have it read by the Clerk, then I will put the motion.

MR. RUSSELL: Without any disrespect to Mr. Speaker, I move the Speaker's ruling be not sustained and that I be permitted to speak on the article.

MR. SPEAKER: You would not be allowed to speak if the motion were defeated.

MR. RUSSELL: Well is this motion in order? I think the honourable House has power if it so wishes to allow me to speak. Is a

motion in order that this House give me permission?

MR. SPEAKER: You must first upset the Speaker's ruling.

MR. RUSSELL: I so move; Mr. Speaker's ruling may not be sustained.

MR. JACKMAN: I second that motion.

Article read by the Clerk of the House.

MR. SPEAKER: Now, I would like to inform the House that the honourable member for Bonavista South has appealed the Speaker's ruling. Now in such cases the question is always put: I refer members to Beauchesne's "Speaker Decisions" The form is: Shall the ruling of the Chair be sustained? That is the formal way to put the question.

MR. JANES: Mr. Speaker, before you put the question it should be clearly understood what we are voting on: The decision of your honour of the validity of the article in question. Could we have the ruling read again please?

MR. SPEAKER: The motion is shall the ruling of the Chair be sustained?

Division:

Favour: Mr. Spratt, Mr. Ballam, Mr. Hefferton, Mr. Morgan, Mr. Mackinson, Mr. Button, Mr. Janes, Mr. Horwood, Mr. Forsey, Mr. Keough, Mr. Curtis, Mr. Smallwood, Dr. Pottle, Mr. Chalker, Mr. Vardy.

Against: Mr. Russell, Mr. Higgins, Mr. Fogwill, Mr. Jackman, Mr. Miller, Mr. Fahey.

MR. SPEAKER: The ruling of the chair is sustained.

MR. RUSSELL: To a point of Order, Mr. Speaker, that vote just taken was on the decision taken, the decision rendered by this House. Does that now rule out my appeal to the sportsmanship and fighting spirit, that is over now, is it?

MR. SPEAKER: That was to come afterwards, in the event the Speaker's ruling was not sustained, the honourable member would then have had the right to ask Mr. Speaker's permission.

MR. SMALLWOOD: I might be of some help. If the honourable member would like to discuss the matter dealing with the article, might I make a suggestion, a very practical suggestion—that he resign his seat and go back to his district and let his people decide.

MR. HIGGINS: There is no debate.

MR. CASHIN: Mr. Speaker, there is no debate and the Premier is also out of order. I might say last year, in a similar matter, the House would not listen to me when I attacked that rag and I intend to have something more to say about it when the Budget comes down, and about these two crooks that run it.

#### Presenting Petitions

MR. SMALLWOOD: Mr. Speaker, on behalf of your Honour who is not, while in the Chair, in a position to do so, I present a petition from the people in Fortune Bay in the Province of Newfoundland signed by a considerable number of names of fishermen of St. Jacques, Belleoram, and Corbin, and on behalf of Boxey by a

considerable number of names as well.

Mr. Speaker, you have informed me that you have already, in the present session, presented a petition from another part of Fortune Bay on this same matter of herring protection, that you have taken the matter to the attention of the Newfoundland Fisheries Board, headed by Mr. Gushue, as the matter is within Federal jurisdiction and not Provincial, I am sure the petition will be forwarded to the department to which it relates, which will indeed probably be very happy to assist your Honour, as the member for that District, in connection with the Federal Authorities concerned.

#### Reports of Standing and Select Committee

None.

#### Notice of Motion and Question

DR. POTTLE: I give notice I will on tomorrow ask leave to introduce a Bill entitled "a Bill an Act Relating to Wild Life."

A Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of lands acquired for such purpose."

MR. HIGGINS: I give notice of question on tomorrow.

MR. FOGWILL: I want to refer, Mr. Speaker, to some questions on the Order Paper of April 18, which up to the present have not been answered. Question Nos. 95, 96, 97, and 98. Those questions have not been answered yet.

MR. SPRATT: Mr. Speaker, I beg leave to introduce a Bill "An Act

to Amend the St. John's Housing Corporation Act, 1944."

Read a first time. Ordered read a second time on tomorrow.

MR. CASHIN: Mr. Speaker, I wonder if the honourable Minister has a copy of that Bill ready. I know it is first reading, but he might have those bills printed now.

MR. SPRATT: I made enquiries this afternoon. They will be ready tomorrow. I could not do any better.

Read a first time. Ordered read a second time on tomorrow.

MR. SPRATT: I beg leave to introduce a Bill "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950."

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

MR. SPRATT: I beg leave to introduce a Bill "An Act to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

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

MR. CURTIS: I beg leave to introduce a Bill "An Act to Grant Certain Powers to Public Utilities.

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

A Bill "An Act Further to Amend the Law Society Act."

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

A Bill "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled, 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony.'"

Ordered read a first time tomorrow, second time on tomorrow.

MR. FORSEY: I beg leave to introduce a Bill "An Act Further to Amend the Local Government Act, 1949."

Ordered read a first time, tomorrow.

A Bill "An Act respecting Elections in Municipalities."

Ordered read a first time on tomorrow.

DR. POTTLE: I beg leave to introduce a Bill entitled "The Poultry and Poultry Products Act, 1951."

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

"An Act to Provide for Establishment of Family Courts."

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

MR. HEFFERTON: I beg leave to introduce a Bill "An Act to Amend the Memorial University (Pensions) Act, 1950."

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

MR. SPENCER: I beg leave to introduce a Bill "An Act to Amend the Department of Public Works Act, 1950."

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

MR. KEOUGH: I beg leave to introduce a Bill, "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

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

"An Act to Amend the Co-operative Societies Act, 1939."

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

A Bill, "An Act to Amend the Co-operative Development Loan Act, 1949."

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

Following Bills were read a third time :

A Bill "An Act to Make Uniform the Law Respecting the Distribution of the Estates of Intestates."

Ordered passed and title be as on the Order Paper.

Committee of the Whole: Revised Rules of the House.

MR. SMALLWOOD: Mr. Speaker, we might defer consideration of that matter, for the time being, and move on to second reading of a Bill "An Act Respecting the Safety of Workmen in Mines."

Second reading of a Bill "An Act Respecting the Safety of Workmen in Mines."

Moved and seconded this Bill be now read a second time.

MR. CASHIN: Mr. Speaker, has this Bill been distributed?

MR. SPEAKER: Yes it has.

DR. POTTLE: Mr. Speaker, in moving the second reading of this Bill, I should like to say to the House, the remarks I shall make on second reading will be in the main divided into three parts: First I shall give a general statement of the objects and reasons which will provide some brief history and background for the Bill; the second phase of my remarks will deal with some of the specific elements of the substance

in the Bill, some of the practical features the Bill includes; and in the third instance undertake to make some general observations on the character and significance of the Bill.

Now for the objects or reasons, the background of this Bill having to do with safety of workmen in mines. The reason, in part, why this Bill comes to us at this stage is because the present legislation most directly related to administering the code; namely: Chapter 132, Consolidated Statutes 1916, entitled "Regulations of Mines" is obsolete. It is forty-three years old and, as far as we know, is patterned after the British Coal Mine Act of 1855.

In the next place, for fifteen years now, the Government of Newfoundland has engaged various inspectors from the Mainland, mainly from Ontario and Quebec, to make periodic surveys and reports on this subject. Every one of these reports has, in its turn, recommended a change in legislation relating to safety of workmen in mines, and their recommendations concur in subject as well as in principle with the suggestions which this Bill contains.

In the third phase, the recommendations which are provided under section 9 of the prevailing laws, namely: the Chapter 132, Consolidated Statutes 1916, are not sufficiently detailed or adequately geared to the new conditions of mining operations. Consequently, the critical matter of safety of workmen is left to be a matter of individual judgment on the part of various managements and, therefore, the whole subject is one that might be one of dispute in a very important matter, no less important than a matter of life and death. Moreover, as against the regulations

of the 1916 Statutes, the Bill now proposed for second reading contains 274 regulations.

Now Sir, from the point of view of management, it is very important that there be a code which the management can lean back upon as being a code which is desirable for the efficient and safe operations of the working of its industry. There are the advantages to the operation that such a code provides in protection for Workmen, which is the basic substance of the Bill and, therefore, the Bill is of advantage not only to management but also to the Workmen themselves.

Every miner would have a feeling of more security, greater personal safety, when he knows the mining code under which he does his work, in his daily routine of mining, conforms to the best known safety practice.

Furthermore, Sir, in order to indicate the importance of the Bill, or the worthwhileness of the Bill, I should like to say it has been devised and recommended to us by an authority in the field, namely Professor A. C. Corlett. I shall read his credentials for the House: He has had some twenty years experience as mines manager in Quebec and has developed a reputation as the best operator in the whole of Canada. In 1950 he received the gold medal of the Canadian Institute of Mines and Mineralogy for his contribution to the industry. For the past two years he has been a Professor of Mining at Queens University in Kingston, Ontario, but is still actively associated with a number of operations. As an authority then it would be difficult and perhaps impossible to find a more competent person for our

purpose. In the actual preparation of the Bill considerable assistance was received from Departmental personnel of Manitoba, Quebec, and Ontario.

Mr. Corlett made an inspection of Newfoundland mines in 1944. Now Professor Corlett has not only proposed the Bill in question, but he has also made a very comprehensive study dated 1950 which outlined, which is, in fact, the end result of a number of inspections and reports which have been made on Newfoundland mines, over, I should say, the last fifteen years. Those reports have given Newfoundland the advantage of continuous and sustained, progressive attention to our basic mining industry, but this report as well as its predecessors has no statutory basis, is not compelled or ordered by any law, it is a voluntary undertaking.

Now, in the next place, Sir, the regulations follow closely the regulations of the Mining Act of Quebec and follow them for two reasons: One, because that Province has one of the newest mining codes developed in 1949. That code follows and takes advantage of the principle of the mining laws of all the Provinces of Canada, the United States, of Australia and different European countries and can be called a kind of eclectic work, the choosing of the best out of a variety, or the synthesis of the best work in the field.

The second reason is that, as the House and the public well know, this Province will shortly be undertaking operations in the Canadian, Quebec and Newfoundland region, where the two provinces of Newfoundland and Quebec will be closely



related in a joint enterprise. The ore bodies there lie directly across the boundary, and it is considered advisable the two mining codes for the two provinces, affecting the safety of workmen, should be as closely similar as possible.

Now I come in the second instance to the subject of the Bill. This Bill which is composed of 23 clauses provides for administration, provides for structure, provides for making general provisions for the setting up of the proper services of the department concerned to administer and see that these provisions are carried out.

The regulations which are the heart of the Bill, 274 of them, constitute a mining code, they are a comprehensive standard such as we have never had in Newfoundland, and these I shall enumerate in some detail later on in this address.

Specifically, the Act or Bill is concerned centrally with the safety of workmen, and more precisely has to do with such matters as insuring that proper head-dress is worn in the mines. It is a safe presumption that many accidents, fatal and near fatal, would be avoided largely if not entirely by one simple fact or one simple act of having proper protective head-dress, a helmet. One clause which has to do with that, clause 22 reads: "Every person employed underground shall wear an accepted and approved protective head covering."

Another aspect of safety has to do with reducing the possibility of fatigue, because fatigue, Sir, is very directly related to incidence of accidents and one of the clauses has to do with reduction of fatigue. For instance, for the benefit of honourable members, it has to do with proper position of runs and ladderways and

implementation of ladderways. In the third instance another factor is concerned with the use of rope for hoisting and particularly the careful, limited use of spliced rope, and these provisions, which will be examined more carefully in committee, are contained in clauses 63 through 73.

There is another aspect having to do with safety which is concerned particularly with a technical term called "face cleaning." That is not a domestic phrase but rather a mining phrase in this connection, Sir, it has to do with proper preparation of the face of the mine by proper clearing, that is to say, that there will be no over-burden of dangerous rock and the whole matter of keeping the walls of the pit in a safe condition.

Now in Newfoundland the tendency is very largely, I understand, for the miner to leave safety to the face cleaner whereas in good mining practice the face cleaner is really only a help to the miner's own efforts for his own safety, in other words: in good mining practice, the individual miner looks after himself, it is a good place for individuals to work looking after his own safety. While the face cleaner does some extra duty, which while useful, it actually does not take the place of the miner, as far as his safety is concerned.

I mentioned just now, I would indicate how comprehensive these regulations are where they have to do with the following topic: There is a provision for age limits of employees, a very important welfare concern. There is a section having to do with occupational work; signals, cages, shafts, passageways, leaders, underwater ground haulage, ventilation, protection from water, protection from fires and use of explosives, boilers

and compressor air tanks, use of electricity, comprising, Sir, in all a comprehensive mining code. Moreover, in order to insure that the Act will be adaptable to existing conditions everywhere, this range of topics does not suffice, there is provision even beyond that for the Lieutenant Governor-in-Council, under section 20, to make other regulations such as it deems necessary.

Now, in the last phase, Sir, I come to some general observations on this Bill. The House must expect me to say this, where there is an opportunity to say it, that this Bill is broadly speaking a welfare measure having to do with preservation of life. Probably passing laws is not the ideal way to preserve life, or to bring home to people the importance of compelling them or having them to do what they should do voluntarily for their own good. But there is a place for legislature in this matter, Sir, and management and labour both, when they are properly enlightened, and they are becoming far more, each in its own way in this land, they will regard legislature of this kind as being in their best interest. Hence the crux of the Bill has to do largely though it is not explicitly so, with education of workmen in safety mindedness, that is the first essential.

I have drawn attention already to the necessity of this in the matter of face cleaning, the workman should not trust his safety to another workman known as a face cleaner. As I have indicated, the face cleaner's work should be supplementary to the miner's own individual efforts to protect his own life. Education in safety mindedness with regards to wearing of helmets—this is a central feature of the Bill and is regarded as being

altogether necessary to enable the Bill, in its entirety, to achieve the end it has in mind. Now Corlett, who has given us a statement in his 1950 report on this matter, says: "Education in safety-mindedness is urgently needed in Newfoundland and both workmen and employers will prove thereby one of the most prolific causes of accident is not the underground mine conditions but daring workers prone to take a chance rather than do a job the safe way. It is important that all workmen be instructed in the safe way." One example, that work is the result of safety, is, I submit, Buchans Mine which has been run six months without a lost time accident, only two lost time during 1949, the whole being an example of the importance of safety mindedness on the part of the management, and of the workmen. In the long run it might be stated that management is entirely responsible for accident records in spite of careless workmen or any other factor. Management is responsible for maintenance of work so that there are no accidents under certain situations, which could produce an accident and if allowed to prevail will produce an accident. The responsibility of training of employees to do work required and do it safely, is one of management. Newfoundland underground working men have bad working habits and it will require intensive work to cure them of those habits. Most trivial accidents and most not so trivial are not contributed by mine conditions.

On the same page he say: "A useful form of education for the employers will be the necessity to report all lost time accidents to the Division of Mines." That is the phrase he uses which does not quite accord with our

organization here. There is no Division of Mines as such but in clause 5 and clause 6 of the Bill provision is explicitly made for every lost time accident to be reported by the management. And in clause 6, in cases of fatal accident, a report forthwith by telephone or telegraph by the Chief Inspector is provided by the Bill. Now he goes on to say in the preliminary part of his report: "The main requirement for improved safety of men in mines is education of men, and in some cases of management. More careful instructions in the proper ways to do mining work, and on page three he further says: "Education in safety fire practice is urgently needed in Newfoundland mining."

Now, I have just referred, Mr. Speaker, to this question of accidents. We are dealing here not with abstracts but we are dealing with matter of life and death, which involves a large part of our population and the accident rate we must regret to say is higher in Newfoundland than it ought to be. I am going to take the liberty, if I may, Sir, to make a statement here on accident rate which will not be comforting to this House, but this is not time for sentiment. Rather if we can profit by this state of affairs, so much the better. There is in this table, appendix "1" Professor Corlett, the accident reports of 29 metal mines of Quebec for 1950. When we take our best record, the record of our best mine in Newfoundland, the best accident record in the same year in Newfoundland, there were 20 of the best mines still better than our best and our next best record is worse than the worst of the 29. I should like to state a principle here, as far as I can understand it, that the high accident rate goes hand

in hand with low efficiency. It is a fact, Sir, based upon world experience in mining that strict adherence to good safety practice will increase rather than diminish production. It is also a fact that those mining operations which adhere to a sound mining code are always the lowest cost operations in their particular field. These facts gather more and more importance when we realize that under present day operations such facts as unemployment insurance and workmen's compensation insurance, provisions of adequate safety are a substantial part of the total cost of the mining undertaking.

Now, Sir, next I should like to discuss, before I sit down, briefly, the economy of mining in Newfoundland.

It is safe to say that everyone of our main mining operations in Newfoundland can be regarded as a high cost operation. If we may specify without harm, and I think we can, we are all Newfoundlanders together. In the case of Buchans the situation is hopeful, largely because the product which Buchans exports is in demand and it has commanded a high base metal price, consequently can allow a high cost of operation without seriously endangering the margin of profit. It is still a fact, however, that even there the cost of production of a ton of ore, when compared with similar operations elsewhere, must be regarded as high. The same might be said of fluorspar at St. Lawrence and there we have to add the extra feature of cost of underwater operation, as I understand the mines are very wet. Still closer home, at Bell Island, the situation is different. It is true that the demand is great and becoming greater for this sort of product, but

it is a cheap commodity, one of the cheapest because the great bulk of world iron ore is not produced from underground but from open pits where the supply is mined at relatively low cost. Underground operations on the other hand are costly in any case. We have the further advantage of being at tide-water but to process the ore by the phosphate from Bell Island adds another element of cost. Consequently the product of Bell Island is not classed as premium ore and will secure only the lowest price obtained for the less desirable type of iron ore. I say this as in order to compete with any hope of success over a long period, the ore cost must be reduced and the production per man per day stepped up. I understand it to be a fact that Bell Island output is between two and a half and three tons per man per day, whereas, in one of the best mines of Lake Superior Region where the conditions are fairly competent, the output is eight and a quarter tons per man per day. And in this regard the anticipated output for Labrador operations where the mine is an open mine, will be sixty tons per man per day.

I must come back to the point, Sir, in order to compete successfully we will have to, in this particular field, increase our efficiency, and increase our productivity by better methods of work and lower overhead cost of products.

Now summarily, Sir, this Bill is designed to assist and protect three different groups. It is obviously designed to protect the workmen, that is the central character of the Bill which has to do with safety of workmen in mines. In the second case it assists and protects the management in that under a code, such as this, they

have assurance the operation is being carried on with due regard to safety, as long as they can conform with the law and all together collectively benefit. Where the Act is honestly carried out the possibility of contentions and friction is reduced, and in the third instance it protects and assists the Government which has an overall duty to concern itself with the well-being of all people. Furthermore when operating under a sound mining code, there is a possibility first of less accidents and secondly of more efficient production.

This Bill, it should be said, while it is new, is not new. It is new in the sense that it is law but not new in the sense that we are already operating a good deal of what the law contains, and have the advantage of having our present practice or most of it provided by law. You can maintain and conduct mining operations on good will when there is satisfactory relationship between management and labour, but this legislation largely gives it statutes of law, whereas we have gone on a long time on good will and gentlemanly agreements.

I instanced before, Sir, that these reports, good as they are, have not been ordered by any statutes. We could not order them, we have no way of ordering surveys or of conducting any as they have no statutory basis, but this Bill will provide for the machinery. All inquiries on accidents in the past have been incomplete.

Now, before I conclude, Sir, I would like to pay tribute to the management of our mines, who I understand on very good authority have co-operated excellently and intelli-

gently in bringing about better working conditions in the mines of this Province, and the fact that we have before us a mining code for consideration today is in a large point a tribute to their point of view, their interest and alertness to the need of this thing.

Before I sit down, Sir, I should like to say to the House that the House must be quite aware that I probably feel more at home discussing the shadowy figures in the clouds than the practical things of earth and indeed, it is all a foreign subject to me but it is nice to be earthy sometimes; it is not to be frowned upon.

I should like, Sir, the House to know that these are not comments originating with me. Wherever a factual statement has been produced for my benefit and therefore for the benefit of the House, it has been the work of Mr. Claude K. Howse who is present here today. It is largely through his sustained efforts that we have this before us at this moment for consideration and I should like to make that commendation as I proceed to close. The original draft, I think, of the Bill was presented to the companies, August 17, 1950 and revised on November 1, 1950. We have had one comment, and it is my view, Sir, that can be answered by correspondence and need not make any difference to the Bill. Unions were informed also and given copies. From these we have received no comment. There may be questions affecting the principle of the Bill, if so these could be noted and debated and second reading adjourned, if there are questions only to sections of the Bill it could be taken up in committee.

I reiterate this is a welfare measure and will denote a step forward of our

life in Newfoundland, especially the life of workmen in our mines who are directly concerned in this measure, I believe it will mean a great deal in carrying forward in a field where enlightened legislation is most essential.

I submit this Bill to the favourable consideration of the House and move its second reading.

Moved and seconded this Bill be read a second time.

MR. SMALLWOOD It seems to me, Mr. Speaker, it would be a great pity if this occasion were allowed to pass with no more than a comment from the Honourable the Acting Minister of Natural Resources, and if other members of the House do not say at least a word or so to express their concurrence in the principle of this Bill.

I have no hesitation whatsoever in expressing my own personal support of the Bill because the presentation of this Bill in the House today represents for me the realization of a wish that I have held for many years past. I called it always, in my own mind, The Mines Regulations Act, by which title I believe the legislation we already have is known, and has been known for many years past. The need to modernize that legislation was as great as was the need to modernize our Workmen's Compensation Legislation, which has been done.

It is quite likely that mines will increase in this Province. It seems now that the Buchans Mine is likely to have a life of at least twenty-five or thirty years more. It seems extremely likely that the new mine producing copper will be established at Gull Lake this year, and practically certain that a new mine will be established this year at Pilley's Island and there

is an extremely good possibility of mines starting in several other places in Newfoundland this year or next. With the growth of mining activities in Newfoundland it becomes increasingly important that our legislation for regulation of mines in respect to safety of workmen should be modernized and brought into line with the best they have on the mainland of Canada and particularly in the Provinces of Quebec and Ontario. It is a particular satisfaction, a particular gratification to me personally after believing as I have done for so many years past in the necessity for this very legislation, to live to see the day when I should be associated with a Government that has the honour and the opportunity to bring that Legislature before this House. I am sure my honourable friend, the Minister of Labour, must be feeling similar satisfaction to see this legislation here today and I am sure that my honourable friend, the member for Labrador, with his well known interest in the labour matters now and in the past, must be very deeply gratified indeed to see this Bill before the House. I am quite sure my honourable friend the junior member for St. John's East and my honourable friend or friends the two members for Harbour Main and Bell Island must be at least as gratified to see this modern and progressive and very necessary legislation brought before the House today. I am sure, too, that it must be a matter of considerable satisfaction to the general organizers in Newfoundland for the Trades and Labour Congress of Canada who are present in this Chamber this afternoon. All around then it must be a matter of some pride and considerable gratification that this Bill has been brought forward. In

conclusion I think I could well anticipate some amendment or improvement in the Bill in Committee of the Whole for detailed consideration. Here now at second reading I feel that the whole House must agree that there can be no disagreement on the desirability of the principles set forth in this Bill today.

MR. BALLAM: Mr. Speaker, I must associate myself with the introducer and also the honourable the Premier who have just spoken on this. I would say it is a first class piece of necessary legislation which, in my opinion, I am quite sure has been needed for some years past. We did have in our Public Works, I think, an Act or some Regulations regarding the safety of workers in mines and I recall with great interest just last year or early in this year we had quite a major dispute arising because of an accident in the Bell Island Mines, where we saw the necessity, if you like, for a more up to date and newer legislation respecting the safety of workers. That accident, you may recall, shut down the mines for quite some time, and if through lack of safety a big industry of that sort is shut down, it creates a hardship for all concerned. As a matter of fact, I spoke myself about it, and I thought I might have the honour of bringing this piece of legislation into the House but as it is connected with mines, etc., it was decided to bring it in from that quarter. However, I do associate myself with the necessity for it and I congratulate the honourable Minister for his excellent presentation of it this afternoon. It will certainly have a great effect, it is practically certain of a great effect on various parts of my Department as it affects very seriously the payment of Workmen's Compensation in

case of accident. Safety is one of the greatest and biggest issues in industry today. You will find in all big industries that one of the many departments is that dealing with safety etc. Safety, especially in mines which is very hazardous and it is very desirable indeed to have these regulations.

Once again I should like to commend the honourable Minister for his excellent presentation which he made this afternoon and those who have assisted him in bringing about this excellent Bill. I have great pleasure in associating myself with them and I move that it would be accepted by the House.

MR. SPENCER: Mr. Speaker, I feel that this particular piece of legislation of which the second reading has been moved today by the honourable the Acting Minister of Natural Resources, is, as has already been stated by one or two speakers, something of a very timely nature. I too was very happy to sit so close to my colleague, the honourable Minister of Public Welfare, when he introduced this Bill. I paid very particular attention to his comments, and my mind could not help going back, on listening to him, to my early days as a young lad and to the mines of Bell Island where accidents were far more frequent than they are today. I recollect when I went to Bell Island in 1908, the Company on that occasion was in dire stress and worry over the continued, week after week, series of accidents that were occurring. It became so bad and so continuous that the Manager, a very respected friend of mine, the late R. E. Sumner, was just about frantic in his efforts to urge his shift to exercise all possible care with a view to trying to avoid

too many accidents. It was just racking his nerves and the nerves of all connected with the mines on that occasion. It became so bad that every Friday, superstitious or otherwise, the men expected that on Friday there would be an accident and it was a very remarkable coincidence, week after week, I recall as a youngster over there assisting in my humble way the medical doctor day after day in trying to clean up or do some little thing to help and alleviate the suffering, during that continuous period of accidents. Very shortly after that the Company inaugurated a special safety committee. I believe they always did have a safety committee on Bell Island. I am sorry my honourable friend, the junior member for Bell Island-Harbour Main, was absent when the honourable Minister of Public Welfare introduced this Bill as his comments were well worth remembering and the statistics given for the benefit of this House, particularly for those who had not read the report of Mr. Corlett. Most of us have read it. But their presentation was certainly well done and, certainly, I am sure our friends of the various unions present in the Chamber this afternoon, will remember and possibly be able to pass on to some of their fellow unionists that information.

On the occasion of these safety committees I spoke of, it was my privilege as a young man to act on this and a number of safety committees over there for many years, and if by any chance the introduction of this Bill would convey the impression that this is the first effort it certainly was not so intended, and this introduction certainly did not intend such.

Prior to 1910, or about that time, we did under the Department of

Public Works, organize a mining act. We did, in those days, have a mining inspector, something that was dropped as time went on and I think regretably so. The Mines Inspector could have been very well continued as he did in many cases contribute to the safety of his fellow workmen. I contend the companies have tried to do their utmost and I am glad some credit was given to them in Mr. Corlett's report as referred to by the mover of the second reading.

It is my pleasure to represent a district where there is another very prominent mining operation, and we have here this afternoon, visitors from Buchans representing the labour organizations up there and know something about that great industry. Well and deserving tribute has been paid to the companies and people there for work, which while good, is yet not quite good enough.

I am happy that conditions on Bell Island have improved and the fact has been stressed that too many accidents occur there. We know that is so but have not lost sight of the fact it is quite an extensive industry and has not even begun to slacken over a period of some 40 years and this piece of legislation is something to be proud of, something of which the Department introducing it and those responsible for and those who helped to formulate it, have every reason to feel proud.

Though I may not seem much of a miner, I spent some time as a mining engineer, some 20 years in underground mining in Bell Island and had, during that time, good reason to observe many things that bear out the remarks of the writer of that report, Mr. Corlett, with regard to carelessness of workmen. It is unfortun-

ately true, I have often seen men unfortunately floored, with my own eyes, not once or twice but on a great many occasions. I actually saw a piece of mineral fall from the hanging wall on several occasions and by Divine Providence luckily was not standing underneath it but it has been my sad task from time to time to aid men who had suffered such accidents. The honourable Minister referred to the face cleaner and to the fact that the face cleaner could not be entirely responsible for the safety of workmen. Those who work in the mines where face cleaning is a common practice know it is so and moreover the little book of regulations published by the various mining companies holds one of the first regulations is that the safety of the workman is his own first duty. It is true the face cleaner contributes largely to it and it is all very well that we see this made law with this legislature.

Mr. Speaker, I have much pleasure in supporting this Bill as moved by the honourable the Acting Minister of Natural Resources this afternoon, and I feel sure it will be received by the House and we trust will be of great benefit to the mining interests and industries of this Province.

Moved and seconded this Bill be read a second time. Ordered referred to Committee of the Whole on tomorrow.

Second reading of a Bill "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949."

DR. POTTLE: Mr. Speaker, this amendment carries one amendment which provides that the Old Age Pensions Board should make an annual report to the Minister of



Public Welfare. It is minor but of some importance in that it makes that division uniform with the other divisions of the Department and it is very convenient for making the annual report of the Department. It is a formal amendment and I move the second reading.

Bill read a second time, ordered referred to committee of the whole on tomorrow.

MR. SMALLWOOD: The remaining order not disposed of today is the Committee of the Whole on revised rules of the House. Now, we here are prepared to go ahead with consideration of the regulations and indeed are prepared to go into committee of the whole on the revised rules, however although it is true they were tabled here before the long adjournment, they were tabled in one copy only, since which time, on yesterday, copies were tabled for all members of the House and it may be that some Honourable gentlemen would prefer not to proceed at once to committee of the whole on this matter. So far as the Government are concerned, they are prepared to go ahead but there is no desire whatsoever to rush the matter or press the matter, and if it is the desire of the honourable members not to proceed today to committee of the whole on these resolutions I would be perfectly happy, and I think in that I speak for my colleagues, in which case we might perhaps proceed tomorrow. Now, His Honour the Speaker, will, I understand, be back tomorrow or he expected to be when he left for the Mainland. Although it is not perhaps necessary that His Honour should be present at the very commencement of the committee of the whole, it is admittedly quite desirable that he should be present throughout

most of the period of consideration. Although, as I say, we can commence without His Honour being present amongst us. Now I am in the hands of the House in this matter. It is now ten minutes to five and if the House is prepared to go forward with this order of business I am perfectly satisfied, if not I am perhaps almost as satisfied. Could we have some indication from my honourable and learned friend, the Leader of the Opposition, as to where he stands in this matter. We could then govern ourselves accordingly.

MR. FOGWILL: Mr. Speaker, on this committee of revised rules of the House, Sir, I understand there was a committee appointed for the purpose of going into the matter. I was wondering about the progress of the committee of the whole on these resolutions as to where the report of the select committee comes in, I don't think there has been any report up to this time.

MR. SPEAKER: I don't know, but I know it was moved and seconded that we go into committee of the whole House and it has a prominent place on the Order Paper.

MR. CASHIN: I recollect I was supposed to be a member of that committee. I did not, Sir, draft these new rules and this is the first I knew about it.

MR. SMALLWOOD: That is the usual thing with committees.

MR. CASHIN: With respect to the Rules of the House I expect the committee met some time, I did not know they met. I think my name was mentioned, I am not sure, but in this case it is the rules of the House and not a Bill being introduced.

MR. SMALLWOOD: I understand the committee is to allow for more debate. They could be considered far more in committee, there the debate is more informal and gives the members more elbow-room. That is why the committee moved into a whole and they have appeared on the order paper yesterday and again today and it is the next order at this moment before us. I am now trying to ascertain whether the House is ready to go into committee of the whole to revise those rules, and if the Honourable Leader of the Opposition would indicate his party's feelings, we would be quite happy on our part to concur with regards to that.

MR. HIGGINS: There was a select committee appointed, I don't recall the names on the list but I was on it myself. Only last night I heard from my colleague here, the Member for St. John's East, that he never signed it. I know I went over some of the rules with Mr. Speaker at night but we did not finish them but I know there were certain corrections he suggested and I suggested, and last night I found from the copy given me that these corrections were not made. But two members cannot possibly carry out the duties of a select committee. Since it was appointed I think it should give in a report, so that the House can criticize these rules intelligently, I don't think we were three hours the first night and three hours was not enough to get us half way through, and I have heard not a word since, I presumed all the other members did, but I only went over half the rules with Mr. Speaker.

To go through this intelligently is a most difficult thing to do.

MR. SMALLWOOD: It might take more than three or four days. I notice

in the new section here there are two or three things which we had agreed to cut out.

MR. SPEAKER: I put it for the honourable member and the House in general, this has been on the Order Paper now for a considerable time, before we adjourned for four days and the Honourable Speaker referred to it two or three times and said it was not quite ready, so I presume as it is on the Order.

MR. HIGGINS: I move this be referred back to a select committee.

MR. SMALLWOOD: I don't know, I was not a member of the committee, I don't know if they met, how often they met, where they met, who drafted it. I have no knowledge but suspect Mr. Speaker had a lot to do with it, with the actual drafting of these rules but to what extent or if he referred his draft to the members of the Committee I have no knowledge. I do know that most committees appointed to draft bills do so, bringing it before the committee as such and then submitting a report which may have been written by one man but approved by the select committee; whether this was done or not I have no knowledge. All I know is that I am confronted by this order of the day. How it got on the order paper, I don't know. Here it is and has been for several days, in fact, more than a week. The report has been tabled in the House for more than a week and yesterday additional copies were tabled for all members of the House. How it all happened I don't know. All I know is that I am confronted with that Order now and as leader of the House I have to make this motion and I have asked for suggestions.

MR. CASHIN: I suggest that a

Mr. Speaker will be back and as he understands it, let it stand over until tomorrow.

MR. FOGWILL: Mr. Speaker, it is quite true I was a member of that committee, and quite true the Honourable Speaker did draft most of the rules, but only yesterday the final draft came to this Chamber, that is, each member got a copy of the final draft. That was the first time I had seen it and I should think that the committee would be given the draft before being presented to the House, that is customary.

MR. SMALLWOOD: I move the order stand deferred. Carried.

I move at its rising the House adjourn until tomorrow Wednesday at 3:00 of the clock.

WEDNESDAY, May 2nd, 1951.

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

#### Presenting Petitions

Hon. the Minister of Fisheries and Co-operatives from Heatherton, re Electric Service.

Mr. Drover from Wild Cove, re Snowmobile Trail.

Hon. the Minister of Public Welfare from Spout Cove, re removal of Sand from Beach.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

MR. FOGWILL: Mr. Speaker, I want to make reference again to several questions on the Order Paper of April 18th, Questions Nos. 95 and 97.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, with reference to question No. 95.

the delay in answering arose partly out of the fact that the paper or report concerned originated in the first instance in the Department of Economic Development. It is a long report which is now ready to be tabled. The question is in three parts asked by the honourable the leader of the opposition. The answer is yes, Mr. Moffatt of New Brunswick was asked to make a report. He is a member of the Economic Institute of Canada and well qualified in the field of birch stocks and an experienced operator. He was asked to make a report, which he did in November 1950.

HON. J. R. SMALLWOOD (Prime Minister): Question No. 96. That referred, I believe, to the Board of Liquor Control and would go in the normal course to the Department of Finance, who would prepare the answer and forward it to me. They have not done so, at all events I have not received the answer. I will contact the Department to hurry them in preparing it and table the reply, the moment I receive it.

MR. FOGWILL: Question No. 96 if I recollect correctly, appeared on the Order Paper of April 18th, and the honourable the Minister of Finance said at that time, that it was in the course of preparation.

MR. SMALLWOOD: That is a perfectly normal thing to say. When the Order Paper is printed each day, a copy is sent to the Department to which a question has been directed and it is perfectly normal for the Department in question to prepare the answer. Therefore it is a perfectly normal statement to make, that the answer is in course of preparation. Even if I did make that statement that day, I was quite correct. I may state it must still be in the course of preparation, as I have not received it.

MR. FOGWILL: Question No. 97 has not been answered.

MR. SMALLWOOD: That one should be quite easy. There again the Department of Economic Development ought, I think, to have compiled the answers and handed it to me. As I have not received it, I will check on it.

MR. SPEAKER: Question No. 99.

MR. SMALLWOOD: Mr. Speaker, I have the answer to that question.

1. The full amount, whatever that may be, has been paid back into the Treasury with interest.

2. The Minister of Fisheries could give the answer to that:

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the answer is that no amount has been paid back into the Treasury. No amount went out in the first place and no amount was paid back. What did happen was: that authority was granted for a guarantee to the bank for a loan to the Andrews Labrador Company in the amount of \$160,000. The company availed of that guarantee in the amount of \$150,000 and in March of this year \$20,000 was paid back, reducing the outstanding amount of \$130,000.

MR. SMALLWOOD: Question No. 100. To begin with, I have no knowledge that the Government has made a statement, that it has given the sum of \$500,000 for development and secondly, no knowledge of a public statement of the Minister of Economic Development to the effect, that the said mill is to cost one million dollars. I have a very definite recollection of stating in a public address: that this was a million dollar industry. I might have doubled this or even trebled it and could have said it is not a one

million but a three million dollar industry.

Speaking from memory, I think when the plant at Donovan's is completed this summer and ready to operate and certain saw mills, financed with the help of the Industrial Development Loan Board, are in operation, the total outlay on the plant will be something of the order of three quarters of a million dollars. I don't think I have anything to add to that. The Government together with the Industrial Development Loan Board, should they indeed make loans to people for the purpose of assisting them to buy saw mill stock for the Birch plant then that expenditure together with the direct expenditure of the Government will run to something of the order of three quarters of a million dollars. That is when all the plans are completed and it is ready to operate.

Question No. 101. I can say at once, that the Government has made no loan to the Guardian Press. I believe that the Industrial Development Board has made or is about to make, or has agreed to make a loan. I believe that, I don't know it. The Industrial Development Loan Board as also the Fisheries' Loan Board and Co-operative Development Loan Board are set up by the Government under the Chairmanship of Mr. Baxter, the secretary is Mr. Callahan, with certain prominent citizens as members. They operate as virtually an autonomist body, making its own decisions within the dominion of the Act, which was passed in this House and do not come to us whenever they make a loan and I believe that they have made various loans, and I did hear the Guardian Press or Guardian Associates, which is the publisher of the Atlantic Guardian, had made ap-

plication to one of the boards for a loan and did hear, quite unofficially, that the board was sympathetic to the idea of setting up a very modern printing establishment, at which the Atlantic Guardian would be printed as well as various other magazines and publications. Incidentally, I do not know whether that loan has in fact been made.

MR. CASHIN: And where do they get the money?

MR. SMALLWOOD: The money was voted by the House and under the Act in each case the Loan Board is required to report and the law requires that these reports be available. As soon as the Government receives them, they will be tabled here in the House.

DR. POTTLE: I beg leave to introduce a Bill "An Act relating to Wild Life."

It was ordered that the Bill be read a first time on tomorrow.

Also a Bill "An Act to Provide for the Acquisition of Lands for the purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for such purpose."

It was ordered that the Bill be read a first time on tomorrow.

#### Orders of the Day

Revised Rules of the House.

MR. SPEAKER: Is it the wish of the House to proceed with that Act.

MR. SMALLWOOD: Mr. Speaker, I repeat what I said here yesterday. For our part we are prepared to go forward if the honourable and learned leader of the opposition is ready to go forward with it. We might make some progress on it.

MR. J. G. HIGGINS (Leader of the Opposition): Mr. Speaker, I raised the point yesterday that a select committee had been appointed of which you

were Chairman. I spent two nights going over the report with you and one night with Mr. Fogwill, but I understand there was never any other meeting. Now, in going over the old rules I find certain things, we had agreed on, had never been changed in the new rules. The present position of the matter I don't know. But when a select committee is appointed and never called, personally, I should say refer back to the select committee in order to have it finalized quicker as some difficult explanatory points could be taken up there.

MR. SMALLWOOD: Mr. Speaker, that would be perfectly satisfactory to me now, but I begin to see the need for some night sessions as there is still, I think, a very heavy program ahead of us unless we contemplate with any pleasure spending the summer here and I don't imagine anybody does. So it seems we will have to begin very shortly to have night sessions and get through with our business. Even the revised rules will take some little time and the sooner we get at it, the sooner we will complete the work. I am agreeable to what the honourable member says.

MR. FAHEY: To a point of information. This committee on the rules of the House did not report back to the honourable House yet.

MR. CURTIS: I have filed a report but it was not signed by the committee. I imagine the committee would consider the report as filed.

MR. SPEAKER: For the information of the honourable member, I might say, the reason why there was no meeting of the select committee, as such was called, was in order to save time and avoid duplication of effort. At the beginning, I did consult with the honourable leader of the opposi-

tion and his Lieutenant with a view to getting his reaction to certain points, which cropped up. The report of the committee can contain nothing else other than the revised rules. However, it is quite agreeable to me to have a special meeting, if the house so desires. I might say it is made up entirely on the present rules of the Newfoundland Legislature plus enlargements from the United Kingdom and where it suits our purpose, from Ottawa.

MR. COURAGE: Mr. Speaker, I believe, that if the rules are first thrashed out in committee and the rules then brought in, we will have to sit down and go over the same thing again in the House, which would be merely a waste of time. The committee to consider this should be the committee of the whole House.

MR. SPEAKER: I wonder if the honourable leader of the opposition cares to make a motion referring back.

MR. HIGGINS: I make a motion, Mr. Speaker, not in order to be controversial but some sections are most difficult to understand, especially two or three there. My previous and original question concerned the fact, that I don't know if the suggested amendments are included and I would certainly like to have an explanation to some of these.

MR. SMALLWOOD: That is what the committee of the whole is for.

MR. HIGGINS: I ask a question: If we were to get together to settle this as a select committee, where is the report?

MR. CURTIS: Won't they have to be answered in the House anyway?

MR. SPEAKER: First, I will say for the information of the honourable members, if you have a copy of the

rules, you will notice some gaps in the pages, for instance page 2 and page 7. I have written a page or so of explanation on them and I confess to a little selfishness in leaving it for committee of the whole and place it at their disposal.

MR. SMALLWOOD: It seems to me I don't know if the motion was made to refer back.

MR. HIGGINS: I think if we had a couple of nights.

MR. SMALLWOOD: The difficulty about that is, that no matter what meetings the Committee may now hold, it will have to be all gone over again here in Committee of the Whole, because it is the property of the House and every member has a right to deal with it and pass on it, and the sections are read aloud by the Clerk and every member is permitted to discuss the clause and seek for information on it. That has to be gone through, in either case and there would be no time saved by referring the whole thing back to a Select Committee. I know it is no secret that it was Mr. Speaker who drafted this, the proper person, if I may say so, to do it. Nevertheless it has to be debated on here in Committee of the Whole, where debate is more informal than at any other stage, and I don't see what is the point of having it referred back again to the Select Committee, when it has to be thrashed out here in any case.

MR. HIGGINS: There is another point. It was referred to a Committee which was never called.

MR. SPEAKER: It is sometimes impossible to call a meeting. Five men will never sit down and revise rules. But any member could see me any morning, as the honourable Leader of the Opposition and the junior

member for St. John's East did. As they did not contact me, I assumed they were agreeable to the rules as written. However, as the honourable (the Premier has intimated), he is willing to accept the motion, to have it referred back to a Select Committee.

MR. FOGWILL: The only thing is, the fact still remains that this is the Select Committee's report and there may be something in the revised rules, some member of the committee would not agree with, but it is still their report and he would have to object.

MR. CURTIS: I think, Mr. Speaker, the honourable member is generally correct; the Committee should have signed the report and under the circumstances, I think a lot of time would be saved in Committee, if we allowed any disputed rules to stand over. At least we would know just where we were.

MR. SPEAKER: One point I must make in justice to myself: the members do not sign the report, only I do and from the fact that I circulated it, I assumed they would take that in lieu of a meeting. However, I am quite agreeable to have a meeting. I am not prepared to say when, but it will not be until after the 10th of May.

MR. SMALLWOOD: If you can't have a meeting until the 10th of May, Mr. Speaker, I certainly think we ought now to proceed to the proposed resolutions. It will be thrashed out in Committee of the Whole, and informally, with members permitted to speak as often as they like and debate it in a democratic way. I have some responsibility for endeavouring to get the business of the House concluded, and if the Select Committee could not meet until after the 10th of May,

I foresee our being here in this House when we ought to have our work here completed and be attending to other work.

I wish my honourable friend would agree to go ahead in Committee of the Whole. I would suggest that, I will not refuse to agree with the honourable member if he insists; I think we will fall in line with their wishes, but I do wish they would agree to have it go forward to Committee of the Whole.

MR. HIGGINS: The 10th of May.

MR. RUSSELL: I was going to ask the personnel of the Committee.

MR. SPEAKER: The Deputy Speaker, the Attorney General, the honourable Minister of Finance, that was Mr. Quinton, the honourable Leader of the Opposition, and the honourable the junior member for St. John's East.

MR. RUSSELL: My attitude is this, that there was a Committee appointed to do a certain job and a report has come in here. They may be willing to admit that that is their report, but if any member of the Select Committee objects on the grounds it is not his report and he has not had a chance to make a minority report, he should be given a chance to speak.

MR. SPEAKER: Minority reports are not permitted.

MR. RUSSELL: Well, if he did not have a chance to study it. It is then, Mr. Speaker, entirely up to the members of the Select Committee.

MR. HIGGINS: I say, we should go ahead. The main difficulty I am up against is: that the main rules have been drafted and we discussed some sections very carefully and had agreed to them and last night I found two or three amendments agreed on are

absolutely different than on the first paper and, so far as I am concerned, it is all new to me.

MR. SMALLWOOD: May I take it, Mr. Speaker, if we went into Committee of the Whole, Mr. Speaker would be prepared to guide us and sit in on the Committee of the Whole and answer any questions that might be directed to him and point out certain differences in these and other rules and generally to give us the background of the matter.

MR. SPEAKER: I would be glad to do that.

MR. SMALLWOOD: Well, in that case we could safely go into Committee of the Whole, we are not committing ourselves to anything but just that we have to consider the matter.

Committee of the Whole on Revised Rules of the House.

Standing Order Read.

MR. HIGGINS: When referring to the presence of at least twelve members of the House, does it include Mr. Speaker?

MR. SPEAKER: Twelve members, the Speaker does not count. 4 (B) that, Mr. Chairman, was put in for the information of members. If a member notices there is not a quorum, he gives notice and he may leave the Chamber.

4 (C); if it is noticed at three o'clock there is no one here, the Speaker does not have to wait 15 minutes according to the previous rule.

MR. HIGGINS: What is the meaning of 3:00 o'clock here?

MR. CURTIS: If there is not a quorum at 3:00 o'clock, Mr. Speaker waits for 15 minutes.

MR. RUSSELL: Let us suppose that at 3:00 o'clock there was a

quorum, but later on it is reduced to five or six. If he calls attention to the fact that there is no quorum, the Speaker then goes ahead and transacts the business of the House, because no one wished to call attention to the fact that there is no quorum.

MR. SPEAKER: If there is not a quorum, it is competent for members to draw attention to it and in case of a division, for instance, Mr. Speaker will then wait five minutes.

MR. RUSSELL: Suppose at the beginning there were twelve members and at the end of an hour only three left, I am told the Speaker has no right to take the initiative then. He takes it at 3:00 o'clock, but either one of the three members present can call attention to the fact and then he must act. Supposing no one of the three members wishes to do so?

MR. CURTIS: I would say until the House has actually opened and has come to order at the call of Mr. Speaker, he may not take the initiative.

MR. HIGGINS: It says the only occasion is at 3:00 o'clock and 8:00 o'clock.

MR. RUSSELL: I think there is a terrific gap there which should be cleared up.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, the context seems clear and to me it seems to cover the point. I don't profess to be such an authority on English, as many gentlemen present, but I read this paragraph as follows:

"The only occasion when the Speaker takes the initiative in this matter is at 3 o'clock, or at 8 o'clock, after the intermission. If he does not see a quorum, he re-



frains from calling the members to order and asks the Clerk to count the House. If there are not 12 members present, he declares, without question put, that the House stands adjourned until the next sitting day. This procedure must be duly recorded in the Journal." Paragraph 3 to me, seems to cover the point:

"The presence of at least 12 members of the House, not including Mr. Speaker, shall be necessary to constitute a meeting of the House for the exercise of its powers.

Whenever Mr. Speaker adjourns the House for want of a quorum, the time of adjournment, and the names of the members then present shall be inserted in the Journal."

The honourable the member for Bonavista South takes the view, that if there were twelve present and the House went into session and it dwindled down to half a dozen or less, as low as three and nobody called attention of Mr. Speaker, I contend paragraph 3 takes care of this and I do not see the necessity for anybody to call Mr. Speaker's attention. It is specifically stated: that twelve should be necessary to call a meeting for the business of the House and specifies the power as to conducting the business of the House.

MR. HIGGINS: And if a division arises and somebody draws attention to the fact that there is no quorum, could you tell me what happens when though there may be fourteen or fifteen in the House there may be only eleven here in the Chamber at the time?

MR. SPEAKER: I don't think that is the point.

MR. HIGGINS: I draw attention to the fact, the only time when the Speaker takes the initiative is in (c).

MR. RUSSELL: If he sees afterwards there is no quorum and no member specifies this, the Speaker should be expected to take the initiative.

MR. SPEAKER: The initiative here referred is taken by Mr. Speaker, without any motion being put to the House. When Mr. Speaker enters, he counts the House. It is stupid to have Mr. Clerk count them in a small House, if there were five or six hundred, yes. Seeing there is a quorum, he calls order at 3 o'clock. If, however, he sees less than twelve present at 3 o'clock, he will take the initiative, wait until 3:15 and will then declare the House adjourned until the next sitting day. If the House is in session at 8 o'clock the same thing happens, the Speaker waits until fifteen minutes after eight then the House is adjourned. If while the House is transacting its business, it is noticed by any member that a quorum be not present, he may call attention of the Chair to the fact or leave the room if the Chairman says there is not a quorum. Simply ask the Page to call members, the party whip will keep his eyes open to see that members are present and it is to their advantage to have them present: but the only time Mr. Speaker takes the initiative is if the quorum is not present at a certain time. That is the wording of the rules, as I have found in practically all Provinces. I did not read them all, but most of them and the United Kingdom and the Dominion of Canada as well.

MR. RUSSELL: I understand if Mr. Speaker or Mr. Chairman would, if they notice no quorum—

MR. SPEAKER: It is their duty to see it carried out in a parliamentary manner.

MR. SPENCER: That too is in-

cluded in paragraph 5. As far as I see the phrase in paragraph 3, if not redundant, means the presence of any number of members not including Mr. Speaker, shall be necessary, what is meant by, for the exercise of its powers?

MR. SMALLWOOD: The exercise of the powers of the House is to conduct its business, as far as I see if the House is not meeting to transact its business, what is the point of its existence? That would be superfluous, but it certainly does no harm.

HON. P. S. FORSEY (Minister of Supply): I think in some cases you could assume then that anything less than twelve members, including Mr. Speaker, could constitute a meeting of the House, I mean that phrase there "for exercise of its powers" qualifies the whole sentence.

MR. SMALLWOOD: It is a little difficult to imagine a meeting of the House for any purpose other than the exercise of its powers.

Clause 1 read and passed.

Clause 2 read and passed.

Clause 3 read and passed.

Clause 4(a) read and passed.

Clause 4(b) read and passed.

Clause 4(c) read and passed.

Clause 4(d) read and passed.

Clause 5 read.

HON. S. J. HEFFERTON (Minister of Education): Does Mr. Speaker ascertain that twelve members are present.

MR. SMALLWOOD: It means the same thing.

MR. CURTIS: That should be in the affirmative not the negative.

MR. SMALLWOOD: As it stands now there is no human possibility of misunderstanding it. If it is ascertained that twelve are not present: If there are thirteen present there are

twelve, if there are twenty present there are twelve present.

MR. RUSSELL: Why not use the same wording as in "(C)".

Clause 5 to read: Ascertains there is not a quorum.

Passed.

Clause 6 read and passed.

Clause 7 read.

MR. FAHEY: Under that clause Mr. Speaker would take the Chair, whether there was a quorum present or not. Would it be legal then to do business without a quorum while the Lieutenant Governor was here?

MR. CURTIS: Only to receive a message, there is no action there.

MR. FAHEY: It says there, Mr. Speaker should take the Chair whether there is a quorum present or not. Suppose he were to take the Chair and there is certain business to go before the Lieutenant Governor, would it be legal to do it, if there were no quorum?

MR. SPEAKER: This is only for the purpose of receiving a message.

MR. HIGGINS: Suppose the Lieutenant Governor came in?

MR. SPEAKER: The Lieutenant Governor will come only on invitation of Mr. Speaker, and there must be a quorum present. In the event of a message sent through the proper channels, yes, but there can be no business transacted in the House until the following day.

MR. FOGWILL: Paragraph 2, Section 7: What would happen if for instance Thursday were a holiday?

MR. CURTIS: The House would have to sit just the same. Today is a half holiday. Unless we adjourn over it. This only implies, nobody needs turn up. It merely forbids night sessions on Wednesdays, and of

course that could be altered by unanimity of the House.

MR. SMALLWOOD: The House of Commons for example has a night session on Wednesday as a fairly common practice, but it is commonplace in other Houses not to have night sessions. It is customary in Ottawa to have night sessions throughout the week. The House meets, ordinarily at 11 o'clock in the morning, adjourns at 1 o'clock; resumes at 3 o'clock; adjourns at 6 and resumes at 8:00 and adjourns for the day at 11:00 except on Wednesday, when there is no night session. The point of this would be better taken, if we were in the habit of having night sessions.

MR. SPEAKER: Let me say, Mr. Chairman, in going over these rules, that when I worked on them I had to keep in mind two very important things: One, if adopted they would probably be in existence twenty or twenty-five years from now, and the other point, with which certain members might not agree, some years from now say twenty members may be returned in this House and there may be thirteen on the Opposition. Such power given to the Government could force members to come back every night. Paragraph two safeguards the right of the minority. The rules, of course, could be changed by the consent of the House.

Passed.

Clause 8 read and passed.

Clause 9 read and passed.

Clause 10 read and passed.

Clause 11 read.

MR. FAHEY: Mr. Chairman, on one point in (a), when a member is speaking, no member may pass between him and the Chair. This is almost impossible sometimes. Suppose a gentleman is speaking right

there where the Prime Minister is, he has got to go around the House, he can't, he can't pass here. Suppose he is sitting over there.

MR. CURTIS: Suppose he wanted to speak to the Minister for Trinity South or the member for Labrador, he would have to go around there and down, he could not pass between the Premier and the Chair, if the Premier were speaking.

MR. HIGGINS: No that is too easy, suppose the member for Labrador or the member for Placentia West is speaking, and some member comes into the House, whose desk is near them. He has got to come up here before going to his seat. We can't enforce that rule too quickly.

MR. HEFFERTON: Does sub-section (c) mean we have to join that certain society?

Passed.

Clause 12 read.

MR. RUSSELL: What does that mean; are strangers people who don't behave properly?

MR. CURTIS: No. They have no right to meet here.

MR. RUSSELL: I never understood it before, I do now.

MR. SMALLWOOD: Mr. Chairman, on that point of explanation, long ever before we were born, visitors to parliament were known as strangers and they are still known as strangers. There was a rather interesting event in the House of Commons a few weeks ago: Mr. Drew, the leader of the opposition, wanted to have a private session of the House and the Government was not agreeable, in fact, no private session was held. But Mr. Drew attempted to get a private session by availing himself of a very ancient rule in British Parliamentary

Procedure. He stood in his place and directed Mr. Speaker's attention to the fact that there were strangers present, and according to that same old rule, when Mr. Speaker's attention was drawn to the fact that there are strangers present, that is in the public galleries, not members of the Government, he is then required to clear the galleries and order the withdrawal of all strangers. If that had been done Mr. Drew, of course, would have gotten his way and have the session without any stranger being present. That particular attempt did not succeed, but it illustrates very well indeed a principle. The words you use by the way are: Mr. Speaker, I spy a stranger. Mr. Drew stood in the House there a few months ago and said: "Mr. Speaker, I spy a stranger." He expected the rule would be carried out and the galleries would be cleared and the speaker would order all strangers to withdraw. In the House of Commons in Westminster and also at Ottawa the galleries may be cleared; now we will take the upper gallery here, there are three sections in it and there is a policeman for each section and he does nothing but stand there and sees that strangers, the public conduct themselves according to the rules of the House. One of these rules is that you are not allowed to touch the rail there, which runs right along in our gallery and so in other galleries in other Houses and they are not allowed to touch that rail, can't lean over it and look down into the Chamber, not allowed to lay a hand on that rail. The reason for that probably began a hundred years ago, so no one could drop a bomb or rock down on members' heads. That probably was why the rule was made, but there is not much likelihood of that today, although the rule remains

that no one is allowed to touch the rail.

I have seen it here, as my honourable and gallant friend, the member for Ferryland, remembers when that gallery would be crowded and where there was no room for the policeman to get in to do work or attend to his business and casual visitors to this Chamber could well be classified as being in charge and not the elected members. If the public in the gallery liked what a member was saying they brought the House down, they were packed so tight they could not clap their hands so they took it out on the floor and a cloud of dust could be seen rising to the ceiling and the place was a bedlam, not once, but hundreds of times, I have heard and seen this in this Chamber. So it is not inappropriate that this rule should be there. It is not inappropriate, that at the very first sign of interruption, or laughter or murmuring or talking; whispering, yes; but for one member of the public to talk to another so that visitors can be heard, that is wrong. This is the people's House, from the bar of the House to that wall belongs to the elected representatives of the people of Newfoundland. Not more than 150 people can get inside as visitors and 150 out of 360,000 is a small proportion, and not they but the elected members should speak, should laugh, should be heard. They must have absolute liberty to be heard and they can't be, if members of the public are talking to each other. That might sound like splitting hairs but I honestly have a horror of what I have seen in this chamber, and it might happen again; the horror I have is, that I will live yet to see again what I have seen, when the public entered this Chamber, here on this floor and danced on the table

there and kicked the king to the floor, (the mace is the symbol of the king), and I have seen it kicked off on to the floor, seen somebody sit up in Mr. Speaker's Chair. Now if that is democracy, deliver us from it. It is a long way from two members of the public turning and talking to each other so that visitors may be heard, a long way from that to dancing on the table and sitting in the Speaker's Chair and kicking the king, King's mace on the floor, a great gap, but it has been bridged, I have seen it done. That is why, having seen what I have seen and heard what I have heard in days gone by, that I am so anxious as just one man, not to allow even the thin edge of the wedge to get in. That is why I object when there is a laugh from the public. Let them laugh once or twice and it becomes a right and then we have a theatre here, a farce, a play, a drama. We are the actors and they are the audience, they laugh when they find us funny and jeer when they don't like us. Applaud when they agree and jeer when they don't. Then what have you, the French Revolution where the mob entered the Chamber of Deputies, when the mob took over. Now the public themselves, I believe, the public of Newfoundland are far more anxious than we are in this Chamber to preserve the ancient and honoured rights of this House from attack and will be the first to say, let there be no disorders in the gallery, let there be no laughter, jeering and noise, rather let the public come and listen. That is all the public has a right to do inside these four walls—to listen and I hope to God we will never again see what I have seen on at least one occasion in this Chamber.

When a member turns his back on Mr. Speaker, for instance, there is

nothing wrong with that, physically if he stands here and talks in the direction of an honourable Minister he is still addressing Mr. Speaker, there is nothing wrong with that but I hope I will never again see what I have seen at least a hundred times in this Chamber, when an honourable member turns to the gallery with "You men up there, says you, you know I am right" and brings down the whole House. Appeals direct to the gallery. I have seen that happen here and that is the sort of thing we have to avoid, that is why it is so important that these rules be made known and strictly adhered to.

Now, we ourselves fall out, get out of order and lose our tempers and break the rules. But they are still the rules and the Chair can admonish us, reprimand and punish us, but let us see that we are at least the only ones to do it and the public is not allowed to do what we are allowed to do in this House.

HON. C. H. BALLAM (Minister of Labour): Mr. Chairman, that reminds me I was once an offender when as a boy I visited the House one night and I leaned on the rail. A policeman came up and told me to sit up and that I could not touch the rail.

MR. HIGGINS: I have been informed by Mr. Speaker, that in Ireland they have a wire meshing in front of the gallery and, if the Premier is afraid of what is going to happen and to ease his mind, I would suggest to put up wire mesh henceforth so that, if visitors become too obstreperous and start throwing things, they can be stopped by the wire meshing. I would be quite willing to support any motion in that direction.

MR. FOGWILL: Mr. Chairman, so I understand from the remarks of the

honourable the Premier, that it is unethical to make any reference to visitors. I have heard that done here.

MR. CHAIRMAN: No there is nothing wrong about that.

MR. HORWOOD: On a point of information. In this clause is it not a fact that the order of business is normally set by the Government or is it normally set by the House?

MR. SMALLWOOD: The Order of Business is set by the Government. Some Houses go even much further than that. In Westminster, for example, they not merely set the order of business but apportion the amount of time which may be spent by the House on each individual order of business. When that term expires the clauses are called and the vote is taken. They divide the time at the disposal of the House for that particular item of business on that particular item so that it will allow three or four speakers of each side to participate in the debate and between them they are not to take more than a certain time. There is no suggestion, that should be done here but in a large House such as Westminster, where there are over seven hundred members and two main parties, the Liberal party is now very small, and I think they have one or two communists and a number of independents. The two main parties have their right wing and left wing, so that if they had no restriction it would take them possibly three months to get the order of business through the House, also the House at Ottawa sets a maximum time for all orders of business; but in a small House under the British System the Government sets the time table and may rearrange it from time to time, throughout any sitting. Now in the House of Com-

mons in Ottawa, I think, when the House adjourns at 11 p.m., the leader of the House who may not be the Prime Minister—As a matter of fact, at Ottawa the Prime Minister is not the leader of the House, the present leader is the Minister of Public Works and before him the then Minister of Veterans' Affairs, who has since died. The leader of the House, not the leader of the Government stands in the House and states for the benefit of the House, that on tomorrow we hope to take up, this, that or the other thing, take up a Bill, an Act entitled so and so, indicating the night before the particular business to be dealt with on tomorrow. That is the principle which is very firmly established. The Government sets the time table for the business of the House because the principal purpose of the House is to enable the King's Government to carry on the King's affairs. We are the King's Government and all of us together are the people's representatives, and the purpose of the people's representatives is to give authority to the King's Ministers to carry on the King's Government, therefore, the King's Ministers have the right to set the time table for the House.

MR. HORWOOD: Mr. Chairman, I believe that to be so but this clause precludes the Government from doing what is intended. No. 14 in its present form prevents the Government from setting the time table of the House. As I understand it the time table may be set outside the House and the only authority for that is as the Premier just stated it.

MR. SMALLWOOD: My honourable friend, the member for Labrador, is perfectly right and at the same time I suggest, perfectly wrong. Section 14 does not refer to this or that partic-

ular bill or resolution or motion, it merely sets the authority for the general order in which business will be transacted. Now, within any one of these headings, there may be half a dozen bills on the Order Paper. It is not the right of the Government to say take today's Order Paper and— do the honourable gentlemen follow what I mean? Say on Order Paper of May 2, we had (1) Presenting Petitions (2) Reports of Standing and Select Committees. The Government does not upset that, they have no authority to change that, that is the general order of procedure but where the Government has the right to change or re-arrange from time to time is the Orders of the Day. Do you follow the distinction there?

MR. HORWOOD: I understand this but supposing the Government has a notice of motion to which it wants to give priority, under these rules they are not able to give priority over the third reading or second reading of notices of motions.

MR. SMALLWOOD: The honourable member has me there, I don't know if the right of the Government to set the order of business is written in or is a convention, which is just as binding as a written rule, and it is quite likely to be the case that it is a convention rather than a written rule. Maybe my honourable friend, the Leader of the Opposition, can say?

MR. HIGGINS: I don't know, but I believe it is a convention.

MR. SMALLWOOD: Even if it is a convention, it is just as binding as a written rule.

MR. SPEAKER: The rule is quite clear. It does not infringe the rights of either side of the House and it

says the ordinary routine business of the House should be as follows: Presenting Petitions, then Reports of Standing and Select Committees, then Notices of Motions and Notices of Questions and finally the asking and answering of questions. That is the ordinary daily routine. However, priority may be given by the House previously to other orders, for example: Suppose it is known that a certain committee report is of advantage to the House, that a committee report be presented immediately after strangers are admitted. Then it could be, by Order of the House instead of presenting petitions. It is necessary to set the order of business for the consideration of the House day by day, but the daily routine may be as follows: First, Committee of the Whole on reports of Standing and Select Committees, if there are any, next Committee of the Whole on Bills read a second time and so on. But now, instead of going on to third reading, which is the proper procedure, the Government finds it necessary to take up a second reading, it is only necessary to say, "Mr. Speaker, I move this item be deferred," and proceed to the next item or move third readings be deferred and so go on to second readings.

MR. SMALLWOOD: Would Mr. Speaker yield a moment. That presupposes the House doing it and not the Government. If it is necessary for the Government to move on the majority of the House on actual motion and vote, then it is not the right of the Government, but the right of the House and it is my understanding it is in fact the right of the Government to re-arrange the order of reading.

MR. HEFFERTON: Order 16 on top of next page reads:

"All items standing on the Orders of the Day (except Government orders) shall be taken up according to the procedure assigned to each on the Order Paper."

MR. SMALLWOOD: That covers it. Yet that does not preclude the right of any member on any side of the House, whether in the Government or not, from moving a given order be deferred, but the Government has the right to give precedence to particular business of the Government. You see, business of the House, and business of the Government have quite a distinction.

MR. SPEAKER: Mr. Chairman, the reason there is an exception on Wednesday, is to provide an opportunity for private members to bring in their Bills, or any business they might have. It is all quite clear, as the honourable the Minister of Education has moved on into 16. No. 14, of course, could not be understood if taken by itself. No. 16 is fairly important, for example; items standing on the Order Paper of the Day except Government orders shall be taken up according to precedence assigned to each Order Paper. Private business must follow the rules and regulations under Section 16, which provides that whatever business the Government has proceeds and Government orders may be called in such sequence as the Government sees fit, but there is nothing to prevent any member from moving any item may be deferred.

MR. HORWOOD: Mr. Chairman, there is still one point. I don't want to appear stupid, but our practice up to now has been to take these before the Orders of the Day.

MR. SPEAKER: The procedure followed so far has been a bit slip-

shod on the Order Paper of the Day; Notice of Motion, a Bill is to be read a first time, due notice has been given yesterday. Following the new plan, that would not receive first reading until we got down into the second part of the business of the day. First of all, we have petitions, reports of standing committees, take notice of motions from Ministers, take notice of questions from members of the Opposition and, incidentally, questions may be asked from this side of the House, but there are certain things you may not ask of the Opposition. Then asking and answering questions of which notice was given yesterday, then carry on to third readings and reports of committees read a second time, then second readings, then to pick up the motion on which the Government gave notices of first readings.

MR. CURTIS: Will the Speaker state what kind of questions?

MR. SPEAKER: May not ask what is intended by the Government.

MR. HORWOOD: Mr. Chairman, would I be in order in asking that final vote on this clause be deferred? That we come back to it and take a final vote at a later time?

MR. CHAIRMAN: Clause 14 deferred final vote until later.

Passed.

Clause 13 read and passed.

Clause 14 deferred.

Clause 15 read and passed.

Clause 16 read and passed.

Clause 17 read.

MR. FOGWILL: What is meant by questions?

MR. SMALLWOOD: I think what is meant is this, when a member gives notice that he will on tomorrow



ask such and such, and tomorrow arrives and Mr. Speaker calls his questions, he may just call the number on the Order Paper then the member who has given notice, if present, to be absolutely proper, stands and bows, normally, the member looks at the Speaker and nods his head and this is taken to be a bow. Now, if he is absent, usually a friend or colleague will ask it for him by bowing to the Chair. But if anybody does, then the question is not answered because it has not been asked, only the notice was given, no one present has asked it.

Passed.

Clause 18 read and passed.  
 Clause 19 read and passed.  
 Clause 20 read and passed.  
 Clause 21 read and passed.  
 Clause 22 read and passed.  
 Clause 23 read and passed.  
 Clause 24 read.

MR. FOGWILL: What does that mean?

MR. CURTIS: It means what is done now.

MR. SPEAKER: On the adjournment of the House to discuss a matter of public importance, Mr. Speaker's responsibility in this instance, is to decide whether or not it comes within the scope of standard Order 23. In doubtful cases the question of urgency is left for the House to decide. A statement asking leave to move the adjournment to debate grave charges against a department does not come within S.O. 23. The debate on the "urgent matter" cannot be adjourned as the motion before the Chair is "that this House do now adjourn." If the debate ends at an early hour it is customary for the mover to withdraw it and the House

proceeds to its business. The debate may also be brought to an end by the adoption of a motion, that the House now pass to the Orders of the Day.

Passed.

Clause 13 read.

MR. SPEAKER: Mr. Chairman, I said just now that after each section I would like to include a line or so of explanation.

MR. CHAIRMAN: I have put the motion on clause 13, carried.

MR. SPEAKER: Following immediately on standing order 13, members would read this for their information: If the House intends to sit later than 11 o'clock P.M. a motion may be made during the sitting and without notice having previously been given in the House, that the House do not adjourn at 11 o'clock P.M., I might say, gentlemen, I did not make this up, it is standard parliamentary practice from both May and Beauchêne who have pointed out there are always enough members in the building to constitute a quorum at the time. It is not the practice in the Canadian House of Commons for the Speaker of his own accord to order the withdrawal of strangers. In Westminster and in Newfoundland the old order was always followed in Newfoundland and it is retained in standing order 12. If an individual or a group of persons misconduct themselves in the galleries, it is the duty of the Sergeant at Arms to eject them or take them into custody without any specific instructions.

No. 25, 26, 27, 28, 29 read; carried;  
 No 30, read.

MR. SPEAKER: A motion may, in case of urgent and pressing

necessity previously explained by the mover, be made by unanimous consent of the House without notice having been given under standing order No. 29.

No. 31.

MR. SPEAKER: A Minister may decline to answer a question without stating the reason for his refusal, and insistence on an answer is out of order, no debate is permissible. A Minister may refuse an answer on the ground of public interest. The refusal of a Minister to answer on this ground cannot be raised as a matter of privilege.

A member can ask a question, but cannot insist on an answer. Answers should be brief and confined to the points contained in the questions, although a certain latitude is permitted to Ministers, and supplementary questions without debate or comment may, within limits, be addressed to them. A supplementary question must refer only to the answer out of which it arises and must not refer to a previous answer or be addressed to another Minister. Strictly all supplementary questions are irregular and they are only permitted in order to elucidate any ambiguity in the reply of the Minister.

Notices: Notice is not required from a Minister prior to making a statement on some official or important matter. Such statements are merely indications of the Government's intentions and are settled without passage of any resolutions.

32, 33, read, carried; 34 read:

MR. FOGWILL: On the main question referred to Committee, if there has been an amendment made to the question before it was referred, does the amendment go?

MR. SPEAKER: If the motion is made and carried for this Bill to go to Committee of the Whole, there cannot be any amendment of the question at this stage.

MR. FOGWILL: If there is an amendment before going into Committee?

MR. SPEAKER: I think the amendment belongs to the motion and goes into Committee with the motion.

35, 36 carried.

MR. FAHEY: Would it be in order, Mr. Speaker, in that case to move that certain words or a certain word be deleted and others inserted in place?

MR. SMALLWOOD: You could do either or both.

MR. SPEAKER: The motion is made, this Bill is now read a third time. Somebody objects to the Bill and offers an amendment. "Move this Bill be read a third time six months hence." The Speaker then makes the motion: That the word "Now" stand part of the question. If the motion is lost then the motion is the words "six months hence" be inserted and the word "now" deleted. The motion is that the word "now" do stand part of the question, if everybody votes aye, the motion is lost and it stands as is.

36 read, carried.

MR. FAHEY: No private member shall have more than one notice of motion at a time on the Order Paper; could that be explained Mr. Speaker? Is that clause confined to just one motion at one time? That could be laying there for two months and bar the member from making another.

MR. SMALLWOOD: We have provided a private member day when motions by private members are taken and presented and that day is Wednesday. So it is not likely the motion of private members could hang around on the Order Paper for two months. The idea is one member, one motion at a time and that cannot be lost because on Wednesday motions of private members are given precedence.

MR. HORWOOD: That would not be so if motion were made on Wednesday or Thursday and called on Friday and Monday only unless there were time after completion of Government business, so that the only safe thing is that a private member should give notice on Monday or Tuesday.

37, 38, 39 read, carried.

MR. FOGWILL: In respect to No. 40; if the main question has an amendment to it and the main question is called for and voted upon in the affirmative, what happens to the amendment. Is that voted upon before the main question or does it prevent it?

MR. SPEAKER: When the previous question is moved, it is done so with the object of withholding from the decision of the House, a motion that has been proposed from the Chair, by a motion which compels the House to decide in the first instance whether the original motion shall or shall not be submitted to the vote of the House.

The mover of the previous question does not want it to carry and votes against it, for his object is to prevent the Speaker from putting the original motion.

It is moved in the form "that this question be now put" because motions are properly expressed in the affirmative even when their purpose and effect are negative.

It cannot be amended, but it may be superseded or withdrawn. The previous question cannot be moved upon an amendment, but it may be moved after the main question has been amended or after an amendment has been negatived.

Except in the case of the "previous question," superseding motions cannot be applied to one another, e.g., if a member moves "that further consideration of this question be postponed . . ." a motion for the Orders of the Day or for the previous question cannot be made to suppress that motion.

Suppose the motion before the House is that this Bill be now read a second time. The debate has been long and motion is now made. What is the form now? That question be now put, that is called the previous question, which closes the debate. It is better understood if taken in the group. It really supersedes a motion by; moving adjournment, or moving debate adjourned or moving previous question, or moving an amendment. Now when the previous question is moved, it is done so with the object only, with the object of withholding from the decision of the House a motion, that has been proposed by the Chair, by a motion which compels the House to decide, in the first instance, whether the original motion shall or shall not be submitted to the vote of the House.

For instance, I say, Mr. Speaker, I now move the question put, then suppose I lose the motion, the ques-

tion cannot now be put, I have prolonged the debate by obstruction or the other way around.

MR. HIGGINS: There is no further debate on it then?

MR. SPEAKER: It is really done to lengthen the debate. That is a two-edged sword.

The mover of the previous question does not want it to carry and votes against it, for his object is to prevent the Speaker from putting the original motion.

It is moved in the form "that this question be now put" because motions are properly expressed in the affirmative, even when their purpose and effect are negative.

Except in the case of the "previous question," superseding motions cannot be applied to one another, e.g., if a member moves "that further consideration of this question be postponed . . ." a motion for the Orders of the Day for the previous question cannot be made to suppress that motion.

Carried, 41 carried, 42 read.

MR. HORWOOD: That wording is very bad.

MR. CURTIS: I move the Committee rise, report progress and beg leave to sit again.

MR. SMALLWOOD: The hour is well advanced and I think the members would probably like to get away. I suggest, therefore, that all further orders be deferred down to, but not including the last two items. Which gives merely two first readings and then we could go home.

MR. SPEAKER: A Bill "An Act to

Amend the Local Government Act, 1949," read a first time. Ordered read a second time on tomorrow.

MR. SMALLWOOD: I move the House at its rising adjourn until tomorrow, Thursday, at 3:00 of the clock.

The House adjourned accordingly.

THURSDAY, May 3rd, 1951.

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

#### Presenting Petitions

MR. DROVER: I beg leave, Mr. Speaker, to present a petition from the residents of Quirpon, in White Bay, requesting able-bodied relief. The petition is not in the usual form but rather in the form of a telegram.

MR. SPEAKER: I don't know that you can present such a petition. A telegram is not a petition and may not be read in the House. I think the proper procedure would be to pass it directly to the Department concerned.

HON. J. R. SMALLWOOD (Prime Minister): Where is it from?

MR. DROVER: At Quirpon.

MR. SMALLWOOD: Mr. Speaker, there is a point I would like to rise to, if allowed to do so in the House. I think Mr. Speaker, I am only rising to a point of order. We get a great many telegrams, all of us, and if we begin to present telegrams to the House, there has always been a lot of petitions and always will be, but if we are to begin presenting telegrams and letters, which are not actually petitions, asking the House to do such

and such we would be lost, but if it is delivered to the Department, it will get as much attention as here in the House.

**HON. DR. H. L. POTTLE** (Minister of Public Welfare): May I rise, Mr. Speaker, in order to make a point? I believe I have the correspondence on my desk now, which relates to that point the honourable member raised, and my conviction is that the point in question can be dealt with adequately by reference to the Department for following up. I believe the honourable member could do that without loss of face or prestige.

**MR. DROVER**: That will be agreeable to me, Mr. Speaker.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

None.

#### Answers to Questions

**MR. SMALLWOOD**: Mr. Speaker, I have here one of the answers requested by my honourable friend, the junior member for St. John's East.

I have since the House opened, had word conveyed to the Department of Finance to the effect, that I would like to get the answers this afternoon to the other two. The one I am able to answer is the staff of the Director General of Economic Development.

The Government has contracted with Dr. Alfred A. Valdmanis, former Minister of Finance, Trade and Industry of the Republic of Latvia, to be Director General of Economic Development of Newfoundland. The contract is for four years' dating from January 1, 1951. The salary is \$25,

000 per year. He is paid his travelling expenses. His assistants are paid by the Government. No fees or emoluments other than his salary are paid to him. Dr. Valdmanis, in the few months he has been with the Government, has earned for Newfoundland several times his total salary for the whole period of his contract.

The only variation is in the secretarial department. Miss Bennett was, I think, seconded from some other department into that section to assist in the rush of correspondence, and she carries the normal Civil Service salary and that includes the cost of living bonus. Miss Rowe is said to be, and is engaged as, a specially high classed stenographer for rush stenography. Miss Leikucus has five languages and as the Department has correspondence with a number of countries, she does all the translating and a letter can be dictated to her in English and she translates it back into German, Danish, French or Latvian, five languages, I think, other than English and \$1,800 a year I think a little scandalously low for an employee of that particular qualification, but there has been no request for an increase, and if so, I think the Government would find it a little hard to refuse the application.

#### Orders of the Day

##### Committee of the Whole on Revised Rules of the House:

- Clause 43 read and passed.
- Clause 44 read and passed.
- Clause 45 read and passed.
- Clause 46 read and passed.
- Clause 47 read and passed.
- Clause 48 read and passed.
- Clause 49 read.

MR. SMALLWOOD: Does that include Committee of the Whole?

MR. DROVER: What about interruptions?

MR. SMALLWOOD: They are taken out.

MR. FAHEY: That rule, in my opinion, since some members have spoken here previously for two days, should not be cut down to 45 minutes which puts the House in an awkward position. There are many times when a member wishes to speak in the interest of his District, and I contend it is too short a time and I move this clause be deleted.

MR. CHAIRMAN: That would not be necessary. If I put the motion the clause will be passed.

MR. FAHEY: Is it in order for a member to make an amendment?

MR. CHAIRMAN: Yes, but not that it be deleted.

MR. FAHEY: I see your way is to test it by a vote, mine is to make a motion to delete it, which means the same thing.

MR. CASHIN: Mr. Chairman, in connection with this particular section, 45 minutes on some outstanding matter such as the Budget or Estimates or the Speech from the Throne, 45 minutes is a very short time, I know for myself, if I started to try and make an intelligent address on, for instance, the Budget Speech which reviews the whole financial position of the Province, I would find it most difficult to work it all into 45 minutes. But according to this thing the Premier and the Leader of the Opposition are privileged to talk as long as they like whereas other members with just as much interest have

not this privilege. I look upon this section as very unfair and unjust. Whilst I appreciate that sometimes a member of the House comes in for no reason than to hang-her-down and hold up business, in which case I would be prepared to agree that that speaker should not be allowed any more than 45 or 60 minutes but, on the matter of the Budget or the Speech from the Throne or some big contract coming into the House, which would involve probably some financial backing, well 45 minutes or an hour is not giving a fair show. Now from a personal angle, I spoke last year, for instance, on the Speech from the Throne for two afternoons, for three or four hours, three afternoons, I believe. I have not yet spoken this year, but I do intend to have a few words on the Budget and to review the whole position. Certainly, if the House wants to pass it then, the only thing is to just move the adjournment of the House on a matter of urgent national importance or public business, so, as we don't want to have to do that, this section should be fixed up in some way. I don't know if it should be deleted or not, I forget what was in the old rules.

MR. SMALLWOOD: There was no time limit in the existing rules, the honourable member may remember the National Convention.

MR. CASHIN: I remember that. I can never forget that.

MR. SMALLWOOD: There was no time limit whatever.

MR. CASHIN: We were sixteen months doing six days work. I don't want to be in here 16 months. The Government will do what it likes, but I suggest the clause be struck out altogether. I am prepared to second

the motion, there are only three or four people who will speak more than a half hour.

MR. CHAIRMAN: I cannot accept the honourable member's motion. Those who are opposed will vote against the clause anyway, so there is no need of a motion.

MR. SMALLWOOD: I have a great deal of sympathy for the viewpoint of the honourable member for Ferryland, at the same time, I confess frankly, that I also have a great deal of sympathy for the general principle contained in that clause. I say the general principle, not necessarily the detail of it. I think practically every elected assembly in the British Commonwealth has a fixed time limit on speeches. In the House of Commons at Ottawa I think it is 40 minutes. That is five minutes shorter than the 45 minutes suggested in this clause. I noticed many times personally in reading the Canadian Hansard, that whenever any member of the House goes over his forty minutes, he can be permitted to continue and, in fact, he is permitted to continue by the assent of the House, what happens, being merely this: The Speaker or Chairman says the honourable member's time is up and thereupon there are cries from one or two members of the House "Go on." The Speaker then says that at the assent of the House the member may continue for, not another forty minutes but for another ten or fifteen minutes, say to 55 minutes. Then the members of the House begin to get a little impatient, and show their feelings that the member who has been given their assent to continue is rather overdoing it, taking advantage. So that it is extremely rare in that House and other Houses for parliamentary speakers to go beyond

that 40 minutes. Actually, it is astonishing how much a member can say in twenty to fifty minutes, if he marshals his argument or facts. Personally I have never heard a speech in this House in the past thirty years or more (as off and on I dropped in), which would not have been a lot better if it was half as long, and I have myself made speeches here which I am quite sure would have been half as good again if they had been half as short again, and I have never made a particularly long speech. I think the longest I have made is an hour and a half. That is the longest I have ever made in this room.

MR. FAHEY: You were longer than that this year, you were two days.

MR. SMALLWOOD: I was about an hour and a half, and then the following day perhaps an hour, that is true. I remember the Late Sir Michael Cashin, Leader of the Opposition, speaking in this House for, if I recall correctly, four days.

MR. J. G. HIGGINS (Leader of the Opposition): He had the gift of gab far better than his distinguished son.

MR. SMALLWOOD: I tell you he is not the man his father was, though he is not a bad man himself. But in that case it was deliberate, followed by such able speakers as the Late Judge Higgins and Sir John Bennett, Judge Fox, Col. Sullivan, all able speakers, and they all set out to keep the House here until August, the famous hang-her-down session. I saw the Late W. J. Walsh propped up against the desk until the crack of dawn and he happened to see the Prime Minister lean back to say something to the Minister of Finance, and

he stopped as though paralyzed in his tracks and said "Mr. Speaker, it is none of my business what the Prime Minister is talking about to the Minister of Finance and it is far from me to ask what he is talking about" and he spent the next three quarters of an hour pointing out that it was none of his business. Just hanging her down on some political point. Just hanging her down is sometimes politically a good point. Senator LaFollette spoke for 18 hours without a break.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): The Late Judge Henderson spoke here for eight hours and when he was about to sit down he said: "With these few remarks."

MR. SMALLWOOD: LaFollette came in with a glass of water and a sip of brandy in it and kept going. That was not to discuss something, it was to obstruct something, filibustering. So, I have a lot of sympathy with the view-point of the honourable gallant gentleman. Some day, a miracle may happen, and I may find myself over on that side of the House, I will have a long white whisker, but nevertheless I may be there, and I may want to talk for three, four or five hours, though I will possibly be too old and feeble.

MR. SPRATT: Why a long white whisker? I haven't one.

MR. SMALLWOOD: I am not a kill-joy, but I think, frankly, very plainly and very sincerely, if this House, and that includes all of us on this side, if at the end of this term, we can go out, and whether the members come back again or not, we may all be dead, some may be back, some probably not, but when we go out after the first term, the

first elected House in Newfoundland for so many years, if we go out, having improved this House, the people's House, the conduct of business, the way of doing business, raised the level, and go out and say, well whatever else, we set a pretty good basis for our successors to keep up with. Then we will have done a great thing for Newfoundland.

Now, the members don't like 45 minutes. I can imagine occasions when members of this House might want to speak for an hour. A speech of one hour, even on a political platform, is a long speech. I can, myself, go on a political platform, and in about four hours am not warmed up, but here we are doing business. We are here as a business organization, the Province's business, and after all, I don't think there will be any occasion when any of us want to speak as much as four hours, but I think, if we set a limit of two hours, we are preserving both the principle of limiting the time, and the principle of not limiting it too much.

MR. CASHIN: That principle, I like, and I quite agree.

MR. SMALLWOOD: Actually, very few members, probably not the honourable and gallant gentleman, the Leader of the Opposition, because he is not given to long-winded speeches, but there may come some time later, when some member may want to speak for two hours, on some important matter.

MR. CASHIN: The Leader of the Opposition, is allowed to speak as long as he wishes, there is no limit.

MR. SMALLWOOD: Then his lieutenant, the Leader of the Opposition as with the Leader of the Government, has various lieutenants, each



of whom is told off, to concentrate on certain matters—for instance, now you are the finance man, I depend on you in financial matters, and I want you to concentrate on labour, etc., and it may really be necessary to make a full-dress speech. There will be something coming up in this House, I believe, before this session ends, of great importance to this House and for the Province, after the Budget. A very important matter, and God forbid we should try to strangle debate on it, or indeed on any matter, so if the House shares my view, we could amend that to read two hours, instead of 45 minutes. Now, I know, Mr. Speaker is not going to be offended, if we amend the clause. He put something down, and the figure he put down is the figure usually used throughout the Commonwealth, and if we amend it to two hours, I don't think he will take any offense whatsoever. I move the words 45 minutes be stricken out, and that it be changed to two hours.

MR. FAHEY: I take it, that my motion to delete that paragraph is not accepted by the Chair.

MR. CHAIRMAN: That is correct.

MR. FAHEY: Well, in speaking to the motion before the Chair now, I have no intention of going on, I am not a Huey Long or anybody like that, and my firm belief, is that filibustering does not do any good anyway, but I had in mind, to make an amendment to three hours, due to the fact the Premier himself made a three and a half hour speech, on the Speech from the Throne this year. I agree with the amendment, but it is my contention, that once a member goes over an hour, he is repeating himself anyway, unless it is done for some specific purpose. This will give

members ample time, therefore, I agree with the motion before the Chair; two hours.

Clause 49 amended.

Clause 50 read:

MR. SMALLWOOD: That 20 minutes caught my eye. What is that? Does that have the effect of preventing the House meeting after 2:00 A.M. in the morning?

MR. SPEAKER: If a member rises to speak at 1:55, he may speak until 2:15. A member may finish 20 minutes up to a-quarter-past two.

MR. HIGGINS: Suppose it is a debate on the Budget, I don't understand, Mr. Speaker, what is it meant for?

MR. SPEAKER: The explanation is much clearer, if you delete the words "relating to committee" and read it thus:

MR. HIGGINS: You mean debate on any subject?

HON. LESLIE R. CURTIS (Attorney General): It is really just a closure.

MR. SPEAKER: I think, at this stage, I should read from my notes. "Immediately before the Order of the Day for resuming an adjourned debate is called, or if the House be in Committee of the Whole, or of Supply, or of Ways and Means, any Minister of the Crown, who, standing in his place, shall have given notice at a previous sitting, of his intention to do so, may move that the debate shall not be further adjourned, or that further consideration of any resolution or resolutions, clause or clauses, section or sections, preamble or preambles, title or titles, shall be the first business of the Committee, and

shall not further be postponed; and in either case, such question shall be decided, without debate or amendment; and if the same shall be resolved in the affirmative, no member shall thereafter speak more than once, or longer than 20 minutes in any such adjourned debate; or if in Committee, on any such resolution, clause, section, preamble or title; and if such adjourned debate or postponed consideration shall not have been resumed or concluded before 2 o'clock in the morning, no member shall rise to speak after that hour, but all such questions as must be decided in order to conclude such adjourned debate or postponed consideration, shall be decided forthwith."

MR. SPRATT: I would like to ask, how this law is going to apply on Saturday evening, or say, we might go on until Sunday morning at 2 o'clock. Personally, from my long experience in this House of Assembly, not as a member, but as a visitor, I see no reason for it to be open after 1 o'clock at all, and the long speech may not have been in any way beneficial, but purely a game of politics and it is time for some real serious laws to be brought in, to have proper respect for law and order particularly relating to concerns of the House.

MR. HIGGINS: I don't know what the law is but, this is only providing for a last resource, this may happen at mid-day. God forbid, that we sit Saturday nights, and go into Sunday morning. At my age I would find it hard to have to stay here Saturday night, I don't know, what about the Minister of Provincial Affairs. This has nothing to do with Sunday morning, this closure may happen anytime at 3 or 4 in the evening.

MR. SPRATT: That is the proper time in my opinion.

HON. P. S. FORSEY (Minister of Supply): I thought the House did not meet on Saturday. The second rule says adjourn on Friday until Monday.

MR. CURTIS: You can always suspend a rule in case of emergency. I have seen the House sit here until Sunday morning. I remember being here when the House sat on Saturday up into Sunday morning.

Passed.

MR. HORWOOD: I wonder if we could revert to No. 45. I have a question: Motion the Chairman leave the Chair, is that a motion to go into Committee of the Whole?

MR. CURTIS: No, in Committee it is not debatable.

Clause 51 read and passed.

Clause 52 read and passed.

Clause 53 read and passed.

Clause 54 read and passed.

Clause 55 read and passed.

Clause 56 read and passed.

Clause 57 read and passed.

Clause 58 read.

MR. SMALLWOOD: On that clause, Mr. Chairman, I don't suggest any change, but I have been interested to note in the Houses of Westminster and Ottawa the Committee of the Whole stage, is followed immediately without any question by a third reading, when the Committee of the Whole stage is completed, the Committee rises, reports to Mr. Speaker, and Mr. Speaker, then puts the motion for third reading, and the Bill always gets third reading immediately following the Committee of the Whole stage.

MR. HIGGINS: It is customary only.

MR. SMALLWOOD: Well, I am not suggesting that we do that.

MR. HIGGINS: There are sometimes, I understand, here when we have to refer back two or three times. That is one reason, why it could not be done. We have to stand back now.

Passed.

Clause 59 read and passed.

Clause 60 read and passed.

Clause 61 read and passed.

Clause 62 read and passed.

Clause 63 read and passed.

Clause 64 read and passed.

Clause 65 read and passed.

Clause 66 read and passed.

Clause 67 read and passed.

Clause 68 read.

MR. SPRATT: What is this?

MR. SMALLWOOD: Any person whose rights, interests or property may be affected by any private Bill.

MR. CURTIS: That would not be a private Bill.

MR. SPRATT: I would like to get the explanation, if it is problematical, we could leave it now. A Bill could be private and be introduced by a member of Parliament.

MR. SMALLWOOD: If the honourable Minister does not follow clearly, it is possible other members of the House similarly fail to understand, and we ought to have it thoroughly understood. This has to do only with private Bills, to begin with. It has nothing to do with any Bills brought in by the Government, as government policy. It has purely to do with private Bills, and any

private Bill brought in, where any person's interests, rights or property may be affected by that Bill, in such cases then, these private parties, when required to do so, shall appear before the Committee, touching their consent. I presume that means their consent or non-consent, and if they don't appear, may send their consent in writing. It does not say they have to consent, but may be required to send proof, and verification in writing, may be demanded by the committee. It is all for the protection of the person whose interests, rights or property, are effected by that private Bill. It is not an attack but a deliberate effort to protect them.

MR. SPRATT: I understand that, but any Bill brought in, concerning an individual, or a private Company, whether by the Government or a private member, is, in my opinion, a private Bill.

MR. SMALLWOOD: No, that is not the definition of it. A private Bill, is not a Bill affecting a person or a corporation. The definition of a private Bill is that it is a Bill brought in by a private member, not by the Government. A private member may bring in a Bill about a number of things affecting a private party, a company, on organization; a Government may bring in a Bill affecting a private party or a company but it is not a private Bill. Now this clause deals only with Bills brought in by private members of the House.

MR. SPRATT: I appreciate the explanation, but there is something still remaining. A private company is set up in accordance with the law and they may be called a Housing Corporation or any other name, they are private and any Bill, which gives

them ex-officio power, that is a private Bill. I hope I am not talking offensively, but it is not satisfactory to me that a private Bill is not private because a private is concern is affected.

MR. SMALLWOOD: No it is private only if brought in by a private member. The Government brings in Bills every day, affecting private corporations. Does that make them private Bills, because they affect a private corporation? If the Government brings in a Bill, it is not private though it may affect a private individual.

Passed.

Clause 69 read and passed.

Clause 70 read and passed.

Clause 71 read.

MR. FAHEY: The Chairman has a vote like any other member, and if there is a tie, he has the casting vote which gives him two votes. The Chairman does not represent two districts, any more than any other member in the House. I will agree, he should have the casting vote, but not a vote in the committee and a casting vote besides. To do that he should represent two districts.

MR. CURTIS: I think the honourable member will find that is the common practice. I do not agree either, but it is the recognized rule.

MR. SPEAKER: We have a rule, a committee may not consist of five or seven. I submit, we could have a committee of six with one member absent, in which case the Chairman has the casting vote.

MR. FAHEY: On principle. I think he should have the deciding vote.

MR. SPEAKER: It is the general practice?

MR. FOGWILL: Let us be different.

MR. CURTIS: If we make it a motion that the clause be deleted, the Chairman then has not a vote at all.

MR. SPEAKER: I must offer a word on that. It would be contrary to any practice in the known world. In that event, when we appoint a member as Chairman, that member is deprived of his right.

MR. CURTIS: The Chairman has a right to vote.

MR. MILLER: I agree, the member should not be deprived of his vote because he is Chairman of a committee. I can see no objection to giving him the casting vote. The position still remains—it is then brought forward to the House, this is only the committee stage. But very definitely, in my opinion, the Chairman should not lose his vote.

MR. FAHEY: I don't see it, he does not lose it, he has it in case of a tie. If there were not a tie, his vote would not count anyway. If you have a committee of five or seven, if a committee of six or four he would have the casting vote.

MR. CURTIS: Suppose we let that section stand as it exists.

Passed.

Clause 72 read and passed.

Clause 73 read and passed.

Clause 74 read and passed.

Clause 75 read and passed.

Clause 76 read.

Passed.

Clause 77 read and passed.

Clause 78 read.

MR. FAHEY: Should not that be taken care of in the Election Act rather than in the House? On what basis would the House proceed? Any time the Government, which has a majority of the House, could put any other member out under that clause. Does not say whether it is by unanimous decision or otherwise.

MR. CURTIS: The Election Act expires after a period of one month.

Clause 78 deferred.

Clause 79 read.

MR. HORWOOD: The wording of that is still not correct. Does it mean all orders not complied with, during the session?

MR. CURTIS: It is badly worded. We will let it stand over now.

Clause 80 read.

MR. HIGGINS: Does that mean every member must be here every day? Supposing the Attorney General has to go to Ottawa on business. Does he not merely ask Mr. Speaker?

MR. SPEAKER: Members are paid a sessional fee and their duty is to attend the House every session. If a member knows he cannot be present, he stands and asks for leave of absence or in case of illness leave is also granted. Then the other members concerned know the member is absent with leave.

MR. HIGGINS: Why does he ask the House, could he not ask the Speaker?

MR. SPEAKER: It is usually asked for one member by another.

MR. HIGGINS: Why not ask Mr. Speaker instead of the House?

MR. SMALLWOOD: Surely, the less said about that the better. Who is going to stand up and say the member for Harbour Main and Bell Island is about. It would be too contemptible and he would never live it down. It is usually done through the whips. The party whip knows how many are going to be on deck. I assume my honourable friend opposite does the same thing.

MR. CURTIS: I would say under this section, it would be the Speaker.

MR. FAHEY: The only thing is, it would put the Speaker in an awkward position.

MR. SPEAKER: In the House of Commons, in Ottawa, a man is docked \$25 for every day he is off without leave.

Passed.

Clause 81 read and passed.

Clause 82 read.

MR. SPEAKER: When a debate is on, and the question is put: Is the House ready for question? If it is, the Clerk takes the census of the House. Then the question is put, those in favour, Aye, contrary Nay. The Speaker declares the motion won or lost, as the case may be, or in some instances, may say, I cannot decide. If the latter, then a division must take place. If he decides the Ayes have it, and a division is called it must be by two or more members, calling for division, in which event the Speaker will say: Call in the members and the Sergeant at Arms takes steps to bring in all the members. In England two minutes only are allowed to call in members, in Canada, there is no time limit, but it is time for voting when the

Sergeant at Arms returns. In Newfoundland, under the old-time method, voting began at the moment the Sergeant at Arms returned. The Speaker asks the question, and those in favour rise. The Speaker then puts the question again.

MR. SMALLWOOD: I think, in Ottawa, there is no time stated in the Standing Orders, but there is actually a time limit. It is the time during which the bell rings and that bell rings, in fact, for ten minutes all over that great building, so it is impossible to be on any floor, without hearing the bell which is electric, and when the button is pressed it releases the bell throughout the entire building and rings with a noise that would awaken the dead, and rings incessantly for ten minutes, causing a tremendous uproar throughout the entire building, and during that period members hurry in from committee meetings and from meeting their constituents. From all over the building they come hurrying, and in some parts it takes them four or five minutes to get to the Chamber. As soon as the bell stops all doors are locked. No one can then enter or leave until the division is taken. While waiting for the Chamber to fill up they carry out a practice, one I would like to see here if occasion arose. They start singing, and the singing goes on for ten minutes, and everybody joins in, because, of course, a division means the Government may fall, and finally the division is taken, and members begin slamming their desks. Three minutes in this building should be long enough for members to get into the Chamber from any part of the building. I don't know if we should have a buzzer for that purpose or not, but it would be worth considering to put in a division bell,

which would ring only in case of a division. It is always a source of some worry to me when a division comes up, to know that the members may be outside the Chamber and not know there is a division, and it could happen that we could be defeated with enough members in another part of the building—we could be defeated and have to resign.

MR. FAHEY: You would not get your 25 years then.

MR. HIGGINS: I think the time limit should be set by an hour glass.

MR. CURTIS: An egg timer.

MR. FAHEY: I appreciate the explanation as to what takes place in Ottawa, but suppose a member is out an hour and a half while a debate is going on, how can he vote intelligently—he can only vote with the party.

MR. SMALLWOOD: If the honourable and learned Leader of the Opposition, could bring in here an hour glass, one not less than one hundred and fifty years old, a real antique hour glass, it might be worthwhile. It would have to be a three minute hour glass.

MR. HIGGINS: That would overshadow gifts from the other provinces.

MR. SMALLWOOD: It might be a Newfoundland product.

MR. HIGGINS: Some members may be able to vote more intelligently for not having heard the speech.

Passed.

Clause 83 read.

HON. S. J. HEFFERTON (Minister of Education): On that question, I cannot see the point. I noticed not long ago, what happened here when we had a division. The independents did not vote at all.

MR. FOGWILL: No. 83, I think, conflicts with No. 80.

MR. SPEAKER: No member is permitted to vote on any question, in which he has a direct pecuniary interest. On a division, every member in his seat will be required to vote, unless debarred, but the interest that disqualifies him must be immediately personal and direct. The member whose vote is in question might before the question is put make a successful fight.

MR. HIGGINS: Suppose for instance the Architects Bill comes up, why should we be forced to vote on that?

MR. SPEAKER: It is the rule now that everybody must vote.

Between the words "House" and "When" insert "Not affected by standing Order 81."

Passed.

Clause 84 read and passed?

Clause 85 read and passed.

Clause 86 read and passed.

Clause 87 read and passed.

Clause 88 read.

MR. HIGGINS: On motion of the leader or any other member of the Government.

MR. SPEAKER: Mr. Chairman, a Committee of five members is to be appointed on the opening of the session to prepare a list of members, to compose the following standing committees. I just set down those

merely as a suggestion, we will certainly need one on Standing Orders, and on Private Bills, you may add any other, you may think fit, or delete these.

Passed.

Clause 89 read and passed.

Clause 90 read and passed.

Clause 91 read and passed.

Clause 92 read and passed.

Clause 93 read and passed.

Clause 94 read and passed.

Clause 95 read and passed.

Clause 96 read and passed.

Clause 97 read and passed.

MR. HORWOOD: I wonder if we could revert back to No. 88.

MR. MORGAN: There are four listed there, and I think it would be desirable to have at least one other. I suggest the clause be amended by adding (e) Fisheries.

MR. HIGGINS: Why not woodsmen as well. Are Municipal Affairs so important to us. Surely not as important as fisheries and woodsmen and paper making. I think (a), (b) and (c) sufficient.

MR. CHAIRMAN: Following amendment moved by member for Green Bay: Add (e) Fisheries.

MR. HIGGINS: I move we strike out Municipal Affairs.

MR. CHAIRMAN: Moved by the honourable Leader of the Opposition: Municipal Affairs be wiped out.

MR. SMALLWOOD: That depends on whether we think of municipal affairs in rather a restricted way. It is not now merely the City of St. John's, but there are 31 of the larger towns of Newfoundland, who now have Town Councils and are all

comprehended under the heading Municipal Affairs. It is a fast growing development in Newfoundland, and there may be a special purpose to be served.

MR. HIGGINS: But they do not affect the House at all. This does not affect the House, as for instance, the first two do, part and parcel. In that case there is room for another class of committees; matters affecting the House itself and for that reason, a new clause altogether might be inserted. Why a committee for fisheries, unless you appoint others. There is always a good reason for (a) and (b) which relate to the House, Powers of the House. These two are really part of the House, while the other committees are outside.

MR. SMALLWOOD: I agree, but the point I make results in this, that there ought to be another class of committees set up, in which case (d) would be stricken out and put in the new class. Let it stand over for today and we will come back to it.

MR. HIGGINS: I withdraw the motion.

Clause 98 read and passed.  
 Clause 99 read and passed.  
 Clause 100 read and passed.  
 Clause 101 read and passed.  
 Clause 102 read and passed.  
 Clause 103 read and passed.  
 Clause 104 read and passed.  
 Clause 105 read and passed.  
 Clause 106 read and passed.  
 Clause 107 read and passed.  
 Clause 108 read.

MR. HIGGINS: Does that mean the Librarian has to stay here until 7 o'clock?

MR. SMALLWOOD: Make it after the hour at which the sitting of the day terminates.

MR. CURTIS: We can't do that.

MR. SMALLWOOD: But not in any case before the hour. It certainly means when the House is in session the library should be open and during a night session, you never know when you want to look up something.

MR. SPEAKER: The old order was the librarian had to be back by 7 o'clock but members may not introduce persons to the library after 8 o'clock.

MR. CHAIRMAN: Move that 7 o'clock be stricken out and 8 o'clock inserted.

Passed.

Clause 109 read.

MR. HIGGINS: A month is a long time for a book.

DR. POTTLE: It is two weeks in an ordinary library.

MR. HIGGINS: Should books be allowed to be taken out at all?

Passed.

Clause 110 read and passed.  
 Clause 111 read and passed.  
 Clause 112 read and passed.  
 Clause 113 read and passed.  
 Clause 114 read and passed.

Committee rose, reported progress and asks leave to sit again on tomorrow.

Committee of the Whole on Bill "An Act Respecting the Safety of Workmen in Mines."

Section 1 read and passed.  
 Section 2 read and passed.  
 Section 3 read and passed.  
 Section 4 read and passed.  
 Section 5 read and passed.  
 Section 6 read and passed.  
 Section 7 read and passed.



Section 8 read and passed.

Section 9 read.

DR. POTTLE: Section 9: Delete "The" and insert "And". Reports of diamond drills: I understand, Mr. Chairman, that it is rather an abundance of caution to make this mandatory, it is ordinarily done but this is to insure it is done.

I suggest an amendment to make it more definite there. Insert "On or before the 31st day of March between the words "shall" and "each" in the first line and add the words "for the preceding year" at the end of the paragraph.

Passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

Section 13 read and passed.

Section 14 read and passed.

Section 15 read and passed.

Section 16 read.

DR. POTTLE: Section 16—Delete the words "and of this section" at the end the paragraph.

Passed.

Section 17 read and passed.

Section 18 read and passed.

Section 19 read.

HON. E. S. SPENCER (Minister of Public Works): In connection with 19 and referring back to 16 (3) what do the penalties provide?

DR. POTTLE: We have changed that word to offense.

MR. SPENCER: Mr. Chairman, I would like to refer back to 19 (2) with regard to heights, I wonder if the Minister can obtain the information for us with regard to the regulations covering height. My point is Bell Island today is operating at the

present time, sinking sometimes as low as 28 to 30 feet, and the honourable Minister referred to the fact that face cleaners are sent in after each blast to clear the roof, and the workman has to follow the cleaner and has to depend for his safety entirely on the face cleaner or the superintendent as the cast may be. For instance, if the ceiling is 20 feet high—it could be forty feet but the ceiling in some cases is down to 20 feet and I wonder if there is any regulation to protect the workman other than that provided by the cleaner. I wonder if by any chance we might obtain further information on that point?

DR. POTTLE: As far as I can understand there has been no attempt made in the legislation to limit the height of mines. These in Bell Island, I understand, are as high as 30 feet, but there is no directive in the mining code to limit the height of the ceiling.

MR. SPENCER: In lieu of that, what protection is there for persons? My point, Mr. Chairman, is this, if there be not some regulation then the very valuable point the honourable Minister made, in reference to face cleaners, is to some extent lost and in Bell Island mine the ceiling is 30 feet high. I happen to know, I have been a practical miner there for 20 years and there they operate by taking out a seam underneath until it is 10 or 12 feet high, and in the main run they level off those feet then come back and do what they call back-chopping in the section from the ceiling to the hanging wall, until the height is some 25 or 30 feet. My point is: since the safety of the miner to some extent is involved I contend it is utterly impossible when men must walk in and out under a ceiling of 30 feet when they have no knowledge whatever that hanging walls can collapse,

or what margin of safety there is for them. In other words, if he does not take the face-cleaners' or foreman's word what protection has he and how does he know whether or not it is safe. What particular provision is made in the Bill whereby safety can be assured or otherwise the Company accepts the responsibility or the operator, if you like, accepts the responsibility.

**DR. POTTLE:** The best answer we can give is that in such circumstances as these the responsibility seems to be the company's to see the face cleaning of the walls of mines is carried out. That was a point of dispute last year. I understand the miners refused to go into the mine after a certain incident.

**MR. SPENCER:** I accept the explanation that that is as far as possible to go and I have no desire to hold up the Bill. I am quite sure the company takes every possible precaution, but every possible precaution is not sufficient sometimes, as proved to be the case last year and on many other occasions of which I am very well aware.

Section 20 read and passed.

Section 21 read and passed.

Section 22 read and passed.

Section 23 read and passed.

Section 24 read and passed.

Section 25 read and passed.

Section 26 read and passed.

Section 27 read and passed.

Section 28 read and passed.

Section 29 read and passed.

Committee rose, reported progress and asks leave to sit again.

On motion the remaining Orders of the Day were deferred.

**MR. SMALLWOOD:** Mr. Speaker, I move that the House do now adjourn until tomorrow at 3 of the clock.

The House then adjourned accordingly.

FRIDAY, May 4th, 1951.

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

#### Presenting Petitions

Hon. the Minister of Fisheries and Co-operatives presented a petition from the people of Rock Harbour re Road.

#### Reports of Standing and Select Committees

**HON. LESLIE R. CURTIS** (Attorney General): Mr. Speaker, some time ago a committee was appointed by this House to consider if the rules of the House had been complied with in connection with two private Bills: "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland" and "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architect Designations in Newfoundland." The committee reports, Mr. Speaker, the rules of the House have been complied with and there the matter seems to have been dropped. I think, in due course, the proposed Bills should be read a first time and in doing so I would like to say I am not sponsoring these measures but as Chairman of the Committee I draw them to the attention of the House, and move this Bill be now read a first time.

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Notice of Motions and Questions

**HON. J. R. SMALLWOOD** (Prime Minister): Question No. 98.

Answer: (1) \$5,806,122.

Question No. 96.

(1) Answer: \$24,977. I will leave out the odd cents contained in the answer.

(2) \$34,977.43. (3) \$2,295,811.96.  
(4) \$278,010.63.

(5) Not available as tabulations unfinished.

(6) \$5,039,778.40.

I may say, Mr. Speaker, that figure is somewhere between one and two million dollars less than the profit made during the same period by the Government of Nova Scotia. Last year their profit for the year was something between six and seven million dollars. Something between one and two million more than our gross sales in the same period.

### Orders of the Day

Committee of the Whole on revised rules of the House.

MR. CURTIS: I think we have gone right through, Mr. Chairman, except that the honourable member for Labrador asked to let No. 14 stand.

MR. HORWOOD: I move that Order pass as it stands in the paper.

No. 14 passed.

MR. J. G. HIGGINS (Leader of the Opposition): 14 (a) does that refer to precedents?

MR. CURTIS: Precedence is referred to again in No. 20.

"All questions before a select committee on a private Bill are decided by a majority of voices including

the voice of the Chairman; and whenever the voices are equal, the Chairman has a second or casting vote."

There are two ways of looking at that: If the Chairman only has a casting vote and three committee members may vote one way and two another and his personal belief might be with these who voted two, in that case the vote would then be three, vs. three. Then if the chairman is not given a vote he is dis-enfranchised and may as well not be there. Therefore I think the clause should remain as drafted. Supposing the committee had six members and the chairman was one, in a case where two members were in favour and three against, then the chairman is really dis-enfranchised.

MR. FAHEY: He loses that by being chairman. Take Mr. Speaker when the House is in session. Every member has a vote except Mr. Speaker who has not, only in case of a tie when he has a casting vote. He is automatically dis-enfranchised by his position as Speaker of the House. The same thing applies to the chairman. It is his right to exercise a casting vote. I don't envy either of them as they may be placed in an awkward position where they have to offend probably half the House, but I contend, Mr. Speaker, who is a member of a district loses his vote, and the chairman should be in the same category.

MR. CURTIS: Mr. Speaker is in a different position as he is not on either side, he is supposed to be impartial, his position is neutral while in the Chair. That is different from Committee of the Whole. What does the leader of the opposition think?

MR. HIGGINS: I understand that

is the practice and it is still the practice here.

MR. FAHEY: Mr. Chairman, I don't want to delay the Committee on this Clause but I may say this, the fact that this is the practice on the Mainland, in Prince Edward Island or Nova Scotia, does that make it right? We are supposed to eat more fish and therefore have more brains. I contend the Speaker of the House only has a casting vote and is disenfranchised, and the chairman of Committees should be in the same box whether that practice is adopted in Ottawa or somewhere else. Is it right? That is the main thing. Should a member have two votes?

MR. CURTIS: This deals with select committees only. We are not talking about a committee of the whole House. The House is not bound in any way by the regulations.

MR. FAHEY: What takes place in regular committee? Does the same procedure take place there as in a select committee? There is no ruling here on it.

MR. SPEAKER: In committee of the whole the chairman has no vote except in cases of a tie.

Passed.

Clause 76 read.

MR. CURTIS: There were two words left out and we amended it.

Passed.

Clause 78 read.

MR. CURTIS: The election act does have this power but the House protects its own rights.

MR. SPEAKER: That is our Standing Order 78 but in the Dominion

Orders it is No. 79. It is just a reiteration of the election act, if we decide to copy it, its terminology might be amended. The fact is even without it the House still has that authority. Manitoba has just included this new section in their Standing Orders. Whether it is there or not the House still has this right, it is still its duty.

MR. FAHEY: I would like to make a point: If the Government were in power or for argument's sake; if the opposition should carry the Government next time and some member on the opposition —

MR. SMALLWOOD: May I compliment the honourable member on his imagination.

MR. FAHEY: Think what you like, I can say what I like. You may imagine you will be there for the next twenty-three years, I may not agree. Supposing any government has two or three seats of a majority and wishes to bring up a charge against some member of the opposition. It could be easily arranged the way politics go on and that member could be unseated and it is only natural if the government should go back to the district it could easily carry that seat. That clause could create an awful lot of problems in time to come. In my opinion, I feel all those things should be covered by the election act. I don't see why this House can unseat a member.

MR. CURTIS: Don't you think this House should have the right to punish persons who do the bribing, not the member? That includes the briber.

MR. SMALLWOOD: It includes the member if he does the bribing. Of course we all know actually it never arises, there never has been

anything like that in Newfoundland nor is there likely to be so; we are really talking about a highly theoretical problem.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Yes, Sir, it has happened right here.

MR. SMALLWOOD: It must have been a technicality. Actually I don't know of any British House that has that power. I know the Senate of the United States has it and has unseated Senators because of bribery or corruption or some such offense. There was a case, just two or three years ago, when a Senator was unseated by the Senate. It is true under the American Flag they have not the system we have under the British Flag. Maybe the British Commonwealth Houses have the same power, I don't know, maybe Mr. Speaker could advise us on that point. I don't think we could get after the people who did the bribing but only after the members who did.

MR. FAHEY: Mr. Chairman, say a member ran in a certain district and the member opposite him did some bribing, it should be taken up under the Election Act.

MR. SMALLWOOD: It is in force only for a certain period after the election.

MR. FAHEY: If it is not done in three months it is just as well to forget it.

MR. SMALLWOOD: But if the evidence should crop up only after six months and it is then found the member is sitting here as a result of bribery. Is the House to do nothing about it? With this clause they could do something about it.

MR. FAHEY: The answer to that is that we should amend the Election Act to run for a year and a half.

MR. SPEAKER: I have referred back and we are doing exactly the same as Manitoba only it is No. 90 which reads: "If it shall appear that any person elected and returned a member of this House or endeavoured so to do by bribery or other corrupt practice, this House will proceed with the utmost severity against all persons who shall have been concerned with such bribery or any such corrupt practice."

MR. SMALLWOOD: I notice, Mr. Chairman, from the document Mr. Speaker just read, this Standing Order in the Province of Manitoba is copied from the Dominion Standing Order No. 79, Standing Order of the House of Commons. It is apparently not without precedent.

Passed.

MR. CHAIRMAN: We now revert to No. 88:

MR. SMALLWOOD: I don't see any objection to leaving (d) in as we have a lot of town councils. I suggest that in front of (d) there be inserted Fisheries. Thus (d) would be Fisheries and (e) Forests and Woods Industries and (f) Agriculture and Wild Life. (g) Mining and Geology and (h) would be on Municipal Affairs. Could some other member suggest some other committees, such as labour. I may say that is well known and a well established practice in other Provinces and in both Houses at Ottawa and at Westminster also, to take virtually all the members of the House into one or other of a large number of committees, some members even serve on several and few members fail to get on at least two committees. In

this way a great deal of work of the legislative body is done through its committees and the main purpose of such a committee is to initiate things which perhaps would not otherwise be initiated at the time. Take my honourable friends on the opposite side of the House, they are in a position which they have not sought or created and it is a position into which members on the opposite side of the House would normally find themselves under any administration, that is to say where they have to sit back and be subject to the initiative of the Government of the day as the legislation comes into this House in every case, virtually, is brought in by the Government. The exception to that, of course, is the privilege of private members to bring in any private Bill but no Bill may be brought in by a private member involving an expenditure of public money and it might be a pretty sound idea for better administration of the Province if there did exist a number of committees with the special function of studying this or that aspect of Newfoundland life with a view, perhaps, to drafting and submitting to the Government ideas and suggested programs which the Government might or might not adopt and submit to the House as official government policy. There is far more chance of the Government adopting a program if it had been drafted. Hence it seems to me it would be wisdom on the part of this House to follow the universal practice in British Houses and indeed Houses not British as the same system of committees applies in the House of Representatives in the Senate of the Congress of the United States. There I think the committee principle has been carried to excess in the British system. So it seems to

me; I am not hot about it, not fanatical about it, but it does seem to me that this House would be wise to follow the practice in effect in other Houses throughout the British Commonwealth and indeed throughout the world. We could have a number of committees set up at the beginning of the session for the purposes of giving special attention to particular phases of the life of the Province such as fisheries, agriculture, wild life, wild fruits and mines and geology and any number of fairly comprehensive subjects, but I do not suggest we may not add quite profitably one or two others.

I have one other observation. The clause, as need arises, has to do with special committees and select committees set up for in particular, a point probably non-recurring or to deal with things arising which are in a quite different category than those that have been suggested as standing committees, which continue throughout the life of the session and would have a much wider field in which to operate.

MR. FAHEY: We know that the fisheries and other matters are very important but none of these matters can be carried out without finance, and I suggest we add a committee on finance which could advise the Government on the financial aspects of various enterprises. I don't know if the committee would consider adding this or not.

MR. SMALLWOOD: That is so much a governmental function that the Government could not abdicate that authority. Even if it wished to do so it could not as it has no authority to do. I think that would be setting up a committee which would in a sense usurp or attempt to usurp the functions and authority of the Gov-

ernment itself. I am not just being an obstructionist now, but I think, quite frankly, and I am looking ahead here to the fact that this is probably the final and last revision of the rules for another thirty years or maybe forty years. This, I think, is the third revision or the fourth revision since 1855. The rules of the House are not revised very often and we have to look ahead for more than the present time, rather for possibly thirty or forty years. My honourable friend's suggestion, which I know is intended in good faith, does not appear to be practical. 1893 was the date of the last revision of the rules. So, looking into the distant future, a committee such as my honourable friend suggests might lead to serious clashes and inconveniences to say the least. It would be a sort of a second Government in a way within the House of Assembly.

MR. FAHEY: I did not have that in mind but my opinion is this, the fisheries or agriculture committees for instance may make certain recommendations to the House and a finance committee could advise them. I don't mean they could run the affairs of the country but in their report, say for instance, they felt the province could afford it this year, it would still be up to the Government to decide. It is just a suggestion merely, committees may make recommendations but the outcome depends on the finance and a finance committee could advise them.

MR. SMALLWOOD: The financial committee could not possibly hope to have the information and data upon which to base sound recommendations, unless it were made up entirely of members of the Cabinet. A financial committee of this House, could not possibly have the definite dependable information, that would

enable it to make recommendations, involving public expenditure as the case might be. A committee could not hope to equip itself with the necessary dependable knowledge that would make its recommendation on financial matters worth listening to.

MR. FAHEY: It was just a suggestion, not a motion.

Passed.

MR. CHAIRMAN: That is the end of the Standing Orders.

MR. SPEAKER: Mr. Chairman, there is one more Standing Order, No. 114. Standing Order 115 is not written, that will only be done when the House finally adopts the revised rules. That is, that all the rules and Orders heretofore in existence are hereby repealed. It is unnecessary to write that.

MR. FAHEY: What date will that be repealed?

MR. SPEAKER: The House will do that, if they do adopt these rules, the House will pass that in Order No. 115.

MR. SMALLWOOD: There is one thing I have just discovered, the Speaker has shown me the Manitoba rules and I notice, under private Bills, they are much more up to date than we are. When Private Bills are written on incorporation of a company, they charge the same fees as the Supreme Court or Registrar, and under these rules a company could come in and ask to be incorporated for one million dollars, in other words it is cheaper to come to the House, than to go to Court.

MR. HIGGINS: A company should not be allowed to make use of this House in order to save fees.

MR. SPEAKER: It was not an oversight. It was just that I was not at all competent to set down these fees. The scale is but a tentative one, laid down on the scale of fees paid to officers of the House at the moment. The clerk is working for the House, but when he has to devote his time to private Bills, he is then working for private concerns. Therefore a scale of fees, and a very moderate one, has been set down in that Standing Order, but it is not an attempt to assess what the House of Assembly should set up and of course the committee may alter it, at its own pleasure. It does not apply to charges the House might make to private companies.

MR. HIGGINS: The point is, should a corporation be permitted to avail of the services of the House of Assembly, in order to avoid paying fees which would ordinarily go to the Province. In this Province, any persons desiring to be incorporated have to pay certain fees depending on the capital value of the company, and the Registrar of Deeds and Companies takes care of this. Now this means, a company comes in here and gets incorporated for a small fee, and the Province gets nothing at all.

I think we ought to talk this matter over, and I think the thing started because in the olden days a company had to have a certain capital, and usually came to the House to be incorporated in those days.

MR. CURTIS: I suggest the committee rise, report progress and ask leave to sit again after the next order.

MR. CURTIS: I move we refer back to 76.

Committee of the Whole on Bill "An Act Respecting the Safety of Workmen in Mines."

Section 29 read and passed.  
 Section 30 read and passed.  
 Section 31 read and passed.  
 Section 32 read and passed.  
 Section 33 read and passed.  
 Section 34 read and passed.  
 Section 35 read and passed.  
 Section 36 read and passed.  
 Section 37 read and passed.  
 Section 38 read and passed.  
 Section 39 read and passed.  
 Section 40 read and passed.  
 Section 41 read and passed.  
 Section 42 read and passed.  
 Section 43 read and passed.  
 Section 44 read and passed.  
 Section 45 read and passed.  
 Section 46 read and passed.  
 Section 47 read.

HON. DR. H. L. POTTLE (Minister of Public Welfare): The words "or in a quarry to be deleted." (Sec. 47).

Passed.

Section 48 read and passed.  
 Section 49 read and passed.  
 Section 50 read and passed.  
 Section 51 read and passed.  
 Section 52 read and passed.  
 Section 53 read and passed.  
 Section 54 read and passed.  
 Section 55 read and passed.  
 Section 56 read and passed.  
 Section 57 read and passed.  
 Section 58 read.

DR. POTTLE: In No. 58, the word "Hoist" to be inserted in last line of (1).

Passed.

Section 59 read and passed.  
 Section 60 read and passed.  
 Section 61 read and passed.  
 Section 62 read and passed.  
 Section 63 read and passed.  
 Section 64 read and passed.  
 Section 65 read and passed.



Section 66 read and passed.  
 Section 67 read and passed.  
 Section 68 read and passed.  
 Section 69 read and passed.  
 Section 70 read and passed.  
 Section 71 read and passed.

DR. POTTLE: There is an amendment to sub-clause (2). There are two or three inserts.

Instead of the last sentence, we could make it another clause 72 (2) Begin "after to," and delete the rest of the sub-clause and substitute the following: "Where the total weight supported by the rope consists of the material hoist, plus the weight of the conveyance, plus the weight of that portion of the rope, that extends from the head sheave to the conveyance."

Section 73 read and passed.  
 Section 74 read and passed.  
 Section 75 read and passed.  
 Section 76 read and passed.  
 Section 77 read and passed.  
 Section 78 read and passed.  
 Section 79 read and passed.  
 Section 80 read and passed.  
 Section 81 read and passed.  
 Section 82 read and passed.  
 Section 83 read and passed.  
 Section 84 read and passed.  
 Section 85 read and passed.  
 Section 86 read and passed.  
 Section 87 read and passed.  
 Section 88 read and passed.  
 Section 89 read and passed.  
 Section 90 read and passed.  
 Section 91 read and passed.  
 Section 92 read and passed.  
 Section 93 read and passed.  
 Section 94 read and passed.  
 Section 95 read and passed.  
 Section 96 read and passed.  
 Section 97 read and passed.  
 Section 98 read and passed.  
 Section 99 read and passed.

Section 100 read and passed.  
 Section 101 read and passed.  
 Section 102 read and passed.  
 Section 103 read and passed.  
 Section 104 read and passed.  
 Section 105 read and passed.  
 Section 106 read and passed.  
 Section 107 read and passed.  
 Section 108 read and passed.  
 Section 109 read and passed.  
 Section 110 read and passed.  
 Section 111 read and passed.  
 Section 112 read and passed.  
 Section 113 read and passed.  
 Section 114 read and passed.  
 Section 115 read and passed.  
 Section 116 read and passed.  
 Section 117 read and passed.  
 Section 118 read and passed.  
 Section 119 read and passed.  
 Section 120 read and passed.  
 Section 121 read and passed.  
 Section 122 read and passed.  
 Section 123 read and passed.  
 Section 124 read and passed.  
 Section 125 read and passed.  
 Section 126 read and passed.

HON. E. S. SPENCER (Minister of Public Works): In that connection, I would like to ask the honourable Minister, while I know that is a good safety measure, I don't think that rule is carried on to the letter of the law in most cases if a person places a one foot hole, a 2 foot line would be the outside.

DR. POTTLE: I am advised that it is a rule adhered to now.

Section 127 read and passed.  
 Section 128 read and passed.  
 Section 129 read and passed.  
 Section 130 read and passed.  
 Section 131 read.

DR. POTTLE: "B" and "C" should be one paragraph instead of one and two.

Passed.

Section 132 read and passed.  
 Section 133 read and passed.  
 Section 134 read and passed.  
 Section 135 read and passed.  
 Section 136 read and passed.  
 Section 137 read and passed.  
 Section 138 read and passed.  
 Section 139 read and passed.  
 Section 140 read and passed.  
 Section 141 read and passed.  
 Section 142 read and passed.  
 Section 143 read and passed.  
 Section 144 read and passed.  
 Section 145 read and passed.  
 Section 146 read and passed.  
 Section 147 read and passed.  
 Section 148 read and passed.  
 Section 149 read and passed.  
 Section 150 read and passed.  
 Section 151 read and passed.  
 Section 152 read and passed.  
 Section 153 read and passed.  
 Section 154 read and passed.  
 Section 155 read and passed.  
 Section 156 read and passed.  
 Section 157 read and passed.  
 Section 158 read and passed.  
 Section 159 read and passed.  
 Section 160 read and passed.  
 Section 161 read and passed.  
 Section 162 read and passed.  
 Section 163 read and passed.  
 Section 164 read and passed.  
 Section 165 read and passed.  
 Section 166 read.

HON. C. H. BALLAM (Minister of Labour): One of these items must always be certified by the Boiler Inspectors.

Passed.

Section 167 read and passed.  
 Section 168 read and passed.  
 Section 169 read and passed.  
 Section 170 read and passed.

DR. POTTLE: If the House agrees, Mr. Chairman, I would suggest that the regulations under the general heading of "Electric" be deferred, which would embrace from 171 to 264.

MR. FOGWILL: I would like to draw the attention of the Minister, to 213, page 36. I would like to suggest that it should provide for guards on lamp holders made of metal, covered with guards. We can come back to it tomorrow, I just mentioned it now. It does not provide for the protection of the fittings themselves. All lamp holders should be approved and of metal construction. It might help the committee to get the electrical code.

Sections 171 through 264 were deferred.

Section 265 read:

MR. FAHEY: It says: "If it had been prepared by that mine." Suppose the mine does not prepare. The miner should be given a copy free. Should not the Company be compelled to give out copies of the regulations?

DR. POTTLE: Paragraph (2) takes care of that.

MR. SPENCER: It very definitely was a regulation, back as far as 1910 and since, and I have personal knowledge of it because I have worked with them and every man is provided with a copy on employment—provided with a book of the rules and regulations. I take it that is what is referred to, that the copies should be provided free. That very definitely was the case back as far as 1910. It is a very good point, and I don't think a company would object, it is a small thing in a way, and I agree

with the honourable Minister of Provincial Affairs they should be compelled to give them if necessary.

DR. POTTLE: We might reconsider 165 and what is now 265 become 266 and insert 265 (1) Copy of such approved work of special rules shall be supplied by the operation, to each workman employed free of charge. No. 266 says a sufficient number of the regulations shall be supplied by the Department.

Section 267 read and passed.

Section 268 read.

DR. POTTLE: In 268, put in a phrase after Act: In addition to any other penalties imposed by this Act or regulations.

Passed.

Section 269 read and passed.

Section 270 read.

MR. SPENCER: That particular clause is ridiculous, in itself. In my opinion, every person who enters a mine or nearby working place or on the surface nearby is guilty of such offence. What happens to him? The customary thing is just dismissal, or is it in the hands of the operator.

MR. HIGGINS: Does that apply to workmen or anybody?

DR. POTTLE: The clause is wide enough, it is covered by 271. I think it should be added, at the discretion of the employer, to instant dismissal or something like that.

MR. HIGGINS: Is the offence applicable to visitors?

DR. POTTLE: Any person would include anybody.

MR. HIGGINS: Suppose I went to Bell Island Mines, under the influence, would I be included?

MR. SMALLWOOD: Everybody is included, the penalty is under 271. Liable on summary conviction for every day continued or repeated. Well now any man may get drunk once, he may kill a dozen people while drunk, he may need to be drunk only once, one part of a day, where is the penalty?

MR. HIGGINS: There is no penalty. According to this, every dog is entitled to one bite.

MR. SMALLWOOD: It is pretty serious, and may involve the life of a number of people, and if as a result of the offense, people are killed. It may happen just once, but what is the penalty there?

MR. SPENCER: It appears to me that that matter should be left to the discretion of the employer.

Passed.

Section 271 read and passed.

Section 272 read and passed.

Section 273 read and passed.

Section 274 read and passed.

Committee rose, reported progress and asked leave to sit again.

MR. SMALLWOOD: The earlier motion was that the Revised Rules be reconsidered presently, it is now near the closing hours, and I would like to move it be considered tomorrow instead of presently. I move the remaining Orders be deferred.

Carried.

MR. SMALLWOOD: Mr. Speaker, I move that the House adjourn until tomorrow, at three of the clock.

The House then adjourned accordingly.

MONDAY, May 7, 1951.

The House opened at three of the clock.

MR. COURAGE: Point of privilege: I have here, Sir, a copy of the "Daily News," May 3rd, on page 7 of which there is an anonymous letter to which I take strong exception. It is signed "Justice." Mr. Speaker, shall I pass it to the Clerk, or shall I read it?

MR. SPEAKER: Whichever the honourable member prefers.

MR. COURAGE: It reads as follows:

#### SAD STATE

"Editor, Daily News,

Dear Sir,

When ex-Natural Resources Minister, Edward Russell, attempted to speak on a point of privilege from his seat in the House of Assembly, on Monday last, he was told by the Premier, that he was out of order, and the Speaker, or the deputy, who was filling in, was asked to give his ruling.

The Speaker, then unable to give the necessary ruling off hand, came back on Tuesday, and upheld the Premier's verdict, which was not unexpected by those who were listening in.

Have we not reached a rather sad state of affairs, when an elected representative of the people, cannot rise in his seat, "in the peoples' House," and defend himself against an attack, made upon him in a newspaper? Such procedure, I feel certain, cannot be equalled outside the Iron Curtain.

A few weeks ago, we listened to

the Premier launching a vicious attack from his seat upon a newspaper man, who made an honest attempt to write a true story.

When Aneurin Bevan and Harold Wilson saw fit to launch an attack upon their own Labour Government, in England, a few days ago, when they disagreed on policy, they were not fired out of the Government, why? Because they too were elected representatives of the people and were entitled to their opinions.

Mr. Russell is entitled to his opinion, under democratic rule, and has a perfect right to free speech. It is one of the principal points in the four freedoms.

There is but one answer to it, that the little man with the bow-tie is fast becoming a dictator.

—JUSTICE,  
Bonavista."

Mr. Speaker, I would like to begin by saying that I do not relish the thing which I have to do, rising to call this most serious breach of privilege, to the attention of the honourable members of this House. I would like to say that, as far as I know, it is an absolutely unheard-of thing for Mr. Speaker's ruling or the ruling of the Deputy Speaker ever to have been criticized within the British Commonwealth of Nations. I have never heard of such a thing before. Sir, this is not a party measure, it goes beyond that, I have not consulted with any member on any side before rising to this point of privilege. I would ask the honourable members to weigh this carefully, and I say here, that I am certain the honourable member for Bonavista South had nothing whatever to do with this, and I am certain he would be the last one to defend the action.

An anonymous letter is the most poisonous and cowardly of all forms of attack, which may be made on anyone. The writer is not liable; it is the publisher who is liable; it is the publisher who publishes it, and draws it to the attention of whoever reads this newspaper. I believe firmly in the freedom of the press; I am fully convinced that the freedom of the press is necessary to democracy. But, Mr. Speaker, this is not criticizing liberty but it is a case of taking license.

Let me refer back to certain words, to which I take exception ". . . upheld the Premier's verdict." "Not unsuspected to those listening." Now, Sir, this suggests the verdict given was such because the person who made the point of order was the Premier. This is not true. When the Speaker fills that Chair, or the Deputy Speaker, he is conscious of the high position he holds; I know I am perfectly conscious of it, and when a ruling is given, it is given by the Speaker of the House, and not the member of any Party. The Speaker has no friends, any more than a supreme court, and certainly, as I said before, it is not the right of any person to impute such motive as favouritism to the Chair of the House of Assembly.

As I said before, Mr. Speaker, this is a vicious attack upon the dignity and privileges of this House, and such procedure, I feel could not be equalled outside the Iron Curtain. When a Speaker gives a ruling, it is not his own, but based upon the authority recognized by Canadian Houses of Parliament. May, the great British Parliamentarian, Beauchesne and also Professor Bowinot, are the three authorities, and in

giving his ruling, the Speaker, whether I or Your Honour, always quotes chapter and verse from such authority, which I did, and I gave the ruling which has been questioned. I had no desire whatsoever to stop any member from speaking; none whatsoever. I gave the ruling as I saw it, and as my conscience allowed.

Mr. Speaker, it is important that the freedom of the press be maintained, but it is also as important, that the Speaker of this House, when handing down a ruling, be not exposed to venomous and cowardly attack by anonymous letter writers. I do not know what the action of the House will be in this matter, but I felt in duty bound to bring it to your attention.

MR. SPEAKER: The honourable member must conclude with a motion.

MR. COURAGE: I move, Sir, that this House demand a public apology from the publishers of the "Daily News." That is the least that can be done.

MR. SPEAKER: Just what is the pleasure of the House? The House has three courses open, if I may say so: Take the matter into consideration here and now; postpone it to some other day, by referring it to a Select Committee, or ignore the matter by moving Orders of the Day.

MR. CASHIN: I think there was a similar case about a year ago, when I as a member of the House objected to a somewhat similar attack by another journal and at that time, it was referred to a Select Committee of the House, and I never heard any more about it after that. At least personally or officially, I did not hear. I have not read the letter in question, I probably should apologize for not

reading the paper more thoroughly. I generally read the outside page and the editorial. The anonymous letters I never read, letters where the writer has not the guts to come out under his own signature. I would suggest therefore that this matter be referred to Committee of the House, to be investigated, and I hope it does a better job than it did in my case, a year and a half ago, if the House accepts my suggestion.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, it does seem to me the House must take a very grave view of the attack made upon any member of it, in connection with anything he does or says in the House in pursuance of his duty as a member. The responsibility to do something about it is clearly all the greater, when the attack is made upon the House itself. Mr. Speaker represents the House and if an attack can be made upon the honour and impartiality of Mr. Speaker, by the same token, an attack can be made upon the honour and impartiality of the Chief Justice of Newfoundland, upon the Lieutenant Governor. Indeed I do not know, but that an attack upon Mr. Speaker is far more serious an offence than one upon the Chief Justice of the Supreme Court. Surely Mr. Speaker can make rulings in this House without subjecting himself to attack in the public press, more especially this venomous kind of attack by an anonymous writer who works in the Daily News Office, I think I recognize the style of writing, so much so that I think I could name it outright, the author of the letter, as well as all other anonymous letters of the same person in the Daily News Office, because they have something

which gives them away in every one. If, as I say, the Speaker of the House cannot make his rulings without opening himself to attack in the public press by an anonymous writer, then we are sinking very low indeed, because an attack upon Mr. Speaker is an attack upon every member of this House. If every member of this House could not feel sincerely, that Mr. Speaker is impartial while he sits in the Chair and while he fulfils his duties as Mr. Speaker, then, Mr. Speaker ought not to occupy the Chair, and the moment that any member of the House forfeits his respect for Mr. Speaker, there is something wrong either with Mr. Speaker or with the member. I think the best procedure to take is the one suggested by the honourable and gallant member for Ferryland. I do not know, I have no particular views on that matter, but that we ought to do something I am quite sure. Whether it would be the suggestion contained in the motion of the honourable member for Fortune and Hermitage, that a public apology be demanded of the Daily News or some other course, I frankly admit I do not know. Perhaps members of the House would care to express their opinion in that matter as it is a matter affecting every member of the House regardless of party ties or anything else.

Now that we are two years or slightly more under restored responsible legislative government, we can already see the thin edge of the wedge of scurrilous attack, scurrilous anonymous attack upon no less a person than the great commoner of Newfoundland, the Speaker himself. How long will it be before the same scurrilous, obscene, anonymous letter writers will begin to attack the private character of the members of this

House, for things they say or do in the House? I refer not to what may be said in the public press by any member of this House, without regard to any deeds or utterances outside the House. If I were to come in here and raise as a matter of privilege every attack made on me, in the public press, anonymously or otherwise I would keep the House busy dealing with them. In fact I have not the right to do that, but only to object when my deeds or utterances in this House are criticized in the public press, and I have far more right and duty to protest when an attack is made not upon myself, but upon the person of the House itself, on the honourable Speaker. It is not a party measure. I was just about to make a statement, when I found the honourable member was on his feet; I did not know what he was going to say. But this is an attack upon all of us who are members of this House.

MR. JOHN G. HIGGINS (Leader of the Opposition): I presume, Mr. Speaker, this is going to be followed out in the case of any other attack made upon anyone else. I have heard private members attacked here. I know nothing about the letter. I have nothing to do with it, I never saw it.

MR. SPEAKER: It is the duty of Mr. Speaker merely to declare a prima facie case of privilege existing or not. I have declared that prima facie case does exist. My own personal feelings do not enter into it at all, as the honourable Deputy Speaker said, he never heard of a case of an attack on Mr. Speaker, neither have I. In the present instance I have searched for it but can find no reference either in May nor Beauchesne.

But honourable members must dis-

tinguish and understand what does constitute a point of privilege. Page 83 of the third issue of Beauchesne Parliamentary Rules and Form reads as follows:

Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with their official duties, are breaches of the privileges of the members.

On that one sentence alone I base my decision. Let me read another sentence for the benefit of members:

Libels on members have also been constantly punished: but to constitute a breach of privilege they must concern the character or conduct of members in that capacity, and the libel must be based on matters arising in the actual transaction of the business of the House.

MR. RUSSELL: Mr. Speaker, if I, while speaking here, make a statement and a paper either on its own initiative or quoting someone else reports it wrong, could I bring that up in the House again and contradict it? Would that come within the ruling you just read, Sir? I am all confused on the matter of privilege.

MR. SPEAKER: I can not answer; Mr. Speaker may not answer a hypothetical question.

Did I understand the honourable member to second the motion of the honourable member for Ferryland?

MR. SMALLWOOD: I prefer to hear further expressions of opinion in the House. I do not actually second it.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, it seems to me that the only thing we can properly do is second the motion made by the honourable member for Ferryland. This thing has come up rather

suddenly. I have not seen the letter and I have heard of it now for the first time. It seems to me, under the circumstances, the proper thing would be to appoint a committee to make recommendations. I second the motion of the honourable member for Ferryland.

MR. SPEAKER: The motion is that the matter of bringing a point of privilege be referred to a select committee.

MR. HORWOOD: I submit that no notice be taken, that the House do not take cognizance of the motion until the document is laid on the table here.

MR. SPEAKER: That is quite true. (Document tabled).

The motion is now in order.

Might I name the select committee to consider standing orders as the committee to consider this motion, with the addition of the honourable member for Ferryland to replace the honourable Mr. Quinton, who is no longer with us.

MR. CASHIN: What is that you say, Mr. Speaker?

MR. SPEAKER: If you have no objections, I appoint you to this committee to consider this matter, replacing Mr. Quinton.

MR. SMALLWOOD: I take it there is a committee already to deal with it.

MR. SPEAKER: Honourable the Attorney General, Mr. Higgins, Mr. Fogwill—unfortunately I have not the list. I will read the list before we adjourn today.

MR. SMALLWOOD: Mr. Speaker, in response to my invitation tele-

graphed to Mr. Timmins, the General Manager of Labrador Mining arrived in St. John's Friday night by private aircraft, and spent some hours with me on Saturday morning. We discussed conditions under which Newfoundlanders have been working on construction of the railway from Seven Islands to Knob Lake. The General Manager was authorized to speak for Mr. Timmins and agreed that the Government of Newfoundland should appoint a special representative to be stationed on the construction job to act as liaison officer with a view to removing differences and making agreeable relationships. He undertook also to have the expenses and salary of the special representative paid by the Company, so that this will cost the treasury nothing. I expressed on behalf of the Government the hope that this arrangement will result in much more pleasant conditions for Newfoundlanders working on the construction job in Labrador.

#### Presenting Petitions

MR. CURTIS: Mr. Speaker, I have the honour to table a statement today which was made in the House of Commons in Ottawa. This statement has to do with United States Bases in Newfoundland. It reads as follows:

#### STATEMENT BY THE PRIME MINISTER

on the

#### NEWFOUNDLAND LEASED BASES AGREEMENT

House of Commons, Ottawa,  
May 1, 1951

"I have a statement relating to the United States leased bases in Newfoundland, about which the Permanent Joint Board on Defence has made certain recommendations.

In March 1941, as hon. members



will recall, the United Kingdom leased to the United States for 99 years land for naval and air bases in several colonies and territories including Newfoundland. This Leased Bases Agreement empowered the United States to establish and operate naval and air bases, and also provided extensive rights and privileges for the United States forces to be stationed at these bases. These rights related to such things as the jurisdiction of courts, customs and excise taxes, income tax, and military postal facilities. Pursuant to this agreement the United States established and still maintains four bases in Newfoundland. These are :

Pepperrell Air Force Base near St. John's.

Harmon Air Force Base near Stephenville.

McAndrew Air Force Base at Argentia.

The Naval Operating Base at Argentia.

On February 10, 1949, in the course of the debate on union with Newfoundland, I made a reference to these Leased Bases. It might be useful if I repeated what I said then. It is as follows :

"If and when Newfoundland becomes a part of Canada, those leases will still be valid leases affecting the lands described in them. They contain provisions which go beyond the provisions to which the Canadian Government has agreed with respect to anything done by the United States Government in the territory of Canada, and we hope that it will be possible to get the government of the United States to agree that it will not exercise those rights in a manner that would offend against our rights of sovereignty in

Newfoundland. But that is something that will have to be brought about by negotiation and agreement with the government of the United States. The situation is the same as if the hon. member, having a farm, leased a building lot on it for ninety-nine years and then sold his farm. The acquirer would have to take the farm and respect the agreement the hon. member had made with regard to the building lot. But he could go to the man who had the lease on the building lot and try to make a new deal with him. That is what we intend to try to do with the government of the United States. But if they are not disposed to make any change in the arrangement, we shall be obliged to respect the rights that exist there, just as we shall be obliged to respect as a fact the existing situation in the territory of Newfoundland.

Before the union with Newfoundland we informed the United States Government that the Canadian Government hoped the United States would consider relinquishing some of the extraterritorial rights conferred by the 1941 Agreement on United States forces in Newfoundland. The Canadian request said, in part :

"In the opinion of the Canadian Government the prospective change in the status of Newfoundland justifies a modification of the 1941 Bases Agreement in respect of the Newfoundland Bases in order to bring that Agreement into accord with the principles which, for many years, have governed the defence relations between Canada and the United States.

Thus the joint statement issued by the Prime Minister of Canada and the President of the United States on February 12, 1947, refers

to the 'underlying principle' that 'all cooperative arrangements will be without impairment of the control of either country over all activities in its territory', and the Recommendation of November 20, 1946, of the Permanent Joint Board on Defence, which has been accepted by both governments, states that defence co-operation projects in either country should be agreed to by both governments, should confer no permanent rights or status upon either country, and should be without prejudice to the sovereignty of either country."

In seeking the modification of provisions of the lease, the Canadian government realized, as I have indicated, that we were asking the United States to give up legal right of undoubted validity. As is customary in our discussions with the United States the request was considered by the United States authorities on a higher plane than the plane of strict legality.

Our two governments decided to ask the Permanent Joint Board on Defence to examine and report on the Canadian request. The Board undertook an exhaustive study of the complex questions involved, and the United States members, on behalf of their government, co-operated in the spirit of friendship in the search for a solution.

In March 1950, the Board formulated a Recommendation which has now been officially approved by both governments. This approval, which it is proposed to incorporate in an Exchange of notes, will constitute a modification of the Leased Bases Agreement. I am sure that all hon. members will share the appreciation felt by the government of the decision of the United States to give up volun-

tarily certain rights which were legally conferred for 99 years by the 1941 Agreement, before Newfoundland became a province of Canada.

The Recommendation of the Joint Board is in four parts which relate to Income Tax, Custom and Excise-Postal Privileges and the Jurisdiction of the Courts. I shall now table the Recommendation and give a brief explanation of the effect of each part.

#### **First: Income Tax**

On June 12, 1950, a new Double Taxation Convention between Canada and the United States was signed. It has been approved by the Parliament of Canada but is awaiting ratification in the United States. When it comes into force it will replace certain exemption provisions now in the Bases Agreement. In addition the Board recommends that the United States waive the exemptions given by the Bases Agreement on contractor's profits, on United States civilian employees of such contracts and on the families of these employees. This part of the Recommendation will place income tax exemptions of United States personnel in Newfoundland on the same basis as in the rest of Canada.

#### **Second: Customs and Excise**

The United States will also waive duty and tax exemptions given by the Bases Agreement on:

- (a) contractor-owned equipment,
- (b) personal belongings and household effects of contractors and their United States employees other than on first arrival, and
- (c) Individual purchases in Canada by United States personnel.

Customs and excise exemption for Post Exchanges and Service Clubs will continue, it being understood that the

United States authorities will endeavour to increase purchases for these institutions in Canada and will take special steps to prevent abuse of privileges continued under the agreement.

### Third: Postal Privileges

Originally Canada asked for replacement of United States military postal facilities by Canadian Post Offices. Although the United States authorities were not prepared to accede fully to this request, under the Board's recommendation the United States will not establish normal civilian postal offices and will limit the use of their Army Post Office system strictly to mail destined to United States territory or to other United States Army Post Offices.

### Fourth: Jurisdiction of the Courts

This part of the Recommendation covers four matters:

(i) The United States waives all rights of jurisdiction permitted under the Bases Agreement, over British subjects and over aliens other than United States citizens;

(ii) The United States suspends for five years exercise of rights of jurisdiction over United States civilian personnel and all other rights conferred by Article IV of the Bases Agreement, subject to revival on notice thereafter or in event of war or other emergency;

(iii) The Canadian government will seek to amend the Visiting Forces (USA) Act to permit of compulsory attendance of witnesses at United States courts-martial;

(iv) The Canadian Government will seek legislation to protect security interests of the United States forces in Canada, as required under the Bases Agreement.

The Recommendation that the United States give up or suspend jurisdictional rights under Article IV of the Bases Agreement is conditional upon the Canadian Government, with the concurrence of the Newfoundland Government, giving to the United States Government assurances that the new arrangements will in practice give United States officials in Newfoundland a degree of jurisdiction comparable to that which they have in fact exercised up to now. The Attorney General of Newfoundland has been consulted and he advises that there will be no difficulty about giving these assurances because, in fact, the United States officials have exercised in a reasonable manner their jurisdictional rights under the Bases Agreement. They have not, for example, attempted to exercise the jurisdiction over Canadian citizens which the Bases Agreement gave them.

What the condition and the assurances mean is that, in practice, members of the United States forces in Newfoundland will generally be dealt with by United States service courts, which is a reasonable and sensible arrangement in the circumstances. Corresponding treatment is in fact given to Canadian forces which may be stationed from time to time in the United States.

The Board's Recommendation will provide the occasion for the extension of the Visiting Forces (USA) Act as revised to Newfoundland and remove what is perhaps the most objectionable feature of the Bases Agreement, namely, the right of jurisdiction by United States courts over Canadian citizens.

Referring to the Recommendation as a whole, it meets most of the specific requests which the Canadian Gov-

ernment originally put forward. Obviously, a negotiation of this kind required a willingness on both sides to give and take. In the view of the Canadian Government, the Recommendation removes the features, most objectionable to us, of the taxation and jurisdictional rights conferred by the Leased Bases Agreement.

The government will in due course be making to the House five legislative proposals following in whole or part from the Recommendation.

In connection with the Customs Tariff it has already been proposed, in the Budget Speech, that Item No. 708 of the Customs Tariff should be revised. At present it deals with customs privileges for the United Kingdom Government only.

In connection with military post offices, an enabling clause will be included in the proposed Bill to amend the Post Office Act.

In connection with the Recommendation for security legislation, there will be two measures. First, a Bill along the lines of the Official Secrets Act is proposed for the protection of allied governments. Second, a new section in the Criminal Code for the protection of property of allied forces is also under consideration.

It is proposed to add to the Visiting Forces (USA) Act a new section under which the Governor in Council would have authority to provide by regulation for compulsory attendance of witnesses before United States court-martial of the Canadian forces. This amendment will, for convenience, be included in a Canadian Forces Bill which will deal with a number of other subjects related to defence.

Of the five proposed legislation measures, only one will refer expres-

sly to United States Forces, and that is the amendment to the Visiting Forces (USA) Act. When the time comes to examine the other four it will, I think, be agreed that, quite apart from the Recommendation of the Permanent Joint Board on Defence, they are useful and possibly necessary measures to enable Canada to discharge obligations under the North Atlantic Treaty.

The Government believes that on consideration, hon. members will agree that the solution which has been recommended by the Board is a reasonable compromise in an admittedly unprecedented situation."

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I beg to present a petition from the residents of the district around Elliston, petitioning for the erection of a cold storage plant at Elliston. I can only repeat what has been already stated here that this matter comes under Federal, not Provincial, jurisdiction, but it contains an alternative prayer for erection of a drier suitable for drying salt fish which comes primarily, I believe, under Provincial jurisdiction.

Since the people of Elliston and neighbouring settlements constitute one of the bigger settlements for prosecution of the fishery and as the fishery is still an important industry in this province and these people are trying to improve the conditions so that they can continue the work which they are accustomed to. I move this petition be tabled and referred to the department concerned.

Petition received and referred to department concerned.

#### Reports of Standing and Select Committees

MR. SPEAKER: I have here a

letter from the Secretary of State for Canada, dated May 2, 1951, re resolutions Migratory Birds Convention, signed Gordon Bradley, Secretary of State:

Ottawa,  
May 2, 1951.

Dear Mr. Speaker:

I received your letter of April 19 enclosing copies of Resolution adopted unanimously by the Legislative Assembly of the Province of Newfoundland, concerning the Provision of the Migratory Birds Convention Act. I am bringing this Resolution to the attention of my colleagues here.

I may tell you that earlier this year I discussed this matter in Cabinet with the result that the Secretary of State for External Affairs has entered into discussion with the United States Government, with the view of ascertaining whether the terms of the International Convention may be relaxed in so far as restrictions of seabird shooting are concerned.

Yours sincerely,  
(Sgd.) GORDON BRADLEY.

Secretary of State.

Hon. R. F. Sparkes,  
Speaker of the House of Assembly  
of Newfoundland,  
St. John's, Newfoundland.

#### Notice of Motions and Questions

MR. SMALLWOOD: Mr. Speaker, I give notice that I will on Wednesday move the House into Committee of the Whole on Supply and Committee of the Whole on Ways and Means.

MR. CASHIN: Mr. Speaker, I give notice that I will on tomorrow ask the honourable the Minister of Finance:

1. To table a statement showing the total amount of revenue collected

through the Social Security Act up to March 31st, 1951.

2. To table such information by Districts, showing the amount collected under this Act from each Electoral District.

3. It would be appreciated also, if the honourable the Minister of Finance would table a statement showing the amount of Loans made to various Fish Companies by the Commission Government, giving the names of the Companies and the amount each received. Then another statement showing the amounts guaranteed by the present Government for Industrial Development, the names of the Persons or Companies to whom these guarantees have been made. Also, if any Cash Loans have been made by the Government, to give the names of those receiving such Loans. This information to be given up to date, so that a full financial statement of Loans and Guarantees can be available to the House.

Also to ask the honourable the Minister of Finance:

1. To table a statement showing the amounts of Loans granted by the various Loan Boards under the Chairmanship of Mr. James Baxter,

2. To table the names of the individuals or corporations who have received such Loans, together with the amounts each Individual or Corporation has received.

3. What are the terms of such Loans and what security has been given the Government? Give all particulars in connection with such advances.

Also to ask the honourable the Minister of Finance:

To table a statement showing under the various revenue headings the

amount of monies received from the Federal Government for Old Age Pensions, Hospitals, etc., this information not to include Transitional Grants and to cover the revenues for the fiscal year 1950-51.

Also to ask the honourable the Minister of Economic Development to table the following information :

1. The total amount paid to Dr. A. Valdmanis for travelling expenses and hotel bills since his appointment by the Government last year to date.

2. State the various places where Dr. Valdmanis visited on Government business as well as the amount of travelling and hotel expenses incurred on each of these trips.

3. Give a statement showing the amount of travelling or living expenses paid to other members of the staff of the Director General of Economic Development.

4. Table a statement showing the total amount paid to IBEC for conducting a survey in Newfoundland on the prospects of various industries being established in the Province together with a copy of any such report made to the Government on such matters. Did IBEC or any of the Rockefeller Interests expend any sums from their own resources to assist in any of these surveys? If so, give the amount.

5. Give a statement showing the amount paid the Power Corporation of Canada in connection with its work in carrying out a survey of the possibilities of the development of the Water Power in Bay D'Espoir.

6. Is it the intention of the Government to introduce legislation during the present session of the Legislature to give effect to plans for the

establishment of a Newfoundland Corporation in which the Government and certain United States Financial interests, outlined in the Speech from the Throne, would co-operate financially and otherwise with a view to further development of the potential natural wealth of the Province of Newfoundland?

7. What progress, if any, has been made by Dr. Valdmanis and the Government in securing financial interests, which would be interested in the establishment of a Pulp and Paper Mill either in Newfoundland or Newfoundland Labrador? Table any correspondence that may have taken place between the Government, Dr. Valdmanis or Financial Interests with reference to the development of such a project.

MR. RUSSELL: Mr. Speaker, I give notice that I will on tomorrow ask the honourable the Acting Minister for Natural Resources to table the following documents :

1. Copy of letter dated January 12th, 1951, from the then Minister of Natural Resources to the honourable the Minister of Fisheries at Ottawa re a proposal for mink development in Newfoundland.

2. Copy of the above mentioned proposal which was enclosed with said letter.

3. Copy of the proposed estimated expenditure, item by item, to implement the said proposal.

Also to ask the honourable the Minister of Fisheries and Co-operatives to lay on the table the latest report (or reports) of the Registrar of Co-operatives on Credit Unions and Co-operative Societies.

Also to ask the honourable the Minister of Fisheries and Co-operatives what progress (if any) has been made since March 22, 1951, in negotiations between the Government and the Bonavista Cold Storage Ltd., re the possible expansion of existing facilities for fish processing at Bonavista?

#### Orders of the Day

Committee of the Whole on Revised Rules of the House.

MR. COURAGE: I believe standing order 67 is outstanding, the one regarding payment of fees for people bringing in private Bills.

MR. CURTIS: I have an amendment, Mr. Chairman, which I propose to make to that section.

MR. HIGGINS: I think the honourable the Attorney General should explain to the House why such corporations would avoid payment of revenue to the country.

MR. CURTIS: As you know, we have a Companies' Act in Newfoundland and a Registrar in the Court House. Any private persons desiring to incorporate a company must pay certain fees. Now the fees outlined in this section 76 are much less than fees payable where companies are incorporated under the Companies' Act, and while it is unusual for companies to apply to the Legislature for registration when they can register under the Companies' Act. Nevertheless if honourable members would refer to the Consolidated Statutes they would see several companies were incorporated by act of parliament. The Eastern Trust and the Avalon Telephone Company were so incorporated. I suggest numbering the present section 76 as No. 76 (1) and adding 76 (2) as follows: "Before a private Bill incorporating or increasing the capital

stock company is reported by the Committee to which it is referred, the petitioner, unless the House shall otherwise direct, shall deposit with the Minister of Finance a sum equal to the total amount that would be payable as fees were the company a company incorporated under the provisions of the Companies' Act." I would move that amendment.

Carried.

MR. COURAGE: Are there any points any honourable members would like to raise before the committee rises?

MR. FOGWILL: No. 34 for a point of information: I understand by this rule the motions we go into, supply and ways and means are under one motion and there can be only one amendment allowed altogether during all the period.

MR. SMALLWOOD: I think actually there are two motions. I don't think there is but one motion. There is a motion we go into committee on supply and another we go into committee on ways and means. Two separate motions. Maybe the revised rules provide otherwise but normally we go into committee each by separate motion.

MR. FOGWILL: I understand that, but it does not say so in this particular rule. I was just wondering how it would be here where both are together.

MR. SPEAKER: It really is an insignificant point, I think, asking for the authority for one amendment and one sub-amendment. On the budget there is only one amendment officially: Motion is the Speaker leaves the chair. It is either carried or not carried. Only one amendment can

be made. It is not a new rule, but one that has been in existence for a long, long time. Only one amendment and one sub-amendment is made to the motion; Mr. Speaker leave the Chair.

MR. FOGWILL: I understand this, but I did not. In Hansard in Ottawa they did have an amendment and sub-amendment by Drew and Coldwell and later when the budget was presented at a later date, another amendment by Mr. Bonell.

MR. SMALLWOOD: Were there any amendments and sub-amendments on committee on supply?

MR. FOGWILL: The supply came before the budget.

MR. SMALLWOOD: I can understand the committee on ways and means as the House does not, in fact, go into committee on ways and means, that is the budget committee until, I think, finally when the debate is concluded. Go in formally and rise again and that is the end of that committee. On committee on supply—that is the estimates—they actually go into committee and there can be an amendment. But on committee on ways and means the amendment or sub-amendment must be along the line of amending the motion to leave the Chair. That is the only motion there is.

MR. FOGWILL: There were two, by two different people.

MR. SMALLWOOD: I am just trying to visualize now, on Wednesday for example, I stand here having given notice today, and move the House into committee of ways and means and having made the motion I speak to it and in so doing deliver the budget speech. Other members

then are at liberty to speak to that motion and in so doing are really speaking to the budget and throughout the period of that debate surely have the right to move an amendment and therefore carry the right to move a sub-amendment. Now on supply and ways and means, what amendment can there be?

MR. FOGWILL: Mr. Drew made an amendment that the House go into committee on supply.

MR. SMALLWOOD: That was done after they go into committee on supply?

MR. FOGWILL: No on motion. Mr. Drew made the amendment and then made a speech and at the end of the speech made an amendment.

MR. SMALLWOOD: That could surely be only at some point throughout the debate because it is necessary daily to go into committee on supply and take up various departmental votes. It may have been a week or more after the debate proceeding that the amendment was moved, surely not to the original motion because the effect of that would be to have the House not go into committee of supply.

MR. FOGWILL: That is the effect of the motion that "all the words after that be stricken out."

MR. SMALLWOOD: There seems to me to be something wrong with that. In clause 34 I suggest we change the word on to "or" in the last line.

MR. FOGWILL: Does this confine the House to one amendment all through the whole period as it goes through the committee stage?

MR. CURTIS: Any amendment could be made all through the com-



mittee stage but only one amendment and one sub-amendment.

MR. SMALLWOOD: Since my honourable friend objects, would it not be better if it were read this way?

MR. FOGWILL: I have no objection, Mr. Chairman.

MR. SMALLWOOD: For the purpose of clarification: Only one amendment and one sub-amendment may be made to the motion that Mr. Speaker leave the Chair for the House to go into committee on supply or into committee on the whole, one motion. If the motion were accepted, the Speaker would have to leave the Chair, that is all. That has been the parliamentary procedure down through the years.

MR. COURAGE: I have the Premier's amendment here.

MR. SPEAKER: Mr. Chairman, I do not want to debate, but I would hate to have that terminology associated with my name. I hope you understand what I mean. It is perfectly clear to all members of the House what is meant, it is not necessary to make it clear to other people. There is one amendment and one sub-amendment: The motion is: I do now leave the Chair, and in making an amendment all the words after are stricken out. The motion is put that the word to leave the Chair ought to stand part of the question. If they stand part of the question Mr. Speaker must leave the Chair. The motion is covered by amendment.

MR. RUSSELL: What would happen if an amendment were passed in the House? "Mr. Speaker would not leave the chair on tomorrow." Supposing an amendment were proposed and passed.

MR. FOGWILL: The Government is then defeated.

MR. RUSSELL: No, no.

MR. SPEAKER: If it is intended to read the word "Now" and that amendment is carried, the House has prevented the Speaker from getting out of the Chair on that day. The amendment takes all words after that which amounts to a vote of sanction of the Government.

MR. RUSSELL: I am not quite clear on the amendment to the motion, "Mr. Speaker leave the Chair for the House to go into Committee," which is not necessarily a vote of sanction at all. The amendment is that the word be stricken out and others substituted.

MR. SPEAKER: If the Government decides to accept the amendment then they are not treating it as a vote of censure. If the Government refuses to accept—

MR. RUSSELL: Is this the intention, Mr. Chairman, that there can be two separate amendments and one sub-amendment to each motion which means a total of two amendments and two sub-amendments?

MR. SMALLWOOD: I may tell my honourable friend right now it would be defeated in any case.

Carried.

MR. FOGWILL: There is one other point I would like to get clear: On a motion the rules of the House are suspended so that Bills may be read a first, second and third time during today. What would be the vote on the suspension of the rules?

MR. SMALLWOOD: I must say, Mr. Chairman, my memory does not

serve me on that point but on the general question of suspension of the rules, if I were permitted to refer to remarks of the honourable and learned Leader of the Opposition on the reason, which I am not, I would say he was rather less than fair when he complained of the fact that the House decided at the last session and the session before, toward the close of the session, to suspend the rules. That is the practice universally and has been the practice in this House since this House with probably not even one session as an exception since this House began in 1832 to the last day of its existence including the period since resumption two years ago. It has been the universal practice towards the close of the session to suspend the rules. I have seen it myself, done at least on a dozen occasions. What happens usually is this, after a long and weary session and the summer begins to emerge and members are anxious to get away to their private business, having devoted considerable time to the House away from their private duties, they all agree that the rules be suspended so that they can get the business remaining done more quickly than in the other part of the session. That is universal and has been done in every session of this House held since 1832; it is done in every provincial legislature in Canada and in the House of Commons and the Senate of Canada, in the House of Commons and the House of Lords of the Parliament of Britain, everywhere in the British system. The rules of the House are suspended to enable Bills to be put through various stages in one day or maybe two instead of the normal three or four days. We mean to do it and have done it here in the last two sessions. The suspension of the Rules in the dying stage of the session is a precedent than

which no precedent is more universally established. If members are not aware of that, that is not my fault. It is a fact. Now what vote or portion, what majority, what proportion of the total vote enables the suspension to take place? I am afraid on that point my memory does not serve me. Perhaps there is something on it in the existing rules of the House. Let us look up the existing rules and see.

Now this I will say, would like to have on record; it would be a shameful thing and shamefully wrong to utilize the majority to bring about the suspensions of the rules of the House to enable legislation to be rushed through. That is a general principle which no one can contradict. It would be a shameful thing if a Government used its majority to force the suspension of the rules for the purpose of railroading legislation through the House and such a course is never taken. I am glad my honourable and learned friend is back in the Chair, he can confirm my statement when I say it has been the universal practice in the dying hours of a session or in the last three or four days of the session to suspend the rules to clean up the accumulation of outstanding legislation. He nods to say that has been so since 1832 in Newfoundland and in every other British Legislature. At the same time, I do say it would be criminal on the part of any Government, except in those circumstances, to use its majority to force the suspension of the rules for the purpose of railroading legislation through, and this Government has no such intention, and if my honourable and learned friend, the Leader of the Opposition has any fear that the Government has any such desire I can only say I regret that he has any

such fear as it indicates in him a complete lack of faith in our good faith, good intentions and he has had no evidence whatsoever to think we would do that kind of thing. There has been no evidence and he should give us the benefit of the doubt.

MR. HIGGINS: Mr. Speaker, I would like to say one thing. I am not denying that this motion when through session after session and when the honourable member for Ferryland nods and agrees he does not need to do so, we all know that. The fact that the members here hear the birds chirping and the sounds of summer in the woods makes them want to leave the House. My point is that it has always been done by unanimous consent and the honourable member for Ferryland should be able to bear me out in that.

MR. CASHIN: With respect to the matter under discussion, it has always been done by the Leader of the Government generally discussing it informally with the Leader and other members of the Opposition. They have usually been just as anxious to finish up as anyone else. I don't believe any Government including this one would bring in any important legislation with the idea of railroading it through. For instance during this session I have asked a question regarding the possibility of legislation on an important matter, and I am sure the Government would not want to suspend the rules of the House to put that matter through. But there was one time in this House I remember when a certain company now doing business, a public utilities company, had a little bill and members on both sides of the House made quite a joke of it at that time when this public utility company would always manage to have a little Bill to

rush through at the end of the session. I don't imagine it has any coming through this year. I don't wish to mention any names but the honourable the Attorney General and the Premier know what I am referring to. But I am sure no important legislation would be brought in here under suspended rules which generally come about a week before the closing of the House and are agreed to by both parties on both sides of the House.

MR. FOGWILL: That is my understanding, but I remember in our first session, if my memory serves me correctly, at the end of the session, during the last week, notice was given that the Rules be suspended, and after the Rules were suspended, it was intimated by the Government that the House would close on Wednesday of the week following, but on Monday preceding Wednesday the Social Security Bill was brought in. We did not know one thing about this important piece of legislation, a tax passed to collect three and a half million dollars from the people. I know it was for a very worthy purpose, for the old and infirm, and those who can't work and so on. Nevertheless the rules of the House were suspended the week before this Bill was brought in. That is why we don't want that to occur again. That is why I put the question about the vote to suspend the rules, and I quite understand it is done by the method described by the honourable member for Ferryland, and it is agreed the rules are suspended by both sides. That is in order, provided no important legislation is to be brought in.

MR. SMALLWOOD: I don't recall whether the Social Security Assessment Tax was brought in after notice of suspension of the rules. I

don't recall the fact, and there is no reason I should doubt the honourable gentleman's word or question his memory but, this I will say, that I doubt very much my honourable friends opposite were not given as much time as they wanted to discuss the clauses of the Bill. My recollection of that session is this, that if all the speeches made had been applied to one Bill, one of many, it would not have constituted a good debate, on the part of my honourable friends opposite. That is my opinion, that is all I can express, because if he told me what his opinion was, I could not be sure it was in fact his opinion. I can express my own and my own is that all my honourable friends in that session of the House who spoke between them for the entire session would have covered half a debate on one Bill. So, therefore, I have the conviction that if, as my honourable friend says, that Social Security Assessment Act was brought in after the rules were suspended, they were none the less given the opportunity and all the time they wished to take to discuss it, I recall definitely trying repeatedly, asking my honourable friends opposite to get up and debate this, that or the other thing which they did not do while Bill after Bill became law without the utterance of one word from the opposite side of the House.

MR. JACKMAN: It was useless to say anything.

MR. SMALLWOOD: I saw this House in two groups, the Government and the Opposition, consisting of two men who made it pretty miserable for the Government, while it lasted. Two men did that. Now my honourable friends number five, and I say in that first session the session to which my honourable friend

refers when the Social Assessment Act was brought in after the rules were suspended, they had all the opportunity they wanted, and may I make this final point: Does it really matter whether first reading is finished today, second reading tomorrow, committee of the Whole the third day, and third reading the fourth day, or it is all done in one day providing every member of the House has all the time he wants to discuss it? Does it really matter in the dying hours of a session?

MR. HIGGINS: That Act was produced in the afternoon, and passed in the afternoon. I was in a committee meeting and it was just about to be passed when I came in.

MR. SMALLWOOD: Again and again, I spoke here on second reading and said if the honourable gentlemen are not ready to proceed they should move adjournment of the debate. If I pointed that out once, I did it at least a dozen times, and it was not my fault, if my honourable friends did not take advantage of it.

MR. JACKMAN: We are political children.

MR. SMALLWOOD: We are all that, all children politically, all two and three and four years old, but if it is the last thing I do on this earth I am going to educate you politically.

MR. COURAGE: I must remind my honourable friend that no mention is supposed to be made of a Bill passed in a former session unless it is to be amended.

MR. SPEAKER: The question seems to be how are the rules of the House suspended and on what occasion. Now I might ask a man for information and believe him when he

gives his answer. It does not follow it is correct, and it does not follow I am going to apply that rule. I want several people to tell me, I must have good solid authority for any rule or decision.

Now it is a rule of the House, that every Bill shall receive three separate readings on different days previous to being passed, but when it is desired to advance a Bill two or more stages in any one day then Order No. 61 applies. The old one reads :

Before I came into office, I started to question people whom I thought would know how this is done and I was told it had been done here in Newfoundland by unanimous consent. Now, I have questioned speakers from all over the known world, I have not gotten to Mars, and they tell me we are the only people under the sun who ask for unanimous consent for this motion to advance a Bill two or more stages in one day. However, I would like the House to inform me what procedure they would like carried on. I left it to the House to ascertain in this way its decision. Whenever a member presents a petition therefore, I go on and say who seconds it. If any honourable member says "no," I should put the question and decide by a majority. But the question is shall we continue to supply unanimous consent to rule 58. Towards the end of the session the Premier having given due notice, do so move that all rules be suspended. People who know have told me that is done by putting the motion, "that the rules be suspended for the remainder of the session." That is the authority on which I have been acting.

MR. HIGGINS: Who told you that? The party I asked said no.

MR. SPEAKER: If that were true it would mean I changed procedure on the request of the Premier. What is absolutely true is that I would not change procedure for all the Prime Ministers in the world. At least three different people, some of them past speakers, said when notice is given toward the end of the session, that the rules of the House be suspended, it is by majority vote. For my part, I shall not ask for unanimous consent unless the House tells me so. I ask to have the position clarified.

MR. SMALLWOOD: If my honourable friend the junior member for St. John's East does not object to my being a wind-bag again.

MR. FOGWILL: I did not say you were a wind-bag.

MR. SMALLWOOD: My honourable friend is critically correct, as a former Premier said; he did not say I was a wind-bag, but implied it, and if he does not object to my being a wind-bag again, may I make this point: my honourable and learned friend the Leader of the Opposition is such an admirer of tradition and as in the present point that on a majority vote moved by the Premier the rules of the House are suspended, I ask him to accept that tradition when it serves his purpose.

MR. HIGGINS: Now that is going very far with it.

MR. SMALLWOOD: At least I brought the honourable gentleman to his feet. He is not talking away in his seat as usual like a man chewing tobacco in the fore-castle of a schooner. The proper thing to do is to stand on one's feet and speak. I say again, my honourable friend, and I admire him for it, is one who

respects tradition especially Newfoundland tradition, and now we hear Mr. Speaker, speak not as Mr. Speaker, but as a member of the House, sitting at this committee table, say that speakers of former governments here have informed him, and others, not speakers, but presumably authorities, former members of this House, that towards the close of a session, on motion of the Leader, that rules be suspended, it is carried by a majority.

MR. HIGGINS: It is always carried by unanimous consent.

MR. SMALLWOOD: In other words, you are telling Mr. Speaker, he is talking through his hat. Mr. Speaker has just told us that various former speakers of the House have informed him, that it was passed by a majority vote, now you say that is all wrong.

MR. HIGGINS: I was speaking to one of those speakers myself. I never heard anybody object, that is the point, it is always given unanimously.

MR. SMALLWOOD: Now, if I were in court, and acting as a lawyer and confined to categorical statements, I must take the statement of Mr. Speaker, that the motion was by a majority vote, and my honourable friend steps in and contradicts this statement and tells us that one speaker says, in fact, it is usually by unanimous consent.

MR. FOGWILL: The Government has the majority, and can carry the motion, is that proper?

MR. HIGGINS: I told the Speaker, exactly what happened. I think Mr. Speaker himself is just as much in the dark. It is very hard to find out what is customary, but I imagine it was unanimously done, and I can see

why, as everybody was tired, and the Prime Minister and the Opposition talked together. Anyway, the position is what is the meaning of it now, that is what we are asking?

MR. SMALLWOOD: In fact, the only living former speaker of the House, is Justice Winter, who presumably has been consulted by Mr. Speaker, on this particular point. Now, if my honourable and learned friend, the Leader of the Opposition, who is a respecter of tradition, wants to do as was done in the past, let us do so now and stick strictly to tradition.

MR. HIGGINS: Get the three, and ask them here in the House.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): May I ask, Sir, whether in the period, you are discussing with regard to the last stages, whether it should be a majority vote or unanimous, let us decide whether it should be by a majority or unanimous vote. We could make a debate about anything. I could stand up here and be called a chew mouth also.

MR. HIGGINS: I think, Mr. Chairman, we ought to get this settled. I dislike being told, I try to make things suit my own case. Traditions may vary, as do people's minds, and I went around asking some people, and I am not a bit the wiser, yet I tell you candidly it is never a majority, but unanimous in every case. It may have been the rule, nobody seems to know.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Now, Mr. Chairman, if that is the case, in other words, if there is not a decided voice, one way or the other, why not adopt it as it now stands, namely by a majority of the House?

**MR. FAHEY:** There is one point I would like to make. If it is agreed upon previously, that is by the Leaders of the Government and the Opposition, that it would be agreeable to suspend the rules on a certain date, then naturally, it would be carried unanimously. Now, while on that matter, I would like to refer to something said earlier this evening; that is the fact, that all that was said here by the members of the Opposition, during the first session, would not make a good debate. The point I want to get at is this, I have just as good a memory as anybody else. We opened in July, and continued until the 7th of December, and the second last day before we adjourned, after the rules were suspended, the Minister of Finance, Mr. Quinton at that time, brought in the Social Security Assessment. I don't think it was very sporty. It should have been brought in at the regular time, and not left until the rules were suspended. But, insofar as all that was said would not make one good debate, the reason why, I might say, was that some of those Bills had nothing we could disagree with, and did not call for debate. Our job is to criticize and ask for explanation, and ask questions, when we have reason. We don't make long speeches. We are certainly not prone on this side to make long speeches. We are not rubber stamps on this side of the House.

**MR. COURAGE:** That word has been ruled out of order.

**MR. FAHEY:** We are not dummies on this side of the House. We make up our minds to speak if we think it is necessary that we do. The fact that we were told here this afternoon, that all that was said by the members

of the Opposition would not make one good debate, while only last Thursday, the rule was brought in to bring the time down to 45 minutes, it was amended afterwards to two hours, but why should it be brought down to 45 minutes, unless someone must have thought there was too much talk coming from this side of the House? Then we are told, all that was said would not make one good debate. Now, that does not seem like common sense, nor does one part of the statement bear out the other. But getting back to the point before the Chair, the point I want to make is if it is agreed that it is traditional that it is done through both sides of the House, that the rules should be suspended in the last stages, I don't see why we should change. There were no filibusters or hanging up, and until such time as it is impossible to work that way, it would be time enough then to change it.

**MR. CURTIS:** Thirty-five years ago, I first came into this Chamber, to this House as a reporter, and I think I have attended twenty years at least, either as a reporter, as a visitor, or in some other capacity. In my experience, anytime a Bill was read, and passed more than one stage in a day, it was done by the unanimous consent of the House. But at the end of the session, suspension of the rules is brought about, though I can't remember a division by a majority vote. The only difference in a suspension like that and from day to day, notice of motion is given, and when it comes up, surely goodness, the House can have authority to vote on it. In other words, if I give notice the rules be suspended, obviously, the majority ought to decide. It calls for a division, and a division by the

majority. If that were not so, some sessions of this House would never be closed.

MR. HIGGINS: To close the House requires a two-thirds majority. Let us get some certainty about it.

MR. CURTIS: Well let us declare the majority shall suspend the rules.

MR. HIGGINS: To change one rule requires a majority, to change all rules requires a decided majority.

MR. CURTIS: Let us write it in now and be done of it.

DR. POTTLE: Our experience with regards to waiving of the rules, as I recall from last year and the year before, was unfortunate, I am quite sure on one occasion a Bill was held up, because of lack of unanimity but in my view nothing was gained whatever by the deferment of the Bill in question. There was no point of principle involved as I recall and for all practical purposes the Bill might have passed the following stages on that particular day. I think we may as well take precedence and guidance also from other sister Houses throughout the Commonwealth, which have had as much and more experience as we.

MR. FAHEY: Let us look on it the right way, I don't say it would happen with a Liberal Government, (they are too liberal) but the House need only open for a week and adjourn with a majority vote, and the Government could suspend the rules one week after the session opens. Now, I don't say the Liberal Government would do that, but it could happen, and in the past when both sides agreed after the session had dragged on so long, it was time to suspend the rules, it was agreed upon privately

by both sides, then the motion was put and naturally carried un-animously, because there was nobody against it. Now, I don't care what they do in Nova Scotia or Ontario, but what is done in Newfoundland, and to me that seems to work out pretty fair, and I think we should carry it on from here on, until such time as we find it is not working, and then change it. The principle laid down in the past was agreed upon by both sides, but with this amendment the Government could suspend the rules the second day of the session. I think the way it was done in the past was the fairest way when both sides agreed to suspend the rules.

MR. SPRATT: I can't agree that that mode of procedure was carried on down through the ages. It was not, I am older than any member here today and though I may not have had the privilege of sitting in this House as long as some of them. I do know as much as the average member today, and I say it was not the procedure. A majority vote carried the motion all down through the years. There is no written statement, nothing to support it, nothing whatever. I am only expressing an opinion, but I say right here and now, it is more sensible to have a written law than to presume that it was done 20 years or 50 years ago. We have no proof whatever. Let us run the country intelligently, and it is fairer to Mr. Speaker and every member to have specific regulations, set up intelligently. The idea that we should do as grandfather and grandmother did is childish.

MR. CASHIN: I don't know whether a motion is in order, but I move that No. 57 and No. 58, as here, stand.



Carried.

MR. CURTIS: There is no necessity to second a motion in committee.

MR. RUSSELL: Is the effect of that motion that the Government may change the rules whenever they wish? I suggest it is a funny position. I would have suggested a two-third majority. I wonder, if it would be in order, if I were to move an amendment that the rules be suspended by a two-third majority.

MR. CASHIN: I would like to point out that the Government whoever they may be, maybe the next time it may be those over on the other side; if they were political fools, they might suspend the rules of the House in order to railroad a Bill through; some important legislation. But it would mean political suicide. A government does not do that; as I see it that rule has gone on for half a century or more, and the Opposition did not object, and to bring in important legislation and push it through after suspension of the rules would be political suicide but they have never done so, to my knowledge.

MR. CURTIS: I move the committee rise and report having passed the rules. I don't want to rush it through. But, I move we rise and report having passed the rules with some amendments.

Revised rules adopted.

MR. SPEAKER: Now, either Mr. Premier or the honourable the Attorney General may name the day on which that report shall be taken into consideration.

MR. SMALLWOOD: I believe the next move in connection with these revised rules, is that the House should name a date on which Standing Order No. 115 will be adopted. In

short, name the day on which the rules now passed in Committee of the Whole would be adopted by the House. I do not know how my honourable friends opposite feel, but for my part, I never again want to see a revision of the rules. We have been at them now for several days, and I don't want to have anything more to do with them, I would like therefore to have them adopted now, and the date fixed as today, or tomorrow, or next Monday, or sometime, and be done with them for another 30 years. It was in 1892 they were last revised, and I hope there won't be another revision in our time, and we can go on to more fundamental work. I don't know how my honourable friends opposite feel, but we could put them into effect say Monday next. A bit difficult, I suppose, in the middle of a session, but they are virtually the same as the existing rules, just that there are a few points tightened up and improved.

MR. HIGGINS: I think it is poor procedure to change the rules in the middle of the session. I think they should not be passed at all or go into the whole session. It does not make much difference except on the limitation of speeches—most of us would not want to speak two hours. Personally, I think we should go in and start the next session. It is peculiar to have half the session under one set of rules and half under another. I think we should let the standing orders run for the remainder of this session.

MR. SPEAKER: I might say this—it is out of order as there is no motion before the Chair, but May does not say definitely that standing orders may not be revised or adopted at any time in the session. All that remains now is to name the day on

which this report will be taken into consideration, and consider the motion that these rules be adopted and the existing rules repealed.

MR. HIGGINS: I would make a motion, Mr. Speaker, that the revised rules come into effect on the closing day of this present session.

MR. CURTIS: To do that, Mr. Speaker, raises the point of procedure where we would have to go back into committee and write that in. I have been looking here at the back of the existing rules, which tells about the last amendment made May 8, 1893, moved by Morine and seconded by Winter. Now obviously the revised rules come into effect immediately after the amendment is passed. I move that these rules be adopted forthwith.

MR. HIGGINS: There were quite a number of changes in 1931, here.

MR. SPEAKER: The honourable member has already spoken. As I said a moment ago it is entirely out of order as there is no motion before the Chair. The honourable Premier is trying to suggest a day, and somebody will have to move to consider it.

MR. SMALLWOOD: I move that the report of the Committee of the Whole, be taken into consideration tomorrow, Tuesday.

On motion "An Act Respecting the Safety of Workmen in Mines" was deferred.

Committee of a Whole on Bill "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949."

Section 1 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

On motion the second reading of Bill "An Act to Amend the St. John's Housing Corporation Act, 1944" and the second reading of Bill "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950" were deferred.

Second reading of Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

MR. SPRATT: Mr. Speaker, in moving the second reading of this Bill, I have only to say it is a formal nature. It falls into two parts, the first is designed to include Millertown in the Exploits Valley shop closing area, and secondly to enlarge the said schedule of items permitted to be sold in shops, which are allowed to remain open after the usual closing hour in that area.

Representations have been received from the employees of Millertown as well as the management of one of the long established stores, requesting the inclusion of Millertown in the area, and this legislation will effect this purpose.

As far as the enlargement of the schedule of items to be sold by those stores, which are allowed to operate after the usual closing hours, is concerned, I have only to remark, that this amendment is designed to extend to the Exploits Valley Shop Closing Area, the concessions granted under the amendment of the general shop Act, which passed this legislature a few weeks ago. With these

few remarks, Sir, I have much pleasure in moving the second reading of this Bill "An Act to Amend the Exploits Valley (Closing Hours) Shop Act, 1989."

Bill read a second time. To be referred to a Committee of a Whole on tomorrow.

Second reading of a Bill "An Act to Grant Certain Powers to Public Utilities."

MR. CURTIS: Mr. Speaker, the object of this Bill is to enable Public Utilities to acquire lands and rights of ways and other necessities incident to operations. The main paragraph, my honourable friends will notice, is paragraph 3 which refers to the necessity of operations:

"3. Wherever it is necessary for the erection, construction or operation of a main, telephone line, tramway or transmission line or of any road or right of way in connection therewith by a public utility, that the public utility be vested with land or any interest therein, or any rights, privileges or easements in respect thereof, the public utility may by its servants or agents, enter upon such land for the purposes of preliminary surveys and examinations without liability other than for actual damage, and if after such survey and examination no agreement can be made for the purchase of the same, the public utility may acquire the same in the following manner:

- (a) The public utility may apply by petition to the Board showing,
  - (i) The situation of the land affected and the description of the land by metes and bounds;
  - (ii) the names of the owners and occupiers of the land;

- (iii) any encumbrances on the land that are known to, or can be ascertained by the public utility;
  - (iv) the property, rights, easement or privileges sought to be expropriated;
  - (v) the amount which the public utility has offered to pay the person or persons owning or occupying the said land.
- (b) When the petition is presented to the Board, the Board shall forthwith at the expense of the public utility, publish the petition in four consecutive Saturday issues of a newspaper, published in the City of St. John's, and if there is a newspaper published in the locality where the said lands are situate, in four consecutive issues of that newspaper, and in the same issue of the newspaper or newspapers in which the Board publishes the petition, the Board shall publish a notice that at a time and place named in the notice, which shall not be earlier than thirty days after the date of the first publication and notice, the Board will hear any and all objections to the proposed expropriation or expropriations, and a copy of the petition and notice shall forthwith be served on the owner or owners, and occupier or occupiers of the land affected, unless such service be dispensed with as provided in paragraph (a) and the Board for the purpose of the hearing, has power to summon before it any persons, and to require them to give evidence on oath or affirmation, and to produce such docu-

ments as the Board deems requisite.

- (c) At the time and place so named the Board shall hear all parties interested and take such evidence as may be adduced and if satisfied that the property, rights, easements or privileges proposed to be expropriated are necessary, it shall thereupon by order declare the same or such portion thereof as may be found reasonably necessary, to be vested in the public utility in fee simple or in such other estate as may be sought by the said petition and which may be deemed advisably by the Board, free from encumbrances, subject to the payment of damages as hereinafter provided.
- (d) Upon the making of such order, the public utility shall cause a certified copy of the order to be filed in the office of the Registrar of Deeds, together with a plan and description of the lands affected by the order.
- (e) Before the fixing of the time and place for a hearing, the Board may require the public utility to deposit with it a sum not exceeding \$100.00 to reimburse any expenditure made by the owner or occupier on account of the petition, and in case the application for the order referred to in paragraph (c) is refused the Board may order that a reasonable sum be allowed out of the deposit to defray the expenses of the owner or occupier of the property sought to be expropriated.
- (f) The Board shall without delay proceed to assess the amount of
- the damages for the property expropriated, and on payment of the amount to the owner or occupier the property expropriated shall vest in the public utility in fee simple or in such other estate, as may be deemed advisable by the Board free of encumbrances.
- (g) In case any property sought to be expropriated is found to be encumbered by mortgage or judgment, or where the title thereto is in dispute, payment of the amount of the damages to the Registrar of the Supreme Court shall have the same effect as payment to the owner or occupier and a Judge of the Supreme Court, on the application of any person interested therein, may order the payment out of Court of the amount to the person or persons entitled thereto.
- (h) If the petitioning public utility is in any case unable to ascertain the name of the owner of any property, rights, easements or privileges sought to be expropriated, or if the owner is absent from the Province, or is an infant, or if such ownership is in dispute, the Board may order that the publication of any notice in accordance with this section shall be sufficient service and that the notice need not state the name or names of the owner or owners."

If the Public Utilities want land it may apply by petition to the Board of Public Utilities. A public date of hearing is arranged and the Board proceeds to hear interested parties and decides what would be the fair compensation to give to the owner of the land. There are also provisions, Mr.

Speaker, where the Board finds itself unable to act, and it may refer the matter to the nearest district court, and the district court has power to ascertain just what amount shall be paid by the Public Utilities, to the owner of the land in full compensation. Further, there is a provision for an appeal from the decision of the Board or the district court to the Supreme Court. So I think it fully protects any person affected. I move the second reading of this Bill.

Bill read a second time. To be referred to a Committee of a Whole on tomorrow.

Second reading of Bill "An Act Further to Amend the Law Society Act."

MR. CURTIS: Mr. Speaker, I would like to move the second reading of this Act which is really an Act with two purposes in mind. In the first place, Mr. Speaker, the Memorial College has been converted into a university, but it is not the intention of the Government to make it a university with a faculty for law or medicine, therefore they feel that arrangements should be made to assist students from Newfoundland, who are interested in taking up the study of law. At the present time, students from Newfoundland who go to universities on the mainland, and take a course in Law;—the Law Society here does not recognize the course they get at Dalhousie, and one or two steps has been necessary. In the first place a student has to join the Law Society of Nova Scotia, and be called to the bar of Nova Scotia, and then get a transfer to Newfoundland. That means the student has to go to the expense of being called to two distinct bars. As a result, the student from Newfoundland, who in-

tends to study law, has to go to Dalhousie, join the Nova Scotia Bar, and pay about \$300 for transfer to Newfoundland, and it had already cost him \$300 to be called to the Bar of Nova Scotia.

Furthermore, Mr. Speaker, the student has to put in an additional six months as an articled clerk in Nova Scotia, or other such place as the university may be located. Now, we feel, Mr. Speaker, that Newfoundland students taking a course in law at other universities should get the same assistance from the Law Society here and receive the same recognition as would be afforded them, by the Law Societies of the other Provinces. In Nova Scotia, the Law Society recognizes the Dalhousie Degree, and calls its students to the bar when they receive that degree and serve their period of articles. In Newfoundland in the past we have not recognized that degree and students had to come back here and take local exams. We feel our students should receive just the same treatment in Newfoundland as Nova Scotians receive in Nova Scotia. We therefore propose this amendment, which will enable the Law Society here to recognize the Dalhousie course, and the law course in any other provincial university having a faculty of law.

Now in the second instance the Act gives certain protection to the public:

"75A (1) Any person who is a Barrister or Solicitor, who carries on the profession of Barrister or Solicitor is guilty of an offence and liable on summary conviction to a penalty not exceeding one hundred dollars and in default of payment to imprisonment for a term not exceeding one month."

Now the effect of this section is not to prohibit a layman from doing any of these things, but the object is to stop those who are not barristers and solicitors, from carrying on these occupations for a reward. In other words, there is nothing to stop any member of this House or of the public from making a will as long as he does not charge for it. If he is to charge for it, make it a business, we feel he should be a qualified barrister and solicitor and should be able to give service to people paying him. I had a case some years ago, a very old respectable man in this city went out to a nearby cove, and made a will for a man charging \$25 for it, and when it was brought back, it was not worth two cents, he forgot to have it signed by the necessary witnesses. To protect people from things like that we are moving this Bill, and it will protect the general public. I may say there is a clause in the Bill which provided if there is no barrister or solicitor in the neighbourhood, there is nothing to stop a layman from acting and in such case asking for payment. I would move, Mr. Speaker, the second reading of this Bill.

HON. E. S. SPENCER (Minister of Public Works): I merely would like for clarification, to ask the Attorney General, in his explanation here—he does not mention a certain section of people, Justices of the Peace. In this Province we know these people have in the past been making up and drafting wills and bills of sale and various other documents, which actually have not been properly drawn up. I do not want to refer to a case, where I myself was a victim but there are a number of us who, have been victims. The Attorney General remarked that, in the event

of a lawyer not being available in any particular community, a layman or Justice of the Peace would have authority, to compile such documents but in such case should not have the right to charge a fee for it, and from that point of view, it looks to me merely a matter of trying to turn a little extra business to lawyers, and I am not very keen on that particular bit of legislation. Bpt I feel that if these persons have power or authority to make or draft a document they ought to have the right to collect a fee, and what are we doing now, taking from them that authority? That is the point I would like to have made a little more clear.

MR. SPEAKER: That is a point which would be very well debated in Committee of the Whole.

MR. RUSSELL: Mr. Speaker, there is still nothing here, to prevent a Justice of the Peace, in a locality where there is a barrister, to prevent him taking affidavits.

MR. CURTIS: No.

MR. RUSSELL: And in isolated areas, they are allowed to do this work and charge a fee.

MR. SPENCER: That is not implied. "This Act shall not be construed to prohibit."

MR. SPEAKER: It is only proper to question the principle of a Bill at second reading.

MR. RUSSELL: It is definitely important to the principle of the Bill, I have had numerous experiences where people came in and charged a man some dollars for doing something not worth five cents.

Bill read a second time. To be referred to a Committee of the Whole on tomorrow.

MR. SPRATT: Mr. Speaker, I ask permission of the House to take up the two Bills that were deferred.

Motion carried.

Second reading of a Bill "An Act to Amend the St. John's Housing Corporation Act, 1944."

MR. SPRATT: Mr. Speaker, in moving the second reading of this Bill, I do not intend to make any lengthy remarks. The amendments to the St. John's Housing Corporation Act are necessary in view of the fact that the Corporation is rapidly becoming merely a real estate office and the heavy responsibility entailed during the construction period no longer exists. It is felt the number of members constituting the boards should be reduced and section two of the new Bill enables the Lieutenant Governor in Council to appoint whatever number it is felt desirable for the control of the Corporation affairs. Section No. 3 deals with the same matter and simplifies the making of appointments and filling of vacancies on the Board. Section No. 4 is proposed in order to enable the Corporation to co-operate with the Federal and Provincial Authorities' plans, which are proposed for the development of land presently held by the Corporation. Section 5 in the Corporation Act as presently worded makes it impossible to transfer any lands on a fee simple basis since neither the Federal Government, the Provincial Government nor the Municipal Council is permitted to purchase land under existing restrictions. The amendment proposed under section five would enable the Corporation to transfer land on a fee simple basis. Section 6 is proposed in order to enable the Corporation to assess private property in the Housing Area in respect of any improvement result-

ing from the laying of water and sewerage pipes and the construction of roads, etc., resulting in improvement in the area of private property which, until such assessment can be made, can operate to the detriment of the Corporation. Section No. 7 is a repeal of section 24 of the Housing Corporation Act so as to enable the Government of Newfoundland and the St. John's Municipal Council, if it felt desirable to do so, to make an arrangement regarding the final disposition of the entire Housing Area. I feel, Mr. Speaker, that it is really very important that these amendments should be made and I have much pleasure in moving second reading of this Bill.

MR. RUSSELL: The Corporation may make an assessment, for what purpose? It says here an assessment may be made under subsection (1). Now although I am one of them, I am not speaking for myself at all, but I am just wondering how it would work in the case of an occupant in there with his own house. Can that assessment possibly affect him and what is the purpose?

MR. SPRATT: I would like to the best of my ability to give the information sought by the honourable member.

MR. SPEAKER: However, if the honourable minister speak now he will end the debate.

MR. VARDY: I want to take advantage of the opportunity to interpret that amendment which has reference to private property in the area controlled by the Housing Corporation, which was not taken over by the Corporation, but certain developments took place such as laying of water and sewerage, insertion of cul-

verts and gutters, laying of streets and so on, which as a nett result has improved that property to such an extent it is possible for individuals who own the property to exploit it to the detriment of the Corporation as a whole, and for the purpose of some control on such operations this amendment is brought in. It deals with such activities as the selling for private construction purposes of what was formerly undeveloped land, by the simple means of hooking in to facilities put in by the Corporation. As it stands at the present time there is no authority to say, now, you must pay for the use of these facilities for hooking in to water and sewerage. There is no law providing for it as it does not come under the Municipality, and the Corporation cannot give authority to do it, yet they cannot go to the Municipality and get the authority.

MR. RUSSELL: That answers my question, Mr. Speaker.

Bill read a second time; to be referred to a Committee of a Whole on tomorrow.

Second reading of Bill "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950."

MR. SPRATT: Mr. Speaker, in moving the second reading of this Bill I would like to point out that with regard to slum clearance areas I have no real definite knowledge, but having made a survey of the area a couple of years ago I do know of the requirements, and I am very much interested in the slum clearance, and I would support any suggestions which would tend to promote the work going on in connection with cleaning up the City, particularly in the slum area. Now Section 3 of the Slum

Clearance Act, 1950, is removed under this amendment, and a new section substituted, which restricts the Minister representing Newfoundland to deal only with the Minister of Resources and Development, administering the National Housing Act, 1944. The present amendment enables the Government of Newfoundland, if it was felt desirable to do so, to make an agreement with co-operative societies for construction of houses for use of members and acquire them for that purpose. There is no proposal at the moment to implement this section, but it is felt desirable to have the power to do so, if considered to be in the best interest of the original purpose for which the Act was desired.

Section 5 is an amendment of section 9 of the Slum Clearance Act; it is for the purpose of simply fixing the rights of the partnership to expropriate land where a slum clearance project is being proceeded with. The amendment to be inserted after section 28 provided for assessment of land in or adjoining a development area, improvement of which has tended to increase the value of such land and to protect the partnership from being exploited by individuals who could take advantage of the improvements made by the partnership, and reap large profits on such land to the detriment of the program. The amendment simply enables the authorities to make regulations relating to maintenance of water systems, and control of buildings passed over to them for management by the partnership. Section 6 provides penalties for those contravening the regulations, while section 7 exempts housing under management by the authority from rent control restrictions. On this latter amendment it is necessary because this



project operated on a rental based on 20% of earnings, and obviously could not be placed in the category of fixed rent, either minimum or maximum, set by anybody other than those responsible for the program. The amendments, Mr. Speaker, and honourable members of the House, are made for one purpose and one only, and that is to bring about better conditions in the slum areas, not alone in the way of making the place better than it now is, but making it better and easier for people who will have the good luck to live in those houses, to work more co-operatively with the Housing Corporation. Mr. Speaker, I have much pleasure in moving the second reading of this Bill.

MR. HIGGINS: While this Act may be meant for the purpose of helping our poor people, clearing away slums, at the same time it may impose burdens on people who have nothing to do with the act. Some other persons who have built up some little bit of property may find themselves in the position of losing that property. In my estimation section 4 and section 2—in on Topsail Road, for instance, there are a number of farm people living there for years and years, for generations, and the Government decides to start building a scheme whereby water will be brought in, pipes laid, houses built and perhaps a sort of residential district made. The people on the opposite side of the street who have the farms find themselves assessed such an amount that the farm is absolutely useless to them. All Housing Corporation Lands are valued at so much a foot and these people who have been farmers for generations find the assessment so enormous they are wiped out. It may be valued at \$20, \$30, \$40 a foot. It is not worth it but owners find

their land gone up from \$1 to \$30 probably, and that is the finish of them.

MR. SMALLWOOD: Does it hurt them if the value goes up?

MR. HIGGINS: Yes, if they want to carry on their farm. The milkmen, particularly in this country, have spent long years bringing milk in the early hours of the morning to various factories where milk is processed. They have done that for generations, the East End people have been there for three or four generations. Now these people would be either forced to give up and let the Housing Corporation take over or carry on their farming until eventually—the Housing development is all right, but this Act is too far ahead of us. For that purpose I could not agree at all. There are certain sections all right, but to get confiscatory powers into effect is going to ruin the farmer. This Act can be used any time, they will have to go out into the country eventually and those people who have carried on the farming industry for generations will have to sell out and the whole of St. John's is going to suffer in that way.

MR. VARDY: Mr. Speaker, I think the purpose of the Act is being misinterpreted. That section there applies exactly the same as the one to which second reading was given a moment ago. This section of the Act, and I admit it is an important one, developed out of the shortsightedness, if I may say so, of the Housing Corporation, in not setting up properly. They left isolated areas of private property. Now what this Act proposed to do is exactly what has been specifically requested by the Federal Government before they will come into partnership.

There is roughly one hundred odd acres of land bounded on the East by Bonaventure Avenue, North by Elizabeth Street, South by Empire Avenue and West by Anderson's Avenue, and there are in that area some two or three private blocks of land. It is the intention or at least the hope of the Federal-Provincial Partnership to be able to develop that land at a substantially high cost. And in order to bring down to a reasonable basis the sale price of the developed land they are going to have to take into consideration a number of isolated privately owned sections which at the present time do not have any road, sidewalks, gutters, water or sewerage but when these are installed these lots which are valueless immediately become highly valuable. It is not the proposal however, to assess any part of the cost of this development against this private property until and unless the owner of that private property attempts to sell it in competition with the Federal-Provincial Land made available to low cost housing in that area to which they have contributed nothing. If it is placed on the market then the Provincial Government would have the right to say to the owner before he sells such land now made valuable, before you sell your land you must contribute your proportionate share of the cost of the development. Otherwise the partnership could be put at a serious disadvantage for the simple reason the lot adjoining would probably sell at a profit of six or seven hundred dollars.

MR. HIGGINS: That is not in the Act, Sir. I quite admit you are right there but the farmer who tries to make a living should not be taken advantage of where building land is made available, but there is nothing in the Act to say that.

MR. FOGWILL: This Bill here is not confined to any particular area, it covers the Island, as I see it. This amendment will give the Authority the right to set up anywhere in Newfoundland and will give the right to assess the land or the property, as the case may be, on the amount the land has increased in value. Now that may be anywhere, Corner Brook, or Grand Falls, and a building lot may be worth a hundred dollars today and next year a thousand or fourteen or fifteen hundred, as the case may be, and the improvement of the land should be assessed and paid by the owner upon the sale of his land. The Crown should not have the right to assess until such time as the land is sold.

MR. VARDY: I would like to say in answer to the point raised by the Member for St. John's East as to limitation of the assessment equal to the amount by which property was increased by reason of such development that these words are the words of the farmer here in Newfoundland and in Ottawa to adequately cover the suggestion that all that would be charged against the land would be the actual cost of the improvement, because they don't want those who contributed nothing to sell their land at a profit in competition with the partnership.

Bill read a second time. To be referred to a Committee of the Whole on tomorrow.

MR. SMALLWOOD: If it suits the convenience of the House we might recess now and meet again at 8:00 and I so move.

MR. SPEAKER: I have here the list of names for the Select Committee.

MR. COURAGE: Mr. Speaker, since I was the one to raise the ques-

tion of privilege, probably I should not attend this committee. I suggest I be allowed to withdraw.

MR. SPEAKER: The honourable member for Fortune and Hermitage is replaced by the honourable Minister for Education.

Recess until 8:00 P.M.

### NIGHT SESSION

The House met again at 8:00 p.m.

Second reading of a Bill "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony.'"

MR. CURTIS: I move this Bill be read a second time. I was surprised the other day, in looking up the Act under which Buchans is operating, to find that certain clauses should remain. This amendment asks that the time for filing of returns should be at a set date on or before the 30th day of June in each year. I do not think any explanation is necessary.

Bill read a second time. To be referred to a Committee of the Whole on tomorrow.

On motion the Bills "An Act to Provide for the Establishment of Family Courts" and "The Poultry Products Act, 1951" were deferred.

Second reading of a Bill "An Act to Amend the Memorial University (Pensions) Act, 1950."

MR. HEFFERTON: Mr. Speaker, there is no new principle involved in this Bill other than the one passed a year ago, but during that period certain clauses require some

clarification, which are covered by this amendment. I move second reading of this Bill.

Bill read a second time. To be referred to Committee of a Whole on tomorrow.

Second reading of a Bill "An Act to Amend the Department of Public Works Act, 1950."

MR. SPENCER: Mr. Speaker, in moving the second reading of this Bill, I realize the actual printed copy is only now being distributed, but in an effort to expedite the work, I had the preliminary copies distributed to several of my honourable friends opposite, with a view to giving them an opportunity to study it.

It is a very small matter—this particular amendment covers two very slight points, and I feel they are not of a very contentious nature. Section 10 of the Act is intended to give the Minister of Public Works power to make regulations for the management and maintenance of all public works, of which he has the management and control. There is now public works property vested in the Minister of Public Works, and an amendment of the Act is necessary to provide that the Minister may make regulations for such public properties as are under the control of the Minister of Public Works. That is the meaning of Section 10.

As it now stands, the Minister of Public Works may only expropriate if the owner refused to accept the sum offered. In other words: If we want to expropriate land belonging to John Jones, and John Jones will not accept the sum set down as standard in Public Works, for in-

stance \$150 an acre for unimproved land, and about \$400 an acre for improved land, we can do so. Incidentally, for information of the House, that is an unheard of figure on the Mainland. I personally compared it with the Minister of Public Works for Manitoba, and the Golden Wheat Fields of the West, and there, when land is required for building a highway, they simply say: We will take a section perhaps two hundred feet wide, down through that field, and they have power to do so, and pay \$150 an acre. Now, I realize, our lands are not so fertile, and not so plentiful, and as a result, if a person had a very valuable piece of agricultural land, I think we would hesitate to try and take it away even for public use, and of course when we want to try and make progress on public roads for the benefit of the public, we would hesitate to take that land, and offer our fellow citizen \$150, so \$400 should be satisfactory. Now if he should refuse to accept that figure, we have the power to expropriate. That is the only condition under the present law, which gives us the power, consequently we want it amended to give us new powers. As it now stands, we are only permitted to expropriate, if he refuses to accept the sum tendered, or if for some other reason, agreement cannot be reached. There are cases where the owners cannot be found. We had a case recently in the Cement Mill Area, in Corner Brook, where the actual owner was out of the country, and had transferred the property to a guardian who had not been appointed legally, and who had been acting for a minor and we were unable to expropriate that land, until the courts had legally appointed a guardian on behalf of that child. These conditions too

often come up to cause delay of the work. The amendment provides that the Minister may acquire land by expropriation, when he deems it necessary. Now, that does not mean that as Minister of Public Works, I am going out as such, to take a piece of land, because I think, it is necessary to do so. It always has been and always will be the practice of the Department to try and reach an agreement, an amiable settlement with the owner of the property, which we might need, and only after all such attempts fail, will we resort to expropriation. Consequently I do not think anybody need fear anything on that point. Section (cc) gives the assessors power to administer oaths, and gives the assessors power to accept evidence under oath. That is the third point covered in this Bill, Mr. Speaker, and I think, it is clearly understood by members. I have pleasure, therefore, in moving the second reading of this Bill.

MR. HIGGINS: Before you go any further, there is one point I want to raise, that is to enlarge on the valuation being set, by the Department, on land. Suppose the land is heavily wooded and heavily rocked, and it costs \$400 to make it arable. Now when I was, during the war, on an arbitration board, I knew the cost, because you have to cut down trees and dig out the rocks and shake the roots in order to get the earth off them, and clear away the rocks, and two years later more rock come up, so that an acre of land cannot be cleared for less than \$400. Up on the mainland it is different, the land is there and they got it for nothing. By the way, I would like to ask—all the land was vested in the Crown before, and now you want to narrow it down to your Department?

MR. SPENCER: Confined to the Minister of Public Works.

Bill was read a second time. To be referred to a Committee of a Whole on tomorrow.

On motion second reading of Bill "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947," was deferred.

On motion the second reading of Bill "An Act to Amend the Co-operative Development Loan Act, 1949," was deferred.

On motion the second reading of Bill "An Act to Amend the Co-operative Societies Act, 1939," was deferred.

On Motion the second reading of Bill "An Act to Amend the Local Government Act, 1949," was deferred.

On motion the second reading of Bill "An Act Respecting Election in Municipalities," was deferred.

On motion the second reading of Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks, and for the Transfer to the Governor General in Council of Lands Acquired for Such Purpose" was deferred.

On motion the second reading of Bill "An Act Relating to Wild Life," was deferred.

Second reading of a Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this private Bill. I understand, according to the ruling of Mr. Speaker, it is for

some private member to sponsor a private Bill, and it will have to be referred to a Select Committee. I do not think the House would object though, if I introduced the Bill. The Bill, is a Bill authorizing John B. Angel, George Burling, Edwin J. Burnell, C. Alexis Collins, Bruce B. Feather, Wilfrid E. Furneaux, Thomas M. Hopkins, Walter F. Hutchinson, Archdale S. Lewis, Albert G. Miles, John C. Newland, Eric G. Pittman, Alec H. Ritcey, Arthur L. Sumner, Walter B. Tucker and Eric G. White, all of whom are members of this society, of Nova Scotia, and such others, as may become associated with them, or offer to become part of, this society, to be members of the Cost Accountants Society of Newfoundland, namely, the organization of a Society, which is to promote and increase knowledge, skill and proficiency of the members, in all things relating to accountancy. The head office of the society, regulates the membership.

"An annual general meeting of the members of the Society shall be held annually at such time and place, and upon such notice, as is provided by the by-laws."

I move the Bill be read a second time, and that after second reading that instead of being referred to a Committee of the Whole, it be referred to a Select Committee, as is the rule for private Bills.

MR. SMALLWOOD: Before you put that motion, may I make it quite clear that, it is not a Government measure. As the honourable the Attorney General said, it is a private Bill. The Government, as such, is not responsible for it, and any member of the House may vote as he pleases on it.

Personally, I have not even read it, I do not know whether I am for it or against it. I am prepared to have it get second reading, and if the honourable members of the House read it, and feel there is nothing particularly wrong with it, and it is a Bill which ought to pass, in principle, I will follow the majority in the absence of any personal knowledge of it.

MR. CASHIN: It is not worth having a fight over.

MR. SMALLWOOD: I do not even see the chance of a fight on it. I just want to make it clear, it is not a Government Bill.

Bill read a second time. To be referred to a Select Committee.

MR. COURAGE: Is there a standing committee or do I have to appoint one now? I appoint the following select committee to consider this Bill: Honourable Attorney General, Honourable the Minister for Public Welfare, Mr. Fogwill, Mr. Russell, Mr. Horwood.

Second reading of a Bill "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architect Designations in Newfoundland."

MR. CURTIS: This too is a private Bill, and has not been circulated in this session. The Clerk tells me it is now being printed and I move to have it deferred. I wish to say it is a private bill and not sponsored by the Government. It is the same one as we had last year.

End of the Order Paper.

MR. SPENCER: Could we revert to the second reading of a Bill "An Act to amend the Poultry and Poultry Products Act, 1951."

DR. POTTLE: Mr. Speaker, this Bill is one which in substance is largely regulations contained in clause 9 of the Bill. In both clauses 9 and 13, in fact. The Bill would have been introduced during the last session at the time when the House considered the grading of vegetables but it was not then ready and was therefore deferred to this session. The House recalls the benefits of the Grading of Vegetables Act, and we consider the same kind of advantage will follow upon the adoption of the legislation in this respect relating to poultry and poultry products. This is enabling legislation, to enable the Lieutenant-Governor in Council to provide for a great deal of regulations concerning the whole gamut of consumption coming under the Act which relates to poultry and poultry products. I understand the Bill is one which agrees in principle and substance with comparable legislation in positive and negative features, but the positive are those which mainly come under the regulations, that is the Act provides for and provides against certain things, so I say they are negative and positive, and it is an enabling bill which will insure the regulations which are the main concern of the Act. Along with the enabling features of the Bill there are the usual stipulations in the organization such as the appointment of necessary staff. I think these are the features of the Bill and I have no further comments and move second reading.

Bill read a second time. To be referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, may I confess to the House that this afternoon when I suggested that we meet tonight I was very definitely

under the impression that there were a number of these Bills with which the Ministers concerned were prepared to go ahead. It turns out, however, that some of the Bills are not even printed thus not distributed to the House for which very good reason they could not very well be discussed, but now we are here, it is too late to go to a show if any member had that in mind. On Wednesday the budget will come down and the estimates, and these will let us in for some very considerable debate and discussions, and it does seem to me, if the House is of the same mind, we might be better prepared for that on Wednesday and on the subsequent days if we could clear up as much of the outstanding legislation as possible and put it through as many as possible of the necessary stages here tonight. Now, if my honourable friends will look on the Order Paper of the Day, down to item No. 6 or No. 7, second reading of a Bill "An Act Further to Amend the Exploits Valley (closing hours) Shop Act, 1938," they will note that second reading took place today, the second reading of "An Act to Grant Certain Powers to Public Utilities;" then "An Act Further to Amend the Law Societies Act," that too has been given second reading this afternoon and finally second reading of "An Act Further to Amend and Encourage the Making of Pulp and Paper in this Colony." There is nothing contentious and very little to object to in them and if the House is agreeable we might spend a half hour or three quarters of an hour putting them through the committee stage. I think we all feel we can in that way cut short the total length of time we will have to spend in this House and may let us out a day or two earlier if we now went into Committee of the

Whole on these Bills. I take it my honourable friends opposite are agreeable to that.

MR. COURAGE: I may mention it is allowable and has been done in this House to take three or four Bills for consideration at one time and report them separately.

MR. SMALLWOOD: I know that is the system but generally speaking it is not desirable, and except in an emergency or urgency we ought perhaps not to follow that practice but rather to go through the regular procedure.

MR. SPEAKER: The motion is I do now leave the Chair.

MR. FAHEY: Mr. Speaker, I think the motion should be to waive the rules.

MR. CURTIS: Has not that motion been put that these Bills be referred to committee on tomorrow? It seems to me that motion should be rescinded first, then with the unanimous consent of the House we go into committee now.

MR. SPEAKER: The motion is that the motion to consider in committee of the whole on tomorrow of Items 6, 7, 8 and 9 be rescinded.

The motion is the rules of the House be suspended.

MR. SMALLWOOD: In respect, Mr. Speaker, only of the committee stage of these Bills.

Committee of the Whole "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

MR. SPENCER: Mr. Chairman, in respect to this Bill, very briefly I want to refer to one or two points in connection with the Exploits Valley

which happens to come within my constituency. When the Shop Act, the Act to amend the 1940 Shop Act, came down in this House a few weeks ago, it actually passed the committee stage on the 14th of March. I called the attention of the Attorney General and the Minister of Provincial Affairs that that Act gave great powers and larger liberties to storekeepers on the Avalon Peninsula than to the storekeepers in the Exploits Valley. The honourable the Attorney General was quite happy to assure me that the Government and the Department were quite happy to bring in an amendment to the Exploits Valley Shop Act and the honourable Minister for Provincial Affairs very readily agreed to co-operate and endeavour to bring in this Bill for the Exploits Valley. I have a copy of the old Bill in my possession and my main reason for bringing forward the amendment was that under the schedule there are several amendments. For instance the sale of refreshments for consumption on the premises. Now that matter was referred to before but not in regard to the Exploits Valley. In the constituency of Grand Falls one could go into a store and buy a bottle of Orange Crush or Pepsi-Cola but had to consume it on the premises. But to buy a bottle of aerated water, or anything the honourable member for St. John's West is interested in, and take it home to the family just could not be done. It was illegal to do it and it appears to me to be ridiculous to have a storekeeper penalized to that extent. That is my main reason for asking that the restrictions be lifted, and I am very happy now that anyone of these stores has the privilege of selling to Mr. Smith or Mr. Jones so that he may take home to the children and use it when they want to. I am very proud the honourable At-

torney General saw my viewpoint there and presented this Bill as, in the ordinary spirit of fair play, I feel they were entitled to it and I support this bill very heartily on their behalf.

MR. SPRATT: I wish to thank the honourable Minister for Public Works for his very kind remarks and I can only say, anytime I can do anything to make any minister of the Crown happy, or any member, I am always at their disposal and am very pleased to do it.

Committee rose and reported having passed the Bill without amendment.

Ordered to be read a third time on tomorrow.

MR. CURTIS: I move that the order with respect to Granting of Certain Powers to Public Utilities be rescinded and that we now proceed, with the unanimous consent of the House, and refer the Bill to Committee of the Whole House forthwith.

Committee of the Whole "An Act to Grant Certain Powers to Public Utilities."

MR. SPENCER: May I please refer back to section 2 (5) where the words "gas" is referred to. I can't find in the preamble to the Act that "Gas" has been defined, and while possibly it may be very clear in the minds of most people that this particular gas refers to gasoline and may possibly be natural gas. on the other hand, in this Province and in other places in the Dominion, the word gas applies to gasoline.

MR. CURTIS: Mr. Chairman, that does not mean gasoline, that means gas procured from coal or bought in condensed tubes or holders. I might



add there is no danger of that being interpreted as such. Gasoline could in no sense be misinterpreted as being part of the meaning of this Act.

Mr. Chairman, I think the amount of \$1,000 in section 5 is quite small, there is an appeal to the Supreme Court and \$1,000 might limit them to a very small piece of property. I move we make it \$5,000 instead of \$1,000; there is protection anyway in an appeal to the Supreme Court.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

Section 8 read and passed.

Committee rose and reported having passed the Bill with some amendments.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of a Whole on tomorrow, on Bill "An Act Further to Amend the Law Society Act," to be rescinded. Ordered to Committee of a Whole now.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read.

MR. CURTIS: I think, we should add after (a) on the last page "Or Justices or Justices of the Peace, or any officers of the armed forces, if defending a member of the armed forces in such cases."

MR. RUSSELL: I still do not feel happy about (f) on the last page. It seems to me that where anyone does any of those things, those legal

services, without having the ability or experience, should do them without fee. He is doing something he is not capable of, and I prefer to see it cut out altogether, because if it is wrong to do something one cannot do properly, it is equally wrong to do it in places where there is no one qualified to do it. It seems to me if it were cut out altogether people unqualified should not be allowed to make wills and bills of sale and charge \$5. They should not be allowed to carry on at all. Although I have no brief for lawyers, I am not one, and I do not suppose I will ever be one now, I would be willing to go a little bit further and cut it out.

MR. CURTIS: I wonder, Mr. Chairman, are there any other views. Although the Government is sponsoring the measure, they were asked to do so by the Law Society, and I am sure they would not mind having (f) cut out.

DR. POTTLE: Is there not the necessary safeguard in sub-clause (c), which provides also for Justices of the Peace? Would it not be the responsibility of the Attorney General to see there were enough Justices of the Peace in every part of the Province?

MR. CURTIS: Yes, but a J.P. could not draw a deed. But they are called in to make wills, and do other work they are not qualified to do.

MR. HIGGINS: I do not know, most certainly if it cannot be done in one place, it should not be allowed in another, and really they should do it for nothing.

MR. RUSSELL: I am making a friend of the man of all righteousness.

MR. HIGGINS: I do not mind, if it should mean undue hardship, I would say leave it in, but I think they should do it for nothing.

MR. VARDY: Mr. Chairman, I think there is a lot in the point raised by the member for Bonavista South, but the thing has been put up at the instigation of the Law Society, and I feel, they made adequate protection in presentation. They are not subject to undue modesty in pursuing their own case and they, at least, can't see very much danger in permitting this to continue, or they would otherwise have raised the point, on presentation of the Bill.

MR. CURTIS: I feel I may be responsible for putting in that clause.

MR. HIGGINS: In certain places there are no lawyers, at the same time there is some danger to the public. In fact, it is a great danger, I have seen many cases of land being sold without a title which is a rather serious position.

MR. SMALLWOOD: That has happened even here in St. John's.

MR. CURTIS: I think it had better be stricken out.

MR. SPRATT: I don't see anything wrong with it, and we should leave it in. In other quarters, persons are even permitted to marry in cases of emergency. Emergencies may arise in this department, and it is really providing for extreme cases. I don't see anything wrong with it, but think it is only right and fair and truly democratic.

MR. CURTIS: I support the Bill and would even be prepared to support it if that were stricken out, that is as far as I will go in sponsoring it.

MR. SMALLWOOD: Has the Law Society agreed?

MR. HIGGINS: They have an open mind. They did not see how the public is going to be protected,

who is going to do it, if the party who does, has no knowledge of title.

DR. POTTLE: Not only that, but it does more, it does not debar any person.

MR. RUSSELL: I have seen the danger in the practice in places where I have been a magistrate, Green Bay for instance: It is most important, and there is not a place so isolated, where a man may not write a letter, and in order to save \$15 or \$20. I have seen tangles that could never be untangled again. A classic case was an estate worth at one time, \$32,000—all tangled up, between three brothers, who had three padlocks, each on a key, and they could not get in unless all three came to get in, which was all the result of some quack who probated the will, and I think, the whole information should be sent in to some lawyer. There are numerous cases like that which can never be untangled.

MR. COURAGE: Mr. Chairman, I was just going to make the same motion. I am a very junior member of the Law Society, a Law Student, and a very modest one, but it was put in, although the members of the Law Society felt they were assisting people out in the more isolated parts of Newfoundland, where a barrister or lawyer would not be practising. There is a danger, yet they felt the honourable House might see some way they could get a deed drawn up. But the honourable member for Bonavista South has pointed out an even greater danger, and I would therefore second the motion, that the clause be stricken out.

I am certain that anyone who wanted to, today, could get a lawyer in many sections of Newfoundland.

MR. SPRATT: One extreme has been cited, but there is another extreme, and where there is no serious offence committed or no serious interference with the Law Society, why take it out? It only provides for extreme emergencies, and there are people in the Island, who are not lawyers, who in case of emergency could draw up an intelligent document which could be properly and correctly understood in a court of justice. There is nothing wrong with it at all.

MR. FOGWILL: It still does not bar anyone from doing the work, only that they would have to do it for nothing.

MR. SMALLWOOD: Just before you put that motion, Mr. Chairman, may we know just what effect the striking out of that clause would mean, what would then be the position in Newfoundland?

MR. CURTIS: The position would then be that any person in Newfoundland, could draw up a deed, could do any of these actions, such as draw a will, but he can't charge and profess to be a professional man, just the same as you and I can't tomorrow write a prescription as a druggist.

MR. HORWOOD: Might I ask, is it a fact that the act of receiving money for a service, does that constitute setting up as a professional?

MR. CURTIS: It is so defined here.

MR. HIGGINS: You could draw a deed and not charge for it.

Amendment carried. "Or any Officer of the Armed Forces from defending a member of the Armed Forces in such cases or trials or be-

fore a magistrate or Justice of the Peace." Motion carried.

Section 3 passed.

Committee rose and reported having passed the Bill with some amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Ordered to be referred to Committee of the Whole tomorrow of a Bill "An Act Further to Amend Act 5, Edward VII, Chapter 10, entitled 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony,'" be rescinded. Ordered to be referred to Committee of the Whole now.

Section 1 read and passed.

Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I hesitate to impose on the good nature of the House, so I will not do it. I think perhaps the House has put in a good and useful day, and I think we might now call it a day. I move the House at its rising adjourn until tomorrow, Tuesday, at three of the clock.

The House adjourned accordingly.

TUESDAY, May 8, 1951.

The House opened at three of the clock.

#### Presenting Petitions

MR. VARDY: Mr. Speaker, I beg leave to present a petition regarding a

pension for Mr. James Forbes, retired marine engineer who prays for the payment of a superannuation allowance.

Since this is a private petition, Mr. Speaker, with which I personally have very great sympathy and if the honourable members are so inclined I move it be referred to a select committee to study the prayer.

MR. CASHIN: Mr. Speaker, I have great pleasure in supporting this petition. I know the petitioner quite well; as a matter of fact, before he became an employee of the Government he worked for a company of which I happened to be managing director at the time. He is an efficient engineer, and I know efficiency. There is no finer citizen and I feel certain the members of this House would be only too glad to cooperate in his behalf. He has worked with the railway but the railway is owned by the Government. He worked on the Priestman, the Daisy and other ships owned by the Government but I feel if the railway is not morally bound to it, the present Provincial Government are morally bound at any rate to see that proper compensation is given to Mr. Forbes for his service of practically 25 years.

HON. J. R. SMALLWOOD (Prime Minister): I would like to express a word of support of this petition. In so doing I would like to tell the House that Mr. Forbes' application for consideration by the Government was rejected, as it had to be. It would have been unlawful for the Government to grant Mr. Forbes a pension, it would not be lawful for the legislature to grant Mr. Forbes a pension. For the Government to grant him a pension would contravene the law providing for pensions. Under that law the Gov-

ernment cannot give him a pension, so we had to reject his application. It was one of a number of former employees of the Newfoundland Railway which came before the Government, some of which were accepted and some of which were rejected. We accepted all that complied in their service with the requirements regarding service. Mr. Forbes was one of those we had to reject under the law as it is.

Now Mr. Forbes has taken the step of petitioning the House and it is within the competence of the House to grant Mr. Forbes a pension—it is not within the competence of the Government. The Government cannot do so without breaking the law, the House can because what the House does is law if it makes it so. So the committee to which the petition is referred on the honourable Minister's motion can of course take all the facts into account and make here to the House such recommendations as they might feel the justice of the case requires. I want to make it perfectly clear that the Government had no recourse but to reject his petition for a pension as it would be unlawful as the matter now stands.

MR. FOGWILL: I do also support the petition to the House that Mr. Forbes may receive a pension after such long service as he has given to the country as an engineer on various steamers during his life-time.

I am personally acquainted with him and have been for 25 years. He is a very honest and able man in his profession and I agree with the honourable member for Ferryland, one of the best engineers we have. I am surprised to see brought here this afternoon this petition as I thought this man had received a pension. I give

my whole support to the petition and I sincerely hope the House will accede to his request and give him his pension now that he is old.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I join, Mr. Speaker, with my colleagues who presented this petition and with the previous speakers in supporting this petition. I have known Mr. Forbes since childhood, played with him as a companion, and have maintained contact with him down through the years, during the whole period of his life as an engineer on various boats referred to, and I was one of the very disappointed members of the Cabinet who found it impossible to grant him this request and I feel now that, as the honourable the Premier pointed out, it is within the capacity of the House to do so and therefore I can not add more than to say that I wish and hope that the House will decide in a favourable manner to Mr. Forbes' petition.

MR. JOHN G. HIGGINS (Leader of the Opposition): Why is he not yet receiving a pension, are not former employees of the railway regarded as civil servants?

MR. SMALLWOOD: We are now paying pensions to hundreds of rail-  
roaders.

MR. HIGGINS: What is the reason he has not received his?

MR. SMALLWOOD: Broken service.

MR. JACKMAN: Mr. Speaker, I should like to ask the House in respect to pensions, I know this is an individual case, but a lot of our miners at home for example who have been shoved aside, thrown overboard. This question here, Sir, I understand is for one certain person, I hope he

gets it but I am rising here now to talk about so many of our own miners with fifty years of service, some of them, but they receive no pension. I wonder if the Government will take this into consideration that so many of our old worn-out miners—after all they are all in the country—one man is on the railroad, another in the woods, and I am asking here now are we to vote for one man's pension? I am not kicking against that but I do say this, let us look over all our old pensioners and not see only one gets it. I am not trying the case but at the same time I could not sit down, I have been sitting down too long, I imagine. The Premier told us yesterday that what we said since we came here did not amount to one good debate, probably I will have more to say later but this thing hits me very closely. Even yesterday a blind man came to me. I think the honourable Minister of Welfare is acquainted with this case of a blind man with a helpless family and nobody to look after them. Now we are asked to consider this man in particular. While I say I will vote for it, are we going to look after the rest of them as well? There is not one but dozens of cases and the one in particular I am referring to now I am going to bring to the attention of the Minister of Welfare and the Minister of Health again. I support the motion here but at the same time I would like to know if the House is going to do anything to cases similar to this. In that case I would say, yes, give this man a pension but I would like to refer the matter back again to the House and to the Department in particular, to look after a few of the others which I will have to bring forward in a private manner.

MR. SMALLWOOD: You will realize Mr. Forbes is our own employee.

MR. SPEAKER: The honourable Premier has already spoken.

MR. RUSSELL: Before the selection of a select committee I would like to ask a question. There may be others besides this man, as a matter of fact, the honourable the Premier suggested there were others. Our Standing Orders provide for one signature to a petition but is there not something in Beauséne which requires three signatures?

MR. SPEAKER: It is the right of every subject to petition the King.

MR. RUSSELL: Has there not been petitions turned down because they did not have three signatures? It may be well to make certain there is nothing in our rules to prevent petitions. It would be unfortunate if there were anything in our rules. I notice my honourable friend the member for Ferryland looking through the new ones to see if one signature is specified. If not, I think it is something we must clear up as others in the same position may find a petition is required.

MR. SPEAKER: I appreciate the remarks of the honourable member. However no rules we make could ever take away from subjects the right to petition the King.

I will name the following committee: Mr. Vardy, Mr. Canning, Mr. Drover, Mr. Morgan, Mr. Miller.

HON. P. S. FORSEY (Minister of Supply): If the House sees fit to take the matter of the prayer of the petition and makes a law, are all the other people in the same category covered by that law automatically. Is it an individual or a general law?

MR. SMALLWOOD: To that point of information, it would be competent

for the House to bring it in here with the Government's consent. It would be a money Bill, a Bill to pay a pension to Alexander Forbes. That bill would affect only the person named in the Bill. No other person would be affected.

MR. HIGGINS: How many more are there?

MR. SMALLWOOD: There are two or three others. We brought one in for Matthew King last year. I would be pleased to answer privately but you may understand why I can not answer from the floor.

MR. HORWOOD: I presume, from what the honourable Premier says, it must be a Government measure and the committee can only make recommendations to the House, which in turn may make recommendation to the Government, which would come back and make recommendations to the House.

MR. SPEAKER: As far as the Chair is concerned there is nothing to discuss other than: Shall this be accepted or not? The question was: Shall this petition be referred to a select committee which can either reject it or make any recommendations it wishes to the House?

#### Reports of Standing and Select Committees

None.

#### Giving Notices of Motions and Questions

MR. SMALLWOOD: Mr. Speaker, I think all the information sought in question number 102 will be forthcoming in the budget no later than tomorrow, and it would, I think, be just a little unusual to give today information which will in any case be

contained in the budget tomorrow, and I am sure the honourable member for Ferryland will appreciate that and accept that. As for part 2 of the question, that information I know will not be in the budget speech on tomorrow, and assuming the information exists, which perhaps it may, it will be answered as soon as compiled. I rather doubt it is compiled by districts.

All the information in section 3 is being compiled and the information will be tabled as soon as possible.

Question 103: All of that information is being compiled and will be tabled as quickly as I get it.

Question 104: I think just about all of that will be in the Budget Speech on tomorrow. Insofar as it is not, I would be very glad to table any information not contained therein.

Question 105: Mr. Speaker, that information is being compiled, with the exception of section (6). It is not customary for the Government to be asked whether or not they intend to table legislation. Section (7): Considerable progress has been made. I am quite sure my honourable and learned friend will appreciate my answer when I say that it is unheard of, unthinkable, that during the progress of negotiations, with negotiations still proceeding, that correspondence should be tabled and made public. I think my honourable and learned friend will agree that persons, with whom we are negotiating, would be rather surprised to take up a newspaper one day and read copies of correspondence and replies while negotiations are still proceeding. Surely he will not insist upon having that part of the question answered.

MR. CASHIN: With your permission, Mr. Speaker, I presume there is a supplementary question I might have asked; would there be any legislation or possibility of legislation covering such progress during this session of the Legislature.

MR. SMALLWOOD: Mr. Speaker, so that no precedent may be established, we are not obliged to answer that and it is slightly improper to ask it and, Mr. Speaker, I know you could properly rule the question out of order.

MR. CASHIN: I know it is out of order.

MR. SMALLWOOD: Nevertheless, I will say the Government expects to introduce into this House some very interesting and some very important legislation concerning industrial development in this session; I think I ought not to go any further except to say it will not be in the dying days of the session or under suspended rules.

HON. DR. H. L. POTTLE (Minister of Public Welfare): The answer to question number 106 is being prepared.

HON. WILLIAM KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, with regard to questions number 107 and 108, I was not in the House yesterday when the notice was given and I spent a considerable portion of this morning in Cabinet and did not see the questions until today. I will have the answers as soon as possible.

MR. SMALLWOOD: Mr. Speaker, with reference to number 107, the answer to that will be contained in the Budget tomorrow.

## Orders of the Day

Third reading of Bill "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949."

Bill was read a third time and passed.

MR. SPEAKER: I must remind the honourable members it is not permitted to leave the Chamber or move about while Mr. Speaker is putting a question.

Third reading of Bill "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938."

Bill was read a third time and passed.

Third reading of Bill "An Act to Grant Certain Powers to Public Utilities."

Bill was read a third time and passed.

Third reading of Bill "An Act Further to Amend the Law Society Act."

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I move this order be deferred, to come up after Committee of the Whole on Bill entitled "An Act to Amend the Department of Public Works Act, 1950."

Motion carried.

Third reading of Bill "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony.'"

Bill was read a third time and passed.

Report of Committee of the Whole on Revised Rules of the House.

MR. SMALLWOOD: Mr. Speaker, it seems to me we ought to proceed with that order now and dispose of it. Motion is that this report be adopted. I think Mr. Speaker, I have here the form in which this motion, I think, should be put; I am not too sure of it myself.

MR. SPEAKER: May I say that the report of the committee of the whole has been received.

MR. SMALLWOOD: Then I understand, Mr. Speaker, the final step is that the House names a day on which standing order 115 will be adopted. I suppose that number 115 would be the standing order stating the date on which these rules come into effect.

MR. SPEAKER: Yes, it would.

MR. SMALLWOOD: In fact at the moment there is no number 115, and it would be number 115 that would state the date the revised rules would come into effect.

MR. SPEAKER: And all previous standing orders are hereby repealed or words to that effect.

MR. SMALLWOOD: In that case I move the report of the committee be adopted, and that standing order number 115 be adopted repealing the existing rules bringing the new rules into effect on adoption.

MR. CURTIS: I second that motion.

MR. SPEAKER: It has been moved and seconded that the reports on revised rules be adopted and that rule 115 be added, to the effect all previous standing orders be hereby repealed, and from this day be the rules of this House. Is the House ready for the question?



MR. SMALLWOOD: Mr. Speaker, to a point of information, is it necessary that the names of the members present be reported. I notice in the former revisions in 1931, the names are recorded.

MR. SPEAKER: There must be two-thirds of the House present. I saw to that myself.

MR. SMALLWOOD: Would it not be sound practice if Mr. Speaker were to record the names of all present?

MR. SPEAKER: I had better do that: Mr. Spratt, Mr. Ballam, Mr. Hefferton, Mr. Morgan, Mr. Button, Mr. Janes, Mr. Horwood, Mr. Forsey, Mr. Keough, Mr. Curtis, Mr. Smallwood, Dr. Pottle, Mr. Chalker, Mr. Vardy, Mr. Courage, Mr. Canning, Mr. Russell, Mr. Drover, Mr. Cashin, Mr. Higgins, Mr. Fogwill, Mr. Jackman, and Mr. Miller.

Committee of the Whole on Bill "An Act to Amend the St. John's Housing Corporation Act, 1944."

MR. VARDY: With reference to 15 (a) it says "Construction done to the satisfaction of the Chief Engineer. Since this is dealing with the Municipality of St. John's, should it not be substituted by: "Chief Engineer of the Municipality of St. John's?"

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read.

MR. CASHIN: This provision indicates to me that the Provincial Government may be able to unload the Housing Corporation on the Central Mortgage. As it stands the Corporation may, if the opportunity

arises, sell the Housing Corporation to the Central Housing.

MR. SMALLWOOD: I did not know my honourable and gallant friend was so optimistic.

MR. CASHIN: What I am trying to get at, the Housing Corporation has cost the Treasury four million dollars or rather six million, and the City Council one million. In recent months the directors resigned and practically the entire Cabinet became the Housing Corporation. Forthwith notices were sent out to tenants in there. I am fortunately one who has privileges in there. But notice has been sent out to tenants in the Housing Corporation indicating rent raises in the vicinity of 34% and 40%. Whereas a person paid \$70 a month he now had to pay \$100. That is over 40% increase. Now what I am trying to get at is this. Is it not a fact, Mr. Chairman, I see you looking over here, I am not out of order but I maybe in a few minutes. What I am trying to get at is this: Is it not a fact that in order for rents to be increased in the Housing Corporation Area, certain legislation would have to be introduced in the House which would give privileges to the Housing Corporation over private landlords in the community? I understand a rent control board is in existence in St. John's and if I own property I might rent to my friend the Minister of Provincial Affairs, but there is a maximum amount indicated which I am supposed to charge and beyond this I cannot go. Now I have never read the Act, that is my understanding. Now in the Housing Area rent is \$70 and so on a month, does not that come under the rent control board?

MR. SPRATT: I am not in a position to answer that.

MR. CASHIN: I think, in view of the fact that the Housing Corporation or someone representing it has written to tenants including myself, and I am, as I said, in the fortunate position; they can't raise my rent because I happen to be a veteran. There are departments in there for veterans but \$70, \$80 or \$100 from the general veterans' point of view is too high, and a \$100 a month is too much to pay for the shacks in there. They are only half built anyhow and will tumble down in four or five years. They were built by a crowd of crooks. And talk about putting people in jail for robbing fishermen, I wonder what about an investigation into the Housing Corporation, what would happen to some people identified with it? If these buildings are indications of their qualifications, well then, God help them. They are built out of shingles, tar-paper, wall-board. There is not a piece of decently constructed building in the whole Corporation except the basements. They are neither wind tight nor water tight, still people got knighted for their construction. They are not worth \$45 a month, not an apartment in there worth \$45 a month. On the Mainland in the City of Verdun for instance, on the outskirts of Montreal \$40 or \$45 is high rent. Still our people have got letters and now the rent is going up from \$70 to \$100 and on top of that, if you are a war veteran or someone else, if your income is such and such you will pay 20 percent of your income as rent. That 20 percent was taken from budgetary programs, I know, on the Mainland you see this thing advertised in the paper. A man with \$3,000 a year pays \$600 a year for rent and

so on. A man here getting \$4,000 a year according to that budget plan, would be capable of paying \$800 a year. Now what about the high cost of living? This was in effect twenty years ago on the mainland, but now everything is gone up since, including rents. How much can you afford to pay according to income?

Now as a veteran I don't want any privilege in this Community not given to other persons. True some veterans probably should get them; for myself personally, I don't want any privileges in the Community or the country that the ordinary individual does not get. Why? Because it was part of my job, I got paid for doing it myself. My original service gave me \$4.00 a day and found, more than I was making before on the Mainland, mind you, and I'm going to say right here and now, I was lucky. I put in the best time of my life for four years that I spent in the army, from 1914 to 1918. True some other poor fellows were broken up. But I did not expect to be taken and given everything for nothing and some people, including myself, have prostituted the name in order to get something we were not really entitled to. I feel everybody is entitled to. I feel everybody is entitled to the same consideration as veterans and I happen to be one of them, and under this plan I would get off the same as now, my rent would not be increased, but someone living next to me who had not joined the army, maybe had not been physically fit, but nevertheless had perhaps done quite as much for the country, has to pay more than I. That is not fair. Mr. Chairman, I know that might be an unpopular attitude amongst veterans but a person living next door may have done just as much as I for

the country, yet his rent is going to go up 40 percent. I noticed the other day if you go down and take an affidavit your income is so and so, and produce evidence, you can get away with a reduction in rent. It is ridiculous, the whole thing, and I would like to pronounce it so this afternoon. As to what is being done in connection with this housing I know this; I have been lambasting it since 1945-46. I know I would love to have the opportunity to investigate the whole thing, it might rock some of the most important public positions politically if gone into properly, but that is dead. I would like though to hear the honourable Minister of Provincial Affairs tell us what happens to higher rentals. Do we have to bring in legislation to cover the letter sent out? Or does he think it is fair and just that the Government which is just the same as the Housing Corporation, has all Cabinet Ministers on it. What is going to happen, are you going to bring in legislation giving the Housing Corporation privileges over the ordinary landlord down town or not? I would like to hear from the honourable Minister on that.

MR. SPRATT: I would like very much to be able to give you the desired information, but I am really not in a position to give it to you at the present time, and I am not in a position to explain in detail this Bill I am now putting through the House.

MR. CASHIN: That is very peculiar that you are not in a position to bring in a Bill. Heave it out if the Minister is not in a position to explain, we are talking about something we know nothing about. Mr. Chairman, on a legal point, as far as

I am concerned, I want to know now if the Housing Corporation is going to have privileges under the rent control Act. There are two lawyers in this House.

MR. COURAGE: Point of Order, I have given the honourable gentleman quite a bit of latitude. But you will appreciate, also the honourable Minister of Provincial Affairs, that the question is not in order.

MR. CASHIN: No but I was just about to ask the honourable the Attorney General for his opinion, as to whether or not they would bring in legislation covering the raising of rent for the Housing Corporation, without giving the same latitude to ordinary landlords in the community.

MR. SMALLWOOD: Mr. Chairman, if I am permitted, I would like to explain what may appear to be an anomalous position. The honourable Minister of Provincial Affairs just stated that he was not in a position to explain this particular point with the clarity that the House would want, the Committee would want. Now the position is this: Housing has come for some years past under the Department of Provincial Affairs. That is a fact well known to the Committee. But having become a Province of Canada and desiring very much to avail ourselves of the special services and advantages that the Central Mortgage and Housing Corporation of Ottawa were offering, we decided this; that it was necessary for some one minister to concentrate within the Government on the matter of housing. Now who should that minister be? He would need to travel fairly freely back and forth to Ottawa, to various cities on the mainland and in the United

States. The honourable Minister of Provincial Affairs has vigorously resisted every invitation of mine to go gallivanting off. He says, no, he wants to stay right here in town in his own home and so my honourable friend just did not want to go and who am I to force him? I am not a dictator.

MR. JACKMAN: They blamed you.

MR. SMALLWOOD: I know, I am blamed for many things. My honourable friend, therefore, did not want to take on this new aspect of Housing so entirely new and over and above what existed up to then in his Department. So we found ourselves in the position where we had two ministers concerning themselves with Housing, the Minister of Provincial Affairs who continued to carry on his Department's normal concern with housing and the honourable member for St. John's West who began to concentrate, at my invitation, with the new scheme of housing. So side by side we had two Ministers of the Crown who concerned themselves with Housing.

MR. FOGWILL: And getting nothing done.

MR. SMALLWOOD: I would not say getting nothing done. At the moment we have 145 families shortly to be taken out of the slums, if they will go; at least we have been the means of providing housing for them, and my honourable friend the junior member for St. John's West is the member who tackled that job, and a fine job he has done. In addition this Committee will hear later on in the session of a large land assembly project with which this very Bill is concerned, is about to be un-

dertaken in the **Housing Area** and where physical provision is to be made for six hundred and twenty-two houses. So to say that nothing much is being done is rather an exaggeration. Now this particular Bill has to do, I believe, more with the new housing project than it has to do with the older one, with which the honourable the Minister of Provincial Affairs concerns himself. Therefore as the honourable the junior member for St. John's West is not a Minister with portfolio but without portfolio, and while the financial side of housing is carried through the Provincial Affairs, it falls to the lot of the Minister of Provincial Affairs to bring in this legislation. It is actually legislation which affects his colleague, the junior member for St. John's West. My honourable friend, the Minister of Provincial Affairs, did not want to say this, but actually the position is that it is the baby of the honourable the junior member for St. John's West, though officially it naturally comes under the Minister of Provincial Affairs.

MR. SPRATT: Mr. Chairman, I fear I made myself feel ridiculous in the eyes of the public, incompetent to preside over the duties of taking upon myself the responsibility of the Housing Corporation. I can build houses, know more about it than any man connected with it today. I was formerly and for forty years in the building business here in St. John's and have handled over seven million dollars of building in the city and my position is rather anomalous and I feel today, in the eyes of the public, they imagine I am incapable, which I am not.

MR. SMALLWOOD: Nobody thinks it.

MR. SPRATT: I don't want anyone to think that. I am simply piloting this through on behalf of my colleague.

MR. CASHIN: I never indicated anything like that. But what I am trying to get at, the Premier has not answered my question yet. What is the position with respect to the Housing Corporation and the notices they sent out with regard to increases in rent? Legally, illegally or some other way I know we were told they were to be increased the first of May, if my memory serves me right.

MR. SPRATT: The Government has taken the power out of the rent control board.

MR. CASHIN: The Government has taken the power away from the rent control board which I know correctly has power to say whether you can raise your rent. Now won't there be legislation to cover that, and consequently we must look forward to legislation to amend that Act that brought about the rent control board. We have no legislation in here yet, giving the Housing Corporation power to supercede the rent control board, and at the present time those people living in these departments, under the law, don't have to pay the increased rental that has been demanded of them until such time as legislation is brought in to cover it.

MR. CURTIS: Mr. Chairman, I would say in reply that if the honourable member will refer to the various rent control Acts, he will see that the Minister in charge, the Minister of Supply, has the right to reserve or take out any houses or group of houses. It did seem a bit ridiculous for a government controlled body to have to go in turn to another gov-

ernment body to fix the rents. The Rent Control Board is a board to stand between tenants and landlords. That is not the case in the case of the Housing Corporation, which was a board set up by the Government to operate these houses, and because of the very nature of the ownership the Minister signed an order taking the houses in the Housing Corporation area out of the Act. The apartments also have been taken out under the authority of the Act. There is no need for any legislation.

MR. CASHIN: Very well, we now know there is no need for legislation, the Minister of Supply can except these apartments out of the Act and can say; now you fellows can charge what rent you like but the other fellows on Water Street or Hamilton Avenue are not allowed to raise the rent 45 percent. Now the honourable the Attorney General says the Rent Control is expected to keep landlords from squeezing people. I take it now the present administration is taking advantage to squeeze people themselves and that the ordinary landlord is not permitted to do the same thing. In other words they are raising the rent 40 percent.

MR. CURTIS: I don't think you ought to put it that way. They have been losing too much, they cost too much to build.

MR. CASHIN: Well you should cut down your capital because you are not going to get it back, neither is the Municipal Council. Here is the position of the Housing Corporation Administration in there. I am not going to reflect on any one, I know it can be operated much more economically than it is at the present time. I tabled questions here some time ago with respect to the Housing

Corporation and the reply was tabled by the Minister of Provincial Affairs, and I find the interest on the sinking fund charged up, and then we are told they are to give help to war veterans, they give the war veterans nothing.

MR. CURTIS: They were only meant to provide shelter.

MR. CASHIN: If you get a good shower of rain or gale of wind they are not shelter, they are likely to blow away. Why the outfit that built that, headed by Sir Brian Dunfield, the greatest crowd of cods in the country, gave authority to build them and now we have to pay for it. I know they were inherited and you inherited a lot of things but you did not inherit the power to stick on 45 percent. We were told there would be a lower cost of living.

MR. CHAIRMAN: Order. I think at this point I am going to state; the point under consideration is the Housing Corporation and many points being raised here would be more properly dealt within the Budget.

MR. CASHIN: This section gives the Government, which is the Housing Corporation, power to hand-over, sell, give away or something like that to any outfit it thinks fit. What is the present value of the Housing Corporation?

MR. CURTIS: This clause only deals with land not the Houses.

MR. CASHIN: These places are built on land. I would like to know now, are we going to have to pay this rent. I know I don't have to pay but I don't consider that I should be treated one way and the fellow next door another way. It is unjust and in-

decent. There are people in there who have done just as much for Newfoundland as I have and they have to have their rent jacked up 40 percent. That is what it means, and to pay for mismanagement going on at the present time. Why the heat is on the year around, and this budgetary rent 20 or 30 percent on the mainland takes other things into consideration. The heat is turned off from the first of May until the end of October, and you will find that in every lease of apartments in Montreal there is no heat after the first of May. Well if you go into the Housing Corporation in the middle of August—

MR. VARDY: It is very often needed.

MR. CASHIN: It is often needed in Montreal as well.

HON. E. S. SPENCER (Minister of Public Works): That is the type you get for \$35.00 a month.

MR. CASHIN: That type, you were not allowed to live in that type. I know Montreal, I lived there for 14 years.

MR. CHAIRMAN: Order, we are not considering Montreal housing.

MR. CASHIN: No, the Housing Corporation it is a joke; and now as an avenue of escape, the Government, after mismanaging it, say to the tenants, you have to pay the piper. Stick on 40 percent on your rent to do it.

MR. SPENCER: You referred to \$45 a month rent in Montreal, but you won't get that at the present time.

MR. CASHIN: I could take you to the City of Verdun and I could

show you a duplex, a beautiful duplex in Verdun for \$45 a month. I was in one only four or five weeks ago. Why those things in there are shoe boxes built by someone they brought in from Florida, a wop from the toe of Italy; slapped up cardboard houses, and I don't know how much money they cleaned up on it.

Now here is the position, as I see it: the Government has power to take unto itself to increase rentals, but if I own a house on Hamilton Avenue or LeMarchant Road or Circular Road I am not allowed to do the same thing, and now you are going to tell us that is fair play.

MR. SPENCER: I would like to deal with other phases of it.

MR. CASHIN: I know it is up to the Rent Control, are they accepting any suggestions? They are not allowed to do it, no.

MR. VARDY: There are people who own private houses who have rented them and gone in there.

MR. CHAIRMAN: The honourable member for Ferryland has the floor.

MR. CASHIN: Yes sure, Mr. Chairman, but I am having a friendly chat with members across the floor.

MR. SMALLWOOD: The only trouble is the honourable member has a bad case.

MR. CASHIN: You have the bad case, a white elephant on your hands, and try to get rid of it. Did the honourable Attorney General sell his and go in there? He is in the real estate business and noted for being a very shrewd business man, very noted. Well I want to say, if I know the honourable the Attorney General, I have not seen him moving out of

his place in St. John's West to go into the St. John's Housing Corporation.

MR. CHAIRMAN: I must ask the honourable members to be more relevant.

MR. CASHIN: I am trying to point out the injustice to the people living in the apartments, giving me privileges over them, I don't see it.

MR. SPENCER: Do you recommend they write off the investment?

MR. CASHIN: I would. It is going to be written off in four or five years anyway. It is going to fall down. The honourable Minister of Provincial Affairs told us he built houses, I am sure he never built anything like that, if he did, he should right here and now go back and learn his trade, but they brought in some joker from Florida, from the toe of Italy and he squandered six or seven million dollars. Why if they had gone into the Superintendent of the Mental Hospital and let the people in there loose, and let them work there, they would have done just as good a job as Dunfield and his crowd has done. Dunfield Folly they call it.

I had to get that off my chest.

MR. FOGWILL: Will the honourable Minister make an explanation in respect of No. 22 (1).

MR. VARDY: I think, Mr. Chairman, this clause was explained yesterday during second reading of the Bill. The purpose of this amendment is that in the event private areas have the advantage of water and sewerage facilities, owned by the Housing Corporation and not by the Municipality, as it stands at the present time, there is no organization

that can assess them for the right to hook on, nor is there any organization which can charge them their proportionate share of the setting up of these facilities, water sewerage, curbing and other improvements of the land. Therefore where the land has been improved and it is the desire of individuals adjoining to take advantage, there is no one with whom they can deal. The property is not the property of the Municipality but of the Housing Corporation. It is owned by the Housing Corporation and only by insertion of this clause can they legally hook on and pay the proportionate assessment on the work done.

MR. FOGWILL: Is it not a fact that in some places in the Housing Corporation Area, curb and gutter improvement and improvements of that sort come under the control of the Housing Corporation, while on the other hand the sewerage and water main were put in by the Municipality?

MR. SPRATT: There is a certain area under the Council's jurisdiction.

MR. FOGWILL: That does not answer the question.

MR. VARDY: Rightly speaking, water and sewerage were in on, for instance, Allandale Road, but the bulk of the services were put in by the Housing Corporation as part of the development. There is no problem there, they already pay to the Municipality.

MR. SPRATT: The Housing Corporation has made the improvements and put in the sewerage and water and they have improved the streets and put in the curbs and gutters and the landlord owning the land would have to pay that assessment. If you came and bought a piece of land and

put a house on it, you would not have to pay a second time, so I don't see anything wrong with it. You have to pay the assessment anyhow if you bought a piece of land in there tomorrow and the Municipal Council went in and put in curbs and gutters and sewerage. You would have to pay so much per frontage for improvement to the Municipality, so what is the difference in the Housing Corporation assessing in a similar manner?

MR. FOGWILL: There are, I believe, on the land adjoining the Housing Corporation a group of houses built long before any sewerage or water. In one instance it was put in by the Housing Corporation and in the other instance the sewerage and water main was put in by the Municipal Council outside the city limits. What is the position in that respect?

MR. VARDY: The Municipality does not put in water and sewerage outside the city limits.

MR. FOGWILL: How far in does it run? I understand anything beyond the junction of the Portugal Cove Road is outside the City Limits.

MR. HIGGINS: I think the whole trouble in the section is the assessment on property increase. I think outside the City the property has not been increased in value.

MR. VARDY: It has to the extent that money has been expended to put in facilities.

MR. HIGGINS: It is badly worded. The value of the land has increased to the extent of the facilities made available. What you mean is that these people must pay if they want to connect up to the sewerage,



pay the cost of the culvert and the cost of the road, but that does not increase the value of the land.

MR. VARDY: In answer may I point out to the honourable member, the Leader of the Opposition: A private property has been increased in value by the installation of the Corporation facilities to the extent that the land was of little or no value prior to the installation. Today that property is being sold for \$45 a foot, yet the purchaser of that land has no right to hook into the facilities under existing conditions. We want to have that right, in the hands of the Housing Corporation, to give him permission but in giving that permission it is only fitting and proper that the owner of that land, now getting \$45 or \$50 a foot for the land which was only worth \$10 before, should pay the proportionate cost of the installation which brought the land up to its present value.

MR. HIGGINS: That is my objection, the land has increased from \$10 up to \$45. According to this act you are charging him at the rate of \$45 but at the time it was worth only \$10, that is the interpretation. I don't care what is meant, I am perfectly aware what is meant, that is not the wording. You mean to say you have this land here, the land has increased in value, you should pay your proportion of it, your share of the road, your share of the water, your share of the sewerage. That is perfectly all right but that is not the increase in value of the land, that is an increase in the amenities of life in that area. You bring the amenities of life there and say you have to pay your share.

MR. SMALLWOOD: Is that not expressed in increased value of the land?

MR. HIGGINS: I see no reason why a man should not pay for these amenities of life but I think you should say that in some other way.

MR. VARDY: I wonder how we would alter it. The point is this land in there which the Housing Corporation developed and sold, interest free, as a community service for \$800 and \$900, is now a little higher but still much less than market value, as a community service. On the other hand the individuals to whom we refer, charge (for a 50 foot lot) as high as \$2,000 and have contributed absolutely nothing towards the services put in, which was the source of making this land valuable. Now we are asking in this Act for the power to recover from the owner of this land the amount equivalent to what it cost to bring it up to that value.

MR. HIGGINS: Make an assessment equal to what the water, sewerage and improvement cost?

MR. FOGWILL: It not only deals with land but with private property. I would like to ask the honourable Minister how would the assessment be collected in a case where land now improved before the coming of this Act, improved in value ten-fold and then sold, perhaps to the Leader of the Opposition or the honourable the Premier at the increased price. How are you going to assess that section, states the person who holds the improved land, how are you going to collect?

MR. VARDY: Collect from the original owner.

MR. FOGWILL: What if he sold the land four years ago at \$50?

MR. VARDY: Still after the improvement but several years ago?

MR. FOGWILL: How is he going to pay, how are you going to get him? He may not be here.

MR. SPRATT: I might point out the authority, the Municipal Council, would assess that anyhow, but not being the Council, the Housing Corporation has a perfect right to collect from the person who is getting the benefit of that water and sewerage.

MR. FOGWILL: But how are you going to collect, are you going to put the burden on the person who has already paid the increased price?

MR. SPRATT: It is problematical.

MR. FOGWILL: You may have a piece of land tomorrow, side by side with someone else and a purchaser comes along to that person and says: are you prepared to sell and how much? He sells for \$10 or \$20 a foot. My property is identical, side by side, he asks me what my land is worth, and I tell him \$50 a foot. That is nobody's business but mine, I may sell my property for what I can get for it. This matter of water and sewerage, true I agree with the remarks of the Leader of the Opposition, they have no direct connection with the actual value of the land. Either the Council or the Corporation are simply imposing a tax for the improvement. The money is spent by them and they must get it back.

MR. SMALLWOOD: Would it be possible to have that clause re-worded? The honourable Leader of the Opposition says the clause, as worded, does not imply the point made by the honourable member for St. John's West with which he agrees. Now can we change it so that it does carry out that intention, can it be done? I am willing to take the honourable Leader of the Opposition's word that the

wording of the clause does not, in fact, concur with the point as stated by the honourable member for St. John's West.

MR. FOGWILL: Put a limitation on it.

MR. HIGGINS: I suggest the share of the cost of water, sewerage and other material advantages.

MR. SPRATT: I suggest making it the same as the Municipal Council.

MR. SMALLWOOD: Mr. Chairman, I suggest that we have a recess for ten minutes and in the meantime let that section stand until the Attorney General and the Law Clerk have an opportunity to confer and redraft it.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again. This is the end except for Section No. 6 and the Preamble.

The Committee rose, reported progress, and asked leave to sit again.

Committee of the Whole, "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950."

- Section 1 read and passed.
- Section 2 read and passed.
- Section 3 read and passed.
- Section 4 read and passed.
- Section 5 read and passed.
- Section 6 read and passed.
- Section 7 read and passed.
- Section 8 read and passed.
- Section 9 read and passed.
- Section 10 read and passed.
- Section 11 read and passed.
- Section 12 read and passed.
- Section 13 read and passed.
- Section 14 read and passed.
- Section 15 read and passed.

Section 16 read and passed.  
 Section 17 read and passed.  
 Section 18 read and passed.  
 Section 19 read and passed.  
 Section 20 read and passed.  
 Section 21 read and passed.  
 Section 22 read and passed.  
 Section 23 read and passed.  
 Section 24 read and passed.  
 Section 25 read.

MR. HIGGINS: With reference to section 25 (1) it seems to me this would be a little difficult in application. It may apply to any portion of the country. Yesterday it was understood the party occupying the adjoining land may pay a proportionate share. In other words, if opposite the Housing Area there is a big farm of fifteen or twenty acres it seems hardly right to ask the owner to pay. If he sells the farm not for farming but for building lots it would be alright. This is somewhat the same as the other one; in the first place a man has a piece of land in the Housing Corporation, but this would apply to anywhere over the Island and the housing scheme may start in front of some big farm where a man is making a living, and when the scheme had been put into effect and water and sewerage laid, it is hardly right to ask him to pay for it unless he makes use of it. If he should make use of it or sell a portion he should be made pay. But I do not think a farmer should have to pay any amount unless he does so.

MR. VARDY: What about cases where they want to hook on and take advantage?

MR. HIGGINS: Yes, but I am talking about a big farm where a man is making just a fair living and is not making use of the facilities. If he makes use of them in any way by

hooking up or selling he should have to pay.

MR. VARDY: It all boils down to this, it may apply anywhere in Newfoundland but it is specifically designed to apply to this one thing.

MR. HIGGINS: You can see the great hardship of application. It is a foolish thing to do away with farms; they are too rare in this country, they make up a very important industry, for instance they supply the milk to St. John's, have brought it for a hundred years, in sunshine and storm, in all weather, and farmers are always out early. If all farms are destroyed I do not know what we would do. The Housing Corporation took Mr. McPherson's land. He was known as a gentleman farmer, everyone knows what a gentleman farmer is. He is a man who takes pride in cattle and loses on them. McPherson had as a hobby cows and bulls, he sold them around the country for \$200 and \$300 and they possibly cost \$600. The Housing Corporation took his land and now the country is suffering for it. You cannot destroy the farm, since here in the City, milk is getting scarce.

MR. VARDY: How do you suggest we could preserve and protect them.

MR. SPRATT: We could make an agreement with the parties.

MR. HIGGINS: A farmer may want to make use of these facilities, he may want water and sewerage, if so let him pay the improvement. What I have in mind is that the scheme would ruin the land from the standpoint of a farm; if water and sewerage were made available and the land were assessed on the frontage and the farmer were unable to pay for the improvements.

MR. VARDY: There is one point you are overlooking, it is obvious such a development can only take place in municipalities. All the schemes are in conjunction with municipalities.

MR. HIGGINS: I am not denying that but they are stretching out and will be away out in a little while. Take Grand Falls, a man may have a farm a half mile away and the Town extends the boundaries of the housing system.

MR. VARDY: That is not the same thing, if there is a development of that kind going into a particular area, we would have to take the farm regardless of how he feels about it.

MR. HIGGINS: If the farm were taken it would be quite a different thing, but leave him there with his farm and he is just finished. If you are going to take the farm you will have to pay all the benefits.

MR. FOGWILL: It does not deal entirely with Municipalities. I know in Bishop's Falls houses were built three quarters of a mile from the town.

MR. VARDY: Not by the Federal.

MR. FOGWILL: The same thing may happen anywhere else. The building can take place anywhere in the Island.

MR. VARDY: No, only within regular municipalities.

MR. FOGWILL: Nevertheless the term is broad and under this Act, housing projects can put the farmers out of business, as outlined by the honourable Leader of the Opposition, and perhaps there should be a limiting clause in the Bill unless they sell the land or seek to take advantage of it.

On motion the Committee rose, reported progress, and asked leave to sit again.

MR. CURTIS: At this juncture, Mr. Speaker, I move the House take up the third reading of the Law Societies Act which was deferred. I move this Bill be recommitted.

Carried.

MR. CURTIS: This is a lawyer's Bill, drawn up by lawyers, they have provided no punishment for the offence, just what could be expected from a bunch of lawyers. The proposed amendment is to amend Section 75 (A) to read as follows:

(1) Any person who is not a Barrister or Solicitor who carries on the profession of Barrister or Solicitor is guilty of an offence and liable on summary conviction to a penalty not exceeding one hundred dollars and in default of payment to imprisonment for a term not exceeding one month.

The Committee rose, reported having considered the matter to it referred, and having passed the Bill with some amendment.

Bill was read a third time and passed.

MR. FOGWILL: A point of information: Do we have to waive the rules for third reading?

MR. SPEAKER: It is not necessary; in any event a Bill may be read a third time.

Committee of a Whole on Bill "An Act Relating to Poultry and Poultry Products."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.  
 Section 5 read and passed.  
 Section 6 read and passed.  
 Section 7 read and passed.  
 Section 8 read and passed.  
 Section 9 read and passed.  
 Section 10 read and passed.  
 Section 11 read and passed.  
 Section 12 read and passed.  
 Section 13 read and passed.  
 Section 14 read.

MR. HIGGINS: There is one thing I would like to ask with reference to selling poultry, are poultry interpreted as domestic fowl, are turkey and geese included? The fine must be at least \$25?

MR. CURTIS: I think the magistrate has jurisdiction to suspend sentence. If you make the fine too small you may as well not have the Act there.

MR. HIGGINS: Why not make it \$10 for the first offence. It would be then up to the magistrate to make it \$5 if he wanted to do so, but here even in a minor case the magistrate has to fine \$25.

MR. CURTIS: There is no objection to making it \$10.

Section 14 passed.  
 Section 15 read and passed.  
 Section 16 read and passed.  
 Section 17 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Report received and adopted.

Ordered to be read a third time on tomorrow.

On motion the Committee of the Whole on Bill "An Act Respecting the Safety of Workmen in Mines" was deferred.

MR. COURAGE: I have to leave the Chair at six o'clock.

MR. CURTIS: I move the Committee rise, and report progress, and ask leave to sit again.

MR. HIGGINS: I would like to rise to a point of order. What happened now amplifies exactly what we on this side feel is going to happen by changing the rules in the middle of a session.

MR. CURTIS: I move, Mr. Speaker, that we continue in session, with the consent of the House, until 6:30.

MR. SPEAKER: Does the House give leave to continue until 6:30?

MR. HIGGINS: In order to pay for the mistakes made, I am happy to stay.

MR. FOGWILL: I am happy to support that too.

Committee of the Whole on a Bill "An Act to Amend the Memorial University (Pensions) Act, 1950."

Section 1 read and passed.  
 Section 2 read and passed.  
 Section 3 read and passed.  
 Section 5 read and passed.  
 Section 6 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of a Whole on Bill "An Act to Amend the Department of Public Works Act, 1950."

Section 1 read and passed.  
 Section 2 read and passed.  
 Section 3 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

On motion, the remaining Orders of the Day were deferred.

MR. CURTIS: Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Wednesday, at three of the clock.

The House adjourned accordingly.

—  
WEDNESDAY, May 9th, 1951.

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motion and Questions

None.

#### Answers to Questions

HON. DR. H. L. POTTLE (Minister of Public Welfare): I wish to table the answer to question No. 106 appearing on the Order Paper, Tuesday, May 8.

12th January, 1951.

Dear Mr. Mayhew,

I attached hereto a copy of a memorandum of fur farming which contains an outline of our plans for next year for the development of mink-ranching in the Province of Newfoundland, as well as the Estimates which I propose to pres-

ent to the House of Assembly at the next session.

You will note that many of our plans, and a considerable part of our proposed expenditure, are contingent upon certain co-operation which we hope to receive from your bait depot services. I have marked the pertinent paragraphs and I will appreciate very much your comments as to whether or not we may hope to receive such co-operation.

Yours sincerely,

(Sgd.) E. RUSSELL,

Minister of Natural Resources.

The Honourable R. W. Mayhew,  
Minister of Fisheries,  
Department of Fisheries,  
OTTAWA.

Deputy Minister, D.N.R.

Memorandum on Fur Farming.

Observations of the fur farming industry in Newfoundland indicate that the industry should be fostered and encouraged to the fullest extent for the following reasons:

(i) The climate of Newfoundland is suited to the production of good quality pelts equal to the quality produced in any other province.

(ii) Supplies of fresh whale meat, whale liver, seal meat, seal liver and fresh fish are available locally in sufficient quantities to warrant a large fur farming industry.

(iii) The returns from mink farming are usually far greater than returns from the shore fishery for the same amount of effort and expenditure, and can be carried on in the same areas.

(iv) Because of the existence of supplies of meat, liver and fish at

moderate prices, pelts can be produced in Newfoundland more cheaply than in any other province.

2. The main problems involved in mink ranching at present are:

(i) Distribution and storage of whale liver and meat supplies.

(ii) Individual refrigerated storage for farms to insure supplies of fresh foods at all times.

With stocks of fresh fish and meat available, the progress of the individual farmer is limited only by his desire to maintain breeding stock at a level which he knows he can handle and which will provide him a decent living. Providing a supply of fish is not a problem, cod and caplin with flesh almost free of fat are excellent and can be procured anywhere in Newfoundland. While some success has been achieved without the use of red meat, it is generally conceded that red meat should form a part of a balanced ration to ensure good production and good quality pelts. In the past, horse meat was used as the basic meat supply. The supply of horse meat has practically disappeared on the Mainland and ranchers have turned to other sources of red meat supply. Whale meat offers the best cheap meat source, and the Mainland ranchers of Central Canada are now looking to Newfoundland to supply their needs. The best whale meat for this purpose is that taken from the smaller members of the whale family such as Potheads, Rorquals, Blackfish, etc., because there is less fat distributed through the meat. Newfoundland has a sufficient supply of whale meat to warrant a large fur farming industry. At present some ranchers situated off the Avalon Peninsula experience some

difficulty in obtaining supplies of whale meat. The meat can be obtained but cannot be kept frozen in transit, and the thawing of meat often results in partial or complete loss and is the cause for disease among mink. Transportation by present methods, such as C.N.R., must be discontinued as unsuitable.

When the industry was revived through the Training Scheme brought into effect in 1946, the use of the Bait Depots for storage and the *M.V. Malakoff* for transportation was intended as an integral part of the assistance to the growth of the industry. Since then the Bait Depots have been transferred to the Department of Fisheries, and while some use of the depots is permitted, the position is not clear enough to allow ranchers to store sufficient feeds for their use. The use of these depots or other refrigerated space is necessary for the expansion of the industry. I feel that it would not interfere with the bait policy to allocate space in each depot of 20,000 lbs. to provide for the storage of mink feeds. At present such space would be required in two depots, and it would take five years before storage of this capacity might be required in all depots. With this space available and with the services of a refrigerated vessel, whale meat could be distributed to the Bait Depots where required in good condition and made available to ranchers in small quantities as required. This matter should be taken up with the Department of Fisheries before embarking on any expansion scheme, as the success of the industry is even today badly hampered by the lack of storage for fresh meat and fish.

Individual storage is also required on each farm and the present loan

system will in some measure solve this problem. The present tendency of applicants for loan is a desire to set up cold storage with a capacity of about 20,000 lbs. Using Freon, such storage equipment will cost in the vicinity of \$3,000 and about double this amount for an ammonia plant. Storage of this capacity is capable of handling feeds for 400 to 500 breeders, and this number would, in most areas, be the combined stock of 6 to 8 ranchers. I think, therefore, that only one such storage should be allocated to any settlement where mink farming is being undertaken. Farms in the vicinity of this storage could operate efficiently with a three-quarter to one ton storage unit which is large enough to provide two weeks' supply in summer and two months' supply in winter for a brood stock of 40-50 females. Such a storage unit would cost about \$1,000 and could be provided by loans advanced by the Government or on a hire basis from the Department. The hire plan would allow for the transfer of the unit to another ranch as soon as the first ranch outgrew its capacity. The provision of storage to replace the small unit would be the responsibility of the rancher.

A suggested loan policy could be carried out under the following plans:

- A. Loans to a maximum of \$6,000 each to provide for the erection of a capacity of 20-30,000 lbs.
- B. Loans to a maximum of \$1,000 each to provide individual storage units of three-quarter to one ton capacity.
- C. Loans to a maximum of \$500 each for improvement of livestock only.

It is to be understood that as the industry progresses, individual farmers will wish to obtain their own storage

sufficient to look after their needs for the year. A gradual build-up and then gradual reduction of the use of bait depots is to be expected, if arrangements can be concluded with the Federal Department of Fisheries.

#### Expansion of the Industry

The industry can be expanded in two ways only: (i) by improvement of existing ranches; (ii) by starting new ranches.

The loan policy previously referred to could take care of improvement to existing ranches on the following basis for 1951-52.

Plan A.—Provision of a maximum of \$18,000 to provide storage of 20-30,000 lbs, at Beaumont, Brighton, and Jackson's Cove.

Plan B.—Provision of \$20,000 to cover the purchase of 20 individual farm units. (If a hire plan were approved, Plan B would be removed from the loan policy).

Plan C.—Provision of \$15,000 to provide for the purchase of breeding stock to the value of \$500 for each of 30 farms. This amount should provide 15 animals per rancher.

The starting of new farms can be carried on under two plans to start in 1951.

#### (i) Training Scheme.

Due to the fact that a Fur Farm takes a building-up period of three years, married men and most men over 20 years of age cannot afford the time spent to undergo training, and such a training scheme would embrace young men 16 to 20 years or interested persons with an alternative source of livelihood. Due to the cost of training at a central farm, it is felt



that better results would be obtained by using a scheme that will train students on an existing farm in the settlement in which they live.

Under this no payment or subsistence allowance would be paid to the student. Students would undergo training for one year beginning in July, 1951, but after 5 months all students who show aptitude and interest would receive 15 mink (5 males and 10 females). The rancher under whose supervision and on whose ranch the training is done should receive \$250 for each student who completes the training period, and on a monthly basis at the same rate for each student discharged after the five month test period.

The maximum number of students to be trained on any one ranch should not exceed four. The rancher taking students should agree to permit the brood stock given to students after the test period to be carried on his ranch for the seven month period the student remains with him. The student would also be supplied with wire, etc., for cages to the value of \$200 and feeds to the value of \$40 to take care of mink during his training period. The total cost per student would be \$990 and the maximum number that could be trained in one year on existing farms is estimated to be 40 student farmers. The amount of \$750 is required to provide the brood stock. Wire and feed allowance should be covered by a return of mink over a period of five

to seven years. This return could be in cash or by return of selected stock to be used to set up other ranchers.

(ii) By distributing mink to interested persons who agree to make returns of selected stock over a five to seven year period.

(a) Assuming that an arrangement is concluded with the Federal Department of Fisheries to allow space in Bait Depots for storage, this distribution plan should be concentrated in the settlements where storages are located. Twenty depots could thus be utilized and each could take care of 8 farms with a total brood stock of 400-500 females without injury or hindrance to the bait distribution policy. I consider it feasible to plan for the starting of 100 such farms in 1950-1952. Breeding stock for these should be made available in early December, 1951. The cost of breeding stock and wire to set up a ranch under this plan would be approximately \$700, and the plan could apply to any settlement where storage is available including privately owned storages.

(b) The distribution of breeding stock in areas where storage is not available should only be considered as a last resort, and carried out only if the Federal Department of Fisheries refuses to give any assistance. The plan in such case would be the same as outlined for settlements where storage is available, and the cost of starting the ranch would be the same.

## Estimated Cost of Fur Farming Plan outlined for 1951-52

## 1. Loans to improve existing fur farms :

## Under Plan A.

To provide for erection of 3 storages situated at  
Beaumont, Brighton and Jackson's Cove .....\$18,000

## Under Plan B.

To provide for the purchase of twenty Farm freezer  
units of  $\frac{3}{4}$  to 1 ton capacity at \$1,000 each ..... 20,000

## Under Plan C.

To provide for the purchase of Breeding stock  
by 30 farmers at \$500 each ..... 15,000

**TOTAL** ..... **\$53,000**

## 2. To provide for the training and setting up of 40 students :

Training cost at \$250 each ..... 10,000

To provide breeding stock of 15 mink at \$500 per student ..... 20,000

To provide wire for pens and guard fence at a cost  
of \$200 per student ..... 8,000

To provide feed allowance for seven months at \$40 per  
student ..... 1,600

**TOTAL** ..... **\$39,600**

## 3. For starting of new farms.

To provide breeding stock to 100 farms at a cost of \$500  
each .....\$50,000

To provide wire for each farmer at a cost of \$200 each ..... 20,000

**TOTAL** ..... **\$70,000**

## 4. Administration.

1 Chief Supervisor of Fur Farms ..... 5,000

1 Senior Fur Farm Inspector (voted) ..... 4,000

2 Junior Fur Farm Inspectors ..... 10,000

Travelling expenses ..... 1,000

Miscellaneous, purchase of demonstration equipment, etc. 1,000

To provide for purchase and distribution of whale meat  
and liver ..... 3,000 23,000

**GRAND TOTAL ESTIMATED COST** ..... **\$185,600**

## Wire Supply

The present world situation has resulted in restrictions on the use of steel for non-essential purposes and one is reminded of the difficulty of obtaining wire which prevailed during the war years. The expansion of the mink farming industry could be seriously affected if wire supplied were available.

It is recommended that the wire required for 1951-52 program should be ordered as soon as possible. The requirement according to the plans outlined is 420 rolls of 4 ft. wire and 280 rolls of 3 ft. wire, estimated to cost \$28,000. The requirement of the present operating farms would be about 100 rolls and it is expected that this will be supplied by the trade.

(Sgd.) H. W. WALTERS,  
Chief Game Warden.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): In reply to Question No. 107 on the Order Paper of yesterday, I wish to table the report called for.

HON. C. H. BALLAM (Minister of Labour): I have here the answer to Question No. 88 asked by the honourable member for St. John's East. The answer is the report of the Labour Relations Board for 1950 and has been tabled.

Question 1: To table the annual report of the Labour Relations Board.

Answer: The annual report of the Labour Relations Board for 1950 has been tabled.

Question 2: To table the annual report of the Minimum Wage Board.

Answer: The annual report of the Minimum Wage Board for 1950 has been tabled.

MR. CASHIN: I don't know if the honourable the Premier has had the opportunity to supply the answer to question No. 105 and question No. 102 on the Order Paper of yesterday. I realize he is busy with the budget.

HON. J. R. SMALLWOOD (Prime Minister): The answer is in the course of preparation, and I shall be glad to table it the moment it is received from the department.

The House resolved itself into Committee of the Whole on Ways and Means.

MR. SMALLWOOD: I have a message from His Honour the Lieutenant Governor.

Thereupon Mr. Speaker read the message as follows:

The honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, transmit Estimates of Sums required for the Public Service of the Province for the year ending 31st March, 1951, and in accordance with the Provision of the British North America Act of 1867, as amended, I recommend the Estimates to the House of Assembly.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

May 9th, 1951.

MR. SMALLWOOD: I move the House into Committee on Supply.

Mr. Chairman, I have moved the House into Committee on Supply for the purpose only of tabling the estimates of expenditure and revenue for the fiscal year commencing 1st April, 1951. These of course will be distributed to the members immediately upon the conclusion of the budget, at which time also copies of the budget speech will be distributed to the members. I move we rise, report pro- and begged leave to sit again.

Committee rose, reported progress and begged leave to sit again.

MR. SMALLWOOD: Mr. Speaker, I move the House into Committee of the Whole on Ways and Means.

## BUDGET SPEECH

HONOURABLE J. R. SMALLWOOD

May 9th, 1951

"Mr. Speaker

Just over a year ago, it fell to my lot to open the budget of this Province because my Cabinet colleague was prevented by illness from performing that annual task.

Today I am undertaking that duty once again, for my colleague has in the intervening period accepted an invitation of the Right Honourable the Prime Minister of Canada and, as you are aware, is continuing his long and valued career in public life in another place. As Premier, and as his successor to the portfolio of Finance in this Province, I desire to record publicly my appreciation of Senator Quinton's activities from the first day of this country's history as a Province of Canada to the date of his retirement from the purely local political scene. I am sure that all members of this House will join with me in an expression of the sincere hope that he will long be spared to continue in his new sphere his efforts on behalf of his native province.

**Outturn 1950-51**

I propose, Mr. Speaker, to adhere to the pattern of presentation of the budget which I followed in 1950 and,

	Estimate	Actual	Increase
Revenue .....	\$26,446,000	\$28,089,000	\$1,643,000
Expenditure .....	\$26,588,500	\$27,159,700	\$ 571,200
Deficit .....	\$ 142,500		
Surplus .....		\$ 929,300	

**Revenue 1950-51**

The improvement in the revenue position was attributable to receipts under four of the Departmental Heads, viz., Finance by \$550,000, Pub-

without further ado, I now give in brief outline the result of the 1950-51 financial operations of the Government of Newfoundland.

The books of the Province for the year 1950-51 were closed off on the last day of April, 1951; they had been held open for two purposes only, first, to effect and record payments in respect of services rendered to, or goods received by, Departments to the 31st March, 1951, where the relevant bills had not been presented in time for payment by that date, and secondly to record receipts from His Majesty's Government in Canada in respect of jointly shared services such as Old Age Pensions and Blind Pensions, the costs of which are shared jointly by the Dominion and Provincial Governments.

**Financial Year 1950-51**

The financial data which I shall now place before the House are, it must be understood, close approximations of the actual outturn for the year and will undoubtedly vary slightly from the figures which will appear in the Public Accounts following final audit.

These interim figures reveal that revenues and expenditures on current or ordinary income account stood as follows in comparison with the figures revealed in the Estimates for 1950-51 :

lic Works by \$10,000, Public Welfare by \$1,000,000 and the Board of Liquor Control by \$100,000.

In the case of the Department of Finance, receipts under the Tax Ren-

tal Agreement were greater by \$800,000, from the Gasoline Tax by \$150,000, and from the Tax on Fire Insurance Premiums (two years' collections in one) by \$150,000 than was anticipated when the original estimates were prepared. On the other hand, certain revenue estimates were overstated, the most noteworthy of the under-receipts being from the Social Security Assessment where, because of the delay in introduction and the decision to exempt human foodstuffs, receipts showed at a figure of almost \$600,000 less than the original estimate.

Of the increase by \$100,000 in Public Works revenue, \$75,000 was attributable to motor vehicle licences; the \$1,000,000 improvement in Public Welfare revenue was due entirely to recoveries from the Dominion Government on account of Old Age and Blind Persons' Pensions and of this sum, some \$700,000 represented recoveries in 1950-51 of expenditures incurred in 1949-50 where, for a variety of reasons, it was impossible for us to transmit claims for reimbursement in time to effect recoveries and to bring them to account in the year of origin.

In the case of the Board of Liquor Control, the increase is said to be due to an increase in the level of trading profits for the year.

#### Expenditure 1950-51

The total net expenditure of \$571,200 in excess of the original estimates has, of course, been given Legislative sanction by the recent grant by this House of the Supplementary Vote for 1950-51.

The net over-expenditure of \$571,200 was made up of excesses under five Heads of the Vote aggregating

\$1,449,000, with under-expenditures on ten Heads aggregating \$878,000. Excesses occurred under the Department of Public Works (\$86,000), Public Welfare (\$1,237,000), Supply (\$33,000), Fisheries and Co-operatives (\$49,000) and Economic Development (\$44,000); of the under-expenditures, the Votes of the Department of Public Health accounted for \$494,000, of the Attorney General \$174,000, of the Department of Finance \$73,000, and of the Department of Natural Resources \$45,000, the balance being spread in small amounts over the other Heads of Expenditure.

Of the three major variations, viz., \$1,237,000 over-expenditure and \$494,000 and \$174,000 under-expenditure shown on the Votes for the Departments of Public Welfare, Health and the Attorney General respectively, the causes were due, in the main, to an acceleration in the preparation of invoices, etc., for payment in the Department of Public Welfare where, I am happy to say, such progress has now been made that there is no longer a heavy residue of outstanding accounts payable, particularly in respect of relief orders, and to an under-estimate of requirements on account of Old Age Pensions, Mothers' Allowances and other similar social services. In the Department of Health, the reduced level of expenditure, in comparison with the original estimate for the year, was due, in the main, to our inability to adhere to the original program of expenditure financed out of Federal Health Grants, while the comparatively heavy saving under the Vote of the Attorney General was due to two factors viz., the reduction in the cost of the Constabulary consequent upon the advent of the Royal Canadian Mounted Police in the provincial police sphere,

and inability to purchase, in accordance with the original programme, replacement parts for the Fire Department, etc.

I do not propose to take up the time of this House with a more detailed recitation of the departmental expenditure activities on Current account during 1950-51; full details will be tabled in due course in the

	Estimated	Actual	Increase or (Decrease)
Revenue .....	\$ 3,209,400	\$ 3,157,200	(\$52,200)
Expenditure .....	12,049,400	12,053,500	4,100

#### Surplus Account Revenue

Variations leading to the net under-receipt of \$52,200 arose, in the main, from transactions under the Revenue of Finance and Provincial Affairs where an aggregate excess of some \$550,000 occurred, which was offset by lower receipts than originally estimated under the Department of Public Works, of some \$6,000,000.

In the case of Finance, the excess was due to the receipt from Ottawa of the net difference between amounts receivable and accounts payable at the 31st of March, 1949, in respect of certain Newfoundland services taken over on Union by the Federal Government and the excess of receipts under Provincial Affairs was made up of larger-than-anticipated payments from Housing Services advance.

The decrease under Public Works is attributable to lower than originally anticipated recoveries on account of Trans-Canada Highway operations due in part to a retardation in progress (which, of course, was a reflection of lower-than-expected expenditures) and, to a minor degree, to late presentation of claims for reimbursement on this account.

Public Accounts and will be available to all members.

#### Surplus or Capital Account Transactions

The interim figures relating to Capital account (or, as we call them, "Surplus Account" transaction) show, in comparison to the figures exhibited in the original Estimates for 1950-51, as follows:

	Estimated	Actual	Increase or (Decrease)
Revenue .....	\$ 3,209,400	\$ 3,157,200	(\$52,200)
Expenditure .....	12,049,400	12,053,500	4,100

#### Expenditure

Variations from the original estimates on account of Surplus Account expenditure were made up of excess aggregating \$1,920,200 under three Heads and savings aggregating \$1,916,100 under seven Heads.

Of the total of excesses, \$323,000 arose under Finance and was due to issues, not contemplated when the Estimates were framed, amounting to \$365,000 (since covered by Supplementary Supply) and to an underestimate by \$108,000 in the amount required during 1950-51 for the continuation of the liquidation of Pre Union liabilities—estimated at \$70,000. These increases were offset by an under issue of \$150,000 against the \$300,000 provided in the Estimates for the Industrial Development Loan Fund.

The other major contributing Head to the total excess was Economic Development where the actual issues amounted to \$1,828,100 compared with an original estimate of \$245,000 of the over-expenditure of \$1,583,100 on Surplus account under this head, issues totalling \$1,592,900 were made

in respect of construction costs of the cement plant (\$1,108,200), the gypsum wall board factory (\$219,800) and the birch mill (\$264,900); there were, on the other hand, net reductions on the provisions made in the Estimates for Economic Development services, of \$10,000.

Of the savings aggregating \$1,916,100, the most significant variations appear under Fisheries and Co-operatives, Provincial Affairs and Public Works in net amounts of \$324,900, \$489,700 and \$885,200, respectively.

Under Fisheries and Co-operatives, issues aggregating \$412,100 were made in respect of an unforeseen service—Richard Limited, the popularly known Icelandic Herring Venture—which offset, by that amount, savings aggregating \$755,000 on the provisions of \$1,480,000 embodied in the original estimates (\$600,000 on the sums provided for the Fisheries Loan Board

and the Co-operative Development Loan Board, \$141,300 on Shipbuilding Bounties and \$13,700 under Fishery Experimental Grants).

The saving of \$489,700 on the Provincial Affairs provision was entirely due to the fact that, at \$750,000, the needs for Slum Clearance activities during 1950-51 were overstated.

In the case of Public Works, excesses of \$249,100 arose (purchase of a building which was not contemplated in original estimates \$215,400 and insufficient provision for new road machinery \$33,700) which reduced savings of \$1,134,300 (\$231,800 on construction of buildings, \$94,200 on improvement of roads and surveys and \$808,300 on Trans-Canada Highway) to \$885,200.

The results of the 1950-51 operations had the following impact on the Surplus Account:

	Estimated	Actual
Gross Expenditure .....	\$12,049,400	\$12,053,500
Less cost of liquidation of Pre-Union Liabilities .....	577,900	571,200
	<u>\$11,471,500</u>	<u>\$11,482,300</u>
Revenue .....	\$3,209,400	\$3,157,200
Less recovery Pre-Union assets .....	1,236,400	1,973,000
	<u>1,561,400</u>	<u>1,595,800</u>
Withdrawals for Extension of Public Services, etc. ....	\$ 9,498,500	\$ 9,886,500

#### Accounting Reorganization

Before I turn from our 1950-51 operations, I should like to refer to one matter which, while it has impact upon our financial operations, is one which requires explanation in words rather than figures. I refer to

the system of accounting for the Government Departments.

Up to the date of Union, and for some months thereafter, each Department of Government was a cheque-issuing and self-accounting unit.

A review of the system was made by

the firm of Messrs. Peat, Marwick, Mitchell & Co., under the personal direction of the senior partner for Canada, Mr. James C. Thompson, C.A., who is recognized as being a leading specialist in Canada in this field as well as in the field of Dominion-Provincial financial relationships. Mr. Thompson, as Hon. members are doubtless aware, was the Financial Advisor to the Newfoundland Delegation to Ottawa in 1948.

His report upon our accounting system, based upon his knowledge of our needs, both actual and prospective, recommended certain radical alterations which would, *inter alia*, greatly facilitate the work of the Royal Commission, which is to be constituted in the future under the Terms of Union, in making a comparison of Provincial expenditures with those of the other Atlantic Provinces.

That report was accepted in principle by this Government and such progress had been made to 31st March, 1951, that it may be said with every confidence that a most excellent and smoothly working central accounting and cheque issue system has been installed in the Department of Finance which now functions as accountant to the entire Public Service and is the sole cheque-issuing authority.

As an illustration of the flexibility of the system, it is interesting to note that, by adding one machine and one operator, it was possible to take in stride the accounting and payroll work of last autumn incidental to the Special Roads Relief Work programme. This entailed the opening of 10,000 earning records in the names of the individual workers, crediting earnings thereto and making deferred pay issues to the workers.

The work of revision of the accounting system has now been completed in its first stage, and the second phase, which provides for the introduction of a system of commitment control, is now under way.

Commitment control is not a new idea, although it has not heretofore been used by the Governments of Newfoundland. In the past, we have attempted to control the actual issue of public funds, but this was definitely a "cart before the horse" procedure, for what could the Government do, but liquidate liabilities incurred by officers of the Crown, other than dismissing the officer responsible for over-commitments of funds provided by the Legislature? The innocent supplier in good faith of goods or services could not be refused payment.

This defect in our system was the subject of a joint report in 1944 by Mr. G. P. Bradney, C.B.E., then Comptroller and Auditor General, and by Mr. W. M. Marshall, then Secretary of Finance, but circumstances were such at that time that, while I understand that their recommendation that we should change from expenditure control to commitment control and to a central system of cheque issue, was favorably received, the Government of that day did not feel that the time was opportune to introduce the recommended system.

There will be difficulties to be overcome and possibly some opposition will be encountered, but the Government are satisfied that the system must go in and that in the end results will be most beneficial.

#### General Prospects

It is expected of a statement such as this that it give some description and appraisal of the general economic



and financial position and prospects of the Province, and I have no desire to abandon the practice.

I can say at once that the economic outlook for 1951 is brighter than it has been for some years past. An all-time record will be established

this year in the amount of income going into the people's pockets. I give here my estimate, carefully compiled of the wages and salaries paid out in Newfoundland in 1950, and the amount likely to be paid out in 1951:

	1950	1951
Mining .....	\$ 6,750,000	\$ 9,000,000
Pulp, Paper and Wood .....	24,250,000	28,100,000
General construction .....	4,000,000	5,000,000
Road work .....	2,250,000	2,000,000
Transportation .....	10,000,000	12,000,000
Manufacturing .....	4,700,000	5,200,000
Communications .....	1,500,000	1,600,000
Stevedoring .....	2,200,000	2,400,000
Defence Work .....	8,000,000	16,000,000
Shop and office work .....	9,000,000	9,500,000
Newfoundland Government .....	8,040,000	8,781,000
Canadian Government .....	9,000,000	9,800,000
Miscellaneous, including municipal work, fish-draggers, private hospitals	3,680,000	4,390,000
	<hr/> \$93,370,000	<hr/> \$113,771,000

It will thus be seen that the huge sum of twenty million dollars will this year be paid out in salaries and wages over and above the amount paid out last year.

These figures do not include our various fisheries or the seal hunt, which I think will put several million dollars more into our people's pockets than they did last year. I estimate that when the earnings of the fishermen, and the various social transfer payments (such as Family Allowances, Old Age Pensions and other pensions and allowances) are added, the grand total that our people will pocket this year is around \$150,000,000. It is an impressive figure and one that represents a condition of prosperity that Newfoundland has not experienced before.

Painting the economic picture with bold strokes it can be said that our mining industry was never so prosperous, our pulp, paper and wood industry was never so prosperous, our great transportation industry was never so prosperous, and that never before did organized government pay out so much money direct to the people in the form of wages, salaries, pensions and allowances.

The position of the fisheries is far from satisfactory, though the prospects are much brighter than they were just one year ago. Very serious thought is being given to the problem of the fisheries by the Government of Canada and the Government of Newfoundland, who have agreed upon a policy of close collaboration through the Fisheries Development

Committee headed by the Chief Justice of Newfoundland, the Honourable Sir Albert Walsh. It would not be reasonable to expect quick results from the work of this important committee, for it is just as well to face the hard fact that what we have to overcome today is the accumulated neglect and short-sightedness of the past half-century in our fisheries. Many people remember vividly the desperately weak condition of the fisheries between the two World Wars. Except on the marketing side, virtually nothing was done to overtake the long neglect, and the fisheries were failing fast when World War II broke out and gave them a short new span of life. Unfortunately, the very cause of that short-lived prosperity in the fisheries proved, when the war was over, to be the further cause of their decline, and we all remember that the year 1950 saw the fishermen's earnings cut almost in half. We need only remember that about one-half of our population get most of their living from the fisheries to see what a blow that decline struck to the whole economy of Newfoundland, for we should keep in the forefront of our mind the undeniable fact that it is impossible for Newfoundland to be enduringly or truly prosperous if the fishermen are not prosperous. I shall refer in greater detail to the fisheries later in this statement.

Even in the midst of the satiation generated by the figures I have given of salaries and wages and other payments to be made to our people this year, I cannot refrain from reminding the House that much of this income is ephemeral and cannot be expected long to endure. The only safe and sure income is the income derived from industry, and we would be short-sighted indeed to allow our thoughts

to turn away from the continuing need for more and ever more economic development in this Province.

Nor have we been content, in the past year or two, just to talk about economic development. On the contrary, it is the simple truth to say that more has been accomplished in the past two years than in any similar period throughout the whole history of Newfoundland. In the fishing industry we have guaranteed bank loans to every fishing firm that was able to meet our conditions and was anxious to expand and enlarge its modern facilities. We have refused no firm that was willing to expand and was able also to meet our terms, and this policy we shall continue to practice. We have gone further, for we have approached firms and urged them to expand and offered to assist them to finance the suggested expansion, provided they were willing to meet our financial terms. Adding the new deep-sea producing facilities and freezing facilities that are in early prospect to those already established, we have enabled expansion to an extent that will take about 100,000 quintals of codfish off the salt-codfish markets, or about ten per cent of the average annual catch. In short, by the end of the present calendar year our policy will have resulted in the filleting and freezing of a quantity of codfish that would, if salted and dried, amount to about 100,000 quintals, that would have to find markets in competition with the bulk of our salt codfish production.

We have lately undertaken to arrange financing that should result in two large new fish-plants being established, one at Placentia and one at Grand Bank. We have been assisting to secure the establishment of another large new plant at Gaultois. All

of these are on the South-West Coast. We have urged the owners of the plants at St. Anthony and Bonavista, to double their present capacity, and the owners of the plant at Englee to reopen and considerably to enlarge. Negotiations are presently proceeding on these three plants on the North-East coast, and I have hope that the suggested enlargement and re-opening will be arranged with our financial assistance. We have in the past year prevented the closing down of three important fish plants, all of them on the North-East coast. We are particularly proud of the assistance which we have given, or are arranging to give, toward expansion on the North-East coast, for this coast constitutes the heart of the problem of the Newfoundland fisheries. We shall continue to do everything in our power to assist in solving the problem of this great coast, not out of favoritism, but because, from the standpoint of population and the quantity of fish produced, this is the most important of our three great coast. Nor are we overlooking the North-West coast and the great bank of halibut that is believed to exist there.

It is widely known by now that we have in recent months launched three important new industrial enterprises. These are the cement factory, the gypsum plaster and plaster-board plants, and the birch flooring, veneer, plywood and plywood-door factories. Thanks entirely to the genius and skill of Dr. Alfred Valdmanis, our new Director General of Economic Development, and Mr. Ernest Leja, our chief engineer under him, we are erecting at Humbermouth a magnificent new cement mill at a cost which represents a cash saving of several millions of dollars, on basis of the costs of comparable factories being

built elsewhere. Let me say, in the first place, that this cement mill will be one of the most efficient in the world and will produce Portland cement of even better quality than the highest American, Canadian and British standards, and do it at a production cost that will equal that of any mill in North America. The site and the buildings and machinery so far received have recently been examined with meticulous thoroughness, over a period of three weeks, by two very distinguished European cement engineers, and they pronounce themselves as being greatly impressed by its quality and efficiency. The site and plans have been examined by a famous American cement engineer, with exactly the same result, Mr. Leja, our supervising engineer, was for twenty years one of the most distinguished cement men in his native Latvia, and in Germany. He was managing director of several large cement mills, as well as asbestos-cement and gypsum mills. The cement mill, which is now nearing completion, is being built by Mr. William J. Lundrigan, of Corner Brook, while the machinery has been manufactured by the great German firm of Miag, at Brunswick, who also are erecting the steel at Humbermouth. The mill lies close beside a vast deposit of very suitable limestone and shale estimated to be enough to supply the mill for at least the next 100 years. The whole project, on the day it commences to operate this summer, will have cost Newfoundland the incredibly low figure of \$3,100,000. This includes the limestone quarry, shale quarry, and gypsum quarry. It includes the great buildings and the machinery. It includes the very modern steel-frame machineshop, the chemical laboratory building, the gar-

age, the administration building, the emergency-power stand-by plant, the water, oil and cement pipe-lines, the storage silos, the slurry silos, the packaging plant and the great new shipping pier. I am aware of two other new cement mills, of exactly the same size, now being built in North America. Each of those other cement mills is costing almost exactly double what our cement mill is costing, a very pleasant fact for which we owe all the thanks to Dr. Valdmanis and Mr. Leja. We have been flooded by letters from firms outside Newfoundland asking us to sell cement from our mill, and the market for cement was never more brisk. We have it on incomparable authority that the cement market will continue brisk for many years to come.

The Government are now giving very careful consideration to the question of what would be the best thing, in the public interest, to do about the cement mill. Should we sell it outright, at a profit? Should we sell a part-interest to private enterprise? Should we lease it to private interests? Should we create a Crown corporation to operate it? It is a very important decision that we have to make, and our only test is our conception of the public interest.

We have been almost equally fortunate in the contracts made for the erection of the large new gypsum plaster and plaster-board and plaster-lath factories. These two factories at Humbermouth will, I believe, be the most efficient gypsum plants in North America, embodying as they do, in their design certain new principles never before employed on this side of the Atlantic. Two factories, which will need sixteen full train-

loads of raw gypsum rock a week to operate, will cost, when ready later in the year to operate, \$2,100,000. Mr. Lundrigan is erecting the mills and the machinery is being manufactured in Germany by the firm of Benno Schilde, whose impressive plant certain of my colleagues and I had the pleasure of inspecting last fall. We have in our contracts for these two factories saved the best part of a million dollars, and we shall have factories that will turn out a quality of gypsum plaster and plaster-board not excelled to say the least, in North America. At Flat Bay, Bay St. George, we have a vast deposit of the purest gypsum probably to be found in the world running up to 99 per cent pure. These plants will be served by the same pier that serves the cement mill.

We shall be giving to the question of the disposition of these gypsum factories the same careful thought now being given to the question of the cement mill. Again our only thought will be the public interest.

In many ways, the most impressive of the three new industries is that now being erected at Donovan's, beside St. John's. The cash outlay on this factory is in the neighbourhood of \$1,000,000, but it will provide employment for far more men, and the wages will be far more widespread throughout the Province. Like the cement and gypsum plants, the birch factories will be the most modern, efficient, straight-line-production mills of their kind in North America, the very last word in modernity. It will be served by the only large stand of healthy birch left anywhere in Canada east of the Pacific Coast, and this birch is to be found in fourteen of our twenty-five electoral constituen-

cies. I mention this latter fact to illustrate the wide-spread nature of the stand, and the wide-spread character of the payments that will be made for the purchase of the raw material for the factories. The demand for the products of these mills is very great, and there would be not the slightest difficulty in selling at a profit the output of four other groups of mills the same size as these at Donovan's. I confidently expect to see other groups of mills based on the use of our birch as raw material in the early future, and we shall not be satisfied until still other manufacturing plants are established here to turn birch into a much larger variety of saleable products. We have leased the operation of the birch factories to Mr. Chester Dawe for the first fifteen years of their life on the principle of sharing the profits with Mr. Dawe on a fifty-fifty basis. We are proud of these three new industries, but especially so of the new birch industry.

These, then, are the first of what we hope will be a much larger number of new industrial enterprises in Newfoundland. We are carrying on negotiations for the establishment of a new newsprint paper-mill and a new pulp mill. We are negotiating for the establishment of a modern new oil-hardening plant. We are negotiating for the establishment of a modern new shoe factory. We are negotiating for the establishment of a new automobile-tire factory. We are negotiating for the establishment of a new leather tannery. We are negotiating for the establishment of a new fur-processing and dyeing factory. We are negotiating for the establishment of certain other new industries.

These negotiations cannot be pushed even an hour faster than the other parties are willing to go, and there is in every case a considerable amount of research and study, that must be carried out before the economic soundness or otherwise of the project can be established with the necessary degree of certainty.

We have been seriously delayed, in some cases by the deplorable lack of reliable information at our disposal. In most cases we have had to gather this information ourselves, and this has caused delay at precisely the time when speed is needed. The situation may be described as a race between the gathering of information and the gathering of the clouds of war.

#### Estimates 1951-52

The estimates of revenue and expenditure for the year 1951-52, Mr. Speaker, are again exhibited under the two divisions of Current or Ordinary Account and Surplus or Capital Account. They show, on Current account, estimated receipts of \$30,694,300 and proposed expenditures amounting to \$29,829,100 or an anticipated excess of ordinary revenue over expenditure of \$865,200 which is some \$70,000 only less than the surplus of like revenue over expenditures for the financial year just closed.

On the Surplus or Capital expenditure side, the Estimates reveal anticipated receipts of \$2,957,000 and proposed expenditures of \$14,152,300.

The total of expenditure, Current and Surplus, is thus \$43,981,400 of which amount \$43,406,700, subject to the pleasure of this House will require provision by way of a Grant of Supply.

#### Current Revenue

No new taxation measures are pres-

ently contemplated for 1951-52 and the total estimate of Current revenue is \$30,694,300, an increase of \$4,248,300 over the original estimates for 1950-51 and of \$2,605,300 over the actual receipts for that year.

On comparison with the original estimates of the previous year, two Heads of Revenue reveal decreases in a small total of \$9,000, the estimate of receipts from the Board of Liquor Control remains unchanged and the aggregate of the remaining ten Heads shows an increase of \$4,257,000.

The major increase (\$2,800,000) appears under the Department of Finance, where gross increases of the order of \$3,061,000 appear in the Departmental estimates with decreases of about \$220,000. The increases are due to higher estimated returns from the Tax Rental Agreement which, at \$8.2 million compares with \$6.4 in last year's estimates and \$7.2 in actual receipts during 1950-51. Gasoline Tax at \$1,350,000 shows an increase of \$250,000 over last year's estimated and \$100,000 over the actual. The returns from the Social Security Assessment will, for the first time, reflect a full twelve months' collections and have been set at \$2,250,000, in comparison with last year's estimate of \$1.3 millions for a portion of the year and actual collections of \$712,000 covering the period 15 November, 1950 to 31 March, 1951, or three-and-one-half effective months, an average of \$200,000 a month.

The Departments of Natural Resources and Public Welfare revenue estimates exhibit anticipated increases of about \$500,000 in each case. In the case of the former, \$200,000 is attributable to sales of beaver pelts to be derived from trapping under license in the autumn of 1951 (this

is offset by payments to trappers estimated at \$180,000 leaving a net residue of \$20,000 to the Crown for its services in protecting and restoring our beaver population, which, some years ago, had been practically wiped out) and to an increase by \$300,000 in returns from Mineral Leases and the like. The increase under Welfare represents, in its entirety contributions on the agreed basis by Ottawa in respect of the heavier outgoings on the shared costs of Old Age Pensions.

Three other departmental revenue Heads exhibit comparatively heavy increases: Education (\$150,000), Health (\$130,000) and Public Works (\$9,000). In the case of the first, the improvement is due, as to \$100,000, to increased returns from the sale of school supplies and reflects both increased turnover in the School Book Bureau and increase by 10 percent in the average level of prices to students.

The increase under Health is due, as to \$100,000, to Federal Health Grants and exactly reflects heavier anticipated outgoings in this respect under the Department's expenditure estimates, and to an increase by some \$30,000 in anticipated revenues from the various Hospitals operated by the Department.

The improved position under Public Works reflects higher returns from vehicle licence fees consequential upon the increasing volume of registered vehicles on our expanding highway system.

#### Current Expenditure

The estimates, upon comparison with those of 1950-51, reveal an increase of \$3,240,600. This, of course is a net increase as three Heads are estimated to show an aggregate de-

crease of \$11,600 (Consolidated Fund \$700, Provincial Affairs \$1,300 and Labour \$9,600); while increases are shown under the other thirteen Heads in an aggregate of \$3,252,200. The most weighty of these increases are:

**Public Welfare, \$843,400:** This increase may be said to be due to the costs of Mothers' and Dependents' Allowances and Old Age and Blind Persons' pension payments.

**Health, \$715,000:** The estimates, in common with those of virtually all Departments, reveal a number of variations. It may be said however that the net addition is due to three major factors, viz., an increase by \$100,000 in Federal Health Grant expenditure (fully covered by increased grant receipts); an increase by \$175,000 in the grants to non-Government Hospitals made up principally of a special grant, non-recurring, of \$150,000 to cover the deficit arising from the first organizational, operating year of the Western Memorial; and the provision of an additional \$437,000 for the expanded Cottage Hospital and Nursing Station service.

**Education, \$550,000:** This net increase is mostly attributable to augmented provisions, by \$250,000, to meet the cost of teachers' salaries and of \$60,000 for Vocational Education.

**Public Works, \$534,500:** Of this increase, some \$180,000 has origin in additional sums required for Public Buildings and some \$70,000 for ordinary Road Costs.

**Natural Resources, \$152,000:** This increase is due to the provision of \$180,000 for payments to beaver trappers out of the revenue receipts of \$200,000 which have already been brought to notice.

I have confined myself to broad de-

tails; further points of interest to honourable members and to the public, will, I am sure, be the subject of discussion and explanation during the course of the House's examination of the expenditure proposals.

#### **Surplus Account Revenue**

Of the total estimate of \$2,957,000 which reveals a decrease of \$252,000 upon comparison with last year's estimate, an amount of \$1,078,400 will, it is anticipated, be derived from continuation of activities to collect receivables or to liquidate other Assets of Pre-Union origin. Of this sum, \$446,000 will represent collections (\$200,000) of income tax assessments on pre-union incomes; and \$266,000 will be derived from sales of buildings etc., constructed prior to the date of Union. The balance, \$612,400, will be obtained from repayments of loans and advances of Pre-Union origin as well as of Post-Union datings, where the required funds were obtained by drawing upon the Surplus Account.

The residue of \$1,878,600 will be made up of recoveries on Housing and Slum Clearance activities since the date of Union (\$243,000), and of Grants-in-Aid of construction of roads, hospitals and the like from the Government of Canada.

#### **Surplus Account Expenditure**

The estimates reveal, that, under eight Heads, decreases are exhibited in a grand total of \$2,797,300. There is, however, a net increase in the total provision because of the fact that increases over the original estimates of 1950-51 are revealed under three Heads in an aggregate of \$4,900,200.

The heaviest increase appears under Economic Development where provisions for the cement, gypsum, and

birch plants call for a total sum of \$4,575,000 of the total increase of \$4,610,700 under that head.

Education requires \$600,000 instead of \$400,000 for the erection of schools buildings, other than the Vocational High School, for which \$500,000 has been provided under the Public Works Vote.

Under Labour, the increase of \$95,000 is to provide working capital for the newly constituted Workmen's Compensation Board. This advance is being made by way of a recoverable advance.

This concludes my admittedly very broad review of the 1951-52 proposals, but I should like at this juncture to refer to our sources of revenue position.

#### Sources of Revenue

In my Budget Speech a year ago, I gave a breakdown of the sources of Newfoundland Government revenue. It may be remembered that the revenue then forecast for the year was a total of \$26,446,000. Of that total, \$19,000,000 was to be paid into our Treasury by the Government of Canada, in various forms, and \$7,446,000 was to be raised by the Government of the Province. The corresponding position for the current year is as follows:

The total revenue forecast for 1951-52 is \$30,694,300. Of this total, the sum of \$21,421,300 will be paid to us by the Government of Canada. This amount will be made up mostly of statutory subsidies and payments, due us under the Transitional Grant and the Tax Rental Agreement. Payments from Ottawa will thus constitute about 70% of our total estimated revenue. We ourselves will raise the remaining \$9,273,000 or 30%.

I forecast this change in proportions in my Budget Speech last year, when I said: "While, therefore, it is a striking fact that, in the second year of Confederation, 90½% of all our current revenue comes from non-tax sources; we realize that this proportion will decrease, and that the proportion of revenue from tax sources will and must increase."

Of the \$9,273,000 we expect to raise ourselves this year, \$3¼ million will come from what I may call straight taxation and the remaining \$15,553,000 from chargeable services, which the Government will render to the public.

I need say nothing more about my forecast of the financial position for 1951-52, other than to express the Government's satisfaction in regard to the anticipated surplus of nearly nine hundred thousand dollars.

#### The Surplus Account

I turn now to the purpose of giving as clear an account as I can of our accumulated surplus, or, as we have been calling it, our Pre-Union Surplus. There are really two surpluses, one being actual cash in hand, the other being the total estimated value of a number of things which have not been turned into cash or put with the cash surplus.

The non-cash surplus amounted at Union to an estimated \$11,672,083, and was made up of such things as the Government's interest in the Housing Corporation, the Clarenville boats, loans to the Board of Liquor Control, and so forth. Since the date of Union, some of these items have been turned into cash and put with the cash surplus but most of them are still in the non-cash surplus. With that explanation, I turn to the actual cash surplus.



On the date of Union, our accounts showed the cash surplus to be \$40,283,147.

Here is what happened since the date of Union :

We have added the following amounts to that original cash surplus :

By revision of the original estimate .....	\$ 949,522
Part of the non-cash surplus turned into cash	
in 1950-51 .....	1,561,378
in 1951-52 .....	1,078,400
Surplus earned on current account	
in 1950-51 .....	930,400
in 1951-52 .....	865,200
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Total cash added to original cash surplus .....	\$5,384,900
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This gives a grand total cash surplus to the end of March, 1952, of \$45,668,047.

But we have drawn far more money from the cash surplus than we have added to it. Here are the figures of what we will have drawn out to the end of March next year :

1949-50	
Deficit on Current Account	\$5,735,875
Economic development and extension of public services .....	5,632,373
1950-51	
Pre-Union liabilities .....	178,631
Economic development and extension of public services .....	9,886,468

1951-52	
Pre-Union liabilities .....	26,500
Economic development and extension of public services .....	11,997,200
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Total cash taken from the cash surplus .....	\$31,457,047
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In short, the original cash surplus was just over \$40,000,000. We added \$5,384,900 to it, bringing it to a total of \$45,668,047. From this grand total we have taken, or rather will have taken by March 31st next year, a total of \$31,457,047. We will thus have left a net total cash surplus of \$14,211,000, together with unrealized assets of probably about \$5,000,000 in the non-cash surplus. That will be the approximate position at the end of the first three years of Union.

I must point out, however, that about six and a half millions of the total amount taken out of the surplus is represented by the three new industrial plants, the cement, gypsum and birch factories, which are worth considerably more than the amount spent on them. Approximately another million of it has merely been passed to the three new Development Loan Boards for lending by them to approved economic projects at interest. Though not now in the form of actual cash, this value of seven and a half millions should at least be borne in mind when thinking of the surplus left to us at the end of the present financial year, bringing the realistic total to about twenty-two million dollars.

I am sure the House would be interested in getting a break-down of the purposes to which the withdrawals from the cash surplus have been put.

These purposes fall under two broad headings: Economic Development and Social Development. By the latter I mean schools, hospitals, libraries, roads, houses and the like. The break-down is as follows:

#### Economic Development

Capital for the three Development Loan Boards	\$ 900,036
Hydro-electric development	277,598
Fishery development	548,431
Bounties on ships	302,598
Industrial development	6,167,891
Mineral and timber surveys	191,930
Miscellaneous	238,342
	<hr/>
	\$ 8,626,826

#### Social Development

Housing and slum clearance	\$ 673,708
Schools, Libraries, etc.	1,173,708
Hospitals, public buildings, etc.	5,634,842
Local Government assistance	877,698
Roads	9,667,778
Workmen's Compensation Board, loan	145,000
Miscellaneous	416,031
	<hr/>
	\$18,888,855

And now, in concluding these explanations and comments in relation to the cash surplus, I should like to invite your attention to that portion of the Budget Speech of one year ago, wherein I stated: that it was the policy of the Government to have the greatest possible part of the surplus remaining to us, devoted to economic and social development, and the least possible part of it devoted to the squaring of deficits on current or ordinary account.

I take pride in pointing to the speed with which we have turned that

policy into hard fact. In the year since then, and again in the new year which we recently began, we are achieving our aim to: "have the least possible part devoted to the squaring of deficits." Instead of drawing on the accumulated surplus to pay off deficits on current account, we are adding to that surplus a sum not far short of two million dollars earned on current account in these two years.

This record, I suggest, should give pause to those, both within and without this House, who have not hesitated to cry general blue ruin and to hurl charges of riotous extravagance against the Government. Such baseless statements do not, I suggest, reflect much credit upon the ability of such persons to assess properly the facts of our position or their ability to arrive at sound conclusions. Very little importance need be attached to the damage that the individuals concerned do to their own reputation in the community of Newfoundland; but such wild and silly statements could conceivably have gravely adverse effects upon the reputation of Newfoundland in other parts of the world. More than once, in the past, Newfoundland's good name outside Newfoundland has been damaged by Newfoundlanders. Let us unite in the last of this sort of thing.

#### Public Debt

As I reported in the Budget Speech of last year, the net debt of Newfoundland on the occasion of its birth as a Province was \$4,398,700.

Through the normal operation of the Sinking Funds relating to our War and Victory Loans, the amount of net debt outstanding on the 31st March, 1951, was \$3,983,000; and the continued functioning of the Sinking Funds during 1951-52 should result in

a net outstanding public debt at 31st March, next, of \$3,756,000.

With an estimated population of 355,000, the per capita debt of the Province of Newfoundland as at 31st March, 1951, was thus \$11; and it is interesting to record that this is the lowest per capita debt of any of the Provinces of Canada. The per capita debts of the various Provinces as of January, 1951, stood as follows:

New Brunswick .....	\$261
Nova Scotia .....	\$217
Prince Edward Island .....	\$142
Alberta .....	\$140
British Columbia .....	\$135
Ontario .....	\$130
Manitoba .....	\$121
Saskatchewan .....	\$119
Quebec .....	\$ 82
Newfoundland .....	\$ 11

#### Contingent Liabilities

There are certain contingent liabilities of the Government of Newfoundland, in addition to the funded debt with which I have already dealt.

The heaviest single item of our con-

tingent liabilities is our guarantee of the Bowater "B" Mortgage Debenture Stock. The outstandings on this account as of the 31st of March, 1951, are not yet available to us but we do know that, as of the 31st of March, 1950, the outstanding stock stood at £1,461,200 which was the equivalent of \$4,500,496 Canadian dollars. There are also outstanding loans of \$90,700 guaranteed by Government on account of the Harbour Grace and Carbonear Water Companies.

To the 31st of March, 1951, the Government has assumed liability for the ultimate liquidation of loans to commercial organizations, largely for fishery development and expansion purposes, of a total value of \$1,794,500. Corrected to the 31st of March, 1950, the contingent liability thereunder stood at a total of \$1,676,000.

Legislation in confirmation of such of these guarantees, not already specifically authorized by this House, will be introduced later in this Session but, for information, I record the position as of the 31st of March:

Guaranteed Bank Loans	Overall Guarantee	Outstanding at 31-3-51
Alberto Wareham Ltd. ....	\$ 65,000	\$ 65,000
Andrews Labrador Fisheries, Ltd. ....	160,000	130,000
Arctic Fisheries Products Ltd. ....	125,000	60,000
Fishery Products Ltd. ....	460,000	460,000
Northeastern Co-op. Fisheries Ltd. ....	35,000	35,000
Olsen Whaling & Sealing Co., Ltd. ....	375,000	375,000
Springdale Fur Farmers Co-op. ....	7,000	302
St. Lawrence Corporation of Newfoundland, Ltd. ....	527,500	527,500
U. C. Board of Education, St. John's .....	40,000	23,229
	<u>\$1,794,500</u>	<u>\$1,676,031</u>

### Our Public Service

It is admittedly most gratifying to end the past financial year with so substantial a surplus, and to find it possible to budget for another substantial surplus for the current year. These surpluses are all the more satisfactory as unmistakable indications of the greatly improved economic conditions prevailing in the Province; and they stand as an adequate answer to those few amongst us, who seem to delight in forecasting financial ruin and disaster in the near future.

Gratified, however, as I am to be the bearer of this pleasant news of budget surpluses, I feel that I would not be discharging my full duty to the Province if I failed to utter a word of caution. It is, as everybody knows, much easier to spend money than to save it. The demands upon the public purse are practically insatiable, and are likely to remain so for many years to come in Newfoundland. This is true of ordinary account expenditure, but it is particularly true of those types of expenditure which can only be made out of surplus. The surplus realized on last year's accounts will, of course, be placed to the credit of the accumulated Cash Surplus as will also the surplus forecast for the current year. The total for the two years should amount to just under two million dollars, and this amount will become available for economic development in the Province and for the maintenance and extension of the public services. The calls, which must necessarily be made upon the Cash Surplus for economic development and extension of the public services—roads, hospitals, schools, and the like—will continue to be such as to make the total of the two-year surplus appear uncomfortably small by comparison.

There is this further point to be

remembered: In the financial year which follows immediately after the present one, there will be the start of that tapering off in the Transitional Grant from Ottawa which goes inexorably on from then until the Grant disappears altogether. Next year we shall receive \$850,000 less from Ottawa under this heading, and in the year after that still another \$850,000 less, and so on each year. We know now that for the year commencing on April 1, 1952, we shall have to budget for \$850,000 less revenue from the Transitional Grant, and it would be shortsighted indeed not to bear that fact in mind in our present calculations.

I mention these facts, not out of any spirit of pessimism, which I do not feel, but rather for the purpose of tempering any undue elation we may be tempted to encourage over the present buoyancy of our financial position. It is plain commonsense, and ordinary prudence, to lay aside now all the cash we can in the light of needs which positively must be met so as to counter-balance, at least in part, the heavy drain which we have made, are making and will continue to make upon our accumulated Cash Surplus for the purposes of encouraging economic development, and extending badly-needed public services.

In his recent Budget Speech to the House of Commons, Canada's Minister of Finance, Mr. Abbott, made an earnest appeal to the Governments of the Provinces to go as slowly as they can in capital expenditure. The Government are not unwilling to heed Mr. Abbott's appeal entirely, and have decided not to proceed with the building of the Newfoundland section of the Trans-Canada Highway with the speed and to the extent we had hoped to do. This decision will come un-

doubtedly as a disappointing one to many of our people, but even the most ardent supporter of the Trans-Canada Highway will probably realize, on reflection, the wisdom of our decision in the circumstances.

We hope, on the other hand, that Mr. Abbott and his colleagues in the Government of Canada will try to understand the extent by which we are different, in the matter of improving our public services, from even the other Atlantic Provinces of the nation, Prince Edward Island, Nova Scotia and New Brunswick. These three Provinces have long held the unenviable distinction of being the poorest of all the Provinces of Canada, yet Newfoundland lags far behind them in many, if indeed not all, levels of public services. We have still a long way to go to overtake them.

Newfoundland, without Labrador, is 42,000 square miles in size, Prince Edward Island 2,000 square miles. Our population is practically four times as large as that of Prince Edward Island. To be up to Prince Edward Island's level in the number of miles of motorable road, we would need to have 15,000 miles. Actually we have only 3,300 miles of motorable road. To be up to her level in the number of motor cars, motor trucks, buses and motor cycles, we would need to have 52,000. Actually we have only 16,000.

Or take Nova Scotia. She is just about half the size of Newfoundland, though her population is not far short of being double ours. So far as miles of motorable road are concerned, we would need to have 8,000 miles to be up to Nova Scotia, and we would need to have 52,000 motor vehicles.

Again, New Brunswick. Her population is almost double ours. To equal

her we would need to have 9,000 miles of motorable road, and we would need to have 53,000 motor vehicles. I repeat, we have in fact 3,300 miles of motorable road and 16,000 motor vehicles.

Take the matter of public health. In Prince Edward Island they have one nurse for every 550 of their population; in Nova Scotia one for every 300; in New Brunswick one for every 530. Here in Newfoundland we have one for every 2,700. The same general story is true of medical doctors. New Brunswick has one doctor for every 1,400 of their population; Prince Edward Island one for every 1,200; Nova Scotia one for every 1,200. Here in Newfoundland we have one doctor for every 2,400 people. In the numbers of hospital beds per thousand of the population, we suffer just about as badly from comparison with the Maritime Provinces.

I could cite other figures to illustrate the point. The mandate received by this Government from the people of Newfoundland was a mandate, not to slow down, but rather to speed up, the programme of extending and improving the public services. To the safe limits of our means, we shall endeavour to do so.

I doubt, however, whether a majority of our people, or even of this House, are aware of the tremendous amounts of money spent in recent years to extend and improve certain of our public services. I refer now, not to the money spent on ordinary maintenance of these services, but on enlarging and extending them.

For example, we have spent the following amounts for hospitals and hospital services in the past sixteen years

1935-36	\$ 135,297
1936-37	82,107
1937-38	177,123
1938-39	147,994
1939-40	263,089
1940-41	117,505
1941-42	266,804
1942-43	338,133
1943-44	437,886
1944-45	587,696
1945-46	549,354
1946-47	638,581
1947-48	1,625,356
1948-49	1,982,033
1949-50	2,078,064
1950-51	1,437,951
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	\$10,834,984
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Nor is that all, for it cost \$2,130,000 to furnish the hospitals that this money built, making a grand total of almost exactly thirteen million dollars spent on extending, enlarging and improving public health services in the past sixteen years. The present Government have spent almost a third of that total in the past two years—\$4,357,884, to be exact. By the end of the current financial year, over \$14,800,000 will have been spent under this heading, and the present Government will have spent \$6,200,000 of it. And even after the spending of this huge sum of money, Newfoundland will lag far behind the Maritime Provinces of Canada.

Again, take roads. During the past sixteen years almost exactly \$27,000,000 has been spent on the maintenance of roads, the reconditioning and rebuilding of roads and the building of new roads. \$9,000,000 of this amount was spent to maintain the roads we have, \$7,500,000 was spent to recondition and rebuild existing roads, \$7,500,000 was spent to build new roads, and over \$2,000,000 was spent

on the Trans-Canada Highway—\$27,000,000 altogether on roads in the sixteen years. I may say that the present Government have spent exactly one-third of this total amount in the past two years, but recovered or will recover, from the Government of Canada a very considerable portion of the amount spent on new road construction. During the sixteen years, 550 miles of road have been reconditioned or rebuilt and 564 miles of new road have been built—eleven hundred miles in all. In the two years this Government have been in office, we have been responsible for more than one-quarter of the total—378 miles to be exact. This is an astonishing amount of money for sixteen years, but even at the same rate of expenditure it would take us many years to catch up with the Maritime Provinces, for those Provinces are still spending more money on roads than we are doing, or than we can afford to do.

The same general story can be told of education. Large sums have been spent on building, enlarging and equipping schools in the past sixteen years, over and above the millions spent on ordinary maintenance costs. The total is over four-and-a-quarter million dollars—to be exact, \$4,263,000.

It will thus be seen that we have spent, in the past sixteen years, on hospitals and health institutions, roads and schools, the sum of \$35,000,000 as capital expenditure, over and above the costs of ordinary maintenance. Ordinary maintenance has cost many times that sum. Capital expenditures on these items averaged more than two million dollars a year for the sixteen years, but that fact does not really tell the story. Sixteen years ago the actual expenditure for the year on these three counts was

about six hundred thousand dollars. Sixteen years later—that is, last year—the sum was nearly ten million dollars for the year. It is only in the past five or six years, and specially in the past two years, that Newfoundland has been in a position to spend anything like adequate amount on these vital social services. Indeed, for the first ten or twelve of those sixteen years, so little was spent each year that the services in question deteriorated alarmingly, and when the money was later available, even larger sums had to be spent to repair the damages, the wear and tear, of those earlier years of neglect.

Newfoundland is still discouragingly far below the levels of even the Maritime Provinces in these services, and unless we are to resign ourselves to the position that Newfoundlanders must always do with considerably less than the people of the Maritimes enjoy, we shall have to continue, so far as our revenues and surplus allow, to expand and improve these services.

#### **Economic Development**

A few words will be in place in this statement on the subject of our policy of economic development, for I have seen several instances suggesting that in some quarters, at least, it is not really understood. By "economic development" we do not mean industrial development alone, important as that is. By economic development we mean the development of all our natural resources—our very soil itself, our water-powers, our forests, our minerals, our fisheries; in short, all of our natural resources, be they large or small.

Newfoundland's economy has long been based mostly upon mere extractive industries. We extracted trees from the forests, minerals from the

earth, fish from the sea, seals from the icefloes. It is true that most of the trees now extracted from the forests are fabricated or manufactured into pulp and paper, and this manufacturing process has created very real prosperity for us at Grand Falls and its many associated towns, and Corner Brook and its even more numerous associated towns. The cutting of soft-woods for the paper mills is an excellent example of continuing the extractive process to its logical conclusion of manufacture.

On the other hand, when we consider our hard-woods, we see an excellent example of the sort of thing that will keep Newfoundland poor and weak just so long as we continue to practice it. For centuries we have had vast numbers of birch trees, but what use have we made of them? In the first place, we never cut more than a trifling proportion of them; and those we did cut we merely sawed into birch junks for open fireplaces in private dwellings, and into ties for the railway. Both uses are the very lowest form of economic value. We must get the greatest possible value out of our birch. We must manufacture it into flooring, into veneer, into plywood. The plywood, in turn, must be manufactured into doors and furniture and a variety of other saleable products. We must manufacture our birch into dowels, bobbins, toys, bowls, and at least a hundred other good and valuable articles of sale. Divine Providence placed these great numbers of healthy birch trees in Newfoundland to be a help to man, and it is entirely man's fault if he fails to make the maximum use of them. It is a mark of stupidity and lack of vision when we have vast numbers of valuable birch trees rotting away or blowing down

on the one hand, and large numbers of people suffering from a low standard of living on the other hand.

And exactly as we must get the last dollar of value out of our birch, through intelligent and vigorous planning of its utilization, so we must get the last possible dollar of value out of our minerals. At St. Lawrence there is some beneficiation of the fluor spar extracted from the earth, but not enough. We are still shipping untreated fluor spar to the mainland of this continent, to provide work and wages for others. At Buchans there is some beneficiation of the valuable ores extracted from the earth, but the time has surely come when further work-giving treatment must be given these ores in Newfoundland. New mines are very likely to open in Newfoundland, and we ought to be thinking along the lines of ensuring that they will yield up, and be made to yield up, to Newfoundland the greatest possible returns of work and wages.

And need we stop at merely smelting or refining these ores? Might not a wedding of our hydro-electric power, once developed, to these refined ores provide us with certain metallurgical industries, that would give still more work and wages?

Must we always be satisfied with the returns we get for raw oil and raw skins derived from our great seal-hunt? Should we not be planning to manufacture this oil, together with the oils derived from the whale hunt and the herring fisheries, into a more saleable and more profitable article of merchandise, and our seal-skins into valuable articles of sale? And for that matter, must we stop at manufacturing these oils into the finished

state as leather or furs? The finished oils are the raw material for other products, and the leather and skins are the raw materials for still other even more valuable products. Should we not try to get the last dollar's worth of value out of all our raw materials?

This, then, is what we mean by economic development—developing all our natural resources to the ultimate degree, and getting the maximum value out of them for our people. It is a policy which comprehends all of our natural resources: the fish in the sea and the seals on the ice, as well as the minerals in the earth and the trees on the land, and the land itself. Nor does it envision merely large-scale industrial development, but includes activities employing as few as half a dozen men. Many hundreds of families get a good living in the Province of Quebec from carving hard-woods into toys and souvenirs, into salad bowls and ornaments. If the ranching of mink could give a good living to a thousand families, and the rearing of sheep a good living to several thousand others, there would be nothing industrial about it, but it would strengthen the economy of Newfoundland at least, as surely as the employment of almost as many in some large new factory.

This is the spirit of our policy of economic development, and there remains but one other comment to make. Who shall carry out this economic development? Ideally, perhaps, private enterprise. But if private enterprise is not enterprising? Shall Newfoundland go without this development for the lack of enterprise where it should be? The Government would be happy to stand back and from the side-lines observe a considerable drive by private enter-



prise to accomplish these good ends; but if that drive enterprise is lacking, then the Government feels it to be incumbent upon them to set the pace and set the example. Certainly we feel that we are easily justified in employing large portions of the accumulated cash surplus, and even the public credit, to bring about that development. And in every case where private enterprise is enterprising and competent enough to undertake the work, but lacks sufficient capital to do it, we are happy to help the good work along with financial assistance. This we shall continue to do to the last day we administer His Majesty's Government, and on this policy we are cheerfully prepared to stake our political fortunes in this House or in this Province.

#### The Fisheries

Every Newfoundlander is concerned in the fisheries, whether he realizes it or not. Every Newfoundlander's standard of living is largely determined by the state of the fisheries. In communities such as St. John's, Gander, Grand Falls, Buchans, Corner Brook and Bell Island this fact is not always clearly seen, but it surely requires very brief thinking on the part of any man, even a man apparently far removed from the direct operations of the fisheries, to realize that his own financial condition is very intimately affected by the financial condition of the 175,000 Newfoundlanders who get most of their living directly from the fisheries. The ability of the Government to collect revenue with which to build roads, hospitals, schools and other public conveniences is limited quite largely by the tax-paying capacity of those who get their living from the fisheries. By the same token it ought to be said that the financial condition and

general prospects of those engaged in the fisheries are very much affected by the state of thousands of our people, whose living comes from development of our forests, minerals, water-powers and other resources.

Fisheries being the concern of all Newfoundlanders, it is fitting that all Newfoundlanders should know their Government's outlook upon the fisheries. I feel that the Government owe it to all concerned to state clearly and unequivocally their general attitude toward the problem of the fisheries. This attitude has been misunderstood in some quarters.

First, then, let me say that this Government have abiding faith in the ability of our fisheries to continue, and to expand, and to grow. We believe that our fisheries can be developed to the point where they will stand in the very front rank of the fisheries of the world.

It may be gross exaggeration to say of our other natural resources that "their surface has scarcely been scratched," but it is not exaggerating to say that we in Newfoundland have never even begun to exploit our fisheries to their limit.

Second, intelligent and sustained effort could develop our fisheries to the point where they yielded a decidedly better living for the toilers who engage in them.

Third, the most modern methods must be introduced into the operation of the fisheries. This means boats, engines, gear, methods of curing and processing, and methods of holding and packing. Fish is food, and in few fields has science advanced further than in the food field. The best techniques of handling food must be applied to fish.

Fourth, the fishermen must come to enjoy what they are fully entitled to have, a more equitable share of the fruits of their toil. Prosperous fisheries without prosperous fishermen is a contradiction in terms and a mockery of common sense.

Fifth, the co-operative technique must come to the fisheries. This will not be easy, and it will not be quick. It is easy to imagine many failures in the applications of this technique before at long last it operates with complete success. Blockheads may shrink in fear from the thought of a healthy co-operative movement developing slowly in the fisheries, and lump it ignorantly with such horrors as Communism; but it must be obvious to any honest, clear-headed thinker that if it is acceptable for one man or one group of men organized as a company or partnership to engage in the fisheries as merchants, it is at least equally acceptable for twenty or a hundred or a thousand fishermen to do precisely the same thing as co-operatives.

Sixth, the fishermen should in any case become strongly organized as fishermen, so as to have an intelligent occupational body to represent them, almost exactly as farmers, fruit-growers, loggers and other occupational groups are collectively represented.

Seventh, there should be the closest and friendliest collaboration of the Governments of Canada and sustained effort to evolve and direct Newfoundland in an intelligent and a modern programme in our fisheries.

Eighth, a strong Department of Fisheries is needed in Newfoundland. This need not necessarily be a very large department. But its personnel must be the best obtainable, and

even the best may not be quite good enough.

Ninth, fresh thinking, and bold action are needed from all the important human elements engaged in the fisheries—merchants, brokers, fishermen, Federal and Provincial Governments, all.

Tenth, too much time must not be lost in achieving all these ends. Fisheries cannot be carried on without fishermen, and many of our fishermen have become discouraged. This is particularly true of younger men. Permanent solutions will not be reached in a month or a year, and it is during the interim period that something concrete, some short-term palliative, is needed.

Our fisheries have failed to keep abreast. If agriculture in Canada as a whole, or the United States, had similarly failed to adapt itself to the latest and best that science offered, the plight of the farmers today would be little if any better than that of our fishermen, and they would be paying the same penalty that our fishermen are now paying. This long heritage of neglected opportunities must now be ended, and the fisheries deliberately headed in new directions. What was thought to be good enough in the past was not good enough even in the past, and the present generation is feeling the pinch of past neglect and short-sightedness. In our present world it is unthinkable that the old methods will be willingly accepted, and if the next few years do not see science brought into the fisheries then the fisheries will shrink to a shadow of what they are even now. The more readily this fact is accepted and practised by all concerned, the more likely are our fisheries to be that source of strength for New-

foundland, which they must be, if we are to have a sound Newfoundland economy.

#### **The Government's Overall Policy**

The philosophy and the policy of this Government can be stated without difficulty or ambiguity. It is not economic development, for economic development is merely a means to an end, a way of realizing that policy. The policy itself is that of raising the standard of living in Newfoundland until it can at least be mentioned in the same breath with the general North American standard. It is the policy of accepting frankly the fact, that Newfoundland forms part of North America, and should strive to bring herself into the general category of North American standards of living. It is the philosophy of rejecting the old defeatist attitude that Newfoundland must be content with something considerably lower than the standard enjoyed by our neighbors on the mainland of Canada and the United States; of repudiating the notion that Newfoundlanders are somehow inferior to their North American neighbours and should not aspire to something like the same level of good living.

When I speak of standard of living I mean something more than just food, important as that is; something more than clothes. I am thinking of our schools and colleges, of our roads and streets, of our hospitals and clinics, of electric light and power, of playgrounds and swimming-pools and parks, of newspapers and magazines and radio, of hotels and tourist cabins, and of a score of other things which, when they are all taken together, are the measure of our material civilization. I am thinking of a people who are well fed, well clothed, well housed, well educated, well-informed. I am

thinking of people who are too well educated and too well informed to be humbugged and deceived by charlatans and demagogues—an educated, alert-minded people who take deep pride in their homeland and in their nation, in their churches and schools, in their families and in their societies and organizations.

This is a philosophy of Newfoundland with which all Newfoundlanders must agree, to which all Newfoundlanders must give their allegiance. It is an ideal which must form the basis of our aspirations as a people and as a House of Assembly.

Can it be realized? This Government are sure that it can, and this surety is the mainspring of our faith and of our programme. We believe that it can be realized through economic development, through the expansion of old industries and the creation of new ones, through jobs and more jobs, wages and more wages. By this means, we believe, we can have more and better schools, more and better hospitals, more and better roads, better transportation by land and sea, better communications. We know of no other means to accomplish these ends. Only through economic development can we, as a people ever hope to march forward to those higher standards of living to which our heritage and our long sacrifice so clearly give us title.

This is the mainspring of our programme, and this is the strength that gives such urgency to our course of action. We do not believe that it is possible to achieve enduring or adequate results by anything short of strong, positive, energetic action. Newfoundland's troubles in the past arose chiefly from the fact that economic development did not keep pace with

the growth of population, but lagged always far behind. Each new industry, when at last it did come, came too late to meet the needs that had so strategically grown. As Mr. Winston Churchill said during the last war, referring to material assistance to Britain, that it was "too little too late," so we see that economic development in Newfoundland was always too little too late. The railway was started in the early eighteen-eighties; the Bell Island mines ten years later; the Grand Falls industry fifteen years after that; and the Humber industry fifteen years after that again. If those four major economic developments had come within a space of fifteen or twenty years, instead of the forty years they took, and had been followed by four other major developments, Newfoundland today would have a population of over half a million people, and our standard of living would be the envy of our neighboring Atlantic Provinces of Canada. Because forty years elapsed between the first and the fourth of those developments, Newfoundlanders suffered and Newfoundland fell sharply behind in that great North American march forward to ever higher and higher standards of living.

This Government sees so vividly the need for swift development that it is resolved to spare no effort, and lose no time in its drive. It is inevitable that we make mistakes and miscalculations, and none but the most ungenerous would demand perfection or complete success from us. And if our strong sense of urgency drives us forward, the worsening situation in the world gives very special spurs to our sense of urgency. We feel that there is no time to lose, no time at all. We prospered greatly as a people in the late war, but found ourselves

two short years after almost as economically weak as before it began. Another world war would give us another fleeting prosperity, but unless we broaden and strengthen the basis of our economy in the meanwhile, the subsequent post-war era would find us once again at the mercy of every economic wind blows, a people enmeshed in misery, without sustenance and without hope.

And so in spite of criticism, in spite of scepticism, in spite of jeering when we miscalculate or fail, we shall continue to press forward with all our strength and all our energy to the realisation of the great, good goal we have set before us. As a Government we are united, as a Party we are united in this historic campaign for higher standards of living for our people, and we enter now with faith and confidence our third year of administration of the King's Government."

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MR. J. G. HIGGINS (Leader of the Opposition): I move we adjourn the debate.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day be deferred.

MR. SPEAKER: I would remind the House that on Wednesdays private members' motions take precedence.

HON. LESLIE R. CURTIS (Attorney General): I move they be deferred, Mr. Speaker.

MR. SMALLWOOD: I move, Mr. Speaker, that the House at its rising adjourn until tomorrow, Thursday at three of the clock.

MR. SPEAKER: Before I adjourn the House it is the wish of the honorable Premier acting as Minister of

Finance to see the members of the House in the outer room immediately after adjournment.

The House then adjourned accordingly.

THURSDAY, May 10th, 1951.

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

None.

#### Answers to Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I have here the answer to Question 102 on the Order Paper of May the 8th, 1951.

Answer: (1) \$711,895.

(2) The information can not be supplied in that form. The returns are compiled from six areas which in many cases comprise two or more electoral districts and portions of other electoral districts.

(3) The answer to that is the reply was tabled in reply to question No. 25.

While I am on my feet, in reply to question No. 103 asked by the honourable and gallant member from Ferryland—

(1) The answer is that under the act it is required to compile and submit to the respective Minister who in turn is required to table in the House within five days of receiving them.

I speak for myself, the board responsible to me has not sent in any report as yet but as soon as it is received it will be tabled. The Minister of Fisheries and Co-operatives can speak for himself, as to whether he has received any reports.

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): With regard to the point just raised, I think the date is March 31 for submitting those reports. With regard to Question 92 addressed to the Minister of Economic Development and referred to me concerning the Ice Project on the Gaff Topsails. The answer is it started in the latter part of March. The reason it was started was because the estimated ice shortage for fishery purposes in Newfoundland was 20,000 tons. The Government undertook to cut some ice at Gaff Topsails in the hope of relieving the shortage. The estimated expenditure was \$25,000, on 14 April orders were issued to wind up operations. The losses can be calculated until such time as the sale of the ice is completed.

MR. SMALLWOOD: I move, Mr. Speaker, that the House resolve itself into Committee of the Whole on Ways and Means.

MR. FAHEY: Mr. Speaker, do I understand now that you have notices of questions?

MR. SMALLWOOD: A point of information. Was I correct in assuming the debate on the budget takes place on the Motion "you do now leave the Chair." When the motion is finally carried, that is the end of the debate so that any member desiring to speak to the motion "that you do now leave the chair," ought to do so now. If that is the fact, that is the end of the debate.

MR. SPEAKER: With regard to this motion, that is the old way and does tend to confuse under the new rules. Both those motions would be combined, Mr. Speaker would not leave the chair until the debate is completed. I called it now because I wondered if the honourable the Finance Minister wanted to make some remarks about the Estimates.

MR. SMALLWOOD: Mr. Speaker, on the Estimates I propose in actual committee on supply, to make such remarks as I need in respect of the Departments for which I am personally responsible and each Minister will likewise in respect to his own department's estimates. What I intend to say on the Budget I will say and I shall assume any other honourable member who desires to take part in the debate will do also on my motion, "you do now leave the Chair."

MR. RUSSELL: Mr. Speaker, is the motion before the Chair now that you do now leave the Chair?

MR. SPEAKER: I am about to explain now, I called notices of motions as I was under the impression the honourable the Minister of Finance has something to add to the distribution of the Estimates. Committee of the Whole on Supply.

MR. SMALLWOOD: Mr. Speaker, again if I may rise to a point of information and for the purpose of seeking your guidance: My understanding is the Committee on Supply deals with the Estimates, and the Committee of Ways and Means deals with the Budget and what I was hoping was that the House might be ready now to proceed with the debate on the Budget.

MR. SPEAKER: That is the order I just called to continue the debate. I have already said the two motions which are separated on the Order Paper, in my opinion, ought not to be. The committee cannot sit until Mr. Speaker leaves the Chair, the motion yesterday was to adjourn.

MR. RUSSELL: Mr. Speaker, I wish first of all to express my appreciation to the Official Opposition for permitting me to next speak in reply to a Government Order, although I have no intention or hope or ambition of taking up any more time than the rules permit, yet I appreciate being put in the position where I don't have to keep my eyes on the clock.

I intended to speak and still intend to speak on three points.

First that the terms of union under which the present Government is operating are so hopelessly inadequate that not only have I no confidence in their ability to govern successfully but have no confidence in any other government, not under those terms.

Secondly that, apart altogether from the terms, this Government is not making the best of a bad bargain. My third point is that the one immediate salvation of the situation, the fire escape, is that within the terms of union, term 29, and I propose at the close of my address, Sir, to submit an amendment which will have to do with the immediate implementation of that term.

But after hearing so recently the Minister of Finance's Budget Speech it would be almost discourteous to go on into my address without making some reference to it. Now he received many compliments yesterday on his address, he did not receive one

from me as his and my social relations are in a sort of state of flux as far as I know at the moment. But I am going now to pay him a well deserved compliment. His address was one of the ablest on the bringing down of a Budget in the history of this Province or country. I am going to pay a greater compliment; there were times when he almost impressed me and for the Premier to impress me on any subject is no mean achievement. I am sorry however that in his address there was just one thing which I felt was a little below the high standard set by the rest of the speech. It was just a sentence, not a paragraph, but I will refer to the whole paragraph so the sentence will be in proper context. He said: "This record should give pause to those within and without this House who have not hesitated to cry general blue' ruin and to hurl charges of riotous extravagance against the Government. Such baseless statements do not, I suggest, reflect much credit upon the ability of such persons to assess properly the facts of our position or their ability to arrive at sound conclusions. Very little importance need be attached to the damage that the individuals concerned do to their own reputation in the community of Newfoundland, but such wild and silly statements could conceivably have gravely adverse effects upon the reputation of Newfoundland in other parts of the world. More than once in the past Newfoundland's good name outside Newfoundland has been damaged by Newfoundlanders. Let us unite in the hope that we have seen the last of this sort of thing." Now I am sure the honourable Minister did not mean by that statement to plant anything in our minds over here

that would possibly restrict debate, but there is a danger that some of the more timid of us might feel like easing up a little on criticizing him, for fear we might unwittingly or otherwise be doing some irreparable damage to Newfoundland. I want to make a comment or two on that because I think this debate should be wide-open. In the first place the Estimates and Budget and the honourable gentleman's address thereon are public documents. If there is anything in all this that is on the face of it detrimental to Newfoundland, it could not be hidden; if we had a deficit or our surplus diminished at a certain rate or anything else happened and it is contained in the Budget Speech it cannot be hidden from the people of Newfoundland or the people abroad. If something that is not evident here is added by me or by any other gentleman on this side of the House; if it is not sound, the backer, the industrialist, the financial look at the actual picture, the fellow who said that is just an idiot, a jackass not to be taken seriously. On the other hand if they hear what we say they have exactly the same opportunity to see for themselves. It is rather difficult for me to say anything about the financial position of Newfoundland that would do irreparable harm, or discourage someone from pouring a few million dollars in or starting a paper mill. We have two today, Sir, and even if I say the Government is hopelessly bankrupt, Bowaters would carry on just the same. It would not affect newspaper operations nor their markets nor paper, not my word alone, perhaps world conditions might, but that, directly, no. So in spite of that sentence which I say was a little below the standard of the

rest of the speech, in spite of that I say in all sincerity, I could not admit the danger of irreparable harm from anything I may say, I could not allow that to discourage me from making the few remarks I am about to make.

Now, Sir, before I leave the Estimates, I am not going to say much about them, there is not much to say: First there was a surplus on current account during the past year. Secondly there is estimated to be a surplus on account, for the year now estimated and thirdly at the end of the third year of our existence as a province we are going to have a sizable portion of our original surplus still left.

Now, Mr. Speaker, I call the honourable members attention to page three, that is where the whole story is told, on the bottom of the page, there is a reference there to the huge surplus on current account we once had and are going to have and then the total estimated to be still left at the end of 1951-52. With regard to the surplus on current account last year, I forgive the Government for having a big surplus—it was as big a surprise to them as it was to anyone when they found they had it, I will forgive them. But to budget cold-bloodedly for a surplus on current account during the coming year and at the same time on the floor of this House to emphasize how under-served we are in this country, how our social welfare, education, health, roads are still below standards of even the Maritime Provinces, is beyond my understanding. If the honourable members on the other side do, I don't think it is anything to be proud of, it is one of the last things in the world I expected the present Premier to show pride in, that with the standard

of social service, transportation and other services still far below that of the poorest of the other provinces we budget for a surplus on current account.

Well now that surplus is going to be placed with that part of the original surplus, the part that is going to be used for paying current deficits.

MR. SMALLWOOD: That is not so. Will my honourable friend allow me? The surplus is the surplus that existed at the date of union and any surplus accumulated since the date of union is not subject to the Terms of Union.

MR. RUSSELL: Therefore show up as a part of the three million.

MR. SMALLWOOD: Exactly where we should.

MR. RUSSELL: I don't care where. Let us take this case, therefore there are going to be two amounts at the end of the current year in current account. Now I want to tell the honourable House, Mr. Speaker, one very disturbing factor and I can't help what harm it does, it is a fact and it is just as well to face it and know. During the next five years, the fourth, fifth, sixth, seventh and eighth of our life as a Province, one little item only, the reduction of the transitional grant by \$850,000 per year will just on the reduction annually of the transitional grant before the eight years are up bring us a reduction of revenue which will have the effect of a deficit unless taxation is up to offset the fifteen and three quarter million dollars. So if the terms of union just went on its ordinary way and the Royal Commission came, it has to come sometime within the eight years, but if it is not until the eighth year by that



time that ten million and another two million that might be accumulated later on as current surplus if they care to put it in there will all be wiped out just by that one fact alone. Even if they don't build the Ferryland Hospital and have additional expenditures, even if they don't build new additional roads which will mean extra current expenditure if they just hold it, the whole of that ten million eight hundred thousand dollars is gone in that eight years on that one thing alone, the reduction in the transitional grant.

Another item on speaking of public services says there will be twenty-two million and a half left. That is about enough to build and pave one hundred and ten miles of Trans-Canada Highway. We are committed for more than that.

There is nothing in these estimates about economic development. True, there is some money to complete paying for projects last year, and projects still being constructed. If the program of economic development, Sir, goes ahead as actively as last year, it will mean this amount here, this item to be left at the end of the current fiscal year won't be half enough to finance the continuance. No doubt the Government has made it quite clear, it intends to carry on economic development but there is no money here for it; all I see here is for the completion of the cement and the gypsum mills and the birch plant and some advertising for local industries. I submit, just before I close this book now, not to open it any more today—I submit that the program of economic development is being curtailed, and there is not going to be all the new industries we heard about yesterday, until they forget or they can sell the

cement mill and use that money because they can't take the money on deposit at Ottawa under the Terms of Union, that is there for a specific purpose and it is going to be badly needed for that purpose. Until they do that they have to borrow money, I figure, within a year. Now that is all I am going to say on the subject.

Getting back to my original point that I was going to say all the time: I say, Sir, that if we had in the government the greatest statesmen, a group of the greatest statesmen in the world, if we could resurrect some of the dead and form a government with the greatest names in history living or dead, they could not operate this Province successfully with the terms which we have. In criticizing the terms I feel I am a little bit unusual as a critic, because, Sir, I was a Confederate. After all I worked about eighteen hours a day down around the headquarters. I suppose people will believe I voted for it. I was a Confederate with no illusions and I still think I had no other course. With several honourable members on the other side of the House, including the Premier, I discussed public affairs long before ever there was a referendum. I apologize if I am wrong but I seem to remember I told the honourable gentleman, now Premier, at that time, before the National Convention was elected, that I was in favour of retention of Commission of Government, and the honourable the Premier may remember he said: "Supposing I can prove to you some day that the Commission of Government want to go." Anyway I finally had proven to my satisfaction that the Commission wanted to go. I was interested in Responsible Government. I can now tell a secret. I had gone so far, I was not in public life then.

Mr. Speaker, if you remind me I will tell you exactly why I got into public life, but I intended to live in the country and was interested in the best form of government I could help get. I have invited the honourable member for Ferryland to my home to discuss ideas as to what we could do after Responsible Government, and I talked with a good many of the leaders. Well, I chose Confederation. And I still say this that from the day it was decided to hold a National Convention, Confederation had to come. I will make another statement with which a good many disagree: As for the terms we got, we could not have gotten any better any other way. People today like myself who know they are not satisfactory and will ruin us, would say what we should have done was get Responsible Government first, and then from one sister Dominion to another we would have gotten better terms. I don't believe it has a thing to do with it. If we had had an election the party now in power would have been elected and I doubt if among their ranks, even when I was among them, they could have picked any delegates more capable than the ones who went away to discuss the terms. I don't believe we would have gotten as good terms. Well we got them. Being what they are, I have already said no government could run the province successfully with them.

Our great need today is for better terms and there are two possible hopes of getting them, one hope is through a man named Drew, who promised a couple of years ago during the last federal campaign that if he were elected, his Government were elected, he would reopen negotiations about the terms and since I have no

way of knowing he was telling lies I am going to believe him, I am going to believe he was a bit ashamed of the terms and probably would have tried to give better terms if elected. I am not very optimistic about a change that way. If every one in Newfoundland unanimously agreed the terms were not good enough, if one hundred percent of the electorate voted for that, if every one in Newfoundland had voted for that gentleman's party in the last election, he would not have been any nearer or very little nearer to being Prime Minister than he is today, as our influence in federal politics is only in proportion to our size.

There is one other hope: The honourable Premier referred to Clause 29 as one he was particularly proud of and well he might be. I can quite well believe he had a great deal to do with getting that clause inserted in the terms. Now whether the Royal Commission comes next year or in six years' time it is not a matter of principle. There is nothing about the principle of their coming earlier. It ought not to be very distasteful or repugnant to the Government, it is just a matter of time. Consequently, I submit my amendment is not necessarily an amendment which would move for or constitute a motion of non-confidence. The authorities are quite clear on it, such a motion is only a non-confidence motion if the Government decides it should be so.

Now the worst feature about the terms, Mr. Speaker, the very worst feature, the killing thing about them is that we do not get any compensation for the difference between the debt that we had, the per capita debt of Newfoundland and the enormously higher per capita debt we assumed

when we became Canadians. The result is (now I am going to talk about another forgotten fisherman not on the Bill of Cape St. George's, but on any Cape, Cape Bonavista, any Bill and Cape) every member on both sides generally realizes there are places in their district exactly like what I am speaking about. On one side of Cape Bonavista there is a three mile stretch where there are a good many forgotten fishermen. They are appealing for help to the Federal Government today, through me, through the Federal Representative, for some assistance to make the beach and fore-shore a fit place to barrow fish up from their boats that they have to haul up every night and they want some facilities to make it fit to wheel their barrows of fish to get them up to the stages. They are told, no, that is a Federal matter now and they have been refused continuously any Federal assistance. Meantime improvements are going on a few miles away in the main harbour. That is no help to them and never will be, they cannot get any assistance; former Governments used to keep little roads built up, but the Federal Government will not. Yet every one of the fishermen are today paying through the nose for Federal public works being done in Canada ten, twenty, thirty and forty years ago, because building Federal Works helped to create the national debt of Canada. I suppose the ordinary man, if he smokes a package of cigarettes a day about 25c. of that goes to Ottawa and anybody who smokes, smokes a package of cigarettes a day, spends almost a hundred dollars a year on cigarettes which goes to Ottawa. He is paying for the National debt, Sir, service charges on the national debt of Canada are a very,

very high part of the expenditure of the Federal Government, it is only a matter of looking it up in the Budget, it is calculated to a cent on some items. These fishermen, I say, are paying for public works done in Canada years ago and still being done and they can't get a cent. They can't get a subsidy on fish, oh no, but they today are paying on their tobacco and long rubbers for subsidies given years ago, because the result of these subsidies is a part of the national debt and they wonder why beaver tobacco and long rubbers have gone up 60% and long rubbers are \$10 a pair.

Now the one thing that is killing us is these terms. The economic development will not help. I don't care what economic development we have, I want to see just as much of it as anybody in this House, but it will not help this one paralyzing effect of Confederation because the faster we earn money the faster it goes. We could refuse to sign the tax rental agreement, we would be a little better off; but under these terms, Sir, all development is just like trying to fill a bath tub with the plug not in it.

Now any Government elected two years ago had two choices as to what to do about the surplus, two choices whichever Government got in, actually in one respect only. I won't say any other respect but in one respect it might have been better had the other party got in. At least they had had no part in having anything to do with them and would feel free in criticizing them, but whoever got in could only have done one of two things with regard to the surplus. I stood on that side of the House and said it belonged to the people and should be given back to where it would do most good. We could have

said this: Let us stretch it out and make it last for eight years, only a little of it here and there until at the end of eight years when the Royal Commission came we would have been able to say: well we cut the cloth to fit the garment. We still have some money left, we are not broke yet; however, the teachers had to give up as they had not enough salary. Our hospitals and health services are away below that of the other Provinces, but we saved the money. That attitude could have been taken. I have heard the word "Tory" often in this House. If ever a Tory still lived I think that would have been a Tory attitude. The other thing that could have been done was this: Use the surplus to build Newfoundland up to the Canadian level supposing it was spent in five months. Use it, then say to the Royal Commission in the first year ask the Government to send down a Royal Commission and they would have asked, what have you done with the money and we could have answered, nothing except what was right to do. Our people are Canadians now, we were willing to have it so. Canadians in other parts of the country have good schools, etc., and so we used the money in an effort to bring the standard up to theirs. The surplus did not last long but what difference about that, we used it; that would have been another attitude, the Government did not take either one. They picked at the problem. Now I would have supported the Government on either one of those attitudes but I cannot say from my experience that they had their minds made up on either one. The truth of the matter is, it is already gone. What they are spending now is the same money over three or four times. The

minute we signed an agreement with the Federal Government to build the Trans-Canada Highway it was as well to take the surplus, it was earmarked. We know very well we can't earmark it for one thing and go ahead and spend it for another. We are told this year we are going to curtail, naturally we are going to have less expenditure but the Trans-Canada Highway, the part built, is going to have to be built to get tourists to come over to Newfoundland, they are not going to come over dirt roads or through pot-holes. You can hide away the problem, defer it for a year or two but the problem, Sir, is like Joe Louis used to say about opponents in the ring: they can run but can't hide; it is there and has to be faced some time. Now I say they are just picking at the problem. I have a very embarrassing job on my hands, I have to refer to a particular member on the other side of the House. The problem I am faced with: someone told me not to say anything bad about anybody but I have to be careful not to say anything good, not one kind remark. I am afraid if I do that they will say I am trying to work on him, trying to seduce him, so I am not going to make a kind remark about anyone. But the honourable the Minister of Public Welfare must realize surely that what he wants to do, and is trying to do in Public Welfare, is only touching the fringe of the problem; that a home for the delinquents housing eighteen or twenty or twice that amount is more or less a laboratory rather than a practical attempt to solve the problem. The impact of a home or institute of that kind, is so tiny—and how can it hope to be anything else with the money he has. Instead of \$10,000 gone into the Estimates for a home for the aged

and infirm; the total vote should be more than \$550,000. I hope this won't hurt but the setting up of domestic courts to deal with the terrific widespread problem of domestic relations and the contribution the domestic relations court will make towards solving the problem that the honourable Minister would like to solve, cannot please the Minister who knows that a great proportion of the revenue that makes possible the setting up of that court is derived from the very source that makes that court necessary, in a good many cases profits from liquor. Now if that is not a vicious circle I never saw one. Wayfarer stated yesterday, "We have a welfare state.", but I submit we have not a welfare state revenue.

**Health:** We heard yesterday, and I need not repeat, talk about how low our standard of health and medical services is compared with the Maritime Provinces. I believe the honourable Minister of Health would like to do a great deal more but he has not the money. We were told yesterday, I am not sure of the exact words, but it was plain we could not afford it. I say we should be able to afford it, we got to have it.

**Housing:** I say it is financial insanity to ever think of borrowing money to promote subsidized housing, financial insanity. If anyone in the world is fool enough to lend such money we should not be fools enough to take it, take it and build houses; but as far as the Government is concerned they immediately have two things, service charge and interest and sinking fund on money paid and the deficits that have to be made up in subsidizing the rents.

One of the reasons the Budget looks so good for the coming year is that

there is only a small amount, probably only \$600,000, for slum clearance; and the honourable gentleman on the Housing knows very well that under the present state of affairs he will never be able to do the things he would like to do and would do if he had the money.

**Education:** I don't need to elaborate, I don't want to rub any salt into wounds at all. The problem of education is a little too real, the papers today are full of it. I am going to say one word about education before I forget it, that is, if we could abolish the present system of denominational education it would not help a bit—only offend half the population and still would not solve anything. I am pretty satisfied with the system we have in Newfoundland today, if people want to amalgamate they are free to do so and if they don't they need not. I don't see how it can be improved on.

The honourable Minister for Public Works—I wonder how he feels when a program is curtailed. You know today we are compelled to build roads not where they are needed but in places where, if roads were not being built, the people would have to get dole. We have quite often to link road work together with relief. We have a great many requests from people asking for roads which are needed and the answer has to be: wait until next fall and if there is a good many of you in danger of needing dole, we will begin building a road, if not you have to do without it. Trying to make the same money do for roads and relief as well, I tell you, Sir, is poor economy, the same kind of economy a little boy uses when scolded for putting jam and butter on a slice of bread. "It is not wasteful," he

says, "I am making the same slice of bread do for both." Well, there is hardly enough money left to build a new Provincial Government building, and they are going to need it, for in case of war the Provincial Government will be turned out on the street as they will have to give up the buildings behind the Newfoundland Hotel.

The fisheries: Quite a bit was said yesterday of good cheer and encouragement to the fisheries but no one ever yet told me why a guaranteed price for fish cannot be had. One of the terms, rather an important one, looks as if it might restrict us, I am not sure. It is open to interpretation. One man's opinion is as good as another, but it looks as if it restricts the Provincial Government from paying a subsidy. But whether they are allowed to give subsidies or not or guarantee prices or not, we have to guarantee that the fishermen and their families will not starve throughout the winter, whoever is to guarantee that. Therefore when a man needs \$10.00 a quintal for fish and gets \$7 and because of that he needs that extra \$2 or \$3 to live for the winter, we have to give it to him in the form of dole. I see no reason, and no one ever told me yet, why there can not be collaboration among the fishermen, the merchants, NAFEL and the two governments—why some scheme cannot be worked out during the transitional period between now and the day—and I hope it comes quickly—that the fisheries are modernized.

As to our new industries, let us get this fact straight. These are projects we hope will be new industries, but I refuse to say the birch mill is an industry until such time as it is turning out some products. At the present time there is only one industry—a building one. I don't

know what we are going to get out of these new industries. I hope a great deal, but I do think the Federal Government has gotten plenty already. Every workman who is spending his wages is contributing lavishly to the Federal Exchequer. The one great weakness about new industries, from the Government point of view, is the difference between a new industry now in a Province and as it used to be in a Dominion. There is so little we can get out of it as a Government, the Federal Government gets it all. If a new industry does start somewhere one or two miles from here and there are a hundred or a thousand employed there, the chances are the Provincial Government cannot get enough out of that to build a school house there. Mr. Speaker, as far as the new industries are concerned we are in the position with the Federal Government, as the two Englishmen who owned the cow. One owned the front and the other owned the hinder part, and we can't afford to feed her unless we have some other source of revenue. We, of course, get something from the workmen if they drink or if they use gasoline, as such things are subject to the three percent sales tax.

Now I have to be a little more unpleasant in the next section of my talk. When I said very broadly that the Government is not making the best use of the terms as they are—in order to explain my meaning I have to use a phrase I never intend to use again so long as I live after today "Cabinet solidarity." One honourable member read me some authorities on Cabinet solidarity which I was supposed to have attacked, read them for my enlightenment. I would like to read them again for enlightenment, for one of them said: "Cabinet solid-

arity is in effect something that was built up in order to protect any single minister the Crown might get after." If, for example, the Crown said it objects to an action of a minister or even the political head of the House, the Cabinet says: "no, just a moment now, we are all in this together." This authority said it was there to limit the power of the Crown and promote the interest of the people. (I had ambitions at one time to become a lawyer during my time as a magistrate in the outports). This example given was an actual case where once a Government had a Cabinet member who would not agree with the majority on the matter of free trade, and they said, "all right, we have enough majority without you, you vote against it," so what difference, relax cabinet solidarity. A few weeks later what did they find? The same minister began grumbling and they said, "stop this foolishness; agree with it or leave." In other words it is a very convenient thing to have in the Cabinet "the right to relax" if it wishes. I did not mention that when the honourable member was telling me about cabinet solidarity.

MR. SPEAKER: You are referring to a previous debate.

MR. RUSSELL: I am only making remarks relevant to this one. Does this give me the right to make a motion?

MR. SPEAKER: You may refer to the authorities but not to remarks made by the honourable member.

MR. RUSSELL: So I should not proceed any longer along this line.

MR. SPEAKER: By all means but without reference to the honourable member who quotes the remarks.

MR. RUSSELL: Well, I have heard this cabinet solidarity was the life

blood, the backbone almost of party politics, the party system of politics, then hear it referred to as having people who died for that, gave their lives, suffered and died for that cause. Now, Sir, I have heard about a lot of causes for which people have fought and died and gone to jail, but I have yet to hear of anyone who did so for party politics or cabinet solidarity. Probably some poor fellow got drunk and had his head knocked off and died for party politics, that would be the only case I could imagine. And I must say that he did not write "If I should die think only this of me, I died for Cabinet Solidarity." But I will tell this House of a cause the people have died for, millions of them, and are dying in South Korea today, and that is the right of people to govern themselves. The Government should not only be of the people and for the people but by the people. The sum total of all they have ever won in the struggle for liberty, the sum total of all adds up to one simple act they perform from time to time, that is all they wanted, political liberty, the right to elect a House of Assembly, not a Government. The people do not elect House of Assembly. Mr. Speaker, I don't want to overwork our stenotypist and I suggest a recess.

House recessed for ten minutes.

MR. RUSSELL: The sum total of all this means we in Newfoundland have won political liberty summed up in the right to elect a representative to parliament, to the House of Commons of the House of Assembly or whatever name it is given. The Crown seems to me to meet with the people then through their representatives and they pick the Prime Minister. He in turn picks the Cabinet

But elected members are here in this House for one reason only, because there is not room in the House for all the voters of Newfoundland. There would be no order or no business done if all who could get in were here instead and I say, rightly or wrongly, my first duty and the first duty of every member is to the people, and to put that duty before the duty to the Party, the Premier, the Leader of the Opposition or anyone else. Now, Sir, I am not going to say that the present Government are dictatorial, as they are not, but I will say that where you have thirteen Cabinet Ministers as we did all last winter and the estimates provide for twelve Department Heads the precedent has already been established to appoint another without portfolio. When we have thirteen members of the Cabinet coming into this House of the people when the House is in session to look for approval for their past acts and their future planning they only needing one private member to insure that everything goes through. They have thirteen in a House with a voting strength of twenty-seven. I say that if just one more minister is appointed without portfolio, and there is nothing to prevent the Premier from doing it, if that were done, it would mean, in effect, the abolition for all practical purposes of the House of Assembly, and the disenfranchisement of all the electors of all the districts that private members represent. It is not a dictatorship, Sir, but I say when we have thirteen in a House with a voting strength of twenty-seven, that is very near the 38th parallel. One honourable member is going to eat his hat if ever I become a Tory, so here now I want to warn him he may be exposing his digestive organs to great danger. He may—I do not care, Sir, what

label he or anyone else puts on the package so long as the principles inside are principles I consider sound. I will say this, that I will never again be a member of any cabinet which is very nearly in a position to get its policies agreed to almost by sheer weight of numbers. I said, and I say again, this Government today only needs four ministers in the Cabinet, that is all there is work for and in due course if the opportunity comes I will move it. I am not picking on any one in particular, I will possibly pick the first six to reduce or delete.

That reminds me, yes I do think a Cabinet should be a study club. It is the second time I have heard a study club mentioned in a rather disparaging way; my honourable friend here won't allow me to refer back, said one time in the National Convention; there is nothing better than a study club. I wish it had been a study club. A study club is a very important institution. Thousands like it have laid the foundation of the Co-operative movement and without them we could never have the co-operative movement. There is need for a great deal of study in any cabinet. In the description I heard just after I left the Cabinet on how business is done there, I hardly recognized the old face. Now Sir, I don't intend to go listing any errors of the Government; I have not so far except for one or two illustrations, but I will make some reference to a subject being debated here. It was discussed here before but it is very, very pertinent to the budget and the estimates, that is the Audit Act.

I listened to our two legal members expressing a difference of opinion on the subject and, Sir, it is not the first time I have had to sit and listen to two lawyers give different viewpoints



on the same subject and finally try and decide which one was right and which wrong or if they were both wrong. The Audit Act was passed in 1932, I am discussing the amendments, it is quite rightly a Tory Act, although it is strange to see a Liberal Government so willing to use a Tory institution. It was passed in 1933. What did the Liberals think of it then? They thought the same then as I do now. The Honourable F. Gordon Bradley, then the leader of the Liberal Party, in good Liberal fashion said what he thought of the proposed Bill, saw in it a danger to the House of Assembly and said so. In fact, he argued so elegantly that, when the debate ended, there was a sort of gentlemanly agreement between him and the then Prime Minister that the Bill would come up every year for reconsideration. Unfortunately, perhaps, anyway it happened that before another year we had another kind of government. I say today that morally that Bill is dead as a door nail; and I share the fears expressed by my fellow Liberals in 1933 that there is a danger to the proper purpose of the House of Assembly. I have to make this criticism about the Government as mildly as I can make it, that they are not taking proper advantage of the Terms of Union, whenever they duplicate a service the Federal Government is doing or going to do or ought to be made do. The real tragedy of the Icelandic Boats,—it is getting almost stylish to refer to them and their failure—is not the money lost, it is the fact that the Federal Government might have done the herring research anyway. But it is more serious than that to me when we undertake something the Federal Government ought to have done and

as far as we know are prepared to do or should be made do; saying in effect to the Federal Government: keep your nose out of this business, we will attend to it ourselves. Now, Mr. Speaker, that is not diplomacy on the highest level, to say the least. There is a danger that it would almost be considered discourteous and rude to a Government that we depend on so much, and a Government that can do this that we need done and can't do ourselves or can't afford to do. I am not going to mention any effort except that one; but it certainly has not made our relationship with Ottawa any better than it ought to be. If I do that, I might list one that Ottawa does not know about yet, but that is very doubtful.

I am not so happy when I hear about the great enlargement likely to come in the Department of Fisheries. I am not so sure the Department of Fisheries, the Provincial Department, is so very necessary. Last year I lived across the corridor from them. I remember two of them up there, one down from Quebec, got a title here, Fisheries Processing technician or something. I understand his work is to go around and look over the co-operatively owned driers, two of them, one at Lourdes and one at Change Islands. He should not be very busy. The other fellow is a good man in lots of ways, his chief work to be Lord High Admiral to the Icelandic Navy.

Now, Sir, I would have liked to say something about the Co-operative Movement but I decided not to, except just this: I will agree with the Government that it is not for them to go down in history as the Government that killed the Co-operative Movement by smothering it with Government financial assistance. A good many

countries made the same mistake; felt the co-operative movement should get a move on, hurry up a little. Government after Government found out to their sorrow that it can't be done. One final word on this thing, the Government is not making the best use of the time, I think. It will soon be time for honourable gentlemen on the other side of the House to make up their minds what to do about the merchants. If there is going to be some policy, something gained by eliminating them and having something else in their place, it is all right for the Government to go ahead and do it; but in the meantime we are not so rich, so well-off, so prosperous. In fact the optimism we heard yesterday seemed to me very much like the optimism of the man who fell from the top of the Empire State Building; as he was passing a window on the fiftieth floor he was heard to say, "Well I am all right so far."

I like to think we have a country where if people want to be merchants they can, if they don't want to be they need not. When people want to buy from them they can do so and those who want some other system can also have it. I have no brief for the merchants but I am going to warn the Government that, if they are not careful, the merchants won't play in their back yard either.

Now, Sir, I want to come to the last point: why the Royal Commission ought to come now. I want it to come now, Sir, first of all before the money is all gone but probably when they come they won't give us better terms; perhaps we will have to wait for Drew after all. Probably they will say we wasted our surplus and we can now stew in our own juice. If there is the least danger whatso-

ever, the least little bit of danger of that happening we should have the Commission now while we have money left. It is alright for them to come now before we commit ourselves further. Now I could say a lot on the whole range of government activity, but what is the use for me to say a lot; and the Premier may call me a traitor. Name calling is childish. We are getting nowhere, let's stop it. Let the Royal Commission come and I feel sure when they do come they will first of all say: what has been done with the money and what are we doing with it? They will be a friendly group, if they come now instead of five or six years hence. We are at least getting them from a friendly government, comparatively the same as our own. Let them come. If I say the Liquor Board does not do a week's work in the run of a year, anybody can criticize me and say they do twenty weeks or three weeks or twenty-two weeks. Give this Commission a chance as soon as possible, a chance to look at these hundreds and hundreds of things. Maybe they will say the board is working hard, the men are overworked and need assistants; if so they may add to what they give us in the way of better terms. Instead they may bring in recommendations, become authorities on this item and make this policy and that, and put all on a much higher level. I would like to see it come before we take advantage of the Constitutional Amendment now being discussed. I think before that we should be given a proper starting point. As for contributory old age pensions I oppose them, and I opposed Col. Drew for recommending them in the district two years ago.

One reason I liked Confederation was that there seemed to be no alternative. Profits were pouring out of this Province and we were getting nothing back. Almost anytime an old fisherman or a middle aged one could see his profits go up to Ontario; he has been contributing to them all his life and now must contribute to them again. They do not knock at the door and ask for this week's 10c. contribution, but he pays it in extra taxation and I am opposed to taxation on the "Beaver" of the fishermen. The fishermen are contributing to the richer provinces, and to the Federal Government. On his "Beaver" tobacco he is contributing plenty. I am opposed to anything that blinds peoples' eyes and incidentally, my impression of the hidden sales tax is that it will be no more than 3% for a start, but it will be on everything including food. I don't want that tax in existense when the Royal Commission comes down here because it might well happen, Sir, that after looking over our conditions, our need for money, they might be generous enough to go back and suggest as a special favour that Newfoundland might be allowed to up the three percent tax to five or eight percent. Finally, Sir, I would like to see it come before we attempt to borrow money. I don't know, Sir, I heard yesterday the onerous phrase, the Credit of the Province. I would say the onerous weight of credit of the Province. What is the credit of the Province? It is its ability to repay loans of the Government, If any money is borrowed unless for something that will make more money, I doubt very much if anyone would lend it to us. Now while on the subject of borrowing and also on the subject of doing irreparable harm; I would like to refer to a statement

made by the Attorney General. He said: "The Audit Act is not going to stop us from marching toward economic development, and if it were found out that the Audit Act were restricting economic development we will amend it. We will ask to have the whole surplus voted to us, what is left of it, in a lump sum of keep the House in session continuously."

Now I hope he did not mean that, that is the sort of thing that might do harm. That is the sort of thing that makes every banker, especially any who loaned money guaranteed, say, "So that is what they are going to do." That is the sort of thing that makes me feel these Estimates are not worth discussing. How do we know the present Government's attitude towards the whole Audit Act? Well, Sir, I think the quicker that term 29 is implemented the better, and I propose, Sir, in closing, to move the following amendments.

In the original motion all the words after "that" be deleted and the following be substituted. "It is the will of this House that the Government of Newfoundland commence negotiations immediately with the Government of Canada with a view of having Term 29 of Union implemented at the earliest possible date."

If the honourable the junior member for St. John's East will second that, I have much pleasure in proposing it.

MR. SPEAKER: Amendment, that in the original motion all the words after "that" be deleted and the following substituted.

MR. CASHIN: Mr. Speaker, if the Clerk would read Term 29?

Term 29 read by Clerk.

MR. SMALLWOOD: Mr. Speaker, to a point of information and to seek your guidance. It is, I believe, my right to close the debate on the Budget Speech. To my motion that you do now leave the Chair, the motion on which the debate on the Budget Speech takes place, there has been moved an amendment. In addition to closing the debate have I the right to speak on the amendment? And has each member of the House the right to speak on the motion and on the amendment to the motion?

MR. SPEAKER: The question now before the House is in the form of an amendment to the original motion, put by the honourable member for Bonavista South which constitutes an entirely new question, to which any member of the House including the seconder of the motion, who seconded the motion merely by nodding his head, may speak. Every member has the right to speak on the amendment, with the exception of the honourable member for Bonavista South. I wish to state, according to the standard procedure, there is not a limit to a Minister of the Crown when he replies to a motion of no confidence.

MR. SMALLWOOD: Mr. Speaker, I intend to make my address only to the amendment, reserving thereby the right to speak also in the debate by way of closing the debate.

MR. SPEAKER: That is correct.

MR. SMALLWOOD: Mr. Speaker, I want to address myself to the particular point and reasons given by the honourable member for Bonavista South in favour of his amendment. I think that all his reasoning is false; lacks foundation and I think that his

reasoning is a very clear piece of evidence that he has not thought the thing through or given it sufficient study. I think that what he says shows clearly that he does not understand, he just does not understand.

Now one of the reasons that he gave is that there is not enough left in the portion of the surplus shown in the estimates as being available for extending of the public services and economic development, to do any more financing of economic development. Not enough he says, even to carry out a program of economic development equal to that of last year. Now here are facts:

The figures are \$3,391,000. That is the one-third of the surplus the two-thirds being \$10,600,000. He addressed himself just to this amount of roughly three point four millions, and concluded quite erroneously, ridiculously erroneously, that that is all now available to the Government with which to promote economic development or with which even to finance economic development.

First of all let me say this, that the Government can pursue energetically and successfully a program of economic development even if it has no more money for the purpose than enough to pay the salaries of the Minister of Economic Development, which happens to be nothing, he does not get any salary; the salary of the Director of Economic Development, and the salary and travelling expenses of his staff. There is enough money in that 3.4 millions to finance the Government's drive for economic development, for the next fifty years. A drive for economic development does not, as he appears to assume, depend upon the government doing the financing. Let us assume

that we get a paper mill in Newfoundland, that will cost with hydro-power development and the development of shipping facilities, one hundred million dollars.

**MR. CASHIN:** What size mill?

**MR. SMALLWOOD:** Five hundred tons a day, one hundred million dollars. We have here 3.4 millions. In this one-third amount of the total surplus to be left to us, page 3 at the bottom of page three, less than three and a half millions. If we are to finance a paper mill at a cost of a hundred million dollars from there then clearly there will be no paper mill, you cannot out of three and a half million dollars finance a one hundred million dollars paper mill, it cannot be done. If we are to finance a pulp mill, a hundred thousand ton pulp mill together with hydro-electric development to operate that mill and shipping facilities, clearly we cannot do it out of three and a half million dollars. If we are to finance half a dozen other industries in Newfoundland, and that is what we mean by economic development, new industries and the expansion of existing industries, clearly we could not do it. The honourable gentleman is not right when he infers that it must be done out of this one third portion of the surplus. As he has pointed out, we could not maintain even the rate of spending we had last year along that line, because there is not that much money there in that figure of three and a half million dollars, or rather less, as we overspent, in fact last year in building industries of our own. We don't propose for one moment that we are going to build a great paper mill, and we don't propose we are going to build a pulp mill and we don't pro-

pose, in short, so far as I know now, to build any other industries ourselves with public money, industries that will be owned by the Crown. We have no intention, so far as we know, and if we did clearly in so far as the surplus is concerned it must not cost more than 3.4 millions to finance. That is a little less than three and a half million dollars. So it is absolutely fallacious, completely ludicrously fallacious when he says that our program of economic development must stop because we can't spend even as much on it as we did last year, and that having spent this 3.4 million dollars then our economic development program must come to an end.

A program of economic development can be carried on by a Government with very little money so long as it has enough to pay the salaries and travelling expenses of the men necessary to do the travelling, to approach the financiers, the bankers, industrialists etc., to persuade them to invest money—so long can the Government carry on a program of economic development, a vigorous program of economic development.

Now while I am at it, let me point out this fact to the honourable gentleman who appears not to have noticed, one of a number he has not noticed. I find it a little difficult to believe he has not noticed but I give him the benefit of the doubt and say he has not. I wish to draw the attention of the House to the terms of Union. I helped to write them and ought to know something about them. If the honourable member has the Terms of Union before him, he may follow me.

**Financial Surplus:** In these terms the expression, financial surplus, means the balance standing to the

credit of Newfoundland, collectable at the date of union, less sums which may be required to discharge accounts payable at the date of union, any public money and public revenue including loans and bonds referred to in term 25 in respect of any matter, purpose or thing prior to the date of union. That is therefore the surplus or the cash we had on hand at the date of union, plus what we were owed, what we would collect and less what we owed at that time. But that is merely the definition of the surplus. Now these terms go on in succeeding sections to state what shall and may be done with that surplus. "Newfoundland will retain its financial surplus subject to the following conditions." These conditions are named under "A," "B," and "C." "One third of the surplus shall be set aside during the first eight years of union deposited with the Government of Canada to be withdrawn by the Government of the Province only for expenditure on current account to facilitate the maintenance and improvement of the Newfoundland public services and any portion of this one third of the surplus, remaining unspent at the end of the eight year period, shall become available to the Province." Should any be left at the end of the eight year period then that remaining would not be bound by the terms of union. "The remaining two thirds of the surplus shall be available only to the Province of Newfoundland for the development of resources and"—That word "and" is of the utmost importance as I know now and knew when I helped to write it—"and for the establishment or extension of public services within the Province of Newfoundland. Then "C" goes on to say that none of the surplus may be used to

subsidize the production or sale of Newfoundland products in competition to other provinces nor in unfair competition with other provinces. Now I ask the honourable gentleman to take particular notice of the two things that appear in "A". That part, the one third of which is to be set aside with the Government of Canada to accumulate interest at the rate of 2½ per cent. What is that for? It is for expenditure on current account to facilitate the maintenance and (here again occurs the word "and") improvement of Newfoundland's public services. For maintenance, I am glad my honourable friend sees that. But my honourable friend the member for Bonavista South does not, if so why does he argue the exact contrary, as I will show he did. The one third is for expenditure on current account to facilitate the maintenance and improvement, and the word "and" improvement of public services is of tremendous significance.

Now we come to the two thirds: what is it to be spent for? For the development of resources and for the establishment of and extension of public services. Now will some honourable gentleman in this House tell me what difference there is between improvement of public services which is "A" and extension of public services which is "B." Will some honourable member tell me that? Now let us go back to page three of the Estimates and there we have a division of the net cash surplus, which will remain at the end of the present financial year. It is under two headings: current account and extension of public services. That is, except in one respect, a purely arbitrary division. The one exception is deficits. Deficits on current account must come from the one thirds, it must un-

der the Terms of Union and that is the only exception to this statement that the division is a purely arbitrary one. We could reverse these figures quite lawfully, quite properly until someone can explain satisfactorily the difference between improvement of public services and extension of public services; so that if we choose we can say that of the \$14,000,000 which will stand to our credit at the end of this financial year, something of the order of two or three millions would be in the position of the one third at the date of Union. It is not always one third, it was one third at the date of union. The division was to be made at the date of union, and what would determine the division, what is the interpretation placed on these terms: Improvements under "A" and extension under "B," in short all the money the Government has spent in the two years out of the surplus, the division is the one third or the two thirds is exactly what we choose to make it, except for one thing, deficits have to come out of the one-third.

MR. CASHIN: Is there a separate account showing one-third? In other words that term is a joke anyway. It was all our money and they had a lot of impertinence.

MR. SMALLWOOD: I might have gone on to clause 3: That the Government of Newfoundland has the right to place the other part and deposit it with the Government of Canada to draw the interest at the rate of 2½ percent. So that when my honourable friend from Bonavista South held that all that was left was 3.4 millions for economic development, he was quite wrong.

MR. RUSSELL: The other \$20,000,000 is going to be eaten up anyway.

MR. SMALLWOOD: If he had studied these terms as clearly and explicitly and carefully as some of us, he would not have fallen into that trap. Now that is the first point that we are not depending on—our cash surplus to bring about economic development. We can bring it about without spending another dollar of our cash surplus. As to the phrase in the Budget Speech which the honourable member found onerous. I made a note of what he said: "Onerous weight of credit of the province." Is he aware of the fact that the Government in the last two years has already in fact pledged the public credit? Was he not party to it? Did he not pledge while a member of the Cabinet and not know he was doing it? Every time he agreed we would guarantee a loan at the bank to North Atlantic Fisheries which he did, we pledge no cash but our credit. It did not cost us one cent and when we agreed that we would guarantee a loan at the bank to John Penney and Sons in Ramea and guaranteed a loan at the bank for Wareham or for Fishery Products, was he not aware that what he was doing was pledging Newfoundland's credit, the credit of the Province which he now finds onerous? He could not bring about economic development in Newfoundland without spending the surplus or without borrowing by pledging the credit of the Province. The Government of Newfoundland once pledged the credit of the country to the extent of ten millions of dollars. There were people at that time who said that the Government were a Government of madmen and ten million dollars in 1923 was, as my honourable friend the member for Ferryland knows, a huge sum. Ten million dollars in that day could be

equal to a sum of fifty millions today and that was done in 1923 and resulted in setting loose a series of events in Newfoundland which ended in having here in Newfoundland the largest paper mill in the world today, at Corner Brook. That was built by the Government of that day pledging the credit of Newfoundland. Can we do that if we want a hundred million dollar paper mill or must we have a hundred million in the till? Trash and nonsense, what else can we call it but trash and nonsense?

Here is a clause I wrote into the Terms of Union and, Mr. Speaker, we were there for three days writing, we were locked up in a room in the month of July and August and dressed in this fashion; a pair of shoes, no socks, a pair of pants and nothing else because when we went into the room I stripped off collar, tie, shirt, and coat, stripped to the waist.

MR. J. G. HIGGINS (Leader of the Opposition): Why were you locked up? Were they afraid you would escape? Why?

MR. SMALLWOOD: The honourable member asks why, well I will tell him. Doctor McKay was appointed by the Government of Canada to represent Canada and I was appointed by the Newfoundland delegation to represent Newfoundland; two of us as a committee were appointed to draft the Terms of Union. The newspapermen and others were trying very strenuously to find out what we were doing and before either of us left that office, twice a day for lunch and dinner at night, each of us had to turn in every scrap of paper. I don't mind saying I managed to get a few papers and have them to go some day into the museum. We were there three days writing the clause and I foresaw then

when I wrote it and helped to write it, I foresaw this day, this debate and foresaw other debates. What if we did not have Confederation today? We were bankrupt under Responsible Government, hopelessly insolvent and bankrupt.

Now clause 29 reads:

"In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the Government of Canada will appoint a Royal Commission within eight years from the date of Union to review the financial position of the Province of Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the Maritime Provinces of Nova Scotia, New Brunswick, and Prince Edward Island."

MR. FAHEY: Why did you want it there at all, why mention it if we were not fixing to go bankrupt?

MR. SMALLWOOD: The answer is in here "In view of the difficulty of predicting." That is why the Royal Commission is provided. Can anybody say that two and a half years ago it was possible to predict with sufficient accuracy exactly what effect Confederation would have on Newfoundland financially? Not that we would be bankrupt, not that there might be difficulties, certainly that was foreseen.



Now the financial form and scale of financial assistance: Additional financial assistance if any that may be required by Newfoundland to enable Newfoundland to continue public services at the levels and standards—when, to the date of union? No, but to enable us to carry them on at the level and standard reached subsequent to the date of union—subsequently at the time of the review. Without resorting to taxation more burdensome, having regard to the capacity to pay rather than that obtaining generally in the region comprising the Maritime Provinces of New Brunswick, etc. Note this: It does not say that, I will put it another way, as my honourable friend for Ferryland would say, “from another angle.” The Royal Commission arrives, put up at the Newfoundland Hotel, begin their enquiry, that is what they are here for.

MR. CASHIN: I remember one before.

MR. SMALLWOOD: Quite right—to take over and deprive us of self-government. But no Province of Canada has yet lost self-government; the Provinces of Saskatchewan and of Alberta were equally bankrupt but they did not lose self-government. The Government of Canada came to their rescue at the same time that the Government of England came to our rescue in the very same year. The Government of England said, we will help you but you must give up self-government. The Government of Canada said: we will help you but did not say you must give up self-government. No Province of Canada has yet lost self-government or will even though the Government pours the money into these Provinces in millions of dollars and I sat in the House of Commons in Ottawa three years ago when the Government of Canada did this. They

advanced Alberta 70 million dollars. The British Government advanced Newfoundland 18 millions. The Government of Canada advanced Alberta 70 millions and the Province of Saskatchewan 40 millions and they never paid it back.

MR. FAHEY: And now the fishermen have to pay it back.

MR. SMALLWOOD: When settlement was made the Government said: will you pay back half of it in the next fifty years? Now that is what happened with the Government of Canada.

Now they arrive here, this Royal Commission to review our financial position. That is their job, that is what they are sent here for, to find out what additional financial assistance Newfoundland need, what additional money we need to enable the Government to continue public services at the level and standard attained at the time they are making the review. So far, so good—but what is more, they have to do that without Newfoundland resorting to taxation more burdensome than the Maritime Provinces. The Royal Commission says, “Now we have to decide how much additional revenue the Newfoundland Government needs to carry on public services at the level reached, when making the review.” In other words, the higher the level reached, the more expended on roads and schools and hospitals and other services, when the Commission comes, the better, because is not the real danger that, in the eight years, we may not have reached a level and standard sufficiently high? That is the real danger at the time of the Royal Commission, if it should come too soon. We are now gradually raising our standards of public services but we are not raising them fast enough; and if we

bring the Royal Commission here now, when they determine how much additional subsidies we need, they have to take into account the level of public services at the time they make the review and this level is not high enough. Give us another three or four or five years to get the level up, because they have to recommend for us additional financial help to enable us to continue the level of public services there are at the time we make the review. Now that is the first point, but they have to keep this in mind also that we must be able to continue these levels of public services without recourse to taxation here in Newfoundland, provincial government taxation, more burdensome than the Maritime Provinces, but only after they have compared the capacity of Newfoundland to pay with the capacity to pay in the Maritime Provinces. That is the great saving grace of all. If they were able to say your burden of taxation in Newfoundland is not more burdensome than the taxation in the Maritime Provinces where would that leave us? Suppose, for the sake of argument, the average family in Prince Edward Island earns \$1,500 a year and the average family in Newfoundland earns a thousand a year. Let us say that is how it is, when the Royal Commission arrives. If they have to insist that the burden of taxation in Newfoundland shall be the same as the burden of taxation in Prince Edward Island, the same rate of taxation in Newfoundland would be fifty percent higher than the same rate in Prince Edward Island because of Prince Edward Island's great taxable capacity. So it says that Newfoundland is not to resort to taxation more burdensome, having regard to capacity to pay. Now what have we got to do? It is simple. Our big job

is to find out how much additional revenue or financial help the Newfoundland Government needs to continue the level they have reached in public services. What have they got to do now? They have to compare the burdensomeness of taxation in Newfoundland with the burdensomeness of taxation in the Maritime Provinces, but that is not all; they have to compare the taxable capacity of Newfoundland with the taxable capacity of the Maritime Provinces and relate these two things together. My honourable friend the Leader of the Opposition, for instance, might have \$10,000 a year, he might have an income of say \$5,000 a year and I may have \$10,000, or put it the other way, let me have \$10,000 and my honourable friend \$5,000 but my honourable friend might be better able to pay taxes out of \$5,000 than I could out of \$10,000. For this reason, I might have a far bigger family and he might have none at all. So we can not be compared; there just has to be something else taken into consideration, the capacity to pay the burden of taxation. A comparison with, for instance, Nova Scotia is not fair until our capacity to pay the burden of taxation is first compared with the ability of Nova Scotia to pay. What is the level of our public services? I showed it in the Budget Speech yesterday, and do you think I did not know what I was doing, that I did not have that clause in mind, that I did not bear in mind that that Budget Speech will be read by men, who will one day be members of that Royal Commission. What did I do yesterday? I said Newfoundland would need to have fifty-two thousand motor cars to be up to Prince Edward Island, that we would need to have 15,000 miles of road to be up to Prince Ed-

ward Island. We have 3,300 miles. That is what I was getting at. The first thing they will do, when they come here to determine what is the level of our public services, is to compare us with the public services of Nova Scotia and Prince Edward Island, and New Brunswick, because within the next six years of union we have to do something to get our level of public services up. If it is not possible to bring them up to the level of the Maritime Provinces, when they compare them and see they are lower, they will say they were certainly not extravagant lifting the public services up so far. Now what is to be done about taxation? What has the Government done since Confederation to tax the people? So they look at it and find they have increased taxation on mining and increased the taxation on this and that and the social service assessment and they begin to measure our taxation and then compare it with taxation in the Maritime Provinces and find our taxation is lower than in the Maritimes. That is not the end of it, however, they then measure our capacity to pay taxation with theirs and then that is what determines the amount we get. To ask for that now is the last word in absurdity. Two years after union, ridiculous, comical if it were not so pathetic and utterly brainless. Two years after Union. Now what is the first thing they find when they arrive here? It is this, that we have a public debt, if we take it all into account.

MR. CASHIN: It is a pity they did not do so, when we went to get the terms.

MR. SMALLWOOD: I pointed out yesterday what the public debt is. When the Royal Commission arrives one of the first things it will do is to look at the public debt;

they will find that we have a public debt of \$11 a head. Well, that is a pretty low public debt. Quebec, the lowest in all Canada, has \$82 a head, but they won't compare our public debt with the public debt of Quebec or Ontario or Alberta or Saskatchewan; they will compare our public debt with the public debt of the Maritime Provinces. What will they find? They will find Newfoundland \$11 per head; Prince Edward Island \$142 a head; Nova Scotia \$117 a head; New Brunswick \$176 a head. The first thing they would see is a public debt of \$11 a head and the national debt a little over three million dollars. But we have cash in the till—\$14 million, and another \$7 million in plants we have just built, and loans to the loan boards, \$22 million. We have that in cash or kind and a public debt of only \$11 a head, three and a half million dollars. They would say you must be drunk, you must be crazy, you must be foolish to come running to us, you with a public debt of \$11 a head, the lowest in all Canada; you with \$14,000,000 in cash in the till and \$7,000,000 of modern new plants and three loan boards and you came asking us to review your position. I never thought I would live to see the day, when a member of this House would stand up and advocate absurdity built on absurdity.

MR. FAHEY: Don't forget the Icelandic Navy.

MR. SMALLWOOD: I will say in reply to that: I can explain a thing but only the Almighty God can give intelligence to understand when it is given. There is a time to talk and I am willing to talk about the Icelandic boats. I am talking at the moment about a Royal Commission, if that is above the honourable gen-

tleman's head perhaps he could read the Telegram.

MR. FAHEY: A point of order, Mr. Speaker. I only reminded the honourable Premier about one of our assets.

MR. SMALLWOOD: I thank the honourable gentleman for reminding me and helping with my argument. If he decides I need a little help in my argument and my honourable friend gives it to me, I am grateful.

MR. FAHEY: It is a pleasure, any time.

MR. SMALLWOOD: One thing I try to do is know my case. I only talk when I know what I am talking about.

Now there is no doubt there will be a royal commission, but suppose one comes here before the eight years have ended, comes here in two years, this year just ended, the year we had a surplus. How many Provinces of Canada have ended the last year with a surplus? Our surplus was \$830,000. My honourable friend will need to state something more than he has stated to prove his case. It will take a longer speech than a few remarks while sitting down to prove we did not have a surplus of over nine hundred thousand dollars. We have just ended the year with a financial surplus and have just budgeted for another for nearly as much. Eighteen or nineteen hundred thousand dollars in two years. Is it now the time to go running to a Royal Commission? Absurdity built on absurdity. Now I suggest this, if I am against a Government, if I leave the Government and cross the floor and if I have previously said that the Government is heading for financial ruin, financial disaster, a financial mess, if I used

these three terms and stated that I have left the Government because I have no confidence in them, they are heading for a financial mess, disaster, ruin—if I had done that, and a month later the Government produces a surplus for a million dollars then the reason I give for having no faith in the Government is going to look a little bit sick, a little bit weak; and so I am driven to invent reasons or at least I am driven to invent some further reason and the reasons, given here today, have turned out to be absurd because I doubt if even in the long history of this House since the days when John B. Garland, the first Speaker, presided, until today when His Honour presides, in the whole long history of this House, I doubt if ever a member made a prophecy which was so quickly, or clearly proved to be balderdash and nonsense. One month after leaving the Government, that Government produced a surplus of nearly a million dollars and budgets for another surplus of almost another million; that reason turns out to be pretty sick so I am driven to drawing a red herring. Now we all know what a red herring is, drawing a red herring across the trail so that the dogs can smell the fish, and the red herring is supposed to put the dog off the trail. So I am driven to drawing a red herring to take the attention away from my previous statements: the Government is heading for financial ruin and a financial mess. I must not let the people remember that, so I must get that out of their minds or I will look like a complete fool. Being a member of a Government and at the end of the eleven months, one month before the financial year is up, I leave the Government and say it is bankrupt and heading for financial ruin, a financial

mess, ruin and disaster; and a month later the Government ended the year with a surplus of a million dollars and, so that I won't look like a political fool, I have to drag in something. I got to do something or I had better get out of politics or look like a complete and utter ass. So, what do I do? I pounce on something I have not read carefully and cry; let's get a Royal Commission. He read it but he does not understand it. And if he thinks this Government is foolish enough to accept his amendment. It would make us look like jackasses. two years after union with a public debt of only \$11 a head and fourteen million dollars in the till and another seven million dollars in new mills and in the loan board and say, send a Royal Commission, we are heading for bankruptcy. What kind of fools would we look in the eyes of the Canadian nation? I listened last night to the news at 11.30. A provincial budget is not a tremendous thing in the light of eleven governments, the Federal Government and the ten provinces. A budget in any one province is nothing to get very excited about so the National News last night did not turn summersaults but said very simply: the Government of Newfoundland ended the year with a surplus of almost a million dollars. The day after that a member stands in the House and says let us get a Royal Commission. Who is mad? Who has gone insane? The Government—Who is a jackass? The Government—Who is a silly ass? Is it the Government?

Now there are one or two other points the honourable gentleman has made, but they are not deserving of any attention, it is enough to say they are ridiculous. We are meeting tonight in any case trying to clean up work; we are going to go on until

we finish these estimates and the budget speech and economic development. This Province that is insolvent, this Province that is going broke for which we have to get a Royal Commission, we have to bring in some heavy legislation providing for new industries in Newfoundland. My honourable friend for Ferryland is not going to commit himself, but he gets a wonderful kick out of the amateurs in politics, and he thinks "How are the mighty fallen"? What kind of men are these? When he thinks back to men like Sir John Bennett, Sir Michael Cashin, Judge Higgins, W. J. Walsh, S. Foote and men like that and then sits here and listen to jackasses argue, what a kick he gets out of that. Now when the honourable gentleman gets up and tries to kick our teeth in, there is something in what he says. If my honourable friend introduces a red herring, it is at least good and wholesome.

MR. CASHIN: The Icelandic Boats got twenty herring.

MR. SMALLWOOD: That is the trouble. If they had gotten some herring we might not have had to apologize.

Now, Mr. Speaker, that is all I have to say on this ridiculous amendment, this absurd and ridiculous amendment. It is not worth the serious attention of serious minded men.

MR. CASHIN: Mr. Speaker, I take it the House is sitting tonight and I would like to say a few words.

The House then recessed until eight of the clock.

#### NIGHT SESSION

MR. CASHIN: Mr. Speaker, it was not my intention to speak to this at all; but the honourable member for Bona-

vista South introduced a contentious matter here this afternoon and proposed an amendment. Usually, Sir, during my time in this House the estimates of expenditure were generally brought down first, were generally discussed and then the budget came down to say in what manner the necessary revenue could be obtained to pay the expenditure outlined in the estimates. But things have changed in Newfoundland, and now we get both estimates and budget at the same time and amendments are being discussed twenty-four hours after the budget comes down. It is impossible for any member in this House, I don't care on what side, apart from those intimately connected with it, to get up here after twenty-four hours and discuss and analyze a document, which took the Finance Minister over two hours to deliver; and it is equally impossible that the matter, now before the Chair in the nature of an amendment to that budget which relates to section 29 of the Terms of Union with Canada which section must bring about a discussion on the whole Terms of Union, can be analyzed quickly.

Now, what is section No. 29? I think, Mr. Speaker, before I go on any further I would like to draw the attention of this House to the surplus shown here, over nine hundred thousand dollars. I want to say that is not so. If we turn to the Auditor General's Report of 1949-50 there is a deficit of \$2,045,000, then turn to the budget this year and find a surplus of practically a million and in the next paragraph we find that \$700,000 of that should have been credited to the year before, in other words the deficit was \$3,000,000 and we just about balanced this year. That is your own Auditor General and the statement made to the budget. Mr. Speaker,

it is not my intention to discuss this in a general way tonight, but I would suggest that that section be read to make sure that there is no misunderstanding.

Here it is: "The decrease under Public Works is attributable to lower than originally anticipated recoveries on account of Trans-Canada Highway operations due to a retardation in progress and to late presentation of claims for reimbursement on this account." I don't know if it were returned in April or not but it belongs to the revenue of the year previous.

MR. SMALLWOOD: If the honourable member will allow me, the same argument applies to the revenue last year.

MR. CASHIN: Revenue on Housing is very small, as a matter of fact, revenue on Housing is nil; the Housing owes the Treasury \$5,000,000 and they probably won't get \$2,000,000 for it.

I think my point is well taken, that the \$700,000 belongs in the year 1940-50 and should have reduced the deficit for 1949-50.

Now another point: I intend later to compliment the Premier on that Budget Speech except for a few paragraphs, but when we get a debate on a point of terms of union and are told by the Premier and Acting Minister of Finance that this country would have been bankrupted under Responsible Government — —

MR. SMALLWOOD: I am not Acting Minister of Finance.

MR. CASHIN: You are only acting until such time as there is another election, whatever you are. I apologize if I did not give you your full title. But, when we are told this

country would be bankrupt under Responsible Government, I cannot sit down and take it. Now let us see the financial position of the country, let us see it, and I am just speaking from memory, I have very few notes at my disposal tonight. When this present Government took over they found \$41,000,000 in cash and \$11,000,000 roughly in other assets. You collected out of that eleven millions, three millions or three and a half millions. Now out of a balance of say eight millions, how much are you going to get back? For my part I can't see that the Housing Corporation can pay back very much. How much are you going to get back of that five millions? None. I make that statement, if you get two millions you will get a hundred. Now that brings it down another three millions.

Now regarding our financial surplus, I say again that the terms were an inperitence on the part of the Federal Government. Regarding things I have heard said here this afternoon about the Royal Commission, a delegation went to Ottawa to negotiate Terms of Union. We had, at that time about fifty million dollars in cash and other assets as I figure it. What did the Canadian Government tell us to do? Now, Mr. Speaker, here it is in these terms; the existing financial surplus.

"In this Term the expression "financial Surplus" means the balances standing to the credit of the Newfoundland Exchequer at the date of Union (less such sums as may be required to discharge accounts payable at the date of Union in respect of appropriations for the public services) and any public monies or public revenue (including loans and advances re-

ferred to in Term twenty-five) in respect of any matter, thing, or period prior to the date of Union recovered by the Government of the Province of Newfoundland subsequent to the date of Union.

Newfoundland will retain its financial surplus subject to the following conditions:

(a) one third of the surplus shall be set aside during the first eight years from the date of Union, on deposit with the Government of Canada, to be withdrawn by the Government of the Province of Newfoundland only for expenditure on account to facilitate the maintenance and improvement of Newfoundland public services, and any portion of this one-third of the surplus remaining unspent at the end of the eight-year period shall become available to the Province of Newfoundland without the foregoing restriction;"

Newfoundland, the Canadian Government tell us, will retain its financial surplus. What else are we going to do with it? Give it away? Tells us what to do with our own money, Mr. Speaker, if you have ten dollars in your pocket what would you think of me if I said; do what I tell you to do with it. They said one-third is to be set aside during the first eight years of union, deposited with the Government of Canada. Could we put it anywhere else if we wanted to? Just imagine telling us what to do with our own money only for expenditure on certain account. Just imagine six or seven people going up and listening and agreeing to do this with their own money.

MR. SMALLWOOD: That was our own suggestion.

MR. CASHIN: That is even worse. Gave them our own money and they told us what to do with it. You had no right to tell them to begin with and they were pretty impertinent up there to have discussed it with you.

"The remaining two-thirds of the surplus shall be available to the Government of the Province of Newfoundland for the development of resources and for the establishment or extension of public services within the Province of Newfoundland; and

no part of the surplus shall be used to subsidize the production or sale of products of the Province of Newfoundland in unfair competition with similar products of other provinces of Canada; but nothing in this paragraph shall preclude the Province of Newfoundland from assisting industry, by development loans on reasonable conditions or by ordinary provincial administrative services."

Your deficits last year should have been taken out of money deposited in Ottawa, was that done? It was not done because the answer to a question in this House a short time ago showed it was still there. It should have been taken to pay this deficit. And other money was to be used for economic development. That phrase is being used so often in this House and this country now we can't run away from it. Therefore what we should have up there now, after putting in \$20,000,000, would be \$17,000,000 in round figures. No, we took that three million out of the two-thirds left down here and violated that section of the agreement to begin with, and I agree because of that

\$20,000,000 up there, the Federal Government has no moral or legal right to that money or the voting of it and it should be put wherever the present Government wanted it; and those who went up had no authority to go there and put \$20,000,000 to the credit of Newfoundland in Ottawa, none whatsoever.

Now this afternoon also the honourable the Premier and Minister of Finance talked about this eight years and Royal Commission's coming here and about the suggestion of the honourable the Member for Bonavista South to bring the Royal Commission now. In the course of his remarks, he made on statement, which struck me very forcibly, started to describe the more development we had, might even borrow money, when the Royal Commission came here, and that in order to bring our level up to the Maritime Provinces, that Royal Commission would have to recommend to the Federal Government that we be given some more money. That is in short roughly what the Premier meant.

MR. SMALLWOOD: Except I did not say going in debt.

MR. CASHIN: Guaranteeing the credit of the Province does not naturally mean borrowing money. How much of your long term loans from the Bank are guaranteed at the present time? You can't go to any chartered bank today in this country with a guarantee from the Government for a billion dollars, a quarter of a million, or any other amount or any provincial government. I want to make it quite clear I am not among those who are going to preach blue ruin for political purposes but here is the position. The Canadian chartered banks and with



this you will agree, in future are not taking Government Guarantees over one year. One year is not a long term; a long term runs three, five or ten years. One year is a short term. The position is now we got to go through a little more red tape, got to industrialize development; the Government has to give the Industrial Bank at Ottawa its guarantee before any money is invested.

MR. SMALLWOOD: Either that or bonds.

MR. CASHIN: Here is what might happen, I might come to them for \$500,000 of a loan for fish plants, and not a hospital. The Canadian Government gives you the money or refuses to do it. I give my guarantee to go down to the Canadian Bank of Commerce, it is not worth the paper it is written on. Now the point I am trying to make: You outlined here several new industries started this year with financial assistance, then you will issue bonds under your credit as the Newfoundland Government and sell in the market. You guarantee the company issue, you put your name on the back and you will go out to the public and sell at discount or premium, and the Premier mentioned this afternoon the Corner Brook Guarantee of \$10,000,000, at that time. It is reduced now to \$6,000,000 or less. That is because of the exchange, because the pound depreciated and brought it down and paid some money in reducing the sinking fund. I know that, and the Premier pointed out it is probably the largest and most efficient pulp and paper mill in the world today and that was brought about by our guarantee. We did not guarantee \$10,000,000 at that time but \$20,000,000 and I well remember my first time in this House. when

I thought it was a frightful thing, as we had a sizeable national debt at that time, \$60,000,000, to have guaranteed \$20,000,000. We had a party meeting downstairs here, the Late Judge Higgins was the leader of that time, and my father the member for St. John's West and I, myself, and the Late Judge Fox opposed it on the principle that we should not be guaranteeing money, and I never forgot the bally-ragging the two of us got and it went from Committee up through and finally went through the Legislative Council and resulted in the establishment of the Mill at Corner Brook. And remember this, Mr. Speaker, Dr. Valdmanis is not the first individual who talked about a further mill in this Country, we did not have to wait for Latvia to tell us about another mill in Newfoundland. The Economic Report in 1949, which I was instrumental in preparing, covered a pulp and paper mill on the South West Coast with timber from the Labrador; and I will say this, that during my absence someone said I was "nuts" or words to that effect, when I slated the ridiculous idea of building a mill in Labrador; and I don't care what John D. Rockefeller said about it. I don't care and my opinion is just as good as anyone else's in Europe. It is impractical to build a mill in Labrador and I will tell you why. The longest period of navigation in the Hamilton Inlet is three and a half months. All right I will tell you, you young fellows have not done enough work in your life to baptize a fairy. Never yet in your life. God bless me, I have. I am going to tell you now, today, you ask a member of Lloyds in London if they would be prepared to insure at Hamilton Inlet and if so how long would you get it for? That

is the trouble so before you make such statements like that you had better go to some business organization. Bowrings are agents for Lloyds here. Go down tomorrow and ask them to cable and ask how long you will get insurance for a ten thousand ton ship running to Goose Bay, see what you get.

MR. SMALLWOOD: To be fair, that is not what the honourable gentleman said.

MR. CASHIN: Now on the other hand, at the outset, how big a mill did you say? A hundred thousand tons; the cost of development of water power, the cost of transportation of wood from Labrador, what will that amount to, per cord? About \$10 a cord. Very well, how much storage will you need? Put it down to four months a year, you will get that some years but it averages three and a half. Suppose you are putting up a five hundred ton mill, working for seven months, with an output of one hundred and fifty thousand tons of newsprint. Look at the docks in Corner Brook, each shed holds 20,000 tons. Originally I think they had two and now, if my memory serves me right, these last two years have four. But for 120,000 tons you want eight big sheds of the same type as those built in Corner Brook, to store that wood. It is nonsense.

HON. C. H. BALLAM (Minister of Labour): They have three that hold 20,000 each, 60,000 tons.

MR. CASHIN: Well, when they opened the Mill at Corner Brook in 1925, at that time they had two sheds there and I think, Mr. Stafford, who built the mills told me at that time they held 20,000. I have a fair memory for figures whatever else about

me. I will give you the benefit of the doubt and say they hold 40,000 each, assume they do find storage capacity for a five hundred ton mill and the one over there in Corner Brook is a thousand-ton mill, or eleven hundred and some old sulphite. Talk about nonsense, I never heard so much rot in my life. Talk about something they know nothing about, newsprint and pulp and paper. They haven't got hair on their chest as far as work is concerned.

MR. SMALLWOOD: They would have to put other sheds in the States. Now would the honourable member allow me? After two sheds are built to store practically 12 months' production in Labrador and others in the United States to store the paper there, because you can't deliver the shipments during four and a half months; you can't deliver a year's supply in four or four and a half months; it is cheaper to produce newsprint in Labrador than it is in Bay D'Espoir as a matter of economics.

MR. CASHIN: I know the honourable member will be guided by that. I am going to tell him he does not know what he is talking about. The Government paid that IBEC outfit for everything they did down here and everyone would imagine the great Rockefeller would do something. I bet he does not put a cent into it and those men identified with him know nothing about pulp and paper. The outstanding men in the pulp and paper in Canada and in New York are not the IBEC.

MR. SMALLWOOD: They consume a large amount.

MR. CASHIN: When I was a member of the Government in 1931 we were strongly in favour of establish-

ing another mill in Newfoundland and wanted wood from Labrador, wanted a thousand square miles of timber land in Labrador to establish a mill on the Gander, not at Goose Bay but at tidewater where there is six or eight months' navigation. And that when IBEC or anyone identified with it comes in here and says it is cheaper to produce pulp and paper in Labrador than on the South Coast of Newfoundland, I can't see it and my opinion is just as good that of any other member of this House. I would like to talk to these fellows in connection with it. However I am away from this amendment.

We covered section 29, I have discussed the financial surplus, now I suggest we should read it and try and analyse it.

"In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the Government of Canada will appoint a Royal Commission within eight years from the date of Union to review the financial position of the Province of Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the Maritime Provinces of Nova Scotia, New Brunswick, and Prince Edward Island."

It is not worth the paper it is written on. The Canadian Government agrees to send down a Royal Commis-

sion. Do they say they are prepared to implement the recommendations of that Royal Commission? Certainly not.

**MR. SMALLWOOD:** The Parliament of Canada.

**MR. CASHIN:** The Parliament of Canada says, send people down, but does not say we will accept their recommendations. Now this brings me to the point I want to discuss. That is the Premier this afternoon pointed out how low the national debt of Newfoundland was, \$11 per head, and he feels if the Royal Commission were brought down here now and looked at this \$11 a head, in his opinion it would be ridiculous. But when the delegation went to discuss the Terms of Union with Canada in 1948-49 they evidently did not—at least there is no evidence to show—discuss, at that time, with the authorities at Ottawa the comparison between the Newfoundland and the Canadian National debt per head. Why not? The proper procedure was to attack at that time. Our national debt, at that time, was about \$200 per head and the national debt of Canada \$1400 a head, a difference of \$1200. This just goes to bear out my point. You will need the interest on \$400,000 which will be \$13,000 which the Provincial Government will need each year. Last year for instance how much was your deficit? For heaven's sake get away from a deficit only on current account, you are spending money and dug into the surplus; there will be only \$14,000,000 left next year.

**MR. SMALLWOOD:** We are not separating the account.

**MR. CASHIN:** These should be separated in the account but you

don't have capital expenditure of \$10,000,000 a year, and it is gone now and you can't get away from it. You have your highroads, your lowroads, your fish plants, birch plants, gypsum mills and your other things. I wish them all the best of luck, mind you I wish them everything good.

MR. SMALLWOOD: They can't be built out of current account.

MR. CASHIN: Suppose for argument's sake, suppose they blow up.

MR. SMALLWOOD: They are insured.

MR. CASHIN: Under the terms of union, based on other Provinces, Newfoundland would have \$14,000,000 a year subsidies from the Canadian Government and I put it to the Attorney General who has the reputation of being a pretty sharp operator, I put it to him; he and I for instance were going into partnership tomorrow. I know actually you would not come in with me, as you have too much money for me. Put it this way: I have one hundred thousand dollars in net liabilities and I have one hundred thousand in cash to start off and, on the other hand, I have nothing or only \$50,000. Now, you and I are going into partnership. Remember we are going to make a partnership based on your assets and your cash, my assets and my cash on an equitable basis to get shares out of that company. Where are we? It is certain he would, if he had most of the money and most of the assets, want most of the stock in it. Certainly he would and I don't blame him, it is done in every business. When the International Paper Company and other subsidiaries to big combines in the United States give stock in proportion to the value of

the property put in they have to assume a proportion of the liability accordingly, but in Newfoundland's case. No. And that brings me to something else I intended to discuss later on in the Budget debate. The Premier mentioned Mr. Thompson, who recommended this form of accounting for this Provincial Government. He is an outstanding accountant, whose opinions and recommendations gain recognition by all provincial governments. The Government accepted these recommendations in Finance and other departments, but did not accept those recommendations when negotiations were taking place at the time of union. It would be interesting to have a copy, but I am not allowed under the rules of the House to see Mr. Thompson's document given to the deputation to Ottawa in 1949. What is told in that document with regards to the Terms of Union? Even the Chairman of the delegation said that the financial terms were inadequate, said that the night before and in the morning signed it. That was a sorry admission.

MR. SMALLWOOD: I hope the honourable member will be here as long as I. I would not want to be here if he were not.

MR. CASHIN: I am going to be here for the next three years. However, I am talking on the financial position of the Crown and I am going to make a statement now. I have just as much right to make a statement as the Premier. I am going to tell him the financial terms of union are rotten, the Canadian Government put it all over him. And I am going to say that Newfoundland was not properly represented there at all, they did not take the financial adviser's advice. He made a financial

statement to that delegation, outlining what was going to happen, in spite of which they went in and signed that agreement; and the Chairman, Sir Albert Walsh, came out next day and said he realized the terms were inadequate.

MR. SMALLWOOD: I never heard of it.

MR. CASHIN: You never heard of it, so he landed in a nice job. He told it, in Ottawa, to members of the delegation. He may not have told you but he said it and I challenge him to go up here and deny it. Not up here, he is not allowed, to come up to the CLB and deny it. I will hire the armoury to go up and tell him. He would not have guts enough.

MR. SPEAKER: Order.

MR. CASHIN: Now, Sir, let us have a look at the financial position in 1949 when we went into union. We had \$41,000,000 cash assets and other assets which may or may not turn in cash. They have turned in three or four millions and have another five or six millions to turn in for the Housing Corporation. What were our contingent liabilities? Apart from Bowaters which are gilt edged. A million six hundred thousand loaned or guaranteed of some sort for Economic Development, of fisheries which they may or may not have to pay, I hope not. In addition to that another million was loaned to fish companies and fur companies for development of industries and \$144,000, guaranteed or given to the Icelandic outfit. Now I understand it from the Budget, the cost to the Government was four or five hundred thousand which we can put down to experience. Here we have a group of strangers in

here with a bunch of old tubs and nets practically unfit, to operate and they stick the Government for four hundred thousand dollars and they were advised, so I understand, to go slow in that matter, advised to go slow, they caught twenty herring. They got twenty herring for four hundred thousand dollars. It is acknowledged they failed in that; there is no comeback. Twenty herring and four hundred thousand dollars, how much a herring? Sir, I cannot make it up. I would have to go up, Mr. Speaker, to the Finance Department and get one machine to make up how much a herring cost. However what are we going to do? Has the Canadian Government guaranteed they will implement the recommendations of the Royal Commission, certainly not. The honourable member for Bonavista South said this afternoon Drew might do it. Drew won't do it anymore than St. Laurent, and some people thought we were getting something for nothing. If Drew were in St. Laurent's place it would have been the same thing, but it would be interesting to find out what revenue they are getting out of this place. There is no way of finding out, I can take a guess as to what sales tax, what there is on account of the Corporation Tax death duties. We don't know how much revenue they are getting out of Gander and other bases. That was the greatest steal in the history of modern times perpetrated by the Governments of Britain and Canada. This afternoon the honourable member for Bonavista South pointed out with respect to Commission of Government, how they wanted to get out of here. Yes, they did but they got well paid for it, they got well paid for getting out of here. They sold

Newfoundland before 1949, before they get out. They sold her out, lock, stock and barrel. All we got to do is look at the House of Lords during the last twelve months and see a certain individual placed in there. I have seen people from Skid Row with more character and decency in them than that fellow has, the greatest reprobate ever came through the Narrows, I don't care if I am in order or out of order. He is the fellow who put Newfoundland over, brought it around through sectarianism in this country. A dirty low down cad, he did that right here in the city of St. John's. I know he will die roaring in Hell when he does pass out. One thing a man is never forgiven for, betrayal of a country, the good God does not forgive people for that. That fellow will burn in Hell for betraying Newfoundland and I would love to be there to shovel on the coal. I know he will be there ahead of me anyhow.

MR. SMALLWOOD: You won't be there. That is rash judgment.

MR. CASHIN: That is rash judgment. No, Sir, that is not rash judgment, that is good judgment. I am sorry there is a clergyman here tonight, I did not know it until a minute ago. However, Mr. Speaker, with respect to where we are driving and this eight years waiting for a Royal Commission. As we are going, Mr. Speaker, you won't have to wait eight years. Next year, at the end, and I am working on your own figures, at the end of March 1952, you will have \$14,000,000 intact according to your own figures if you don't spend it for another mill or birch plant or something else, or guarantee other money, which are all contingent liabilities. I think if there comes a chance we

should sell these. I have not seen any offer but the Government may have some.

MR. SMALLWOOD: May I say that here this afternoon sat a gentleman from the United Kingdom, who is here for discussion with the Government; we had to put him off until tomorrow morning.

MR. CASHIN: When you see people coming in like that after the Government has spent money it is tough negotiating. If that man is coming from a big outfit in Great Britain, I would like you to tell me where he gets the dollars from, and I hope the Government makes a profit from the sale. But at the present time you can't sell a birch plant or a cement plant. Suppose you keep the cement plant and birch mill and the gypsum plant and operate them by the Government, suppose you have to operate them.

MR. SMALLWOOD: Will you allow me to tell you?

MR. CASHIN: You don't know.

MR. SMALLWOOD: On the gypsum plant and the cement mill and birch plant there is a clean net operating profit of about one and a quarter million dollars a year to be made, net profit.

MR. CASHIN: There is to be made a net profit of one and a quarter million dollars a year. Have you a contract to show you can make that million and a quarter a year? No, you have not, but when you sit down to make a contract they know more than you or I. You are not going to get a million and a quarter a year out of a four million dollar investment. That is what percent on your money? 20%, so profiteering is the first thing

you will be accused of. 20% on your investment, net profit. Look at Canada Cement, I will tell you what built them up. Bring Beaverbrook up here and I will talk to him, his name stinks in Montreal and if he ever went near Canada Cement they would put him in because he robbed Canada Cement Mill and when we come to talk about Beaverbrook, how much profit did Canada Cement make up to a few years ago? It was in liquidation up until just before the war and the Steel Company of Canada was another baby of Beaverbrook. What I can praise him for is that he made a lot of money, came from selling sewing machines to owning the biggest paper mill in Britain but robbed the Canadian shareholders in order to make it. He made \$20,000,000, and you think you can compete with the like of that, that is murder, we are only babes in the woods.

Now fourteen million dollars next year and presuming then you are going to come down seven hundred thousand dollars in the transitional grant. And those days you do not know what may happen; we may have a big war, the biggest in history and then the biggest burst and if that burst comes, unfortunately after war a slump always comes and history has a habit of repeating itself. Today we don't know what is going to happen. There is a large expenditure on defence here in Newfoundland, according to the Budget \$16,000,000 dollars are being spent. I don't know how the Finance Minister found that out, but I do know there is some being spent in Gander to extend the runways but I don't know where else. They are spending a lot, I understand, in Argentina but that is not going into the pockets of the people; most of that will be in equipment. Take it

all in all the American expenditure will be eight million annually in Newfoundland. The Canadian Government has done nothing so far on defence, except to open recruiting stations here in Newfoundland. They have not established any bases or navy here or fortifications, dugouts or anything else. There has been nothing begun and if the Premier knows anything about it, he would not be allowed to reveal it.

MR. SMALLWOOD: I would not want to, I would not be allowed to even mention it in the Budget.

Just to a point of order, Mr. Speaker, so I can make a point, I understood the honourable and gallant member is speaking to the amendment. I am beginning to wonder, when I hear the honourable gentleman, what he is saying is not on the main debate. He is really debating the Budget, using up all his data.

MR. HIGGINS: This is far wider than the Budget, this comprehends the whole of Newfoundland and comprehends the Budget too.

MR. SMALLWOOD: I insist on a ruling.

MR. SPEAKER: Order—It is impossible to define the relevancy.

MR. CASHIN: And in all good temper, mind you, too, and I have to repeat myself unfortunately, like the Premier sometimes. We will have \$14,000,000 left next year, that is in 1952, and if we keep going at the same pace we will have nothing in three years; that is the position except for your cement mill which you might sell, I hope you do. I am a firm believer in private industry. Sell it, get your money, hand it over and

when the headaches come as come they will, the cement and any other business has good days and bad days. Sell out the other things, the gypsum plant, get your money out, take your profit, which is the practical thing to do. You established the industry and will get the credit but if you operate and start to lose money then look out politically, you will get your teeth kicked in then by the people. The same thing applies to the Birch Plant. You put a million dollars in that industry, get rid of it if you can under the agreement.

MR. SMALLWOOD: We have been offered 10% on it.

MR. CASHIN: Take my advice: Sell your interest, take your profit and get out. Remember the old saying of Morgan: you can never go broke making a profit. Governments are not meant to speculate, it is not a Government's place to speculate. True I admire the arrangement, I wish it every success but if I were in the Government's place I would sell and take my profit and get out and I tell you now to take my advice this time, from a political standpoint that way you go up not down.

MR. SMALLWOOD: There is an awful lot in what the honourable gentleman says.

MR. CASHIN: That is the position. On the other hand if you fail nothing can save you for you are getting away with murder, and there is that Icelandic business. I believe, if I could dig up the old man from Belvedere, he would talk from now until next Christmas on that Icelandic deal.

MR. SMALLWOOD: Well we deserve it.

MR. CASHIN: Well, one thing about it, he does not try to fight his

way out of it and I am not going to lamblast him for it.

Now in 1953 there will be \$14,000,000 gone; we have no money and will have to send for the Royal Commission then unless we borrow money on the credit of the country and spend it on capital expenditure or to pay deficits. Mr. Speaker, I want to advise the Government in that matter. I ran into it in 1932. I was Finance Minister (Acting) and we were borrowing money year after year to pay deficits, current account deficits. We were borrowing money but there came a day when the bankers and those who loaned money and raised bonds turned us down. We went to New York and were turned down and in Britain we were turned down. Now I suggest, Mr. Speaker, in all sincerity that the Government get rid of these industries and convert them into cash, and I would advocate a revision of these terms. The Canadian Government knows they are inadequate, knows they are unfair, they know they put it all over that delegation, they know they slipped it across our people and that delegation. I honestly believe the Premier himself was the only one on that delegation really convinced that Confederation was the best thing for Newfoundland and was prepared to accept anyhow. The others were only in it for what they could get out of it—the whole lot of them. And they got what they wanted and their names are forgotten, but I say Newfoundland should receive twelve million dollars a year, not transitional but continuous for at least fifty years. They took over our national debt of \$63,000,000 and it is not paid yet, and we are still helping to pay the interest on it. The people of Newfoundland are paying their share of interest on it yet. They paid the Western farm-



ers last year; but they do not come down here and say to the shore fishermen: we will pay \$10 or \$12 a quintal for fish.

There is only one way out of this business, and it is going to take a mighty long time. It would be lovely, Mr. Speaker, if everything turned out as the Premier said this afternoon. Continue the road building, build up our services, getting them to such a state where they are almost on a par with the Maritime Provinces and then send for the Royal Commission and say: come down now, we are built up to the Maritime standard, now we want enough money to keep the services up. Under the Terms of Union there is no such guarantee.

MR. SMALLWOOD: It is part of the British North America Act, part of the constitution of Canada, and it says the Government of Canada will appoint a Royal Commission, within eight years after date of union, to recommend the form and character of additional financial assistance, as may be required by the Government of the Province of Newfoundland to enable the Province of Newfoundland to continue public services at the level and standard subsequent to the date of union.

MR. CASHIN: The Parliament of Canada and the Parliament of Great Britain put their signatures to that; but they did not say they would send down a Royal Commission and if they say \$15,000,000 or \$12,000,000 a year, there is nothing in there to say that, nothing in the British North America Act. And I say right now the Prime Minister of Canada, if he is honest and sincere about these terms of union; I am prepared now to meet him here in the City of St. John's and put it right up to him, if he is prepared to

do it, tell me right there and then, but it is up to the Parliament of Canada. The same thing happened with the Transportation Board; the minute there was a bit of doubt we were told to go, not to the Parliament of Canada or the Canadian Cabinet, no, here is what we must do: it is not up to them to interpret it. What did it cost us to go up there and that reminds me, you have been cheated out of a year's revenue there, you should have made that retroactive, it should have gone into your revenue. It was collected from Newfoundland and should have been returned to the Provincial Government and if I were to take any other attitude, Mr. Speaker, I would not be honest with myself. I have spoken on this matter time and time again and people say: that is only Cashin bawling, well, Cashin is going to bawl.

MR. SMALLWOOD: Long may he bawl.

MR. CASHIN: I am going to. And I am going to tell you in three years Cashin won't be the only one bawling. He will probably be laughing up his sleeve. I will be able to say: I told you so and you would not take it. I may say that to the whole House, the Opposition and all. I have been barking at the terms for a year and a half, but I am only Cashin the cracked man. Then there is Col. Drew with his corsets. Mr. Speaker, Col. Drew would do no more for Newfoundland than St. Laurent. Can you blame him? He is a Canadian out to get the best for his country, and when this came up I happened to be there. I sat beside the Premier and neither member, either Conservative or Liberal, put up a fight for Newfoundland. The honourable member for St. John's East

put up a big fight for turrs but I have not heard any fight for the financial Terms of Union. These men in Ottawa are elected, go up to Ottawa and overnight forget Newfoundland. They are fifteen hundred miles from here having a fine time of it. But again, I would be dishonest with myself if I did not state that in the House and I am not in here, nor want to be one of those in here crying blue ruin.

MR. SMALLWOOD: I agree.

MR. CASHIN: I am not crying blue ruin, I am telling nothing but the truth, and every member of the Government can take what I say now: that the recommendations of the Royal Commission may or may not be taken or accepted by the Parliament of Canada. For argument's sake, if they came down tomorrow and gave us our just desserts, \$12,000,000 a year, we can balance our budget on that; if they make that statement, it may or may not be accepted. Suppose they recommend \$12,000,000 a year and it goes before parliament; here you have Quebec, Ontario, British Columbia and every other Province and all hands are up, we want our share. Now that it where you fell down in negotiating your Terms of Union. They wanted Newfoundland more than Newfoundland wanted them; for what? They wanted Newfoundland for strategic purposes to build up a nation. They were off-set by America particularly on the North West and the Atlantic Coast. Newfoundland, ten years ago, was the bastion of liberty for North America and Canada got it for nothing and we are going to go in debt. Next year, Mr. Speaker, the people will be fairly well off financially, but the Government will be bankrupt in a year or two from now. That is bound to come, partic-

ularly if all those industries are going to be started. The people will be well off financially, the Government will be burst; that is a perfectly correct statement but watch what happens, people will get up and argue, all right the people are well off. But the Government is going in the hole every day while the people are getting money, where is it coming from?

You ended this year technically with no surplus, there is \$700,000 stuck in there belonging to last year, as admitted in the budget speech. But here is the position, Mr. Speaker, I don't care how the surplus is spent, \$12,000,000 or \$12,000,000 more, you are doing the same thing with it as was done in the old government; you are borrowing money from the surplus to pay for other things.

MR. SMALLWOOD: Does my honourable friend seriously argue that the Government is not paying its way and balancing its budget? If after balancing the budget and having a very sizeable surplus, it does not balance the surplus, are we supposed to balance the surplus?

MR. CASHIN: You are taking money out of the surplus and building mills, building roads, building highroads across the country in conjunction with the Trans-Canada Highway, the Canadian Government, creating overhead you will naturally have fall down on you when you have no surplus, that is what you are doing. It is plain as the nose on your face that that is what you are doing, unfortunately, and I want to remind the Premier I am not preaching blue ruin but common sense, and I have had some experience in this thing, saw exactly the same thing that is happening now and got in political trouble over it and had to bring in estimates

and cut the stomach out of them. Don't tell me what it is to run into financial difficulties in a Government, but listen to me now when I say you are heading in that direction and in view of the fact that section 29 of the Terms of Union is not worth the paper it is written on, what is our job now? Politically I may say it does not matter a row of beans. I have heard people say a lot about the Liberal Party. I was a Liberal before either one in it, and I look upon this Liberal and Progressive stuff as far as this Province is concerned as a joke, because tomorrow, if it suits me tomorrow and I see where we can get a nickle for the Province I would be a Liberal, same thing applies to the Conservatives, I am here in the interest of the country not as a Liberal or Tory or any other party and that Liberal Party is going to be there for some time. I don't know if they will be down here or not; they are going to send a Royal Commission down here.

Now what should I do? I am between the devil and the deep blue sea. Should I vote for this amendment? Or should I vote against it? Do these terms commit the Canadian Government to accept the terms of that Royal Commission which would be appointed here? If they recommended say ten or twelve million dollars a year, it does not say, as it reads now, that if that commission recommends ten million dollars a year, the Canadian Government would be forced under that term to pay the Province of Newfoundland. I put it to the Attorney General as a lawyer, what would you tell me? I am only an ordinary lay-man and as I read it, it does not. There is nothing in there that commits the Federal Government of Ottawa or the Federal Parliament

to accept the recommendations of the Royal Commission which may or may not come down here.

MR. HIGGINS: It would be debated in parliament.

MR. CASHIN: But does this section commit them and make it mandatory, it does not, does it?

MR. HIGGINS: No, it would be debated in parliament.

MR. CASHIN: That is no good to have it debated in parliament and it is not worth anything to have it debated in parliament. The main sections of the agreement, whether they like it or not, have to be carried out, but in this connection it does not have to be carried out, therefore I am going to vote for that amendment. Because I see the handwriting on the wall, and I am not voting because of politics. I was elected as an Independent, the rest of you were elected subject to some one's orders; but I was elected subject to the orders of the people of Ferryland and they told me to come here Independent and I am staying here until they fire me out. The rules say we have to vote for it one way or the other, for or against, and I can tell you the Canadian Government right now is not committed, and if it were committed and the honourable member for Bonavista South proposed such an amendment I would vote against it, but the Canadian Parliament is not committed. They were committed, for instance, to appoint six senators, they had to do that; to give us seven representatives in parliament. They had to do that, they were committed to do many other things they had to do but they are not committed under that section and they can tell you when you go there, we are sorry, gentlemen, if we

give it to you we would have to give it to the other Provinces; and we can't afford it and neither can they, and that is a laugh.

Now I want to see if I can kill myself politically in Newfoundland. I love to see people get lots of money and we are talking now on the financial position. I love to see our people get all kinds of money but I hate to see money make them lazy. There are people in Newfoundland today that have no more intention of going fishing this summer than I have. Not because they don't think the price of fish is good, or not just because they get no subsidy from the Provincial or Federal Governments. There is going to come a day, Mr. Speaker, in the Liberal Government's time when they are going to kill the goose that laid the golden egg. The recent legislation covering baby bonus is a piece of legislation created to bribe the public. Mr. Speaker, I believe in giving help to people who deserve and need financial assistance, but I don't believe in forcing it on people who don't require it. There will come a day when we won't be able to afford it, a day when the country won't be able to stand further taxation, then there will be only one thing left, to reduce it, but where are we going to reduce. It is as plain as the nose on your face. I may be dead, you may not be here, but I predict that within the next ten years there will be no more baby bonus. Old age pensions are an entirely different thing. I agree with them a hundred percent, but no more baby bonus. It was an immoral piece of legislation at the beginning, immoral because it was devised to bribe the people. However, I am going to vote for that amendment, not for political purposes, because I have not any party but I have a sincere desire

to see Newfoundland on its feet. I believe that if proper steps were taken right now, the Canadian Government would give us that \$12,000,000 a year. I believe that the present administration who are devoting so much time to economic development, devoting so much money to it, have yet to see one outside dollar come into Newfoundland to develop any industry since Confederation, even one dollar. Corner Brook was expanded but it started before Confederation and they nearly went broke, but fortunately paper rose and took them out of the red. But we have heard so much about Dr. Valdmanis and this and that industry. Without Newfoundland money, Mr. Speaker, Doctor Valdmanis could not get to Montreal. The Newfoundland people put up that money. The Newfoundland people paid for that machinery and equipment. Now they come in for concessions, come in after they are built to see if they can get a bargain. In justice to the country, I still call her country, not province. I still call her country not in a nationalistic spirit but because she is my country and your country and not Canada's country; I feel they stole it and I believe it is in the best interest to get down to brass tacks.

Now if the Provincial Government knowing the situation as they do, (I am not preaching blue ruin) but I would back them tomorrow to the last ditch, if they were to appoint another delegation to go to Ottawa. They are in a position to do it, and say to the Canadian Government: Look here, these terms are inadequate; you know it, you were advised that when you made them, now what about it? Then, Mr. Speaker, suppose they turn you down. Cashin is going to try now to break away from union with Canada—I doubt if it could be

done. But put up a fight to give us the money; we are going to need it with our increasing overhead, building Trans-Canada highroads and bridges and everything else on a par with the Maritime Provinces and hoping that section 29 will be implemented by the recommendations of that Royal Commission, when it comes here at the end of eight years. Now if I wanted to play good politics I could do so. I tell you what I could do, I could say nothing, let the Government go its way, let them pass the estimates, say no more. If I were playing politics I would do that because I realize, as an experienced politician, the sooner we let them go on the quicker they are broke. But I am not going to do that. I have no intention of trying it, I would not get away with it if I tried. I feel as a former minister of finance that I know something about the situation, as a matter of fact, I think I know more about it than any man in this House tonight, with one exception. There is one man in Newfoundland tonight to whom I will take my hat off in connection with this, and he is the Premier.

**MR. SMALLWOOD:** Don't be modest.

**MR. CASHIN:** I am not modest, I am frank. Mr. Speaker, I will challenge any of them to sit down and review the situation and I will take any of them up on the financial position of Newfoundland, the best they can shove along here. Canada has no interest in Newfoundland apart from what she can get out of her, and the prestige that Newfoundland gives her, after robbing two million dollars from Newfoundland in 1931. They laugh at that but it is a fact, through their depreciation of their own money and going off the gold standard they

beat Newfoundland out of two million dollars in 1931.

Therefore, in conclusion of these few remarks, Mr. Speaker, with respect to this motion of the honourable member for Bonavista South, I must say that I am not voting for the motion because of any political aspirations or prestige nor anything I can get out of it. I don't care two cents for all of it, but because I feel honestly that something has to be done and done quickly. True, we can carry on for another year and another year and a half, but ultimately the time will come when we won't be able to carry on and that will be before this party retires and it will be interesting for me to walk in here, if I am still in the flesh, and watch those Ottawa characters walk in here and tell you what to do. The Commission of Government came in here in 1933-34 and the Liberal Party at that time, we were here and tried to put up a fight in the House but there was no fight, the thing went through in two days and the legislation was passed that night by a majority. The Liberal Party put up no fight and what did the Commission of Government do? They crucified Newfoundland, every man, woman and child under Commission of Government was crucified, so beware of another. It is alright for the Premier to say there won't be another, how do we know, there was no guarantee in that referendum. I don't want to go into history of that aggregation that sold out Newfoundland. Some of them, like the individual I referred to tonight, are in hell, and I am sorry I am not there to pile the coal on them for crimes committed against our poor people, particularly those in places I know in Ferryland, who destroyed their cows, cattle,

chickens, horses and everything before they could get relief, then built the Memorial for people in this community. Then to hear people advocate the Commission, half her public men our own, crucified the people then brought doctors in to see what was wrong with them.

However, I know the Government are not going to accept the amendment, but I am going to vote for it and I am not talking balderdash but common sense. Concerning the Budget, any Budget, it ought not to be debated at all today but should be deferred until some people get a chance at study it; it is very confusing in some respects, and cannot be digested overnight especially for those who have no experience. We got to take the Auditor General's Report and so on and check it all up. I can tell you it will take a week if it is to be done properly. It kind of surprised me today when the honourable the Premier brought in the motion and I had not made up my mind what I was going to say; but I got into the discussion on the amendment and I feel I have to vote for it whether I like to or not. But if I were playing politics, I would say let these people work it out among themselves, it is none of my affair but I am not taking that position. The Premier wondered this afternoon what I thought of them all, if he wants to know what I think of them, then I am going to tell him right here and now and I would think a great deal more of them if they could co-operate more, not play politics one side and the other while discussing this financial position. I am entirely without political affiliations one way or the other, not wondering how many votes this is going to get me or who is for it. There is not a man here who

opposed Confederation as hard as I did and got a kick in the face for doing it, but I knew what was going to happen, at least I knew that you could not get along on these subsidies. As a matter of fact I have proven it so, some members in here remember the black and grey book and gave us I think for the first three years, three and a half million dollars when the delegation first went, then when they came back the next time it was six and a half; they figured, Mr. Speaker, they were dealing with real political babes, the whole lot of them, this delegation, political babes in most respects and traitors most of them. Mind you I am not accusing the Premier of being a traitor. He was honest, he could not be otherwise from the way he talked. I can always tell when a man is speaking whether he means it or not; and I will say this: Joey Smallwood meant it, but when it came to getting down to closing the deal with a crowd up there, he and the others identified with him were like babes in the woods. Consequently we need \$12,000,000 a year, and I believe before this thing closes, I am going to make another motion that he appoint another delegation to go to Ottawa to demand better and more reasonable terms, because he realizes and the House realizes, right down the line, that what I say is correct; that in another year and a half or two years at the longest you won't have a dollar. That is why I advocated the selling of the Birch and Gypsum plant and Cement plant and everything else, so that the money can carry you along for a little while. So in closing, Mr. Speaker, I regret exceedingly, to use an old political phrase of a leader of mine in the old political days gone by; I regret ex-

ceedingly that I had to take issue so independently and so strongly on a matter like this because I feel that if I did not say a few short sentences, and I have said a few in connection with this, that I would be put down as neglecting my duty. I can hear them say; that fellow Cashin during the convention time and the referendum and the election said all this and now the opportunity comes to say it in the House, to voice his viewpoint and he said nothing. What did we send him there for anyhow? And I feel that I had to say it knowing only too well the financial position. I probably would not have said a word but it is the financial position that interests me; and I am going to vote for that amendment because I believe that a delegation should be appointed immediately, as this House knows, and sent to Ottawa.

MR. SMALLWOOD: That would be another amendment.

MR. CASHIN: No I am not in here to hold up the House too long.

MR. FAHEY: If the amendment carried and a Royal Commission were appointed, would it be worth the paper it was written on?

MR. CASHIN: I don't know. Why send a Royal Commission down here why not go up and,—you have just put it in my mind now to move an amendment.

MR. SMALLWOOD: Why vote for a Royal Commission if it is not worth the paper it is written on?

MR. CASHIN: I will say the Royal Commission would not be worth the paper it was written on—but the paper is not written on.

MR. HIGGINS: I move we keep better order, I am going out.

MR. CASHIN: I am awfully sorry, Mr. Speaker, I had nothing to do with it.

MR. SPEAKER: I did not get the point of objection.

MR. CASHIN: Because we were all breaking the rules.

MR. SPEAKER: On the contrary, you were not, the honourable and gallant member has the floor and if he cares to admit an interruption it is not the business of the Chair, it is entirely up to him.

MR. CASHIN: I never object to things like that. Now I am coming to the jocular side, I invite it. If I get any pleasure coming into this House, apart from any job I might do, it is that I enjoy the repartee across the floor. I do not want to come to a wake but I do expect to attend one in about a year.

MR. COURAGE: You came to awaken.

MR. CASHIN: I came to bring some enlightenment to some of you fellows over there. I am not interested in the Opposition, they are not interested in me, I have nothing to do with them. However, I am going to vote with them on that amendment, just to see what a Royal Commission would get, and I predict a kick in the face.

MR. SPEAKER: Before the honourable member continues, I wish to say in justification that I object strongly to the aspersions of the honourable Leader of the Opposition to reflect on the ability of the Chair.

MR. FOGWILL: Mr. Speaker, as seconder of this motion—

MR. HIGGINS: Mr. Speaker, I am sorry I did not hear what you said.

MR. SPEAKER: I said I objected strongly to the remarks you made.

MR. FOGWILL: Mr. Speaker, as the seconder of that amendment of the member for Bonavista South I do not intend to take up much time of the Assembly, but I must take time, however, to congratulate the Premier for his very able speech this afternoon, but there are a few points when he came to talk about the surplus and how proud and delighted and happy he was and the Liberals were to show a surplus for this fiscal year. Now it is very easy to show a surplus like this, particularly in Newfoundland, where there are so many things to be done; there are school-rooms in Newfoundland with no pupils, because they have no teachers, and pupils in other places that have no school room and still the Government shows a surplus. There are five thousand people registered with the Unemployment Office with no work and you show a surplus. I am not interested in this amendment though I seconded it, until the honourable Minister pointed out how idiotic, how silly and how childish it was to entertain such an amendment, at this time, and that caused me to reflect and think it should be done now. I am not one to preach blue ruin anymore than anyone else, but the members of the Cabinet and Private members opposite me see the handwriting on the wall, just as well as thousands of Newfoundlanders must see it too.

Since the time of Union our Provincial Government has made an agreement with the Federal Government to build a Trans-Canada Highway, which will cost the Newfoundland Government probably in the vicinity of \$23,000,000; but we have not the money to pay for it.

Now I am going to, perhaps, say something that may be dirty. I am going to show you where you got some of your surplus and I am not going to take very long to do it either, \$700,000 of surplus through the Department of Welfare. Now in 1949-50, Mr. Speaker, we had a lot of unemployment in Newfoundland. We had eight thousand people, 8,370 people roughly, employed at Public Works and the Administration, the Government paid them 55c. an hour for three days a week and they worked three days free. The cost of the work to the Government in that fiscal year was \$1,275,353 which should have been twice as much. It should have been a half million more at least, if you had played fair with the people of this Island who are still hungry and looking for jobs, and that is where you got the surplus. It has been my experience in the last couple of months: there has not been one or two or a dozen or fifty, they have come to me in two hundreds all through the month, yes, and all through the winter seeking employment. They can't get it and had to live on dole and very poor dole at that. All through the days and weeks and months of this past winter, during the past year when you had this surplus which you are so happy and delighted about, they ate their bread and molasses and rolled oats or oatmeal and perhaps were glad enough to get it. No, don't boast of your surplus, not to me or any right Newfoundlander. Don't boast of that surplus when there is so much to be done. And then to get up and say this motion is trash and nonsense, utterly pointless and foolish and give a very nice explanation for it. I am not going to say very much about it, I feel this thing too deeply, feel too disturbed



about it and too big around the middle. Mr. Abbott wants a lot of money this year, wants \$3,700,000,000 and he will get his share of it out of us people, out of the fishermen, out of the loggers and out of the various tradesmen, out of the toiling masses in Newfoundland, just as well as out of the toiling masses in Canada. When we see the amount we are going to collect from sales tax this year, six million dollars, what do you think? Then the Premier gets up and tells this House and this country this is a brainless resolution. I never heard such trash and nonsense in all my life as the Premier uttered this afternoon. It is no trouble, Mr. Speaker, to produce a surplus when it is produced through the suffering of the people.

MR. JANES: Mr. Speaker, I listened this afternoon, with considerable interest to the honourable member for Bonavista South. I am speaking now to the amendment and not to the Budget. I listened to his resolutions on the amendments and his main points were (1) The Terms of Union were inadequate (2) The Government were not making a good job of what they have at hand and that was the reason actually for his resignation from the Cabinet and (3) that he saw in the Terms of Union an escape under Term 29. The third point was the reason for his amendment to the Budget Speech.

Now, Sir, I am not going to support the amendment to the Budget Speech. I think it to be as much trash as the honourable Premier does. The honourable member for Bonavista South admits openly that he does not think the services of this Province are up to the standard of the Maritime Provinces. He deplores, in fact, that the Government have a surplus ac-

cumulated and says that we do not need a Department of Fisheries and yet argues we should supply, this Provincial Government should supply, a subsidy to the fishery. Now, Sir, either one or the other is a contradiction of the facts. Does he expect this Government, this Provincial Government of Newfoundland, to provide a subsidy for the fisheries and yet not have a Department of Fisheries?

MR. RUSSELL: No he does not expect it and did not say it.

MR. JANES: Who is to pay, the Provincial Government or the Federal Government at Ottawa? Who is to determine that matter? It is a different matter altogether from P.E.I., potatoes as the former Minister of Natural Resources very well knows. You know in the Maritimes of Canada their farms are 28 acres, what is it in Newfoundland? No, you won't answer. I can tell you.

MR. SPEAKER: I must uphold the point that the honourable gentleman must address the Chair.

MR. JANES: The answer, Mr. Speaker, to all economic problems in Newfoundland is to go down in Red Cove and build a breakwater. It must be Red Cove. Why not get the people out and put them in Catalina or Bonavista? He deplores the fact that this Government should spend money on Economic Development, birch plants, fish plants but now we are to go to Red Cove and build a breakwater, that is the answer to all our economic problems in Newfoundland. It is the answer, Mr. Speaker, to which I have listened so long, gathered around the kitchen stove and listened to the homespun philosophy of the honourable member for Bonavista South. It is nice, it is a

nice thing to encourage but, for myself, as I see it, I have gone through the mill and know what it is about and it is not the answer to Newfoundland's economic and social problems. Suppose the Government took their whole surplus and spent it on breakwaters. Suppose the Government took their whole surplus and spent it on roads. What have we got left after that surplus has been spent, what does it represent? In terms of capital that is going to bring in to our people a livelihood, it represents nothing. I could mention a hundred and fifty, two hundred communities in Newfoundland that want public wharves, breakwaters, but after they are built what then—what then? Is that going to mean more fish being caught and plants erected to process that fish? It is not, does not mean anything of the sort and if any man in this House were expected to stand up and make a statement of that sort, it is the honourable member for Bonavista South.

Look, Sir, I don't know—we have been friends for so long. When I was in Italy during the last war and when the war was over and I sat down and said to myself, "Janes, what are you going to do when you get back?" There was someone there who said to me: "There is a fellow I know whom you would probably like." In the meantime, I spent a couple of years in England and had come to respect and like the Co-operative movement in Newfoundland; and when he said: "Look, do you know Ted Russell?" I said "No." Then he said: "Why don't you write to him," and I did. I had seen what fascism had meant, I had seen it in operation. I had seen the organization in Italy because the people, the peasants, the good people

who till the land very badly beaten down. I did not like it. I had seen the French go into Africa and exploit what there was of it and set themselves up as landlords and I did not like it. And I said there must be some answer, some way out of this thing; and in the meantime I heard of a study club a few miles from a community where I had taught school. Well, I wrote Ted Russell. And for a few years beyond that point we became very fast friends. I liked his thinking up to a point—up to a point. Mr. Speaker, when I travelled Bonavista North in a Government capacity and compiled the lobster statistics of Bonavista North and South, when I knew what lobsters were caught in Bonavista Bay and was making contacts with a lobster company in the United States. I had calculated the lobster people knew more about it than I did, about the cost of getting lobsters out of Bonavista Bay. I knew the cost of practically every cannery in Bonavista Bay, I knew what lobster was left. I knew of a firm who had supplied the fishermen with lobster traps. I had this thing all arranged and then the honourable member for Bonavista South, for exactly the same reason he left the Cabinet, came on the radio and told Bonavista North they could not get more than 20c. a pound for lobster and ruined every hope I had for getting co-operative sales. I walked that time, I walked to Gambo, I rode to Hare Bay and got aboard an open boat and got out to Fair Island to the first lobster pool; when Mr. Russell came on the radio and he said we could not get more than 20c., and we could get 26c. or 27c. And he comes up here today and holds forth that this Province is insolvent on exactly the same basis that he insisted we could not get more

than 20c. a pound for lobster in Bonavista Bay. He did not know, had not taken the same trouble to find out whether this province is insolvent or even solvent.

MR. RUSSELL: That should be proved.

MR. JANES: You take exactly the same view, do you not?

MR. RUSSELL: I have lived a good many years and if the honourable member reviews all my past history—

MR. JANES: I am sorry, I have the floor.

MR. SPEAKER: I said just now, it is difficult to decide relevancy on such a question.

MR. JANES: I am very sorry, Mr. Speaker, what I am trying to do is to show that the person who made this amendment is the most impractical person in the Province of Newfoundland. And I like him, I like him, he has done more for me probably than any other person in Newfoundland can possibly do, yet I can't vote for it. It is so full of contradictions. He would take the surplus and go down and make breast-works, take the surplus and use it as a subsidy for the fisheries.

MR. RUSSELL: Mr. Speaker, to a point of information, I said the people in certain fishing areas and in my district and there must be others in other districts, who wanted from the Federal Government assistance for marine works and could not get it from the Federal Government. There was not a suggestion that Provincial money be spent.

MR. JANES: He admits if subsidies are to be made to the fisheries it is a Federal, not a Provincial, mat-

ter, therefore he does not have to use up the surplus for Federal subsidies on the fisheries.

But before all that, while he states, in his address to this House today, that we have unemployment, we have inadequate education and public services, he argues that the Government should go ahead and spend the surplus to remedy matters to give us greater public services and better public services, by a subsidy on the fishery. This may be the ruination of Janes, I am not worried very much about the 60c. on Beaver tobacco. You know that is an important point of appeal to the fishermen of Newfoundland, and I will repeat that, 60c. on tobacco appeals to the fishermen of Newfoundland. But is 60c. Beaver tobacco as important as the fisheries of Newfoundland, is it as important as the factories which are being established today or is it not? I have heard the honourable member for Bonavista South talking about people standing on their own bottoms—well the bottom of their own boat. I am talking about a boat, I am talking good Fogo language. When people stand on their own bottoms we always talk about the bottom of a boat, not on their own feet. Then that can only mean we are prepared to pay our share and to pay our own way. Maybe 60c. on Beaver tobacco may be paying the old age pension, I would not doubt it, but could it also mean \$7 a quintal for Labrador fish brought back from Labrador last year. Does it mean that when we are one year in Confederation we are probably paying our price for Confederation? The terms are inadequate, says the honourable member, well maybe they are. I am not a financial authority, I do not pretend to

be a financial authority but I will read a balance sheet with any man in this Chamber. If the financial position of this Province is what we expect or hope for in the next few years; then it is probably not good that we should be paying 60c. for Beaver tobacco. But more important that our fishermen who went to Labrador last year are paid for their fish.

As far as duplication of services that this Province might undertake and the Federal Government might undertake, we have to remember this rather serious fact, that the Federal Government is a mother with ten children.

MR. FOGWILL: Nine children and one step-child.

MR. JANES: I only have two and I know the bigger fellow can take care of himself better than the little fellow but it is not impossible that one must wait until the month of June while the other gets a spring coat. So it is with the duplication of services. It is not impossible, Mr. Speaker, that duplication of services have been activated by this Province which should have been maintained by the Federal Government. But had the Provincial Government not inaugurated these services, then the Federal Government never would have inaugurated the services which they have started in the Province of Newfoundland.

Now, Mr. Speaker, the honourable member for St. John's East talked about the schools with no teachers. I could tell him very well why the schools of Newfoundland have no teachers. The answer is this, I told this House once before that if a teacher has to spend his lifetime in some small cove and on a salary of a

third grade teacher; he will not stay there and it is therefore the obligation of this Province to replace this teacher as he moves out. The teacher who replaces him is not the teacher with university grade or an associate grade; it is the teacher who has no grade, that is the teacher replacement and the Government and the honourable the Premier will disagree with me and say we have a system here we can't change. That is all very well, I am inclined to agree with him. But you will not convince me, nor could all the Prime Ministers Newfoundland ever had convince me, because the position is this, Sir, that the one-room school, which attracts the third grade teacher, will never hold that teacher nor will there be any inspiration to the teacher in that school to go any further. He gets fed up and it takes a lot of guts to go on further. When you produce something in this Province which is attractive to teachers, you will have plenty of teachers, but for God's sake don't ask the teachers who graduate from Memorial University today to go into one-room schools and spend their life there. They will not do it, they belong to 1951 not to 1930 nor 1936. They belong to a world that has just fought a world war and probably facing another war, and they have had a lot of broadening out and are not going to do it. That is the answer to the junior member for St. John's East. If he wants teachers, produce the atmosphere in Newfoundland where that young teacher can spend a year at Memorial, and then go out and work in an environment where there is not only the job to do but the environment where the intellectual improvement of that individual goes on, and where he can move on from there to teach-

ing in a three-room school as principal. But if you think you are going to fill the one-room schools in Newfoundland with third grade or ungraded teachers, you are always going to be short of teachers.

MR. FOGWILL: It is no trouble to get teachers, the answer is simple; pay the wages. What are the wages? The lowest in the country.

MR. JANES: The lowest in Canada, but what is the alternative to becoming a teacher? You don't answer that but I will tell you: the clerks on Water Street, the best you have down there are getting about \$37.00 a week. What is the alternative to being a teacher, if I had a certain paper here now I could quote it, but I haven't got it handy.

MR. FOGWILL: Go out and get it, we will wait for you.

MR. JANES: I know. I was a teacher in a school room where I had fifty pupils and a teacher across the way with two grades higher had ten. I can go all around my district in Fogo and give you the same thing, and I think every other member could do the same thing. I am all for amalgamated schools. Schools which will give the children of Newfoundland a decent education. I am not talking about schools where you have all the people of the same denomination. I am a believer in undenominational education.

MR. FOGWILL: That is very interesting.

MR. JANES: But I do not believe in two or three one-room schools in one community. And the only argument I have heard for denominational schools is that the Province is divided by denominations.

MR. SPEAKER: I really do think you are being irrelevant. I do not see what the educational school system has to do with the amendment.

MR. FOGWILL: He fascinates me.

MR. JANES: Says the honourable member for St. John's East. He can't see how we can have a surplus when there are people in Newfoundland who are unemployed. It is ironic he says—when seven hundred thousand dollars was spent by the Department of Public Welfare for unemployment. Mr. Speaker, by whose standards, by whose standards (I repeat that deliberately) are the people of Newfoundland unemployed? What standard of wages do they get? Let me tell you this fact that in the district of Fogo, prior to 1950, the highest wages paid in that district was 35c. per hour, and that wage was paid by the only registered and incorporated society in the district, and that district is populated by ten thousand people of Newfoundland.

MR. FOGWILL: Who paid the wages there?

MR. JANES: Not the merchants, they did not pay it. I will go further and tell you that on a construction job in Fogo last year the highest wages paid was 45c. an hour. Now, Mr. Speaker, my district is a fishing community and I do not at this time want to go into the economics of the fishery, because if I do I am going to say some things you might not like to hear. Because I know enough, have enough information in this pocket here. What was the average price paid for Maderia last year? The merchants tell you they will pay 30c. an hour for labour, they will pay this for West India and this for tomcods. That is the stuff you get going on, 30c.

an hour and fish prices as low as possible.

MR. FOGWILL: The bad merchants are not all on Water Street.

MR. JANES: No, but they are very closely connected with them. They are on Water Street too, they are all over Water Street, I don't have to name them. That is the stuff you asked for, that is the stuff you want. The Fishery Department is not necessary—if you go out and subsidize fish. The Department of Labour is not necessary, yet they pay 30c. an hour for labour. If there were any brains and any knowledge ever produced in this House, Mr. Speaker, it comes from the member for Bonavista South and the junior member for St. John's East. We can have no schools without teachers; no, and we are not going to have them, because no teacher will go out and spend ten months for \$40 a month and yet there are jobs in one-room schools worth \$60 a month. Will the teacher get more than \$60 in any office on Water Street. After all, the Government is not the center of wages, the Government at best can only be an arbitrator.

If the homes for delinquents are not necessary and the homes for the aged are not necessary—I did not say it, you just said it, I am only repeating the honourable member for Bonavista South.

MR. RUSSELL: I object, if the honourable member is going to criticize me, let him read Hansard and criticize what I did say; I cannot let that statement go out to the press.

MR. SPEAKER: Order.

The honourable member for Bonavista South has objected to a misquoted remark, now I am not sure but I have no recollection of the

honourable member making this statement. The honourable member is quite within his rights.

MR. JANES: I accept the statement of the honourable member for Bonavista South.

MR. SPEAKER: Will the honourable member in future, please address the Chair.

MR. SMALLWOOD: In all fairness—

MR. SPEAKER: The honourable member for Fogo interrupted the honourable member for Bonavista South making a point of order.

MR. JANES: Whether he said it or not he inferred—that probably 18 girls or whatever member might be in the home for delinquent girls and a similar number in the home for the aged were insignificant. He probably did not mean that the Government should not maintain these homes.

MR. RUSSELL: I inferred nothing of the sort. I was expressing my sympathy with the honourable Minister of Public Welfare, who has enormous problems and can only pick at them because he can't afford to take the problem as a whole as he would like to do.

MR. SPEAKER: That is precisely my recollection of what the honourable member for Bonavista South said: That the honourable Minister for Public Welfare could only touch the fringe of the problem.

MR. RUSSELL: I really must repeat that the statement of the honourable member for Fogo going out of this House is political murder for me.

MR. JANES: It is all so much, Mr. Speaker.

MR. SPEAKER: You can not interrupt the Chair. The honourable

member for Bonavista South is making a point of order. It has been clearly stated he has been misquoted.

MR. JANES: It is also political murder for the honourable member for Bonavista South to infer that fishermen, who pay 60c. for Beaver tobacco are paying the national debt of Canada today.

The fact that we might have fifteen girls or twenty old age pensioners or thirty or forty, I don't know what number are in the home for the aged and infirm but it is a beginning at least, it is a start. If we were to listen to the honourable member for Bonavista South we would all sit back here producing committees, some might be desirable and some not. We would subsidize the fisheries, and mind you it would not take long to spend forty million dollars on subsidizing the fisheries of Newfoundland; and after that what then, what would the fishermen live on then when there were no plants, no markets, after being subsidized for their salt cod? Now I am not against the subsidies if they can be obtained.

MR. RUSSELL: Mr. Speaker, I must object again. The honourable member is repeating a point I cleared up long ago, giving the impression I am recommending a provincial subsidy on fish and I did not.

MR. JANES: The honourable member, Mr. Speaker, included that excuse in his amendment to the motion.

MR. SPEAKER: If the honourable member would permit me I think we should have a recess after which he may again have the floor.

Recess for five minutes.

MR. JANES: Mr. Speaker, the point I was making was not only du-

plication of services but wages paid in the fishing industry. I am not going to take up very much more time.

MR. SPEAKER: You have 19 minutes.

MR. JANES: But I do want to say this, that the last days of 1935 have disappeared in the district of Fogo and that we shall not be content or be satisfied with that wage rate. We are not going to be content with what is going on with the merchants on Water Street and in NAFEL, with 35c. per hour for the labour on fish. The honourable the Prime Minister spoke of \$150,000 or more being distributed in the industries of Newfoundland. I do not know what that includes, but I am rather inclined to think the figure does not include what might be forthcoming to the fisheries of this Province. Last year, Sir, we had a situation in Fogo District which brought to our labour an amount per hour which was absolutely inadequate. The people themselves have endured four hundred and fifty years, if Fogo has been settled that long, I don't know if it has or has not. But this wage was disgraceful to the people of Fogo District. We were able to raise that wage. In this day, with profits made by NAFEL, the Newfoundland Associated Fish Exporting Association Limited and the people, who export fish from Fogo Island, the people of Fogo Island should not work for 35c. per hour or less. I would say there is one firm and one only which is a co-operative organization which pays 45c. per hour. To think that they or any other firm are going to be able to face the fishing season of 1951 and pay that wage is utterly ridiculous.

Now, Sir, what is the intention of

the Government in the year 1951? What has been proven by subsequent events that this government should end the fiscal year with a surplus and pay wages of 25c. and 35c. an hour through causing the contractors, who were involved, to pay more. It is unthinkable that we should face 1951 with that wage in effect. Some people can blame us for not having unions, for not having this organization and that, but Mr. Speaker, it is idiotic to talk of people dying for political liberty. May I for his enlightenment say, it is a matter of historical fact, that the people who have died in wars and will die in the wars to come, did not die for political liberty. This generation at least is under no illusion whatever about the cause of war, not under any illusion as to why people should die even after being conscripted or as volunteers. There are many of the free nations of the world, at this time, Mr. Speaker, but I am not going to elaborate on that; some day or other in this House somebody or other might challenge me or induce me to elaborate and then I shall. But as far as I am concerned, there is only one cause of war and that cause is economic, it is not political and no man who ever bore a rifle ever felt that the cause was political. The cause was economic, if there was a cause. We should not, Mr. Speaker, this House should not, and this Dominion should not, impose upon the memoried dead. I repeat it is a historic fact that in all wars where people died for any freedom it was economic freedom, and I do not think this House or any other House should confuse economic freedom with political freedom; the two are as far apart as the Poles.

I am going to vote against this amendment to the budget speech, Sir.

I will vote against it for the same reason the honourable member for Bonavista South proposed it—the Terms of Union, he says, are inadequate. I maintain the Terms of Union are adequate, in as far as the people who constructed the Terms of Union were capable of seeing, and I challenge any member of this House or this Province or this Dominion to look ahead for a period longer than eight years. He is not capable of doing it. I vote against the amendment because I believe that the Government of this Province today are making the best job of what they have. The honourable member for Bonavista South says they are not making the best job of what they have. I believe they are. I believe that the plans instituted by the government, and the Department of Economic Development are utilizing the resources of this country in a way which may be beneficial to the people in the future, in spite of the situation at Fogo. They can defeat me in the next election, if they like, but I say it is better, the program which is being followed by the Government, the program of economic development is better than going down to Musgrave Harbour and setting up breakwaters. Musgrave Harbour may not be there in twenty years, who knows? I don't know. Should they fish from Cape Freels or from Carmanville and Wesleyville? I don't know, economic factors alone can determine that. No member in this House is capable of determining that—of determining whether people should remove from Fair Island in to Gaumbo. There is no man in this House capable of determining whether the people of Change Islands should move into Lewisporte. He has not sufficient economic knowledge to do it; all he is doing is in the nature of



a guess. I am willing, Mr. Speaker, to let the economic forces and economic laws operate. And let the people decide where they themselves can earn a better living but for the time being let the Government go ahead with its economic program. Let us establish the Birch Plant, the Cement Mill and the Gypsum Plant, if they are for the overall benefit of Newfoundland.

MR. SPEAKER: Order. The honourable member is not permitted to use that speech in the House.

MR. JANES: I don't know whether anybody will be living on Greenspond a hundred years from now; if the people can move to more adaptable communities which will give them services more useful, they can move there with my blessing and they can fish, Mr. Speaker, from the Funks to the Grand Banks.

MR. SPEAKER: I would like to say that five minutes were taken out in recess. Under the rules at 11:00 we adjourn the House, unless the honourable the leader of the House has any announcement to make.

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

The debate then adjourned until tomorrow.

MR. SMALLWOOD: Mr. Speaker, in view of the lateness of the hour, I move all remaining orders be deferred, and that the House at its rising do now adjourn until tomorrow at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 11, 1951.

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

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motion and Questions

HON. LESLIE R. CURTIS (Attorney General): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act further to Amend Chapter 137 of the Consolidated Statutes, (Third Series) entitled of Companies."

MR. CASHIN: I wonder if the honourable the Premier has the answer to my question?

HON. J. R. SMALLWOOD (Prime Minister): I have no answers. I remember one of the questions respecting salaries and expenses of the Department of Economic Development. I do not remember what the other was about. I have no answers, in fact, none have been handed to me yet. My honourable friend knows the procedure, the Order Paper goes to all departments to see that answers are prepared and sent to the Minister concerned. I have seen these questions on the Order Paper each day and I am merely waiting receipt of the answers to them. I know the travelling expenses of the Director of Economic Development and his staff ought not to take long to compile, our accounting is done by Mr. Quigley of the Department of Provincial Affairs, whether he is doing this or not, I frankly don't know; it may be in the Department of Finance.

MR. CASHIN: I also want to draw the attention of the Finance Minister and the Minister of Fisheries and Cooperatives to 103. These loans were handed out by the various loan boards,

who are supposed to report on them, and they should be made give a statement now as to what money they have advanced to people and give them to the Minister concerned and not wait until the end of May. We want to have them now when discussing the budget.

MR. SMALLWOOD: One only reports to me, the other two report to the Minister of Fisheries and Co-operatives, consequently I am going to ask him if he would contact the Chairman and get these answers and perhaps he will take it off my hands.

Committee of the Whole on Supply:  
Adjourned debate on the amendment:

MR. FAHEY: Mr. Speaker, I rise to support the amendment and I may say at this time that I am not going to juggle figures around like a magician, but I want to make a few points as to why I support the amendment.

In the first place, Mr. Speaker, in my opinion I think that we are trying to get too high a level in social security, not in so far as the people are concerned but in so far as the Provincial Government is concerned. I doubt if we have the reserve of taxation to match our costs against the central or Federal Government; and I feel we can't afford it unless there are some other areas of taxation and those fields seem to have been cleaned up through Federal taxation. We are in a little different position than some of the Prairie Provinces, put it that way, due to the fact that they have been subsidized for probably the last thirty or forty years by the Federal Government and they are built up to such a position, while we are only new as a Province of Canada. We have not the same resources as some of those Provinces have and therefore

I feel that this Provincial Government is taking quite a bit on, more than the Government can afford. But, as I have already said, I would certainly support social security in the interest of the people.

One member said, "Give us another two or three years until we level off our social security with the other Provinces and then ask for such a Commission." I take it that at the rate we are going now you won't be in any position to ask for a Commission. It was stated here yesterday that we only have fourteen millions left in the surplus. A year from now, I doubt that there will be very much of that because of the fact that it is already earmarked. Last year, according to the Minister of Public Works there was something in the vicinity of eighteen millions for the Trans-Canada highway, and will be twenty-three millions, so that the fourteen millions we are supposed to have a year from now is already spent in that time. Perhaps that Trans-Canada highway may spread over six or seven years; and perhaps the present government or some other government, when it comes to finishing off those roads, will have to borrow money from the Federal Government, or in other words, we are spending the same money over two or three times.

MR. SMALLWOOD: Can you tell me of any Government in the whole world, except Newfoundland, who built new roads out of current account and does not borrow money to do it?

MR. FAHEY: Referring to the question asked, I was not referring to current and capital account, I was referring to spending the same money over again. It is like a woman in the depression whose husband earned \$20, and money was pretty scarce, but from

that same \$20 she was going to buy five times that. So it is with the Government—you are expending in three or four different ways the same money. Now sometime you are going to get to the end of that and for that reason I support the amendment.

It has been stated here that the Government does not actually spend all this money but backs different corporations through the banks or in other words floats money to start fresh fish plants. I am in accord with that. I realize the sands have run out as far as the salt fish markets are concerned but if the Government backs a note the same as an individual, and goes security for money not paid off by a corporation who borrows, the Government must find the money in the final analysis. It has its securities but if it is not paid off the Government must pay.

Mr. Speaker, in reference to the fourteen million left, that reminds me that a year or so ago we were supposed to have in the vicinity of forty-one millions, now we have to put the one before the four, which reminds me of a story of a school inspector, who went into a kindergarten class and gave a little test saying, "Will some pupil give me a number?" and one little fellow said, "29" so he wrote down 92 to find out how smart the pupils were. "Now give me another." It was 16 and he put down 61. One little fellow in the first row said, "77, and can that bluffing." It is now the one before the four, fourteen millions left and two years ago it was forty-one millions, but we still don't have that fourteen millions; as I already made the point it is practically spent somewhere else, and it will be a headache finding the same money to spend two or three times, and I say it is

time that we had a Royal Commission and so I support the motion.

Now reference was made to the depression days and I remember one time I happened to be on the train going up from Sydney to Montreal, and at Truro the honourable and gallant member for Ferryland, then Finance Minister, came up on that train from Halifax also the late Honourable Sir Richard Squires, then Premier, going to the money banks of the world in 1930, the depression days, looking for a loan and I should say the money haunts of the world, and what happened. They were told to go home and clean house and cut everything to the bone before they could borrow any money, and then, I think, finally they only got enough to pay the interest on the loan we had. Now I don't want that same thing to occur again and I hope the honourable members all take that into consideration. Don't let us make that same mistake as in the thirties; and if we can avoid that by having a Royal Commission at the present time, I feel it is the best thing and that is why I support the motion.

In the past, Mr. Speaker, a lot of people supported the Government that they voted for, right or wrong and we would hear the cry; they are no worse than the last bunch. Now when we refer to extravagance on this side of the House, we are told it would be much worse if we had Responsible Government. I don't care, Responsible or Provincial or otherwise, from this side of the House or the opposite side, it is our duty to criticize them for extravagance; and for that reason many times when we get on our feet to do what we feel is right if the mem-

bers on that side feel they should not be criticized, they should not be in politics. We have to take it over here when we are told that we remind them of people chewing tobacco in a forecandle.

Another point made here by the honourable and gallant member for Ferryland that we have a national party neither Liberal nor PC, and that he favoured such a national party. I might inform the House that in 1946 I happened to be elected as Chairman of a national party in Corner Brook, and we had it in our minds then that we needed a national party. It has not just now come to life. I am speaking now because of the fact it was Labour Day, five years ago, and now only a couple of days ago I heard in this House remarks passed that must be gratifying to some members to see this great labour legislation going through; and it struck me as to why the Minister of Labour in that position, or with some other member, should not be there. Some of these members only came into the labour movement after that date in 1946; and a couple of years later we get the story there has been nothing done in the interest of labour until performed by certain members of this House. I would like to say, Mr. Speaker, the ruin we are heading for is not blue ruin brought around because of the Commission of Government.

HON. C. H. BALLAM (Minister of Labour): Do I understand from the honourable member that he is inferring that I only got mixed up with labour after 1946.

MR. FAHEY: No, Mr. Speaker, to make the point clear, it should be gratifying to some other members of this House to see labour legislation going through. What is the Minister

of Labour doing with all that experience of men we hear so much about?

MR. BALLAM: You are trying to pay me a little tribute.

MR. FAHEY: I generally give credit where credit is due.

When the Commission of Government came to this country because we could not longer carry on without money; through the effect of the war, this country prospered. But there was a space of fifteen years in between and we did not legislate in the labour movement. We could not lobby politicians to get labour laws passed and if we went to the Commission they told us no, they did not have to depend on labour or the toiling masses to elect them. Consequently we had no social security measures passed for fifteen years, no labour legislation passed but at the same time we were only paying \$20 a quarter to people over the age of seventy, and could afford to give away money free of interest. And they did something about health. Then, when the time came around, people were offered Confederation and like a man drowning grabbed after a chip. That is the picture as I see it and I lay the whole blame on the Commission of Government, but I think right now people are more cautious, and wise enough to know we must pay for social security through taxation, 60c. for Beaver and 45c. for cigarettes, it has to be paid for. You don't get money for nothing in this world. And I think they realize that already, although they may be told there won't be any property taxes by the Provincial or Federal Government. But that will be done in another way. We have to keep up services through a system of

town councils or county councils or otherwise. Now I don't want any member to think I have anything in the world against social security. I don't think for one moment that family allowance is immoral. How can you take a tradesman and a fisherman and pay them the same rate of pay for work they perform? You cannot. If you got to do carpenter work the man with a family earns \$50 and the man without a family earns \$50, both are doing the same work and must receive the same rate of pay. There is only one way to adjust that to take care of the man with the family and that is through social security. And I don't think for one moment it is immoral. We have fought for it since 1920 in the labour movement. Some members may get the impression I am opposed to social security, but I am not in the least; but I say in order to have it we must tax those who can afford to pay in order to help those who cannot afford to bring up the larger families.

Now I have already said the Federal Government subsidized the farmers of the Prairie Provinces. And I have a suggestion to make and that is this: That if the Central or Federal Government could afford to subsidize the farmers of the prairies they should and can subsidize the Newfoundland fisheries. There is one or two ways to get over that: perhaps the same amendment we are dealing with now, a Royal Commission may bring that about, may recommend subsidies to the Newfoundland fisheries or they may not. I would like to make a suggestion and it is this; perhaps the Federal Government does not see eye to eye with our local Newfoundland Government, I said perhaps. If that should be the case, if they can't get the same subsidies as the

Prairie Provinces got last year, \$65,000,000 for wheat and they will get and will continue to get it again, why not a guarantee on the price for fish so that we may know where we are heading when the fisheries start the season? I say if the Local Government cannot get it across to the Federal Government let us adjourn the House and let us all go up to Ottawa, Liberals, Independents and PC, let us all go up to Ottawa and see what we can do, and find out once and for all. It won't cost \$20,000,000 and we could find out once and for all what we can do for the fishermen of Newfoundland.

HON. P. S. FORSEY (Minister of Supply): The issue brought to the attention of this House by the amendment of the honourable member for Bonavista South is clear cut. The amendment seeks to appoint a Royal Commission forthwith to recommend additional financial assistance predicated on a certain standard of public services which we presently enjoy. In effect, the amendment says that our present standard of public services, schools, hospitals, delinquent homes, and homes for the aged and infirm are good enough for Newfoundland and that additional financial assistance should be sought now, to maintain that inadequate standard. The amendment should go down in history as the amendment of austerity, deprivation and misery. The amendment is a cloaked insult to the people of Newfoundland. No member can insult the people of my district with impunity. I shall vote against the amendment because I know that the public services of the district of Burin are inadequate and below a normal standard of human decency. Furthermore, in eight years time I believe that improvements

made during the intervening period will raise the standard of public services in the Burin Peninsula to something approximating a standard of human decency, and then I shall vote to have a Royal Commission recommend additional financial assistance to maintain that improved standard of public services, which we shall have then acquired.

The honourable member for Bonavista South starts off his speech by saying that the honourable Minister of Public Welfare is only picking at his problem because of insufficient funds. He ends his speech with an amendment which says, in effect, that the honourable Minister has solved all the problems of welfare to the point, where our future financial course should be charted on the present standards the Department of Public Welfare has attained.

The honourable member for St. John's East enumerated our deficiencies and shortcomings, provincially, as falling far short of normal decent standards and then seconds an amendment which says, in effect, those standards are good enough for Newfoundland, and urges this House to use those standards as a form and as a basis for financial negotiations forthwith.

The honourable member for Ferryland declares he does not know how to vote; and proceeds to talk himself into a capricious decision in favour of the amendment, which subordinates the future welfare of Newfoundland to a cheap political manœuvre.

The cause of the amendment may be due to the cries of blue ruin or even red ruin. The cause does not concern me, I am interested in the effect. The effect of the amendment

is to freeze existing standards in Newfoundland's public services, so the whole situation produced by the amendment is ludicrous and as inharmonious as an organ solo by the honourable member for Bonavista South singing: "I got them financial blues," and the honourable member for Ferryland orating: "I had no vote when I got up but I'll have a vote when I sit down," and the bass tone of the junior member for St. John's East piping: "If you aint got the money honey now is the time" harmonized by the honourable member for Harbour Main, tunelessly intoning: "What about the Iceland boats," and not to be outdone the honourable Leader of the Opposition would intone: "I got bells that jingle, jingle, jingle." As far as I am concerned, Mr. Speaker, the jingling and jangling will be done on the recommendation of the P.C.'s eight years hence but not now.

MR. FAHEY: Eight years is mentioned in Clause 29, two years have passed. If the honourable member can't add and subtract; I am only too glad to help him.

MR. SMALLWOOD: That is a heavy point.

MR. SPEAKER: Is the House ready for the question?

MR. MILLER: I rise, Mr. Speaker, to support this amendment, but I must say that I do it with some reservations. Now I don't propose this afternoon to talk at all about this point at great length; but nevertheless I do ask the House to consider that they are considering now no less a weighty matter than Term 29. Term 29 serves a very useful purpose but I am in some doubt, and as I read in a magazine somewhere the

other day—"when you are in doubt call the doctor." But I am in some doubt as to just when the time comes to have the best case to put before the Royal Commission.

**MR. SMALLWOOD:** That is good common sense.

**MR. MILLER:** I rise to support that we do have a Royal Commission. I have been aware of the inadequacy of the Terms of Union ever since the days of the National Convention. I objected to the Terms of Union since the days of the National Convention and between the time of the National Convention and the Referendum, I feel quite certain that nothing has disabused me from it. But the people spoke and accepted those Terms and we are going to live under them until they let us down and the terms will let us down. I have no doubt. But when have we got our best case, when do we propose to close out Term 29 with the best deal this country can get under it? This amendment did not come from this House but from an Independent member; and I will speak my mind freely on it.

Suppose a Royal Commission came in today. We have shown a current surplus, we predict a surplus nearly as good in the coming year. Well a Royal Commission with such evidence before them surely are going to discredit any argument we might put up. Another matter in this Term 29 we are testing out the situation. It has been argued and I have agreed with it that, and I think the honourable member for Bonavista South will remember I told him, about nineteen months ago, that it was my intention to encourage the free spending of the surplus and I have not contradicted the Government on economic devel-

opment, or on social services. But we are arriving at a level of time for the testing out of that level. Surely we all realize the money is running out, and in my opinion we must be content to see the day come when we just have not got any money, and then, of course, we really have a good case. Another thing to be taken into consideration, it will take a long time to get a Royal Commission set up. I submit the Term 29 is just about as complicated as the freight rates. They have asked today for a clarification of Term 29 and I believe it is beyond the capability of this House to determine just what it means; and I doubt if the Federal Government could give a direct answer. It is, in my opinion, as complicated as the freight rates and probably some policy of that nature would have to be arrived at. In my opinion Term 29 is a double agreement, an agreement by the Federal Government and of the Provincial Government to level up our services, we also agree we will introduce taxation as burdensome as in the Maritime Provinces, we agreed to that.

**MR. SMALLWOOD:** We have not to impose taxation as burdensome as the Maritime Provinces. That is not the clause. What is in the clause? Is taxation as burdensome in Newfoundland, as it is in the Maritime Provinces based on the capacity to pay in Newfoundland compared with the capacity to pay in the Maritimes. If the taxation rates in Newfoundland are \$1, and in the Maritime Provinces \$1, but when based on our capacity to pay, ours may be equal to \$1.50. That is a very important point.

**MR. MILLER:** It is an important point; but there again it is something that can be twisted very much so

until a definition is laid down, in my opinion it is not by any means clear. In my opinion should we now request a royal commission (it is not likely to go beyond the present Government) I feel sure the Federal Government will turn it down, simply because we have not fulfilled, as yet, the requirements on the part of this Province with respect to taxation. When does the Government propose to analyze the situation? When will they arrive at the position where they say the services are good enough, and our taxation is high enough? When they have arrived in that, then in my opinion they have completed their part of the agreement. But there too in my mind is something worth a lot of consideration.

I don't intend to make a long speech, Sir, I don't intend to speak on any matter and repeat the same statement. I am reminded of an issue which came up in the British House of Commons. A member had been speaking for about five hours and his voice probably had grown a little tired, and the Speaker reminded him he could not hear what he was saying, to which the member replied: "In that case, Your Honour, I can go nearer to you and so that you won't mistake what I said I can repeat everything I said in the past." And he spoke for nine hours. But I am not going to bore the House by making a speech now and another later.

The budget was presented in a very fascinating way and made very nice reading, if I may use that term. It presented a rosy picture of Utopia; and painted everything bright now and in the future.

Now was not the picture a bit forced? Was the situation clothed with the clearest of logic? Now if we had

not the transitional grant in full and if the Comptroller General's Department had not been cleaned out what would be the position? There would not be a surplus but a very heavy deficit. Now next year there is to be a heavy surplus, with work and work and work and more work, gambling on war, expecting that war production will bring work, even a base at Torbay. Well, if that happens the situation will be as the honourable and gallant member for Ferryland put it, the people will be well off and the Government poor. And remember next year will be the start of the lessening of the transitional grant. Next year we will receive \$850,000 less than the previous year. Now where is our surplus spent? There is nothing to show so far. The cement plant is not finished and the same way with the other factories. We had a heavy loss on the Icelandic venture. That was a government experiment, no one is going to say otherwise than that it was an experiment. But it just shows that things ahead very often do not turn out as hoped. There is happy talk of a one hundred million dollar mill on the South Coast of Newfoundland, a five hundred ton mill costing a hundred million dollars. Bowaters cost \$70,000,000, where do we stand? Do we guarantee the money? What is the contract between the Company and the Government? These are important things. All the sources of tax are closed to us except on royalties and timber. Will the country give the Company timber free of royalties? At the present time most of it is privately owned.

MR. SMALLWOOD: No, we have forty million cords on Crown lands.

MR. HIGGINS: The question is, will we get a royalty on it? We know nothing in this House, we are told



nothing at all about what is happening. All we know now is that a five hundred ton mill is to be built at a cost of one hundred million dollars. We are not even told what negotiations are going on, what is in the contract, we know nothing. In this House people are entitled to know those things. Now we are hearing a lot about heavy profits in the future, all profitable ventures. It reminds me of a time, some years ago, there was great talk of great wealth from foxes here; and everyone was talking of black and silver foxes and many farms were started here, but where are they now, where are the foxes? There are none here now. No, Sir, they are gone with the smoke of yesteryear. The same thing may happen to various ventures, which at the present time are only a speculation.

Now there has been a lot of talk about surplus and revenue. If we had no surplus what would we do, borrow money and pay interest on borrowed money? The surplus is not revenue and we should be glad enough to have the surplus and keep it together.

MR. SMALLWOOD: Don't spend it.

MR. HIGGINS: No, I don't say that, but be careful, that is money we are paid interest on.

Now the Premier tells us how small our National Debt is. A few years ago it was the smallest in the world, but now we have a share of the Federal Government national debt passed on to us, a heavy national debt of \$380,000,000 or \$390,000,000 on our necks now and that is the reason, as the honourable the member for Bonavista South pointed out, we are paying 60c. or the fishermen are paying 60c. instead of 27c. for Beaver tobacco.

Now, if the picture painted brings up the standard to where we have twenty thousand miles of road and fifty thousand cars, then of course we must have a big national debt and the interest will be heavy.

Now, one feature of this debate, the scurrilous words, when many members were told they talked nonsense, called foolish and brainless, are these scurrilous words to take the place of debate and are those who have a fight, going to turn it into a scurrilous one . . . ?

MR. SPEAKER: The honourable member is being irrelevant now.

MR. HIGGINS: It is not the debate. I am speaking of words which were used in the debate on the amendment, but if you tell me I am out of order —

MR. SPEAKER: I felt it my duty to warn the honourable member, that is all.

MR. HIGGINS: I say that loudness of voice is not soundness of argument and savours of nothing but windbags. I say it is a very serious proposition; but the Government is trying to overlook the fact, stated by the honourable member for Bonavista South, that before the first eight years we will have lost two and three-quarters of a million dollars owing to the cutting down of the transitional grant. We can't hide away from that fact, we can't escape it. It is no good to call it trash and nonsense. It is not trash and nonsense, it is plain arithmetic, clear-cut mathematics, simple addition. Next year we will lose seven hundred thousand out of the transitional grant, and the following year it will drop until, in the fourth year, it will drop four millions. Add it up and you will find twelve

millions and a quarter and there is three or four gone out of the surplus and since that is so, the sooner we get a Royal Commission the better; and when they do come down and we don't get the cash, we will surely find ourselves in a very precarious position, for by the ninth year, we will have lost five million one hundred thousand dollars. In twelve years then we are standing to lose twenty-four million dollars and by that time we will either be part of Quebec, who will take over Labrador, or have some sort of commission here running this country under the Federal authorities.

**MR. SMALLWOOD:** Nonsense—trash.

**MR. HIGGINS:** It is very easy to call it trash. We heard about the freight rates for the first time, when we started to pay heavier amounts of money than we expected, and a board came down here and if they had given judgment against us we would have to pay heavier freights in spite of all promises. We would be at the discretion of the appeal board.

**MR. SMALLWOOD:** Do you suppose if Quebec wanted us they could come and take us and there would be no appeal?

**MR. HIGGINS:** The old saying still holds good: You can fool some of the people some of the time. But the honourable Premier is not fooling anyone any time. It is easy to get up here and talk but the future is in a precarious position and loud sounding threats are no good.

Now when we talk about the Royal Commission, there is one thing I quite agree with. I agree with the honourable member for Ferryland that we have no proof whatever that the Royal Commission's report will be

accepted. It is all nonsense, it is part of the Act, yes, but it is up to the House of Commons to accept the findings of the Royal Commission appointed under that section. We have no proof that it is to be accepted. In the case of that board which was appointed to go into the case of the freight rates, that board was final, what that board said was absolutely final and had to be accepted. I know there is a special board, or court of appeal, which is final; it does not go to the Government. But I say this much, that the report of the Royal Commission in Newfoundland need not necessarily be accepted by the House of Commons; they can throw it out if they want to. All this section does is set up machinery to find out the financial position of each province and make findings thereon. It does not say it would be final. I regard this as a serious position, in fact, I think the sooner we get the Royal Commission the better. I support this motion.

**MR. COURAGE:** I have listened with great patience and with a great deal of amusement to what has been said in this House and I am still feeling rather amused. I might say that I am on excellent terms with everybody in the House, with the honourable member for Bonavista South and all the members and the honourable member at whom I am looking now. I am on such good terms with him that when I shake my fist at him the honourable member for Ferryland shakes his right back.

I have heard a lot about the dreadful per capita debt of fourteen hundred dollars that we assumed when we became Canadians. Now I must say that terrible debt has not bowed me down any as yet, and I think that when those people talk about that

debt they must talk with their tongue in their cheek. To say the per capita debt of Canada is ruining our fishermen in Bonavista Bay is certainly ridiculous, to say the least. Let us look at this for a few minutes. If we who are in Canada have a per capita debt of fourteen hundred dollars we must remember that that debt is owed by Canada to Canadians and we must also remember that if we assumed that per capita debt we also got other benefits of which we are now shareholders. We are inheritors of one of the greatest countries in the world at the present time; and if we assumed a share of the national debt, we also as Canadians assumed an ownership in this great country, think about that. Your children and you and I are free to go anywhere in Canada, and as Canadians to take our place anywhere in the world which is also something worth talking about.

Now we hear complaints because we have not, the Government has not been able to do all the things which all of us would like to see the Government do, but we have only been in office, in this House a little more than two years and I think we have accomplished a great deal in that time. It is true we have not done all the things we would like to do, but for the time we have been in office we have accomplished more than any Government ever accomplished in two years before. I don't think anyone would deny that fact wherever he sits in this House and there is yet more which we will do.

To say that we need four million dollars to bring this Province up to the level of the rest of Canada is true; but are we to assume that because we have not got four hundred

million dollars we must not do anything at all, give up in despair. Certainly not.

The honourable member for Bonavista South spoke about the building of houses, he seemed to object to the slum clearing program.

MR. RUSSELL: I have to appeal for your protection again, Mr. Speaker, I pointed out to the Administrator of Housing how pathetic it was to have such great ideas and not have the necessary funds to do it.

MR. SPEAKER: The honourable member said he was against the borrowing of money.

MR. RUSSELL: A point of order, Mr. Speaker, I said it was foolish to borrow money to finance subsidized housing, because as a result you have on your Government Accounts no current revenue but two items of expenditure, one the service charge on the loan and the second the expenses for subsidizing the houses after they are built.

MR. SPEAKER: The honourable member for Bonavista South is quite within his rights to say he was misquoted. Normally I am unable to decide what exact words were said but I am quite sure the honourable member for Bonavista South is quite correct; and if neither side gives away there is nothing to do but adjourn the debate until the stenotypist may type the words, so that the House may read them and see for themselves, which puts the House in a ridiculous position.

MR. COURAGE: I did not misquote the honourable member for Bonavista South. I was not quoting word for word what the honourable member said, but he said he was

against borrowing money and he said it would be financial insanity and I took it for granted, if he were against financial insanity, he was against borrowing money to build subsidized housing. I took it for granted he meant slum clearance program. I should imagine that is how most people would take it. We must look at the cost to boys and girls. By the way, there is, I believe, to be built a boys' home at Whitbourne, and the slums are responsible for putting girls and boys in these homes of correction.

I can't see how any member cannot sit in this House and reconcile his duty, both to his people and his party. I have no difficulty whatever in doing that. I for one am not like Sir Gallahad seeking the Holy Grail, seeking a party. A few of us on this side of the House can sleep very well at night.

MR. CASHIN: And some sleep in the daytime.

MR. COURAGE: Well, I will say this for the honourable member, he does not put anybody to sleep and I don't think the honourable member is going to sleep now, he seems to be very much on his toes.

This Government, Mr. Speaker, does not want to see the merchants go on the rocks, and anyone who voices that opinion is not listening to the policies of this Government.

I am against this amendment and I am speaking against this amendment. The honourable member for Ferryland seems to think it is quite unlikely that the Parliament of Canada will carry out the recommendations of the Royal Commission. It does not have to (maybe I am wrong in this but I gather from what he

said) if he believed in the Royal Commission and that its recommendations would be carried out he would not vote for the amendment. If they believed that they would carry it out he would not vote for the amendment, but since he believes they would not carry it out he was voting for the amendment.

MR. CASHIN: I did not say they would not carry it out, but did not have to carry it out.

MR. COURAGE: I thought the honourable member implied if he felt that they would carry it out he would not vote for the amendment.

MR. CASHIN: Read the clause.

MR. COURAGE: I don't think we need to read the clause at this time.

MR. CASHIN: There is nothing there they have to carry out. There is nothing there says they have to carry out the recommendations of the Commission. I am an anti-Confederate and don't believe the Canadian Government would do anything for Newfoundland. That is not the only clause violated with the acquiescence of the Government.

MR. COURAGE: How is it likely that the people of Newfoundland prosper and the Government becomes bankrupt? Is that serious as long as the people are prosperous? How can the Government be bankrupt? I believe that is a contradiction. A prosperous people will not have a bankrupt Government, the Government will share in that prosperity. It is something like saying the children are rich and the parents are going to be very poor, while living together in the same house. How can that be?

It has been said in this House that the baby bonus is immoral. It has been linked with other rotten legislation, and an honourable member has today already talked on that and cleared it up and I may say did a very fine job on that point of the reasons for childrens' allowances. I am referring to the honourable the senior member for Harbour Main, Bell Island who pointed out very clearly the reasons for family allowances, and I agree wholeheartedly with what he said. If there are two men on the same job we cannot pay the man who has the larger family more money. The only way to equalize the account is for the State to help out and that is a good thing; and if this honourable member would journey around he would see its great effect upon the people it is meant to help. The children of this country are better fed, better shod, better clothed, it is noticeable and they will remain in school longer.

In the speeches made by the members of the Opposition, and I am speaking of the Opposition now, not the Independents, there does not seem to be any clear-cut opinion as to whether the Government should spend more freely or whether they should retract. Some of the honourable members blame us because we have a surplus, while others blame us because we are rapidly spending the surplus that we have. It is very easy to attack, it is very easy to point out the things the Government has not done, but I wonder if the Opposition would do more; I wonder. One honourable member suggests we ought not to have a surplus, while another honourable member says we are trying to get to too high a level as far as social security is concerned. How can we reconcile those two remarks?

One wants us to go ahead and the other wants us to stay behind. I wonder, Mr. Speaker, are those members for or against economic development. They seem to blow hot and blow cold. They denounce Confederation because the fishermen have to pay 60c. on Beaver tobacco. They forget the millions of dollars that have poured into this country from the Federal Departments. If we look at the drawbacks, certainly we must also look at the bright spots. If we are going to get an overall picture, and I cannot agree with the honourable Leader of the Opposition that there is very much danger of Quebec taking over this Province in the foreseeable future.

Mr. Speaker, if we adopt this amendment that means that Newfoundland's social progress is stopped dead in its tracks, as the honourable the Minister of Supply said "frozen." I am not satisfied that this should be so and I shall vote against this amendment.

MR. CURTIS: Mr. Speaker, Term 29 of the Terms of Union reads as follows: and I think we ought to read it and follow it carefully because this House is being asked to make, this afternoon, a most important decision and if by any chance this House should make an error and accept this amendment it would, I think, be doing irreparable damage to this Province.

"In view of the difficulty of predicting with sufficient accuracy the financial consequences to Newfoundland of becoming a province of Canada, the Government of Canada will appoint a Royal Commission within eight years from the date of Union to review the financial position of the Province of

Newfoundland and to recommend the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union, without resorting to taxation more burdensome, having regard to capacity to pay, than that obtaining generally in the region comprising the Maritime Provinces of Nova Scotia, New Brunswick, and Prince Edward Island."

Now remember, Mr. Speaker, the reason this section was inserted in the Terms was an admission on the part of those who negotiated the Terms of Union that it was not possible for them at that time to accurately and fully assess the situation in which we would find ourselves after Union. Now under this section we have the right in eight years to ask for a Royal Commission. One Royal Commission, not one every two years, not one every four years but one in eight years, that is the joker that we hold up our sleeve. At the end of two years the honourable member for Bonavista South, who thinks he knows how to play poker, would produce his joker. Now, Mr. Speaker, why produce our joker at this particular time?

MR. RUSSELL: We don't have a joker in the game I play.

MR. CURTIS: This is the position: We have been in union two years, two years only. The first year we had a deficit, our program was just started. This year we have a surplus and we are budgeting this year, Mr. Speaker, for a surplus next year. Is this any time to go playing our joker? If you have a winning

hand, Mr. Speaker, you don't take any chances.

The situation in Newfoundland can change very rapidly. It was only one year and a half ago we could not sell our ore from Bell Island, and only a year and a half ago that Buchans found difficulty in selling ore. It was only a year and a half ago the paper companies were anticipating deficits. Now, happily, these things have disappeared, the situation has gone over to the other side. We have shifted the deficit last year to a surplus this year, and yet we have here a demand from the other side for us to play the one card we have under the Terms of Union, and they want us to play that one card and lay all our cards on the table after two years.

Mr. Speaker, why can't we keep our sense of proportion? I regard this motion as the very last gasp of the Anti-Confederates. What is this situation envisaged? Appoint a Royal Commission; within eight years, to recommend the form and scale of additional financial assistance if required to continue public services at the levels and standards reached. Do we want the Royal Commission to come to Newfoundland and settle the Terms of Union, to settle for all time now? Are we ready now that two years have gone? I congratulate my honourable friend the member for Placentia and St. Mary's who has given some real thought to this matter and I think, upon further reflection, when the time comes he will vote against this amendment.

Is this the time to settle once and for all the Terms of Union, the financial terms? Obviously, Mr. Speaker, it is not. We envisioned in these Terms that the public services will

have reached the level we are prepared to accept. Are we prepared to accept the present level of the public services? The level of the Department of Health, hospitalization, the medical care of people, the dental care and other items, has that Department reached the position in this country where we are prepared to say; this is the position now, pay us our grant to maintain these present services? We have not reached it yet, Mr. Speaker, and as for saying when we will reach it, I don't know and the honourable member does not know, but I will say we are making progress and we would make more if we did not have to spend time answering foolish motions like this. The Department of Health has to get the health of this country in such a state as we will be satisfied with and know what it costs annually. The Department of Welfare is just branching out—Dependents and Mothers' Allowances, a changing setup in Old Age Pensions. Are we going to jump the gun and ask Ottawa to appoint a Royal Commission now before we know exactly where we are? We don't know where we are going to be under our new setup, what the effect of Old Age amendment will be. We know that we as a Province will be called upon to pay a portion of the amendment from 65 years to 69 years, but don't know what. Are we going to go to Ottawa and say today; here is our position, give us enough money to keep us going on this scale. Our Public Works, our roads or highroads, our other amenities. Are we satisfied with them as they are? I am not satisfied in my district if you are, Mr. Speaker, until we get the necessary roads establishing communications between one settlement and another and know the

maintenance cost. How are we going to know, to be able to say we have reached a level we are satisfied with and arrange our finances accordingly?

MR. FAHEY: We don't even know what the Navy is going to cost us.

MR. CURTIS: Now, my honourable friend the member for Bonavista South referred to our loans. True we have given loans, not actual loans but guaranteed to the bank and there is always, Mr. Speaker, a possibility that a loan may be called by the bank and the Government may have to redeem it; but I would point out we have been very very careful to secure coverage for loans guaranteed. We may, as possibly the wisest man and most careful may sometime strike a misfortune, but I would like to point out to this House, from the point of view of contingent liability on these loans we have asked for double security on the money we have loaned. To get additional security we have doubled it. In one or two cases we have not been able to get that but that is our principle, the principle adopted and from the point of view of contingent liability on loans, this need cause the House no worries.

Now, the member for Bonavista South referred to economic development and the Tory Audit Act, and he proceeded to criticize us for taking advantage of the Tory Audit Act which the Leader of the Liberal Party of the time condemned. You will remember, Mr. Speaker, I suggested a certain alternative. I suggested that, if the Audit Act were in the way of economic development, we would amend it, and that if we did not amend it we would vote the whole surplus for economic development or failing that, we keep the House open

all the time. Now he criticized everything I said, objected from the point of view of the people in keeping the House open all the time, referred to my suggestion of voting all the surplus or a willingness to keep the House open to implement policies of economic development, without waiting until next February when we come here again. If he would rather that, it could be easily arranged.

MR. RUSSELL: There is no need of that now, you are not going to build any more Government projects, as the Premier said.

MR. SMALLWOOD: What the Premier said was that we were going ahead more vigorously than ever but not necessarily to spend more money to build factories and plants.

MR. CURTIS: Now, Mr. Speaker, we will have this Royal Commission in eight years, six years more. My honourable friend knows if he has a case in court he likes to prepare it thoroughly in advance, and if we are to make a case we have to prepare the background of that case in advance. Now I put it to him, Mr. Speaker, have we reached the stage today when we can safely introduce this to a Royal Commission? Have we the background? I say we have not, we have not the standard of services we are prepared to admit as satisfactory. Until we have, would we not be foolish to have, once and for all, a Royal Commission. Imagine going and asking for a Royal Commission after two years. Why? Because we have spent some of the surplus. On what? Economic Development of the country, giving the country services to which it is entitled. Is that a reason for throwing up our hand? As I said before, what is the surplus for? If you want to

sit on it and do nothing with it you will have to put some Tory Government in. We are not going to do it and the people who put us here asked us to look after the interest of this country, and we intend to use it for that purpose. Because it is being spent, is that any reason to hold up our hands in holy horror and say we must have a Royal Commission? What do you expect, Mr. Speaker, to do with the surplus? I would be ashamed to be in any Government who sat on this surplus of forty million dollars and continued thus to sit year after year. We are not a savings bank. I affirm, Mr. Speaker, that the time is not opportune and it is ludicrous to think of passing this amendment at the present time. Imagine what people on the Mainland would think of us.

MR. CASHIN: What do they think of us now?

MR. CURTIS: I can inform the honourable member that the Newfoundland Government stands very high in the opinion of Ottawa, and the Premier stands as high as any other Premier up there. It is true they admit we have not the money, but when he speaks they listen to him intently and his addresses are always keenly appreciated.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): He is the most outstanding Premier in all Canada.

MR. CURTIS: Now then, Mr. Speaker, I say it is ludicrous to bring in this motion. Remember it is a serious thing, Mr. Speaker. To vote for this motion today is to just say everything is satisfactory, let Ottawa come in and here we are.

It is true, as the honourable member says, there is no legal obligation



on the Federal Government to do anything, but there is the strongest kind of moral obligation, and the Federal Government, as my honourable friend knows, is not one to fall down on a moral obligation to a Province.

MR. CASHIN: Did it with transportation?

MR. CURTIS: They said to us: Go to the Board of Transport first and if you don't get satisfaction, then come to us.

MR. CASHIN: Why go to them first?

MR. SMALLWOOD: That is why the Board is appointed.

MR. CURTIS: As it happens it is the easier thing to do. All we had to do was write them a letter and they would come down.

MR. CASHIN: The other Provinces should have done their job properly.

MR. SPEAKER: Order.

MR. CURTIS: Now, Mr. Speaker, I don't think I need add much more. I may point out that at the present time we are anticipating very heavy expenditure in Newfoundland, heavy military expenditure; and there are more demands for our products, it is not a normal time. Is this a practical time to go to Ottawa? Would any honourable member like to gamble everything for the future generations on the conditions of the country today? We must wait, Mr. Speaker, wait and see just what lies in the future. And I venture to say if my honourable friends knew this amendment would carry they would not vote for it. The only reason he is voting is he knows it will be defeated,

and if he felt we were going to Ottawa now and say: send down your Royal Commission, I venture to say he would not vote for it, Mr. Speaker, and I challenge him to deny that.

MR. CASHIN: I accept that challenge.

MR. CURTIS: You were, anyway, always against Confederation and always will be.

MR. CASHIN: And always accept a challenge.

MR. CURTIS: I think the reasons for the honourable member moving this motion are similar to the reasons he gave for resigning when crossing the floor.

MR. RUSSELL: I have cited enough reasons why I moved this amendment.

MR. SMALLWOOD: To that same point of order, Mr. Speaker, the Attorney General has a perfect right to put that interpretation on the reason given by the honourable member for Bonavista South. If I were in the honourable the Attorney General's shoes, I would put great emphasis on that point.

MR. HIGGINS: You can't oppose a point of order.

MR. SPEAKER: Any honourable member may speak to a point of order. But I find it impossible to make a ruling on this point of order, I have not the slightest idea why he crossed the floor, or why he made the motion, nor why the honourable member draws the inference that he does.

MR. CURTIS: I repeat, Mr. Speaker, that the honourable member's reason, the reason given for moving this amendment is in a class with the reasons given for his resignation. They

are just as unsound and just as fallacious.

MR. SPEAKER: Is the House ready for the question? The main question is that Mr. Speaker do now leave the Chair, to which an amendment has been offered by the honourable member for Bonavista South that all the words after "that" be stricken out and other words there substituted. I put the motion in this form that the words proposed to be left out do stand as part of the question. Therefore those voting against the amendment will vote "aye," those in favour of the amendment will vote "nay."

The motion is that the words proposed to be left out do stand part of the question, those in favour "aye," contrary "nay," carried.

THE OPPOSITION: Divide.

MR. SPEAKER: On a call of two members a division is in order. Call in the members.

Division.

MR. SMALLWOOD: May I take advantage of the momentary pause, Mr. Speaker, to say His Honour the Lieutenant Governor has graciously consented to attend here at 5:30 o'clock today, to give Royal assent to some of the Bills passed during the session, in view of the fact that His Honour is about to leave the Province for, I think, some two or three weeks.

Division—Favour: Honourable the Premier, honourable Attorney General, honourable the Minister of Public Welfare, honourable the Minister of Health, honourable the Minister of Fisheries and Co-operatives, honourable the Minister of Supply, honourable the Minister of Provincial Affairs, honourable the Minister of Labour,

honourable the Minister of Education, honourable the Minister of Public Works, honourable Mr. Vardy, Mr. Courage, Mr. Canning, Mr. Mackinson, Mr. Button, Mr. Horwood, Mr. Drover.

Opposed: Honourable Leader of the Opposition, Mr. Fogwill, Mr. Fahey, Mr. Miller, Mr. Cashin, Mr. Russell.

MR. SPEAKER: That brings us to the original motion, the debate on the budget.

Moved and seconded, debate adjourned until Monday.

Committee of the Whole on Supply:

MR. SMALLWOOD: Mr. Chairman, as His Honour the Lieutenant Governor is due here in about half an hour, I suggest to the Committee we make a start now, but not more than a start on the Estimates, and that having done so we rise the Committee and go on with the Orders of the Day, and I would suggest that we have a night session. I am not suggesting that we go now very deeply into the Estimates, but we can deal with some at least and make a start. We could turn to Page 15 on the Expenditure—Consolidated Fund Services. I don't know that very much explanation is needed from me. I think that everything on Page 15 is thoroughly understood by the members of the Committee. If there are any points not thoroughly understood, with the assistance of the Deputy Minister of Finance and Comptroller of the Treasury who is present, I will endeavour to answer any questions and pass on any information the House may need.

Just summarizing the position: The interest on the Public Debt for the

year is \$236,800 compared with \$277,700 last year and \$413,917 the year before.

102—Sinking Funds amount to \$111,250.

103—Redemption of Debt \$210,000.

104—Statutory Salaries \$16,650—Details are on page 64, appendix I.

Auditor General \$8,000 which is the same as last year and Comptroller of the Finance \$8,650 which is a slight increase or increment. Total \$16,650.

The total vote for the Consolidated Fund Services is therefore \$574,700, compared with \$805,400 the year before and \$3,388,138 the year before that. It is divided into Current and Surplus classification. I ought to explain to the Committee that it is very desirable, officially, to show on each of these pages as much detail as possible for as many years as possible. We have this year rearranged the pages by eliminating two columns that appeared in the Estimates last year, when we had to call up four accounts, one for Capital or Pre-Union Surplus and one for each year shown. Now this year we have omitted those two columns and made the division at the foot of the page, and there you may see the difference between Current and Pre-Union account for this coming year. \$324,700 and \$250,000 and in every case it is shown in the Department's estimates contained in a number of sub-heads.

I think it would be a bad precedent if we did not call the items by individual numbers, for instance 101-01, 101-02, 101-03, 101-04, and I do suggest that as little time as possible of this debate on the Estimates be taken up by "Favour aye—Contrary nay—Carried." If the number is called

and those not interested say nothing, those who feel it is adequate say—"Carried," and those who feel it ought not to carry just hold it up, and believe me there is no tendency on our part or any desire to hurry. If any member expresses a desire or wish to have further discussion he will be given all the time in the world to do so.

The first item does not have to be carried, it is a statutory vote and does not require any vote here now.

MR. FOGWILL: 103-01—There are two hundred thousand listed here. What would be the amount outstanding on Savings Certificates after that amount is paid off?

MR. SMALLWOOD: Approximately \$300,000.

MR. FAHEY: We did not dispose of 101 yet.

MR. SMALLWOOD: For the information of the honourable member there is nothing for us to do about that, it is statutory. We have to vote this money, we have no choice, it is a statutory vote.

MR. FAHEY: I agree with the explanation the Premier has made but I think the Chair should call 101, then we could go on to 102.

MR. SMALLWOOD: On this page the House cannot vote this, it is statutory, but this applies only to this page in the book. It is a statutory vote. It is called merely for the convenience of the members in case any member wishes to ask questions on it, but we don't vote on this page.

MR. HIGGINS: 101-4 Saving Certificate, \$40,000, what constituted the items making that?

MR. SMALLWOOD: That is entirely a Pre-Union item.

MR. HIGGINS: At three percent it would only be \$16,000.

MR. SMALLWOOD: It is a series of the cost of accrued interest which is not paid until the certificate is cashed.

MR. HIGGINS: I see. On that two hundred thousand, there may be five years interest on some of it.

MR. SMALLWOOD: Page 16—Legislative (House of Assembly).

From here on we have to vote.

201—Sessional: Well we might vote ourselves less salary or no salary. It would leave some members in a pretty embarrassing position.

(03) was not spent last year, we had to revote the whole thing.

(04) Printing Hansard is a revote, nothing was spent as yet.

(05) Newfoundland Membership in Parliamentary Association, total 110, 800.

202—Miscellaneous (02) Painting Portraits of Prime Ministers, which does not include the living Premier but up to and including the last one, namely the Late Mr. Alderdice.

MR. HIGGINS: Why the modesty?

MR. SMALLWOOD: It is not the practice to do the living Speaker or the living Premier. So I will have to forego the honour of seeing my portrait unless it be when I become Leader of the Opposition at the age of 89 and sit over there on the other side, with a long white whisker and take a look at the picture.

MR. FOGWILL: 201-4: Would the Premier tell us when we may expect to have Hansard.

MR. SPEAKER: I, myself, can much more properly answer that as it comes within my prerogative, and my honourable friend will be happy to know that on the printing of Hansard of the first two sessions of this House, the tapes have been completed and the printing is virtually completed. As my honourable friends will remember it was a very great task to get the speeches transcribed from the tape recordings but it is typewritten on to paper, and a tremendous job it turned out to be and a fairly expensive one, edited by the Editor of Debates, Captain Murphy, and it has been delivered to the printers and is now nearly completed. This ran to two volumes. It was a pretty wordy session and a pretty long session. Now with regard to last session, that was done by Miss Pellettier on the stenotype and towards the end she had to go, and her place was taken in the last week or so by two special stenographers we managed to get. Miss Pellettier had the misfortune to fall very seriously ill, and she returned from here to her home and was ordered by the doctor to bed, and was in bed for weeks and weeks and only recently, within the last week, returned to Captain Murphy virtually the last typewritten script of her work for that session. Now that whole script will be edited by Captain Murphy and sent to the Printers, so that this vote is for three sessions, the first two and the one that we are presently engaged in. This covers them all.

MR. FOGWILL: When should we hope to get a transcript of all those past sessions and this present one, when is it hoped that we can get this? When will it be ready for individual members to get the Hansard

and read it when he wants to, from the Library?

MR. SMALLWOOD: When individual members return manuscripts of their own corrected speeches, and I have not the foggiest notion when that will be. Some members are very derelict in correcting them, and my honourable friend, the Leader of the Opposition, is very derelict in correcting scripts of his speeches and getting them back to the Editor of Debates.

MR. HIGGINS: On three occasions I was asked and the third time I was asked about a section from an Act I had read, and I spent some time looking for that, but I was never asked to do anything else.

MR. SMALLWOOD: My honourable friends, I would urge co-operation with Captain Murphy; it looks a little absurd if we don't get the printed Hansard but the editor cannot get the speeches back from members; he has mentioned several names.

MR. CASHIN: He might mention me, I am one.

MR. HIGGINS: Do we have to go down and ask for speeches? I have not seen them. Are we supposed to correct our speeches?

MR. SMALLWOOD: Members may go through the typewritten script of speeches to correct obvious errors. They are not permitted to make substantive changes. I believe the printed volume of the first session will be ready in a matter of weeks.

MR. FAHEY: I remember some time back we got copies and I had said sometime that the Government of this country at that particular

date paid men to show the people how to boil fish, but in the notes, I got back from Hansard, it said that people in this country were told one time how to buy fish. Now outside of that I don't know of any time I have ever been asked on this side to make corrections; no one ever said we should go down and enquire. We are probably guilty of hanging it up and don't know it.

MR. SMALLWOOD: I have not been informed either and I don't know if any member is being informed. Mr. Speaker mentioned to me the other day, when I asked him how is the reporting going on this year, that it is coming along well. There are proofs in my office if you want to see them any time and I assume that applies to all of us.

MR. FAHEY: The reason I raised the point in the first session, a copy of what I was purported to have said in the House was given to me, but since that nothing has happened at all. A couple of weeks ago our present stenotypist told me there were some figures she did not have correctly. I contacted the Editor of Debates and told him about it and that I would be prepared to correct it when it was given me, and he said when he had it ready he would give me a carbon copy to make the corrections. I was wondering about the delay. I want to make sure I am not guilty of delay, as cited by the honourable Minister of Finance.

MR. SPRATT: May I be permitted to make a suggestion with regard to 202-02: The Painting of Portraits: Mr. Speaker, when painting the portraits of the Premiers and the Speakers I think we should consider the living premier. I feel that an injustice may be done to the living by future gov-

ernments, and there should be something more specific than we have here today to do honour to the men who do take such an active part in the Government of their country. I see no reason why a man should have to die before being honoured. He might live and go into retirement or obscurity and be forgotten, and I make those few remarks most sincerely in a spirit of patriotism and fair play, and I would like the House to take those few remarks made in all sincerity into consideration. It is incomplete at the present time representing only the memory of the men who have gone. The Premier living today is not a man who wants to have his portrait on the wall. If a portrait were painted of the Premier it might, after his retirement, bring him more into the limelight, and he would be more conspicuous and maybe he would be called upon for advice or such in a few years hence.

MR. SMALLWOOD: I thank the honourable Minister of Provincial Affairs for his very kind thought; as I am the only one he could possibly be referring to, the only living premier in Newfoundland. Mr. Monroe is not Premier. I am the only living Premier in Newfoundland. We have one living ex-Premier and his portrait has been painted and will be included in that collection. As I am the only one my honourable friend could be referring to, I wish to thank him for his kind thought, and to say that, as he knows, I shrink from the public limelight, as a sort of shrinking violet and it would be very embarrassing to me to have my portrait painted until after I cease to be Premier at 88 or 89 years of age, then we will talk about it.

MR. FOGWILL: It may be embar-

rassing for the Premier, it would be terribly embarrassing for us.

MR. SPRATT: I would say the same thing about the living Speakers, but they are all here, why could we not have the Premier then?

MR. SMALLWOOD: The present Mr. Speaker is not there but he will be.

MR. SPRATT: Why not the Premier then? I am not looking far into the future, I may not be living for the next session of the House, but I think it is only right and fair to have him included while he is alive. Suppose after the House closed the Cabinet decides on that, I think it would be a greater tribute to the Premier to have the House in session pronounce or vote an amount of money for that purpose.

MR. FAHEY: Sir, if eight and a half millions would take care of it.

201-202 total carried.

Executive Council:

MR. SMALLWOOD: 301 is the Lieutenant Governor's Establishment, salaries are found on page 64. There is one chauffeur and one grounds keeper who has free housing and light and fuel.

His Honour the Lieutenant Governor arrived:

Committee rose, reported progress and begged leave to sit again on tomorrow.

His Honour the Lieutenant Governor then entered the Assembly Chamber.

MR. SPEAKER: Your Honour, the Legislative Assembly has during the present session passed certain bills to

which we now request Your Honour's assent.

An Act Respecting the Interpretation of Statutes.

An Act Respecting the Statutes.

An Act to Amend the Life Insurance Act 1943.

An Act to Amend the Insurance Premium (Tax) Act, 1950.

An Act to Amend the Agreement for Policing the Province Act, 1949.

An Act to Facilitate the Enforcement of Maintenance Orders.

An Act to Amend the Nomenclature Board Act, 1938.

An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled "Of the Permanent Marine Disaster Fund."

An Act Further to Amend the Shops Act, 1940.

An Act Respecting Survivorship.

An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939.

An Act Further to Amend the Memorial University Act, 1949.

An Act Relating to the Development of Local Areas.

An Act Relating to Local Government.

An Act Respecting the Distribution of Electricity in the Corner Brook area.

An Act to Amend the Corporation Income Tax Act 1949.

An Act Respecting the taking of Oaths of Officers in the Armed Forces.

An Act to Amend the Industrial Development Loan Act, 1949.

An Act to Amend the Fisheries Loan Act, 1949.

An Act Further to Amend the Memorial University Act, 1949.

A Bill an Act respecting Vocational Education in Newfoundland.

A Bill an Act to Remove Doubts as to the Date of Coming Into Force of the Workmen's Compensation Act 1950 and the Workmen's Compensation (Amendment) Act 1951.

An Act to Incorporate the Newfoundland Teachers' Association.

An Act to Amend the School Attendance Act, 1942.

An Act Further to Amend the Education (Departmental) Act, 1939.

An Act Respecting Apprenticeship.

His Honour the Lieutenant Governor then said, "In His Majesty's name I assent to those Bills."

MR. SPEAKER: Before His Honour leaves; we have heard it is His Honour's intention to pay a visit to the Mainland of Canada and to the United States of America. May I, on behalf of the Legislative Assembly, wish Your Honour a pleasant journey, a happy stay on the Mainland and a safe return.

HIS HONOUR THE LIEUTENANT GOVERNOR: Mr. Speaker, thank you very much for your kind wishes, I appreciate and am deeply touched by them.

His Honour the Lieutenant Governor then left the Assembly Chamber.

The House resolved itself into Committee of the Whole on Supply.

MR. SMALLWOOD: 301; Grand total \$26,000, Salaries total \$14,010, Premier's Office \$16,130, Expenses \$1,500, Office \$2,070. Total \$19,700.

303: Allowance to Clerk of the Council \$2,000, Clerk, Grade I, \$2,085, Cost of Living Bonus \$275.

The clerk in question is Mr. W. J. Carew, C.B.E., who in addition to being Deputy Minister of Provincial Affairs is clerk of the Executive Council. Mr. Carew is, as members well know, one of the veterans of the Public Service of Newfoundland; indeed he may be well the veteran who has been longest in the public service today. He joined the Public Service in 1909 and went in to the office of the Premier of that day from the Daily News Office where he had been a newspaper reporter. He has been private and confidential secretary to every Premier of Newfoundland, without exception, beginning with Sir Edward, afterwards Lord Morris. When the Commission of Government came he was appointed Secretary of the Commission and became Deputy Minister for Home Affairs. When the present Government assumed office we did an extraordinary thing; we asked Mr. Carew to be Deputy Minister of Provincial Affairs, to be Clerk of the Cabinet, and he has attended all Cabinet meetings and kept all the reports of the Cabinet. All the Orders in Council are done by him. Though he does not speak at the Cabinet meetings, except to give information when requested, and does not vote, it is almost as though he were a member of the Cabinet.

Clerk, Grade I is in the Department of Provincial Affairs, Miss Meaney. She is a grade one clerk and acts as secretary to the Deputy Minister.

The messenger under 303-03 is the man who goes around to the Ministers

with special documents for circulation to the Cabinet and works over and above normal duties; that is what that is.

304: The Newfoundland Election Act: This is for possible by-elections. In fact one is to be held this year. That is the official expenditure attached to elections for various deputy returning officers, and poll clerks, and door guards, and printing and distribution, and other official expenses of the election. The cost of the general election which is to be found in the third column was \$98,823, just under one hundred thousand dollars which is about the cost of a general election in Newfoundland, according to the last election.

MR. FOGWILL: On page 64, Premier's Office. Personal Assistant and others here. I take it all these are filled?

MR. SMALLWOOD: The personal assistant is filled, the Confidential Clerk is not filled as yet. I have not found the right person to suit me for that appointment which is not a Civil Service appointment. It is not appointed by the Civil Service or pensionable and it is entirely up to me to select. Each Minister is permitted to select his own Confidential Clerk. So far I have not found the right person and if I should I will fill the position.

MR. FAHEY: In the Lieutenant Governor's Establishment we have the Keeper of Government House Grounds at \$1,320 and the Assistant Keeper at \$1,500. I have never heard tell of an assistant being paid more.

MR. SMALLWOOD: Read the footnote on the bottom of the page.

Department of Finance: The present Minister of Finance is drawing no



salary, but we have to vote a salary nevertheless as possibly another Minister there would prefer to draw his salary. The present Minister draws no salary, he is already getting one in another job. Nevertheless the present Minister may not be there for the remainder of the year so we have to provide a salary so that if a new Minister is there for the remainder of the year he may draw his salary from the date of his appointment.

MR. FAHEY: Do I gather that if this \$7,000 is not spent at the end of the year there would be a drop balance?

MR. SMALLWOOD: If it were not spent then it would become a drop balance.

The Controller of the Treasury does the work of the Deputy Minister of Finance and receives no salary as Deputy Minister. Assistant Deputy Minister, you will notice the salary shown is \$4,200-100-4,700. We found a very considerable anomaly there and decided to rectify this. We have

four Assistant Deputy Minister in the Public Service: Resources, Finance, Public Health and Education and we discovered Assistant Deputy Ministers were actually at a lower rate of pay than men serving under them as Divisional Heads. If the Committee will turn to page 110 they will see \$4,200-100-4,700 and that is being corrected. The rate was \$3,200-100-3,800, and divisional heads began at \$3,800 and went up to \$4,200.

Auditor General's Department: Salaries \$55,590. The Auditor General's Salary is statutory and does not appear here.

Pensions and Gratuities: \$609,500 is up from last year which was in turn up a little from the year before.

Social Security Assessment: \$60,500. Last year there was a savings arising from late introduction of Assessment.

It is now six o'clock. I move that the House at its rising do now adjourn until eight of the clock.

The House then adjourned until eight of the clock.

## NIGHT SESSION

MR. SMALLWOOD: Before dinner we got as far as the Social Security Assessment Division and the salaries \$60,500.

The next item is Miscellaneous:

01. Life Insurance Companies Act of 1906:			
Expenses .....			11,599
02. Savings Campaign .....	14,500	15,000	13,890
03. Management Expenses, Public Debt .....	3,000	4,000	6,167
04. Statistical Machines, Rentals, etc. ....			386
05. Railway: Balance of Operating Deficit 1948-49 .....			500,000
07. Refunds of Previous Year's Revenue:			
Customs, etc. ....	15,000	70,000	131,897
08. Payment to Dominion Government for services rendered in connection with collection prior to 1st January, 1949 .....			60,130
09. Remuneration, etc., of Seconded United Kingdom Officials .....			16,530
10. Revision of Accounting Procedures, Fees and Expenses .....	5,000	10,000	24,765
11. St. John's Municipal Council, Grant-in-Aid .....	100,000	100,000	
12. Property Loss Reserve Fund .....	25,000	15,000	
15. Pre-Union Liability Liquidation .....	500		
Total: Subhead 406 .....		163,000	214,000
			765,364

These are customs rebates due up to the date of union: \$10,000 customs duties and \$5,000 death duties due the Government before the date of union.

St. John's Municipal Council Grant-in-Aid: That item deserves some little explanation. Last year we gave the St. John's Municipal Council an interest-free loan of \$100,000 to assist them in their finances. This year we are proposing to make them a Grant-in-Aid of exactly the same sum. Now the Council, as everyone knows, has had a rather difficult time adjusting itself or rather adjusting themselves to the statutes of a City Council in a Province of Canada. They have lost some of their revenue as a result of Confederation, and they have had some considerable difficulty in balancing their budget, and the Government

decided to ask the House to vote this sum of \$100,000 as a Grant-in-Aid. This year we propose to give them the Grant of \$100,000 but no loan and I think from all appearances, there is some proposed legislation which they have asked us to bring before the House, and with this Grant-in-Aid, they should probably be able very shortly to balance their budget.

The next item 406-12 Reserve Fund \$25,000. The Committee may remember that a few days ago we brought here, it is on the Order Paper now, a new piece of legislation creating a new fund within the Government to be built up year by year, against which losses to property may be met or out of which losses may be met. Last year we voted the sum of \$15,000 and this year we have raised it to

\$25,000. The Government carries no insurance. Finally there is a small amount of \$500 on account of things that happened before the date of union.

The total of the vote, therefore, is \$163,000.

#### Central Accounting and Pay Division

01. Salaries .....	42,400	12,100
02. Expenses :		
01. Travelling .....	100	100
02. Office .....	200	200
	300	300
03. Accounting, etc. Machines and Equipment	5,000	30,000
	47,700	42,400

As the Committee knows all this is new staff, except last year we had a Divisional Head \$3,800 and Assistant Divisional Heads, two at \$6,800. All the rest appear to be new. The Deputy Minister reminds me that this vote is more than offset by savings in the other departments. What happened was this, from different departments of the Government accountants and others were drawn into Central Accounting of the Department of Finance, so that now, as the Committee knows, there is just one central accounting system for the whole Government instead of, as before, each department having its own accounting system and each one issuing its own cheques. Now all cheques of the Government both for salaries of the Civil Servants, for men working on the roads in the Department of Public Works, for relief, not old age pensions as yet, but it will be so, for widows' and mothers' allowances or any other purpose are issued from Central Accounting in the one department.

Then there is travelling in that section \$100 and office \$200, a total of \$47,700.

General Contingencies : 407 : \$10,000.

Non-Interest Bearing Advances : \$150,000—Industrial Development Loan Board is a revote and comes out of surplus.

Accounting and other machines and equipment \$5,000. A great deal of that work is done by very modern and up to date machinery. I have occasion to go from time to time to the Department of Finance, and not as often as I would like to be able to do, and when I go up there I get quite an impression of an industrial establishment. One room is full of these machines and in this respect the Government copied the most modern and efficient firms in the world, and we have here now one of the most modern and efficient accounting systems in the world as a result of introducing this very modern and up-to-date equipment. The honourable members of this House are very welcome indeed at the Department of Finance to take a look at this very new modern system.

Well that brings us to the end. The gross total \$1,167,400, of that amount \$1,001,900 is current and \$165,500 is surplus. These items are 406 and 407, these are refunds of customs and the like, refunds of revenue which are pre-union, occurring before confedera-

tion and they are paid out of surplus and 408—Industrial Development Loan Board.

MR. FOGWILL: The total number of employees in the Department is 97. Are all those positions filled?

MR. SMALLWOOD: No, I don't think the positions are all filled at the moment. As a matter of fact, the Social Security Assessment Division is a new division and has not yet recruited its full staff. Provisions are made but actually the posts are not all filled.

MR. FOGWILL: Could you give us an idea of how many more there will be?

MR. SMALLWOOD: Virtually all the positions are filled in the Department with the exception of Social Security Assessment. These positions are about half filled, so that we may deduct 16 from the total of 97.

407-02. In the Department of Finance odds and ends crop up, which are impossible to foresee, and don't fit in anywhere else and so the general provision of \$10,000, subject of course to financial control and audit by the Attorney General as is every other item in the accounting system. It is almost impossible to foresee every last item we are going to require.

407-01. Some distinguished visitors may come here to visit the House or the country. Sir John Leslie, for example, came here at our invitation. We paid his expenses from Montreal to Newfoundland and back and the honourable the Lieutenant Governor was gracious enough to entertain him. Then at Grand Falls the Paper Company did likewise, and at Corner Brook the Paper Company did, so that the only cost to the Government was

bringing him here and back. There is no vote for that and this other item of \$10,000 is all for that or any other thing.

Now, page 20, under Industrial Development Loan Fund, \$150,000. Now we will turn to page 18, Auditor General's Department Travel, \$4,000.

Throughout the Province today are a number of Town Councils, and the auditing of Town Councils' records is done through the Auditor General's Department.

MR. HIGGINS: Not the Cooperative Societies.

MR. SMALLWOOD: No, the Town Councils.

MR. HIGGINS: 409-02 Office, \$200 that is a very small amount.

MR. SMALLWOOD: All the Departments have an amount under Office. It is mainly for postage. The Government of Newfoundland has not got franking privileges any more than the Government of any other Province. Only the Government of Canada has this privilege. That is for postage and in addition for telephones in most departments and telegrams received and sent. That vote is to cover such items.

MR. CHAIRMAN: These numbers have not been called as yet. We are now on 401.

MR. RUSSELL: I want to reassure the Committee I am not going to be jumping up and down all through the committee stage moving amendments. I assure the committee right now this is the only item in the estimates, under the Department of Finance, on which I am going to make any comment whatsoever.

Item 401—Salaries on page 65: Minister of Finance \$7,000 and Private

Secretary \$2,240 and cost of living of \$270. I would like to see that reduced, Mr. Chairman. I am not going to say we do not need a Minister of Finance, but we do not need a minister to be nothing else but Minister of Finance. To those getting angry already I suggest probably we have not yet gotten adjusted to many changed conditions arising out of union with Canada. One condition, undoubtedly, is that a great deal of the work and a great deal even more of the responsibility that came under the Minister of Finance no longer comes there. There is an enormous amount of work in that Department as the honourable the Premier just pointed out, but not nearly as much as there used to be, not the sort of work that effects a minister at Cabinet level. As you all well know in the last few days in this House I have held certain views, I have yet to hear anybody from either side of the House agree that we could get on with fewer portfolio ministers, I think actually we could get on with five less than we have. I am not going to bring up five different salaries, but the remarks I will make now will have the same effect, with regard to the other four. I am no more anxious to waste the committee's time than you are, and I have picked on this one for several reasons; one because it is the first one, and another because there is no particular person today connected with this ministry. It is vacant and therefore nothing I can say is going to be construed, I am sure, as a reflection on the ability of any particular minister or any department. Furthermore I don't like to mention others which are occupied, because I know it is practically impossible to reduce a portfolio-cabinet to seven, when it means depriving someone or

other of a possible honour which he might quite probably well deserve. Now the third reason I picked this department is: it is one that could quite well be filled by another minister already minister of another department, but actually it is one that I would like to see done away with, not coupled up with another department. There is no reason in the world why every Department should have its own minister and this is the first one I picked. It might not be the first one I would pick, in order of merit or demerit, but simply because it came first and there is no person presently holding the post except the honourable the Premier, who is holding it in conjunction with two other very arduous duties, and as I said before he is probably the busiest man in Newfoundland today.

One of the most important tasks of the Finance Minister is bringing down the budget. It was brought down the other day in as capable a way as it could have been done, if we had had two finance ministers doing that particular work. Now as to those, to whom it comes as a shock, that we could do without a Finance Minister, I have other proof. In Prince Edward Island in 1948—I don't know whether it is so now or not—the Honourable J. Walter Jones was President of the Executive Council and Premier which go together. He was also Minister of Education, and Provincial Secretary, which is very very similar to our Minister of Provincial Affairs, Provincial Treasurer, the name they commonly give to what we call the Minister of Finance and was also Acting Minister of Natural Resources, which implied there was a post vacant and he was filling it temporarily. In Nova Scotia in 1946, Angus McDonald was the Pre-

mier and Provincial Treasurer—they have no Minister of Finance. The New Brunswick Premier was Provincial Secretary-Treasurer, something similar to what we would have were we to combine the two Departments of Provincial Affairs and Finance. The honourable Mr. Manning of Alberta is as well Premier and Provincial Treasurer.

Now, Sir, if we are going to have a smaller cabinet, I am going to repeat a tip I gave to the Government not to fill the post vacant which I believe could be carried on without hardship or harm to anybody or any loss in efficient service. I think the \$7,000 amount saved there could be saved, as I feel perfectly sure this post could be filled by someone else in conjunction with some other department. We are not yet adjusted to the greatly decreased responsibility the Minister of Finance has; in fact, it is referred to on the Mainland as Provincial Treasurer.

There is one other point, in 1948 it was still true we were behind on services, but we have already raised one service far above the level of the other Maritime Provinces and I feel the Royal Commission, when it comes will not look too happily upon a situation where we have posts that have been long deemed unnecessary by the other Maritime Provinces.

MR. SMALLWOOD: Mr. Chairman, point of order: I waited until the honourable member completed his sentence, he is not permitted to refer at all to the debate concluded today. If he is, then every other honourable gentleman might then start all over again. It is quite unlawful and, according to Parliamentary procedure, no reference is to be made to

former debates and no quoting from them.

MR. RUSSELL: I was not going to raise any issue.

Now, Sir, I don't want to waste time or prolong the debate. To the best of my knowledge there is no colleague in this chamber going to support it anyway, and I am not going to appeal for any support. If I move the amendment, it is the only one I will move. On other occasions I will just make reference to things I disagree with or feel something should be done about. I don't intend to waste time with needless debate, but I move an amendment here that this item be eliminated and the \$7,000 be put to other services.

MR. SMALLWOOD: To a point of order, I suggest the motion is out of order, on the grounds that no member of the House other than members of the Government can move to eliminate the vote in these Estimates, can move to reduce it only, not to eliminate.

MR. FAHEY: Mr. Chairman, a point of order, I don't want to make the debate hot or anything. I feel, according to a ruling a couple of days ago, the honourable member would be in his rights to reduce it to whatever amount he likes. I made a similar motion which was not accepted. I was trying to eliminate a Government Order, and I think the point is the right to amend and not the right to eliminate.

MR. RUSSELL: If it is in order to reduce the amount of \$7,000 to \$1.00 I will gladly do so.

MR. SMALLWOOD: Mr. Chairman to the motion, I am rather glad that the honourable member for

Bonavista South assures us it is not his intention to move seven motions or six motions to eliminate or reduce to \$1.00 the ministerial salaries. It would be very boring and very tiresome. I am glad he rests his case on this motion to have the portfolio of Minister of Finance eliminated because that enables me to save the Committee's time by addressing my reply to that single motion.

Mr. Chairman, it depends on your conception of work, it depends on your conception of the work the Minister ought to do in this Department. If your concept of your job as Minister of the Crown is to stay away for two and three weeks and go off in the summer camping. If it is your concept of your job, as a Minister of the Crown, that you can drop in occasionally from time to time, put in an hour or two a day, if that is your conception of your duty and standing as Minister of the Crown—

MR. RUSSELL: Point of order, Mr. Chairman, I trust the honourable the Premier is not suggesting that I, at any time, stayed away for two or three weeks.

MR. COURAGE: I do not know, he did not say that.

MR. SMALLWOOD: I say that if that is your conception of your duty as Head of a Department of the Government, that you can pop in and out from time to time and feel like staying away one or two weeks at a time and can go off in the country fishing or something for a week or two at a time; if that is your conception of the job of Minister of the Crown, and Head of a Department you can vote to reduce the salary of the Minister of Finance to one dollar a year, and so you can with a number of other Ministers. Indeed, if you

have one man strong enough and energetic enough, you can reduce the ministerial salaries of all but one and let one man do it all. If five men can run Newfoundland or six men can run this modern Newfoundland, why not one? If five or six can do the job of twelve why not one to do the job of five or six, why not scrap them all and reduce it to one man? If he is a hard worker and energetic, if he can stand the grinding days and salary does not mean anything to him, one man could do it all. But if a man is a civil servant all his life on a civil service salary and with civil service hours, if that is his conception of the job, he can vote to reduce the salaries to \$1.00

Never since we had Responsible Government in Newfoundland, and there has been some great governments under these speakers here, but never was there a government which worked so hard as this Government. There was never a government that put in such gruelling work, eternal work, eternal hours as this Government. Twelve Ministers, twelve men doing gruelling work, endless work as this Government has done in the last two years and will do as long as they are in office at least while I am in it. Running a Government is not just a case of going to Cabinet meetings; Cabinet meetings like sessions of this House can indeed be the easiest part of it. The only real relaxation I get is sitting down here in the afternoons and at night I am in my office until one and two and three o'clock and sometimes even until five o'clock, but I come up here and relax and so it is with the other Ministers. A Cabinet meeting, a sitting of this House, compared with the work in the Departments, is only a joke, there is no burden to it, no work to it, no

work to it but to get in an office and really bring in the work, if the Minister has that conception of his job he will not agree and the members of this House, who have that conception of a Minister's job, will not agree that you can half the work of Newfoundland down to five or six Ministers. Seven men, one more than the Commission or practically the same number, six members and a chairman. It depends on your concept of the work, your responsibility, your duty, what time you should give to your work and your job. It depends on that and any number of things, and any member of this Committee who feels that any Minister of the Crown by punching in an hour or two or three or four a day in his office and then going for days and days on end without going inside his office, going off in the country trouting or something, any member who feels that will agree with this motion and no one else will.

Now, as far as the portfolio is concerned, filled at the moment by me. I have at the moment three portfolios, Premier, Minister of Economic Development and Minister of Finance. I draw one salary, as Premier, the same salary as any other Minister of the Crown, no larger no smaller and while I hold the portfolios I do, whether one, two, three or four or any number I will draw one salary and I am delighted to be getting it, \$7,000 a year for the work I do, and I am not a bit ashamed to take it. I have worked for less but I have never worked any harder. I know thousands of Newfoundlanders would be delighted to get \$7,000 a year. But if it is in the interest of Newfoundland, that it should ever be desirable to invite the honourable Leader of the Opposition to join the Govern-

ment of Newfoundland as Minister of Finance, and he should be pleased to accept, it is unlikely that it would happen I agree, but if it should happen—

MR. FAHEY: You don't have to do that, an Independent member could do that.

MR. SMALLWOOD: Should that happen, should he be asked to accept that portfolio at \$1.00 a year? Possibly my honourable friend would not take it at \$7,000 a year; but I certainly do not want to offer it to him or to any man at \$1.00 a year. Maybe it will not be in order for me to hold the portfolio of Finance Minister, in which case I will be obliged to offer it to some other gentleman; and I do not want to offer him that job at \$1.00 a year. Now it would have been useful if the honourable member for Bonavista South had given us the benefit of his wisdom and his experience by naming for us the five portfolios he would have abolished by reducing the salary to \$1.00 and I would take from him his assessment after two years' experience, his assessment of the value of the Ministers who filled the portfolios in this Government during this time. I wonder would he say that the honourable Minister of Public Welfare has not enough to do. If he does let me tell him that there is not a night, when the honourable Minister of Public Welfare is not at his office or in his home with a pile of papers, working by day and by night. Now, is he going to suggest that the honourable Minister of Public Welfare take on another portfolio, another Department? Does he suggest that the honourable the Attorney General, the only lawyer we have, will take on in



addition to the monumental task for one man, which he is doing, another portfolio and control the administration of another Department? Is he going to suggest that the Minister of Supply who buys everything that is bought for the Government of Newfoundland and is therefore busier than any other man in Newfoundland, transacting business running into millions of dollars a year and has tens of thousands of tenders, take on more work? In addition to which he has to handle the whole of the local Government's organization, a fast growing Department. Last year we had 20 town councils and now nearly 40, a fast growing local Government set-up throughout Newfoundland. Today, one third of all our population of the entire Island of Newfoundland are living within the jurisdiction of town councils and city councils, one third, a fast growing activity. The honourable member for Bonavista South is not going to suggest that he should, on top of that work, take on another Department. Is he going to suggest that the Minister of Health with some thirty hospitals under his immediate care, with over two thousand employees, more employees than any firm in Newfoundland, more than Bowaters, more than the A.N.D. Company, more, probably, than all the local factories in St. John's put together spending six million dollars, on top of that work is he going to take on another Department? How many of the Ministers can start doubling up? We will take the Minister of Education, who has some 2,500 school teachers within his jurisdiction, some fourteen hundred schools, seventy-thousand children; in addition to this activity should the Minister of Education be told that he has to take over another Department along with

his present work? Is the Minister of Labour with perhaps the fastest growing Department in the Government, administering a new labour code consisting of some five or six new pieces of legislature passed by this House in the past two years; is he to have another Department fastened on to him? Or the Minister of Fisheries and Co-operatives, I have heard some people say here that there is no longer any need for a Department of Fisheries in Newfoundland, I forget where or when, but very recently. This is a Province to whom the fishery means more than it does to any other province of Canada. I was talking today to Doctor Cooper the man who is the greatest fisheries engineer in Canada who founded the Department of Fisheries of Nova Scotia and was the first deputy Minister of it. He tells me that in that great Province of Nova Scotia, with 620,000 population, that there are ten thousand fishermen. Newfoundland has 28,000 fishermen. While it is perfectly true the Government of Canada has had a lot of experience with other Provinces, has taken jurisdiction and responsibility under the law for certain aspects of our fisheries, it is nevertheless true that we, as a Province and as the Government of a Province, have a most important responsibility and one which this Government proposes to fulfill. It is true that the Department of Fisheries is small in the number of personnel. As I said in my Budget Speech there is no necessity to make the Department of Fisheries a large Department, but I do suggest that there is need to make it a strong efficient Department and that is what we are attempting to do. In addition to the Fisheries, my honourable friend the Minister of Fisheries and Co-operatives

has jurisdiction, official jurisdiction over the co-operative movement and that I suggest while it may not presently be the mighty movement some of us at least would like to see it become, it is a movement which needs encouragement, not to be smothered with Government money, a movement which needs careful encouragement at the hands of the Government. Now, quite deliberately, I left until last, one of the warmest friends I have in Newfoundland today, a man for whom I have profound respect and regard as he has, I think, for me, the honourable Minister of Provincial Affairs, the one link we have in this Government with the great and glorious past of this Island, the veteran of 75 years of age. He is a veteran in many ways and we in this Government are proud to have him, proud and happy that he has done us the honour, first to run as a candidate of our party and secondly to assume office in our Cabinet. We are proud and happy today that the Minister of Provincial Affairs has joined us as a colleague; and no member of the Cabinet has worked harder, shown finer co-operation or finer loyalty, not the loyalty that says "I am with you to the end" and six weeks later knifes you in the back, not that kind of loyalty. We are proud to have him and as far as I am concerned, I am opposed to the motion to reduce the salary of the Minister of Finance, in this Province, to \$1.00 a year.

MR. CHAIRMAN: The motion is that on page 65, No. 401: Minister of Finance—That the word \$7,000 be deleted and \$1.00 be inserted in its place. I shall now put the motion.

Motion is lost.

402—carried. 403—carried. 404:

MR. FOGWILL: Mr. Chairman, on 404 would the honourable Minister give an opinion, as to whether or not the total of this year is near the peak of what we may expect in future years with respect to pensions?

MR. SMALLWOOD: The Minister of Labour.

MR. BALLAM: I cannot hear what is said over here.

MR. FAHEY: I think we ought to have a public address system installed in the House.

MR. SMALLWOOD: I think the honourable the junior member for St. John's East has a good idea there—the member for Harbour Main, Bell Island, I don't slip very often, the Committee will admit.

MR. FAHEY: May I remind the Premier it is the best district in the country.

MR. SMALLWOOD: From my honourable friend's standpoint it is. But we might install in this Chamber a public address system; I think it would turn out to be a most useful idea. I have gone down to the door for a smoke, just at the door, and I find great difficulty in following the debate except in the case of my honourable and gallant friend, the member for Ferryland, who raises his voice and one or two others, and if we had a public address system it might make it possible to follow more easily.

In reply to my honourable friend the member for St. John's East: Civil Service pensions are at their peak now and should begin shortly to taper off. Railway pensions are not yet at their peak, they are now at \$275,000 a year and my honourable friend may see that last year they were \$260,000; and

we think they will continue to rise to a peak of about \$300,000 and then begin to fall off.

MR. FAHEY: May I ask the honourable Minister at this point, what will cause the pensions to fall off after reaching the peak of \$300,000? I presume that is due to the fact that the C.N.R. are taking care of pensions from there on. Could we have an explanation at this point as to what takes place with the services that were created before the C.N.R. took over the railway?

MR. SMALLWOOD: My honourable friend is aware of the fact that the Government of Newfoundland is and will continue to be responsible for the pensioning of railroaders up to the day of union. Since the date of union, any service rendered by a railway man is not pensionable by the Government of Newfoundland. Since the date of union services with the Railway are pensionable by the C.N.R., not the Newfoundland Government. Is that clear?

MR. FOGWILL: I understand that, prior to Confederation, the railwaymen were pensionable under the Civil Service Act 1928 amended. I understand, in 1947 and 1948. Are they still pensionable under the 1948 Act? That is for service prior to April 1, 1949?

MR. SMALLWOOD: My honourable friend may be touching on a very serious matter; I had some information given to me quite recently to the effect that a railroader was refused his pension by the C.N.R. I have forgotten the details, I have them written down in my office and as a matter of fact am taking them up with the Government of Canada because it appears as though the attitude taken by the C.N.R. might represent a wrong interpretation of the

terms of union by the C.N.R., and which wrong interpretation would deprive some men of their just rights under the Terms of Union. I think, perhaps, that is what my honourable friend has in mind, what my honourable friend wants to know, under what Act because they are not pensionable under the New Newfoundland Act, but under an Order in Commission passed by the Commission of Government to the effect that railway men would be pensionable now.

MR. FAHEY: Under which Act or Order in Commission did it say they would be pensionable?

MR. SMALLWOOD: It was under the 1946 Act that the Order in Commission said they would be pensionable but not under the Act, it was merely an order in commission.

MR. FAHEY: I happen to be one of those who worked with the Railway for 31 years, and sometime ago when C.N.R. through the result of Confederation took over the railroad, at that time they got the age of every employee particularly those fifty-five or over with the thought in mind, I presume, that under the Terms of Union, for the next ten years the Provincial Government is supposed to take care of pensions, after ten years accumulated. So with that thought in mind, I presume, that those 55 years of age and over, that is why I took the age from 55 up, that those pensions within the next ten years or so would be taken care of by the Provincial Government.

MR. SMALLWOOD: Covering what period?

MR. FAHEY: In some cases all employees within the next ten years, the Provincial Government takes care of them, and after that the C.N.R. will

take care of them on the basis of \$300 a year or \$25 a month. That is as far as the C.N.R. goes unless each employee or any employee wants to contribute to the pension plan laid down by the C.N.R. in 1926. Could this be why all employees' ages were challenged, so to speak, at the date of Union? Now I know cases where employees had in, say, 29 years' service in 1949 and will be pensioned this year. They don't get pensions on the basis of 31 years but only on the basis of 29 years. Is that so?

MR. SMALLWOOD: That is so.

MR. FAHEY: I understand the Provincial Government pays that under the Terms of Union. I am open to correction, I am looking for information due to the fact that we have four thousand railway workers and their biggest headache is, ascertaining where they stand in the matter of pensions. That is the \$64 question. We want to know the answer as to just where we stand, as far as pensions are concerned.

MR. SMALLWOOD: I can answer very definitely, as far as the Government of Newfoundland is concerned, it is entirely responsible for pensions to railroad men for the period of service they rendered the railway up to the date of union. Since the date of union, the Government of Newfoundland has not been responsible for pensions in respect of services rendered by the men. We are responsible only for pensions up to the date of union. Now that is only a partial answer. The position is since the date of union, affecting the C.N.R., the Newfoundland Government has no legislative or constitutional right or responsibility, but I have some reason to suspect that some railway men are

in danger of losing some of their rights as a result of a misinterpretation of the terms of union by someone or rather presumably the C.N.R. That matter is being looked into, and certainly if this Government find that they are in any danger of losing any rights, we for our part will do whatever lies in our power just as Newfoundlanders, who happen for the time being to have good jobs and have some power and some authority perhaps in certain fields but not as a government; we have not the right as a government but in the other capacities we do whatever lies in our power to help out in that matter.

MR. FOGWILL: I understand the railroaders were made pensionable by minute of Commission 1948, under the 1926 Civil Service Act as amended. Now the Terms of Union in regard to public services is term 31:

(1) "Employees of the Government of Newfoundland in the services taken over by Canada pursuant to these Terms will be offered employment in these services or in similar Canadian services under the terms and conditions from time to time governing employment in those services, but without reduction in salary or loss of pension rights acquired by reason of service in Newfoundland."

One point I would like to have explained, Mr. Chairman, that is, I take it, the honourable Minister today said the C.N.R. is responsible for the payments of the pensions. The Railway worker is paid by the Railway but in regard to this \$275,000 here today, who issues the cheques? Where does the Government of Newfoundland pay that money?

MR. SMALLWOOD: The Newfoundland Government issues the

cheques through our Treasury, whether they are paid to the individual men or the C.N.R. I don't know, but I certainly think direct to the men and will ascertain that fact and let my honourable friend know. Now just before we leave the subject I would like to make this very clear. The C.N.R. does not own the Railway. The Newfoundland Railway was not taken over by the C.N.R. That is: the ownership was not assumed by the C.N.R. It was the Government of Canada who took over the Newfoundland Railway but simultaneously entrusted the management of the railway to the C.N.R. So under that order of entrustment the C.N.R. are merely custodians of the Railway on behalf of the Government of Canada and it is the Government of Canada in the Terms of Union, who have given such guarantees to the railwaymen in respect of pensions and not the C.N.R.

MR. FOGWILL: Mr. Chairman, I realize that and I think the Premier will admit that their terms are not clear enough; now paragraph 2 of the term 31:

(1) "Canada will provide the pensions for such employees so that the employees will not be prejudiced, and the Government of the Province of Newfoundland will reimburse Canada for the pensions for, or at its option make to Canada contributions in respect of, the service of these employees with the Government of Newfoundland prior to the date of Union, but these payments or contributions will be such that the burden on the Government of the Province of Newfoundland, in respect of pension rights acquired by reason of service in Newfoundland, will not be increased by reason of the transfer."

MR. SMALLWOOD: May I pay a tribute to the honourable the junior member for St. John's East. I know of only two other men who have the same knowledge and the same interest in the matter of railway pensions. Those two are his brother and Mr. James Duggan of the Railway. Now I am not saying there are not other railway men with the same interest and knowledge but I am saying I know of no others, I am saying I know of only those three. The member for St. John's East, I know, takes a very close interest in the matter and has ever since this matter came up. Ever since the issue of Confederation came up, on the floor of this Chamber during the National Convention and as I say he was very close to the matter, approached the second delegation, the one that signed the terms on this very matter and I know of his abiding interest and concern and I would like to pay him that tribute. I know my honourable friend from Harbour Main-Bell Island has the same interest; perhaps he has not studied it as closely, I don't know, he may have for all I know studied it just as closely as his colleague.

MR. FOGWILL: He has, yes.

MR. FAHEY: I have yielded the floor on two occasions, Mr. Chairman; do I have the floor or not?

There are one or two points I would like to make, maybe the honourable the Premier will not be interested in what I say but there are four thousand railway workers, employees of the C.N.R., with an average family of five, that is 20,000 people, and that represents a fairly large percentage of the population and for that reason, now that the matter has come up for discussion, perhaps we should give it some thought. All the

employees of that department were taken over by the Federal Authorities, given their seniority rights and the same rights and privileges as those employees working on the Mainland for the same number of years. The same thing happened with the local Postal Department and the Customs, I understand, and so with the other members of the Civil Service transferred to other departments of the Federal Authorities and were given the rights in these departments; but the railway is a little different in that the Provincial Government takes care for the next ten years of employees over fifty-five. The Provincial Government, under the Terms of Union, must take care of their pensions but for those who had 20 or 25 years of service in, before the C.N.R. took over, there is no provision made except, that after they have ten years of service in the C.N.R. the Provincial Government is obligated to the extent of \$300 a year for those of ten years' service with the C.N.R. before they come up to pensionable age. Some employees have had twenty years with the Newfoundland Railway and their position has not been thoroughly explained yet and as I said, until such time as it is, it remains the \$64 question.

MR. HIGGINS: Supposing an employee of the Railway served ten years with the Newfoundland Railway and then 25 years with C.N.R., making a total of 35 years and gets to a full pensionable age, does the Newfoundland Government pay a percentage of that pension, 10 years and the C.N.R. 25 years of the pension?

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Chairman, speaking on behalf of the Premier I think the answer is approximately, yes.

MR. HIGGINS: Now supposing the employee served nine years with the Newfoundland Government and 26 years with the CNR, does that mean he receives a pension from the CNR and none from the Newfoundland Government?

DR. POTTLE: The answer is, Mr. Chairman, we pay for the Newfoundland service whether it is one year or nine years.

MR. HIGGINS: We were told here, he had to spend ten years with the Newfoundland Railway before he was pensionable at all.

DR. POTTLE: If the individual concerned comes to pensionable age, we pay our portion whether it was one year or any number.

MR. HIGGINS: I ask that question because of loss of pension rights which were acquired by reason of service with the Newfoundland Railway. Suppose after serving ten years in Newfoundland he had a right to a pension but had to serve another year, would he now be deprived of getting a full pension because of the CNR taking over? I was just wondering if that were the case? I know cases where employees of the Railway were pensionable at the age of 65 and were allowed to work until 68 and were then pensioned in order to get ten years in.

DR. POTTLE: If an employee came to the age of 65 under the Newfoundland Railway, without having ten years of service in, he would not be pensioned.

MR. HIGGINS: Suppose he served nine years with the Newfoundland Railway and five years with the CNR?

DR. POTTLE: His pension is based on fourteen years—We would pay 9/14 roughly.

MR. FOGWILL: That is one of the questions bothering many people because a circular was distributed amongst employees, about two years after Union, and they don't understand now what it means. This circular said in one paragraph: Employees with the Newfoundland Railway, transferred to CNR and pensionable at that date, would be pensionable under the Newfoundland plan including pensionable service with the CNR. Now their pension plan is entirely different. Now what does allowable service mean? An employee may have 20 years after Union but what does allowable service mean, what does it mean in money, as far as his pension is concerned?

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I know of cases where men over 65 who were proficient at their work but when the Federal Government took over they laid them off because they were 65 years of age, capable men at their work and these men were put on the shelf without any consideration whatsoever.

MR. FOGWILL: I have seen the same thing happen myself.

MR. BALLAM: I think, Mr. Chairman, there were some cases where men came to the age of 65, with only eight years of service, and they were left on, though the pensionable age was 65 years, they were left on so that they could get in their ten years, now they are laid off nine years and four or six months because if they were kept on any longer the company would be obligated to pension anyone going over the ten years. Lots

of men, who were prepared to work on, were not permitted regardless of pension or otherwise. I would like the honourable the Premier or the Minister of Public Welfare to explain; if I accumulate so many years under the Newfoundland Railway and then accumulated so many more under the CNR, do I get two separate pension cheques, or credits when the cheques are made up? That is one of the questions that is bothering railroaders today, they do not know if the local Government will pay the time accumulated before Confederation or the CNR after, providing they put in ten years. Do the employees get credit for the time under the old system and again with the CNR to make up the total amount of service?

DR. POTTLE: The answer is: it is collected from the CNR, the actual settlement is between the two Governments, it is a matter of accounting. Now if I may say something, Sir, I presume the honourable Minister of Finance when he referred to a serious point raised by the honourable junior member for St. John's East meant this matter of pensions which I think in so far as it involves service with the CNR, is one for serious consideration. The section is not at all clear and I think the point being raised is not being overlooked and certainly not ignored by the Government but still calls for clarification and is one to which the Government will give serious attention. At the present time I cannot give definite answers to all the questions raised here in Committee.

MR. BALLAM: I think we should pass this Order of Business and go on with the Estimates, and the Government will look into it thoroughly.

MR. FOGWILL: Perhaps it is better to let this particular vote 404 stand until, say Monday, we will have more time for careful consideration by that time.

MR. FAHEY: I move it be deferred.

MR. SMALLWOOD: Yes, let it stand.

405—Carried.

DR. POTTLE: Before it is carried perhaps the Minister of Finance would like to say a word to 405.

MR. FAHEY: Under that heading 406, I wonder if the honourable the Minister of Finance would give some explanation of the \$500.

MR. SMALLWOOD: Mr. Chairman, that amount of \$500 is a Pre-Union liability and is an amount intended to cover small odds and ends and bills coming into the Department, from time to time, in respect of services or goods delivered to those Departments before the date of Union and it is still only two years ago so it is easy to imagine a bill cropping up now and then. It is rather late but it is still only a couple of years ago, and in case any more of these crop up in the coming year we have provided this \$500 and if none should come up it would naturally become a drop balance.

MR. FAHEY: In other words, Mr. Chairman, we may or may not need it to take care of different bills that the Commission of Government ran up, if they should crop up.

MR. SMALLWOOD: That is so.  
406—Carried.

MR. SMALLWOOD: Under the heading of 407, Mr. Chairman, we

have the Vice-Royal Visit on page 19, no vote. There was no vote last year; that was two years ago.

Carried.

408—Carried.

409:

MR. FOGWILL: Mr. Chairman, 409-03, Accounting etc., Machinery and Equipment \$5,000. I noticed on the other page 405-03 we have Equipment, rentals etc., \$8,000. That is \$13,000 all told.

MR. SMALLWOOD: That is a different office altogether. The Social Security Assessment Office is in the Law Chambers on Duckworth Street and is a more or less self-contained unit with its own equipment.

The other is the main office of the Department of Finance.

DR. POTTLE: There seems to be some error in 409. The addition up to 20 is all right, but there seems to be something wrong towards the latter part.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise, report progress and ask leave to sit again tomorrow.

#### Orders of The Day

Third reading of Bill "An Act Relating to Poultry and Poultry Products."

Thereupon the Bill was read a third time.

Third reading of Bill "An Act to Amend the Memorial University (Pensions) Act, 1950."

Thereupon the Bill was read a third time.



Third reading of Bill "An Act to Amend the Department of Public Works Act, 1950."

Thereupon the Bill was read a third time.

Committee of the Whole on Bill "An Act to Amend the St. John's Housing Corporation Act, 1944."

MR. CHAIRMAN: I would like to remind the Committee that all the clauses were read but there was some discussion on clause 6. Clause 6 was not passed. Clause 7 was.

The following amendment is moved:

"Where any development is made by the Corporation in the Housing Area either before or after this Act without limiting the generality of the foregoing, the laying of water and sewerage pipes, the construction of roads and the making of any other improvements whatsoever; the Corporation may in respect of any private property in the Housing Area, make an assessment of an amount bearing the same ratio to the total cost of the development as the value of the land to be assessed bears to the total value of all land in the Housing Area, including land of the Corporation, the value of which was increased by the development, and in making the assessment the opinion of the Corporation as to the land which was increased in value by the development and the value of any land shall prevail; and subject to the approval of the Lieutenant-Governor in Council the assessment shall be final and binding upon all parties."

Moved that 22 sub-clause (a) be stricken out and 22 (a) be inserted as read.

MR. FAHEY: I was absent from the House the first time since it opened and I would like, Mr. Chairman, to have the honourable Minister explain the reason for striking out 22 (a) and inserting the amendment.

MR. SMALLWOOD: To conform with the Municipal regulations as far as the installation of water and sewerage and assessment of the value of any work or proportion of the work, for arguments sake, suppose a gutter were put along in front of land already there, you are responsible for paying the legal assessment on that, that is all.

28A.—(1) Whenever in pursuance of an agreement made under Section 3 land is developed in any area for housing purposes the Minister may, in respect of any land, other than land of His Majesty or the partnership in or adjacent to that area, make an assessment of an amount bearing the same ratio to the total cost of the development, as the value of the land to be assessed bears to the total value of all land, including land of His Majesty or the partnership, the value of which was increased by the development, and in making the assessment the opinion of the Minister as to the land increased in value by the development and the value of any land shall prevail; and subject to the approval of the Lieutenant-Governor in Council the assessment shall be final and binding on all parties.

MR. FAHEY: Mr. Chairman, I would like to ask the honourable minister a question on that: suppose we take a new section like Cornwall Avenue or places of that type, take Craigmillar Avenue.

MR. VARDY: We are only dealing with the Housing Corporation.

MR. FAHEY: Well, would not this Act apply to any other area or is it only the Housing Corporation?

MR. SMALLWOOD: No, only to the area defined as the Housing Corporation.

Carried.

Moved that the Committee rise, report having passed the Bill with some amendments.

Committee of the Whole on Bill "An Act to Amend the Slums Clearance Act, 1950."

MR. FAHEY: Mr. Chairman, would it be in order to make a motion that the two legal advisers go into committee and report back?

MR. CURTIS: We have done it, this is our report.

MR. HIGGINS: If the honourable gentleman wants to report to the Committee of the Whole, I am quite ready to comply.

MR. CHAIRMAN: Clause 28 was allowed to stand.

Amendment to Clause 29: That Clause 1 (a) be stricken out and the following be substituted therefor:

(a) where the increase of value accrues before any assessment is made under this sub-section, the Minister may make an assessment on the land so increased in value of an amount bearing the same ratio to the total cost of the development as the value of the land to be assessed bears to the total value of all land, including land of His Majesty, the partnership and the St. John's Housing Corporation, in respect of which at the time when the assessment is made under this paragraph an increase of value has accrued by reason of the development.

MR. HIGGINS: I would like to ask the honourable gentleman if that is the same as the Municipal Council Act? If you put in water and sewerage near a farm that does not make use of the water and sewerage, must he be assessed on that frontage?

MR. SPRATT: Yes, at a certain period, I don't know if it is immediately upon the installation. I could not tell you now about the law but there would be an assessment anyhow.

MR. HIGGINS: If a farmer should sell any part of his land which of course would be taking advantage, then he would have to pay the five or ten dollars a foot.

MR. SPRATT: No.

MR. HIGGINS: According to this they can.

MR. FAHEY: The point is, in the past, private enterprise could develop and lay sewerage and water, and give services of that kind, and some other company, on the opposite side of the street or road, would not pay for it until such time as they utilise the land in building lots, or otherwise. I understand now he must pay whether he uses it or not.

MR. SPRATT: Well, as to what time the payment is made I do not know but where improvements are made by laying of water and sewerage the owner of the land is responsible for the assessment. What time it is paid I am not in a position to say.

MR. FAHEY: I have something in mind like this: let us take the development of Craigmillar Avenue that was done by a private corporation to take care of one side of the street, now on the opposite side there are still fields in some of the other places.

Suppose in that particular locality of Craigmillar Avenue there is a farmer on the opposite side. What I want to get clear is the farmer who occupies the farm, does he have to pay so much a foot under this Act or is it to be paid only after he utilizes his farm for building lots?

MR. SPRATT: It all depends, of course, the relation is anomalous as far as Craigmillar Avenue is concerned. I would like to point out, if you have a virgin piece of land tomorrow and you decide you want to have sewerage put in you have to pay before hand, pay for it before it is done at all. In this instance out in a suburban area, I am not in a position to say. I am as unfamiliar with it as you are now.

MR. HIGGINS: And if a man has a road through his property and wants to use it for building purposes he certainly should be charged.

MR. VARDY: I think the honourable member should refer to section 4.

"The assesment made under (1) shall be paid by the owner of the land to an Authority designated for the purpose by the Minister, and if the Minister so directs the holder or holders of any interest in the land shall be severally liable for the payment of the assesment, but nothing contained in this paragraph shall require the assesment to be paid more than once."

In other words the Minister has the authority to designate when it becomes due, in other words when the land is utilized for the purpose of building. Incidentally, it is not anticipated that there will be any program in the foreseeable future, but it is certainly only fair if an individual is making use of utilities, he should

be quite prepared to share the cost of putting them there. In the overall picture, when the cost of development is considered, there would be taken into consideration the number of lots that might be available in the lots adjoining to it that could be developed in competition to a government project. It does not apply to a large area of land not being utilized or that has no prospect of being utilized. They are not going to say: "Here, old man, you got to pay your cost of that development." I don't think any government wants to do that, it would be a most unpopular move and governments are not prone to movements of that kind if it can be avoided. But we are trying to avoid a situation arising, which has arisen in the Housing Corporation and which has to be corrected by the Act just passed. We don't want, at a later date, to come in and make further provisions for something that is not unforeseen.

MR. HIGGINS: Was it not foreseen in the Housing?

MR. VARDY: No, but in respect to this Federal Provincial Partnership Operation it is, and consequently we put it in at the same time.

MR. HIGGINS: Mr. Chairman, that shows the value of Hansard. The Act is passed but the wording of the Act itself does not point out what the House of Assembly intended, but if we had the Hansard we could find out what had been said during the debate and would be certain then it was not the intention to interfere with any farmer unless the farmer took advantage of the improvements, and if that were in Hansard it would be hardly likely the Government would carry out anything but the intention of the House of Assembly.

MR. VARDY: The Government has full power of expropriation under that Act, I am sure.

MR. HIGGINS: I am not talking about that at all, supposing they don't expropriate and leave the farmer there and charge \$5 or \$10 a foot; it is just as well to take the land and give a reasonable price and the farmer would have to go somewhere else. I understand that position quite well.

MR. FAHEY: Well, I might say this: supposing I had a farm and the Government came along with a project to put water and sewerage and culverts and gutters and so on on that land, but adjoining that land, on the opposite side, was my farm. Under this Act, immediately the Government could make me pay taxes per foot according to expenses. Now, we have two or three different setups; in the past the Municipal Council, in my opinion, were not in a position or for some reason did not develop certain projects but that was done by private enterprise such as Craigmillar Avenue Area Project which was done by the Railway. They only occupied one side of the street and as people built there, it was only when they built they charged the frontage. On the other section of that particular railway area there is an area not occupied even today, and there is a farmer there in that section and I don't know if he is forced, at the present time, to pay any frontage.

MR. SPRATT: O'Reilly is still there on Craigmillar Avenue.

MR. FAHEY: The same type of thing occurs on Craigmillar Avenue. A farmer occupies both sides of the street but has no other services, has a well of his own. If this land is let out in building lots, as the case may

be, he may be charged for it. It is all right for the Government or the Council that the service is provided, pay for it; but where private enterprise takes care of that, I don't know if we can make an Act to compel anybody to pay that if the company asks for it.

MR. VARDY: I can explain that, if it is really farm land and the owner has no intention of utilizing it for any other purpose; the assessment would not be made until such time as it would be taken for building purposes. That has already been explained. That is the intention of this Act. It is not to impose any hardship on anyone.

MR. FAHEY: Don't carry it too quickly.

MR. CHAIRMAN: Order, the motion is not being put.

MR. FAHEY: I would like to remind the honourable member not to be in a hurry to vote until we get on the budget.

I would like to have a better understanding from the honourable Minister in this. What if the Government started a project in a certain locality tomorrow and they occupied one side of the street and I occupied the other side. I am compelled, if the Government so decides, to pay my share whether I want to or not.

MR. CURTIS: I think if the honourable member would read section No. 4 right through, he would see that in the case the person gets five years to pay and if he does not then use the land, that time can be extended. If he would read the rest of section 4.

MR. FAHEY: That depends on what interpretation it is given.

MR. CURTIS: It says here "provided an assessment made under subsection (1) shall become due when it is made and the Minister has designated the Authority to which it is payable, but the Minister may direct that an assessment, or part of an assessment, shall be paid in such equal instalments and at such times as he shall prescribe, if the dates of payment are so fixed that the aggregate of the instalments is payable within five years from the date of the assessment. Provided that where none of the improvements, in respect of which the land was assessed, are being used for the benefit of that land, the Minister may allow a term longer than five years for the payment of the assessment, subject to the condition that if any such improvements are so used at any time thereafter, the part of the assessment remaining unpaid shall thereupon become payable."

That is very clear and very fair.

MR. FAHEY: Referring to the Attorney General, I hope he does not mean to infer that we should vote on an Act until we have a clear understanding of what we are voting on I think that is appropriate for this side, the other side or the Independent members. We asked for an explanation and after a lot of talking, taking up a lot of time of the honourable House, I think we have now reached the point where we understand what the Bill means, but it should have been printed more clearly.

MR. CURTIS: I might say if the honourable member were here the other night, but unfortunately he was not here, we would not have needed to explain it again tonight.

MR. FAHEY: I would like to apologize for being absent the other

night and I will say that was the first time I have been absent from the honourable House, since I have been elected, and I remember being here many times when the honourable the Attorney General was absent and I was present.

MR. SMALLWOOD: That is telling him.

Carried.

The Committee rose, reported having considered the matter and passed the Bill with some amendments.

MR. SMALLWOOD: Could we defer the next order, Mr. Speaker, Respecting Safety of Workmen in Mines and pass on to a second reading of a Bill "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the purpose of bringing this proposed legislation before the House is to seek legislative authority to continue the present scale of bounties paid on ships now in effect. When the Commission of Government Shipbuilding Bounties Legislation in 1938 provided a scale of payments of this order on vessels constructed to be used in the fisheries and coastal trade—\$40 a ton on vessels up to 150 tons, \$30 from ten to thirty tons, and, according to a different schedule, an additional \$30 for new engines fitted. In 1949 they amended that legislation and upped the scale of bounty with respect to fishery vessels and provided a new scale of \$90 a ton for a vessel of one hundred tons, \$20 if a diesel engine were installed and \$10 if a gasoline engine were installed. The Commission of Govern-

ment provided further legislation, which maintained these higher rates of bounties in effect until 1949, and this House subsequently provided legislation which will continue in effect until June of 1951. This Bill seeks authority for not more than the present scale but merely to continue paying the present established scale. I move the second reading.

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

Second reading of Bill "An Act to Amend the Co-operative Development Loan Act, 1949."

MR. KEOUGH: Mr. Speaker, this Bill is purely formal and is intended to make the same amendment with regard to the Co-operative Development Loan Act as previously passed by the Act, with regard to the Fisheries Loan Act. The Bill provides merely for the proper certification of the financial statement, proper recording of minutes, proper auditing of accounts, in fact, it is self-explanatory, and I move the second reading.

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

Second reading of Bill "An Act to Amend the Co-operative Societies Act, 1939."

Ordered deferred.

Second reading of Bill "An Act to Amend the Local Government Act, 1949."

MR. FORSEY: This Bill proposes certain changes which I shall enumerate very briefly: Clause 2 deals with municipalities of two or more communities, at the present time there is no way to insure representation.

In the present Act there is nothing to prevent strangers from holding office and in certain cases they have been appointed to paying positions. Provision is now made to prevent such from serving on councils. There is some change to the form of the oath taken by Councillors by including a statement that the councillor is qualified. The following is also added to the Act: A councillor is prohibited from holding a paying office under the council.

Provision is also made in the Bill for councils to operate the following: Light Generator Plants, for domestic purposes; own and operate park and recreational facilities and grant bus transportation rights.

That is all that is envisaged in the proposed Bill, Mr. Speaker, and I move the second reading.

MR. FAHEY: Mr. Speaker, speaking to the principle of this Bill, I cannot say that we can make any intelligent remarks due to the fact, that it is only since the honourable Minister got on his feet the Bill has been distributed, and any further remarks we have to make or care to make would have to await the Committee of the Whole due to the fact we did not get a chance to look over the Bill until the Minister introduced it at that time.

MR. CURTIS: Would the honourable member like to have it adjourned? If so there is no objections.

MR. SPEAKER: The Motion is quite in order.

MR. FAHEY: Mr. Speaker, I would like to make this statement before the motion, the Bill should be distributed before the honourable Minister introduced it in order to

give the honourable members a chance to study, but I noticed at this particular time that the Bill was distributed while the honourable Minister was moving second reading. But I don't care to delay the House any further and will make my remarks in Committee of the Whole.

MR. SPEAKER: The honourable member will understand that it was for that very reason the honourable the Attorney General suggested the debate might be adjourned.

MR. FAHEY: I appreciate the Attorney General's reminder that it could be adjourned to a later date, but I prefer to leave it to a Committee of the Whole.

MR. CURTIS: I just wanted to make it clear we are not pushing it through.

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

Second reading of Bill "An Act Respecting Elections in Municipalities."

MR. FORSEY: Mr. Speaker, this Bill is purely formal. Section 12 of the Local Government Act provides that the Lieutenant Governor in Council may make regulations for the holding of municipal elections. The By-Election Regulations which have been drafted from time to time are hardly adequate. I consider that the best course is to provide for the holding of elections under a separate act, and for this purpose I move the second reading of this Bill.

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

Second reading of Bill "An Act Relating to Wild Life."

DR. POTTLE: This Act relating to Wild Life is designed principally amongst other things to define a little more clearly the respective territories of the Federal and Provincial Governments with regard to this topic of protection of wild life. The object of the Bill is to remove from the present regulations all reference to fish, to wit: salmon, trout which is now vested in the control of the Department of Fisheries. Receipts for Angler's License are still a matter of Provincial control. Any changes which have been made relating to wild life regulations, salmon and trout had to be made under the provisions of the Wild Life Act (that is, the 1947 Act. This Act replaces the 1947 Statute. The only other change indicated in this Bill is a change in the definition of "Resident" which in the present form included, for the purpose of angling only, bona fide members of the Armed Forces stationed in Newfoundland. In the Wild Life Act, 1947, which this Act seeks to repeal, members of the Armed Forces in Newfoundland were regarded as residents for the purpose of purchasing angling and hunting licenses. I have been advised by the Department of Natural Resources that 346 Licenses for big game have been issued for a fee of \$5. The non-residents fee is \$25.00. It is considered, that as members of the Armed Forces are foreigners, it is considered that the privileges allowed under the existing Bill should be withdrawn.

MR. HIGGINS: They should be charged \$25.00.

DR. POTTLE: These are, I believe, the substantial points indicated in this Bill and as they are not, I believe, a matter of principle, they may be dealt with in detail in Committee

of the Whole. Sir, I move the second reading of this Bill.

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

MR. FOGWILL: A point of information, Mr. Speaker, I wonder if the honourable Minister would explain: He said salmon and trout, does that relate to all trout or just sea trout?

DR. POTTLE: I cannot answer the honourable member, Mr. Speaker, I am speaking now, not to close the debate but on a point of information. If there are any further questions I should be glad to have the honourable members raise them during Committee.

MR. HIGGINS: I think you will find it applies only to fish that have their home in the sea and come to the rivers only to spawn. What is the situation with regard to members of the Armed Forces, do they have to pay \$25.00? You mean someone who only comes down here to go fishing not resident members. Surely that is not right. Is that a function of the Canadian Authorities or our country?

DR. POTTLE: This will be our own.

MR. HIGGINS: I suggest you give that some further consideration, I don't think we can apply this to anybody stationed down here.

DR. POTTLE: The Clause in question is Clause 2 (k)—and for the purpose of angling includes a bona fide member of the Armed Forces. I wonder if that is inclusive enough for the satisfaction of the honourable Leader of the Opposition.

MR. HIGGINS: This only applies to visitors. Any member of the Armed Forces is a visitor but as it stands here he is a resident. That provides protection. Now about a visiting member, do they charge them or give them honorary licences, I wonder.

MR. FAHEY: On the American Bases?

DR. POTTLE: They are residents if they are stationed here.

MR. FORSEY: Of course it is still our territory.

DR. POTTLE: I would like to be sure of the answers to all the questions that might arise relative to the Bill, as it is one I am not entirely familiar with.

MR. SPEAKER: I cannot allow any more conversation as it would anticipate the committee stage.

Second reading of Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for such Purpose."

DR. POTTLE: Mr. Speaker, the subject to which this Bill refers is one of considerable importance to the Province of Newfoundland. At this time however, the matter to be covered by the Bill itself is one strictly of formality, which enables the Government of the Province to enter into an agreement with the Government of Canada, whereby transfer of the necessary land for establishing a national park will take place. The Bill, Sir, in the strict sense is therefore an enabling Bill. The transfer involved covering the expropriation of land is taken care of, as the Bill



indicates under clause 2, by Section 21 of the Department of Public Works Act, 1950. That Act sets forth in considerable detail the mechanics of the expropriation and I would move, Sir, that the Bill receive second reading.

MR. FAHEY: Mr. Speaker, in speaking to the principle of the Bill, which I think introduces the fact of national parks in this Island, the honourable Minister said we would expropriate land in order to create national parks. I don't quite get that, it is not a matter of principle, and can be taken care of in Committee of the Whole, but in other parts of Canada for instance, if we went out to the Rockies by railway we would be given a pamphlet to read about the great national park, and I hope we don't abuse our national park, if we agree to create one here in this Island, with false propaganda which has taken place as far as the national parks are concerned in other Provinces of Canada. There is a Canadian Park known as Jasper and I happened to travel through that section of the country and was given a pamphlet telling us to watch out for the wild goats, the mountain goats, and when we came to a very steep grade there was an old fellow with a whisker, like the Premier predicted he would have when he sat over on this side of the House, and a friend of mine from Winnipeg whom I met a couple of days later, said that was one of the mountain goats. Goats, I said, where do you think I am from, Newfoundland or?—I won't repeat the rest of it. Anyway it appears to me the national parks of Canada are blown up so high you could not attempt to stick a pin in them. You only have to be five hundred feet away and

they would all blow up, and it is for the purpose of creating tourist traffic to the National Parks. Alright, the Premier is a good advocator, and I agree we have a thousand possibilities in this country, but don't let us ruin that by blowing up our national parks like they do. Further on, on that particular trip, we were told to watch out for a big mountain stream the spray from which would come onto the platform and we would need to put on oil-skins and what I saw was this: I often saw, after a half hour's rain, more of a spray over the South Side Hill. Now, Mr. Speaker, I would suggest if we are going to create a national park let us not put out any false propaganda, but give what we have and not make it an American Hot Dog. If we start a tourist camp give them the corned beef and cabbage, and if they don't like it they can go back to the East Side, West Side and eat hotdogs. While speaking on a national park, I would say it would be a very good thing and I support the Acting Minister of Natural Resources and would like to give him all the support I can, but there is one thing I would like him to remember, don't let us blow it up like Jasper Park when we create our national park.

Bill read a second time. Ordered to be referred to a Committee of the Whole House on tomorrow.

Second reading of Bill "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architect Designations in Newfoundland."

MR. CURTIS: Mr. Speaker, I am introducing this Bill for second reading not because I favour the Bill but because the Bill is private, and some-

one has to throw it out to be kicked around and to be dealt with as the House would like. This is not a party measure and I want to repeat: It is not a party measure. But yet it is a Bill to which I would like to draw the attention of the honourable members. This is a Bill to incorporate the Newfoundland Architect's Association, to that I would have no objection. I think any group of professional men have a right to organize themselves and there could be no objection to their being organized but I would draw particular attention to Section 28 of the Bill and to Section 29 (2).

"Whenever any building or like structure is constructed, altered or enlarged and such work involves public hazard or the use of structural calculations of a specialized nature, or whenever such erection, alteration or enlargement involves the expenditure of a sum in excess of fifteen thousand dollars, the services of an architect shall be employed in connection with any such work provided however this section shall not apply to any works of an engineering character as defined by paragraph one section (e).

Now, Mr. Speaker, as things are going now, \$15,000 cannot build a hen house, and to think that any man building a house that is going to cost \$15,000 should have to engage an architect, strikes me as unreasonable. Moreover if anybody builds a house for \$15,000 he has to pay a fine of \$100 for every offense. That is not so bad; the house only costing then \$15,000.

Another clause, the next one, is very objectionable too, Clause 29 (2) 2.

"Without restricting the generality of the foregoing, any person who pre-

pares or offers to prepare for a fee, commission or other remuneration any sketch, drawing or specification for any proposed building structure or for any structural alteration of or addition to an existing building structure when such proposed work is to cost more than \$5,000.00, shall be deemed to hold himself out as an architect."

You can't build on a couple of rooms on your house without an architect.

MR. SPEAKER: Let me point out, under the newly written standing orders, it is not competent at this stage to discuss the principle of a private Bill. The principle, in this instance as the honourable the Attorney General has pointed out, is that those people wish to incorporate themselves. After second reading it must be referred to a select committee before a committee of the whole House. I merely point this out because I am quite sure the honourable member —

MR. CURTIS: Because of the fact I realize this Bill must go to a select committee, I venture to ask the House to give it second reading. If the second reading means adoption of the whole Bill in principle I would not read it, but I understand it must go to a select committee and for this reason I move it be read a second time.

Mr. Speaker, the motion is this Bill be now read a second time.

MR. SPRATT: Is it in order to ask a question now?

MR. SMALLWOOD: Mr. Speaker, to a point of information. As I understand, other members wish to speak to this Bill on second reading and it is now almost eleven o'clock, I suggest it would be proper proce-

sure that any honourable member who wishes to speak on the Bill might now adjourn the debate.

MR. SPEAKER: If any honourable member now speaks, I will have to stop him in two minutes, obviously the most sensible course is the one suggested by the honourable the Premier.

MR. SPRATT: I would like to point out at this time, Mr. Speaker, an architect can mean a lot or nothing and there are occasions in building where shifting or replacing of a support would require the employment of an architect. I know that from practical experience. If the amount named in the Act of \$15,000 does not affect in any way the employment of an architect in the construction of a house—but when the matter comes before the House I will justify that point. I will justify the existence of the architect's union because it does not only apply to the \$15,000 house, it does not mean you have to have an architect during the building or construction of the house but only to draw plans, and no doubt to build a house you must have a plan, for any house. Therefore, I say that section is perfectly in order.

MR. SPEAKER: It is now 11 o'clock. When the debate resumes the honourable member still has the floor.

MR. SMALLWOOD: Mr. Speaker, I suggest the remaining orders be deferred and the House at its rising adjourn until tomorrow, Monday, at 3 of the clock.

The House then adjourned accordingly.

MONDAY, May 14, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

Honourable the Attorney General to ask leave to introduce a Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies.'"

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, there were two questions from the honourable and gallant member for Ferryland. I got back in town quite late today, but since getting back I got word to the Department of Finance. I do not think it affects that Department, but it takes care of all Departments in a matter like this. So I got word to them to try and get the answers down this afternoon and I shall table them the moment they arrive.

HON. WILLIAM KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I have referred the questions to the Loan Board and have not received the answers yet. That is the question of the honourable the member for Ferryland.

#### Orders of the Day

Committee of the Whole on Supply.

MR. FAHEY: I rise, Sir, to make a few remarks in reply to the Estimates and the Budget.

First of all I want to congratulate the Minister of Finance for the able way in which he brought down the Budget. Of course that does not say

we agree with everything in it, but we do agree that the Budget was brought down in an able manner by the Minister of Finance.

While on that matter of the Budget, I think I referred to it here on Friday night, that I think it is high time we had some sort of a public address system here as I think it is very difficult to hear. I stood down in the back a few times and I could not hear a word going on except when the honourable member speaking was faced that way. Because of this fact I feel the House Committee or whoever is responsible for it should try to remedy this cause.

In looking over the Estimates in the Budget, there is quite an eye-full there, so to speak, and I think the House can afford to have such a system installed, and with such a system or arrangement I do not suppose some of the honourable members would be blamed for chewing tobacco in a fore-castle of a schooner with their feet upon the table.

Another matter which I suppose comes under Mr. Speaker, is when a member asks a question in the House, I noticed on several occasions there were only three copies tabled, and in some cases, only one to the member asking the question. Now, I think, that each and every member is entitled to a copy as in some cases another member may have the same question in mind but has not asked the question, and when the answer comes back I think the Government can afford to have a copy for each and every member.

Mr. Speaker, while dealing with expenses, I think it is the duty of every member, when a Bill is presented to this House, to first say to himself—

how much will this Bill cost the Province? Is the project worth it? We probably should use the word Province now to be correct, but in some cases we may use the words "this Island." Anyway, the members should ask themselves the question—Is this project worth the amount of money? The next thought in my mind is that the member should say to himself—Should the honourable House say to the Government; in other words should the honourable House authorize the Government to spend five millions to give employment to five hundred, or on the other hand, should the House authorize one million to give employment to one hundred? Or should the House say to the Government, we feel it would be a far better procedure if the Government would create floor prices for fishermen to stabilize the fisheries, the price on fish, and thereby give employment to roughly 28,000 fishermen. We should ask ourselves what is best and I think the floor price to stabilize the fisheries, the prices on fish would be best and I feel that all the honourable members must think so too. I advocated last year that we should have a floor price for farmers, and there again we would give additional employment. To subsidize farmers and fishermen with floor prices would naturally give a guaranteed price and would give more employment, in my opinion, than some of the new industries can create for less money than the Government is spending at the present time. I feel it is far ahead than to spend five or six million to give employment to five or six hundred, to give a subsidy of a million of a million and a half which would give employment to thirty thousand fishermen and farmers combined. Now, we have heard

a lot about NAFEL, what it should or should not do, but I am inclined to agree with the member for Placentia West on that score when he says NAFEL is doing a good job and until such time as we have an organization to do better, it is the best we can do.

Supposing the Federal Government who controls NAFEL, dismissed NAFEL today, what would take place? It would be an open market and each exporter could, and probably would, undersell every other and in a very short time, in my opinion, the price of fish would be down to \$5 a quintal; the fishermen would suffer through this. That reminds me of an experience that I had in the thirties when I was doing some farming on Topsail Road. I came in to a Grocer and told him I had some turnip tops to sell, and I happened to glance at the window and it was marked up there "Turnip Tops 3c. a lb." I was offered 1c. a pound and when I remarked the fact, the reply I got back was, "Why should I when I can buy all I want for 1c.?" That is a fact, the farmer had to grow them for 1c. and the grocer sold them for 3c. If you take NAFEL away you have the same situation as far as the fishermen are concerned. But I contend, when I go down to get a pound of butter or a suit of clothes, the clerk does not ask me what I want to pay, but quotes a price and I pay it. I think fishermen and farmers should quote prices and not have someone else tell them what they will pay them.

Now, I would like to make this clear to the honourable House that the Federal Government controls NAFEL, and I don't suppose there is much this local Government can do

about it but, in my opinion, in the final analysis the majority of fishermen are realizing the salt codfishery is coming to an end, and the time is here for a fresh fish market on the Mainland of Canada and in the United States. As I have already said the Federal Government controls the fish markets and there is not much we can do, but I would say this: Let us fight between ourselves here in this House on our local problems, but when it comes to a point of Ottawa or the Central Government choking our economy I say we should get together and fight to get the same concessions as the Prairie Provinces in the way of subsidies. I advocated floor prices for fishermen and farmers two years ago and, in my opinion, it is the only solution. I would say this too: The markets are hungry for fresh fish, and if the Government set out to help the fishermen along and see that Ottawa does its share, it would help the economy of Newfoundland.

Now, I would like to say a word on the cost of living. I felt and I advocated last year that the Government should eat more fish as brain food. Later here this year we heard it was only a legend that we should eat more fish as it is a brain food. Legend or not I say, dealing with the cost of living, people will have to eat more fish as the price of beef steak is 95c. today, and take a look at the rates quoted here the other day. I contend that the Government should get to work and subsidize the fishermen and what I mean by this, is not in such a way as the local Government subsidized Grand Bank. We have a situation up there, I am open to correction on this, the Government subsidized a half a million dollars for a fresh fish plant at Grand Bank.

Now Fortune is only four miles away by road, not by sea, in rough weather it is not always possible to make it, except by road, and private capital was prepared to put in a fresh fish plant at Fortune and while that was going on the Government assisted Grand Bank to the amount of one and a half million dollars, this local Government here.

MR. SMALLWOOD: What private Company? Who were they?

MR. FAHEY: I say a private company, or a private enterprise, was prepared to put a fresh fish plant at Fortune. I won't name that company, I have no right to do that, that is up to the Government to find out; but I am telling you I could, only I would not like to without asking permission. But, as I understand, private enterprise was prepared to put a fresh fish plant at Fortune, and the Government assisted through a subsidy to get a plant at Grand Bank. Let that be as it may, could not the other plant only four miles away by road take care of all the fish caught at Fortune and Grand Bank?

MR. JANES: No.

MR. FAHEY: I contend the Government should have looked into the situation before spending the money. If private enterprise is prepared to go ahead they should be encouraged to do so, that is my opinion and I am entitled to my opinion. That is all on the fishery.

I would like to draw attention to the House being told about a man who had no butter to put on his loaf, and in a couple of years he was in bad shape because of berri-berri or malnutrition and it was acted out in such a way, I am not saying it was not true, but it was acted out in such

a way, I thought Lionel Barrymore from Hollywood was in the Chamber, acted in such a way showing how poor George used to drag his leg; that may be true but we were not told about prices today and they may or may not affect our health a year or eighteen months from now. Another thing we are never told in this House is how much money goes to Ottawa. We hear over the radio and through the Department of Welfare, I believe, and I believe again it costs the Province a penny or two to do so, how much money comes in for social security in its various forms. We are told through the local press how much money comes in from Ottawa but never yet have I seen in print or heard over the radio, how much money goes from this Province into Ottawa by way of Federal Taxation. Just as an illustration to bring out this point: suppose we paid into Ottawa for Federal Taxation \$20,000,000 a year and all this money came back we only get back \$18,000,000, then I contend we are short-changed by two million dollars. This is only an argument, but I would like some honourable member in a position to do so, or some commentator or newspaper men to give Newfoundland the facts as to how much is paid out to Federal Government and compare it with what is paid back by the Federal Government to Newfoundland. I contend the people are kept in the dark to that extent.

Now how can Newfoundland produce if we get into the position that we pay more into Ottawa than we get back? If we got to go to Ottawa, so to speak, with our hats in our hand for money, to borrow back perhaps the same money we are paying into Ottawa in Federal Taxation,

in my opinion, we cannot produce, and that brings me to the point of such times when we speak about production on this side of the House and we are accused of having eighteenth century minds. I would like to remind the House that John Ruskin, the greatest English writer of the day, had an eighteenth century mind, and he said that the life of a country depended on its production, and consumption is the backbone of production. There is no use to produce where there is no consumption, and I say Newfoundland must produce and consume, and the wealth of Newfoundland will always be measured by what we can consume. The same thing applies to the farmer and fisherman. The wealth of Newfoundland is not measured by the money in the bank; the wealth is measured by the equipment we have in the boats and how much they can produce, and the same applies to the farmers; their wealth is not measured by \$20,000 or \$30,000 in the bank but by the amount of land, livestock and equipment and so on. So the wealth of a nation is measured by its capacity, as Ruskin said, of what they can produce and consume and that is how, in my opinion, Newfoundland must look forward. We may be accused of 18th century minds but that is what one great writer said at that time.

Now, in looking over the budget for this year, I do not see any estimate, it may be there but I do not see it, to take care of the white tail deer mentioned here only a year ago. I don't know if the Government overlooked this investment or not.

MR. SMALLWOOD: The two paper companies are undertaking to pay the cost of bringing the white tail deer into Newfoundland, and the Government, on the unanimous recommendation of the Woods Labour

Board, consisting of various woods labour unions, and two great paper companies have agreed they should be brought in on a purely trial basis in a very limited number at the two paper companies' expense.

MR. FAHEY: Well, Mr. Speaker, I appreciate the explanation, and so, that is why nothing appears for it in the budget estimates.

Now I would like to utter a word of warning to the Government, whether they accept it or reject it, it is entirely up to the Government, but I would like to say this: Don't let us cripple the economy of our children and those to come after by getting mixed up in a fifty million dollar loan through private and public Corporations that may or may not succeed; if we do this, in my opinion, we will have to annex to some other Province, such as our weaker sisters or poorer sisters, whatever you might term them in the Maritimes. Our economic development depends on what we can produce and consume, and not on who gets a beer license or who gets a tourist license. Our economy in the end will depend solely on what we can produce and consume. Whether we got \$14,000,000 or \$41,000,000, the future depends on the output and the markets for such outputs in addition to such consumption.

Mr. Speaker, in closing I would like to make these few remarks. A year or so ago, each and every member here received a silver dollar from the Federal Government as a commemoration of Newfoundland's entry into Confederation; I feel that every honourable member appreciates this, but there is one thing that was overlooked by Ottawa, they should have sent us along a puncheon full of nickels to take care of the three percent taxation which you pay as you go along.

MR. FOGWILL: Mr. Speaker, I was not prepared to talk today but I will do the best I can under the circumstances.

First, Mr. Speaker, I would like to add my congratulations and best wishes to the former Minister of Finance, now Senator Quinton. I feel sure it is the opinion of this House that Senator Quinton is well worthy of the position which he now holds. He has been very active in the affairs of Newfoundland for many years, not only as far as Government activity is concerned, but he was also interested in our country when he was a soldier. Although some remarks were made in this House not very long ago in regard to Col. Drew, when it was said that Col. Drew visited some places in Conception Bay and shed crocodile tears over the grave of his grandmother, and also that he wore corsets; I would like to remind the honourable House that Col. Drew was also a soldier, and I respect every one of them.

MR. SMALLWOOD: May I remind the honourable member he is referring to a debate in the same session.

MR. FOGWILL: I also congratulate the Minister of Finance on the able manner in which he brought down the Budget. I do say, however, practically three or four weeks before he delivered his speech here, I predicted a surplus on current account. I did not, of course, realize that the Government could show such a surplus as they did for last year; no one could have predicted that.

Now, Mr. Speaker, it appears to me the policy of the present Government is one of deficit spending; the Government has over-spent in its first year in office and during the last year in office, and in their forecast for this

year, they are spending approximately thirty millions of dollars more than what they are taking in, in revenue derived from taxation. Because, Mr. Speaker, we have to consider that the transitional grant of \$6,000,000 for the first three years can not be counted as revenue. Revenue is from taxation only, and that is just what it means, a transitional grant, and we shall have to make up for that as we go along in future years after this present year. Now the Government has been very fortunate and lucky in this period of the Island's history to have had such an amount of money on hand as we had in the surplus account. The Finance Minister pointed out, Mr. Speaker, that there was to be no increase in taxation this year. If we may be permitted, Sir, to make reference to Federal Taxation I would like to point out there is quite a large increase in Federal general taxation itself, it has increased from 6% to 15%, and under this heading alone the Federal Government hopes to take in \$600,000,000 in respect to general taxation for this present year, \$145,000,000 I think is forecast for the increased total and they expect to get \$600,000,000. That is quite a lot of money, and it will, Mr. Speaker, bring upon the people of Newfoundland like the rest of Canada, a greater burden. Now I am opposed entirely to any indirect sales tax. It can be compared only to our customs duties of the past where wholesalers profit and retailers profit was built upon the cost of goods plus taxes. Now in Ottawa in the Federal Hansard, some member pointed out the wholesalers' profit would be about 20%, and retailers' profit 30% or 35%, I feel this should be more conservative. On the \$600,000,000 which the Federal Government expects to collect this year in indirect sales tax



when we apply 20% wholesalers' profit, the profit between the time the goods are manufactured, and including the cost of transportation and other things in the picture, and 35% profit on top of that and more transportation, you will find the 15% taxes on this basis, the Canadian people will pay \$300,000,000 more this year for goods than they should. If applied on the retail level, they would save \$400,000,000 and Abbott would only have to apply a 6½% tax or 7%, which would give him additional money which he could use for the purpose of collecting.

Now, how does that affect Newfoundland? How much do we pay and what is the difference here in increased taxation? \$80,000,000 worth of goods, which, in my opinion, is the amount of taxable goods coming under the sales tax, and the transportation charge, wholesalers' and retailers' profit out of which we will pay in respect of \$80,000,000 about \$4,000,000 more than we should pay for the same amount.

It was some time ago in this very Chamber in 1948 I made a statement, wherein I claimed that under the present status, which we now enjoy, that in regard to taxation the Federal Government would collect from Newfoundland approximately \$13,000,000 in respect to income taxes and succession taxes and death duties. I do know the amount collected in that respect by the Federal Government, up to the end of March 1951, was just over \$11,000,000 and I do know this there were hundreds and thousands of people who delayed filling income tax returns and hundreds and thousands of them continue to pay up to the Federal Government, and will in the months to come, amounts owing

to the Federal Government in respect to income tax. I claim now, under the heading of income tax, they will collect for the past year not less than \$35,000,000 from Newfoundland. It is very little trouble for any member to find out if that is the approximate amount or not. I told certain gentlemen in this same Chamber, three years ago, and it is on the record.

Now I do know, Sir, that this Government is not a sit-down-on-its-back-side-and-do-nothing government, as has been pointed out in respect to governments of the past. I know they are working hard, and perhaps, when they went into office, they did not realize what a difficult job they had to do, now that we are a Province of Canada. I will go further than that, Sir, and say that many members in this House are doing quite a lot, but I want to say this, too, that the plans for the extension of the public services were laid down by the Commission of Government before they came into office. There was a five years' plan by which the Commission of Government did hope they would be able to extend the public services of the Island and bring about a better way of living for the people. They did lay down the program for extending the schools, building roads, and many other things. Of course, in the same breath of the many members, talking about welfare services in respect of family allowances, not one of them in this House was responsible for bringing in family allowances to Newfoundland, that was done by the people entering confederation with Canada. But in the Welfare Department now, the biggest spending department of the Government, I will say they have laid down a policy of aiding and assisting those people unable to work and to do anything for themselves. In re-

spect to dependents' allowance and mothers' allowances, I will say they have done a good job. The Health Department has built hospitals and sanatoriums and cottage hospitals, but all that was laid down in a plan before they came into office. The department was geared for that purpose and the civil servants in the departments concerned with health and welfare services just carried out the work because of the fact that this Government had the money.

Highroads: The principle of high-road building was laid down in 1924; it is not new and all the Governments did since that date was to build highroads in Newfoundland. In fact we are building highroads in Newfoundland, not because of any particular activity on the part of the present Government, they are only carrying on the work laid down before. The same thing applies to every other department.

MR. SMALLWOOD: To labour?

MR. FOGWILL: I will concede to my honourable friend the Minister of Labour that his Department today is doing a very good job, and I am happy to say today a gentleman, on my way up here, told me the dispute between the bakery workers and employers has been settled.

If the present Government enters into an agreement with the Federal Government, whereby they can impose an indirect turnover tax, they call it that, which added to the general sales tax, becomes 15%, and then adding the 3% turnover tax which no doubt will be a 4% on every piece or particle of taxable goods consumed here in Newfoundland, we would be paying a 19% taxation. 19% taxation on

every piece or parcel of taxable goods which we will use.

Mr. Speaker, in respect to liquor traffic, I know that during the past year the Government sold 15% less bottles of liquor than in the previous year. They sold 850,000 bottles during the past year, or a decrease of 97,000 bottles.

MR. CASHIN: A lot of us have gone on the waggon.

MR. FOGWILL: At the same time, Mr. Speaker, while they sold 10% less liquor the sales were a couple of million dollars more than the previous year, so where did they get their profits? They must get their profits from the tavern operators, which now I believe amount to 72 and also from the fact they probably took from the Board of Liquor Control all the available money which could be turned into revenue and, no doubt, also, the percentage of water has been increased,

MR. SMALLWOOD: The profits—

MR. FOGWILL: Now they bought a motor van at a cost of \$1,800 which probably they wanted to haul the liquor to various places where it is consumed.

Now, last year, Mr. Speaker, the fisheries of this country in this modern age reached a new low. I remember, last spring, a proposition was made to the fishermen to go fishing and the promise was made that everything would be all right. In the fall they would be able to sell their fish at a reasonable profit and maintain their families during the winter months. That did not take place, and exactly the same thing is happening this year. What are the fishermen going to do? I don't know if they are hauling their boats up

on the beach as suggested or if they are going fishing. But I do know this at least: there is a transitional period or change in the salt cod to fresh fish and the change is not such yet that it is going to be of any great aid to the fishermen for this year, and they need a great deal of aid now at the present time. In respect to fisheries, I would say that in assisting the fishermen, the program of assistance was laid down by the Commission of Government, and not by the present Government. They built in the Island many bait depots, and paid for them and assisted the fisheries. Since the present Government has been in power I cannot see myself any great activity at all on the part of the Provincial Department of Fisheries. There was, Mr. Speaker, some assistance given to a fish meal plant in St. John's last year which cost \$9,000 but that was not a great amount compared to another expenditure. I would like to quote from the "Evening Telegram," October 21, 1950: An article headed "Sole Rights to Meal Process," "Premier J. R. Smallwood said on his return to St. John's yesterday from a visit to American cities, the experiment established in St. John's some months ago is proving highly successful and everything points to the process being entirely satisfactory. He said any reports to the contrary were entirely without foundation, in fact, and that the Government is presently negotiating to secure the sole rights of the process for Newfoundland so that it may be introduced into hundreds of fishing settlements along the Island coast."

I put a question on that, No. 74, and the honourable Minister of Fisheries in reply said: "The Government of Newfoundland did not negotiate for sole rights for the process of fish

meal." Now all questions here related to this fish meal process, which I understood was taking place in Newfoundland's backyard.

MR. SMALLWOOD: Would my honourable friend allow me to give him a bit of information?

MR. FOGWILL: No, Sir, I am not going to be interrupted.

MR. SMALLWOOD: Are you afraid of the truth?

MR. FOGWILL: I wonder what it is.

MR. SMALLWOOD: You won't hear it.

MR. FOGWILL: Now, Mr. Speaker, we have the boat the "Matthew Second" which cost thousands of dollars, built at Clarenville and up to the present time this boat has not proved successful. In answer to another question: What was the catch for 1950, Inshore, Labrador and Bank? The answer given that was that the information sought ought to be obtained from the Federal Department of Fisheries and the Dominion Bureau of Statistics. That is a poor way to operate in Newfoundland, which is primarily a fishing country, and I say that the Provincial Division of Fisheries should know every day throughout the week and have at hand all the time and be able to answer in the House when any member asks, anything respecting the total amount of fish on hand and sold. The Caraqueet dragger, Mr. Speaker, is another failure. It was used to carry out certain operations in certain parts of the Island and then arrangements were made to charter it to Hollet & Sons for a period of a year.

I would like to read another short article quoted in part from the "Evening Telegram" of Nov. 20, 1950: "Smallwood Speaks at Launching of Boat at Clarendville"—"If experimental fishing which will be conducted proves up to expectations, others will be built on assembly line basis to lower cost, and the Government will make available to fishermen, through the recently set-up fisheries loan board..."

To me, Mr. Speaker, this is absolutely trash and nonsense. If this boat cost \$40,000 and they are going to put up big boats on an assembly line basis, if the Government built one hundred of that type it would cost the Government \$40,000,000.

There is one other thing, and that is the Icelandic venture which was also a failure. The Government may boast of all this they did during the past two years, but I say they just carried on the normal work of the Departments, which each honourable Minister happened to head, which was plainly laid down in those departments, and were barely put into effect by the Government after the Government came into power. Then I say they have not done any great job particularly when we realize that they had such a huge amount of money as the surplus to play around with. They built a cement mill and a gypsum plant and a birch plant. I am not going to say anything at all about these three projects until I know more about them, then I will probably say something.

Now, Mr. Speaker, we had a gentleman here in Newfoundland, I understand his name was Steiger, who painted some pictures, and I would say he was rather lavish perhaps in colour, but, today, he is in eclipse because the colours painted by the

honourable Minister of Finance when he brought down the budget last week were painted in such glowing and rosy colours I would say no wonder Mr. Steiger went away to finish his painting on the Mainland. He was ashamed to stay any longer here to hear such wonderful and glowing accounts of the financial and economic picture of this Island.

MR. JOHN G. HIGGINS (Leader of the Opposition): I move the adjournment of the debate, Mr. Speaker.

MR. JANES: I second the motion, Mr. Speaker.

On motion the third reading of a Bill "An Act to Amend the St. John's Housing Corporation Act, 1944" was deferred.

On motion the third reading of Bill "An Act to Amend the Slum Clearance Act, 1950" was deferred.

Committee of a Whole on Bill "An Act Respecting the Safety of Workmen in Mines."

Section 1 through to 171 read and passed.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I wonder if it would be satisfactory to the Committee to have the number of the clauses called with sufficient time for reading. They have been proof read in some detail, and I have an adviser here.

MR. HIGGINS: I wonder if we could delay that question until Mr. Fogwill comes back?

Section 172 through to 183 read and passed.

MR. HIGGINS: I think we should revert back to 113, that is the one.

DR. POTTLE: Would the Committee consider an amendment to clause 113 and let our amendment read as Sub-clause 4? "Magazine lamps shall be installed in rigid fixtures and enclosed on vapour tight globes protected with metal guards and lamps shall be controlled by . . ."

MR. FOGWILL: That is agreeable.

Clause 113 passed as amended.

DR. POTTLE: I wonder if the Committee would now consider naming by clauses and giving enough time to read? Beginning with number 147?

Motion carried.

Section 147 through to 256 read and passed.

MR. FAHEY: I believe the honourable Minister of Supply must have compiled that clause.

Section 257 through to 269 read and passed.

MR. FAHEY: If I remember correctly, the honourable Minister of Public Works raised a point on Section 270. I think the Committee at that time thought it was unnecessary to have number 270 in there, or that the penalty should be heavier, which it was—I just forget, but we were discussing it.

HON. E. S. SPENCER (Minister of Public Works): I do not know exactly. I was discussing another matter when I was referred to this by the honourable member for Bell Island-Harbour Main. But when we discussed it my belief was that the penalty was a joke and should be either washed out, torn up or put in a clause with some teeth in it.

DR. POTTLE: I do not think there is any point of principle in-

involved. I think that is the proper penalty. I think the committee should rise and report progress and this clause should be taken up for proper drafting to be heard tomorrow. The clause we are considering now was not in the original code from which the whole Bill is taken, this was inserted locally. I do not think they interfere with the principle of the Bill, and a brief conversation between our adviser and the Attorney General would straighten out the whole matter.

The Committee rose and reported having considered the matter to it referred, and having made some progress, and asked leave to sit again on tomorrow.

Committee of the Whole on a Bill "An Act Further to Extend the Operations of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

Section 1 read and passed.

Section 2 read and passed.

The Committee rose and reported having passed the Bill without amendments.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of the Whole on a Bill "An Act to Amend the Co-operative Development Loan Act, 1949."

MR. FAHEY: Mr. Chairman, this Act came into effect in 1949, that is a long way back. What about the business that has been transacted from December 1949, to the present date?

MR. KEOUGH: This provision is to authorize this procedure in the future but that has been carried out in the past.

MR. FAHEY: In other words, the Department of the Auditor General has conformed with the Act.

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Amend the Local Government Act, 1949."

HON. P. S. FORSEY (Minister of Supply): I do not know if it would be agreeable to read this by sections.

MR. FOGWILL: Read it all.

Section 1 read and carried.

Section 2 read and carried.

MR. FOGWILL: Mr. Chairman, in 2 (3) the division of municipalities in two or more—would the honourable Minister explain that?

MR. FORSEY: It does not affect the city of St. John's but in towns such as Burin there are two or more communities, and at the present time it is possible for a community not to be represented on the Council, or have the representatives elected from Burin North, and have the other two communities not represented at all. This provides each section is to have at least one representative.

MR. FOGWILL: Does that same clause apply to all communities outside St. John's?

MR. FORSEY: Yes, if they have smaller communities in with them.

MR. HIGGINS: Does that apply to Corner Brook?

MR. FORSEY: Yes.

MR. FOGWILL: Could it not apply in St. John's as well?

MR. FORSEY: No, the definition of municipalities excepts St. John's.

MR. FAHEY: That is to say when they are divided up into sections or areas each one is responsible for its own ward, so to speak.

MR. FORSEY: That is right.

Section 2 passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

Section 8 read and passed.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

MR. FAHEY: What is Section 11?

MR. FORSEY: In the original Act it said the Chairman of the Council would be appointed by the Lieutenant Governor in Council; that is repealed and the Chairman is to be elected by the members of the Council after their election. Section 12 deals with conditions under which a councillor must vacate office.

Section 11 passed.

Section 12 read and passed.

MR. FORSEY: Mr. Chairman, I was confusing this clause 12 with section 12 and section 8 of another Bill here, providing for elections in municipalities; under the old Act there were election regulations provided for each municipality, now the general Act provides for all elections in all municipalities.

MR. FAHEY: Then this Act would take care of every one rather than a

special Act for each particular settlement.

MR. FORSEY: That is right.

Section 13 read and passed.

Section 14 read and passed.

MR. FAHEY: In section 14 (c)—if absent for more than twelve calendar months at one time. That would be all right in my opinion, providing he moved to some other Province, but let us consider the case of a member of a municipality happening to be sick or in hospital for twelve months or 18 months, is there any reason why he should vacate his seat? His family may be still residents of that same locality. I think if he had permission, or if leave of absence had been given, it would be all right, but it seems to be laid down a little too hard in the case of sickness or otherwise.

MR. FORSEY: Well, this particular clause is the law at present. There are only eight councillors on each, usually some are away on business during certain months of the year, and if one were away permanently for twelve months, or if two men were away the business of the council would not be carried on at all.

MR. FAHEY: I think that should be up to the council to take into consideration and to grant leave in case a councillor is sick. It should not be necessary to vacate his seat, we should not make a hard and fast rule in the Act saying any time a member is absent for twelve months or more, the council of that particular area should be able to decide rather than the Act.

MR. FORSEY: I have no particular objection, but the local municipalities are under the guidance of the Gov-

ernment, so to speak, and in lots of areas the councillors go away and leave the work in the hands of two or three, and if they are away for twelve months they are not in touch with the community and are holding a seat that could be occupied by someone else who could render a better service to the community.

MR. FAHEY: I agree, but should we not leave that to the particular council elected in that area to decide rather than bringing it in as a law? I am just drawing it to the Committee's attention.

MR. FORSEY: I do not think it is very necessary.

Section 14 read and passed.

Section 15 read and passed.

Section 16 read and passed.

Section 17 read and passed.

Section 18 read.

MR. FOGWILL: Will the honourable Minister explain?

MR. FORSEY: That is a service fee. All municipalities impose a service fee, some \$3 and as high as \$5. It is paid by everyone over 21 and by every female over 21 who has an income of \$600. The old Act said \$400.

MR. HIGGINS: That is a poll tax?

DR. POTTLE: With regard to sub-paragraph (iii): "All females of the age of twenty-one years or more residing or employed in the Municipality for three months or more in the financial year who have an income from any source whatsoever of six hundred dollars or more a year, but any person who had paid any tax in the same fiscal year, under the provisions of Section 51, is not liable for the municipal service fee for that year."

What is the difference between fiscal year and financial year there, why are two different words used?

MR. FORSEY: They could be different.

DR. POTTLE: Is it the intention to have them different there?

MR. FORSEY: The financial year could end in January and the fiscal year in March, and it could have to be paid in the beginning of the fiscal year.

Section 18 passed.

Section 19 read and passed.

Section 20 read and passed.

Section 21 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act Respecting Elections in Municipalities."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

Section 7 read and passed.

Section 8 read and passed.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

Section 13 read and passed.

MR. FAHEY: It says a British subject 21 years—in case of a person other than a British subject paying municipal taxes, if he is paying taxes is he qualified to vote?

MR. FORSEY: If they are not qualified to vote they would not be paying taxes.

MR. FOGWILL: I am concerned with the word "British Subject." Persons come in and live and pay taxes under that clause.

MR. FORSEY: In that case they are not liable for taxation.

MR. VARDY: St. John's is one of the outstanding examples, where we had Chinese. Prior to Confederation they were not citizens but always voted in municipal elections.

MR. HIGGINS: Under the Wild Life Act a person in the country for six months is considered a resident.

MR. FOGWILL: You would think that persons, other than British subjects, residing in a municipality and paying taxes would be allowed to vote.

MR. HIGGINS: I think we will have to look that up.

MR. VARDY: Could we ask the Attorney General?

MR. HIGGINS: Supposing for instance down on the Labrador we have a town half Canadian and half American. If they are 50% of the population, do they pay 50% of the taxation? What happens in such communities, do they have a vote?

MR. VARDY: Property owners always have a vote.

MR. FORSEY: It would mean, say American citizens were living in a community, they would enjoy the services but have no interest whatsoever in the community and why allow them to do so.

MR. HIGGINS: Say a certain number of Jews from Russia or Siberia set-



tled here, suppose they were not naturalized citizens or British Subjects, would they have a vote?

MR. FOGWILL: This section deals with a non-British Subject who is paying taxes.

MR. FORSEY: Just for services rendered by the community.

MR. SMALLWOOD: I think, Mr. Chairman, I should begin by confessing I just do not know whether anywhere in Canada or any British country or Dominion or Colony, anyone is permitted to vote on anything other than a British Subject or Canadian citizen as the case may be. It seems to me to be a pretty daring thing for us to introduce that principle and it seems to me that before adopting that clause, we might take steps to find out from the Secretary of State for External Affairs what the position is generally in Canadian Municipalities and further in British Municipalities. We might wake up to find ourselves quite famous for introducing an entirely new principle in municipal voting in Newfoundland. My suggestion is that this clause might be allowed to stand until we send a telegram and we may have an answer back by tomorrow.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): At the present time I am speaking from experience; I am only making a suggestion, you asked to delay until tomorrow for information, we have it already; they are supposed to pay taxation to the municipality. It does not enter into consideration if they are British subjects. Under conditions laid down under the municipal act, we are only dealing with municipal tax payers not over-all governments. It is not necessary to have the qualification

they should have to govern a country if they should be nationals, then alright.

MR. SMALLWOOD: It was said by the junior member for St. John's East that the Chinese people voted in the municipal elections before being British Subjects or Canadian citizens and after Confederation. That may well be true, and I do not doubt for a moment what the honourable gentleman said, but might they not have been British Subjects? Chinese people were not naturalized citizens or British Subjects, I understand, before Confederation and the fact that they voted in the municipal elections in St. John's is surely no evidence whatsoever that non-British Subjects may vote. Again I confess I do not know. It may be quite common for non-British Subjects to vote in municipal elections, on the other hand it may not be, and there is no harm done in allowing it to stand until tomorrow.

MR. HIGGINS: We recommended that ten minutes ago.

MR. SMALLWOOD: It sounds very sensible to me.

MR. FORSEY: If the theory is accepted that if you pay taxes you vote, do you not have to accept the common rule that if you do not pay taxes you do not vote?

MR. FAHEY: If this provision is in force in several rural areas, control of taxation is taken out of the hands of Newfoundland and passed over to foreigners.

HON. LESLIE R. CURTIS (Attorney General): I think we are beating around the bush about nothing; under this section a man must be (a) and (b) and (c) and (d) all joined by "and."

MR. HIGGINS: Not Chinese, that says British subjects, and there were 20 years when they could not become naturalized British subjects.

MR. SMALLWOOD: After the Commission of Government it ceased.

MR. FAHEY: Why now? But if as you say they could be naturalized twenty years ago, they were all automatically residents and citizens of Newfoundland.

MR. CURTIS: Yes, but you must remember many of those I imagine are probably dead or have gone back. During recent years none have been naturalized.

MR. FAHEY: I understand some of them have been in the country for twenty and twenty-five years, according to the papers.

MR. SMALLWOOD: They might well be so and not be naturalized.

MR. FOGWILL: I am not opposing the clause in any way but it seems a little strange. I don't care but would like a little more information.

Section 13 stands.

Section 14 through to Section 28 read and passed. Section 29 read.

DR. POTTLE: Under clause 29 I would like to raise the point regarding penalty. It is rigid, it must be \$100 for each offense and must be imprisonment for three months, neither more nor less.

MR. CURTIS: I think that ought to be more elastic.

MR. HIGGINS: Suppose a voter goes into a booth and stays a half an hour, what is to get him out? Is there anything in the Act to get him

out? Say there is a crowd there before five and a voter goes in and spends a quarter of an hour, would he be considered a nuisance, I wonder.

MR. SMALLWOOD: Those booths are not very entertaining.

MR. HIGGINS: There is only one man permitted in the booth room at one time.

MR. SMALLWOOD: That term is very important, in fact in the last Federal Election in Newfoundland a speaker at one place told the voters "when you find yourself alone in the ballot box with your conscience," he meant booth.

Section 29 passed. Sections 30 through to 103 read and passed.

Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

The House recessed until 8 o'clock.

### NIGHT SESSION

On motion the Committee of the Whole on Bill "An Act Relating to Wild Life" was deferred.

Committee of the Whole on Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for Such Purpose."

Section 1 read and passed.

Section 2 read and passed.

MR. FAHEY: I am not quite clear on that. The Minister of Natural Resources has to do with National Parks; I agree with that,

but where does the Minister of Public Works come in on acquiring the land? Suppose it was owned by private enterprise, the Minister of Public Works then attaches or assesses the land or otherwise. Is that what it means? In other words the Minister of Public Works may expropriate land from private enterprise if Natural Resources thought it was needed for National Parks.

MR. CURTIS: The position is clear, it just gives the Minister of Natural Resources power to get land necessary for National Parks in the same manner as the Minister of Public Works acquires it if he wanted it for Public Works. So the Minister of Natural Resources, by that Act, is given the same power of appropriation of land for National Parks as the Minister of Public Works has when he needs to acquire land for Public Works, that is all.

MR. FAHEY: I appreciate the explanation made by the Attorney General. Which Minister is to expropriate the land?

MR. CURTIS: The Minister of Natural Resources.

MR. FAHEY: He is given the same power?

MR. HIGGINS: Was the recent Act passed to give the Department of Public Works the right to acquire land amended or passed in 1950, was it amended this year? I would say the Department of Public Works 1950 Act is amended by this Act.

MR. FAHEY: This is something similar to the Act we talked on last year, no arbitration, it is taken without any board of arbitration.

MR. CURTIS: No, arbitration is provided. If the Minister of Public

Works takes over, we would have to arbitrate. It is the same thing with the Minister of Natural Resources.

MR. FAHEY: If my memory serves me right we passed a Bill to expropriate with no board of arbitration. I am open to correction, but did we not have a big argument last year over that same thing? We argued that there should be a board set up.

MR. SPENCER: Speaking from memory for the benefit of the honourable member and also in reply to the question raised by the honourable Leader of the Opposition. He is slightly in error when he says this year's amendment does not affect it, but in fact it does in this measure. Only last year we passed an Act empowering us to expropriate land but we are not permitted to take land for use until the expropriation is completed. Now in the amendment this year we are empowered within ten days after notice to enter thereon and take for public purposes. That is all the amendment amounted to this year. Now in reply to the honourable member for Harbour Main-Bell Island, the Department of Public Works did not at any time have the right to expropriate without arbitration. It gave the Minister of Public Works the right to expropriate land for public purposes and if in cases where the Department found it impossible to reach an agreement between the Department of Public Works and the owner of the property, in what we term an amicable settlement, he had power to appoint an arbitration board and the board's findings must be final. That is the actual position so that the honourable member is slightly in error. I think if you look up the Act you will find that is the actual posi-

tion. We have power to expropriate but if we cannot reach an amicable agreement with the owner we refer to an arbitration board whose findings must be binding on both sides.

MR. FAHEY: Now I want to raise another point. Previous to the Act of last year, if a settlement could not be reached between the Public Works or highroads, and the individual owner, then a board of arbitration was set up, but if I recall clearly the Act stated last year that the Department would have the right to expropriate land regardless of setting up any board of arbitration and this Act now gives the same right to the Minister of Natural Resources for the purpose of setting up national parks. If they want to go out and the honourable Chairman for instance has a piece of land for farming they could expropriate and take it and the honourable member or the individual, whoever he may be, would not have a right to make any appeal to the board of arbitration or otherwise. I think the Act passed last year gave the Public Works Department the right to take lands. The old Act was authorized to set up boards, but last year as the result of the Act passed by this honourable House, the Department was given the right to expropriate land regardless of setting up arbitration.

MR. SPENCER: I would suggest that for the benefit of the honourable member —

MR. CURTIS: We have the Act here. He is really entirely wrong, there is no doubt about that. I can quote at this moment where we have a board working on expropriation of land. We never had the authority without resorting to an arbitration board.

DR. POTTLE: May I clarify the point. The Minister of Public Works is right. The transfer of the land may be taken care of by amicable agreement. There is no need of the board if it can be settled, but if it can't be settled there is one other way and that is by the Arbitration Board, and provision for the board under this condition is set down under the section of the Public Works which is statutory in clause 2.

MR. CURTIS: The position is in the first place if only one piece is expropriated there is a board of arbitration appointed: A chairman by the Minister, one member by the Minister and one member by the party affected.

MR. HIGGINS: The point raised was this: I remember now; the recent Act vested all lands taken by the Department of Public Works in the Department itself, but in this Act the Minister of Natural Resources is only acting as an agent of the Government, and the land does not become vested in the Department of Natural Resources but in the Government. Is that right?

MR. CURTIS: Yes, it becomes vested in the Government.

MR. HIGGINS: The Department of Natural Resources is only acting as an agent. Therefore under section 2 it is the Government who transfers the land to the Government of Canada.

MR. CURTIS: That is right.

DR. POTTLE: It is through one Government to another.

MR. HIGGINS: Under the Department of Public Works Act all land is vested in the Department of Public Works.

MR. FAHEY: I would like to ask the Minister of Public Works one more question. In setting up this Board to arbitrate the private property, the owner has the right to appoint his representative, the highroads appoints another representative, and the Government, which is the highroads, appoints the third so that the Government has two representatives on the board and the individual only one; is that true?

MR. SPENCER: That is pretty much correct.

MR. FAHEY: Which means, Board or not, the Government has the best of it.

DR. POTTLE: The point is, Sir, if I may say so, the board of assessors in the case of more than one piece of property—

MR. FAHEY: Now you say the Board of Assessors, not arbitration. That is different altogether.

Section 3 read and passed.

MR. FAHEY: Mr. Chairman, we have a certain section in Codroy or Humber District and someone has a lease on that property, say 30, 40 or 99 years ago and never developed it; it is time it is taken away to create a national park; I agree with that, but on the other hand to take away land that has been developed and it can be done through this board of assessors which is set up in such a way as it can be taken by the Department of Public Works for this purpose, and by the Department of Natural Resources for that purpose. The Government appoints two members and the individual only one, therefore it is two to one on the board of, not arbitration, but assessors.

MR. CURTIS: When we took the land at Argentinia the owner got no

chance to elect anyone at all. They were appointed by the Commission of Government.

MR. FAHEY: I would like to have some of that money in my pocket. I believe the honourable Leader of the Opposition was on one of the Boards in Stephenville.

MR. CASHIN: In connection with that point they did not pay the money directly. They received it from Great Britain and according to the agreement the Americans wanted to pay and the Americans paid the British ten million and the British Government passed over less than two millions. They robbed the Newfoundland people out of eight millions.

MR. CURTIS: I have heard that for the first time.

MR. CASHIN: I have repeated that twenty thousand times, publicly, and over the air.

MR. CURTIS: I do not always listen Saturday nights. I did for some time, and then quit it.

MR. CASHIN: You tried to censor me once or twice.

MR. CURTIS: We had to.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, we might defer the remaining orders of the Day and go back to Committee of the Whole on Supply and attempt to consider more of the estimates.

Carried.

Committee of the Whole on Supply.

MR. FAHEY: Do you have to suspend the remaining orders before going back?

MR. SPEAKER: The remaining orders are left for the House to consider again today.

Department of Provincial Affairs:

MR. SMALLWOOD: Mr. Chairman, we decided to let all of 404 stand over because of item 404 (4), Railway Pensions, additional information was desired by the Committee, and I do not know if the honourable the junior member for St. John's East has any additional information. I have not as yet, and until one of us has the necessary additional information we might let that item stand and go on to the next department which is that of Provincial Affairs.

MR. SPRATT: Mr. Chairman, before reverting to the vote for the Department of Provincial Affairs, I would like to point out some of the duties and responsibilities of the Department. The Department of Provincial Affairs is responsible for administration in connection with the following statutes: The St. John's Shops Act, The Exploits Valley Closing Hour Shop Act, and the Shop Acts of general communities outside of those two specific areas. The Newspaper and Books Act, the Standard Time Act, The Marine Disaster Act, The Permanent Marine Disaster Fund Act, The Solemnization of Marriage Act, The St. John's Corporation Housing Act, The Housing Association Act and certain sections of the Dog Act. The Department is responsible for the filing of Public Documents and the care of the archives of Newfoundland, the recording of grants and leases of land; and the planning

and carrying out of various phases of the museum, at present in the course of re-establishment, is also a function of the Department. The Public Relations Officer and the Curator of the Museum are members of the staff of the Department which numbers ten officials or one less than the number before union with Canada. The Deputy Minister of the Department of Provincial Affairs is also Clerk of the Executive Council and in the latter capacity is responsible for recording the proceedings of the Executive Council and the custody of all documents relating thereto. This work is done in the Department and occupies the time of every member of the staff. On the Accounting side, the Department administers the vote for the Legislative Assembly, for the Lieutenant Governor's Establishment and for the Premier's Office. In all the Provinces of Canada the Department of Provincial Affairs is recognized as the official channel of the Community with the Government and sends a large volume of correspondence from official and other sources directed to the Minister or Department relating to a variety of subjects some of which can be dealt with directly in the Department while others must be referred to other departments for attention. The Department is also responsible for supplying information regarding the Province to outside associations, official and otherwise, and all publications look to the Department to keep this information accurate and up to date annually.

Now, Mr. Chairman and gentlemen, I have made those statements because of the fact primarily that the office of the Provincial Affairs (I am speaking personally now) is, I take it, looked upon as rather insignificant and in justice to myself I must say that since I assumed office I have not

been one day out of the office and have not had a holiday. There are many thousands of communications coming from the Mainland, and some from the United States, which do not require the attention of the Government or the Cabinet, and can be answered personally by me as they are not legal or documentary information or something that would require an opinion from a lawyer or the Cabinet. These are, briefly, all the interests that my position will give me, and I find I can find plenty to do and I will say in all sincerity that the Department of Provincial Affairs is just another department of the Government, and just as important. I don't know, but when we look at the technicalities it is the most important department in the Government Services today, because, after all, all the documents coming from his Excellency the Governor are not legal until they have received my signature as Minister of Provincial Affairs. If a person wants power to marry tomorrow, he must come to me and get my signature.

MR. FAHEY: What about divorce?

MR. SMALLWOOD: He has apparently not been called upon to divorce anybody.

MR. SPRATT: The work of the Accountant in the department presently may be cited as follows:

1. To see that all vouchers are prepared for payment, have been signed by the proper authority and that the goods have been received.

2. To prepare vouchers for transmission to the Department of Finance for payment.

3. Record in the vote ledger the record of payments as made by the Finance Department.

4. Verification of accounts with the Department of Finance under sub-heads presented by the Department of Finance.

5. Records of attendance on duty and keeping account of all leave, sick leave and annual leave. Records of revenue received in the Department. I have some revenue in my pocket now.

MR. CASHIN: You are not getting out of here tonight with it.

MR. SPRATT: I will look after it and if I don't I suppose I will have to replace it.

Control of loan made to the St. John's Housing Corporation and other Housing Associations, recording interest and processing vouchers under the following sub-heads: Legislative Assembly, Lieutenant Governor's Establishment, Department of Provincial Affairs and the St. John's Housing Corporation.

We are now awaiting designs for the lay out of the interior of the museum and we expect to be in a position to consider these within the next few days. The exhibits of the old museum which are considered to be of sufficient interest to transfer will be fumigated before being moved. Most of these are presently in the building at the San. The famous Indian skeleton and other Beothic relics, together with some other collections of educational value, are in the custody of the Memorial University where some are being used for instruction purposes. Such items as were destroyed by fire at Bay Bulls are easily replaced. At the suggestion of the Premier who is taking a keen interest in the restoration of our museum, some of our leading industries have undertaken to present free of charge

models of their respective plants. Bowaters has generously presented the museum with a collection of samples of Newfoundland wood suitably cut for exhibition purposes with descriptions of the various species. Paintings of the historical events of the History of Newfoundland will be made and the main industries of the Province illustrated by means of exhibits and diagrams, and it will take some months before all this can be complete, but present indications are that everything will be in readiness for the reorganization some time late in the coming autumn.

I must say I was moved to do this on my own behalf because I have been subject to much indignity, and I am now pursuing a literary walk of life. Before I came into this Government, naturally a great many people depreciated my capacity to conduct this department intelligently, and I was awaiting an opportunity for someone to get under my skin, and I must say you have been very gracious to me and even my friends on the opposite side of the House have treated me very friendly in my first attempt here last year and were certainly kind and civil to me, and I appreciate it very much; but I can say again on my own behalf that if at any time any person, young or old, male or female, came to me for information which it was in my capacity to give, I was only too pleased and willing to get out of bed and go down and open the office if necessary.

Department of Provincial Affairs:

501—Minister's Office, Total \$10,100.

502—General Office.

MR. HIGGINS: I notice here under salaries an account in 1950, but there is no account now. What hap-

pened that account? In 502 may we have an explanation there, Sir?

MR. SPRATT: The accountancy was taken away, as a matter of fact we are now organizing and the accountant is not Administrative Office now doing accountancy and other work as well. That is the explanation, Sir.

MR. FAHEY: Under 502, page 21, I would like to ask the Minister why the omissions?

MR. SPRATT: There were some items cut out there, travelling and the office.

503, Public Relations:

MR. CASHIN: Has anyone seen a copy of that thing under 03.

MR. SPRATT: I would like to point out that copies were cut down 50% this year, or practically that, and these papers go all over Canada from East to West and to the United States and the British Colonies and England.

MR. CASHIN: What is in them?

MR. SPRATT: The Government news and Bills passed and things of importance; and I might say now the paper is printed by the Daily News; you will be surprised to hear that.

MR. FAHEY: I am not a bit surprised to hear that.

MR. SMALLWOOD: A few more misleading headlines and it may not be published there much longer.

MR. FAHEY: Under that heading, Mr. Chairman, the Honourable Minister gives us an outline of the Government Bulletin. Last year it was \$13,800 and this year \$12,840. That is a drop of \$80 which is quite a saving in the Government Department.



MR. SMALLWOOD: My honourable friend should know that middle column showing the figure for last year is not the actual, the third column is actual for the year shown.

MR. FAHEY: I would like the honourable Minister to explain the benefit the Province, the fishermen, the farmer, and those in industries get from the Government Bulletin which is costing in the vicinity of \$13,000 a year.

MR. SPRATT: Well any more than to make people on the outside of Newfoundland realize that we have certain developments here in our country of which they have never heard before, of which they did not have any knowledge and it may be the means of encouraging people to come down. I don't know any more than that. You may take up a paper and read something you never read before and naturally people take up a book and learn about a country, the climate, the domestic way, and their occupations etc.

MR. SMALLWOOD: May I say something on that?

MR. FAHEY: May I say I appreciate very much the honourable Minister's explanation in so far as this \$14,000 goes. He explains it is now done for the benefit of foreign trade but not for the benefit of the fishermen and the farmers or those working in industrial areas.

MR. SMALLWOOD: Mr. Chairman, the fact is that some forty thousand copies of this Government Bulletin are published every month and the copies go, as my honourable friend the Minister of Provincial Affairs explained, to the Mainland of Canada, to the United States and to other parts of the world and con-

stitute in the aggregate possibly 10 thousand copies out of a total of forty thousand. The remaining copies are circulated throughout the Province of Newfoundland. So that many thousand of Newfoundland fishermen and farmers, loggers and others get the Government Bulletin quite regularly throughout the year. The Government Bulletin was established about half way through the life of the Commission of Government, I believe, in its present form. Before that it was published in another form and this Government is quite proud of the fact that we have resisted any temptation we might have felt to use the Government Bulletin as a medium of political propaganda. We have never done that, Mr. Chairman, Mr. McNeilly the Public Relations Officer of the Government and editor of this Government Bulletin did me the honour to call on me shortly after I took office, and even before I was elected to this office, before the General Election, to acquaint me with the fact that he was at the Government's disposal. I assured him that as he had been doing that work for a number of years, having been appointed by the Commission of Government, I had no intention of telling him how to conduct his work or what to insert in the Government Bulletin, but that he was to feel entirely free to carry on as he had been doing without any interference whatsoever. That has now been two years or rather more than two years ago. I have not seen Mr. McNeilly since that date except perhaps to pass him on the street or see him from a distance. I certainly never suggested to him that he insert anything in that Bulletin or that he keep anything out of it, and it has been left absolutely in Mr. McNeilly's hands. As a matter

of fact I have not seen more than one or two issues of the Government Bulletin since I took office and I really do not know what is in it, but I understand in a general way that they print Bills, they publish news items about laws passed here in the House of Assembly and other items of important news cropping up in Newfoundland from time to time. It is published by the Daily News, as it had been before we took office and it is still being published by them. We have not interfered there either and we have no present disposition to do so. Now, I think, it is highly creditable to the Government that we should allow a printing firm and publishing firm opposed to the Government, supporters of my honourable friend's Party, on the other side, to continue publishing the Government Bulletin rather than take it from them and give it to some other printing firm to print. That is something for which I think this Government deserves and I think ought to get definite credit. It is further, I think, to the credit of the Government that we have not interfered in the least with the editor of the paper as to what was published or not published in it, or indeed anything else in connection with its publication.

Now, I will say this, however, that I have from time to time as the matter cropped up in my mind, which has not been very often, had the uneasy feeling that we were perhaps neglecting the Government Bulletin and wondering if we were making enough use of it as we ought to do, not politically but from the standpoint of the Government, and wondering if we ought not to do something about it. However we have not gotten around to it, and whether we will in our rather busy life, I

rather doubt. Now, I speak for myself when I say I have only seen one or two issues of it. I take it my honourable friend the Minister of Provincial Affairs sees it more frequently. I don't know about any other members of the House or the members of the Cabinet, but some forty thousand Newfoundland families see it, and I would hesitate to deprive those forty thousand Newfoundland families of the opportunity to get that paper throughout the year whereby they can have an account of various things of importance going on through the year, throughout the Province. Mr. Chairman, I would be very pleased to obtain and hand along a copy to the honourable member for Harbour Main-Bell Island tomorrow, and personally I will admit that like any other of the Cabinet Ministers, I don't lose very much time making enquiries about the contents of the Government Bulletin.

MR. FAHEY: I appreciate the offer of the honourable Minister to give me a copy of the Government Bulletin but I would like to refer to one or two remarks: The Premier said that forty thousand copies were circulated in Newfoundland. I would like to ask the Minister of Provincial Affairs what way is it tabulated that we may feel sure that forty thousand families get a copy of this Bulletin, for I am not so sure they are any wiser after getting it, than they were before. I would like to ask the honourable Minister to give the honourable House assurance as to how the Department checks up as to how the forty thousand copies are distributed?

MR. SPRATT: Well, I think that question is rather unfair at the time. I am willing to get the information. I don't know the details of the distribution or anything like that, and I

doubt if any Minister that ever held the office previous to me knew the burden of responsibility which rests on the Public Relations Officer. I am not going around to ask in detail what is his procedure and whether he sends five thousand here and twenty thousand there. And I don't want the public to think that by not answering a question like that I am not giving serious thought to the responsibility upon me. I am sorry but I will answer that question tomorrow, if I may.

MR. FAHEY: I don't want to drag out the debate any, but there are so many thousand and only 25 districts; the point I am trying to find out is the distribution to the districts throughout the Island, and the Minister thinks I am trying to antagonise him as it were. That is the last thought in my mind.

MR. SPRATT: I beg your pardon, I did not make such an inference.

MR. FAHEY: I take that back, but we were asked to vote \$13,000, roughly, for the Government Bulletin, and I think this honourable House should know what is the benefit to the country and so on. I only asked those questions to get an explanation rather than to criticize. I just want an explanation to an amount we have to vote.

MR. SMALLWOOD: Mr. Chairman, I can say this, the list of families to whom the paper is sent is one drawn up while the Commission of Government were there. We have had nothing to do with deciding where the papers went but merely carried on. My understanding is that about half the papers printed are sent through the mail individually addressed and that the remaining number are sent through the schools and

in the schools are taken by the children back to their own homes. Now where they are mailed or in what districts distributed are matters unknown to me. I have not the faintest notion, we are merely carrying on exactly the same system as the Commission of Government established and have taken no interest in the paper whatsoever.

MR. FAHEY: That is a fine explanation but we are told forty thousand copies are distributed and the honourable Minister for Provincial Affairs can not tell us in what way they are distributed or in what proportion. We just don't know, that is my point.

MR. JANES: I don't want to prolong this thing, Sir, but I can tell the House this: It is pretty widely circulated in Newfoundland and widely read even in the District of Harbour Main and Bell Island.

MR. FAHEY: They should read it in Fogo too.

MR. JANES: We do.

MR. FAHEY: I am surprised at them.

MR. SPRATT: Well, I have given all the information I can on that.

Carried.

MR. SPRATT: 504—Museum—details on page 67.

MR. FAHEY: They have an amount down there for \$3,000. I am not quite sure what that is for, would the honourable Minister inform us?

MR. SPRATT: That is the Curator's salary.

MR. FAHEY: That is just one salary, the Curator's salary?

MR. SPRATT: That is the Curator. A man has to be well informed to act in that position.

MR. FAHEY: Why have you got a Curator, is the museum operating?

MR. SPRATT: We have men working on it now and men working making up reports of our industries and that sort of thing.

MR. COURAGE: The noise in the gallery has been brought to the attention of the Chair by honourable members. Spectators are to be seen and not heard.

MR. FAHEY: We have here employees in this current year and I understand no museum and the cost of living is \$630.

MR. SPRATT: The cost of living is being paid at the present time. We have a curator working all the time and he was there before ever I took over.

MR. FAHEY: The honourable Minister just told me we have no museum and now he tells me he is paying a cost of living bonus to somebody in the museum.

MR. SPRATT: Listen to me, please. The museum existed before I had anything to do whatever with the Government. The Curator was hired by some Government, who I am not aware of, and I don't know why that Government took him on in the first instance. The Commission of Government, I believe, preserved a lot of curios and those were under his jurisdiction and are still under it and the future of the museum depends upon the Curator's knowledge and his historical knowledge. He is a man of a high order.

MR. FAHEY: He must be.

MR. SPRATT: I can stand on my feet and prove it, as far as that is concerned.

MR. FAHEY: He is getting \$3,000 a year and \$630 bonus for doing it.

MR. SMALLWOOD: Mr. Chairman, I am exceedingly sorry to hear the note of contempt with which Mr. Leo English is spoken of by the honourable member for Bell Island. The Curator of the museum is a distinguished former teacher in Newfoundland who has rendered valuable public service throughout his life. As some of us know he has been for many years deeply interested in Newfoundland History and it was not a bit surprising that the Commission of Government hired Mr. English as Curator of the museum which was to be restored. Now, why hire a Curator for a museum not in existence? For a very good reason to get it into existence; that is what Mr. English was engaged for, to create a museum. First to gather together the objects that had formerly been in the museum before the Commission of Government desecrated Newfoundland by closing the museum and scattering highly valuable articles to the four winds. Some rotted, some burned when the Biological Station was destroyed by fire at Bay Bulls, some are stored in the cold storage building beside the Railway Station where they mildewed and finally were destroyed, some others were stored and still are, I believe, in the building known as the Newfoundland Memorial University, then known as the Memorial College, still others are in a safe place in the Sanatorium Building on Topsail Road.

Mr. English was engaged by the Commission of Government as Curator for the purpose of making a careful inventory of all the objects that he

could find that formerly belonged to the museum and to get a description of these objects, and which of them were still in a condition to warrant their going into the new museum because unfortunately a lot of it was pure junk, not fit to have the space of the museum given to them. On the other hand, it is a matter of opinion, and while this Government is here it carries out our opinion on that matter. We are here to govern, and will, according to our opinion on that matter; we will govern and we will decide with the help of Mr. English what goes into that museum. So, Mr. Speaker, Mr. English has been engaged for the purpose and a finer individual of those available I don't know, and I am sorry such remarks should be passed here with regard to Mr. English. He gets \$3,000, and in addition, like all Civil Servants, he gets the cost of living bonus, and is he to be jeered at for that? He does not get it all because Mr. English has a secretary and she gets paid and also gets a cost of living bonus of \$360. Now, my honourable friend may have all the fun he likes to indulge in, all the smearing he likes, but let him not, I suggest, sneer at a man whose boots most of us here are not fit to wipe.

MR. FAHEY: Now I am not going to wipe any boots or shoes, I am going to express my opinion on this side when I think I am right. I asked the honourable Minister for an explanation of this salary. The honourable Minister in his own peculiar way gave the explanation. We did not ask for a full dress debate. If the honourable Premier is interested, I have my opinion and theories as well as he, whether boots or shoes, tan or black, it is all alike to me, but I contend three thousand dollars is being voted for a museum and a stenograph-

er's salary and a cost of living bonus for a museum that does not exist.

It is nice to have a museum for our children and our children's children, but my argument is that we are paying for a museum that does not exist, and I asked the honourable Minister for an explanation and I did not call for a full dressed debate.

MR. SPENCER: You have wasted nearly an hour on it over there already. That is not too bad a job.

MR. CHAIRMAN: The honourable member for Harbour Main-Bell Island has the floor.

MR. FAHEY: Well, Mr. Chairman, I will continue to have the floor as long as the Chairman permits me to have it. If the honourable Minister for Public Works wants the floor he can have it after I am finished. It is about time we got down to business and we will come to that Department later, that is one place as well as many others where a lot of money is going out that should be kept there in order to make this country productive. There are people in this country who should be looked after by production rather than wasting in water falls after the snow melts, and you engineers know what I mean, all goes out in the first spring rain and after that nothing is left and we on this side have the right, we are living in this country and have the right to an explanation, and now that I am finished you may have the floor.

MR. SPRATT: I am not a bit disturbed or perturbed or anything else about the remarks. I appreciate the opinion of any member of the honourable Opposition and think they have a perfect right to criticize our estimates when there is really justifi-

cation for so doing, but to criticize something with a view to making or creating publicity I don't think it is right wasting the time which could be put to better advantage, not as far as I am concerned, but if any gentleman can stand on his feet and show where I have erred in preparing these estimates, I am prepared to suffer. I am just as thoughtful of the welfare of this country as any honourable member of the Opposition. It was with very serious thought that this budget of the Department of Provincial Affairs was prepared for the Cabinet's consideration, and it was not thrown at me either, by the honourable the Premier and the members of the Cabinet; it was discussed carefully and every Cabinet Minister was asked to curtail if possible.

I respectfully submit I did my best and if I failed to measure up to those who differ in political opinion, I am sorry. I did my best with regard to the expenditure of public money, I gave it serious thought, Sir.

MR. HIGGINS: Mr. Chairman, I think this argument all started because my honourable colleague did not know the museum was started at all and quite a number of speeches have been made which were unnecessary and even hurtful too, and the man who is qualified as curator in my estimation should get a bigger salary than that put in here. A man in charge of the museum must know the history of the country and the various objects of historical interest, and a man collecting necessary things for a museum and seeing they are properly placed in a museum of a country, that man should be sufficiently qualified to be put on at least the same salary as a divisional head of a department who starts with

\$3,500. My idea, candidly, is to find fault with the salary, and if Mr. English has the qualifications which I feel he has, since he is a man of culture, a poet, and has written a history of this country, then he certainly is entitled to start on higher than \$2,700 a year. I am very sorry to take part in this debate as in the heat of debate too many things were said that were unwarranted.

Carried:

MR. CASHIN: I notice now Housing is up again and I note here that you have added an administrator to the Housing Corporation. Would the honourable Minister mind telling us who he is and what his duties are?

MR. SPRATT: Mr. L. Crummey. What his duties are I do not know.

MR. SMALLWOOD: It has nothing to do with the Housing Corporation.

MR. CASHIN: I am glad it has nothing to do with the Housing Corporation. I have a few words to say on that tonight and I am not going to tolerate anybody saying to me, you are taking up too much time of the House. This thing is costing the Executive Council about five million dollars and the Government in its wisdom or otherwise sees fit to raise the rental particularly on the apartments in that location and you all know the type of houses and apartments in there, and any sensible man or woman will realize the Government will never recover more than 50% of the amount of money invested in that housing. There has been no investigation into that expenditure, and I will say it could not stand it. However it is there; the sinking fund and the public is supposed to pay the Government in the

form of advanced rents of 40%, it is just as well to face facts. There is only one position I can see for the Government to take, and that is cut in two the value of these profits, forget the two and a half million dollars, and the Council will have to forget the other half; they won't get anything back, and base rentals and payment for houses on the reduced value you will place on it. In other words if you charge today, rental on an apartment of \$100 and cut down the value of that apartment by 50%, then your rental charge should be not more than \$50 where you were getting \$70 a month on which you made money.

MR. SMALLWOOD: What about houses that have been sold?

MR. CASHIN: People who bought those houses will be wearing long white whiskers before they are paid for. They have 30 or 40 years to pay. A man goes in there and buys a house; he is going to have long white whiskers or will have passed out, ninety-nine chances out of a hundred, his life expectancy is not much more than 65 or 67. You are going to have to get down to business, cut down the value of these places, take your loss, you are going to lose anyhow. Don't laugh, you are only fooling yourself, you can't fool anyone else by thinking you are going to get back your money; why every year these places are losing and the Government has to find the interest. These houses are selling for \$12,000 and \$14,000 each. Why, Mr. Chairman, the individual or organization that attempts to ask \$12,000 or \$13,000 for one of these buildings in the Housing Corporation is crazy. Why, Mr. Chairman they are only thrown together and probably the repairs on them

would be effected by this gypsum board manufactured in Corner Brook in a year or two. They are not properly built. Can any of the people in there tell me that their house is worth the money being paid for it? How much do they pay for it?

MR. VARDY: Not the value.

MR. CASHIN: Put them on the market and see what you get. It may be worth a hundred thousand to you.

MR. VARDY: There has not been a house sold by a private owner at a loss.

MR. CASHIN: That is due to the fact that housing facilities at the present time are very very short and they are unloading a lot of dirt. I say the houses built by the Housing Corporation are dirt. You can go up to the Poor House, as I put it, and bring the unfortunates down, and they will build as good houses as they have in there. They are not built, but thrown together and no one can tell me that these houses are properly built. They are improperly built. You may be an authority on housing and not an authority on building them, and there is only one good thing about them and that is the foundation. The rest of them are filthy and anyone who gets up here and tells me they are worth the money, should go in and see Dr. O'Brien. Then these apartments cost a million and a half dollars and I say that within five years these apartments will be falling down because of the upkeep on them, unless the Government is prepared to spend money, five or ten percent of the value each year, they are going to deteriorate. Still they ask a rental of \$100 a month and come into this House, and most of these people are

civil servants, making perhaps \$3,000 a year, and they are expected to pay \$100 a month rent. You are not serious, are you? You are not seriously asking the people to pay \$100 a month for the like of that? To be honest with you, I would sooner get out if I had to, than pay \$100 a month. I would rather go out and live on James Street. While I am on it, it is about time you took that place down. In the course of my work, I happened to go recently to visit some of those slums and I don't know what the Municipal Council and the Government have been doing in the last number of years with respect to housing. I honestly don't know how the people live in them. They are a disgrace and I would not give them five cents for their property, no, I would not give them one nickel. I was into three places yesterday on James Street and whoever owns them, absentee landlords or local—

MR. VARDY: They are not absentees.

MR. CASHIN: They are not, well then I am sorry—

MR. SMALLWOOD: Your friend whom you called the biggest hypocrite in Newfoundland.

MR. CASHIN: Well, then I am prepared to tear them down and give him nothing because the poor unfortunates who live in them, well I never saw anything like it in my life. This has been no later than yesterday and last night I visited one, and the lady who kept it deserves credit for the clean way she keeps this tumbled down shack and anyone who collects money for that sort of thing, talk about being a hypocrite. Well, look, Mr. Chairman, there is a clergyman here in the House tonight

but if this House were closed tonight I would put my views in no uncertain language. Anyone who collects rent on dumps like these, I would be prepared to take out and shoot, he is not fit to live. God forgive me, he is not fit to live. There are other places on Hutchings Street, a lovely residential section in parts of it and talking about slums in this city—since I was a member 28 years ago the Council has done nothing about it. No one has done anything but a Housing Corporation—

MR. SPENCER: The honourable member will admit it was the first effort.

MR. CASHIN: The first effort was this Housing Corporation. That was their idea, elimination of the slums. Let us trace the history, and the honourable member for St. John's West was a member of the Municipal Council that gave them a million dollars to throw away and the Corporation are now trying to steal out of the pockets of people who can ill-afford to pay it.

MR. VARDY: The Council has not five cents invested in the Department.

MR. CASHIN: The Council put one million dollars in the Housing Corporation.

MR. VARDY: They have most of it back now.

MR. CASHIN: Yes, indirectly in taxation for which they gave no service.

MR. VARDY: In actual assets.

MR. CASHIN: Yes, but liquidate. Can you turn them into cold dollars and cents tomorrow? You certainly can't. Why the Council, as far as the Housing Corporation is concerned,



is disgraced and taxes are being paid to them by people, directly or indirectly, and they have done nothing. Threw a bunch of sand and tar on the road, why there is only one street in there and that is Elizabeth Avenue, which cost nearly a million dollars to build, and the houses and apartments another four million with no place to walk on, and the Council was part and parcel of it at the time.

MR. SPRATT: I was a member.

MR. CASHIN: And the Council agreed to put in a million dollars to help build the place in there.

MR. SPRATT: Mr. Chairman, I would like to disabuse the honourable member and tell him that the Council did not vote that money to the Housing Corporation to be spent in the Housing Corporation, it was given for slum clearance. That is what it was given for, originally, but when they got it, the money was spent in there.

MR. CASHIN: In other words the Council has an action against the Housing Corporation for obtaining money under false pretenses. They took the money and spent it in another direction and you and your colleagues allowed them to do it, consequently you are just as guilty as they were. Now, I put it to the honourable Minister himself. Does he honestly think that he is justified in asking tenants in those apartments and potential owners of the Houses in the future, to pay the exorbitant rates now being asked? Honestly, forget about the Government being owed \$5,000,000. Do you not think the proper thing is to cut the value of those houses and apartments, and if you are going to hold on to them charge rents accordingly?

MR. SMALLWOOD: Who would stand the loss?

MR. CASHIN: You are going to stand the loss eventually, you are going to lose more money. Here is the position: if you keep those at the present value, you will have to find the necessary money to keep them up. They need repairs of at least five per cent annually to keep them in condition, so you can put down 5% on five million dollars.

MR. VARDY: Are you not figuring a little incorrectly there? Surely you don't figure that the Government is going to repair the houses that have been sold?

MR. CASHIN: I put it down to \$75,000 a year that you have to find to keep those places up, and on the other hand, the people who have bought those houses got to pay another five per cent to keep them up, and more, if they want to keep them up properly. They are only half built, you know that better than I do, and the honourable Minister for Provincial Affairs knows better than I do, well have you two people provided for those things? Mr. Chairman, it is dishonest for members to come into this House and say, I don't care if it is right or wrong, I am going to fleece these people an additional \$40 a month when they know in their own hearts and souls they will never get their money back. I would be the first man in this House to say, sell them, if they could get four or five million dollars, but could you get two millions on the market, would any life insurance company advance money on them tomorrow? I know they won't. If they were asked to advance \$900,000 to help to buy it, I am telling

you the biggest life insurance company in Canada would not do it.

MR. FORSEY: It would be a poor business deal if they did. There is no Government that would countenance it anyhow.

MR. CASHIN: The Government is going to lose, judging from the way the apartments are falling down, and will fall in five years. Ask the honourable Minister of Provincial Affairs or the Minister of Public Works, we are only ordinary individuals, ask some contractor, don't let us say we know all about it.

MR. FORSEY: A practical man could assess the depreciation.

MR. CASHIN: There are only two practical men in the House as I see it, and I put it to them honestly, am I right or wrong when I say that the value should be cut in two and the rental comparatively, and the same applies to the houses as to the apartments? I have been in houses in there and the occupiers will have long white whiskers before some of them will ever pay for them. I have not asked a question on the number of people who are back in their payments. I would not do it but I know there are and simply because they can't afford it.

MR. SMALLWOOD: There are not many.

MR. CASHIN: They can't afford to keep them up at \$400 a year and pay taxes and rent and a depreciation of \$600 a year, and feed and raise their families. They can't do it on the average salary. It can't be done, not by these people in there; we all know that and I am not talking politics on it. I believe 75% of the people in the Housing are against me

politically, but I want fair play, and I appeal to the Government and the Minister of Provincial Affairs and the Minister of Public Works and people who know something about it, to do something about the matter.

Carried.

MR. RUSSELL: There is a misprint I think on page 67. I think Housing should be 505.

Corrected—carried.

Total \$43,200 Department of Provincial Affairs—carried.

MR. SMALLWOOD: Mr. Chairman, before you go on I notice the Minister is not present and before we move on to Education, I would like to revert to Provincial Affairs. We have the first case under the Department of Provincial Affairs: In a decision of the Cabinet recently the scale of salaries for the Deputy Ministers was raised and we have passed this Department without making the adjustment or acquainting the House of that decision and seeking confirmation of it. The details are on page 66 or on 67 at the top of the page: Deputy Ministers. That should read \$4,500-200-6000 and that correction would note at what point in the scale the Deputy Minister would appear here. The Department of Finance works out the actual point on the scale at which he would be set. He is now at the top of the old scale and would get the increase next in line. I move that this change be made in the vote on top of page 21 and of course at the foot of the page as it would affect the grand total, and the same thing applies throughout the remainder of the estimates and in the Departments where there are Assistant Deputy Ministers. The scale is increased to bring them in line above the scale of Divi-

sional Heads; they are presently below the scale of Divisional Heads so that they are paid less than men who take orders from them and we thought that an anomaly, and have therefore decided to increase these scales to be above that of Divisional Heads and in that we seek to have the House pass this. There is no such position in this Department, there are, in fact, Deputy Ministers in only four departments of the Government with Assistant Deputy Ministers. I move that correction be made in the Department of Provincial Affairs.

MR. HIGGINS: We have passed the total now.

MR. SMALLWOOD: The grand total is increased by \$200.

MR. FOGWILL: Before we go on from page 67, I am sorry the honourable Minister is not here, the total number of employees is increased from 13 to 14; is that the number at present? Are all the positions filled?

MR. SMALLWOOD: Yes, they are, I understand.

Department of Education—Page 22:

MR. HEFFERTON: 601—01 no increase, and an increase of \$15 in 601—02, additional expenditure.

Carried.

602, General Office—Deputy Minister increased, already given. All Superintendents are put on an equal basis. There are five. There are two additional clerks who have been needed there for some time.

603—Accounting Office shows a decrease which was brought about by taking out of the Accounting Office certain officials and transferring them to Central Accounting thus reducing the number from seven to four.

604—School Supplies: You will notice on page 23 the salaries have gone up considerably since last year to \$19,900 this year; details on page 68. You will notice we have increased the number of clerks from five to nine. Although it is not really an increase we have extra assistants there, and they are kept on year in and out and the amount paid is tied up with school books and things but is not taken out and put down under salaries, so that it is really not an actual increase at all.

MR. SMALLWOOD: Mr. Chairman, this vote 604 for school supplies is a vote under which the provision and re-sale of school books fall, and I think that this Committee ought to take note of the very serious complaint that the parents of the Newfoundland school children are uttering and have been now for some years passed, in connection with the frequent changes in the school text-books. Now I have heard many parents with children of school age in Newfoundland complain most bitterly about the trend of recent years in education circles, the trend towards changing the school text-books very rapidly. Now, I hope that if there are present any representatives of the Press and Radio, but more especially the press, that have not already taken off, they will note what I am going to say, so that what I say will be carried all across Canada, so that note may be taken of it by the people concerned. The school books used in our Newfoundland schools are printed on the Mainland of Canada, through several firms in Canada who specialize in the printing and publishing of school books, and I would like them to know the Government of Newfoundland is thoroughly fed up with it, but not so thoroughly fed up as the parents of

the children of school age, with the frequent changes made by those firms in school books they print and publish. It is little short of a racket. The people who engage in the printing of school books are in no essential degree different from the people who manufacture women's dresses or hats. The more frequently the styles change in women's dresses and hats, the more dresses and hats they sell, and the more they sell the more profit they make, and as they are engaged in business for profit and no other purpose, like most business men they change the style as frequently as possible, just as frequently as they can get away with. And so I say it is with the printers and vendors of school books, the more frequently they can change the style and texts, the more books they sell, and the more the cost to the unfortunate parent. Now the salesmen who travel for these book publishers are carefully chosen for their appearance and culture and their fine distinguished manners, carefully chosen to call on provincial school departments for the purpose of selling these new styles in school books, but they aren't any more than just salesmen. That is all they are; I don't know if the honourable members ever had a salesman for the Encyclopedia Britannica call upon them to try and hook them for a subscription to that famous publication but, once in the City of New York I responded to an advertisement in a help-wanted column of the New York Times, Sunday Edition, and received a letter making an appointment for me to call. I did so and found it was the office of distribution in that area for the Encyclopedia Britannica, and the sales manager gave me a long and very impressive talk about the kind of qualifications for men they

wanted to sell the Encyclopedia Britannica. Now remember it was just a salesman's job, the same as a Fuller-Brush, a salesman's job just the same thing exactly, the same as a man going around selling aluminum from door to door, but he had to have his qualifications down to a fine art. The salesmen who were out taking orders for the Encyclopedia Britannica had to call on people of more than ordinary education and were required by that company to be distinguished looking, well dressed, well spoken, cultured and well educated, so that they might make a better impression on the suckers. If you were a prospective buyer of the Encyclopedia, you were supposed to be complimented when a distinguished, well spoken, cultured and well-dressed man, and wearing eye glasses with a bootlace—yes, I actually had a man with a pair of eye glasses with a bootlace call on me—and I did not know until I went in to talk with him that he was not the Ambassador from the Court of St. James.

Now similarly those business men who publish school books, who make their profit by publishing school books for sale to Provincial Departments of Education, choose their salesmen to make an impression on the various Departments of Education across Canada and so down here to Newfoundland every year come various distinguished looking gentlemen, merely glorified Fuller-Brush salesmen who are out to get the Government of Newfoundland to pull in a book, to withdraw a text book which the parents bought and paid for, so that their firm can issue a new one, clearing the old books out of the way and making room for the new balance sheet on the part of that firm.

And I would like the word to go across Canada to those firms that if they are going to keep up that game that we are on to them, that they don't fool us one moment. We are not being fooled by their salesmen, these glorified Fuller-Brush men; they are nothing else but just salesmen trying to sell something and if they don't change their ways this Government is going to approach other Provincial Governments with a proposal that we enter into an agreement between us to approach some publishing firm who will be prepared to take the place of those other printers and publishers of school books. If the House will notice, it is reflected here in this large increase under 604-03. The Committee will notice that in 1949 the actual amount was \$194,630 for the provision and distribution of school supplies and last year 1950-51 the amount was \$218,000, that was an increase due, I suppose, mainly to the fact that there was an increase in the number of school children and tonight we have to ask the committee to vote us \$346,800 for the same item, a jump of \$128,000, a jump of over 50%. Now if that does not register, remember that comes out of the pockets of the parents of the school children of Newfoundland; in this year now at hand, this school year, the parents of Newfoundland have to dig down for \$128,000 more than last year for school books. The thing is becoming outrageous, it is becoming a racket, that is the word, just another commercial racket.

MR. HIGGINS: Why not use last year's books?

MR. SMALLWOOD: That is the very point I'm trying to make; they won't allow a book to stay on the market very long; if they do they can't

sell any more, so what they do is this: they get up a book and they send this majestic looking salesman around to the Provincial Governments and they promote this book saying, here is a fine book which you can't be without, the order is placed, the book is printed and distributed and sold to the parents. Alright, now, that book goes on two or three or four years, how long depends, of course, to an extent on the subject. They don't dare change the arithmetic too often, but changes in English, History, and other subjects are far more frequent and two years is the average life of a book. Now it may be true that after two or three years of actual use of a book in a school room, that book may be beginning to be dog-eared and dirty, etc., and have pages torn, but then we re-order the book and the Department of Education can't put in an order for another thousand copies of that book because they get the answer the book is out of print. Now that is not a good answer because the book need not be out of print, and I am a printer by trade, not a particularly good one, but still a printer by trade, and I worked at the printing trade in a printing office and I know what I am saying. For example, when I saw the Book of Newfoundland through the printers in England and the printers set up and composed the mat of the type and printed the book, and they saved all the type. Now they did not actually save the type but they made a paper mat of each page and they have the paper mat now. No doubt honourable members have seen a damp paper placed on the face of the type and patted in and baked and from that a paper mat takes very little space and can be filed away and forgotten and left for ten years. Yet the printer will say the book is out

of print and go on to say the printer can't keep all this type filed up; it means too much money tied up, and there is too much space occupied, and say if they have to keep all these types for all these books they would fill a large building and there would be a lot of money tied up when actually all they have to do is save the mats. But when the books are used for this year and the Department would like to re-order they can't because the printer says the book is out of print.

Now what we want to do is this: we want to publish across Canada the fact that we are not going to fall for that scheme any longer. If some large reputable printer of school books is not prepared to accept this principle well then we will stop dealing with them and deal only with some firm who is prepared to keep, if not the actual type, the mat, we don't care which it is. Now, this matter affects every parent in Newfoundland and I would be personally disappointed if, having raised the matter here, there is not an expression of public opinion from the members of this Committee here before this item is passed. This is a vital matter of vital importance affecting parents of school children, and everyone here in this Committee tonight knows what a burden it is becoming on parents to provide for those frequent changes in the school text books.

MR. HIGGINS: I went to St. Bon's and started the Christian Brothers' Readers, and I suppose the same books were in existence twenty years before, and for twenty years after, until they got a change, and I guess they were in use forty years before the Crown Reader came in; and these books were not bad; I can tell you, I looked through one the other day

and I don't think the same thing happens now; they picked out the best in poetry and prose and you don't get any now like the old time, but the standard applies to any book, and you will find a book of poetry and prose carrying the same article year after year and if they make a change it is only in a few articles. The grammar they can't change, geometry they can't change.

MR. CURTIS: It is surprising how often they can get out a new arithmetic.

MR. SMALLWOOD: In fact they have changed quite often, you would not think so but they certainly do.

MR. HEFFERTON: There is a new one every four or five years.

MR. SMALLWOOD: Maybe nobody is interested in the matter.

MR. SPENCER: As a member of the Government, I had opportunity to discuss this point before. The honourable Premier who is obviously keen on letting the public know the situation has covered the ground pretty thoroughly. We could supposedly give many illustrations but it doesn't seem to be very necessary. I could probably discuss the project for some time, but I am not in the habit of taking up very much time of the House. I have two in my own family and can appreciate the problem of a great many people. I have a daughter who has four school children attending the public schools of St. John's, and each of these children naturally, one being older than the other, are in different grades, and as it follows with many families throughout the Island, when one of these children required an expensive set of text books for his particular year, say six or

seven or eight, or whatever grade it may be, it naturally follows that with ordinary care the books that the child in grade seven uses this year can be used by the child promoted to that grade in the next year. That is really the main point in the Premier's talk, and it is only too well known throughout the country just what happens when you find a family with four children being kept to school, being able to use one another's books, it is a very great help, but when it is found a family has to provide new books and do away with a book used this year, to have another child coming along to the same grade the next year and comes from school with a list of books to be used for the grade and says: "I got to get a new literature or history or something else," and so the story goes; and as the Premier says, it is quite expensive for the parents of a family of three or four children to have to find new books for the children of the various grades year after year. As I said before, the Premier gave a very clear picture, but I thought that an example of a family of three or four children might show how burdensome it becomes year after year to buy new books. They tell me Hall and Knight was a good text book in 1930, when I studied nearly fifty years ago. I repeat, Hall and Knight was a good book, and lasted quite a long while and it is too bad it did not last longer. In some cases I admit a good job has been done, but I honestly feel this thing has gone far enough and it is about time we or somebody should halt it. Can't we bring the matter to the attention of some of the other Provinces and let some publishers see they can't continue to exploit the people of Newfoundland?

MR. SPRATT: Mr. Chairman, I wish to add my few words to those already spoken. I have had actual experience in seeing the suffering brought about in poor homes where there are six and seven children attending school as the result of the great increase in the cost of school books. The main portion of the homes have to do without decent clothes and it has gone so far that immediate action is necessary. The honourable Leader of the Opposition referred to certain text books. I was educated at St. Patrick's School and I used the same school books.

MR. HIGGINS: Forty years ahead of me instead of twenty.

MR. SPRATT: That is all right. I don't know about the other books, but I know all the schools had the same catechism.

MR. SMALLWOOD: Don't let some smart publisher get that information or he will change that every year too and make money off it too.

Carried.

MR. HEFFERTON: 605—Supervisory Service: On page 68 there is a change in the scale for supervising inspectors from 2600-100-3300.

Under 606 the salaries are the same, increases for provision of books for two or three important regional libraries.

Carried.

607—Correspondence Courses—Practically no change.

Carried.

608—Training of Teachers: Increased because of the larger number of teachers in training during the summer months and the vote is in-

creased to take care of that. The vote of \$100,000 was all used up last year, or most of it was used up.

Carried.

609—Teachers' Pensions, etc.: Teachers' salaries were practically unchanged.

Carried.

The Committee rose, reported progress, and asked leave to sit again.

It now being 11:00 o'clock, the House adjourned until tomorrow at three of the clock.

TUESDAY, May 15, 1951.

The House opened at three of the clock.

#### Presenting Petitions

Mr. Drover presented a petition from the people of White Bay re cutting of a suitable snow-mobile trail.

Petition received and referred to the department concerned.

#### Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

MR. JOHN G. HIGGINS (Leader of the Opposition): I have not yet, Sir, obtained an answer to a question asked during the early part of the session about the Buy Newfoundland Goods Campaign. The question was never fully answered.

HON. JOSEPH R. SMALLWOOD (Prime Minister): Mr. Speaker, I do not remember the question exactly except that it was one dealing with

the "Buy Newfoundland" campaign. I would have thought that the report of the director of that campaign which I have had the pleasure to table in the House some weeks ago contained the answer to the question. If it did not, then I will certainly undertake to get the additional information required in that question.

MR. HIGGINS: The information requested was the audit of money which you promised.

MR. SMALLWOOD: While I am on my feet, I have the reply to a question asked by the honourable and gallant member for Ferryland in connection with the Industrial Development Board. I believe my honourable friend the Minister of Fisheries and Cooperatives has the answer to the question in so far as it relates to the other two loan boards, that is Fisheries and Co-operatives. The one I have relates to Industrial Development Loan Board. I will read it to the House because it will be of interest to the whole House.

First annual report of Industrial Development Loan Board of Newfoundland for the period ended March 31, 1951, submitted to the Honourable Minister of Economic Development as called for under the provision of the Industrial Development Loan Act, 1949, Paragraph 14.

#### Introduction

The Board operates under an Act of the Provincial Legislature of Newfoundland, dated December 7, 1949, which is described as "An Act to provide for loans to encourage Industrial Development in Newfoundland and to create an Industrial Development Loan Board for Newfoundland."

The necessary legislation had been provided as indicated, but it was not



until the following August temporary offices were opened in the Colonial Building, and the actual work of setting up the Board undertaken. During the interval a number of requests had accumulated to await the Chairman's attention when he assumed office on August 1, 1950. Some of these found to be quite outside the scope of the Act were readily disposed of in the first few weeks by interviews and correspondence, while others had to be deferred until the full personnel could be named and the Board commenced to function.

### Organization

While on an extended visit to the Mainland, the Chairman had availed of the opportunity to contact officials in similar fields, where it was felt that experience in matters of administration and routine practices should prove helpful. Reports and related publications obtained through correspondence were also examined, before approaching the question of fundamental policy. This preliminary enquiry materially assisted our first discussions with prospective applicants, and helped to serve as a practical guide in the matter of basic requirements. The offices had been open about two months when the Secretary joined the Board on September 26, 1950.

An important routine feature was the preparation of application forms calling for sufficient details on which to base decisions. Detailed information relative to security by way of liens and mortgages was readily made available through the Department of the Attorney-General, and this co-operation is appreciated. Early in October, the personnel of the Board was announced as Mr. H. R. Luscombe, Mr. F. M. O'Leary, O.B.E., and Mr.

N. Short, O.B.E., with Mr. James Baxter as Chairman and Mr. J. T. Callanau, Secretary. When the Regulations as approved by his Honour the Lieutenant-Governor in Council appeared in the Royal Gazette under date of November 21, 1950, the stage had been reached where practical operations could be expected.

### Operations

A review of the Board's activities up to and including March 31, 1951, shows that 117 communications were received in the first few months, and 123 letters despatched. During the same period the Chairman and the Secretary between them held 47 recorded interviews with prospective applicants. Out of a total of 48 application forms mailed out, some 27 were completed and returned. The Board's first regular meeting took place on December 15, 1950. Two other meetings have since been held.

A breakdown of the 27 applications calling for consideration by the Board is given hereunder:

	No.	Am't
Not approved due to various reasons .....	7	\$52,200
Approved .....	7	88,000
To be further considered .....	9	64,300
Not yet considered .....	4	48,600
	<hr/>	
	27	
	<hr/>	
Loans finalized .....	None	

Reviewing the seven requests which have been approved, shows that four amounting to \$25,000 pertained to lumber operations, one for \$50,000 concerns a printing plant, one of \$12,000 relates to extending the facilities of a florist nursery, and assistance for one small industry was approved to the extent of \$1,000.

Arrangements covering details of security and various other matters have not yet been brought to a point where any of these loans can be availed of, but it is expected that most of them will be finalized soon.

#### **Routine and Regulations**

Among the many enquiries addressed to us, quite a few have been for assistance to purchase trucks and tractors, which would normally be acquired on term payments from dealers, or financed through Finance Corporations operating in that special field. Other requests found not to qualify, mentioning a few, included home building, snowmobiles, grocery stores, agriculture and personal debts. It should be stated that for obvious reasons we have endeavoured as far as possible to confine our operations to the field of capital expenditure for fixed assets.

Mimeographed copies of the Regulation have been made available for general information, and have been found most helpful in explaining the field of operations. The Board's offices moved to the permanent location on the second floor of the Newfoundland Savings Bank Building on March 5th of this year.

#### **Recommendation**

Experience has suggested that certain amendments to the Act would seem advisable, and a recommendation has been made accordingly.

#### **Conclusion**

In its opening sessions the Board

has had to deal with some very impractical proposals, which indicated a lack of understanding of its true functions. Another feature which bears mention is the tendency on the part of certain applicants to press for immediate decision, when proper investigation must of necessity entail unavoidable delay. A transaction now in progress clearly indicates that in cases where the principal security is outport real estate, it may frequently take much time and effort before ownership is properly established and title deeds become available.

Our initial efforts in setting up the Board were naturally directed towards laying a good foundation for a sound and practical approach to the question of rendering financial aid, within the framework of the Act and Regulations.

In closing, I wish to express my personal appreciation to the other members for the valuable assistance they have so readily contributed to the work of the Board.

Respectfully submitted,  
(Sgd.) J. BAXTER,  
Chairman.

This has been prepared for me by Mr. Baxter, the Chairman of the Board. Under 4(c), Mr. Speaker, this amendment has since been passed by the House. I have pleasure in tabling that report and while I am at it, I will reply to Question No. 105 which was directed to me by the honourable and gallant member for Ferryland:

(1) Total amount paid to Dr. Valdmanis for travelling and hotel bills from appointment to 5 May, 1951: \$8,157.92.

(2) Places visited by Dr. Valdmanis on Government business and costs per trip:

Montreal—St. John's .....	\$ 212.40
St. John's—Ottawa .....	265.65
St. John's—New York—Washington—Montreal .....	375.23
St. John's—Montreal—Ottawa .....	266.33
St. John's—Montreal—New York .....	647.22
St. John's—Montreal—Ottawa .....	314.98
St. John's—Bay Bulls—Witless Bay—Tors Cove—Corner Brook .....	86.47
St. John's—Montreal—Ottawa—New York—Washington .....	531.14
St. John's—Germany .....	1,364.22
St. John's—New York—Montreal—Corner Brook .....	564.94
St. John's—Ottawa—Montreal .....	234.81
St. John's—Haiti—Montreal—New York—Washington .....	1,230.04
St. John's—New York .....	317.09
St. John's—New York—Montreal—Washington—Miami .....	785.61
St. John's—Montreal—Ottawa—New York .....	321.09
St. John's—New York—Washington .....	215.70
St. John's—Germany .....	425.00
	<hr/>
	\$8,157.92

(3) Statement of cost of travelling expenses paid to other members of staff of Director General of Economic Development: \$606.31

(4) Total amount paid to IBEC: \$44,884.64.

(5) Amount to Power Corporations of Canada: \$106,067.

(6) It is.

(7) Very considerable progress, is the answer.

I am afraid I cannot table any correspondence as it would not be in the public interest to publish such correspondence during the course of negotiations which are still proceeding, and I think my honourable friend himself will agree that that would be unbusiness-like. We certainly hope to have it very shortly, and will, very naturally, call the House in special session when the right moment arises. We obviously cannot guarantee the exact time at which any negotiations will be completed, that is not up to us, but it is up to the parties with

whom we are negotiating. They have at least half the say in any time limit of the agreement. As to IBEC: That organization made a detailed report on the cost of a paper and pulp mill under three headings. I have a copy, but I do not propose to table it. The Province paid for it and the Province will undoubtedly see it in due course when it is in the public interest to which it certainly it not while negotiations are going on for the establishment of a pulp and paper mill. It is definitely not in order to table it at this time, the

estimates of cost prepared for us by IBEC. We have to decide as a Government what is in the public interest and in that matter our decision is that it is not in the public interest while we are still negotiating with private parties for the establishment of this mill. We will not publish estimates of cost prepared for us by IBEC or any others we might retain for the purpose. So that at the moment it is very definitely not in the public interest to publish that report. I may say we have had requests from the Mainland of Canada and the United States for copies of that report to which requests we have just answered, "no." We will not release that report; it could be very highly dangerous to the Government while we are actually negotiating, as we have been for weeks past, for the establishment of a pulp and paper mill and we have to be most careful not to damage our interests. I know my honourable and gallant friend will see it this way.

MR. CASHIN: Mr. Speaker—

MR. SPEAKER: The honourable member may not make a speech.

MR. CASHIN: Mr. Speaker, I merely asked a question which brought about this lengthy reply. I asked a definite question and I would just like to ask the honourable Premier under what heading in the estimates is Mr. Baxter's salary and how much is he getting?

MR. SMALLWOOD: The answer is the Department of Economic Development is responsible for the scale of salary in part because the Department of Economic Development is the Department having jurisdiction over the board of Industrial Development, and the Department of Fisheries

and Co-operatives over the other two loan boards, but his salary is paid out of the fund allocated to the boards.

MR. CASHIN: In other words the estimates do not vote his salary and the House votes it in a lump sum and afterwards someone, or the Government tells him to take what he likes out of it as a salary. That is the position in my opinion and it is absolutely rotten.

MR. SPEAKER: If the honourable member is making a statement it must be confined to the question.

MR. SMALLWOOD: Question No. 104. In reply, my honourable friend may get that information from the budget and he will admit he has not come off very badly with regard to answers.

MR. CASHIN: I asked only a few.

MR. SMALLWOOD: I think he is champion questioner in the House.

MR. CASHIN: Very few.

#### Orders of the Day

MR. CASHIN: Before we move on, will the honourable the Premier tell us how much salary that man Baxter is getting?

MR. SMALLWOOD: \$10,000 a year, and the Secretary \$5,000 a year, but that has been stated before.

MR. CASHIN: No.

Adjourned debate on motion from Committee of the Whole.

MR. DROVER: Mr. Speaker, on speaking on the budget speech, I wish to say that I am not going to keep this House long listening to me simply for the fact that I am not well versed in financial matters, and I do not wish

to take up the time of the House talking about something I know little of, rather will I leave it to those well versed in financial matters. But there are a few things I would like to speak on in this House and they are as they affect my district and perhaps other parts of the country: Education, Public Welfare, Public Works, Health, Fisheries and Economic Development.

In speaking of Education, Mr. Speaker, I would like to draw attention of the present administration to the position in the district of White Bay, which I represent. We are an isolated people, a people scattered over a coast line which, if stretched out, would probably cover the distance of the whole South Coast of Newfoundland. In the days of the Commission of Government they made a regulation which gave the teachers of the Northern Peninsula, including the district of St. Barbe, which His Honour represents, and the district of Labrador, a bounty of \$200 for teaching in those districts. Since the present administration that has been eliminated so that in the district of White Bay today there are quite a number of schools closed and children deprived of decent education. In the past we but today we find that the table has been reversed. We are not forgetting, Sir, that from the Northern Peninsula of our country come some of the most intelligent people of this Island Province.

Welfare: I know that social services in this country have been a great benefit to our people. I am not going to call the family allowance immoral, but I am going to say they are a great benefit to the hard-working, toiling masses of the northern part of this country, south, east or west. But apart from the family allowance and dependents' allowance and old age

pensions, I would like to say one thing regarding relief. The people of White Bay, or of any part of Newfoundland do not want able-bodied relief, neither do they want to come down to dole and degradation but rather do they want a chance to earn a decent living.

MR. SMALLWOOD: Point of order, Mr. Speaker; I think, Your Honour that those strangers in the gallery are maybe strangers who have not been here before and who do not know the rules, and in fairness to them, I think, if Your Honour would acquaint them with the rules.

MR. SPEAKER: It is the pleasure of the House that strangers are not permitted to make any remarks or explanations whatsoever, otherwise they will be removed from the building.

MR. DROVER: As I said, Sir, the people of White Bay or of any other part of Newfoundland do not want to come down to dole and degradation, but they want employment, and the point I would like to make clear is this: In this Province where we sometimes cannot find employment for our people and they receive relief that such relief may be augmented more than the sum of \$5 a month. I remember within the past few years when I was a Ranger on the North East Coast and Relieving Officer under the Administration of the Commission of Government, I knew what it was for a man and wife without any other means of income to try and exist on a paltry sum of \$1.80 a month. It could not be done and today where the cost of living has risen considerably it is utterly impossible to survive. It is all right for a family where there may be four or five and getting family allowance to augment

it, but where two persons are alone it is impossible and in the district of White Bay today I find many families depending on the small sum of \$5 a month. I believe, Sir, the honourable the Minister for Welfare is not in the Chamber, but I have previously taken the subject up with him and I believe arrangements will be made or consideration given whereby this will be taken into consideration.

**Health:** Health is a very important thing in connection with the people of our Island. A nation's health, they say, is a nation's wealth. But in the past though areas of our country have been neglected; I am going today to pay a tribute to the honourable Minister for Health in connection with the extension of the health services in Newfoundland since we joined union with Canada. This House will agree that within the past eighteen months the health services have been expanded in Newfoundland perhaps more than they have been for the past fifteen years. We will find people who say that the health of our people is being neglected, but for one, I have travelled around Newfoundland and I find and know that that is not so. We have more hospitals, doctors, nurses, hospital boats scattered around the country than ever before. In the district of White Bay alone, which I represent, there is a doctor and hospital boat, or will be very shortly, as well as two nursing stations which have never been there before. A year ago I was a patient at the sanatorium for three months and in paying tribute to the honourable Minister of Health I will say this, that there was not a week passed that that honourable gentleman was not a visitor to that institution. I will ask one thing, Sir, of the

department concerned, and that is that they will encourage and assist the patients of the Sanatorium, who have been discharged from that institution, in rehabilitation. That they will encourage the person in charge, the rehabilitation officer, to find some suitable employment for patients who have been a victim of the white man's sickness, T.B., when they come out and help them in a position and give them a chance to earn a decent livelihood. Now I know that patients who come out, while in St. John's have been given assistance, but when they go home they have just been paid the allowance to receive treatment. That is not sufficient. I believe that between the honourable Minister for Health and the honourable Minister for Welfare they should foresee that these patients or people should get sufficient allowance to build them up to where they become strong enough to overcome their disease and have a better outlook on life.

**Fisheries:** Not so very long ago, Mr. Speaker, just after the House of Assembly came into session there was a Fishermen's Union formed. In speaking to the Address in Reply I gave my wholehearted support to it simply for the reason that I believe in it. I don't know what good it is going to do but I hope for the best, and I believe that some good will come out of such an organization and as a result of such a union. In the District of White Bay we have two thousand eight hundred fishermen. If we follow the 1945 census we will find that White Bay has the greatest number of fishermen for any district of Newfoundland. The District of White Bay has the greatest number of small fishing boats in the island by many hundreds. Our people depend on the fisheries for their livelihood. They

are not lazy, they want a chance to earn an honest living. They don't want dole. They don't want to come down to the days of the early thirties, nor down to dole and degradation. But they do want a chance to stand on their own feet and fight their own way as they have always done, and take their place in society with any other people or any other part of this country. They are honest, intelligent, hard-working, industrious people. But, Sir, I am not very well versed in the fisheries of this country as far as marketing is concerned. I don't know and I am not ashamed to admit. That is one thing you will find, anything I know very little about I won't speak of, but if I should find I know something of it, then I will try to take my part in it, but I would like for this Honourable House at some future date before it closes—I hope it closes pretty soon as I imagine we are all tired of the comments and the arguments and it is becoming monotonous to everyone, even monotonous listening to me—but I hope that we can set apart a day whereby the Government and the Opposition may discuss the fishery problems of this country; find if we could make floor-prices; if a guarantee can be given. Well I don't know if it can be given or not, but if we, at some time, got together to discuss the matter in a friendly manner we might all understand the situation of the fisheries of this country so that we may be in a position to tell the people whom we represent just where they stand, because we have a lot of people today ready now to embark upon the fishing season who don't know what to do, if it is better to seek employment elsewhere or whether they will go and drag their living from the sea. So, Sir, as far as the fishery is concerned I would for one like to

be put straight. I don't want to argue the point. I don't want to go asking silly questions but I would like to know the truth and I think that when our people know the truth, then I think they will be satisfied.

Now we come to the last, Economic Development: We have heard the cry of blue ruin but I am not going to say "blue ruin" or any other colour. Every man has a right to his opinion and I for one have the right to mine, but I am going to say one thing on behalf of the man who is the Minister of Economic Development and it is this: In travelling around Newfoundland we all have often heard people say "Why doesn't somebody do something for us, why doesn't somebody come out and begin something, give us a chance to live? We have never had anybody come down and take the little man up." We have often heard that. Well, alright, we have a Government of which one time I was a member, and though I am now not a member of the party, I have often heard the words: "Why does not some one come down to the little man and give him a chance to live, there is never a man to do this." How often we have heard this. But we have found a man today to give us the chance. I don't know if it is so much giving the chance as taking the chance. But I give credit where credit is due. We have found him and today we have a man who has come out to try and expand, to uplift, to give the little man a chance to live, to find himself. We could have a bunch of men who though not keeping them down, yet don't give them a chance to get up. Now we have often found that but on the other hand if they do nothing the people say: "Why don't they do something?" We talk about the surplus they are spending today. I am

not against spending it if it is to be spent in the interest and for the benefit of the people of this country, to put food in their mouths and give them clothing and education, then by all means spend it. That is one side, and now that you are spending it you are the worst people in the world. The money belongs to all of us and my reason for supporting this is that it is going for the best interest of the common people. I am not altogether in favour of the Birch Plant. My knowledge is very slim with regard to the industrial development of our country but what I am worried about is, will we be able to get enough material to throw into this plant and market the products to compete, but if those that know better than I do think that it can and that it will be a success, then, time alone will tell and who am I to judge.

Well, Mr. Speaker, I am afraid that is just about all I have to say. I have covered in a very few words what I think and I have given expression to my feelings as far as the Government is concerned. I would like, Mr. Speaker, to see the resurrection of the people of this country to a new life and to a better way of living.

During my life there were two things that struck me very forcibly. Two phrases I should say and I think I could pass them along as advice to the present administration. One was when I was a student teacher at the Memorial University, and I have used this phrase here in an address in reply. It was, Dr. Paton, of the University, the president at that time who said this. He called us in one day for a lecture and we were to take notes. I was not very attentive to the lecture which was ably given and when I glanced down at

my notes I had written: "Give them a chance to set free the imprisonment of their souls." That was the year 1933. I would recommend them to the present administration to work to give the people of this country the chance to work and set free the imprisonment of their souls, and to find a way to a better way of living. The second thing was; last autumn I received a telegram from a very great friend of mine, Reverent Father Walsh of Conche in White Bay which said: "Work with confidence in yourself and faith in God and you will not know failure." So I will close my remarks, Mr. Speaker, with those words to the administration: "Today you are a body of men elected by the people and it appears to me the destiny of this country rests with you. I am supporting you in everything you do for the betterment of mankind in this Province, but as you work, do one thing, work with confidence in yourselves to do a good job, to work for the betterment of mankind to help uplift and give assurance to them of a decent livelihood, because we need it where Communism is rampant we must have a people who are happy to off-set that and people are only happy when they are employed, getting a decent livelihood, well fed and clothed. That is the greatest weapon you have."

**MR. SMALLWOOD:** Before the honourable member finishes his speech and sits down, allow me to direct a question to him? After delivering one of the finest liberal speeches I have ever heard in this Chamber, I am wondering what the honourable member is doing over there. Why he is not over here among the Liberal Party members? Why not come over and convince us you are as Liberal as you are talking?



MR. DROVER: Mr. Speaker, I will ask one question. With confidence in God and faith in yourselves you will do a good work to uplift the people of this Province. But, Sir, I would like to direct the question to the honourable Premier, if you will allow me. If I cross the Chamber, for the District of White Bay, will I be guaranteed that my people, five thousand seven hundred of them, will be given due recognition of their rights? If I get that guarantee I will come across.

MR. SMALLWOOD: I could not have more pleasure in anything than to guarantee this, that as long as the honourable gentleman is in our party and fights for his district, we like him all the more for it and the same with every man here.

Mr. Drover takes his seat on the Government side of the House.

MR. SMALLWOOD: Mr. Speaker, I am going to ask my colleagues to give three cheers for Sam Drover.

MR. SPEAKER: You understand the entire House is out of order.

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, in looking at a Government Budget the first thing that strikes one, is the great difference there is between the individual preparing the balance sheet, and the Government doing the same thing. The individual is aware of his probable income and budgets accordingly, the Government in preparing its Estimates must take first of all into consideration the service it must give to its people that elected them, and having weighed the pros and cons and decided on what services to render must look for ways and means of providing for these services.

These are two basic factors which must be taken into account when the Finance Minister is trying to prepare a budget. One: what services we shall give to our people, and two: How shall we find the where-with-all to pay for these services. After listening to the lucid and able Budget Speech our present Finance Minister presented a few days ago, I think all of us agree he has anticipated those questions exceptionally well. Naturally in the presentation of the Budget there are so many imponderables that it is not only difficult but impossible to forecast accurately just what the expenditure or even the revenue will be in the forthcoming year.

On the expenditure side it is fairly easy to forecast the ordinary expenditures but it is impossible to provide for contingencies which may arise such as when the Government finds it has to provide special projects to help people who had not, through their ordinary channels, earned sufficient to tide them over for the year. These unforeseen contingencies may of course make the expenditure side top heavy as it does in retrospect last year.

Similarly when it comes to the revenue side, again it is impossible to forecast accurately the trend of trade or industry in the course of the year. Last year, because of world conditions, our export trade enormously increased and naturally our revenue side showed the benefits.

Before I go any further, I want to deal with two or three things enumerated by honourable members on the other side of the House. First of all I want to deal with the question which was raised by the honourable member for White Bay, who has so willingly come and been accepted

once again in the ranks of the Liberal Party. He referred to the question of teachers' salaries and I have every sympathy for his views. He was quite correct in asserting that in the latter years of the Commission of Government the teachers in the isolated districts such as the North Coast and Labrador were given a bonus payment. But he forgot to add that the bonus was given as an enticement for teachers to go to these districts, and also helped to retain them in these districts. For teachers who were fully qualified the new scale of salaries inaugurated shortly after I came into office destroyed some of the appeal of the bonus payment. It must also be borne in mind that in order to set a scale for teachers and pay them a salary scale commensurate with their qualifications, we have inaugurated a scale applicable to the whole country. And in answer to the honourable the junior member for St. John's East who spoke along similar lines: in the teaching profession it should be borne in mind that salaries though an important factor in the consideration for every worker, where teachers are concerned, salaries are not the only thing, and one big difficulty we have had in the teaching profession is the environment or conditions under which teachers find themselves in some of the smaller settlements. I have just one other answer for the honourable member for White Bay. He should be entirely interested in this. I believe he spoke of the necessity of rehabilitation of patients who have been released from the sanatorium. That is a question which has been given some serious consideration even by our own Department, and quite recently we in the Department of Education authorised by the Gov-

ernment have made an agreement with the T.B. Association whereby training courses will be set up in the very near future just as soon as the equipment can be brought in and a room prepared; and a teacher who is qualified and has had wide experience has ended his present agreement which will be somewhere around the end of June, can be brought in to take care of that new department. He will be brought in on a contract for three years. It is anticipated that during these three years, twenty or twenty-five or even thirty or more patients will be given a course of training in horology or watch repairing, and can go back to their homes and carry on that work.

When we look at the picture represented in the Budget covering last year's efforts, we can see that practically the only dark spot in the industry of the country resolves around the salt cod fishery. When you look back on conditions, you see there was a noticeable increase in forestry and mining activities, and increased exports of these products helped considerably to bring about a higher level of prosperity throughout our Province, and our people as a whole are much better off in spite of the fact that the salt cod fishery last year constituted a dark spot in the industry. Our whole national income was some 15 percent higher than it was in the previous year, which was largely due to the increased demand for our products. We believe that with the increased demand for our pulp and paper and the Government aided industries, that the national level and the provincial level of employment will this year again be in excess of that of last year.

It is true that in the Budget, the current revenue for the current year and

the expenditures for the current year both show a decided increase over the figures of last year, but when we look at these increased figures there is one thing we should bear in mind which has been ignored in all our arguments pro and con, and that is our population has increased very rapidly at the rate of a net increase of six to seven thousand a year which means of course an additional cost for services. Because of the fact that our revenue and expenditure has shown a decided increase, the surplus has come in for a great deal of criticism. Not the surplus as such but our management of it and amongst the many things said about the surplus there were one or two suggestions put forward. One that the surplus should be kept in its entirety and that we should get along without it, leaving it in the bank possibly for expenditures by some successive government in the far off years which lie ahead, or another that the present government go on a glorious spree and spend all within the compass of one or two years. Thus two arguments are advanced, one that we should keep our expenditures down to the minimum leaving the surplus intact, or that we should let our expenditure exceed our revenue. The Government, after due consideration of both of the questions, has settled for neither course. It feels that the surplus which was collected from our people should be spent as wisely as possible in the interest of the toiling masses. To do that there are two things open to us and the emphasis we place on those two things is shown by definite amounts which were spent, and we are spending, and so far as the surplus is concerned we have spent roughly one third for economic de-

velopment and the other two thirds on the extension of the social services. When we make a comparison of conditions as they exist in this Province and the conditions as they exist elsewhere we can see the utter necessity for some extension of our services in the Health and Welfare, Education and any other field you may wish to take. When we recall, as recall we must, that in the past we had been subject more than most to the variations which beset those whose people are geared to an economy based on primary industries, only we can see how necessary it is to do something in order to prevent our people from being so much at the mercy of outside economy and market peculiarities. That is why this Government has done its utmost for the implementation of the necessary services to lay our cause before the financiers of the world and ask them to come in and help us to develop the latent resources of our Province.

The honourable member for St. John's East made a plea on the imposition of the 3% sales tax and gave some figures during the course of his talk which certainly bear some study before we are prepared to accept them as a true representation of the facts as they are. For some years we have had a Federal Sales Tax of 8% but that Federal Sales Tax applied only in small part to the necessities of life. As a matter of fact that 8% sales tax applies to only a part of the goods consumed, building products and fuel are exempt from that sales tax and if we accept the figures of the member for St. John's East that our imports are \$80,000,000, we can see at once it must be reduced considerably in order to get some fairly accurate estimate of the amount on which we would have to pay.

Now the honourable member not only took eighty million but multiplied it by some figure of his own imagination and arrived at a total of four million dollars which we would have to pay each year because of the imposition of that sales tax.

The honourable member for Harbour Main in his speech on the Budget suggested that at least a portion of the surplus should be taken and spent as a subsidy on fish. He mentioned, or suggested the possible expenditure of one million or one and a half millions for such a project. But I am personally convinced that free trade is the mainstay of economy and the law of supply and demand should govern trade. I can tell you this, that the suggestion put forward by the honourable member for Harbour Main-Bell Island is not as good as the alternative which has been provided by this Government, which it had started during the year under review and is continuing this year when we have advanced loans to separate companies and have still others under consideration whereby they have taken thousands of fish off the salt fish markets and that fish taken off the salt fish markets has given to people engaged in the salt fishery a better chance of being able to get a more favourable price for their own particular article. This does not make any specific demands upon the finances of the Provincial Exchequer, on the other hand it does bring about a diversification of the fishing industry which is all for the good and we believe in the main a diversification of the fishery will do a great deal to help the fishermen of this Province. We are particularly interested, some of us, in the North East Coast because we represent constituencies of the North

East Coast, and we know that although different factories erected on the North East Coast during the last few years have had great difficulty in getting sufficient supplies, we have hope that now under our policy of economic development and encouragement it may be possible to continue, and possibly even extend, their activities and thereby help the fishermen of the North East Coast.

The honourable member for St. John's East tried to comfort and solace himself by saying that we are taking credit today for plans laid down by the Commission of Government before they departed from office and he spoke of a ten year plan in the Educational Department. Now strangely enough the reconstruction policy of the erection of schools did start in 1938-39 and it was supposed to come to an end in 1948-49, surely before we came into office. Yet in spite of an expenditure of some three million dollars by the Commission of Government in that particular sphere, since we came into office we have spent and budgeted for one and a half million dollars, just about half the amount the Commission of Government spent in ten years of office in that particular line of work. If I might elaborate a little further on the doings of the Educational Department, I would point out that in 1944 the Commission of Government amended the teachers' salaries. This amendment was such that within six months the teachers all over the country made representation to the Government about the unfair and discriminatory effect of that particular salary scale but the teachers got no satisfactory reply from the Commission of Government until some two and a half years later when the Government granted them a bonus, but it remained

for this Government after we came into office to put into effect for the first time in our history a salary scale based on qualifications and experience of teachers. We do not pretend the scale is all that it should be because I agree largely with the sentiments of the honourable member for White Bay, but we have gone a long way to correct some of the defects of the past.

For some years the Commission of Government had argued about the possibility of turning Memorial University College into a university, but it remained for this Government during its first session to make that a reality.

MR. CASHIN: You ought to make a job of it while you are at it. What has been done is a joke.

MR. HEFFERTON: The Commission of Government started a rehabilitation school for veterans coming from the war. It remained for this Government to decide after the veterans had been rehabilitated and gone out, that the vocational education school should remain as a distinct part of Provincial education system. The honourable member for Ferryland has criticized this but there are certain things we ourselves criticize because we have not been in the position to augment and put forward the things we have had in mind, but this school remains there to the credit of this Government. One might go further into detail of commitments made by the Commission of Government and brought to completion by this Government but enough has been said to prove that whereas naturally any government would be prepared to complete any commitments made by its predecessor if it was for the good of the country or for the Province

or the people; they would follow a new policy if necessary.

Now, our new policy—and our budget is based on it—is a policy based on giving to the people of this Province expanded social services much better than hitherto and to raise money in order to give those services within the capacity of the people to pay. If we are going to grumble at the imposition of sales tax which we can collect on only a small part of the goods which we ordinarily consume, then we are forgetting another great source of revenue to this province. The honourable member for Ferryland said the other day that comparatively little is being expended on war services in this Province.

MR. CASHIN: I did not say that.

MR. HEFFERTON: It is too early for us to say, but by any increase in defence expenditure over the year, a considerable part of our national revenue will come from the effect of these operations and expansions.

MR. CASHIN: That is nothing to be proud of.

MR. HEFFERTON: On the other hand we build up our armed services as a defence from communism which is becoming world-wide.

Mr. Speaker, after reviewing the situation briefly in the short time at my disposal I feel that the budget gives promise of a better day for this Province.

MR. SPEAKER: I would like to remind the honourable member he has until six o'clock.

MR. HEFFERTON: I have finished, Mr. Speaker.

MR. SPEAKER: The Motion before the chair, is that I do now leave the Chair. Committee of the Whole

on Ways and Means, Debate of the Budget Speech. The honourable Minister of Education has completed his speech. Is the House now ready for questions?

MR. MILLER: I move the debate be adjourned.

MR. JANES: I second that motion.

MR. SMALLWOOD: On that motion, Mr. Speaker, may I ask when my honourable friends opposite think they will be ready actually to proceed. Yesterday the honourable and learned Leader of the Opposition moved the adjournment of the debate and in doing so said it was not done for the purpose of his being first to resume the debate. If it was his intention to speak today he has not done so and my honourable friend the member for Placentia and St. Mary's has now moved the adjournment without saying, whether he is doing so to get first place tomorrow and might we therefore assume it is his intention to speak, in spite of the fact that the honourable Leader of the Opposition yesterday did the same thing and did not speak?

MR. SPEAKER: The motion is that the debate be adjourned.

MR. SMALLWOOD: And by precedent, Mr. Speaker, the honourable member moving the adjournment will be the first to speak when the debate is resumed, and in the absence of any statement to the contrary that is what is normally expected. I wonder if the honourable gentleman could say when he intends to resume the debate?

MR. MILLER: I am sorry, Mr. Speaker, if I have caused any confusion of the House's Orders. I was not here yesterday when the debate

was adjourned but I am quite willing to go on now.

MR. SPEAKER: The honourable the Premier is wondering, I think, if it is the honourable member's intention to speak tomorrow.

MR. MILLER: Tomorrow.

Moved and seconded this debate is now adjourned.

Committee of the Whole on Supply:

MR. SPEAKER: Yesterday leave was given for this Committee to sit again today, I shall now leave the chair.

MR. HEFFERTON: Education—610: There is a change in 610-04, Mr. Chairman, because there was an allowance for two years' payments last year, but this year we have not only those we appointed last year, but those continuing from last year as it is a two year scholarship,

611:

MR. HIGGINS: How many Provincial Scholarships are there now? That is quite an extension in this one.

MR. HEFFERTON: Last year there were no votes for machinery and equipment as we had enough supplies on hand at that time to take care of it. This year we hope to put in certain other services and we shall need certain machinery and supplies for these particular services. The number of instructors have been increased and we hope to put in a Radio and Wireless Service and Refrigeration Service and Sheet Metal and Welding Services and instructors for such. The vote is a little more than twice the amount of last year.

MR. CASHIN: How many students?

MR. HEFFERTON: Somewhere around eighty-eight students.

MR. CASHIN: What was it last year?

MR. HEFFERTON: About the same number and something over one hundred night students.

MR. HIGGINS: About 180 students. Where was the school conducted?

MR. HEFFERTON: On the South Side. Navigation was transferred from Memorial College.

Carried.

MR. HIGGINS: Extra Assistance was \$6,000 more than last year.—On page 69—

MR. HEFFERTON: That is because of taking on casual employees and extra instructors for night classes.

MR. CASHIN: Mr. Speaker, in connection with the vote, I agree in principle but I do say this and I am speaking from knowledge again. In the last six months I have found the course in Diesel Engineering is absolutely inadequate. There are some good men but not practical; when they come down to business they cannot do the job. I have had experience and I know that these fellows just don't know the job after they go there for nine months.

MR. HEFFERTON: The course is supposed to be nine months.

MR. CASHIN: Well it is not enough. They cannot learn enough in nine months. It takes nearly five years to become a qualified marine engineer to go aboard a steamer. These engineers are turned out on an assembly line, so to speak, and come out and go on board and do the best

they know how, and some of them have never seen the inside of a ship, and I know more than they do. Still that is the position and they are classed as operators of diesel equipment. I know it costs considerable money but if you do it, do it right, give them a real course, say two years. Nine months is not enough. We have practical men here in Newfoundland, you will find them at the Dock and some are on boats who have had many years' experience. Now I know one man in particular (from Port de Grave) who never went to a vocational school, and that fellow can teach in a practical way any of those students they turn out over on the South Side. The funny thing is when they do come out they think they know it all and if it applies in this particular field, it applies to all—to carpenters, bricklayers, etc. Trades of that kind can't be learned in nine months, you got to start properly and take two or three years and work up. If the Government is prepared to find the necessary money to do that it is a wonderful thing but to put these men out on the market in nine months is not only bad for business but for the individual himself. He gets in trouble and in many cases he does so because he does not know the job and right at a time when he is particularly wanted. I think we realize a young fellow leaving school always thinks he knows it all to begin with and lots of them know more than the boss. The result is they get fed up and quit the job but a man who starts at the bottom and works up for three or four years in the trade knows his job when he is finished. We have such men of practical experience right here; I am looking right at one, the Minister of Provincial Affairs who is a carpenter and

bricklayer. He did not learn his trade in nine months but got 20c. or 25c. an hour when he started and knew his job when he was finished. Those fellows can't do it and it is just as well to close it up and pay them the money and forget about it; when they come out after nine months they don't know anything. Now I am not a diesel engineer. I know nothing about it. But I did have experience with them that cost me a lot of money. Put a man aboard a boat for Bermuda and find he knew nothing about a diesel engine and had to spend time and money on repairs. Came out again and had to put into another port in the West Indies because there was something wrong with the tail shaft and had it fixed up and had to go back to Bermuda again, and all because of inexperience. I point this out not with any degree of criticism but I would suggest to the Government to consider that they can't make a diesel engineer over-night. Give them a longer time, say two years. They should know something after two years. There are a lot of young fellows from the Army and some of them are down there for pocket money. But put them at sea and they can't go in and take charge, and they should have the necessary qualifications in order to take a ship to sea. That is not so at the present time. Here is what is happening today. There is a scarcity, perhaps six or eight qualified men in that business in the country who really have a kick. Here is what happens: I am operating a vessel. I want a diesel engineer. I go up to the Dock and they tell me that so and so is fully qualified and is a good man. I take him on their word and get hold of this fellow who says; "yes" he will come with me. He comes on the job

and the next thing I have to get an order from the Federal Inspector down there asking him to give the man permission to go chief of my boat and I take the responsibility, not the Department of Shipping. I have to take the responsibility, but I can't get anyone else and have to take the next best. I contend we have to bring in good diesel engineers from the mainland, and our people will then be trained and the only way is to have them spend two years on the South Side under competent individuals. Now, I don't know if the instructors are competent or not, the Minister of Education knows that. But I make the suggestion that there are men in this country who could do the job, practical men not theoretical and they are up at the Dock, Newfoundlanders who know the job inside out. If I wanted a job done tomorrow I would get Mr. Meadus or Mr. Healey who are both men highly competent in their jobs. They know marine engineering besides diesel and any man who wants to know about a diesel engine can go up to the Dock where Mr. Meadus is in charge.

In all good faith I pass these suggestions along to the Government; they ought to try to do something about it. To take men out after nine months and let them loose is not good for the individual and is certainly going to mean a lot of expense to operators.

MR. SMALLWOOD: Mr. Chairman, the Government has quite a lot of sympathy for the views expressed by the honourable and gallant member. We have so much sympathy for them that we have been trying to plan something about it. Our plans are quite ambitious, indeed they are so ambitious as to be perhaps more



ambitious than those of any other Province of Canada with one or two possible exceptions. We begin with the convictions that if ever there was a place that needed efficient, practical, vocational training, Newfoundland is that place, and when we think of vocational training for diesel engineers it is just one small phrase of the whole picture. We think of vocational training in a much broader sense, we think of navigation, particularly of navigation. We believe that Newfoundland should have in all Canada, if not all North America, the best school of navigation and our ambition is to have the best school of navigation, and that school will be part of the vocational institution to be inaugurated. We have made enquiries about the schools of navigation in Canada and we find that the best one is in British Columbia in the city of Vancouver. We believe we will not have very great difficulty in establishing a better navigational school here in St. John's than the one in Vancouver, which would make our school the best in Canada. We intend also to have a school of fisheries. In various parts of Canada they have schools of fishery. In the Province of Quebec they have, I think two schools. One at St. Anne Pocatiere which I had the opportunity of visiting last summer, and the other, I think, at Rimouski, there I speak from memory. Recently we had in St. John's a visitor from Nova Scotia, who helped to establish very fine schools of fisheries in Quebec and in Nova Scotia which are not nearly so important areas put together as Newfoundland, on any account or by any test; in quantity and quality we are way ahead not only of Quebec and Nova Scotia combined but combined also with Prince Ed-

ward Island and New Brunswick. We produce more fish than those four Provinces combined and we have more fishermen in Newfoundland than have those four Provinces. So, clearly, if they are justified in having schools of Fishery, Newfoundland is even more justified in so doing and we plan in the new Vocational Institution to have a very fine school of fisheries. Now that school is not in fact intended to be a higher learning school to train fishery research scientists. On the contrary it is to be a vocational school into which we hope to see, each winter, several hundred young men enter for courses of study in various practical things connected with the fisheries.

Now if the Committee will turn to page 130 of the Estimates, appendix 4, they will see an amount of \$500,000 there for the current year, 1951-52. Department of Education, Vocational High School \$500,000. Now the story back of that vote is this. The Government of Canada through the Department of Labour makes capital grants to Provincial Governments desiring to establish modern vocational institutes, and the Government can get from the Department of Labour in Ottawa the sum of \$282,000 which is a free grant for the building of a new vocational school or institution, providing the Government here matches the grant, and so there we have in the Estimates an item of \$500,000, as much as we could hope to spend on that purpose in this present financial year even if we began at once the construction of a new vocational school. But, Mr. Chairman, it is not our hope to erect a new vocational school at all. Our hope is that the money provided by the Department of Labour, \$282,000, will be matched by this Govern-

ment out of surplus, because of course it would be a capital expenditure and quite properly drawn from the surplus. This money is not to erect a new building at all but rather to purchase a building already built and the building we have in mind is the present Memorial University Building. What we hope to do is to take that \$292,000, match it, which would make a total of something just under \$600,000, and use it to buy the present Memorial University Building for the purpose of a vocational institution, and the Department of Labour has at this moment representatives in St. John's, examining that building to determine its suitability as a vocational school, and if their technical authorities here from Ottawa agree that that building is suitable for a vocational school, that is that the structure is strong enough and the ceilings high enough and the floors strong enough, to contain a variety of machinery that would be needed for a modern vocational school, if they agree the building is suitable from these standpoints, then I have good reason to believe the Canadian Government, through the Department of Labour, will agree that their grant of \$282,000 when matched by us will not be used to erect a new building but rather to purchase that existing building, which is presently the building of the Memorial University, for the purpose of a vocational school, whereupon the present vocational school on the South Side of St. John's Harbour would be abandoned as such by this Government and the equipment moved from it to the present Memorial University. Then the question actually arises: what about the University? What will the University do for a building?

Here we come back to the contention of the Department of Education,

held firmly by that Department and confirmed quite recently by an expert opinion from Doctor Newton, who was brought here by the Board of Regents of the University for the purpose of advising the board and the Government on the needs of the Newfoundland University. Dr. Newton confirmed the Department of Education in its view that you can never have a good university, sufficiently good, while it is housed in the present building, on the present Memorial University Grounds. So, therefore, if we are able to take this \$292,000 as a capital grant from the Department of Labour, and match it, and we can then add still more money to it, I think we can proceed without delay the construction of an entirely new university building.

MR. HIGGINS: Is \$600,000 the value of the present Memorial University College?

MR. SMALLWOOD: My honourable friend will appreciate this fact, that after we have bought, if we buy, the present University Building for the purpose of vocational school, that building will still belong to the Government as it does now. It is not a matter of buying the school and passing it over to the Government of Canada or anyone else. As a vocational school it will still be the property of the present owner, the Government of Newfoundland.

MR. HIGGINS: That does not answer my question. If the building is worth a million and the Government gives \$600,000 then the College does not have a building.

MR. SMALLWOOD: That would be fine if we could put up that much but we are limited by certain considerations. The limit of the capital

grant for this purpose is \$292,000 and to get that much we must match it ourselves.

MR. FOGWILL: It is paid on a per capita basis.

MR. SMALLWOOD: Something of that order. Now we have at the present time something in the order of a quarter of a million dollars which has been contributed by people on the Mainland of Canada to the University, and was sort of a good will offering to the new Province. Now with that amount of approximately \$600,000 which we can get from the sale of the present building for a vocational institution, add to it the sum of a quarter of a million dollars available from that other source, and another amount of a quarter of a million dollars which the Government recently got from the Government of Canada for the Laboratory Building in Maggoty Cove in St. John's which it recently sold to the Government of Canada, we would have a total of eleven hundred thousand dollars. Surely my honourable friend has no objection to the historical name of Maggoty Cove. It is in St. John's East, it is indeed Water Street East and is still known as Maggoty Cove, that is its name.

That would be a total of one million, one hundred thousand available for the erection of a suitable building for the University, and I draw the distinction between the singular and the plural for very good reasons that I am told that the modern theory of university housing, university accommodations, is that a number of smaller buildings is preferred to one large building so that on the new campus of the University, you would have a group of buildings properly spaced. The site we have in mind for that

new campus is Halliday's Farm on the North Side of Elizabeth Street in the Housing Corporation Area, as it is commonly known.

MR. CASHIN: I hope it will be better built than the housing.

MR. SMALLWOOD: As this Government is better than previous Governments; I promise you that anything this Government does will be better than the previous one. Now, will a million, one hundred thousand dollars put a suitable and adequate building or buildings on that new campus for a University that will be a credit to the heroes of World Wars I and II in whose memory it is to be erected? Will it be a credit to the people of Newfoundland generally and to the Province of Newfoundland if it is built at a cost of one million, one hundred thousand dollars? I take leave to doubt it and I do not think that that sum would give Newfoundland the kind of university that we, all of us, I am sure, believe we ought to have in Newfoundland and which Newfoundland deserves. But I do know this, that it is essential that the University to be, should be born full blown. It cannot begin at one scale and end up in the course of time as a larger college. Another great field of financial assistance for that University still remains to be tapped. I refer to the people of Newfoundland. For I see no reason why the people of Newfoundland, thousands who have more than they need and even many who have less than they need, I see no reason why they would not contribute generously to the building of a new university for the people of this Province. One Company has already promised me personally, on behalf of the University, the sum of \$25,000, one local firm in Newfoundland. Another

local firm promised at least to match the amount from the first firm and I think indeed their contribution will do much more than merely match the one from the first company. So we can see at least a good possibility of raising a quarter of a million dollars here within this Province for the purpose of this new University, and so, Mr. Chairman, I could not resist the temptation to draw attention under the heading of this vote to the rather ambiguous plan in the Government's mind in respect to this new vocational school. Surely if all this is done and the Vocational Institution is housed in the present Memorial University Building, that resulting vocational school will at once become one of the finest in the whole Canadian Nation because there are not in Canada today many of these schools so generously housed as this one would be, if housed in the Memorial University Building.

Now what else would be on the present campus of the University besides the Vocational Institute? I do not know whether anything else would be there or not. Certainly we have two facts; one is that the present campus can never be adequate for a good university and two; that a vocational school will never need a campus so generous in proportion as the university would require. So whether or not anything else would ever be placed or be permitted to be placed on the existing campus of the University is a matter on which I have no firm opinion at the present time, and certainly I have no definite knowledge.

My honourable and gallant friend from Ferryland can appreciate therefore what I have said and the interest with which we listened to his remarks on the matter of vocational

schools. He did not perhaps realize it but thus speaking as warmly as he did on the need for good vocational training in Newfoundland, he was expressing the sentiments of everyone on this side of the House.

MR. CASHIN: I got agreement for once in my life.

MR. SMALLWOOD: We agreed more than once. It is not because we are on opposite sides we must disagree with everything on the other side.

HON. E. S. SPENCER (Minister of Public Works): Every time you are right we agree.

MR. SMALLWOOD: Yes, every-time you are right we agree. That is not as often as we would like it to be, but it has happened more than once.

I thought the Committee would like to have these facts about our plans for vocational education. But when will these things happen? Certainly we could not move the Vocational School activity into the Memorial College until that building becomes available for this purpose, or until the new university is built, so that things may move smoothly and without interruption from the old building into the new to make room for the new Vocational School. Maybe that would all happen sometime between the beginning of the school year and the University year of 1952. So that we have this present year and all the spring and summer of 1952 and it ought to be possible to make this change and improvement at the beginning of the University year of 1952-53.

MR. FAHEY: Mr. Chairman, I am sure the Committee appreciates

the explanation given by the honourable Premier, but I would like to remind the honourable Minister of Public Works that last night he told me I was taking up too much time of the Committee. I hope he does not consider these last 35 minutes too much time taken up with the explanation of the Premier.

MR. COURAGE: I don't think that remark is at all in order. I don't think any member of the Committee has tried to limit necessary explanations.

MR. HEFFERTON: 612 is a grant similar to that which we gave the Jubilee Guild last year.

613: I don't know if it is necessary to make very much comment on that, Mr. Chairman. There is one addition to the Staff, a field secretary whose chief purpose will be to act as the under-study for a field secretary that we hope to engage in the next month or so, and the cost for the next two years will be borne by a grant we received from the Carnegie Foundation.

MR. HIGGINS: How many centres are there in the Adult Education?

MR. HEFFERTON: We have no centres, we have a variety of teachers, spending three months in one centre, and three months somewhere else, about 20 per year, roughly.

614: Increase in salaries is due to the increased number of teachers and more teachers qualifying for higher grades.

614-04: That is the normal increase due to the normal increase in classrooms.

MR. HIGGINS: Is the augmentation out now for teachers?

MR. HEFFERTON: Yes, it went out last year with the new salary scale.

614-05: That figure is to be changed to \$15,000. In 1949-50 we gave to Dalhousie, and last year five thousand in response to representation received, recently we have increased that amount making it \$15,000 this current year. We have 28 students, medical and dental attending at the present time.

MR. HIGGINS: Is this in addition to fees? In other words Dalhousie is taking some of our students.

MR. FAHEY: I would like to ask the honourable Minister if that amount does not offset the fees of students in any way?

MR. HEFFERTON: That is a grant we pay. It is a sort of an affiliation fee. It is a grant to Dalhousie because of all the Mainland universities it is the one which caters most to our dental and medical needs, taking a large quota of our students.

MR. FAHEY: How many students do we have in there for this fee? I understand there are a lot who can't get in. Can you explain?

MR. HEFFERTON: We have 28 at the present time. That is 28 students studying either medicine or dentistry. Also we have quite a lot of other general students.

MR. RUSSELL: That is \$10,000 which should be added to the total and, Mr. Chairman, if we keep on adding on we may end up with a deficit after all.

MR. HEFFERTON: 615: This item is about the same. There is an increased vote for radio education. Last year for the first time we spent

\$5,000 in placing radios in the schools and this year it is increased to 10 thousand, and we might say we have requisitions already in the office to take care of that amount.

MR. HIGGINS: With regard to visual education, I presume the teachers go all over the Island. A vote of this kind is supposed to be Island-wide; \$20,000 seems to be small.

MR. HEFFERTON: We send the field man and projectors out.

MR. RUSSELL: Page 69—Could you tell me what happened to the Audio Visual Supervisor?

MR. HEFFERTON: \$3,300 is correct, it was \$3,200 last year, but the man appointed went up one step in the scale so that he is now \$3,300 on page 49.

MR. FOGWILL: Are all positions in the Department filled? What is the total number employed?

MR. HEFFERTON: I could not tell you how many, there are four or five which are vacant and two or three in the Audio-Visual to the best of my knowledge; there is one in Public Examinations, one shorthand-typist which I believe is vacant, making nine.

MR. FOGWILL: About nine or ten vacant?

MR. HEFFERTON: I give that figure subject to correction.

616: Public Examinations: There is a difference of \$14,000. The public marking of exams has been carried on for a number of years by the Council of Education and the marking has been done by individual teachers. They mark them on their own and that has been the subject of a great

deal of criticism for a number of years. We have not adopted a panel board system and the increased cost is more than off-set by the general satisfaction derived from such a system.

617: Encouragement of Cultural Activities. This item covers certain activities along cultural lines.

MR. HIGGINS: There is to be an additional \$10,000 to be added to the total.

MR. SMALLWOOD: Mr. Chairman, it is not important that the total in the Departments be correct. It has occurred to me at least as late as yesterday that I was forgetting that, what is really passed is the Appropriation Bill, which is the correct totals. We are not really passing these estimates but a total amount for each Department. We are not tied to these estimates, but we are tied to the Appropriation Bill.

MR. HIGGINS: If an amount of say \$100,000 were granted and you spent more than that amount you would have to account for the grant.

MR. SMALLWOOD: Yes by a supplementary Supply Bill. We take the amounts as corrected from here.

Department of the Attorney General:

HON. LESLIE R. CURTIS (Attorney General): 701: Same as last year. 702: Same as last year.

703: The same as last year except a slight adjustment in salaries.

704: St. John's Magistrates Court: We have increased the salary of the District Magistrate and we call him now District Magistrate and Clerk of the Peace. Salary scale from \$3,300 to \$4,500.

MR. HIGGINS: What would a County Court Judge get?

MR. CURTIS: We cannot begin to touch these salaries. The Magistrate of St. John's won't have as much to do, if County Court Judges are appointed. There will be a lot of motor and other cases taken off their hands. The position is not quite clear as yet as to what is going to happen.

MR. HIGGINS: They are worth quite a lot of money.

MR. CURTIS: We appreciate that and it is why we raised the salaries over the ordinary District Magistrates to \$4,500.

MR. HIGGINS: The County Court Judges won't have much work.

MR. CURTIS: We are hoping we might actually do without some of them if the District Court Judge is also a Magistrate. There may be two more in St. John's actually four in the neighbourhood.

705—Magistrates: We have provided for five districts instead of six and reduced the number from 13 to 12. We have, as the honourable member knows, just put through a Bill about family courts and we have made provision here for payment and a District Magistrate's salary would enable us to get a good type man. We hope to obtain a lawyer for that position. The remaining items on 705 are the same as last year.

706—Deeds and Companies: We have made two salary increases here. We have put the Registrar of Deeds and Companies on a higher scale from \$3,800 to \$4,200, the same scale as a Divisional Head and have in-

creased the Deputy Registrar of Deeds and Companies from \$2,000 to \$2,400. He is a very faithful and conscientious worker.

707—Constabulary: I am still not satisfied that the Constabulary Vote is as small as it should be. It is costing us roughly \$15,000 to police St. John's for the amount we are getting done. We are policing the rest of the country with the RCMP. In other words three hundred thousand people are being policed for less than the people of St. John's which is costing us \$15,000. That should give the St. John's members food for thought. We are getting it down gradually by having one thing and another reduced. We had not figured on maintaining all the men we have, but because of the RCMP taking over we find ourselves with more men than we need. They are gradually moving into new positions. Take for instance the total on page 71 is down from 263 to 190 which is 73 fewer than last year and we are continually and constantly working in an effort to transfer men to other departments.

The RCMP: The actual amount is \$196,000, last year we only paid half and because their year ending is different from ours, this year's will be \$235,200.

Fire Department: 709: The only difference is in salaries. We have made provisions for three additional men. The men in the fire station for some reason have one day on and one day off and the sergeants two days on and one day off, in other words the higher paid men were not treated so well. In order to remedy this, we had to take on three additional men so that now the Sergeants are treated the same as the other men.

710: H. M. Penitentiary and Gaols: The salaries are up a bit, details on page 72. There is no difference in the Superintendents, but we have increased the number of wardens from 24 to 30. We have not actually made the appointments yet but we have increased the number in order to enable them to go on a better shift than they have been having hitherto. We have been handicapped by a short staff and we are now remedying this as shown under this sub-head.

711: Miscellaneous: The same as last year, with a slight reduction in investigations. We have cut down the conveyance of prisoners by \$2,000. The other items as the honourable members can see are practically the same.

712: Consolidation of Statutes: That is for printing and making provisions for printing of the Statutes through the consolidation committee.

MR. RUSSELL: Will this actually finish it?

MR. CURTIS: The staff is cleaning up the Acts as you know with great pains. It is a tidying up job.

713: Transportation: Royal Commission, no vote. But \$6,000 to the Maritime Board of Trade, a board consisting of all the Maritime Provinces and they look after our freight rates also providing \$10,000 for the Board of Transport. We don't know if we will need it or not, we never know when we will have to make corrections with respect of freight rates. I may say, Mr. Chairman, that the Attorney General's Department spent \$4,000 less than voted, and for that reason we are asking just as much as last year, the difference being a revote for equipment which we pro-

vided for but did not actually buy. I move the various headings be adopted.

MR. FOGWILL: Mr. Chairman on page 72 the total number—389—is that the actual number at this time?

MR. CURTIS: No, I think we have not as yet appointed the extra sergeants and wardens, and we hope to be able to recruit them from the surplus police and as this number goes up therefore the number of police will come down.

701—Carried. 702—Carried.

MR. FAHEY: Salaries 702, Page 70, Legal Assistance?

MR. CURTIS: I forgot to explain that. At the moment we only have one and we have been struggling and struggling. I can't tell you how difficult it is to get along with only one. We have a lot of legislation, about 25 Bills there now, which may actually delay the House. We have about 25 more Bills to come forward and it is impossible to get through all the work. We are providing for two additional assistants, one for replacement of Mr. Myles Murray, the other one is proposed for the Department. I understand the Department of Fisheries and Cooperatives would like to have the use of them and very many boards of the Government need lawyers.

MR. HIGGINS: With so many Bills coming up we won't close until the end of June.

MR. CURTIS: I can tell the House the Department has been short staffed with two legal assistants reduced to one, trying to struggle along with one and have not been able to do it. We are making arrangements to have three.



MR. FOGWILL: We were wondering what was causing the great delay and now you tell us there are quite a lot more bills to come up. I hope we get away for the races, that is all.

Carried. 703, carried. 704, carried. 705, carried.

MR. FAHEY: I would like to ask the Minister about living allowances to Magistrates in rural districts, \$1,600; is that in the form of bonus or cost of living or in addition to the salaries already mentioned?

MR. CURTIS: I have already explained to the Committee salaries were up to \$4,500.

MR. FAHEY: But here again we have an amount for \$1,600,—that is a bonus, is it?

MR. CURTIS: We always give the magistrates a grant or additional salary because of additional cost of living.

MR. FAHEY: What is the other \$1,600 for.

MR. CURTIS: I don't know. It is the same as last year.

MR. FAHEY: I would like to find out. In Corner Brook they get \$4,700 and in St. John's \$4,500, is that right?

MR. CURTIS: I think the Corner Brook cost of living bonus is higher than St. John's.

Carried. 708, carried. 709, carried; through 713 carried.

MR. CHAIRMAN: It being now 6:00 o'clock the Committee will rise until 8:00 o'clock.

### NIGHT SESSION

8:30 P.M.

MR. SMALLWOOD: Mr. Chairman, the next order of business is the De-

partment of Natural Resources, but unfortunately the Acting Minister of Natural Resources is absent from the Committee as is also the Minister of Health. They are both present at a function in the Pitts Memorial Hall and will not be present for the evening. The Department which follows after the Department of Natural Resources in the Estimates is the Department of Public Works, and though my honourable friend was not expecting to be called on just yet tonight, I think he is as usual ready and can proceed.

Department of Public Works:

MR. SPENCER: Mr. Chairman, in opening the estimates for the Department of Public Works for the fiscal year 1951-52, I shall endeavour to go along as far as possible. I had arranged to have my Deputy Minister come along about 8.30 this evening as I did anticipate some work, but I think it is possible to get along fairly well and if there is some point not quite clear we can defer it until such time as my adviser arrives.

901: Minister's Office: Honourable members will notice there is no particular difference from last year. There is a slight increase in 901—02 due to additional postage.

902: General Office: If the honourable members will turn to page 75 they will find the distribution of salaries under 902. There will be a change under Deputy Minister as had already been explained in connection with other departments. That will make exactly one hundred dollars difference in the total in as much as the Deputy Minister has reached the top of his bracket for some little time past and he is now entitled to one increase. The total then is practically the same merely taking into account

the additional remuneration allowed. The Assistant Deputy, there is an increase already provided for and is in accordance with the scale which has been changed.

903: Accounting Office: There is a reduction in the total, as the accounting has been reduced due to the change over in the Accountancy system.

904: Registration of Motor Vehicles: Again on page 75 is to be found the distribution of salaries. The honourable members will perceive a difference in the salary of the Registrar of Motor Vehicles who has been working up to the present on an ordinary first grade clerk's salary which has apparently been an anomaly. Strictly speaking, in the opinion of some of us who know the work that officer has been performing, we feel a change should have been made possibly some two years or more ago, and that officer should have been raised, as he now has been, to the status of a divisional head. Consequently, the scale is now \$3,800-100-4,200. The clerks have been changed. There are now one clerk grade two, and three clerks grade three. There is one additional shorthand-typist. The House will surely agree there has been a large increase in the amount of work in this particular office and that the increase is very well justified. The total additional cost is just under \$5,000.

If further details are required, I have with me a document which shows that up to the end of April this year alone, the revenue collected in the Registration Department amounted to over \$364,000 for the month of April alone and that has involved a very considerable amount of work during the latter part of

March and April. It has been customary in the past, and has still been carried out this year, to allow 30 days of grace for motor registration. The fiscal year ending March 31, did not in any way interfere with motorists to compel them to take out 1952 licenses, and I am happy to say that most motorists through the country were decidedly co-operative, and a very large percentage—already 13,000 vehicles have been registered this spring which means a tremendous amount of work for this particular section of the Department of Public Works, and I would like to pay a tribute to the officers in charge for the initiative in planning their work with very little cost in taking care of the work in the two large industrial centres of Grand Falls and Corner Brook. This year we did arrange for a temporary assistant at Headquarters, and an officer was sent to Grand Falls where he in turn was given some help by other officials under Government pay, such as police officers, and the same thing was done in Corner Brook, and the officer went on to Harmon Field where vehicles at the American Base were looked after, as I remarked a moment ago, at very little cost to the Department and with great convenience to the people in those two districts which saved them the necessity of making out licenses and sending to St. John's for license plates. I am very happy, as I said before, to pay tribute to the officers in charge and feel they have done a very good job.

906: Buildings: The staff has been increased from 69 to 74. This is due to the addition of one clerk, grade 3 and four additional caretakers for the various buildings.

907: Roads and Bridges: The change there has been due to no

particular increase in salaries but we had to plan for some additional help in the Division due to the additional work caused by the Trans-Canada Highway Project. Honourable members will notice the increase is from \$147,000 to \$167,000, and on page 76 they will find the break-down. The Chief Highway Engineer's salary is the same as before. We have provisions for three resident engineers in the Grade One Class which we did not have last year, and three resident engineers, Grade II. We have appointed two, the third has not been appointed up to the present time although provisions are made in the Estimates for it. Further down we find one additional grade two clerk in Roads and Bridges and one additional grade three clerk, which has caused an increase of \$2,000 in one case and about the same amount in the other. Actually three of these men were civil servants transferred to our department from the Department of Public Welfare. One was put into this division of Roads and Bridges, another in the Motor Registration. The total then for the Department of Roads and Bridges is just \$20,000 higher than the previous year.

908: Miscellaneous Services: The vote is exactly the same as the previous year. The gross total of the Department estimated for this year has unfortunately been reduced from the amount of \$10,808,600 to \$10,167,200. Honourable members may possibly question why the Department of Public Works which has such a large number of projects has been actually reduced from the previous year, whereas some of the other Departments have had slight increases. Very logically that can be explained in this manner. Honourable members have already been given some in-

formation that due to the request of the Federal Minister of Finance in his Budget Speech to all Provinces to curtail where possible expenditure for the coming year, and our Department of Public Works is one which controls and handles a lot of expenditures in comparison to other Departments and probably came in for the largest share of the cuts. We actually estimated for, or planned, rather, that we would spend some four and a half million on the Trans-Canada Highway this year, but we are trying to fall in line with the Federal suggestion and that sum has been cut in half, and in connection with the construction and improvements of roads 907-08, we have planned a much larger vote and that too has been curtailed. However, we feel that the maintenance will not suffer too badly in spite of the fact that this year has been an abnormally bad one, and people who come in from near-by suburbs or across the Avalon Peninsula have good reason to complain of the conditions of the roads this year, but most people will agree it is to be attributed to weather conditions. There was very little snow to cover our roads during the past winter and the fact that we did not have that protection for the surface was no doubt a contribution to the present condition, as the frost has been coming out of the ground and heavy traffic was moving practically the whole winter with heavy chains; naturally during the mild weather our roads had to suffer. As a matter of fact paved roads all over the North American Continent suffered badly, particularly throughout the Maritimes, as we have first hand information from some of my friends of the various roads divisions in the Maritimes as to just how badly their roads suffered. Con-

sequently we may take a certain amount of pride in the fact that our roads did not suffer more than they really did. During the past three weeks our life in the Department of Public Works has not been worth living with calls from various individuals who wished to get through to the Burin Peninsula which was recently connected with the Highroads in the Districts of my honourable colleagues, the honourable members for the districts of Burin and Fortune Bay, who were no doubt very happy last year when they were able to get the connection through, but before very long we had many headaches and complaints from people of the Burin Peninsula, and we tried as best we could to allay their fears with the encouraging hope that soon Old Sol would get busy and dry it up a bit when we could get a grader out on it and endeavour to make it more pleasant for all concerned. That same condition applied all over the Avalon Peninsula where we have dirt roads. However we are now getting them in a bit better shape and we hope as the season advances the condition will be remedied considerably and our friends will not have many reasons to complain. The total vote then in the Department of Public Works has been decreased from last year to \$10,167,200, for the fiscal year 1951-52. I don't know that I need say much more at the present time but I feel I cannot help expressing my viewpoint on these demands made on the Department. I feel I would be remiss in my duty to the Department, were I not to point out that with this curtailed expenditure with actually a half million dollars less than last year it must be fairly obvious, with the increased mileage of roads built, that our work would

rather be extended instead of curtailed and as a result we must try and measure the garment according to the cloth. No doubt the Minister of Public Works and his staff, for this fiscal year, will come in for some criticism when we are unable to agree to the many demands which will probably be made upon us. However this is our job, and we intend to do the best we can, and I think possibly at this juncture I can say I have every confidence in the staff of the Department and now as we have been fortunate in securing this extra engineer to get along with our bridge work. He is very busily engaged at this moment designing and planning various bridges we hope to build. The House will appreciate that the supply of steel is very essential in the construction of concrete bridges and of which we use a large amount, but we have now no assurance that we will be able to obtain this much-needed product. At the request or rather on the advice of the Premier some months ago when we were endeavouring to formulate plans, we took the matter up with the authorities on mainland only to be told that in the event of defence requirements they thought it likely they would have to supply that demand first, and as there has not been any lifting of restrictions and we have not received any directive from the Department of Trade and Commerce at Ottawa, therefore we have no assurance that steel will be forthcoming. Several other avenues of coming. Several other avenues of supply have been tapped and we are hoping that the supply of steel for our bridges for this year will be forthcoming but we have no definite assurance at this time.

Mr. Speaker, we might possibly

start at 901 and I move we get along with this particular vote.

Carried.

802-903—Carried. 904 :

MR. FAHEY : As I understand last year for motor registrations the amount was \$13,900, and this year it is \$18,800, or roughly an increase of 35%. I would like the honourable Minister to explain that.

MR. SPENCER : I did not figure it out, but that is practically correct. 905, 906—Carried.

MR. RUSSELL : The honourable Minister gave some explanation about the salaries, but if we turn to page 37—906—we will find a very big item, and I would like to have an opportunity to first look at the various pages of details further on in the book and have some explanation from the honourable Minister. For instance 906-03. Maintenance of Public Buildings.

MR. SPENCER : I understand there is some direct point the honourable member wishes to refer to.

MR. RUSSELL : Page 101. That item, Home for Aged and Infirm \$5,200, is that just a beginning, not the total amount?

MR. SPENCER : For the information of the honourable member and the House, I am very pleased he raised the question. The item of \$5,200 referred to for the Home for the Aged and Infirm is something that we hope will relieve our minds at least to some extent over the existing conditions now and that have existed in connection with that institution which is over-crowded, goes without saying. My honourable colleague, the Minister of Welfare, and I

with one or two others recently visited the building and if we were to enter into a description of it, it would not help matters an awful lot. I think frankly the time has come when we in this Province must do something about that home for the aged and infirm. While the honourable member for Bonavista South suggests that \$5,000 will not take care of the whole project, the purpose this year is to endeavour to provide a building to take care of one section of the inmates there to try and house them with greater care and security, and the Department of Welfare is hoping for the time being to arrange accommodations for the other section of the inmates in private homes and houses such as boarding or something of that kind. Whether we can accomplish it in its entirety we do not know, but there is a tremendous dread hanging over the head of the Department of Public Welfare since this Government took office, and no doubt our predecessors felt somewhat the same way, but did not do anything about it. The present administration is endeavouring to do something and we hope to build this year one section to take care of, I believe it is, the male section of that institution, and it could be the other way about, in any case the honourable Minister reminded me it is to reduce the number because the place is over-crowded and we are striving to reduce the number by placing some out in private homes and providing a more secure building which the present administration hopes to do, we hope to give them a safer residence and a higher standard, and we think we will need \$20,000 for that purpose. \$5,000 is provided for this year and it may prove inadequate. The honourable member knows the position. However,

\$5,000 has been provided this year and we hope we will get going on that building in the not too distant future.

MR. RUSSELL: That is not to take care of all in there, but it is hoped to build something to relieve the overcrowding.

Another item on page 103: Department of Natural Resources, Forest Fire Patrol Whitbourne \$15,000. It was \$25,000 last year. That will mean the renovation.

MR. SPENCER: Yes the Department of Natural Resources now advises us they will be fairly content with the renovation of the building as recently put forth. I think the honourable member knows about that and the \$15,000 is largely then for the purpose of renovation and fitting that building. The fact that \$15,000 is voted this year might possibly be the affect of the reduction due to curtailment in general all the way down the line.

MR. RUSSELL: \$47,000 for Cottage Hospitals—Springdale—is that the final amount for the actual completion of the Springdale Hospital? Last year there was \$125,000 voted and only some \$90,000, I believe, spent. The total cost for the Springdale Hospital was estimated to be \$165,000. The expenditure up to March 31 this year was \$113,000, which leaves a balance of \$47,000. This also applies to the Channel Hospital, a figure of \$140,000 was estimated to complete that.

MR. SPENCER: I think it might be well for the House to know that we have run into conditions at Channel which have boosted the actual cost of that Hospital to possibly some \$15,000. I have personally

on behalf of the Department criticized the site on two occasions. The site chosen turned out to have a very heavy deep section of muskeg or black muck. Some people in Newfoundland will understand what I mean and we had to put in about, I should think, two or three thousand feet of concrete flooring there which ordinarily would have been laid with a normal fill on the surface to bring it up to the required height, but this muck or black muskeg would not permit that, the result was that we had to dig an excavation after the foundation of the building was laid and the frame work was set up as much as 12 feet deep under the whole of that area which would have cost us a very considerable sum. The result was Public Works recommended another survey and put in some additional concrete and arranged to pour our floor on that rather than dig out the black muck with a resultant saving of probably \$8,000, but the position is now that it is going to cost a total of \$170,000 rather than the original estimate and we hope the \$140,000 voted this year is to complete the job. The Fogo hospital is by now practically completed. We have a final estimate of \$16,000 to take care of it and unless some unforeseen circumstance presents itself, the Fogo Hospital will be then completed for that sum of \$16,000 now estimated. In connection with the item for the Ferryland Hospital, the site is yet unknown. The honourable member for Ferryland is not present or he would probably bring me up on this. We are all well aware of the fact that the hospital is to be built, we have a sum provided for it and when a decision is reached by the Department of Health we have the money if and when that

time comes. I think that answers the points.

MR. HIGGINS: 906: Who is the Chief Engineer of Building; does he correspond to the old government Engineer?

MR. SPENCER: In reply to the honourable Leader of the Opposition. We have not at present a chief engineer of building. At one time we had a chief engineer of the Department of Public Works. That does not conform to the present arrangements. At that time the Chief Engineer was in charge of all Public Works. At the present time we have an engineer in the Building Division who has been classified as Acting Chief on the retirement of Mr. Robinson, just over a year ago and now we have, as the House is well aware, an engineer for roads division and an engineer for the building division in two separate bodies so that it does not correspond to the original chief engineer of the Department of Public Works.

MR. HIGGINS: How do you draw the distinction in salaries then between one engineer and another?

MR. SPENCER: In an attempt to explain one could very easily step on somebody's toes. The actual position is that most people employ an engineer to take care of certain duties or to perform a certain service and on that basis the difference appears. If the honourable member is referring to the Chief Engineer of the Trans-Canada Highway in our Highroads Division, his salary does differ from the Acting Chief Engineer of building. Different expenditures are controlled by the Chief Engineer of the High Roads, some fifty or sixty millions of dollars. whereas the actual

expenditure for the building division is very much less and probably does not extend to more than a million and a half in any one year. I think that in itself pretty much explains the position. Salaries to engineers vary, depending on the responsibility of the office.

MR. HIGGINS: Following that question: You had a road engineer here in 1947 and the classification, road engineer has been replaced and was changed over in the autumn of 1951, to the classification of Chief Highway Engineer. Who was the road engineer last year?

MR. SPENCER: The same gentleman as the year before, who has been with the Department for eighteen years.

MR. HIGGINS: Where does Mr. Knight come in?

MR. SPENCER: Mr. Knight happens to be referred there as Assistant Chief Highway Engineer. Previously he was classified as Engineer for Surveys and Design. Mr. Knight is now Assistant Chief Highway Engineer.

MR. HIGGINS: Who is the Building Engineer?

MR. SPENCER: The Building Engineer referred to there is a son of John N. Howley, a very young man classified as second grade engineer. He takes the place of Mr. Whelan who was our Building Superintendent and transferred his allegiance to the Municipal Council. I think that is the one referred to.

MR. HIGGINS: I was wondering where Mr. Knight came in.

Carried.

MR. RUSSELL: 907: On page 38, Mr. Chairman, there are one or

two things I would like to check on. I am glad to see the grant for local road committees up a little. These committees are doing good work. But 907-03-04, Construction of new roads: This is not as bad as it sounds, I hope.

MR. SPENCER: There has been no vote but we kept the heading in as under the new arrangement, 04 and 03 are taken care of in one item, \$2,000,000 for this year.

MR. RUSSELL: There is no break-down in the end of the book.

MR. SPENCER: No, it is not provided. We have a tabulated list for presentation to the Government at some future date, in fact inclusion in the list is no assurance of the work being done, our planning is in accordance with the Government and the people. As far as the honourable member for Bonavista South is concerned, in my Department he is just one of various representatives of the Government who has made the odd call on the Minister of Public Works, on our Department, and in justice to him, that while considerable work was going on in the District he represented, I will say that he was not at all obnoxious as far as my Department was concerned, and had he remained so with all and sundry, he would not find himself today in that undesirable situation he is now.

Therefore the position is that 03 and 04 are all together in one vote.

MR. HIGGINS: I am wondering, Mr. Chairman, there are some foreign gentlemen here who have been taken on for work on bridges, are they included in this?

MR. SPENCER: In reply to the honourable and learned Leader of the Opposition with regard to the three

engineers he referred to in the House some little while ago. A draftsman and another, I think, are not classified as civil servants, they are only here with us on a contractual basis. We hired one only additional road engineer on the standard of a civil servant and that is the gentleman we managed to get from Saskatchewan, one last year and one this year, two actually. The former whom we in the Department were very proud to find, is well qualified as a road engineer. The other is not listed in the budget as he will be paid from the Trans-Canada Highway. In other words the same as bulldozer operators or anyone else.

MR. HIGGINS: You have a bridge architect in connection with the Trans-Canada Highway.

MR. SPENCER: Yes, and his salary is not voted, but if you would like to know we would be very glad to tell you.

MR. HIGGINS: I may say I was talking about the difference between two engineers, I was not trying to find fault with Mr. French's salary. I have been told that Mr. French's qualifications are high, and his work of such value to your department that he cannot be dispensed with.

MR. SPENCER: I agree with the honourable member it would be very difficult to replace him.

907 carried.

908:

MR. HORWOOD: Does that mean that Civil Servants are not covered by the Workmen's Compensation Act?

MR. SPENCER: I would like to point out in reply to the honourable member for Labrador, that the Department of Public Works has \$15,000 for Workmen's Compensation Act in



order to avoid paying a much higher premium to some insurance company. The Workmen's Compensation Board was not set up at the time of these estimates and we had no assurance that it would be set up and working. As far as I know our workers are covered by the Workmen's Compensation but that sum is there, and any amount, as the honourable member knows, not spent at the end of the year becomes a drop balance. I would like to say, for many years when all conditions were applicable to workmen's compensation, that all claims have been met when the various proofs came in from doctors and others. We have made awards meeting all claims, and the Department can take very much pride in their safety margin, but I leave that for the public to judge, yet we are happy to know that our accident record has been very low indeed and we are proud of it. I am not quite sure as to that sum. If it is placed there as the result of a decision of the department, I am not at the moment in a position to say whether we go under Workmen's Compensation or continue on paying under the same conditions as before.

Carried.

MR. FAHEY: I would like to point out in reference to the total, the honourable Minister said in his remarks there was a difference of a half million dollars; now if you subtract \$10,167,00 from \$10,517,000 that was not a half million when I went to school. Furthermore the difference between the total now and 1949-50 shows an increase of nearly three millions, yet the Minister will get up and contend you are saving half a million dollars.

MR. SPENCER: The honourable member might be justified; I appre-

ciate the point but he is slightly in error when he referred to saving. What I stated was that the vote for the Department of Public Works this year is less than last year, true, I said a half a million, but I did not refer to it as savings. I have a bigger grudge than the honourable member as my Department is cut down so low that we will have a strain to meet the demands of the public, but we have endeavoured to keep it as low as possible due to a request for retrenchment, and the vote is less than last year.

MR. FAHEY: It is three millions more than 1949.

MR. SPENCER: In 1949 we were not in office all the year and the votes were very small.

MR. SMALLWOOD: Mr. Chairman, in the absence of the Minister of Health we might let that Department stand over until later and the same with regards to Welfare. We might now take the Board of Liquor Control. This I think comes under me and I am probably the first teetotaler to be responsible for the Board of Liquor Control.

MR. HIGGINS: Does a gentleman drink when he is a teetotaler?

MR. SMALLWOOD: I take a glass of wine, but I have yet to taste my first drink of hard liquor since I was born. I may have missed something but nevertheless I am glad to have missed it.

MR. HIGGINS: And some of us boast we have taken some.

MR. FAHEY: And some of us boast when we take some.

MR. SMALLWOOD: That is true of honourable members and others who take it.

MR. HIGGINS: I hope you taste it before you die.

MR. SMALLWOOD: I never made a practice of tasting carbolic acid either, and I must confess, I don't miss rum any more than I miss carbolic acid. I never tasted either. I have not a thing to say against my honourable friend if he enjoys it.

MR. HIGGINS: You are trying to tell us that they are the same thing but we are not alone as shown by the Liquor Board.

MR. SMALLWOOD: Carbolic Acid and Liquor, I have never tasted nor don't miss but far be it from me to say a word against my honourable friend the Leader of the Opposition if he enjoys a hot toddy, and he can't say he is alone in the world, as the figures on this page seem to indicate. There are others who also take an occasional drink from year to year and even from day to day.

MR. HIGGINS: I hope when the occasion comes, the honourable Premier will realize the difference between a drink of rum and taking carbolic acid.

MR. SMALLWOOD: I only hope I may never know the difference and I am sure my honourable friend, the Minister of Provincial Affairs will agree with me on that.

I do not know what explanation my honourable friends may desire to have on these estimates.

1201.

1202:

MR. HIGGINS: Are they full-time jobs?

MR. SMALLWOOD: Yes, full-time.

MR. HIGGINS: And they are not supposed to do other work?

MR. SMALLWOOD: Well, I will tell my honourable and learned friend quite frankly that the Chairman of the Liquor Board was the Assistant and Campaign Manager of Confederation, and played a most prominent part in winning Confederation as my right-hand man, and ever since that time he has been a close and intimate friend, both personal and political friend of mine, and I have called upon him on more than one occasion in the course of a month to do various things for me as Premier of Newfoundland. He was for a time my Executive Assistant, and I shall continue to call upon him when I have occasion.

MR. HIGGINS: I was not talking about that at all but—

MR. SMALLWOOD: If my honourable friend is referring to political work that Mr. Gregory Power continues to do at my request, political work for me.

MR. FAHEY: I thought Civil Servants—

MR. SMALLWOOD: Mr. Power is not a civil servant. He is one of the brainiest and ablest, and one of the most brilliant men in all this Province today. I am exceedingly proud to call him my friend and proud he calls me his friend.

MR. FAHEY: He is not a Minister of the Crown and not a member of the Parliament and he gets paid \$5,000, yet he is not a civil servant.

1203:

Gross Total \$209,000.

MR. FOGWILL: How many motor vehicles are owned by the Board?

MR. SMALLWOOD: As far as I know only one. They may have more.

I am not too familiar with the mechanical operation of that Board. I rarely go in the building and so there are without doubt things in the day-to-day operation with which I am unfamiliar. I do want to say this that practically the whole public of Newfoundland has given high marks to the Board for the splendid work they have done since they were appointed, by way of cleaning up what was a terrible mess in the matter of taverns in Newfoundland. I think every fair-minded citizen who was familiar with the state of these taverns before this Board took over and has seen the improvement made since then, every fair minded citizen will give the Board very high marks for the work they have done. They deserve a great deal of credit. The taverns in Newfoundland were not much of a credit to Newfoundland before the improvements were put into effect but I think the average tavern in Newfoundland now stands up very favourably in comparison with the taverns in other parts of North America. That is entirely the result of the policy and work of the Liquor Control Board.

If there are any further explanations the honourable members would desire to have, I would be glad to give any information I have, and if I have not surely I can undertake to get the information, if possible, for the Committee.

MR. HIGGINS: 1203: Page 95. Nineteen Salesmen, starting on \$1,050 and going to \$1,900. What is meant by putting in \$1,400?

MR. SMALLWOOD: Perhaps some honourable Minister who is more familiar with the Civil Service could answer that far more readily than I. I think my honourable and learned

friend will find the same practice scattered throughout this book. I think if he comes on after 25 years of age, he starts at the higher point.

MR. RUSSELL: Assuming all this is correct, and we have no reason to doubt it, we know the public agrees that the Board has done good work but now that that Board has done the work and has put the taverns and so on, on a higher basis, is it the Government's intention then to retain the Board?

MR. SMALLWOOD: To that very question raised by my honourable friend, some thought has been given as to whether or not there will be need to continue the full membership of the Board indefinitely. No decision has been taken but I would not say that their work is yet finished. There remains yet things for them to do, the bulk of it, I admit, is finished, but there still remains more improvements for the Board to make. The point will undoubtedly be reached when the Government will have to consider carefully whether there is need to continue the full Board presently numbering a Chairman and three members. They undertook a most important piece of work and have gone well along but when the point is reached where the work is completed, careful thought will have to be given as to whether it is or is not necessary to continue the Board with the present number, namely a Chairman and three members.

MR. HIGGINS: Should not the General Manager of the Institution which brings in five millions here be in the same position as a Deputy Minister at least?

MR. SMALLWOOD: I am exceedingly sorry, I don't know if the

printed estimates show it, but the Manager has had a salary increase quite recently. It is shown here in the printed estimates as \$3,800-100-\$4,200, but he has recently been granted the scale of a Divisional Head. This salary is now an increase over the salary he was getting up to a matter of three or four weeks ago. He has been increased to the scale of a Divisional Head. While I am at it I would like to say that on all the evidence, Mr. French is a very experienced and conscientious, competent manager and a man who has had a good record and who deserves well of this Committee and this Government.

MR. FAHEY: On page 95-1201, we have a Chairman of the Board at \$5,000 and two members at \$4,000 each, that is a total of \$13,000. I know it has just been explained to the Committee all the good work which has been done and the work of cleaning up the taverns, putting them in shape and so on. But in my opinion, this Board did not do that, it was the inspectors who have taken care of that and with that in mind I do not see the necessity of any Board. There was in my opinion, \$13,000 wasted, and I would make an amendment where it reads \$14,220, to be reduced to \$2,300.

MR. SMALLWOOD: It is a new thought, to me quite novel, quite unique, quite interesting, that the credit for the very fine work, admittedly fine work of the Board, is to be given to the Inspectors. That is a novel idea to me that they should be given the credit for cleaning up the taverns, introducing policies and carrying out a program. It is new to me and quite novel, and entirely untrue, as a matter of fact there is not a scintilla of truth or foundation

in it, nevertheless it has been given as a theory.

MR. FAHEY: Who inspects?

MR. SMALLWOOD: The Inspectors. Nevertheless that theory is quite untrue; in fact, it is so far fetched and novel that I am lost for words, I am left speechless.

MR. FAHEY: It is the first time in my life I have made history.

MR. SMALLWOOD: Frankly he has left me speechless. There are three Inspectors appointed by the Board to enforce the policy of the Board, and that the Inspectors and not the Board should get the credit is so novel, it has left me speechless.

MR. FAHEY: Mr. Chairman, history has been made in this Chamber already today. You were not in the Chair at the time when one member who left that side went back again. It is good to see we have made history a second time in one day in so far as the Premier has been left speechless. I think this should be History day in Newfoundland.

MR. FOGWILL: I am entirely in accord with the honourable Premier as to what he said in regard to the taverns being cleaned up. There is no doubt at all it must be a source of great satisfaction to him and to the Government and the public generally to have them now fit and clean, and citizens now are able to visit them and it must be a source of satisfaction to the Government, particularly to the Department of Finance, to know the improved scale of the taverns gives them quite a lot more revenue than they had in the past.

MR. CHAIRMAN: Was that an amendment or a suggestion?

MR. FAHEY: It was made as an amendment, Mr. Chairman, the amendment was that the Board be reduced by \$13,000, thus making it \$2,300.

MR. SMALLWOOD: With respect to that proposal of my honourable friend may I remind the Committee that a few days ago in reply to a question directed at me from the other side of the House, I stated that the sales for the Board for the year had been something of the order of five million dollars. The retail sales of beer, wine and hard liquors in Newfoundland for the past year has been something of the order of five million dollars, and the whole vote for this Board as shown on page 54 is \$209,000 which is the total cost of the operation of a business which had sales of five million and that is a very reasonable cost for the operation for the staff in the various buildings and shops or depots of the Board, which has a central store on Duckworth Street, one in the West End at Springdale Street and one East at Holloway on Duckworth Street, the Liquor Store at Corner Brook and another retail store on Water Street, all of which are included in these amounts; that is the people who handle it, bottle it, the clerks who serve it over the counter and the mail-order department, which fills the mail orders and wraps and ships them, and the accounting staff, the stenographers, the clerks; the whole thing is \$209,000 and the actual administration accounts for only \$14,220. In short the administration of a five million dollar business is altogether less than the salary of one man. There is not a man on Water Street handling anything like that volume of business in an administrative capacity who is not getting

\$25,000 or \$30,000 a year. The administration of a five million dollar business is a job far more important than routine supervision. It is a job which involves careful study of public opinion, of public needs and of public policy. It is not just a case of buying liquor, putting it up and selling it retail. Far from it, it entails careful study of public sentiments and public requirements and needs, and to talk of reducing it, \$13,000 and what the shorthand-typist, grade three receives, and the cost of living bonus, brings it up to \$14,220. A most modest administration cost, in my opinion, for so huge a business which involves so many people in Newfoundland. The honourable member then is talking of reducing the vote.

MR. FAHEY: My amendment was to this extent, that a Chairman receiving \$5,000 a year and two others receiving \$4,000 each which is \$8,000, a total of \$13,000, and my amendment reduces that to \$3,000. In other words cut out the \$13,000, for this reason: it is an absolute waste. The Board is not doing all the work, the work is divided evenly as is the responsibility, and this Board does not do anything in my opinion, it is absolutely \$13,000 wasted. In my humble opinion it is wasted and you can't twist it any other way. There was a Manager in Commission days and the same man is still there, and the same staff is there, and what does the Board have to do for \$13,000? It is a pure waste of money and it is sheer nonsense to tell the Committee that this Board is doing all the work. We know the staff is doing the work. A sheer waste of \$13,000 and does the Premier agree we should waste money like that?

MR. FOGWILL: I am in accord with the honourable member for Harbour Main-Bell Island who has just spoken, but I realize too that the Board has another very important function. At one time in the Controllers Department they decided how much water to put in the rum, now the position is to see how much rum to put in the water. That is very important.

MR. CHAIRMAN: The amendment is that the figure of \$13,000 be stricken out and \$3,000 inserted in its place.

Motion is lost.

MR. FAHEY: Division.

MR. CHAIRMAN: If two or more members ask for a division—

Carried.

MR. RUSSELL: 1203: I heard a suggestion made here about the possibility of changing the hours when the liquor stores are open and there was a suggestion that the Government might give consideration to the possibility of later hours for these stores, to make it more convenient for some members of the public who can't get off at the proper hours to take advantage of the fact that these shops are open. Is there any indication in the number of the staff that it might be done in the next twelve months?

MR. SMALLWOOD: No, Mr. Chairman, there is not any such indication in the Estimates. I take note of that suggestion made in this Chamber and elsewhere from time to time and I have heard that the RCMP have suggested that it was one way to reduce bootleggers in St. John's, to keep the liquor stores open until, I

think, they said nine or ten o'clock at night.

MR. RUSSELL: But only from nine until ten.

MR. SMALLWOOD: I have not heard it that way. But I must say frankly that the Government, as a Government, has not considered it and so have not passed on any instructions or directive to the Board. But that thought has been in the air and there may be something in it, and I would like to hear the arguments by the people most concerned and who know most about it.

MR. FAHEY: While that subject is being discussed, I don't propose to be one of those who know most about it, but I understand the staff are kept there now until 8:00 o'clock clearing up, and though during the week it is closed to the public at 5:00 o'clock, the staff rarely get clear until 8:00 o'clock. We talk about eight hour days and modern ideas, although I disagreed a few minutes ago with the waste of money, in this case I would say the staff should not have to work longer than anyone else, and if the Government is anticipating anything in the shape of longer hours they should take into consideration that the staff of that department are employees of the Government, or Civil Servants, and should not have to work more than eight hours in any one day.

MR. HIGGINS: I quite agree. Something should be done, because after all, it is a terrible thing to see bootlegging going on in the first place, and in the second place people pay too much money; paying \$9 for a bottle of rum. I certainly would not pay it and if prices ever go to \$8 I will buy no more rum.

MR. SMALLWOOD: What will you buy?

MR. HIGGINS: I will buy nothing. There is no liquor worth \$8 a bottle. We can't have prohibition, it has been a failure all over the world, but we have to try and stop the bootleggers. Whether we are going to stop the drunkard or not with the new Act, I don't know but we could certainly stop the bootleggers by making liquor easier to buy. People in professions can't leave and go down any time it suits them or at half past four in the afternoon. They are working from nine to one and half past two to five and can't possibly get a bottle of liquor if they want it. It is not a question of morality, but we have to deal with this to try and stop bootleggers. In the old days of prohibition, if a man had one bottle of liquor and invited a friend, he stayed until the bottle was finished as he never knew when he would get another drink, now when he has a bottle he can have two or three drinks. To offset the bootlegger, the thing is to make liquor easier to get, so that a man does not have to go to the bootlegger and pay a terrific price for it.

Carried.

MR. SMALLWOOD: My, Chairman, could we pass on to the Department of Fisheries and Co-operatives?

Department of Fisheries and Co-operatives:

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Chairman, I wonder if in proceeding with the estimates, instead of making an overall statement, you would call the sub-head and I could make the explanations as we go along. I have rather full notes here and I could answer any question which may arise.

MR. CHAIRMAN: Certainly.

1401: Minister's Office: No change, same as last year.

1411: General Office: Post of Assistant Deputy dropped and the post of Administrative Officer created and total increase in the vote is \$4,740 accounted for in the reorganization of the office of both the Fisheries and Cooperatives, which called for the establishment of Administrative Officer, one grade two clerk and one additional shorthand-typist, and additional salaries in accordance with the increased staff.

MR. RUSSELL: May I ask who is the Administrative Officer referred to?

MR. KEOUGH: The post has not been filled yet.

MR. HIGGINS: Is there any reason for the jump from 1401 to 1411?

MR. KEOUGH: There was a re-alignment for the estimates whereby the Department was divided in two and the sub-heads were dropped out of the picture altogether.

1421: Fisheries Administration:

MR. HIGGINS: Who is the Deputy Minister? Is that Mr. Planta?

MR. KEOUGH: Mr. Planta. That vote calls for a salary of \$12,000 a year and there is an allowance to him of \$3,000 and provides for a secretary for him.

Carried.

1422: Fisheries Engineering and Development:

MR. HIGGINS: Who is the Director?

MR. KEOUGH: That post has not been filled. That provides for em-

ployment on a contractual basis of a competent individual to advise the Government, through the Department, on the enlargement and construction of fishery processing plants and construction of new boats, and gear and equipment. Moreover this advice to the Government would involve the implementation as far as the Government of Newfoundland recommend, arising out of fishery development, with regard to the centralization of fisheries and in conjunction with other departments, vocational training of fishermen and education in new methods of fishing. The position is not filled yet.

MR. HIGGINS: Who is the technologist?

MR. KEOUGH: Mr. Colin Storey.

MR. FOGWILL: What are his duties?

MR. KEOUGH: He has been sort of general utility man up to now.

MR. FOGWILL: Well, you would not call him a utility man on that salary.

MR. SMALLWOOD: That is in a restricted sense.

MR. HIGGINS: Has this Department being set up yet? Is there anybody employed?

MR. KEOUGH: The only employee at the present moment is Mr. Storey.

MR. HIGGINS: What is he doing now?

MR. KEOUGH: He will be assistant to this Director of Fisheries, when appointed, and will do whatever specific duties the Director assigns to him. During the past year he has been engaged in such activities as supervising the operation of the Icelandic Fleet,

and the construction of the *Matthew II*, and things of that nature.

MR. RUSSELL: I take it, Mr. Speaker, it is not expected to get a local man to fill a position like that?

MR. SMALLWOOD: Perhaps the honourable Minister probably feels a little hesitant to speak on behalf of the Government, and he might not mind if I add a word. We are presently negotiating to obtain the services of the one man in all the Canadian nation who is widely known to be the outstanding man in that field, a man who is a scientist, a chemist and an engineer, a man who has designed many fish drying plants, invented and designed fish dryers, and who re-designed many freezing plants in all of North America, and who is responsible for one of the largest freezing plants in all North America which is to open in the coming few weeks—a man with a very remarkable record of achievement. We are not at the moment prepared to name him, because if we are not successful in obtaining his services it might prove embarrassing to him, were we to name him now. But he is a man about whom I think every member of this Committee will agree that he is the outstanding man, at least they will agree that his record is well known, and he is the man we are trying to get to head this Division—a man who will be able to go into any fish plant in Newfoundland and assist the owners of the plants to improve their design—a man who can tackle the physical, practical problems in any fish plant and worry over them and experiment and come up with a solution or a practical suggestion. I may say that the later thought is that if he can be had by the Government to head up this Division his services will



not be exclusive to the Government of Newfoundland. Other interests in Newfoundland would be glad to get his services as well and the up-shot may be a sharing of his services and sharing of his salary between the Government and certain other institutions in Newfoundland. I am not able, I am sorry, to say more at the moment. But the need for a man in our Fishery Department who has derived knowledge, rather than merely experimental knowledge, is very great, very great indeed. In seeking such a man we are endeavouring to get the man most qualified of all in Canada in that field, and that is reaching high as in fact he may be the man most qualified in all of North America, in the great United States across the border and all across Canada and use him here in Newfoundland to assist the fish trade and owners of fish plants in Newfoundland. He has indeed visited Newfoundland at the request of several fish firms and has studied their problems and has come through with improvements for them, so that he is well known even to the trade here in Newfoundland.

MR. HIGGINS: We are trying to develop a brain trust.

MR. SMALLWOOD: That is what we are trying to do. The Fisheries, which was never a large Department, was reduced quite severely as the result of Confederation, and the Department of Fisheries of Canada has come to have jurisdiction over a considerable portion of the fishery fields of Newfoundland, but the remaining part is under the jurisdiction of the Newfoundland Government and to cope with that responsibility what the Government needs is not a large but a highly competent fisheries department made up of men outstanding in ability. Now in Mr. Clive

Planta as Deputy Minister we think we have one of the outstanding men in all Canada from the Atlantic to the Pacific, not as a scientist but as a practical administrator. We think Mr. Planta is the outstanding man in all Canada in his field and this other man of whom I spoke a moment ago is an outstanding man in more than one field namely: science, economic research and practical planning and production and machinery and engineering problems, an outstanding man, and we will be very proud if we can get him.

MR. RUSSELL: If he turns out as useful as Mr. Planta has already proven in his, that would be one of the things I won't ever have to criticize the Government for.

MR. HIGGINS: It seems to me Canada is getting very delinquent, allowing these men to come down here.

MR. SMALLWOOD: We did it by offering a bigger salary. My honourable and learned friend, I think, will agree with me when I say this, generally speaking, we will get outstanding men to come to Newfoundland from more populous and advanced parts of the world where conveniences are far greater than here, and come to Newfoundland to work with us only if we pay them more and offer considerably more than they can get there. They will not come for the same pay or anything like it.

MR. RUSSELL: Our problem is, will we be able to pay them more?

MR. SMALLWOOD: The right man is worth his salary many times over.

Carried.

1423: Fisheries Economic Research:

MR. KEOUGH: Director and Chief Inspector (Contractual) covers the appointment of Mr. Bruce Feather, who is now acting as Royal Commissioner, Public Enquiries Act, and on completion of his duties of Commissioner he will perform the duties in connection with statistics and economic research, marketing and cost accounting. While rendering this assistance to the Department of Fisheries and Cooperatives he will perform duties of a similar nature for other Departments of the Government by consent of the Executive Council.

MR. RUSSELL: Does the Government really feel —

MR. SMALLWOOD: May I add a word to that? Marketing of fish and markets for fish and prices for fish in the markets are all within the jurisdiction of the Federal Department of Fisheries and are the responsibility of the Federal Department of Fisheries and do not belong to the Government of Newfoundland, and we could say this Federal matter does not come under our care. We choose, however, not to take that attitude. Suppose the Federal Department of Fisheries fails or neglects or refuses to give our fisheries and the marketing of our fish that proper care and attention and time that we Newfoundlanders think ought to be given them? Suppose that happens? Then we will be left in the position where the Federal Government is doing nothing about it, and we are not in a position to do anything about it, or I should say, not fittingly equipped to do anything about it. So that we will try therefore, with the Newfoundland Fisheries Board and with NAFEL, a Merchants' Corporation, though we are not responsible for the export and marketing of fish, yet we feel the Newfoundland Government cannot es-

cape its ultimate responsibility in this matter and ought therefore to equip itself with the right men to know what is going on, and probably to help shape what is going on. But if we don't, now somebody said here in this Chamber that the Minister of Fisheries ought to know from day to day and week to week and month to month the position of fish, how many fishermen are engaged, what the market price for the various grades and varieties are, and have all that kind of statistics, and I am inclined to agree with him that such is true; we ought to have it certainly, we have no machinery, no equipment within the Government today to get hold of that kind of information. This Section, Fishery Economic Research, is designed to do exactly that. Now that does not need to be a big division, but possibly one man concentrating on that job with probably a stenographer to do the typing for him.

MR. RUSSELL: Mr. Chairman, in paying too much attention to salaries we have been overlooking bigger things. Part of 1422 has been brought to my attention and I would ask if we may refer back for the purpose of making an amendment on one important item, but I would like to ask a question about it for further information. The Aerial Survey, was that the one this Spring?

MR. KEOUGH: Yes.

MR. RUSSELL: And was that the total net expenditure of the Government or is there a refund?

MR. KEOUGH: The item covers the maximum amount the Government undertook to contribute; in the event that the sealing operators were not able to meet the cost of the Aerial Survey, I don't know if we would be

called upon to pay that or not, we have not paid any yet.

MR. HIGGINS: How much did the whole thing cost?

MR. KEOUGH: I believe it ran to \$20,000 this year. That would be the maximum the Government would be prepared to contribute. We have not been called upon to do so yet. The other \$13,000 is borne by the operators.

MR. HIGGINS: Have the Norwegian ships got aerial receiving sets? I suppose they map out and point out to our sealers where the seals are but —

MR. SMALLWOOD: We do not broadcast to the sealers where the seals are.

MR. KEOUGH: No, they have a code from plane to ship telephone and a code system.

MR. HIGGINS: Then it is possible the Norwegian ships would hang on to ours and just follow them. If the aerial survey is good, they should know no ship would follow a course unless told by the operator of the aeroplane.

MR. SMALLWOOD: The best evidence we have is that they did not follow this year.

MR. FOGWILL: Before we go off that vote I would like to ask a question as to what is meant by 03—Convention, \$20,000.

MR. KEOUGH: That is to provide the cost of travelling and living expenses of delegates who attended the union meetings of the Fishermen's Convention. The sums paid to date amounted to some \$15,265, the total is not available as we have still to get

accounts from delegates in outlying districts.

MR. FOGWILL: \$15,000 Newfoundland Fishermen's Federation.

MR. KEOUGH: That is a grant-in-aid, the cost of the Head Office, expenses, salaries, travelling expenses and statistics for services to fishermen. It is a direct grant to the Newfoundland Federation of Fishermen.

MR. RUSSELL: Is there any provision for an arrangement on a fifty-fifty basis to match funds that might be raised by locals in their Federation?

MR. SMALLWOOD: That is not in mind. There is no provision here; this fund is an outright grant which would form part of that but they were penalized as they did not have a cent, and this \$15,000 is to help them get started. This sum has been granted to be part of a matching grant if a matching grant is given.

MR. FOGWILL: On the next item—Ice Cutting, Storage, etc.—Some time ago I gave notice of question on that. Would the honourable Minister tell the Committee the weight of ice cut and where it is stored?

MR. KEOUGH: I am afraid I cannot give you the weight of ice cut at this moment, but I suppose about 600 tons and it is stored at Arnold's Cove and Holyrood.

Carried.

1423: Carried.

1424: Shipbuilding.

MR. KEOUGH: That covers salaries of the Chief Inspector of Shipping and one Inspector; actually Mr. Harry Long is our Chief Inspector in connection with shipbuilding and we

have two inspectors. There was an error in last year's estimates, the salary of the Inspector was noted in full. It is actually a contract whereby the Government pays 55% and Lloyds 45% plus cost of living bonus. Actually the figure last year was incorrect.

Carried.

1425: Fishery Development Committee.

MR. KEOUGH: That is the amount of finance the Government is contemplating providing the Fisheries Department Committee during the coming year to defray expenses of the Fishermen's Representatives who are being paid \$5,000 a year each. The balance is to cover stenographers and such records as may have to be published, the travelling and out-of-pocket expenses of the Chairman and members of the Committee, and transportation of the Committee to visit possible outpost areas.

MR. RUSSELL: Does the Federal Government have to pay?

MR. KEOUGH: The Federal Government supplied some specialists but we may possibly want to call in some locally.

MR. FOGWILL: They are not appointed yet.

MR. KEOUGH: Yes, they were appointed some time ago. Sir Albert Walsh is Chairman. Lloyd Soper, Executive Secretary. The Government representative of Canada, Mr. Gushue, Chief Supervisor; Hazen A. Russell, President of North Atlantic Fisheries; Capt. Clarence Williams; H. A. Dawe, President Fisheries Union Trading Co.;

Mr. George Groves.

Carried.

1451: Co-operative Administration:

MR. KEOUGH: That sub-head covers salaries of the Deputy Minister of Co-operatives and his Secretary, and incidentally that scale should be going up to \$4,500-200-6,000. I don't know how it is to be adjusted here, that will have to be finalized by Finance.

MR. HIGGINS: 1452: What is the Director, Co-operative Fish Processing doing there?

MR. KEOUGH: This is not a new position. The Director of Co-operatives has been dropped and this position of Director, Co-operative Fish Processing, has been transferred from the Fisheries Division, and this post created because of the need of technical advice to fishermen. The present incumbent is a graduate of the Quebec School of the Province of Quebec and is well qualified to advise fishermen with respect to canning, exporting, etc. The work so far has been confined to surveys and to intensive work in only one area. He has proven to be a competent and conscientious worker and will be of great help in the future to get projects started and give training in Co-operation in addition to his technical qualifications.

MR. RUSSELL: I don't know, he may be quite qualified to do the work but if you are lucky enough to get that man on a contractual scale, as the Premier mentioned, you should then be able to dispense with the service of the man in 1452, as surely the work would overlap, as such a man would be able to take in the technical and co-operative angles as they have entirely the same technical needs for operation. It may well be that a year from now we

won't see him there at all. Maybe he won't be necessary.

**MR. SMALLWOOD :** Except that that man, if we get him, may not be able to do as much field travelling as he will be associated with other organizations besides the Government.

**MR. RUSSELL :** That would make a big difference and in that case Maynerd, the field man, would not be duplicating, but supplementing the work under the director. Maynerd is a very practical fellow.

**MR. FOGWILL :** A native of Quebec?

**MR. SMALLWOOD :** He has been trained in fishing districts along the Gaspé Coast, the only part of the mainland of Canada which produces an inshore light salt fish resembling Newfoundland light salt fish, and got his training in fish dryers in the Provinces of Quebec along the Gaspé Coast where they have that type of fish. I visited myself the three dryers, one in Grand River, one in Gaspé and one in Rimouski. He worked in all these and is a product of these only modern dryers in North America today curing light, salt fish, and for that reason the Minister of Co-operatives secured his service. He is not a scientist, not a chemist, but a practical man and quite competent to carry out orders of this director if we can get him. As a matter of fact, he will be of more value when directed by the high class man we are trying to get.

Carried.

1453: Registry of Co-operative Societies:

**MR. KEOUGH :** I think the only addition there, Mr. Chairman, is the addition of two inspectors. It is con-

templated that in time the registration of co-operative societies will be the main core of the Department and that work of co-operative extension and education will be undertaken by Newfoundland Co-operative unions, when they become advanced enough to finance such work. The Registrar is required under the Act, in addition to looking after such things as annual audits and returns, to see that societies are enrolled and instructed in co-operative methods. We had two last year and find that we needed two additional inspectors this year. The Registrar is Mr. F. R. Dove who has been there right along for years.

**MR. RUSSELL :** I hope you are not overlooking that there are four registrars in these Estimates; vital statistics, motor vehicles, deeds and companies and Co-operative societies. Now, two have been stepped up and the other two left. This might be an oversight as it sometimes happens that one is put up while they forget about the other. Now, I would like to call the Committee's attention to the fact that two have been raised.

**MR. SMALLWOOD :** The Minister of Fisheries and Co-operatives will not mind, I think, if I say he recommended the increase for Mr. Dove, and the Committee will appreciate the consideration of the Estimates extends over a period of time, and at the moment the Minister recommended the increase for Mr. Dove, the mood of the Cabinet was very definite in the direction of refusing increases and so Mr. Dove's increase was not approved. Now, had the Minister recommended this at some physiological moment, probably he would have received an increase at the same time the other two were stepped up. I think it is a matter

which might be rectified in the Estimates that follow this a year from now. Those who know Mr. Dove agree with the former Minister of Natural Resources that Mr. Dove is an able man and one who occupies an extremely responsible position in the Co-operative movement, and while I cannot speak for the Minister of Fisheries and Co-operatives, the Minister has already recommended an increase for him, and I have no doubt will gladly do so again, when the matter comes up again.

**MR. HIGGINS:** That is a terrible admission to make: that it depends on the whim of the Cabinet and not the good of the cause.

**MR. SMALLWOOD:** The Cabinet is like anyone else and has its moods. These Estimates were considered over five or six weeks and any group will vary in mood and there will be times when they are especially tough and times when they seem to have things worked out when they are not so tough. Unfortunately for Mr. Dove the request came at the moment when we were tough and not when we could see daylight. If my honourable and learned friend could imagine the Estimates coming into the Cabinet originally calling for an expenditure of millions of dollars, literally millions, and could see the Cabinet working on these estimates, it is enough to say that at the outset of the consideration of the Estimates, the Cabinet is very tough, but once they got things licked into shape they are not so discouraged and feel happier about the whole thing.

**MR. FOGWILL:** You never feel discouraged.

**MR. SMALLWOOD:** Of course I feel discouraged. Each Department

has a list of what it thinks it should do and by the time the Ministers of Public Works and Welfare and Health and all the others give their estimates and all these estimates are printed and received by the Cabinet, it takes a brave man not to be discouraged when he sees that if what they think out to be done is done there would be a deficit of three, four or five million dollars on current account and it takes weeks and weeks of hard work to get them licked into shape.

Carried. The total has to be revised due to one amendment.

**MR. SMALLWOOD:** We could now go on to the Department of Economic Development.

1502: Economic Development.

Salaries, there are no salaries listed. I think they are in the Minister's Office. Travel \$1,000 and office expenses \$500, mostly postage.

1502: The Deputy Minister is up like all others. Office expenses, postage and telephones. Mr. Short is the Deputy Minister.

**MR. HIGGINS:** Who is Secretary of Research and Conservation?

**MR. SMALLWOOD:** Mr. Claude Howse.

1503: Tourist Development:

There is a note there (a) Sub-head title changed.

Salaries on page 98: One Assistant Head, Miss Godden. We have raised Miss Godden's salary to a new scale. I certainly don't need to say one word in this Committee about Miss Godden, everyone knows her capabilities.

**MR. HIGGINS:** You should apologize for the smallness of the salary.

It has been increased, but it is still not enough. Miss Godden is a highly regarded and able and valuable servant of the Government. There are two shorthand-typists and a cost of living bonus \$5,300. This is a very busy office and the mail is large, they get letters from all over the world.

MR. SMALLWOOD: Publicity and Investigation; Development, Special Investigation and Documentary Film \$54,500. General Publicity is for general public advertising in publications on the Mainland, the printing and distribution of pictures and pamphlets of Newfoundland. Development \$10,000. It is difficult to say just what that is. It is an amount we may or may not spend in the course of twelve months. Special Investigation has been dropped. Documentary Film is the one which some honourable members of this House had evidence because the camera man was here and took some shots of scenes in the House. But that was a small part of the picture. They are making a three-reel half-hour picture and it will show quite a variety of things in Newfoundland. New industries, the work of the new hospitals, the work of the logging and mining operations, and generally it will be a picture which will show Newfoundland as it is, a progressive Province with lots of activity going on, lots of new departures, new activities and local development. The people who made it are to provide us with one, I think, printed standard size which can be shown in this Province in motion picture theatres and one print of a smaller size for showing in film councils and all 16 mm. projectors. The one on the 35 mm. can be shown on any motion picture theatre anywhere. When it is completed, this film will have cost Newfoundland

very considerably less than the cost had we had anyone else do the work.

Newfoundland Industrial Development Board. There is no amount for that. Now, Economic Development: Salaries, page 99. Dr. Valdmanis, the Director General, heads the list of names. Now one official in that Department, Mr. Barron, recently appointed, is not shown here in the Estimates and I think his name probably ought to be added because we have retained Mr. Barron, B.Sc., graduate of the University of McGill and a native of the city of St. John's, recently working as chemical engineer in the employe of Bowaters at Corner Brook. His salary \$4,800. Travelling \$4,000. Office \$1,000. Investigations, general, not specifically allocated \$50,000. Hydro-electric Survey by the Power Corporation of Canada. That survey begun last year will be completed within the next few weeks. This \$150,000 we are pretty sure is more than is needed. The Power Corporation of Canada completed the basic survey last year but they still have to do some drilling at substation and dam sites and canals and power houses. The drilling is going forward right now and that drilling will provide the final confirmation of the Department, estimate of cost of harnessing the electric power in Bay D'Espoir. They will get five hundred thousand horsepower and the cost per horse-power or per kilowatt hour to determine whether industries based on that hydro-power will be economical or not. We will have the final answer to that great question in a matter of the next few weeks.

Then 1505: Economic Development: The Cement Mill, Gypsum and Birch Industry, Secondary Industries, actually the Buy Newfoundland

land Campaign. These amounts for the Cement Mill, Gypsum and Birch Plants are amounts over and above what was spent last year to complete the Cement Mill, Gypsum Mill and Birch Factory.

MR. FOGWILL: That would be the full amount then?

MR. SMALLWOOD: That is to pay the final cost of these three factories. Total amount for these industries is \$4,600,000. Gross Total \$4,923,300, of which \$67,600 is current account to which is to be added \$4,800 for this additional employee, Mr. Barron.

Carried. 1501. 1502.

MR. HIGGINS: 1503: Mr. Chairman, if Miss Godden were a man, she would not be where she is, you know what I mean. She is a character in herself and if an outsider were brought in the salary would be commensurate with the service, and I think the Government should offer her that salary. For years and years she has been making contacts with the poorest and the common man and millionaire; all have been served by her and she is an institution in herself, and that salary for her is altogether too small. She could get a salary more in keeping with her qualifications on the mainland, but I can understand why she does not leave Newfoundland.

MR. SMALLWOOD: She will not leave Newfoundland.

MR. HIGGINS: Well, we ought to feel if she want to stay here and does not want to leave, her position ought not to be jeopardized on that account.

Carried.

MR. SMALLWOOD: 1504: No amount to be voted here.

1505: Two adjustments, one to bring the Deputy Minister up to the new scale and the other to add Mr. Barron \$4,800.

Carried.

MR. SMALLWOOD: Mr. Chairman, I move the Committee rise and report progress and ask leave to sit again tomorrow.

The Committee rose and reported progress, and asked leave to sit again on tomorrow.

MR. SMALLWOOD: The hour being quite late, I move that all remaining Orders of the Day be deferred.

Carried.

MR. SMALLWOOD: I move that the House at its rising adjourn until tomorrow at 3:00 of the clock.

The House adjourned accordingly.

WEDNESDAY, May 16, 1951

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

MR. SPEAKER: I would ask honourable members to note that the Order Paper is the same as yesterday with this difference, the last Orders of the Day take precedence over all others.

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Notice of Motions and Questions

None.



MR. MILLER: The Budget Speech is the report on the Province and the Report of the Government on how it stands and where it stands and the policy which they have sustained. If we look at the position of the country or the Province we might say today we are fairly happy. The Province has extended its work in the major industries on a very high level. There is a lot of construction work taking place and we can only compare that with the boom of war days. That is something to be grateful for, to my mind it is an easing period which gives this Government a chance to get some more long-range policy developed. And the Government, I feel, must admit that they must be very happy because of it.

An analysis of this situation, however, does not tend towards greater confidence. It is a passing boom. We in this country have had a very recent example of that in the war days when prosperity rose to a great peak and then it sprang back to the days of 1949 when we all became worried and we on this side at that time were really worried and we can well imagine the Government was more so. We have been subject down through history to these spring-backs after war booms and while we are not now actually in a war, nevertheless, that is the nature of our present prosperity.

Knowing the history then of our country, it is the duty, and we are warned that they must progress in this manner, of this Government to set some new example of pulling the country out of that spring-back which will eventually come our way again.

Now this afternoon I am not going to be too long and particularly I am going to refrain from financial discussions and will leave that to those

better able. I recognize that this country is in a trial period; I recognize the obligation that the Government has to the country. I am content rather than to go into a lengthy discussion of the Budget to let the Budget be as it is and I am content too, for the reason that when our surplus is all gone—and I would not view that day with alarm if the money is well spent—I am content to reason that be they Liberal or CCF, when the Budget comes in for review by the Royal Commission and later makes recommendations to the Government of Canada, be they Liberal, CCF or PC's, I believe a proper judgment will be made and a fairer and more equal basis will be arrived at. I will go further and say I hope that when that day arrives, when the surplus is all spent, it won't be projected too far into the future. Why do I say that? Because I have never felt the terms were fair and equitable and because if we stagger along for a period of years perhaps it will give authority to the argument that they were, and not without some foundation. Therefore, I would not subscribe to that policy of dragging along year after year and ignoring the backward condition of this country. Some day, in my opinion, the balancing of this Provincial Government Budget will be nothing more or less than a mechanical piece of finance. We will have set for us a certain figure within which we will work knowing the taxable capacity of our people and beyond that we will not be able to go. Consequently it will be merely a mechanical transaction.

It has been argued by some that this country, the people of this country could be prosperous and yet the Government financially in difficulties. Now that is a position not to be fully

desired but on the other hand supposing we had a government that could not pay its way along and our people in financial difficulties, then we would have something to really worry about. And in these years as we go through, as I say, this trial period that is what we must guard against.

With respect to the Provincial Budget I am content to let it drift down the tide of the Ottawa River until we come to pier 29 to be reconditioned and made seaworthy, but as to the condition of industry I am not content to let that drift, that comes right home to the Provincial Government. If it has ever come home to any Government it should come home with a greater responsibility to the present. Why? Because the present Government has been entrusted by the people and committed by the Government, the Federal Government, to enter into an economic period in this country and has been provided with ample funds in the surplus to undertake and to try their hand sometimes in small matters and sometimes in great matters and I recognize that they are in the middle of the stream, half way through in their policy and in my mind this is something that goes before politics because of the fact that we have entered into very weighty transactions running into millions of dollars, things never tried before, a bold policy and what if they should fail? They must go forward with deliberation and I think it would be a terrific thing on the part of this side of the House if, with the millions that are in jeopardy today, anything should happen from here to bring on a chance of failure. We are all in this and none can gain if we lose.

I don't propose to go any further on that subject. I would, however, like to say a few words once again

in the interest of the fishing industry. The fishing industry has gone on in this country and has met its problems and we have found ways to get around them and gradually remedied them as they came. Just such a one of these instances was the conversion of the sterling. I am happy today to learn that the sterling to the extent of four million dollars is arranged for in this year ahead. But that does not fully answer the question, the old trouble still remains, we are still dealing with countries where we cannot sell, and more and more our interests are settling away from the sterling area and I now think it well that it should be so. The fishery today is more hopeful, I recognize, that last year's situation and last year's catch is to be disposed of at an earlier date than last year, probably by mid-summer, whereas last year in the fall we had old fish on the market and new fish being withheld from the markets and that was not a good situation. But we will have, I believe, this year a greatly reduced quantity which will help to make our fish go out in better state and in my mind it will be more hopeful from this date on. Then there is the question of floor prices which is to be dealt with on the Federal level and they are to study the matter. That I think is very fine and I think we can afford to do that this year, because I think prices will be considerably higher than last year.

This question of sending our fish into the sterling markets, are we going to remain tied to it, are we going to tie the future of this country and the fishermen to that? I feel we cannot. There was a time when I advocated a floor price and I said for five years, and I said together with that goes a study by top level representatives of the Federal Government who will en-

gage in an investigation not into the affairs of this country but all the tariff agreement and currency agreements entered into by Canada to arrive at the true position as to how all affect, and how they will affect, for many years to come, the sale of Newfoundland fish in the sterling markets. I have come to the conclusion that we face there an impossible situation and I arrived at that conclusion now without the help of that commission of enquiry which I have previously suggested, I fear there is no hope for the future. We have been in a very mean position, we have been trying to trade in competition with the Provinces now and before that with the Great Dominion of Canada and the United States. As a little country we had to sell our main product to poor struggling countries. That situation went on and left us poor and to continue will still leave us poor. In fact, I am quite sure it will leave us poor. Most of our trading today and tomorrow must be done with the United States and Canada. We must enter into a period when we shift our weight from that one food carried on in the sterling area and go over to the dollar area. But all this can not be done overnight. Can it be done in five years? And virtually, I say, the Government sitting opposite us have to change this position of things as they were in 1949 when we went in that spring back I mentioned to the boom days. Now that the pressure is taken off the fishing industry they have the money to do it with and have all the money to gamble, sometimes recklessly, and if they gamble recklessly in the fishing industry, I won't blame them too much.

A year ago I said the men cannot go fishing but that was called blue

ruin. Today I say I really thought they would not and they did, so that I was guilty of blue ruin. But today the position is that they have not gone fishing, they are not interested in the fishery and the younger men have moved away and there is tragedy for our country in that, first because of the loss to the industry and secondly the loss of our young men because we can never hope to find sufficient jobs for all who move out this year and they have to go elsewhere to the mainland. So that is the task, as I see it, that the Government has ahead of them, and they are midway in their program and to condemn unnecessarily would be perhaps to bring derision on ourselves. I hold that in five years they will have a fair trial, they have sufficient money to do it and I am content to wait today and see the issue as it unfolds.

The problem of this country is to arrive at a solution to the sale of our products in sterling markets. I feel we are too small, I feel that Canada is not interested in us to that extent even though she may have quite an interest in us. It would throw the adjustment out of balance too greatly and consequently it would be cheaper on their part to subsidize the fishery and that brings me back to floor prices.

In the plan which I have envisioned we would have subsidized fisheries for five years but if it had to go on and on I fear I would be greatly against a policy of permanent subsidization. It is a false way of economy. It would not have to be adopted permanently. however at present it is an absolute necessity. I cannot for a moment imagine what prices they should arrive at but when they do arrive at floor prices for Newfoundland shore fish I do hope it will be higher

comparatively than the Labrador fish settlement of a year or two ago. I think that price was too low and I cannot see anything less than the prices of two seasons ago for the shore fishery to be anything like satisfactory. We could drop then these European markets in the five years we have allotted, drop them gradually and adopt a new policy. It has been a little appreciated fact that this country of ours is a food producing country. In a depression, men may not build but they must eat. We have the fish in unlimited quantities or almost unlimited, and yet we have been trading it where it has not brought us ample net returns for those who follow the industry. That situation is today one of the reasons why the fishermen are going away because all those who work to produce are highly unionized and have a high level of pay all out of proportion to the fishermen who is left with nothing, that is half the cause, and secondly our fish is sold in European markets and cannot give us a fair yield. Therefore the tendency for today must be to develop trade in the dollar area of the United States and Canada and meet the demands of the markets there. All this is going to take time and a lot of men will leave the fishery and perhaps never return. Nevertheless the sound policy, I believe, is to deal in more stable markets with fairer prices from which returns to the actual fishermen will be more profitable and they will be more content and the country more at ease. That is the problem, as I see it, and they must concentrate on the fishery which I believe gives the greatest distribution of wealth to the people all around our shores. All around this country, people I have met, say: "Well, we might not have much money

but we live along happily." And today that is not so and it is a way of living we ought to reach out very far in order to help and also to try and preserve. I think we are going to have hard times yet in the fisheries but I think eventually if we go about it and follow up the trend we have started it will bring us that return we need. If we can get that then when we arrive at the day of a spring back we have not too much to worry about.

MR. CASHIN: Mr. Speaker, I did not intend to speak this afternoon. I had as a matter of fact prepared nothing. I did not have time to study the Budget. At the same time I am not going to ask for an adjournment for that special purpose because I don't want people to tell me later that I am trying to hold up the business of the House. There is not any business before the House today with the exception of the estimates and as far as I am concerned there is not going to be—there is no notice of any important piece of legislation coming in here, none whatever, apart from Supply which we are now discussing, not along the Budget but Committee of the Whole on Supply.

Now, Mr. Speaker, I would like to extend my best congratulations to the Minister of Finance for the able manner in which he delivered the Budget. It is certainly a weighty document and the Premier did it justice. He made just a couple of small errors for which I forgive him. He could not allow himself to forget the political aspect and took the opportunity to have a dart at some one here or there in two or three places which I would think if he had left out would have added considerably to the dignity of the Budget Speech because a budget speech is not one of

those full dress debates to deliver. It is actually a statement of the finances of the country or Province or whatever you like to call it. It is in a sense an outline of the policy of the Government which is also supposed to be outlined in the Speech from the Throne. As a matter of fact we can discuss the Speech from the Throne and the budget at one and the same time, which wastes considerable time, but it has gone on ever since the days of Responsible Government up to 1932 and I imagine it is going to continue.

The Government, Mr. Speaker, seem to think they have done a wonderful job by announcing a surplus for the year 1950-51 of practically one million dollars. But that is not so, there is no surplus. One must look at the second page, I think, of the Budget Speech, or rather the third page, where it says: "We have an increase of \$100,000 in Public Works, \$75,000 to motor vehicle licenses, and a million dollars in Public Welfare revenue was due entirely to recoveries from the Dominion Government on account of Old Age and Blind Persons' Pensions, and of this sum, some \$700,000 represented recoveries in 1950-51 of expenditures incurred in 1949-50, where for a variety of reasons, it was impossible for us to transmit claims for reimbursement in time to effect recoveries and to bring them to account in the year of origin." Now, take the Auditor General's Report for 1950-51: the Auditor General says we have a deficit for 1949-50 of three million, seven hundred thousand. This is shown here as a surplus for 1950-51 and actually it should have been taken out of the deficit for 1949-50 and your deficit for 1949-50 would be three millions and your accounts would be practically square for the

year 1950-51. However it would take considerable time to find whether they were or were not. It would take more time than I have at my disposal and I venture the opinion that when the Auditor General's Report does come out and that will not be until the end of the year, when we check the figures in that budget, we will find them different.

Then the Premier goes on to forecast another surplus next year. The surplus this year or the so-called surplus was derived because of additional revenue from the Federal Government in the vicinity of six millions, allowances vary from year to year and may vary next, dependent on a lot of things and we have no guarantee whether they will or will not. There is a fixed minimum. What is the fixed minimum laid down in the terms of union. Six and a half million dollars. A million and a half is less than eight, so we are back on a deficit right away.

HON. J. R. SMALLWOOD (Prime Minister): If my honourable friend will allow me, I would like him to be quite clear on this: There is a fixed minimum but the actual amount payable by the Government of Canada today is determined by two factors: The gross production of all Canada and the population of Newfoundland in relation to all Canada but spread over a three year average. The payment received is an average of three years, so that it is physically impossible to fall to the minimum of anywhere near the minimum in view of the gross national production of 1950, 1949 and 1948. It can't possibly fall.

MR. CASHIN: That is quite all right, I am not talking about 1948-49-50. That is passed but what of the future? When you come to get what

will ultimately come and hope it won't come, but in my opinion tomorrow, if the world were at peace, we would have to have some slump in this world particularly on the North American Continent and where will the gross values be then? Today, on the matter of the population, the honourable member for Placentia-St. Mary's told us they are leaving for the Mainland, and that the young fishermen are hauling up their boats and not going fishing any more. Now what is that going to mean, depopulation? However, I am still of the opinion that for the next two or three years the financial position of Newfoundland will be in a poor condition but the prosperity of the people, their financial condition will be good. Why do I make that statement? Because today, as my honourable friend, the member for Fogo, forgot to tell us, the reason why some boats are turned bottom up on the beach, they are hauling them up because they are living off the Government.

MR. JANES: No. Because they want more than \$10 a quintal for fish.

MR. J. G. HIGGINS (Leader of the Opposition): Where are you going to get it?

MR. JANES: They could have been paid more last year.

MR. SMALLWOOD: That is what we are finding out.

MR. CASHIN: Yes, that is what we are going to find out. There was an announcement made the other night, that the merchants robbed three million dollars off the fisheries, by an individual who never saw a fish. So you denounce NAFEL. Now I have no brief for NAFEL, but I realize that a lot of people who know

nothing about business are the first ones to criticize.

MR. JANES: Do you want to know the vendor's price? \$15.75 a quintal and it was bought for \$7.00.

MR. CASHIN: Now I am going to put you through your collar. They bought small Madeira.

MR. SPEAKER: Order. When an honourable member wishes to interrupt, he must rise and ask leave from the member who has the floor.

MR. CASHIN: The vendor's price you say was in the vicinity of \$15.

MR. JANES: The vendor's price was \$15.75, a quintal.

MR. CASHIN: Alright \$7.00 a quintal was paid for that fish, the same fish, the same lots in advance right here in Newfoundland. Alright, fine. But who paid the freight on it? I know, I was in that business but you were never in that business. You know nothing whatever about it. Mr. Speaker, they come in here with particular cases. If you want to go in business and there is such a lot of money, why not go into it?

MR. SPEAKER: I have already ruled I am not going to have conversation taking place unless the gentleman who has the floor gives permission.

MR. CASHIN: Yes, Mr. Speaker, it turns my stomach, people speaking on this know nothing, will talk about it, yes, but know nothing, never did and never will and simply get after the merchants. Now I am not here as a representative of the merchants, not the school teachers nor anyone else but I am here to say what I know about it. I have been in the fish business, went broke in it. How many

go into the fishery business in Newfoundland and go broke at it? They know nothing about it. Take Water Street as it exists at the present time and then go back 45 years. First when I left school to go to work, I will start on the East End: Harvey and Company, not in the business today, sold out the other day.

MR. SMALLWOOD: They are in the business.

MR. CASHIN: They don't buy a quintal. Then we come up to Job's: They went broke half a dozen times. We come along Water Street; Baird's speaks for itself. Baine Johnston and Company: In financial difficulties. Come along a little more, we have passed Baird which is a memorial to the fish business. Bowrings are not in the business any more, the biggest firm in Newfoundland and the biggest private firm in the world. They are not in the fish business anymore. Come along a little further, Goodrich a firm which some forty or fifty years ago had some 35 or 40 sailing vessels. Where is that today? Gone. Come along a little more, go up to C. H. Bennett, Monroe Export at the present time, they are practically out of the dry fish business. Now go along a little more Steers Brothers, they are in it. A little further on Jackman, out of the fish business entirely, gone but not forgotten. These are the merchants that robbed the fishermen. If they did such a successful business of robbing the fishermen why are they out of it today? These are facts of the fishery. Now, I am just as strong an advocate of the fisheries of this country as any honourable member, but I hate to see people get up prating about something they know nothing about. I am the senior member of this House and such funny things happen in my ab-

sence these days, fellows going over from one side to the other and the day after going back again. Talk about politics, it is the most foolish type of politics I ever witnessed, never before known in the history of Newfoundland—coming over here tomorrow and going back the next day. They don't know where they stand.

Now I asked a question a couple of days ago—I am going to wander on this Budget Speech, Mr. Speaker, and you will have to bear with me—I asked a question a couple of days ago relative to loans made by these various Loan Boards. A very short question, as a matter of fact, and I was told the information was contained in the Budget Speech. I have the two questions that I asked here somewhere. However, the sum and substance of it was that I asked what loans the Board made. Now listen to the answers: I got a document here which I did not ask for. Number one on Industrial Development Loan Boards for Newfoundland for a period ending March 31, 1951, I did not ask for that.

MR. SMALLWOOD: I always like to give more than I have been asked for.

MR. CASHIN: Very seldom, Mr. Speaker, has he ever given more than he has been asked for when he is not giving someone else's away.

A review of the Board's activities up to and including March 31, 1951, shows that 117 communications were received in the first few months, and 123 letters dispatched. During the same period the Chairman and Secretary between them held 47 recorded interviews with prospective applicants. Out of a total of 48 application forms mailed out, some 27 were completed

and returned. The Board's first regular meeting took place on December 15, 1950. Two other meetings have since been held.

A breakdown of the 27 applications calling for consideration by the Board is given hereunder:

	No.	Amount
Not approved due to various reasons .....	7	\$53,200
Approved .....	7	88,000
To be further considered .....	9	64,300
Not yet considered .....	4	48,600
	<hr/>	
	27	
	<hr/>	

Loans finalized None

Reviewing the seven requests which have been approved, shows that four amounting to \$25,000 pertained to lumber operations, one for \$50,000 concerns a printing plant, one of \$12,000 relates to extending the facilities of a florist nursery, and assistance for one small industry was approved to the extent of \$1,000. Arrangements covering details of security and various other matters have not yet been brought to a point where any of these loans can be availed of, but it is expected that most of them will be finalized soon.

There is only one answer he did not give me. How much salary is paid? This is a review of the Boards activity up to and including March 31, 1951. Mr. Speaker, what a joke! a nursery. What are they going to grow, flowers to put on their graves when they pass out of here? To approve a loan for the raising of flowers!!!

MR. SMALLWOOD: Not flowers, bulbs.

MR. CASHIN: It says flowers.

The financial statement is not attached to this document, but I find the Board has approved and sent to the Government for final decision seven loans amounting to \$88,000, for a printing plant and \$10,000 for flowers and assistance for one small industry amounting in all to \$88,000. In other words to pay people there \$15,000 for a period of ten months. I asked the question about all the Boards and this is only one. If they answered all of them it would take the rest of the afternoon to read them, if I had Mr. Baxter's long winded answers to my questions. Then there is no salary laid down in the Estimates for Mr. Baxter or none has been voted. We voted an amount of one million and a half in last year's Estimates for this purpose and it has been voted to that Board and they can vote themselves the salaries.

MR. SMALLWOOD: Would the honourable gentleman allow me. The House passed an Act creating these Loan Boards and in the Act, stated the salaries should be paid out of the funds. Subsequently the House itself voted to the Board an amount and under the Act passed here they are drawing their salaries. What is wrong with that?

MR. CASHIN. This House did not vote their salaries. Find it in the Estimates, either Mr. Baxter or the Secretary. It is irregular and indecent legislation. There is \$88,000, in all and \$10,000 for Mr. Baxter who often advanced more than that in one morning in the Royal Bank, but this is a cushy job for which the country is getting no value whatsoever, except a flower shop and a printing press. Mr. Speaker, how many printing plants are in existence now, not subsidized by the Treasury but some



Canadian Company is getting \$50,000 from the Government to operate a printing press. It is the worst piece of sculduggery I have seen in my 28 years coming around here.

MR. SMALLWOOD: Don't exaggerate.

MR. CASHIN: It is true. Why should these people buy a printing press and be subsidized by the Government? Why not subsidize the "Evening Telegram" and the "Daily News."

MR. SMALLWOOD: They have not asked.

MR. CASHIN: No, because they are able to operate on their own feet, but someone interested in this printing plant obtains a building on Water Street and comes to the Government looking for money. I wonder if they paid for the building in the first place. I think the Minister of Public Works might probably inform me if it is paid for.

HON. E. S. SPENCER (Minister of Public Works): As you know, it has been paid for.

MR. CASHIN: Did they get the \$50,000 and hand it back to you. The date is not set down. Mr. Speaker, go down to any chartered bank in this city and you can't get a dollar advanced on real estate. No, Sir, they won't take it if you go down to a bank tomorrow, but Mr. Baxter, if he were a banker in the Royal Bank and you went down to him tomorrow and say I have a house worth \$25,000 can you advance me a loan on that house? You can have a mortgage. He certainly would not, he is not permitted under the banking Act of Canada, but here if you come to him he says "fine;" he is real civil, he has

money, he can do what he likes with a million and a half dollars, can take his own salary out of it as much as he likes as far as the Legislative is concerned, they have voted nothing for him nor the secretary. No, Mr. Speaker, I am trying to refrain during the last five minutes from losing my temper, one of the greatest defects I have had in the past, but when I realize that kind of stuff is going on I want to tell you it takes all my time to hold myself. Taking a man from the Royal Bank of Canada and in addition to his pension he now has \$10,000 from the Government and tomorrow or next day, when we go broke as far as finances are concerned he can take bag and baggage and go to British Columbia or somewhere else and live off his pension after hooking the Government of Newfoundland \$10,000 a year for doing nothing, but writing out a lot of forms. He did more work in the Royal Bank in one morning. I know he was a good banker.

MR. SMALLWOOD: He has been given authority to loan the people's money and—

MR. CASHIN: And paying his own salary whatever he likes to pay. This should contain the salaries of every man, woman and child in the Government service, and he ought to be ashamed to take it. I can tell him the salary he is receiving now is illegal and ought to be authorized by this legislation. If you are going to run this country by Minutes of Council we should close here now. I would almost make a motion we close the House immediately. It is a joke this man getting \$10,000 without any authority from this House.

MR. SMALLWOOD: That is not so, in the Act.

MR. CASHIN: Bring out the Act. Alright, Mr. Speaker, we will have the Act. Can you find the Act? Mr. Speaker, would you mind asking the Clerk about the Act which created the wonderful Loan Board last year. I don't remember but I want to see where \$10,000 was granted to Mr. Baxter in that Act. I say it is not in that Act to give him \$10,000 a year. Then why give it to him?

MR. SMALLWOOD: The authority to pay him out of the fund is in the Act.

MR. CASHIN: Did it say the salary would be in these Estimates or otherwise? And that is not all in these Estimates should be taken out and revised and I understand that last night or recently, that all Deputy Minister's salaries have been raised. Is that so, Mr. Speaker? Might I ask that question? Why is that not in the Estimates? It is not.

MR. SMALLWOOD: The decision to increase the salary rates of Deputy Ministers was made by the Government since the printing of the estimates, and it is a decision subject to the desire of this House and since the estimates came before the House the amendment has been made and the changes have been made in the estimates.

MR. CASHIN: Well, I was here for three departments and I listened to them. But there was never anything said about it or I am going nuts or something.

HON. S. J. HEFFERTON (Minister of Education): In answer to the honourable member when the Education Department estimates came up it was inserted.

MR. CASHIN: I am sorry, I listened to your remarks and I am pre-

pared to accept your word but I certainly did not hear the Provincial Affairs.

MR. SMALLWOOD: I will read the Act and then pass it to my honourable friend.

(Reads the Act on Loan Boards.)

MR. CASHIN: As determined by the Lieutenant Governor in Council but you cannot pay one dollar without coming in here and asking for authority first.

MR. SMALLWOOD: That is so.

MR. CASHIN: And you took \$15,000 out of this which has never been revealed to this House nor there is nothing contained in the estimates. Now a decision has been made to raise the salary scale of the Deputies. What date was the decision made?

MR. SMALLWOOD: Within the last fortnight.

MR. CASHIN: When the estimates were brought down it was not included in the estimates then? Are there any others not in here now? Well, what are we here for, Mr. Speaker?

MR. SMALLWOOD: Does my honourable and gallant friend suppose for one moment that the printed estimates tabled here merely for the guidance of the House must be final and may not be amended in ink or pencil as it is considered here? That is all there is to it.

MR. CASHIN: Is there a record here in the Committee now to show the full amount for the Deputy Minister of Education, what that total was?

MR. SMALLWOOD: We are not in Committee.

MR. CASHIN: Very well, let us look at the Department of Education. Mr. Speaker, we are doing a little auditing on our own around here.

Department of Education 601: What is the amount called yesterday, \$70,200, and no change was made in that figure yesterday. The amount called in committee was \$70,200 and now the Deputy Minister received an increase and the amount should be greater by that amount.

MR. SMALLWOOD: Will my honourable friend allow me? It is not to increase the pay but rather to raise the salary scale and as time passes they will get their increase under the new rate. In mostly all cases it was not necessary to vote more money at all, they won't get more for a year or more.

MR. CASHIN: No. But the point is, what I am trying to get at is that this is all out of order, there should be shown in these estimates an amount calling for that and the Educational Department does not show any wages up to \$6,000 a year and there is no indication in that budget that salaries are increased. None whatever and I ask why they are increased?

MR. COURAGE: To a point of Order, Mr. Speaker. The honourable gentleman is entirely mistaken in the case of the Estimates called out for the Department of Education and in all other cases where departmental salaries were called they were carried as amended. This can be shown in the record kept by the Committee of the Whole House and can be shown by the Clerks records and the records of that Committee and I have it shown in this book, and it has been filled in each and every case as an amendment which was made in Committee.

MR. CASHIN: Well, Mr. Speaker, I was here today and did I look like I was intoxicated. Yet I did not hear it. I don't care what anyone says, I did not hear it and I think if that amount is increased it should be shown in the Estimates. If you turn to page 67 here the amount changed to \$6,000 is not shown.

HON. J. J. SPRATT (Minister of Provincial Affairs): We have it.

MR. CASHIN: It is not in here. What are you trying to hide it from us or from me, I am not a member of any party here. Am I to assume that only the Government got those and the other members are kicked around so to speak?

MR. COURAGE: You can refer always to the clerk here. Here is the report which I as Chairman of the Committee made and there is a list of the amendments. The whole lot of them have been amended.

MR. CASHIN: I will give you back this later on.

MR. COURAGE: You had as much information as I had.

MR. CASHIN: I certainly never had. I am dumbfounded. But I am referring to these estimates and I want to know why they were not put in the first place. I am telling you it is irregular, I know, I brought in three or four lots of estimates in this House. The point is the Deputy Ministers and a couple of Provincial Lawyers in the Justice Department and the doctors, in Health, are forming a union and they all get higher salaries.

HON. JAMES R. CHALKER (Minister of Public Health): Point of order, Mr. Speaker, not in Health.

MR. CASHIN: The Deputy Ministers were getting \$5,500, what are they getting now? What is the Deputy Minister of Health, who is a doctor, getting?

MR. SMALLWOOD: I would like to tell my honourable friend there were three scales for Deputy Ministers. There was what is called the Provincial Officials scale, that is doctors, the Deputy Minister and Assistant Deputy Ministers of Health are both medical men. Then the Deputy Minister of Justice or the Deputy Attorney General is a lawyer and they have a different scale from all the rest of the Departmental Deputy Ministers. The others have just the one scale. Now what happened was merely this: Just after the Estimates were in the hands of the printers the Cabinet decided to bring in a new scale for Deputy Ministers and also Assistant Deputy Ministers. These were not in the printed Estimates but that does not mean a single thing as the Cabinet could have brought in typewritten or handwritten estimates or corrections on the printed copies and brought the Estimates as corrected in here. There is nothing to stop the Cabinet from revising the scale for Deputy Ministers and each one has been or is being debated in this House and passed or not passed.

MR. CASHIN: I will tell you what is wrong with it. Just now, I said in the Department of Health, the Deputy Minister has more money, so he does. The Minister of Health tells me he did not but here is what he did get in this Chairman's copy which should be right. I certainly appreciate the generosity of the Chairman to give me this copy and I think probably I will hand you back mine as I might get a little more information from yours. Your Deputy Minister has

\$7,200 a year. Yet he says there is no increase in the Deputy Minister of Public Health. Now it seems the other fellows have ganged up and said: "Look here, we are doing our job just as efficiently as your doctors are," some of them down there are doing nothing, more of them are doing a good job.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, may a member rise to give information relative to the point? I have no special information to give except an elaboration of the information already given by the Premier. There is nothing to say the date on which the Estimates have to be printed and during the process of printing, the Executive Council probably make many decisions which are reflected in the Estimates when a decision is made which bears directly on the Estimates although they have been printed, one should expect to come into the House and find these corrections. This is not a final record of expenditures. That is the first point and the second point is relating to the honourable and gallant member's reference to the fact that the Chairman of the Board under consideration has no salary given here. We have many women and children receiving allowances in the Welfare Department, should their names appear here? The Premier made reference to the Act which enabled the Lieutenant Governor in Council to set the salary. That is the principle and the same applies to other votes; if you look through the Estimates you will find the Loan Development Board are not the only ones. I started to count up and there are at least five or six votes for extra assistance amounting in all to one hundred and fifty or two hundred thousand dollars, I don't know who

they are but this House voted, for example, the Department of Public Works. I have no doubt the Lieutenant Governor in Council shall appoint such staff, but they are not mentioned by actual title and there is a great amount of extra assistance, and the principle is already laid down here and hundreds of thousands of dollars were voted last year in the Estimates.

MR. SMALLWOOD: This House, last session, voted \$300,000 to that Board. That was voted by this House not by the Government and it was unanimous, not one dissenting vote and a vote has been passed and given Royal Assent stating that the Lieutenant Governor in Council may out of that fund pay the salaries of these officials.

MR. CASHIN: There is going to be a lot more about it. I have heard a lot of nonsense in here too and I have seen transactions here in the last two or three days, plenty of nonsense, tom-foolery and trash. This Act was passed for the purpose of creating that Board and appointing a Chairman and Secretary but did not include the salary they were to get and an Act had already been passed to create an Auditor General and Comptroller of the Treasury and their salaries are under statutes, why is not this one? It will probably show in the accounts next year but it is this year we are talking about now.

MR. SMALLWOOD: There is nothing that the Government did not tell this House.

MR. CASHIN: I was given the answer but I contend it is wrong, it should be given in the Statutes.

MR. SMALLWOOD: Why did not the honourable member say so when the Act was before the House?

MR. CASHIN: I have no memory of what happened at that time. I know it should be in the records whether I said so or not but I say now without hesitation that it is irregular, absolutely irregular. Now in respect to the Deputy Ministers, they have ganged up on the Government and said they were just as good as these professional men and now they have an increase in pay but the rest of the civil servants, three thousand of them, got nothing. They are creating little dictators out of these people, they walk in and say to the Government, "Do this or else." Is that fair to the other members of the civil service? I am not talking politics; there were no civil servants down there who voted for me, they are all against me. I do not belong politically in this territory, but why pick out the Deputy Ministers and give them a raise in salary and the other individuals getting nothing. Why not? Are they not as intelligent as the others getting large salaries. I know there may be some of them incompetent and some of them who don't know their job, but there are Deputy Ministers brought in to the job who know nothing and now they gang up on the Government and say we want so much increase in salary or else. Mr. Speaker, a half dozen of them called on you a little while ago, what else does it look like? The rumour around the city is that they ganged up. I want to say right here and now that it is a poor tribute to the Heads of Departments to come in here and recommend this and leave their other people out. The cost of living we have heard so much about has gone up and they get a raise in salary based on the cost of living certainly not on the cost of efficiency while the other people are absolutely

ignored. That is some encouragement to people to try and become real civil servants. Why some of the Departments are absolutely mis-handled. Yesterday we heard the Premier talk about a University. I made a statement one time that got me in political trouble. I made a statement here a few days ago and it has been slapped at me many times about local industries going to burn them all down. Why not burn down the Memorial College and forget it. Why educate people any more? We have efficient people discriminated against. Individuals who have high education are shoved in with people having none and getting better salaries. In the Educational Department itself we hear much about discrimination, if an individual does not stand in well with the close little clique. Everyone knows the Education Department and not only through this Government, I can trace it back for thirty years—little manipulations going on all the time. Since I have been in public life that place has been manipulated by cut-throat tactics. One fellow has a degree and the other has not. The whole place needs reorganization, it is improperly and inefficiently operated and the same applies to many other Departments and I don't care who hears me say it. It is discrimination and there is no justification for bringing in an increase in salary for these Deputy Ministers and not bring in increases for the remaining three thousand civil servants; they have to pay their bills and eat but they are not considered at all; no consideration whatever is shown in here for them, none. I say again these Estimates are improperly handled though I am told they were handed in here and these changes were made after they were printed. Well that is not as it should be.

There should be no changes made until voted on in the House.

MR. SMALLWOOD: Nor are there.

MR. CASHIN: We find them here, find them all over the pages, changes made in them but I think I said enough on this skullduggery, going on with respect to the Deputy Ministers. I say to the Government now, in all decency and sincerity, if they do the right thing by these people then go down and give these people their 10% or whatever those others got.

MR. SMALLWOOD: Do you know what that would cost?

MR. CASHIN: I don't know what it would take but they are just as much entitled to it.

MR. SMALLWOOD: The Deputy Ministers get an increase in scale but that increase is spread over the next four years, they get a raise each year but let us take the others, the little fellow.

MR. CASHIN: But what justification have you got for giving the Deputy Ministers an increase of 5% or 10% and not the others?

MR. SMALLWOOD: One costs a million dollars and the other costs a thousand.

MR. CASHIN: Here is the position: We want two big bosses with us, we got to buy them but the other people, the underdogs, there is nothing for them and don't think I am playing politics, but many of those people really know their business and some of the Deputy Ministers don't know their business, know no more about their job than I do. It is a disgrace to have them appointed to their posi-

tions, some of them are prostituting their positions, and the Government knows that is true.

Now that took quite a time, Mr. Speaker, for me to get that off my chest and I don't begrudge these Deputy Ministers any salary raise they get but if there is an increase for Deputy Ministers, I want to hear an argument why other people don't get their raise just the same as they. I am not going to argue, only going to say the Premier says it is too much money, a million dollars, but if the Deputy Ministers are increased because they are efficient, do I take it that these under-dogs, these clerks in the various departments are inefficient? Do they know their jobs? Do they know them as well as the Deputy Ministers know theirs? They do and consequently they are entitled to increases as well as the Deputy Ministers. I wonder what the honourable member for Fogo thinks of that? I heard him preach the other day about education and here is an instance. Why should they not get their raises as well as the other fellows?

**MR. SMALLWOOD:** I think they should have it but we can't afford it.

**MR. CASHIN:** You can afford a thousand but not a million. I say if you can't afford to give them a million you can't afford a thousand.

The House recessed for ten minutes.

**MR. CASHIN:** I must apologize to my honourable friend the honourable member for Fortune and Hermitage, I have here his records in this copy of the Estimates and the Deputy Minister of Provincial Affairs has been raised to \$6,000 and I certainly apologize to the House if I erred, but

I still contend those other civil servants are just as much entitled to a raise in salaries as those people and it is an injustice to them and we as members of this House should not permit it to pass without any comment whatsoever, and as the Deputy Ministers are getting a raise I think those other people should get just the same in proportion and if they don't get it then these others should not get it, it should be all around. It looks very suspicious to me, particularly in view of the remarks made in this country about the toiling masses. They don't get much there—the top men get it and the toiling masses are told to go to blazes. I have no more to say at the present time on that until Committee on Supply when I will probably have a few more words.

Now I will revert to the Budget Speech and the Estimates of Revenue and Expenditure. It is very difficult and I challenge any member on either side of this House to properly digest that Budget within the short period we have had. We have to have the Auditor General's Reports in order to do it, but I say without reservation that there is no such a thing as a surplus on the current account and if there is it is very, very small and not nearly a million dollars. Three millions come from the previous year and this year's surplus one quarter of a million, and if it were in the old political days, the Minister of Finance would be told by the Opposition he manipulated figures in order to show a surplus. That is what he would have been told. Now we really do not know what the expenditures are going to be because the Estimates are not final, and God knows what might happen to throw the Estimates between now and when

they are passed, anything might happen.

The point we have now to get at is the financial position of Newfoundland before we talk of any new industries at all. But the Government at the end of this fiscal year has in the vicinity of \$14,000,000 in cash left. The honourable member for Placentia and St. Mary's said this afternoon, and I believe with a certain amount of accuracy, the sooner the surplus is gone the better for all concerned, as a Royal Commission has to come here then, unless you go out and borrow money or the Government is able to dispose of the Birch, Gypsum and Cement plants. Now, in the Premier's discussion on this Budget with respect to establishment of these industries, he laid all the credit not to the Government but to Dr. Valdmanis.

MR. SMALLWOOD: The credit we take is being smart enough to get him.

MR. CASHIN: And you are paying good and plenty and he has not brought one solitary dollar in here. In answer to a question I tabled here the other day we find the sum of \$8,000 as travelling expenses, but that is not half the story, his expenses to Corner Brook, if my memory serves me correct, cost eighty odd dollars.

MR. SMALLWOOD: And board while in Corner Brook.

MR. CASHIN: Well his other expenses do not include board. Well I know, I travelled on business and know what it costs and I pay board and pay my bills, and that one is not shown here.

MR. SMALLWOOD: That is the total.

MR. CASHIN: He did it very reasonably. I don't believe he did it,

\$8,000 and odd dollars in a period of eight months but he did not bring a dollar back with him. Not one cent. This cement plant was thought of years ago, the Minister's plan was not original and the Birch Plant, that was Mr. Dawe's idea.

MR. SMALLWOOD: No, mine.

MR. CASHIN: Mr. Wilfred Dawe had the idea years ago before you or I became members of this House, he had that idea for that Birch Plant and I say now the Government has to go slow because it cost a million dollars originally. They have a Cement Plant and this Gypsum Plant and I say now as I said the other day when talking to the amendment to this Budget, I advised the Government strongly if it is possible to sell anyone of these plants for cash, take the money and get out. I have been told there are people interested in them. There was a man here the other day, I know of him, he is interested in eleven such on the other side and he came here. I don't know if he concluded any negotiations or not. I have no idea, about the details of this transaction. The information has not been tabled here. And I say now the Government acted wrongly by voting that money by Minutes of Council, this House should have voted that money but it was done while the House was closed, an expenditure of a million dollars was involved and the Government assumed responsibility for it on Minutes of Council and made a great fuss about it. It was done on Minutes of Council and the expenditure was incurred without the authority of the Legislation. It is not right. They could have called a special session of the House and laid their cards on the table but at the present time



there are no cards on the table not even a joker. There are no cards here we can see the details of, but some of us know and I say now get rid of them. Just imagine, Mr. Speaker, a cement plant here and on the Mainland they have the biggest in the world or in the Dominion of Canada, Canada Cement Company, my friend Beaverbrook started it. Do you mean to tell me a company like the Canada Cement Company is going to sit idly by and watch their business taken from under their noses by a little mill in Corner Brook. That is Dr. Valdmanis's idea but it does not cost him any money and the salary of Dr. Valdmanis—I say he is not worth it. He did not get it in Ottawa. He worked in the Department of Commerce in Ottawa before he came here. If he was such a wonderful man, I know very little about him, but if he were such a wonderful man, why part with him? Could they afford to pay him \$25,000 a year? The Prime Minister of Canada only gets \$18,000 a year. The Chief Justice gets \$25,000 a year, the highest man in Canada. The Governor of the Royal Bank of Canada gets \$30,000. The President of Canadian National Railway gets \$75,000 a year and he is well entitled to it and that brings up another matter. Speaking of Railways, since Confederation we have worse service than ever under the old system. As a personal experiment I took a parcel and addressed it to myself and mailed it to myself while at Belleville five weeks ago and got it yesterday. That is a candid fact and I had the devil of a time poking it out, up in the shed and that is what we get for service. I venture to bet a Newfoundlander will never be manager of that railway here in Newfoundland, they are not going to give

it to local men. We have a better man, a Newfoundlander, up there but he will never get the job; and that brings me around to freight rates.

We should never have had to go to Court, so to speak, that was political, this ruling, if the Canadian Government were honest about it in the Terms of Union, when our people negotiated, and should have been adjusted by Minutes of Council and not go to this Royal Commission and God only knows what it cost. I suppose it cost \$25,000 or \$30,000 when the bill is all paid, to get justice and then we lost a million dollars in revenue. Then we could have, probably had, a surplus if we had gotten what we should have but they did not make it retroactive, merely gave us the Maritime Freight Rates from the First of April or March of this year instead of from the date of Union, and consequently that money in addition to the cost of the decision should have been returned. I admit it was impossible to return it to the individual who paid freight rate, but it did not belong to the Canadian National Railway, and should have gone back to the Provincial Treasury of the Provincial Government of Newfoundland. You certainly should have gotten that but you did not, they robbed you every time they got an opportunity and they are doing it right now on the Terms of Union. I am speaking on the Terms of Union because it is history now and it is all over and water under the birdge but certainly the more you read them the more suspicious you become. Consequently in order to discuss the financial situation of Newfoundland, half intelligently without any preparation, we have to go over part of these Terms of Union. After the discussion the other day on Term 29

the honourable the Attorney General wound up the debate and we don't know if the joker is up our sleeve or under the table or on the bottom of the pack; he might be able to slip it from there in a game of poker, but I can't. There is no joker there. The Canadian Government does not have to give you any consideration whatever. They can tell you to go jump in the lake no matter what the Royal Commission recommends and I noticed in this morning's paper that one of the Ottawa Delegates was trying to insist that such a paragraph or clause should be inserted in the Terms of Union and the Canadian Government or the Representative definitely refused to do so.

MR. SMALLWOOD: If my honourable friend will allow me: I have sat at every moment of every conference throughout and I have no knowledge whatever of any delegate making such a request, or of having made it and been refused. I know nothing whatever. I read that thing myself this morning with great interest.

MR. CASHIN: If they did not they should have and there was a need in this transportation clause, there was certainly a need of negotiations and you will find, at the end of two years more when you have gone in debt for the highway across the country and you have not the money, you will have to go with your hat in your hand again. Mr. Speaker, I know about going with my hat in my hand looking for money for Newfoundland Government. Watch this time because the terms are not properly negotiated. This person who was supposed to have made this statement wanted that clause inserted in clause 29 or another clause saying the whole thing was fixed, or something to that effect

so there must be something in it. Why at that time a man whose opinion you now laud in the budget speech in the person of Mr. Thompson whose views and figures were taken no notice of, charged \$30,000 for his opinion which was not accepted. He made a statement of how great each year the deficit would be under union with Canada and under the subsidies and he gave us five years, if my memory serves me right, before we were busted. He is now a wonderful individual, putting this new system in. I agree it is a good one. Why did the delegates who negotiated the Terms of Union with no authority from the people, selected and sent up because they were known advocates of union with Canada and the man who picked them, you heard what I said about him the other night and I hope I don't have to be there to shovel coal on him. That is the creature who brought Newfoundland to degradation and was honoured for it by a peerage. They must be getting them cheap over there. Regarding our surplus itself, members have crossed swords quite a little on that and I contend it was gall on the part of the Canadian Government to tell us what to do with our surplus. The Premier in his reply said the delegation asked them to do it. If they did why are those terms not carried out?

#### Financial Surplus:

"In this Term the expression 'financial surplus' means the balances standing to the credit of the Newfoundland Exchequer at the date of Union (less such sums as may be required to discharge accounts payable at the date of Union in respect of appropriations for the Public services) and any public moneys or public revenue (including loans and advances referred to in Term twenty-five) in re-

spect of any matter, thing, or period prior to the date of Union recovered by the Government of the Provinces of Newfoundland subsequent to the date of Union."

"Newfoundland will retain its financial surplus subject to the following conditions":

- (a) One-third of the surplus shall be set aside during the first eight years from the date of Union, on deposit with the Government of the Province of Newfoundland only for expenditures on current account to facilitate the maintenance and improvement of Newfoundland public services, and any portion of this one-third of the surplus remaining unspent at the end of the eight-year period shall become available to the Province of Newfoundland without the foregoing restrictions;

What a joke; there were \$20 million deposited at Ottawa and supposed to be still there and deficits should be taken out of the balance, as I see it.

- (b) The remaining two-thirds of the surplus shall be available to the Government of the Province of Newfoundland for the development of resources and for the establishment or extension of public services within the Province of Newfoundland; and
- (c) No part of the surplus shall be used to subsidize the production or sale of products of the Province of Newfoundland in unfair competition with similar products of other provinces of Canada, but nothing in this paragraph shall preclude the Province of Newfoundland from assisting industry by developmental loans on reasonable conditions or by or-

dinary provincial administrative services."

That brings me to development. I have heard a lot about people being interested in development of a mill or mills in either Labrador, or in Bay D'Espoir to be fed with wood from Labrador. I think the statement was made here that I was ignorant and this I do know that people making that statement should first find out what they are talking about. In respect to construction of a mill on Labrador for which you have had a survey, I understand. I tell you it is not political but IBEC or Rockefeller Financial Interest against the construction. The Government can't bring in any legislation this year covering the development of these mills because financial interests who have an interest in that mill will have to have a survey before they put a dollar in here and how long will it take to get water power, probably from the Government. But how long will it take to survey the timber on the Labrador?

MR. SMALLWOOD: We have that. We have one made by Air Photographic Surveys of Toronto two years ago, the first year we came into office. I know there was one made by Bowers in 1937. Forty thousand square miles of it, the survey is complete.

MR. CASHIN: It cost about one hundred thousand dollars.

MR. SMALLWOOD: Fifty thousand, it was done the year before we came in and there was fifty thousand the year after we came in and these people received \$100,000.

MR. CASHIN: I have never seen a report going through on account of any Toronto survey of wood on the Labrador. But if that outfit are in-

terested in a mill on the Labrador they have to have a survey if you won't give them the IBEC Report because you said you would not give the IBEC Report to anyone who wanted it. The IBEC people made a survey; that reminds me of a story, Mr. Speaker, about a survey on the Labrador area down there owned or leased by a group of people in St. John's—eleven hundred square miles—that area was up for option to Bowaters in 1937 for \$150,000 and they had a survey made by surveyors; about four years ago they went down and came back in two months and made a report to these people telling them there was something like ten million cords of wood in that area; and it transpired that in 1937 the late W. I. Bishop said it was a sin for the Government to be taking the reports on it as there was nothing on it. Now what that man did, he went down there with a camera and multiplied the whole business by eleven hundred square miles and came to a conclusion as to how many cords were there without going over it at all. The same thing applies to the twenty-six hundred on the Southern end of Labrador and to the twenty-two hundred just north of that. Ask the honourable gentleman sitting next to you about that photographic survey. I tell you, you can do nothing about it until you have a proper survey.

MR. SMALLWOOD: We have the proper survey.

MR. CASHIN: They may have it done themselves and we don't need to, but I do know this: When Corner Brook was established, some years previous to that the promoters of that project, the Reid Newfoundland Company, had to get outsiders, a neutral interest to confirm their figures of what wood was in the area of Corner

Brook before they would do anything about it.

MR. SMALLWOOD: That is to say they thought the owners had an axe to grind.

MR. CASHIN: That is what I mean, the report should be laid on the table of the House for information, but we are told that is not in the public interest.

MR. SMALLWOOD: I will do anything anytime you ask for information, but I won't table the IBEC Report on the Paper Mill. I will be glad to table the actual survey and air photographic survey of ten thousand square miles and the ground survey and the written report by the Air Photographic Survey of two or three years ago.

MR. CASHIN: Bowaters practically did that themselves and we had a survey during the convention and in 1917 the Government were given a copy and it was destroyed or lost or they did something with it. So I hold, Mr. Speaker, that there is a possibility of the development of a pulp and paper mill to be fed from wood on the Labrador. I am entitled to my opinion although I am ignorant. If I accept that I am ignorant the honourable member that made that statement has not accepted what I told him the other day: to find out about marine insurance before talking about a mill on the Labrador and those are the people who are going to decide whether a mill on the Labrador is a possibility. Apart altogether from the extra cost of the construction of that mill, marine insurance companies are the people to determine that and not the member for Labrador nor the so-called ignorant member for Ferryland. It would be

better for such people to go and learn something before coming in here conducting a night school. Come in here and get up and prate about labour, some of them never did a day's work in their life, never nor don't intend to, so long as they can get up and prate, and they are ignorant themselves.

Now I hold that a mill of five hundred tons is too much at the present. Five hundred tons daily involves a huge expenditure, probably seventy or eighty million dollars or probably more. I hold a mill of one hundred thousand tons would be more economical at the present time, would be easier to finance with a Government guarantee in addition to private capital. I would guarantee 20 millions if I had to do it tomorrow for a 150,000 ton mill. I would be prepared to guarantee \$20,000,000 of Newfoundland securities for construction of that mill but first I would find out if we could market that quantity of paper. It would be foolish to guarantee a mill until we first find out the market, the quantity of paper, the water power and so on. How is the market for newsprint at the present time? We would probably be able to find that out also from the honourable member for Labrador. He does not know anything about it? Does he know whether the market is stable or not? I am trying to get information. I am ignorant, a clownish individual trying to get some information from those so-called literary individuals.

Now, what do we have to have for a one hundred and fifty ton mill? How much water-power must we develop? I am looking for information. I will ask the honourable member for Labrador; does he know how much water-power is necessary for a five-hundred ton mill? How much money

will it cost to put it there? These are factors and probably ignorant people might know a little more about it than literary geniuses from Labrador. Ignorant! I have seen more ignorance since I came in to this House regarding the country's affairs, absolute ignorance, than in the previous twenty-five years I came here. As I said here, some of these political children are not yet free of the nipple. Talking about the affairs of the country. I resent being told by a junior member who never did a stroke of work in his life that I am ignorant. Nevertheless, I have done a day's work and worked darn hard, too, Mr. Speaker. I am not tolerating that any longer from anyone. I came here, treated decently by the Premier, and have tried to be decent to all of them. I criticized them, yes, severely at times and they have done the same with me. I am prepared to take it but one of them had the impertinence and gall to call me ignorant, a clown so to speak, in my absence, someone who has yet to do his first day's work or produce a nickle's worth of anything. Probably it was only ignorance on his own part. That ends that.

Now with respect to this mill, I feel that it is a good proposition but I see obstacles in the way. Recently I noticed in the press, when occasionally I do read it (there is someone trying to get in here, Mr. Speaker, maybe some of those poor unfortunate civil servants not getting a raise in salary).

MR. SPENCER: Some of those public works people.

MR. CASHIN: Probably my two hours are up, Mr. Speaker.

MR. SPEAKER: The honourable

member has exactly twenty minutes more.

MR. CASHIN: I won't go on very much longer because when we come back to the Estimates again I am going to give you the time of your life as far as that is concerned. I was speaking of this mill when my attention was drawn to the fact that my time is probably up. I don't know, I don't intend to look at my watch and I would appreciate your telling me, Mr. Speaker.

MR. SPEAKER: The honourable member does not have to speak the full time.

MR. CASHIN: No, but I am going to speak and I have had considerable interruptions and have yielded the floor and I feel additional time should be given me. I should have a refund so to speak.

MR. HIGGINS: May I rise to a point of information. There is a two hour limit, but what about a speaker being interrupted?

MR. SPEAKER: If the honourable members wishes to speak the full limit, I think we can grant the honourable member extra time for interruptions.

MR. CASHIN: Now, Sir, with respect to this mill. A one hundred and fifty ton mill would cost from forty-five to fifty million dollars to build in Bay D'Espoir. Now I know that the Water Power Survey is not going to be completed in a couple of weeks. They have considerable statistical reports to finish to that survey and it will not be completed before autumn. However I do know at least there are a hundred and fifty thousand horsepower in that area. I have known that for some twenty years because

W. I. Bishop's Survey was made in 1928. At that time incidentally he took over the interest from Harry Crow when he sold out the property in that area to the A.N.D. Paper Company and, Mr. Speaker, if I do say it myself, the Government may thank me for having that water power. In Crow's agreement made a way back during the first war, the Department of Natural Resources may look it up, they agreed to develop that water power. War came along and they got side-tracked and then they sold out in 1927 to the A.N.D. Paper Company who made a deposit of \$75,000 as a guarantee they would develop. They left the guarantee there, never took it. Finally we went broke and the Auditor General came in to me one day and pointed out we had an extra \$80,000 belonging to Crow which could be confiscated as he had not carried out his contract. I, as Minister of Finance, took the \$80,000, stuck it in the treasury and the A.N.D. Company did everything in their power to try and get that. We confiscated the water power, took it back and they had paid exactly \$80,000 for it. They put up the money and they paid for the water and timber rights and we confiscated the \$80,000 in cash and the water power reverted to the Crown. So if I have done nothing else in all my long political days, I did have something to do with getting that back for the country and the records are there and I made very bad friends with many people in the A.N.D. Company but they never could do anything because they never had a leg to stand on.

It is now a question of location in the area to build the mill. There are various places up in Bay D'Espoir—I have never been there—recommended

as places to build that mill, but competent engineers no doubt have reported on whether the wood is available in Labrador, and might say to me it is a long water haul. I agree and I say you have no more than four months navigation on the northern end of Labrador, and belonging to the Crown sixty or seventy million cords of timber. True there are a million cords in Bay D'Espoir owned by Bowater's but the Government could probably make a deal to swap that for some other property owned by the Crown and adjoined by Bowater's. That should not be a difficult proposition because of the cost of operating in Bay D'Espoir at the present time.

Now how much timber is required to operate a one hundred and fifty ton mill? I wonder. Now I am going to become ignorant again. I would like the honourable member for Labrador to tell me how much timber is needed for a one hundred and fifty ton mill? Six or seven million cords altogether. If you have a one hundred and fifty ton mill, eighty thousand tons of newsprint a year, something like that, and that is multiplied by two. It takes a cord and a half to make a ton of paper but they generally cut two cords. That is quite a lot of wood one hundred and fifty thousand cords a year. Cut fifty thousand in Bay D'Espoir and the other hundred thousand on the Southern end of Labrador. The fifty thousand in Bay D'Espoir will last over twenty years and God knows what king will reign then, and the mill will be paid for in that time. But if you build a five hundred ton mill you will have more trouble and I have statistics to show that that is the cost. They have to haul about two hundred thousand cords of wood

for a five hundred ton mill. That is a hundred thousand for a two hundred and fifty ton mill and they only have navigation for about four months in the year on the average. You might have six this year but generally speaking it is four, and if an early winter set in which is not an unusual thing in this country and a late spring—We know now that a hundred thousand cords of wood from Labrador cost practically \$10 a cord, I could make a contract for that tomorrow. How much does it cost Bowaters to take wood round the North East Coast, down through the Straits of Belle Isle and up to Corner Brook? It costs close to \$10 a cord and there is very little difference in mileage. There is one advantage probably we may be able to have longer navigation as Botwood closes up very early. However, I would suggest as a beginning a one hundred and fifty ton mill with plans laid down for extension of that mill later on. It could be laid out like Corner Brook which was originally planned for four hundred tons a day and today it is roughly eleven hundred tons because it has been expanded as the market demanded. I figure on a \$45,000,000 or \$50,000,000 investment and on \$50,000,000 at the most you can make a net profit, after paying interest and depreciation and sinking fund of probably two to three million dollars a year but I know, I am not IBEC, I am ignorant.

Now, Sir, one other point before I sit down. My time is getting short and I am getting fed up with people practically telling me to close my mouth and I may probably leave the House when I sit down and not come back any more this year, and if I leave and walk out, I will not come back any more until next year. I

have intended to do that because of the injustice perpetrated in here to the Civil Servants but if you remedy this injustice I will come back though I am ignorant. Otherwise I am not coming back this year. It is a mockery, the whole thing. That was the thought that just struck me, flashed like that through my mind. Why should I come in here and vote money to people unjustly who are not entitled to it when others who are in the same category do not get it? I don't want to be a party to it and I am not going to be. You may pass these Estimates as far as I am concerned, but I am not going to vote for them because it is rotten, rotten. And I say to every member opposite me, I have no particular feeling against them one way or the other, they are a party to it individually.

However, I was going to say a few words on the fisheries although I am supposed to be ignorant of that too. Unfortunately I got punished for it in the fishery, lost my shirt, went broke. I was once in a smaller way like the gang I mentioned on Water Street. Now I am one of those who want to see the fisheries advancing. I am from a fishing settlement. My father started as a fisherman, my grandfather was one of them and even though I am ignorant I spent one summer in a trap skiff. There were no motor engines in these days and I know what it is. That was the only year that I had anything to do with it and I was young and foolish and was put through my collar and probably deserved it. Now, no honourable member is going to get up and tell me I have not the interest of the fisheries at heart when I come from a District where there is no other industry but the fishery and where there are first class fishermen,

just as good as in any other section of the country. They are all good fishermen. But I do know this, Mr. Speaker, and I say it now, though it may not be to my political benefit, that these young men are leaving Ferryland and other sections of the country, or not going fishing any more and staying home because they are living on family allowances and old age pension. I fear that these family allowances in certain instances have deteriorated the industry of our people. I want it understood I don't want to take anything from a child and I think the honourable members of this House realize that it would be quite the reverse as far as I am concerned but I do not want to see the industry and initiative of our people destroyed and it is heading that way fast. I know it is so in Ferryland and it is the same in every other district. Yes, give those people help who need it, but if a man is able to work and go fishing there is no two ways about it, he should be able to earn a decent living and should not be subsidized for his family. God put him on earth and put him there to raise and support his family. If a man is up against it, it is alright to help that man and to make provision to help that man, that is my idea and I don't care who hears me. The people may be opposed to me politically because of that, it may be to my political disadvantage—I am fading away out of here unless you rectify that injustice I have been speaking about.

With regard to the fishery I take my hat off for guaranteed loans for expansion of the fisheries. It is the only way by which we are going to get anywhere in the fishery as the dry fishery is finished practically and will be wiped out in



the next twenty years or practically so. I see it coming down to not more than half a million quintals a year. Europeans can't buy it, they haven't got the money. By the way, I noticed in the newspapers this morning or yesterday that Canada has given four million dollars to convert to sterling and took it out of their own money and how much does that mean per quintal? To me it means about \$10 a quintal for shore fish and I hope they get it. My honourable friend from Placentia-St. Mary's who is in the business now, thinks it is going to be better this year.

MR. SMALLWOOD: That four million dollars you will find is actually considerably more than that.

MR. CASHIN: That is the figure announced, if it is more, well and good. If it is not more we will have to figure \$10 a quintal. The merchants are supposed to be getting \$15 for it and, please God, I am going to investigate that business to find out what the story is. Is there any merchant, I don't care who he is, who bought a quintal of madeira fish from me, for \$6 or it was bought last summer for \$7, and sold for \$15.00?

MR. JANES: Yes, and \$5 a qtl. on the culling board, good trap fish, four shore fish.

MR. CASHIN: The fellow did not know then we would get \$15 for it. No merchant ever makes \$10 or \$11 on a quintal of fish. They may have done so during the first war, but not at the present time. As a matter of fact the merchants pay the freight on the fish and paid in advance \$6 and \$7 a quintal and paid for the handling, take all those things into consideration. Hold on now.

the man sells me that quintal of fish off the culling board and I put it in my store at \$6 a quintal. I got to pay for the salt, I got to pay for the packing, the loading, the cartage, the insurance, I got to pay the freight on it and you know what all that amounts to. Better go figure it out, I know.

That reminds me, Mr. Speaker, in 1916 or 1917 when a fellow got the signal, two minutes more. But as I said before when I am finished I am going out and won't come back any more while unjust legislation is being passed in this House.

MR. JANES: Mr. Speaker, I had not intended to say anything this afternoon and as a matter of fact, I am not going to take up much time. However, the honourable and gallant gentleman from Ferryland has been in the habit of speaking on Wednesdays and we on this side of the House have grown accustomed to regarding Wednesday as Cashin Day, and it is nothing unusual for us on this side of the House to sit and listen to the honourable member. I have heard the same speech in 1948 except that he left out this time any talk of graft, he did not mention any this time. However he spent an hour and a half talking about the Deputy Minister's salaries and I listened and wondered if the Government had left that out of the Budget. What he would talk about! Looks like they left it out intentionally to give him something to talk about. The rest of the time was spent talking about the boards, the loan boards, and the question I would like to ask is: Was it possible that Mr. Baxter would not give him a loan? Is it possible the Loan Board did not think much of the Clarendville Boats as being a good proposition? There has been an awful lot of talk.

Mr. Speaker, it was a long talk and with that I am going to leave the honourable member and come back later. There was one other thing he kept harping on, in every speech he made here, how much he knows and how little everybody else knows. That might have been alright back in 1928 but twenty years have elapsed since then and there are an awful lot of people reading newspapers and listening to the radio which the honourable member in the old political days here did not have. People are informed today. The thing I wonder about is why he sits here in this House at all? Why does he not demand a salary of \$25,000 or \$30,000 a year, whereas he is in receipt of a sessional pay of \$1,500. It is a little fantastic. Also the honourable junior member for Harbour Main-Bell Island while speaking here a few days ago—I made a few notes of what he was trying to say and I have never heard anything like such a contradiction of facts. The honourable member of the PC Party was contradicting himself from the time he started to the end of his talk about subsidizing farmers, subsidizing the fisheries, the very thing which the private enterprise system, which he lauds, does not encourage. A contradiction of the facts and lastly in speaking of competition, he advises the Provincial Government to subsidize the fisheries, to take a few million every year out of the Treasury and subsidize the fishery and even a dollar a quintal on prices paid for fish to our fishermen would not help our fishermen very much financially this year, and that would be one million dollars gone down the drain and we would not have helped the fishermen to go fishing by doing it. But does he realize that in subsidizing the fishery

we are also subsidizing the living of Italians and Portuguese by that fish? And I would ask him can the farmers and miners in Newfoundland afford to subsidize the living of the West Indies and Brazilians? Surely we have sufficient problems here to take up our time, Sir?

The junior member for St. John's East spent a considerable time in telling us what the Government has been doing and said the Government is only carrying out a policy laid down by the Commission of Government. I will agree in part with him that more than any other Government accomplished in Newfoundland was accomplished by the Commission of Government, because the political history of this country, the Civil Servants of this country, never had a policy like the Commission of Government laid down, and it is to the credit of this Government that they did not interfere but carried on; that was a great tribute to the Government. He said the Government has done nothing new. Was it not this Government who set up the Loan Boards. Was it not this Government who accelerated hospitalization and health services in this country? The Commission of Government inaugurated these services but they were inadequate. Would he say the Commission of Government embarked on a program of economic development, with experiments carried on in the fisheries? Would he say that the present Government has not accelerated the surveys in minerals and forests in this country? Would he say the Commission of Government inaugurated the Labour Code in the Labour Department today? Would he say the Commission of Government turned the Memorial College into a University? So, Mr. Speaker, let us give the credit where the credit is due and we regret

the surplus is not large enough to enable these services to be extended still further. The Government is going to have its failures, has had its failures in experimentation. No people ever yet tried to do anything but at some time or another failed. The Icelandic boats failed but there are a lot of fishermen who think they were not a failure and if there is anybody in this country who can judge surely it is not the people sitting in office, but the fishermen. These are the people who know when something is fit to go afloat. The fact that the Icelandic Boats did not produce does not mean that experiment itself is a complete failure. I would like to see a hundred million dollars go into a venture of the Icelandic type, it might put us ahead fifty years even if we lost fifty million.

That brings me to the Terms of Union: Everybody says the terms are inadequate but nobody ever said yet that they were adequate. I doubt if any member in this House, the delegation to Ottawa or the Federal Government were capable of determining whether the terms were adequate or inadequate. Who was going to venture a guess in this House of what the public services of Newfoundland would cost if we put them on a higher level because nobody knew and nobody knows now what it is going to cost to build the roads before we break the ground. Nobody knows that it is going to cost to have the hospitals and doctors we need in this Province, nobody knows. At the best it was a guess, a well-informed guess, perhaps but to say the terms were inadequate and to blame the delegation that helped form the terms and to make a fuss about it is popycock and foolish. It is nice and somebody mentioned here the other day that it

was no credit to anybody to have hind-sight.

I must congratulate the honourable member for Placentia West on a very fine speech. I don't always agree with what he says, but I do try as most of us do to get to the bottom of things at least. He speaks of this Province as a happy Province today, he speaks of our population as happy, it is true but we have a big section of our population, the fishermen who are not happy and I know of no period in our history when they were happy and I see no period within the next twenty years when they are going to be happy. Do what you like about it, the big job ahead for the fisheries is to decide whether people are to stay in it or not. I don't know, it depends upon the other types of employment offered. If they come out and find other types of employment by all means let them come out. The Province, as the honourable member said, is passing through a boom and that boom is being caused by production for war and our prosperity is equivalent to, if not, a war boom. If that is so, Mr. Speaker, whether the war comes or not it is my firm belief, I don't say this boom can be continued but I will say this, people of the world have grown up a generation since 1939—in twelve years you have a tremendous number of our population who have known a continuous boom since the first day they have gone to work and who is going to upset the economic system under which they live? Are they going to take the risk of upsetting it if they do, and by them I mean ourselves who live under that economic system under co-operative living—if that system fails, in the name of God, we have to have, we have had 13 years of it and it should last for another year or two and the whole

population has known a constant boom in their lifetime. Suppose it does collapse, what then? I would suggest, Sir, we cannot afford to let it collapse, the Government of the world cannot afford to allow it to collapse. We would pay for it and our children, years hence, would pay for it. But our concern is our living today and not what is to happen in fifty years. They are not concerned nor can they afford to be concerned, they have stomachs to be filled and need houses to be built and clothes to wear, most of them.

The Terms of Union might be inadequate but that is beside the point; they were based on inadequate information but we are part of a nation of twelve million people, part of a people who represent a way of living that is not going to collapse.

MR. HIGGINS: Mr. Speaker, I move the adjournment of the debate until tomorrow.

MR. SMALLWOOD: Mr. Speaker, in view of the lateness of the hour and the fact we have no night session, today being Wednesday—

MR. SPEAKER: May I anticipate the honourable Premier who is about to defer the remaining orders of the day just to remind you no orders have as yet been called.

#### Orders of the Day

Second Reading of Bill "An Act to Incorporate the Newfoundland Association of Architects."

MR. SMALLWOOD: I move that order and the remaining orders be deferred and the House at its rising adjourn until tomorrow, Thursday, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, May 17, 1951.

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

#### Presenting Petitions

Honourable the Minister of Provincial Affairs presented a petition from the St. John's Municipal Council re Enactment of Legislation.

#### Reports of Standing and Select Committees

MR. VARDY: Mr. Speaker, would it be in order to ask the indulgence of the House to remit the report of a select committee?

MR. SPEAKER: Yes, quite in order after the appointment of a committee to consider this petition just presented by the honourable Minister for Provincial Affairs. I will name the following honourable members to constitute the select committee to see if the rules of the House have been complied with.

Hon. the Attorney General

Hon. the Minister of Provincial Affairs

Hon. Mr. Vardy,

Hon. Leader of the Opposition

Mr. Fahey.

MR. VARDY: Mr. Speaker, the report of the Select Committee on the petition of Mr. James Forbes, Marine Engineer (retired), is as follows:

1. That the petitioner be granted a Pension in accordance with the Pension he would have received had his service with any one branch of the Government of Newfoundland been continuous for his entire period of service, and that

such Pension be retroactive to January 30th, the date of his retirement.

2. That a Bill be introduced to give effect to the prayer of the Petition.

(Sgd.) Oliver L. Vardy  
S. Drover  
L. J. Miller  
P. J. Canning  
A. B. Morgan.

HON. LESLIE R. CURTIS (Attorney General): To a point of information: During the period of service. We might be well advised by what is meant by period of service. Is it the entire service as engineer or ordinary service with the Railway and the Government?

MR. VARDY: The petition reads, Mr. Speaker, "Had his service with any one branch of the Government of Newfoundland been continuous for the entire period of his service", inferring that that period of service with the Newfoundland Railway be considered as service with the Government of Newfoundland. That is the report of the Committee.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, the adoption of the report is, I understand, accepted on the recommendation by the House. It would then be necessary to have a Bill presented to the House and for the House to adopt it or pass it or—Who will prepare and bring in that? Probably, Mr. Speaker the lawyer of the House as it is a Bill of the whole House.

Committee of the Whole on Ways and Means.

MR. COURAGE: It is not my purpose, Sir, to give a very long speech but since there were one or two things in the budget which bear directly up-

on the district which I represent, the District of Fortune and Hermitage, I felt that I would be delinquent and indeed ungrateful if I did not say a few words in connection with the Budget Speech.

I should like to pay well deserved tribute to the honourable the Premier who as Minister of Finance brought in one of the very finest budget speeches ever to be heard in this House or for that matter anywhere, I should say.

Mr. Speaker, we have heard some very strong criticism of the budget speech. It has been said even that there was no surplus. I maintain that there is a surplus, that no country in the world knows the difference between expenditures on current account and expenditure on surplus account. I should think it very strange if any country in the world today were to embark upon a program of building up capital resources without having either to borrow money to do so or, if it is so fortunate as this Government is, to withdraw money from its savings. And, I maintain that there is a surplus, and that the Government should be given credit for it.

Now I heard a very strange thing said in this Chamber not long ago. It was said in the heat of debate, and I believe the honourable gentleman who said it was not aware of the way in which it might be taken. He said, people won't fish because they are living off the Government. Now I represent a District which is nearly all or largely a fishing district, and in fairness to my constituents I must say that is not so. It is a gross insult to the fishermen of Newfoundland. The people of Fortune Bay and Hermitage Bay are fishing today almost to a man, and the few who

are not fishing are those who have for some reason or another very little in the way of fishing gear, or others who are young and have not yet been fishing and might probably like to try some other employment. But by and large the people of my district, and I will go further and say almost all of Newfoundland are struggling hard to earn their living as they have done for many generations.

One member on the opposite side said, that the way of living of our outport fishermen should be preserved. I agree with him, and I will go still further and say that the way of living of our outport fishermen should be made better. There is a great deal of talk today, and rightly so, about the price of fish. The price of fish, ever since the time of John Cabot, has been an important subject of conversation in Newfoundland. But I maintain that as important as the price of fish is there is still something that is more important. Because, Mr. Speaker, even if fish were to be raised to \$20 a quintal it would be very difficult for our fishermen to live. I will repeat that: it would still be very difficult for our fishermen to live even if prices for fish were \$20 per quintal until the number of quintals of fish caught by the average fishermen are increased. I make a very conservative estimate or rather a very optimistic rather than conservative estimate, when I say the average catch for fishermen is 50 quintals a year in Newfoundland, I am very optimistic when I say that. I know many fishermen though I have never been a fisherman myself but my grandfather was and I have hundreds and hundreds of friends who are fishermen and I know something about the fisheries. Therefore, Mr. Speaker, if the fishermen received \$20

per quintal that would only be \$1,000 per man, and if they take away the cost of operating from that, which would be somewhere around \$300 say, which would only leave \$700 to live on and that is with fish away up at \$20 a quintal so that the problem which faces the Province today and the problem this Government is concerning itself with is the modernizing of our fisheries so that each fisherman's share may be greater.

We have only to see what the men are doing on the trawlers to be able to get some conception of what I mean. The men on the trawlers are averaging around \$2,000 a year. The Premier has corrected me and said \$3,000 a year, and I am glad to say that when I go visit the trawlers I see so many friends from my own district that it is a pleasure to go aboard a trawler in St. John's, and I visit them quite often.

That is the problem: to modernize our fisheries and increase our products so that each individual fisherman will earn a greater share, and it is only by doing this that we can give our fisherman a standard of living which he deserves and desires.

Now, Mr. Speaker, my friend, and I say my friend advisably, because I think quite highly of him, the member for Ferryland has walked out of this House yesterday in something of a huff because the Civil Servants' salaries were not raised. Now, I have many friends in the Civil Service and amongst the Civil Servants are many friends whom I regard highly. The Civil Servants are a fine body of men and I know hundreds of them personally, but let us look at what the Civil Servants are receiving. Let us look at what the very lowest of them get. Clerk, Grade 3, I am speaking

about the men, we won't talk about the women, Clerk Grade 3, if this clerk is 25 years old, he gets \$1,400 plus three hundred and sixty to begin or in other words \$1,760 to begin. And he will go up by increases of \$70 odd dollars a year until he reaches \$2,280 dollars. That is the lowest scale for the Civil Service for men 25 years or over, \$2,280. A grade 2 clerk starts at \$2,160 and goes to \$2,800 and grade one begins at \$2,960 and goes to \$3,700, which while I admit it is not high yet nevertheless it is comparative to the salaries received by the Civil Servants of Canada, by the Federal Civil Servants. It compares favourably and I know what I am speaking of. Mind you, I would like to see the salaries raised but we must, as has been often said here, cut the garment to the cloth and when the lowest salary of any male Civil Servant of 25 years or over is \$1,760 can we in justice to the fishermen and labourers in this country who are so much below, raise their salary at the present time? And my honourable friend said he was not playing politics when he walked out of this House and said he was not coming in any more until the injustice was rectified, well I say he was playing politics. I hope he does not make a martyr of himself and go on a starvation strike like Ghandi did. Now I am going to refer you to a statement which was made on April 24, 1931, in this House by the honourable and gallant member for Ferryland when he came in here, when he was Finance Minister and reduced the salaries of Civil Servants by 10% and he was quite proud of it. He later pointed out to the country with some pride, "Many cuts have been made in addition to the proposed 10% reduction." That is the record of the man who today

stamps out of the Chamber because justice is not being done to Civil Servants. I am sorry he is not here to hear what I say, as I hate to talk about it behind his back. I say that when he walked out he was only joking or playing politics, probably joking.

He said something else which struck me very, very forcibly when he suggested we burn down the Memorial University, I wonder if he would prefer it before or after the exams which are going on up there today. Mr. Speaker, I know he was joking when he said it but I take this opportunity to say that the Memorial University, now the Memorial University of Newfoundland has been a great asset to this country and I would like to pay tribute to the staff and the very fine work that they have been doing up there and are still doing. I know, I attended that College for several years and I am glad to be able to boast, I say boast because it is something to boast about, that I am the first person in Newfoundland to be awarded the degree of Bachelor of Arts of Education by the Memorial University of Newfoundland and I was awarded that degree at the first convocation, and I will always regard it as a high point in my life. I deliberately waited as I could have taken it at another university, in order to have the honour of receiving that degree. I think that the Memorial University of Newfoundland has been a very potent factor for the good in the lives of our people, and I am sure that it will continue to be so. I have great pleasure in paying tribute on the floor of this House to the present staff of that fine University and I am very, very glad that the Pre-

mier here and the Government have taken such an interest in its welfare.

I know something about teaching too. I started teaching in 1933. I was sixteen years old at the time and I gave up when I entered this House two years ago. I taught in nearly all the various types of schools, I held every teaching grade from the lowest, well I was ungraded when I began, from the lowest to the highest. The teachers of Newfoundland are one of the finest bodies of people that can be found anywhere today in the world. I am happy that one of the first things this Government did was to give them a sensible salary scale. It is not what they deserve now, what we would like to give them, but at the present time it is all that we can afford. Later we may be able to do that but I am sure, Mr. Speaker, and I know the Government will back me up in this; no Government in the history of this country ever had the welfare of the teachers more at heart than this Government. As I see it, some day there will have to be Federal Aid for our schools in order that the children of Newfoundland will be given anything like equal opportunity with the children on the mainland, and that the children of some sections of Newfoundland will be given anything like equality of education with those of some other parts of the Mainland.

Now, please don't think that I am advocating that the Federal Government should come in and take over our system of education or even interfere with it at all. I don't think that is necessary. We have here in Newfoundland a very good educational system. It is a system which has grown and changed to meet the needs of our society, a system which

has proven itself over the years, it is not the same system now as 20 years or 30 years ago. Our system of education is stepping up today and if the Government of Canada wished to make a grant in aid to schools in Newfoundland it would merely have to pass to this Government to pass on to the Department of Education any sum of money which it thinks fit to contribute. It is a very simple thing and the day is going to come when people are going to agree with me.

The Greatest Teacher said: "Feed my lambs," he did not say: "Feed them in proportion to what their parents can pay for their schooling." He did not say that, nor did he mean that. If we are going to have the educational system in this country that will give our children equality of educational opportunities with the other Provinces. I am afraid we will need Federal help. Now I speak for myself, I am speaking as I think from my own experience. Someone mentioned Adult Education the other day. I would like to pay tribute to the work done in that field of education and I wish more were being done. The Adult Education Centre here in St. John's is one of the finest adult education centres anywhere in the world and one of the largest. I was president of it from the time when it had nineteen students until when I left, when there were 700 amongst the finest young people of Newfoundland. I could tell you a story which would amaze this House. The night before last at a graduation of nurses in the Grace Hospital a young lady graduated and won the Dr. Policoff Medal for the most progress in three years. That young lady enrolled at the adult centre some years ago and started in



Grade 7, worked here in St. John's and completed her Grade Eleven and took up nursing and I can tell many similar stories of people. I would like to pay a tribute to the staff and Mr. Wilfred Decker at the Adult Education Centre, who have done a very fine job and I hope the Government will consider the great need for more adult education teachers to be sent out to help our people in the out-ports.

MR. J. G. HIGGINS (Leader of the Opposition): It was not attacked.

MR. COURAGE: I did not intend to give the impression it was attacked. A member merely asked a question about it, and I dare say the honourable member thoroughly approved of it.

I must thank the honourable member for Ferryland for his interest in Bay D'Espoir and I must say I agree with him in what he said about Bay D'Espoir. I know it very well, its people, I believe in its potentialities, I believe Bay D'Espoir is the Bay of Good Hope not of despair. It is the bright hope of the South Coast and one of the brightest hopes of Newfoundland today. Not only has it great resources of water-power undeveloped but it has some of the very best farmland to be found anywhere in the country. As a matter of fact the Director of Agriculture tells me it is the best land he has seen anywhere. He made some tests of soil up there. I hope some day we will have a town there, and that dotted around the outskirts of that town there will be prosperous farms to help feed the population of that land, I hope I may be spared to see that, I know I, and the Government, will do everything possible

to bring that about. I say everything possible.

The honourable member for Ferryland said: "I take my hat off to the Government for guaranteeing loans for extension of the fisheries industry." So do we all; certainly that is one thing which everybody must agree with. I think as I said in the beginning of my speech we have to extend the fresh fish industry in this country. I was glad to see Grand Bank and Gaultois mentioned as two places where fish plants may be established. Grand Bank is in Burin District but I am fond of telling my honourable friend, the Minister of Supply, that when any schooner goes to sea it has to carry Fortune Bay men as crew and this will reflect itself in my District. Gaultois is in my district, a fine harbour and it is an area which has outside it one of the largest beds of rose fish anywhere in Newfoundland waters.

Mr. Speaker, I will not take up any more time of the House but in closing I would like to pay tribute, one more tribute to the Government. I am not a member of the Government but a member of the House of Assembly and of the Liberal Party and I sit on this side of the House and support the Government but am not a member of the Government. Once or twice I have heard in this House a very famous quotation "Of the people, by the people and for the people." A Government of the people, by the people, for the people." But I have never heard it said yet as Lincoln said it "Of the people, for the people, by the people." This Government does not emphasize the ofs and bys and fors but "The People."

MR. HIGGINS: Mr. Speaker, at the outset I would like to try and answer some of the remarks of the hon-

ourable Minister of Education criticising the figures produced by my colleague of the East End in connection with Federal Tax. The Federal Minister's Budget shows the increase in Federal Taxation and the sales tax last year was \$495,000,000, and he is expecting an increase this year of \$150,000,000, which forecasts a collection of six hundred millions. Now according to per capita population our share would be \$13,000,000. Perhaps we may not buy as much commodities as people on the Mainland do, but we will still pay considerable. In 1949 we imported \$150,000,000 worth of goods and this year with the increase in wages forecast by the Premier, we should import say \$125,000,000. On a large proportion of this we pay no Federal taxation, on food and on some other imports, but not all are free of taxes. We also make and sell in this country \$25,000,000 worth of commodities and that would bring the whole up to \$150,000,000, and we will have to pay Federal taxation on all but 35%. If this is added on at the source; then the shopkeeper will have to add on something himself in order to meet bad debts and will probably charge 40% which will add up considerably and we will be paying approximately \$13,000,000.

Yesterday in the House the honourable member for Ferryland said Mr. Crosbie said he asked that the report of the Royal Commission be guaranteed to be accepted and the honourable the Premier said he never heard a word about this in Ottawa. Now I have a letter which Mr. Crosbie wrote giving the reasons why Mr. Crosbie did not sign the terms.

Mr. Crosbie refused to sign the terms and gave as one reason that no assurance was given. Now there is an

other matter ordinarily not brought up which I am going to mention now. I was surprised to find this morning that in spite of all talk of what is going to happen in the future, Fort Amherst is going to be torn down. An old fort built about 1738 thrust aside to make place for a modern light-house. On the Mainland they are making every effort to save old buildings of historical significance and such buildings are put in first class condition and have caretakers who show them to tourists. I must admire the people who do that. But they are making no attempt at all here, we hear we are going to get this and that done but here is one of the old monuments of this country being destroyed.

MR. SMALLWOOD: It is not to be taken down now. They have decided not to take it down.

MR. HIGGINS: Now let us return to the Budget which shows the Government with \$1,900,000 more than they expected or than they budgeted for. In other words they had \$1,900,000 more to spend than anticipated. On the face of this what one would have expected to see is that they would have carried out more in the way of public services than they did. There was over \$1,000,000 spent on back bills for relief in the Province in the previous year, however, they still had a surplus of nine hundred thousand dollars on hand which only proves therefore that the services promised in last year's estimates were not put into effect. In the Budget Speech a lot of time was taken up comparing the standard with that of the Maritime Provinces and talk of themselves as very hard working, still they were not able to get on with the services hoped for. Is it really true the Government can only go so far because Newfoundland

can stand no further under the Terms of Union than they have done.

Now last year the Government made a big song and dance about the speed with which they must proceed with the fisheries. The honourable Minister of Co-operatives and Fisheries talked about the great work that was going to be done for the fisheries. What do we find, unfortunately, the speculation in the Icelandic Boats Venture so much advertised, where are they gone now, gone with the things of the past with no real advantage to Newfoundland but a loss of \$412,000. Fifty percent of the provisions made for fisheries and other loan boards were not used for fishermen at all. It is true the regulations made under these loan boards are so stringent that the fishermen themselves who need the assistance most, are unable to get it and those who get it from some other source have come to that conclusion.

In the Public Works Department we find under the construction and extension of Public Buildings, improvement and construction of roads and building of the Trans-Canada Highway, a large reduction. The Government spent also \$215,000 on a building for storing liquor. I don't doubt for a moment the building is worth it but was there a necessity of spending that amount of money just for a building for storage for the Controller's Department, but did it not help that this building was owned by people who were great supporters of the Party?

MR. SMALLWOOD: Mr. Speaker, to a point of order. That is contemptible, that observation. It is beneath contempt and I am surprised at my honourable and learned friend

making a statement like that—and entirely out of order.

MR. HIGGINS: Mr. Speaker, I do not want to be interrupted, maybe it was a point of privilege. I say that building, we know who owns that building, and we don't see any reason why a press in this country should be subsidized where there has been a number carried on for a number of years, either.

MR. CURTIS: A loan, not a subsidy.

MR. HIGGINS: I say why should they?

MR. SMALLWOOD: I say why not?

MR. HIGGINS: There is no necessity for it, there are already printers here.

MR. SMALLWOOD: What do you know about it? I am a printer, are you?

MR. HIGGINS: I read books but I am not a printer.

MR. SMALLWOOD: Well, I am a printer.

MR. HIGGINS: The Premier is a printer, knows all about printing, books, presses and everything else but other people can talk about books besides himself. And I hope I am not going to be interrupted any more, Sir.

Now, one thing to be sure that appears clean on the expenditure for surplus is this: in order to give \$2,000,000 to pay the cost of the cement mill the Government must be limited in expenditure for essential services, and that is in spite of all protestations made last year. We must build up our services to the level of the more fortunate Maritime Provinces.

With regard to the Accounting Re-organization there is surely an explanation due from the Minister of Finance and that the new accounting system with the great improvement in the keeping of Government Accounts and expenditure of Government Funds must mean there are people in the Accounting Department who will become unnecessary. It seems to me we should be given assurance that these be transferred to other duties in other departments and are not thrown out of work while other people from outside fill positions.

MR. SMALLWOOD: I can give that assurance now.

MR. HIGGINS: Now the administration with regard to the revote last year should have been an object lesson to them to tighten up by some form of control.

Under general prospects the Finance Minister waxed eloquent in the description and praises of the general economic and financial position and the prospects of this Province, and there is a carefully compiled estimate of wages and salaries to be paid out for 1951 and we are told the sources from which these figures are compiled. For the purpose of the present argument it is not necessary to quarrel with the main contention that there will be more money paid out this year than last year, but it does concern me very much to find only one side of the picture presented to the public in the budget in spite of the fact that the Government spent \$60,000 or \$70,000 on a Royal Commission to enquire into the cost of living, not one word was brought up in the budget. Due to increased activity in the country now it is likely that a vast number of the people will be enabled to make more

money than last year, and may move from one occupation to another but it is a fact that the bulk of the people will be no better off than in the past because of the increased cost of consumers' goods and consumers' taxes. We don't have to compile this to find out the truth of this. It can be seen in any paper and any housewife will tell you. All you have to do is go around to any group of workers to find this out. Ask the man with five or six children if he is any better off, ask the clerks in the Liquor Controller's Department, on their feet twelve hours a day, who are not getting \$2,200 but \$1,700 a year. Ask the miner, the civil servants generally if any part of this increased wages applied to them. I say, take out the newly appointed deputy ministers and the few high-priced civil servants and add up the amount paid to the rest of the crowd and see what is left for the other three thousand civil servants. See what they get when you take into account the increased cost of goods and taxes.

What about the teachers for whom the Government had been showing so much solicitude, are they going to get any of the increase, any part of the \$20,000,000? Now it cannot be denied that the salaries of the teachers in Newfoundland are much lower than that of any part of the Mainland. I have a book which sets out the teachers' salaries in all the Provinces and Newfoundland is the lowest.

Now, let us return to the list on page 10: We will come to the fishermen later. I cannot pass by the words in this budget that the only safe sure accounts are derived from industry. When we look at the records of the depression any of us can

realize that industry can be hit worst of all and the people affected worst of all were the people in industry, worse than the civil servants or anybody else.

I would like to show now the cost of living on the Mainland at the present time. Read from McLean's Magazine, "Why are women going out to work?" Women for the most part are not working because they like to, or as a gesture of emancipation. They are working because they have found it hopeless trying to balance the family budget on their husband's income alone. In March 1951 the cost-of-living index reached an all-time peak of 179.7, on Mainland generally.

MR. SMALLWOOD: It is not just Canada but North America generally. Women, I suppose, don't go out to work anywhere else but Canada?

MR. HIGGINS: I don't know about that but this just shows the increased cost of living in Canada generally which does not come up with the increased cost of taxation.

MR. SMALLWOOD: Does it anywhere?

MR. HIGGINS: There is no mention of teachers, what increase are the teachers getting?

MR. CURTIS: They got a big one last year.

MR. HIGGINS: They got the same as last year, they are not coming under that \$20,000,000.

MR. SMALLWOOD: There is nothing in that about increased pay but the increased amount of wages.

MR. HIGGINS: Don't teachers get wages?

MR. SMALLWOOD: It does not mean increased wages but an increased

economy, there could be more people working.

MR. HIGGINS: On page 12 it says: I think more has been accomplished in the past year than any other similar period. What does that mean? Apart from a little program of development of the Humber District.

MR. SMALLWOOD: Was that done in two years?

MR. HIGGINS: Let us look further and turn to page 26, and see what is being done with money collected by the Commission of Government and handed over by the Commission of Government to this Government. First item, capital for three development loan boards, so far nothing of any consequence has been done. Hydro-electric development: Why spend this in view of section No. 45 of the Terms of Union?

(1) Should the Government of the Province of Newfoundland institute an economic survey of the Province of Newfoundland with a view to determining what resources may profitably be developed, and what new industries may be established or existing industries expanded, the Government of Canada will make available the services of its technical employees and agencies to assist in the work.

(2) As soon as may be practicable after the date of Union, the Government of Canada will make a special effort to collect and make available statistical and scientific data about the natural resources and economy of the Province of Newfoundland, in order to bring such information up to the standard attained for the other provinces of Canada,

MR. SMALLWOOD: We are doing that.

MR. HIGGINS: What proof have we got that any money has been spent that way or if any progress has been made by the Federal Authorities in order to provide these services promised by the Terms of Union? Now the Fishery Development—that is, I presume, a continuation only of the policy of the Commission of Government and is carried on out of funds provided by the Commission of Government. The Development of the fisheries had started first with the development of processing that was done and the Commission of Government made loans to certain people, to certain firms, to develop the fishery and all the present Government has done is to continue that program. The fishing industry has been going on for years.

Industrial Development, that is very nebulous. Six million dollars of the surplus has been spent so far on industrial development. Now the policy of the Government has been laid down with regard to the property now known as the Birch Factory. There was a report on the Birch Industry compiled by Mr. Moffat brought down by the Government, which in my estimation damned it with faint praise. On page 6 of the report he says:

"Starting new industry is difficult but it can be started if intelligently approached, good equipment is used and above all proper management with the "Know-how" of the industry. Newfoundland has a very difficult terrain with raw material supplies scattered throughout the Island. A good percentage of the raw material stands cannot be reached during the winter and due to the bays freezing

over cannot be transported to markets during the winter months. Unfortunately, birch does not float in water for any length of time so that it cannot be driven in rivers and lakes similar to pulp mill operations. With very few roads on the Island, material is frequently transported with difficulty while most of the roads that are available are closed during the winter months.

One of the most apparent difficulties of the Industries is lack of efficient and proper equipment. Hardwood industries in Newfoundland are going to develop around the bays and outports and not so much at the few well equipped mills run by the bigger and more qualified operators. Sufficient profit must be kept with these operators, so that they can "plow back" a percentage of their earnings into plant and equipment. They cannot do this if the price is not satisfactory. It is therefore most obvious that as plants are developed the financial arrangements should be such that an efficient operator can write off his machinery and replace it at the proper time.

With the finest of birch and the best of equipment an industry will fail if not properly supervised especially in this particular case where inexperienced operators will cut in scattered parts of the Island. If goods are to be sold in the United States and in Britain they must be made right and if not hardwood manufacture would soon eliminate itself from the field. The most important of all essentials is that some central body or the Government obtain immediately a qualified man with as much Wood Products industrial training as possible. If possible, he should be a Professional Engineer and should

be familiar with the marketing, fabrication and procurement of raw materials. Without this qualified person the industry will probably fail so that it is much better not to start than to meet disaster two or three years hence. Operating production costs and quality must be competitive. At the start Newfoundland industry will be slow and inefficient and it will be the problem of this general supervisor to direct the small operators and to show them how to operate. To do this, this person should spend some time this winter on marketing and observation of utilization of wood and in the spring show operators how to become qualified on the sawing processes.

#### VI Proposed Development

Consideration of costs will be reviewed later in this brief but the greatest factor of all is the quality of the birch and the amount of black heart. This information is not known and data should be gathered on this and also the growth of local birch by the Department of Natural Resources as quickly as possible in conjunction with one of the mainland Provinces or Universities. It might be possible for your Government to borrow a man from the Department of Lands and Mines of New Brunswick to assist in the procurement of this data.

With lack of authentic information the writer stresses caution in too rapid a development programme until some idea of actual costs tie in with the variable birch quality which can be obtained. However, sound development can be proceeded with immediately, without this data and the general plan can be outlined as follows:"

That is not the broad policy the

Government has undertaken now.  
Page 10:

#### "(c) Veneer Mill

Great diversity of opinion exists as to the suitability of Newfoundland lumber for veneer. The field is so tremendous that it cannot be passed over lightly and the problem should be discussed and studied some time as a separate problem.

It is pretty well agreed that Commercial Veneer for plywood does not exist to any extent in Newfoundland. It has not been proven nor has the writer seen sufficient laye timber to pass a serious opinion that a veneer mill for boxes is feasible or is not feasible. However, it is quite well known that Wire Bound Box concerns which use veneer in plywood are in rigid competition with corrugated carton manufacturers and costs are a serious factor in consideration of a box veneer industry.

Another field of interest is softwood veneer. Where thin wooden boxes are usual such as in orange crates, standard sawn wooden boxes are not competitive as veneer is cheaper.

The writer has frequently quoted prices in the West Indies for Box Shooks but found that veneer made boxes from Southern Pine could always underbid the box suppliers who make their own boxes in the usual manner. It is quite possible that Newfoundland might combine softwood veneers with hardwood veneers and develop an industry, but this needs considerable study before an intelligent decision can be made.

The whole question of a small box board veneer mill needs further study, but it always should be kept in mind that a veneer mill cannot take all the large trees and leave the dimension

mills with only logs 6" and 7" in diameter."

That is, in view of the Government's entering into a proposition which costs over a million dollars. The contract is made between his Majesty the King, the Crown, and Mr. Chester Dawe, the Operator. Now it is clear the Government is putting up all the money for the building and equipment of this plant. The preamble reads: "The Government leases to the Operator at an annual rent of one half the net profit." If there are no profits the Government gets nothing.

MR. SMALLWOOD: It does not say that. There is more than that to it, that is not right.

MR. HIGGINS: Mr. Speaker, at least I might be allowed to finish. There is the rent and later on the Operator says he will pay the Government the depreciation which would be allowed by the Department of National Revenue. That would be 10% I presume on a reducing scale. Now after 15 years there would still be left about 25% to be depreciated, the whole depreciation will not be taken up for the full value of the building in fifteen years. Now all the Operator puts into this is the sum of \$25,000. I do not know if he has taken \$35,000 in shares or some other consideration for the \$25,000. I do not know if he gave any building or paid \$25,000 in cash.

MR. SMALLWOOD: That is on the capital account, the Newfoundland Hardwoods \$25,000.

MR. HIGGINS: Cash, \$25,000.

MR. SMALLWOOD: That is cash.

MR. HIGGINS: He puts \$25,000 cash in the company. I take it he paid the actual cash.

MR. SMALLWOOD: Yes.

MR. HIGGINS: Now, I presume the Government will pay half the tax. That is, the Government has half the profit. Now, the Government is to advance the sum or sums of money for use of working capital. Now after signing over a million dollars the Government is bound to give the operator whatever money he asks for not to exceed \$400,000; the Government has to pay all wages and everything else, in other words finance the whole industry, "and the Government has also to advance certain further money to operators to enable them to supply competent mill owners. Now the contract gives the whole running of this business into the hands of this one man, I do not care if it is a company or not. He has not alone control over a factory that cost over a million dollars, but apparently he can call on the Government at any time and there is no cancellation clause in this. They cannot turn around and say he is not doing the work right and turn him out, there is not a word about it.

MR. SMALLWOOD: The Government has a director.

MR. HIGGINS: What can one director do?

MR. SMALLWOOD: There are certain veto powers.

MR. HIGGINS: How are you managing about the \$400,000?

MR. SMALLWOOD: Lent at interest.

MR. HIGGINS: On what security?

MR. SMALLWOOD: On such security as we may demand.

MR. HIGGINS: I am reading the document and it says nothing about



securities. What security has the Government?

MR. SMALLWOOD: The veto is in the hands of the Government.

MR. HIGGINS: He comes to you and says so much money is necessary to run the factory and you have no security.

MR. SMALLWOOD: We have the inventory.

MR. HIGGINS: What is that? Does the bank loan money on the strength of an inventory? That is not good enough here either, the bank will not loan on an inventory. You have established a mill all in the hands of one man and if it fails, particularly in view of that report which actually condemned any vast expenditure of money and suggested the Government should act very conservatively—

MR. SMALLWOOD: We have an engineer.

MR. HIGGINS: Employed by the Newfoundland Hardwood, Ltd.?

MR. SPEAKER: Would the honourable gentleman care to pause here for a recess if this is a suitable breaking point in his speech?

The House recessed for 10 minutes.

MR. HIGGINS: I was referring to the work which the Government is doing under various headings, under economic development and social development. The night school and library are only a continuation of the work of the Commission of Government who built up the library here in St. John's and the travelling library books to be sent around to vari-

ous parts of Newfoundland and they built certain libraries also in various parts of the country. It is only a continuation therefore. Hospitals and Public Buildings were mostly started by the Commission of Government and the work is being finished by the money raised by the Commission of Government here. For instance the two in Corner Brook, the General and the Memorial, two started by the Commission. The General Hospital was there long before I was born and the Mental has been in existence a long time too. They only continued the building of the cottage hospitals. The policy of the Government is not a new one, but only a continuation of the Cottage Hospitals of the Commission of Government.

HON. JAMES R. CHALKER (Minister of Health): We are putting them there faster, that is our policy.

MR. HIGGINS: It is entirely possible to go too fast with money at your disposal in surplus account. Local Government assistance is only a continuance of the work of the Commission of Government who started these local governments and set up various town councils throughout the Island, but they would have to be accelerated against the day when a Royal Commission goes into action.

Roads: Well, after all, roads have always been here and the work carried on was only a continuation of the work of the Commission of Government. Workmen's Compensation Board has not been just started, we always had it here but it is probably a little more elaborate.

Now, according to the utterance of the Premier abroad some time ago, Newfoundland in Confederation is

getting too little; it is not sharing Canadian prosperity, and according to the press, Ottawa looked upon the Premier as a nuisance, but at one time they did not look upon him as a nuisance.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Do you have a text of the Provincial Dominion Conference?

MR. HIGGINS: I am only quoting what is said in the newspapers.

MR. SPEAKER: In quoting from books or newspapers it is not in order to quote newspaper comments with reference to utterances or statements made by a member. I am not ruling out of order, but just refreshing the memory and in answer to the honourable Minister of Public Welfare.

MR. HIGGINS: All I can say now is that the newspaper is setting out what was said. I know the one on the Conference, but that is not the one I was referring to. Now, I think one can see from the various statements that the Premier is beginning to realize the bad consequences apt to come out of Confederation and must do his best to try and save the country from that consequence. We have often been told what this big vast country of Canada was going to do for this poverty-stricken Newfoundland. Mr. Bradley used to preach thus about the gains of Confederation which would drag Newfoundland from the inertia and isolation she always lived under. We were told of the wonderful future that was ahead of Newfoundland, there was never such a future guaranteed before with three jobs for every man and the cost of living going down 40%, the wonderful improvement in

transportation, and Canadian Capital pouring in for new industries and the people living in this country, a country with the smallest per capita debt in the world, with revenue still rising, believed it, but where is the Canadian capital, where are the millions promised to be poured into this country? The cost of living has advanced, taxes have not become burdensome so much as over-burdensome and more are anticipated in view of the national problem of defence. The Prime Minister stated that under Responsible Government we would be now bankrupt. Well let us see; the year after the war, there was a revenue increase, the year after that still another and the year we entered Confederation the highest of all. We would be able to pay family allowances and social security with work on the U.S. Bases stepped up and at Goose Bay and the Gauder, which went to Canada with Confederation. We are told the Canadian Government paid out \$75,000,000 because they made a bad contract with the farmers of the West, but does the Canadian Government give us money to carry on our fisheries; allocating an amount for the sterling, yes, but the farmers of Canada got \$75,000,000 because they are a big block and we are only a small country and only small pawns on the chess board of Canadian politics.

Now, we come to the amounts spent for hospitals and roads by previous Governments. From page 33, that part of the Budget Speech dealing with the amount of expenditures during the past sixteen years for hospitals and roads, from that it is clear-cut that the present Government only carried out the policy of former governments and are only accelerating the plans in most

cases because of the huge surplus accumulated by former administrations. Furthermore the policy of the Commission of Government as learned in the National Convention days was to go as far as possible bearing in mind the tremendous problem of maintaining these public services once instituted. This part of the problem of Newfoundland seems to be deliberately neglected by the Government, at least there is very little or any sign that this Government is aware of this aspect of future governments of Newfoundland.

With regard to Term 29 of the Terms of Union, the Government in debate recently before the House argued that Term 29 is of the utmost importance and it was necessary to get public services up to the highest possible standard before the Royal Commission comes down for an inquiry into finances. I wonder what the public interest has to do with the cement and gypsum plant and there is only one course open and that is to sell them as quickly as possible and get the money and make it available to carry out public services program, according to a statement made by one honourable member, I do not necessarily agree with that and my business is only to point out inconsistencies in their conduct. Now has the Government any clear-cut policy at all on the question of these projects as to what to do with the birch plant and the cement plant and gypsum mill? Is it the intention of the Government to accelerate service or tie up ten million dollars in economic development?

Now let us come to the cost of living. There is no mention in the Budget of course of the cost of living, and that is a matter of some very

great importance. In 1949 there was a commission appointed by the Commission of Government, and I had to go in to an enquiry headed by Professor Smith, and in 1948 there was a survey on retail prices, and last year a Royal Commission enquiry into the high cost of living. Now, there is no doubt that a large part of the increase has been caused by world conditions and a lot is due to the fact that we are cut off from the markets in the United States and England. We can get goods far cheaper in the United States than in Canada, electric and radio products and other stuff, but the duty rates are up and they are up on other things. They could be brought very much cheaper from the United States than from Canada but if we buy now we have increased duties. Now the Canadian cost of living reached a new high according to the Bureau of Statistics reports, there has been a climb in the price of food stuffs. The cost of living has now reached so high that the increase of wages have not kept up and worst of all we have further taxes, and if the threat of war continues the taxes will go the limit. England has suffered with heavy taxation and no one could have foretold before the second world war that England would be in the position she is today, and that point will also be reached by us. It has been hinted recently the 3% tax is to be increased and that the items on the free list will be removed and we will pay full taxation. As my colleague from St. John's East said, this will mean a further increase because the shopkeepers will add it on to the total. To say that the social security tax will not increase, that is a very trite remark, when we have tobacco up from 27c. to 60c. That is an important matter for the fisher-

men; it is almost a food for fishermen. I remember the time the Commission of Government intended to supply fishermen to carry on the fishery and when they had Beaver tobacco on the list the Commission indignantly refused, but after consultation they decided it was the most necessary of all and put it on. The Commission of Government found that for fishermen that was just a important as food and anyway it was given to them.

Now as to the fisheries in general. Everyone agrees with the Premier that every Newfoundlander is concerned about the fisheries and that the standard of living of all of us is largely determined by the state of the fisheries. As to the importance of the fisheries in Newfoundland, nobody has the least doubt. The Budget expressed a lot of ideals, a lot of talk, but what have they done for the fisheries except talk? They are too concerned with economic development and too little concerned with the fisheries. Everything we can do under a long range program should be done, there is no question about that at all but what we want to know is what has been done in the immediate crisis of today? There is nothing to show in that Budget at all that the Government has been progressing on floor prices which would make a lot of the fishermen a little more secure in their hour of need. It is common knowledge that the fishermen approached the Government but they made no promises on that score. The Prime Minister says it cannot be done. We say it can.

MR. SMALLWOOD: What did I say?

MR. HIGGINS: You said the floor prices could not be established.

You suggested in the House here that the fishermen catch the fish, cure the fish; we cannot create the price paid but we can see the fishermen gets what he earns.

MR. SMALLWOOD: We are doing that.

MR. HIGGINS: Now then there were three ventures in the fisheries. I would like to return to these; first of all the Icelandic Venture, now known to be a complete failure on admission of the Government themselves and the cost so far has not been less than \$400,000. The loss of that money is bad enough, goodness knows, in this small country of Newfoundland, but the Government went in recklessly and without sufficient thought; and the people wonder if there is not some truth in the widespread idea that there is wild speculation on the part of the Government on the same insecure basis, in view of the past and the report of Mr. Moffatt and the sudden movements of the Government which leave a doubt that the Government is giving sufficient study to projects started on Government funds, because it costs them a lot while starting and we only hope people will not suffer. What about the Caraqueet Druggers which were brought in here, as I understood, to be operated by a well-known and experienced firm and they turned out to be a complete failure.

MR. SMALLWOOD: I happen to be misrepresented, you have nothing to go on.

MR. HIGGINS: Mr. Speaker, may I ask for protection in this House, I do not want to be interrupted and I hope this is the last interruption. The Prime Minister is talking too much about the dignity of the House

and is not carrying it out himself. We find that these draggers are suited only for relatively shallow water and have now been loaned to a well-known firm on the South West Coast for further experiment. On the other hand the long line fishing out of Bonavista is entirely a Federal matter and I hear that the experiment is a colossal failure. This was a Federal experiment and declared to be a colossal failure. It is truly too early yet to say whether it was such or not, but at least they explained in detail what they had hoped to accomplish especially in view of the fact that other boats maybe were built on similar lines.

Now with regard to floor prices, the honourable member for Fogo said we were the sponsors of private enterprise. We agree with that, we certainly are and I would like to ask the Prime Minister if his party is in favour of private enterprise. If we are to take the word of the honourable member for Fogo it would mean that they are not the exponents of private enterprise.

MR. SMALLWOOD: Why not make it communistic and go the whole hog.

MR. HIGGINS: Yes, it is communistic. Mr. Speaker, I ask you, Sir, the next time the honourable the Prime Minister interrupts me—

MR. SMALLWOOD: Don't ask me questions then, I do not want to answer.

MR. HIGGINS: I do not like it, Sir, and I do not like him disregarding the rules, Mr. Speaker, Now that does not mean that as such we do not favour public ownership in the present crisis, we are really in favour of a subsidy or floor price or both if

necessary. Now they can say that will not be done, let NAFEL pay whatever prices they get, but that is no reason the Government cannot act for the fishermen. The member for Fogo said that even a dollar a quintal on fish means a million dollars down the drain; what does he mean by that, does he mean a million dollars wasted? That is not wasted, it is given for a good purpose. What did he mean by it? I say that if it were given it would be given for a good purpose, and there is as much truth in that as there is truth in some of his other remarks.

MR. JANES: Mr. Speaker, a point of order: I did not think it was a million dollars thrown down the drain. I said it would not help out our fishermen this year. I said nothing about the drain.

MR. HIGGINS: I will withdraw it, Sir. But the honourable member told me the other day that they got only 50c. a day for the soldiers, is that true?

MR. JANES: Yes, that is true, I was one who got it, but not through the whole war which lasted for six years.

MR. HIGGINS: I wonder how much you got when you got back?

MR. JANES: We got twice as much from the Canadian Government under Confederation, as gratuities, if you want to know that.

MR. HIGGINS: Now in the budget speech there was no mention at all of subsidies for fish. Now what are you going to do about it? What happened in the House of Commons last year regarding this price of fish? One member got up and was very long-winded about the matter and three

others avoided the issue entirely; yet two P.C. members favoured it very completely and an ex-Minister of this Government the member for Bonavista South, advocates it. We are now taking a strong stand in this matter and a speech delivered on the radio by Mr. Cheeseman advocated it very strongly. I know the Federal authorities have taken up the matter but it is not due at all to the efforts of the Government here. The Government decided it was not possible nor feasible, as has been proven by public utterance and silence in the budget. I advocated it in a speech to the Convention of Fishermen.

MR. SMALLWOOD: Would you make it clear when you announce that this Party is opposed to a floor price whether it is Provincial or Federal floor price, which is which and which it is opposed to and which supports which?

MR. HIGGINS: I do not care which. I say if the Federal authorities put a floor price, this present Provincial Government should egg them on and play a bigger part in Federal affairs in Ottawa. For instance, in answer to a question as to how much money is taken out of Newfoundland we are told it is a Federal matter. Why should we not know? It is most important to the people to know how much money is taken out of here by Ottawa. I am saying that the Government should make recommendation to the Federal Government for a floor price or a Canadian subsidy or should give subsidies themselves to the fishermen.

Now I turn to the seal fishery. There was no mention of this in the budget at all except I think one word on the top of one page. Now I am told

it is a Federal matter and does not concern the Government which does not take enough interest in Federal affairs. But why not get information about this matter. In my opinion the seal fishery will eventually be no more. A conversation with a practical sea captain who has been at the ice this year convinced me. I understand some 12 or 15 more Norwegian vessels were at the seal fishery this year and were on the ice killing seals before the young were born, the reason being that an unborn seal is better fur than a whitecoat and they go in and take these seals instead of waiting for two or three weeks because of the value of the fur. Now in all the years of seal hunting there were laws against fishermen killing before a certain time, because the seals were not at their best as regards to fat. Now the hard part is, the Norwegians are killing seals in the shade of Grey Island, White Bay and all along the French Shore—and all this is territorial water. Grey Island belongs to us and they cannot go within three miles of the shore; it must be more than three miles from headland to headland and not within three miles of Grey Island, but I know this, most of them are within two or three miles out of the bay and not three miles off the land head. Now they are making use of our spotting planes. I know they cannot pick up the messages when they are in code but they can follow our ships and they know when our ships move, they are moving on information from the plane. This captain told me that he received information about a certain herd of seals but there were three Norwegians near and he did not move, but later slipped away in the fog and when the fog cleared they came right by and he said the most terrible part of it was

the Norwegians started shooting seals, and the bullets came so near our sealers they had to go back on board the ship. He said some of the men wanted to go out and fight them. That is very serious and next year the sealers say they are not going to stand it. What is worse, the Norwegians go around at night-time picking up the pans, and no doubt they are picking many of our pans. First the Norwegians are our competitors in the cod fishery and now in the seal fishery, and they start in the first of March and go away up north and go on until June following the seals, I understand, away up north, and they will, without a doubt, wipe out the whole seal fishery. Now I must say I think it is time that this House should take steps to enter a protest to the Federal authorities in Ottawa against this condition, and if they do not come to an agreement with the Norwegians the seal fishery will be wiped out in Newfoundland.

I am afraid we are too much taken up with devious things and are not taking stock of the things at our feet; talking about prospective business when we can just carry on the industries that God allocated us. First of all there is the salt cod fishery, and no matter what anyone said to the contrary, the people are going to fish from the shore—why raise the number of people that will fish in trawlers away from home? Most fishermen go home and fish from there. And when we are talking about the price and the number caught, the fishermen must be divided in two groups, those who fish part-time and those who fish full time. Whether they fish for four to five months or for ten months, that must be taken into account, and another thing to be taken into account is that a part-time

fisherman is also a farmer who grows vegetables and does not buy them. Secondly there is the seal fishery and thirdly there is the salmon fishery. The preservation of wild life and the preservation of the forests necessary for the preservation of wild life are being considered, but now some serious attention will have to be given to the preservation of the salmon rivers because through the mistreatment of watersheds and the cutting of the trees around the banks of the rivers, (from the City standpoint we have to interfere in such matters) our rivers today are deprived of water. Rivers become mere tricklets of water eventually because the community respects neither beauty nor the rights of posterity. Now many years ago we had a fish and game association which made many recommendations to the Government and many were accepted, or the odd one was. But I would draw the attention of the Government at the present day to one very important matter—the destruction of the rivers by the cutting of trees, and if this happens everybody is going to suffer as we will not be able to drive logs. This is very important and it is perhaps the first time the Opposition has given constructive help to the Government, and this Committee feels the matter of the banks of rivers and lakes being denuded of trees in the past is still carried on today, and there is no attempt being made to stop it.

Now, Mr. Speaker, the old Game and Fish Association years ago made recommendations which if not taken into consideration by the present Government, may mean some of our rivers may turn out like some of the rivers on the West Coast, which one time flooded over the banks and are now like a big wide open space, like a big

desert, and the river only has a trickle of water after a heavy rain. Harry's Brook has been destroyed and this means not only destroying the river and the soil, but destroying the possibility of carrying on logging.

There is only one other remark I want to make, Mr. Speaker, I regret taking up so much time, but it is difficult to curtail, and I hope that the rosy dreams that are outlined in the budget speech will be realized and that we will be better people financially, and otherwise, than I anticipate.

DR. POTTLE: Mr. Speaker, I realize as the honourable House does, that it is now late in the afternoon and I shall not attempt any long speech at this time. I should like to be able to assure the House that while it will not be a long speech it may have some virtue of depth, but cannot even assure them to that extent.

MR. SPEAKER: Is it your intention to speak now as the time may be carried over to the evening session of the House? You have two hours.

DR. POTTLE: I assure you, Mr. Speaker, that I will not spend any considerable fraction of two hours, I thank you nevertheless.

In my humble estimation the budget speech, whatever criticism was made against it by the opposite side of this House, was nevertheless a remarkable statement both for the fact that it was a comprehensive review of the past, and a realistic statement of the present, and both a realistic and optimistic statement of the future. There are other virtues in the budget speech which I will refer to briefly before I close.

The structure of the budget speech above all raises questions of cost

as relating to the independence of our economy, the state of markets and in this case the state of the province. We have heard some statements, some declarations of independence in this House, but I would say that these statements reflect a personal point of view. These statements about independence do not reflect the province's point of view because the province can never be independent under any form of Government, as I see it, for after all, independence is a relative matter. No nation is entirely independent any more than any man is entirely self-made. The most wealthy state or nation today is not independent. We live in one world, in different degrees of dependence, and there are all too obvious degrees of dependence, and Newfoundland also experiences severe degrees of dependence. Now the Government, no government, can resurrect Newfoundland to a point of entire independence. What the Government can do, nevertheless, is to try to enable the Province to reach to the highest degree of independence possible and the success of any administration might well be judged by the degree by which it raises the people, for the economy, to a state of high independence. I have said this before, Sir, and I should say it again. When I first came into this House I came in with high hopes about many things, and one of these hopes was that we might take all the advantages we possibly could of the fact that we were a member now of a larger family, and I hoped that in our discussions here we might never forget that we are part of all that we have met, and that we would not, because we are a province, become too provincial. Hansard also has those words and I might say them again. I hope that we might not become too



provincial in our thinking. As I have said, our stage here is small, our canvas small, but that is no justification for our not thinking great thoughts, it is no justification for our becoming provincial in our ways of living and it is no sign of weakness if we lean on strength.

Now, Sir, there is strength in diversity and Newfoundland is now in a family with a diversity of wealth and diversity of strength. I have always hoped that the Federation of Canada and Newfoundland might reveal itself to us in this way, that it would mean equalizing opportunity across the Dominion for our children and our children's children. I think that can be done and I hope that we in Newfoundland will always keep that emphasis alive, the federation consists not in wealth accumulated in one quarter and poverty in another, but the essence of Confederation consists in enabling people everywhere to maintain, to get, to secure and to maintain, as high a standard of living as possible. That is the position we have taken in more than one conference in Ottawa and I shall refer again to the last time it was taken.

Now, Sir, I understand, as the House understands, that in this state of emergency the resources of Canada—the natural resources—are to be mobilized as they were never probably mobilized in peace time, and that one Minister, the Minister of Trade and Commerce and Defence Production, the Right Honourable C. D. Howe, has enormous powers to deploy wherever he will, immense resources for the greatest good. If that is done with regard to natural resources, I submit that it might very well be done without detracting from sovereignty of the individual in the field

of human resources, and I am going to explain that in a minute.

We are experiencing in various quarters a depression in the midst of plenty because our human resources, our man-power, are not properly deployed. In Newfoundland that is the case because our industries today are not locked together as they used to be locked together. There was a time when fishermen, after they fished and did not receive good returns for fishing, could go to the lumber woods in the winter and spend their time, summer and winter, in that way. That is not so feasible today because so much of the cutting is done in the summer and when they look around in October for a job in the woods they cannot find it as they used to. Furthermore there is more technical logging beginning to be practical, so that in Newfoundland itself, through no fault of any one person in particular the industries of Newfoundland are not supplementary, not locked together as they used to be. Now that means that our labour force is dislocated and the trend is going in that direction. Well, I would suggest—or before I say that, I would say this, that some two years ago the Minister of Labour of the Federal Government sent a circular to various large industries of the Dominion trying to find out what men were available and what labour was available and what labour they employed in their industries. But that does not give us enough information. Because if what I have said is true of Newfoundland, how much truer or how true is it likely to be of the whole of the Dominion? My suggestion is that in this day of grace it need not stink of fascism or any other "ism" or detract from man's dignity, if Canada, through some Federal Minister, should

know where her people are, what they are employed at, and if they are employed. And where they are not employed there is a responsibility of industry here, Sir, to lock together. It is not only the responsibility of the Government, certainly it is the responsibility of industry which should not stop at extracting, though, heaven knows, it does do a good deal of extracting; extracting minerals from the earth and from under the earth and the sea, extracting woods from the forests, fish from the waters and too often extracting the very stuff of the human spirit. The honourable and gallant member for Ferryland a few days ago dramatized how he perspired at the bow oar while the firms of Water Street evaporated; one after the other went bankrupt. That was a mild description of what happens to the Newfoundland fisherman. If my friend across the floor can describe the bow oar there are others in the House who are just as familiar with the oars of the trap skiff as he is and we know the fate of the Newfoundland fishermen is just as tragic as bankruptcy. There is here a great responsibility of industry, not merely to extract the product from the earth or sea or air, wherever it comes from, but to see to it that while wealth accumulates men will not decay. That is the responsibility, I say, Sir, of the vast industries, it is the responsibility of the Federal Government, it is not the sole responsibility of the Provincial Government. I think it is our virtue to bring to light what can be done but also to draw attention to what we cannot do. Now this question of human resources brought right down to every-day level in terms of public welfare is concerned not merely with dispensing

benefits to individuals to enable them to get by, but to get behind the scene to see what is happening to our people and try to show up some of that. We ran up against some of that a few months ago and since then I have been very much concerned with just what is happening to St. John's. That was the very question I asked some months ago and in order to point up, to answer, that question, I had a survey made of the able-bodied men who are on relief in St. John's over the last three years, and I should like to give the House a few sets of figures. In the first instance they are healthy, young men, one third of them under 30 years of age, one half of them under 40 years of age. Another fact of importance is that they are nearly all from St. John's. "Oh," you say, "that is to be expected." There are from 314 families practically all born in St. John's, very, very few, almost a negligible number come from outside St. John's. They were born here, a generation of young men who spend more than half their year on relief, and I say that is because it was extended over a three year period and this is what happens: A man who is on relief six months one year tends to be at least six months in one or both of the next two years whereas a man who has kept off relief for ten months in one year is likely as not to keep off relief for ten or more months during the next two years.

Now, Sir, these figures quoted here are men who we presume are able to work, they are able-bodied but there is no work for them to do here. But must they stay here? Is there any virtue in hanging on to the rails on Duckworth Street all that time? I assure you the men who hang on the rails at Duckworth Street are the most aggressive of the lot, the ones

not so aggressive are not hanging over the rail at three o'clock in the afternoon looking out the Narrows; after all there maybe a ship there, at least they are looking out the Narrows and getting work now and then. A great many of them have not only unemployment but are unemployable. Now, Sir, on the other hand, Premier Frost told us last fall at the Provincial Conference of one work project alone that will involve the expenditure of probably one hundred million dollars with the use of six thousand workmen in a locality where there is little possibility of getting any workmen. Would it be any slight on the strength of the federation of Canada if the Newfoundland workmen who can't find work in Newfoundland can find it elsewhere? Would it be any slight on us if they find it there? The strength of the federation does not lie in each unit being independent in its own right but rather the strength of the federation is in the fact that we may lean on the strength of one another.

Now, Sir, I would like to be a little more specific on our public welfare matters as far as they appear in the Budget or the Estimates itself. We find the Department of Public Welfare is down as the largest spending Department of the Government which may be one crude way of putting it. At the same time it is one of the Departments which brings in relatively high revenue. Speaking on the side of old age pensions, we have spent a half million on statutory benefits and able-bodied relief estimates but nearly half of that comes back from the Federal Government on repayment of Old Age Pensions. About \$25,000,000 or more comes into Newfoundland each year now on benefits out of social security taxes, and there

are no other millions of dollars coming into Newfoundland which are so wisely and properly distributed as that twenty-five million dollars. But when you say that, you have not the whole story, this impact of twenty-five million dollars on the Newfoundland economy is a tremendous event; and I doubt if any other society in North America have had anything quite like it happen in modern times. The sudden impact on our little economy of this twenty-five million dollars in benefits to our people which they did not expect, did not earn, has been great and its effects far-reaching indeed. It has numerous virtues, it has bolstered our economy in ways we cannot measure but at the same time it carries with it a concept that is important and not only important but vital for public welfare. I shall bring that up in a moment.

Now the opposition has taken care to point out in many respects that while possibly we have many improvements this was all done by the Commission of Government. I shall not argue that now but I will say this: that of the innovations that have come with the new form of government what has happened in Public Welfare is one of the most outstanding achievements. What happened in Public Welfare in its own right in the Province is a tremendous thing, and I say that without any desire to detract from them, as I happen to know something of the virtues of the Commission, having being one of the members; I know the story from the inside through my small part in it during the fading days. I say this, it had its virtues and defects like any other form of Government, but I would covet the virtues of the Commission of Government for any government. I will say this, too, that

as far as welfare was concerned it was a negative kind of thing. Welfare was something you did when you could not help doing it and it was mostly identified with able-bodied relief, kept from them as long as they could. That was the sin of Commission, in this respect it was the sin of omission, in other words it was notable for what it failed to do in this one respect.

Because, what has happened since looks so tremendous, and when we look at it this way, we can see the relatively little done before. This was one of the defects of Public Welfare in former times, in other words there was a great tendency for welfare to work against health. In other words a great tendency for people to be left in a condition where their standard of living deteriorated to a point where they eventually had to come around to taking care of them in hospitals, whereas the problem would have been simplified if attended to earlier. The broken bone is more serious than the broken man. But they tended to take care of the broken bone and leave the broken man to take care of himself, which tended to broken homes which by sinister degrees brings on disease. Under these conditions it was quite possible for the welfare policy to work against the health policy. I am happy to say that under this present administration, my colleague in the Health Department and myself are trying to work together so that we may not overlap unnecessarily but merge together the whole scheme into a working partnership.

However this twenty-five million dollars I referred to just now has come from family allowances which have been considered here as immoral

by one member at least, of the House. Are the administrations of England, Sweden, Canada, the United States, Australia, New Zealand and practically every civilized nation in the world immoral? But family allowances do many things, they tend to equalize opportunity for all children everywhere and make up in a remarkable way for inequalities which industrial wages do not make up for, and it is one of the finest bulwarks against radicalism.

Now, Sir, I come to provincial benefits, mothers' allowances, dependents' allowances, old age pensions and able-bodied relief. When they came into being we had a surplus of so many million dollars and we had to decide as to how that surplus could be best utilized for the good of our people. We had to think not only of people able to work and of those, we have not a few, and will always have people who in the economic race and the scourging and bludgeoning of time are left behind—in the terms of John Masefield, the lame, the halt and the blind in the rain and the cold. We must think of these too, because society is all of a piece and we are not stronger than the weakest member and we have to think of them as well. Now then, speaking of the Opposition, and I say if they had the administration, suppose they were on this side of the House and had to try and distribute benefits to people, how would these be disposed of? First of all they would have to think of everybody who was in dire need and come to a decision, laid down under that category; widows, people with children and insufficient earning power, people of seventy and over incapable of earning their own way, who have earned their living all their lives and

are beyond it now. What shall we give them? If we take the trouble to write out the cheque, surely we should try to write out one with some semblance of giving a reasonable chance of livelihood to the individual. If we were to write out \$5 it would still have to be supplemented in some other way. So we try to get somewhere near a reasonable scale and one close to reality. I tell you our legislation is such that it covers the matter more comprehensively than perhaps any other Provincial legislation. Now that sounds like a boast. I have said that because we do want to make sure that now, the needy class is not utterly omitted. Having done that, we could not make great benefits at this time and endeavour to cover everybody in a comprehensive way and have a wider scale of benefits. We made sure of one thing, all needy classes are covered, but we could not do the other and give all, but we have a policy, and we have with considerable courage kept up the standard we started with and try to complete what we have started out to do. We believe that is the only thing we can do.

Now, Sir, before I close, I would draw attention to an issue brought to the notice of this House, that in some respects these benefits are demoralizing our people. The Opposition cannot criticize us for covering this widely and comprehensively, and justly cannot criticize us for making the allotments we did. We were not lavish, Heavens knows, but they could criticize us and take the ground from under our feet if they say that by doing so we have demoralized people. That would be the unkindest cut of all. To say that because of public benefits people are refusing to work, becoming spineless and leaning on the

Government and becoming weaklings would be the unkindest charge of all. If that were to happen, we would do what we are trying to avoid. It is not easy to draw the line, it is not easy to go the middle course, and that is why the impact of each \$25,000,000 handed us is in a measure a shock, they carry betterment but also carry a grave responsibility for Public Welfare, and believe me, we are awake to that and possibly the saddest thing that could happen to us would be the loss of our will to work. But I am rather relieved to know that it is more generally felt that it is not doing that kind of thing at all. I think the people who do misuse it are few in number, but they tend to become exaggerated and if we see it misused by one we forget five hundred who do not misuse this money. The tendency is for the one who tends to misuse it to come to light, but my experience is, in the Department of Public Welfare, and I think it will be borne out by other honourable members, that these benefits are wisely used and I know, with considerable conviction, that they are being appreciated.

Now, Sir, that is not all. We are looking ahead into the future and we realize that we have a considerable responsibility here. We have to have our eyes on the Terms of Union realizing that a considerable number of our hard earned dollars are going into those homes in the way I have indicated but we want to make sure we are doing the right thing. We don't want to go on endlessly giving out and eventually find we are on the wrong track. We have to make sure our house is as completely in order as possible, before the Royal Commission reviews the situation.

In a month from now we are having a team of qualified people come to us to survey our whole policy of public welfare services, to help keep us on the right track in terms of revenue, and that committee will be the one to tell us what kind of public welfare services we need in Newfoundland in keeping with our capacity to pay for it. That is very much in keeping with term 29 as it will tell us what we can have in terms, of what we are able to afford, and what kind of legislation to have, in order to implement that kind of services.

Now, Sir, I close, but before doing so I do want, because the opportunity does not come to one often in this way, to say we are trying to maintain a balance in this matter, not only within public welfare but within the whole scheme of the budget. All the time we are trying to get the people a chance to work but we have people who will never be able to work, and there is a balance we are trying to strike in the whole budget, and if I have to pay I am very glad to do so and it is well for us all to think about it and agitate and concern ourselves about it day after day, and I am glad to say that in all our planning for public welfare the Premier is not only up to us but ahead of us, and there is no greater figure in this field. I am very happy to say that at this present time.

We are trying to carry out the ordinary principles of ideas mentioned in this matter and we are always sensitive to criticism from the outside which indicates we are not doing a good job, and we will try to do it within our means.

A great writer said: "If anywhere in the country any child lacks opportunity for home life, education, moral and

spiritual development; if any child anywhere lacks any of these things the strength of the nation is a libel." Now, Sir, that ideal, we can, insofar as it enters in the budget this year, have in mind, as something for which we strive, however impossible, it may seem.

MR. SMALLWOOD: I know, Mr. Speaker, I have only a few minutes before dinner and I propose to close the debate on the budget speech today and that means that most of my remarks will have to be made when the House reassembles at 8:00 o'clock tonight.

Now, first I would like to thank very sincerely the members of the House for the kindly references made on the Budget Speech. Every member of the House, with one exception, who spoke in the debate was kind enough to pay some compliment to the budget speech. The one exception, I regret to say, was my honourable and learned friend the leader of the Opposition. My honourable and learned friend, to judge from his remarks, sees no good whatever in the budget speech. That is not too surprising because the same honourable and learned gentleman sees no good in Confederation either. I have yet to hear him in this Chamber utter even one word for Confederation. He can find holes to pick in it, find defects, find flaws, but not even a syllable can he find it in his heart to utter in favour of Confederation and he is unique in that regard because he is the only member of the House, including the Confederates and anti-Confederates, the only member who has not been able to say at least some kindly word in favour of Confederation. It is not too surprising because my honourable friend celebrated Confederation by flying his flag at half

mast, and a black flag, on the day of Confederation, in front of his home, and from such a gentleman who would welcome a great and historic event in the fortunes of the people of Newfoundland by flying his flag half mast and a black flag of mourning, how can we expect half a syllable in favour of Confederation or a budget speech delivered by the first Provincial Government of Newfoundland?

I have endeavoured merely to occupy the time to six o'clock when we may rise until eight o'clock when I shall endeavour to deliver my speech to close the debate on the budget.

MR. SPEAKER: It is only 5:59.

MR. SMALLWOOD: If the Honourable House wishes me to continue for the next sixty seconds it would not be too difficult.

I was extremely interested in the honourable and learned leader of the Opposition's contention that the sales tax will take from the people of Newfoundland twenty-three million dollars, and particularly was I entranced by the reasons he gave for that contention. It was based, I concluded, on per capita consideration. Now, although he did not develop the argument I assume what he did was something of this order: The population of Canada is actually eighteen and a half million people, the total amount of taxes raised, six hundred million. Divide one into the other and get some number per head of population of Canada and multiply that per capita amount by the population of Newfoundland and that means the people of Newfoundland have to pony up \$13,000,000 and hand it over to Ottawa just for sales tax alone and that is what he meant by sales tax. It is a fine example of an

utterly futile type of argument as was used against Confederation and is still used by my honourable friend against this Government.

MR. HIGGINS: I never said that—I never said it.

MR. SPEAKER: It is now six o'clock and I will leave the Chair until 8:00 p.m.

#### NIGHT SESSION

HON. JOSEPH R. SMALLWOOD (Prime Minister): Mr. Speaker, we rose for dinner, I spoke just for a few minutes and I was saying that I was very grateful to all the honourable members who have taken part in this debate for the fact that, with but one exception, they all expressed a word of congratulation on the Budget Speech. The one exception, I was sorry to say, was the honourable and learned Leader of the Opposition who in his speech closing the debate for his party was not able, apparently, to find one word of compliment to utter about the Budget Speech and if we can judge by the remarks he made, he sees in the Budget Speech nothing whatever worthy of a word of commendation or congratulation. Now in that I am happy to see he differs considerably from his colleagues in his own party every one of whom spoke, expressed grateful words of appreciation and congratulations of the Budget Speech and I went on to say that it was not after all a very surprising thing that the honourable and learned gentleman found nothing good in the Budget Speech because in that regard he is exactly the same as he is with regard to Confederation itself.

Not even once since this House began three sessions ago has the hon-

ovable gentleman uttered even one word in favour of Confederation. He had not admitted that he sees anything good whatsoever in Confederation. He has not admitted that there was in Confederation any advantage or benefits whatsoever to the people of this Province of Newfoundland. On the contrary he has not spared himself very much in finding flaws in Confederation, in picking holes in it, in pointing out its mistakes and its weaknesses and if the people of Newfoundland had nothing whatever to go by except what my honourable and learned friend has said publicly they would come to the conclusion that Confederation is of no benefit whatever to the people of Newfoundland. Now any impartial observer, any person not a confederate or any confederate who was not even in Newfoundland during that famous battle on the subject of Confederation can observe the difference in Newfoundland today and the improvement since those days. I wonder what it was that caused the improvement? He would not be long coming to the firm conclusion that if it were not Confederation that had brought this great change and these great improvements in the lives of some of the people then it must be a miracle. Very few classes of our Newfoundland people have failed to share in the net benefits of Confederation. To list the classes one by one who have benefited from Confederation is virtually to include all classes of the population. There is scarcely a person under this ceiling, in this Chamber at this moment who has not derived benefits from Confederation. There is scarcely a family in this entire Island and along the Coast of Labrador which has not benefited directly or indirectly from Confederation.

There are very few families in all this Island today who can honestly claim that. As the honourable Minister of Public Welfare stated so well in his speech this afternoon, the impact of Confederation upon the lives of the Newfoundland people has been not only impressing but startling and he pointed to the sum of \$25,000,000 a year coming into Newfoundland from Ottawa and distributed very equitably, very widely amongst the thousands of our population. Twenty-five million dollars a year, two million dollars a month, every month, distributed twelve times a year in cash, throughout every nook and corner of this Province. How is it possible for that huge sum of money to be distributed in that way, twelve times a year without raising appreciably, noticeably, remarkably, the standard of living of tens of thousands of our population in Newfoundland? How is that possible, and how can a man be so prejudiced, so blind as not to see the benefits of the distribution of that huge sum of money? It is a fact well known to every Newfoundlander who travels, who has any knowledge of life in our thirteen hundred various settlements stretched along thousands of miles of our coast, follows the tortuous line of our bays, thirteen hundred settlements nestled along the cliffs and the sea-shore. Anyone who knows anything about Newfoundland is aware of the fact that there is more cash in circulation, more money falling into the tills of many hundreds, if not thousands of shopkeepers large and small, amongst business men it is a well know fact that there is more cash trade being done throughout this Island in what used to be the dead winter season than formerly was done in the busy summer season. How can a man be



so blind, so prejudiced, so bigoted as to wave all that aside and concentrate on picking holes here and there and flaws and weaknesses in that vast reality of Confederation.

Let me say what I have said before in this Chamber. Any politician, I say any politician, who imagines that he can win politically in Newfoundland by endeavouring to capitalize on the scattered elements of disappointment that Confederation has brought is basing his political career on a rotten foundation. There is no future in it. There is no percentage in it. Because when it comes down to testing, 90% of the women in Newfoundland will vote against the man who by arguing against Confederation puts himself in the position of arguing against hard cash, family allowances that she knows about because she receives it for her children every month of the twelve months of the year.

Now, I was saying also that my honourable and learned friend the Leader of the Opposition—he is absent and I would like him to be here and hear this—argued in his speech this afternoon that the sales tax imposed by the Government of Canada some years ago, applicable to Newfoundland since we became a Province, and now in the recent Canadian Budget increased from eight to ten percent collects from the people of Newfoundland huge sums of \$13,000,000 a year and he told us how he arrived at that figure. He said it was on a per capita basis, it is thirteen million dollars a year from the people of Newfoundland. Now here is how he worked it out: The tax is estimated to raise the sum of \$600,000,000 a year for the Government of Canada. If you take that \$600,000,

000 and if you take the population of Canada, which is something between thirteen million and fourteen million souls, and divide one by the other that gives you an average per capita amount that is collected from every human soul from the day old infant to the hundred year old veteran, paid to the Government of Canada by way of sales tax. Now the honourable and learned Leader of the Opposition takes that per capita or average amount and multiplies it by the three hundred and fifty or three hundred and sixty thousand souls in Newfoundland and comes to the amount of \$13,000,000. Now, I don't know, I have not bothered to take the six hundred million dollars and the fourteen million persons in Canada and divide it and find out the per capita average amount that every human soul in Canada pays in the aggregate in sales taxes, I have not bothered to work it out, so I have not bothered to check my honourable and learned friend's table of sums in arithmetic, but this I do know: a sum worked out accurately and arrived at correctly on the average figure per head and on the multiplication of that figure by our population amounting to a figure of \$13,000,000 as an argument is false, is unreal, is fantastic as the figure itself. The Department of the Ministry of Finance in Canada does not, in imposing taxation on the people of Canada, make a per cap. of taxation, does not arrive at the average per head and say to the Minister of National Revenue; "You shall collect from the people." He does not do that, there is no poll tax collected, no head tax collected by the Government of Canada, imposed or collected. To say that we in Newfoundland pay what is the average of

all Canada is ridiculous, simply ridiculous. What we pay is dependent upon what we buy amongst the many articles subject to the taxation. It depends upon the proportion of all we buy, that is what the tax is paid on, the total of all we buy and if one is a low income person and in a class that does not pay these sales taxes one's contribution to the Treasury of Canada is small, smaller than that of another man whose purchases are of the order or kind subject to that sales tax. Of the total amount then how much is taxable and how much is exempt from the tax, and it is unrealistic to strike a straight average for every human soul. Now the hard fact of the matter is, in the House of Commons only the other day, within the last two weeks the Tory member for St. John's East, Mr. Gordon Higgins asked the Minister of National Revenue a question as did the Tory member for St. John's West, Mr. Browne, both asked questions as to how much revenue had been collected in Newfoundland by the Canadian Government in the year 1949-50: When they tabled the answers I listened to them: In 1949-50 the Government of Canada collected in Newfoundland, income tax and succession duties, what we call death duties, 4.9 million dollars, Customs Duties \$3,470,000, Excise Duties \$1,340,000, Excise Taxes \$901,000, Sales Taxes \$1,866,000. The total for the year 1949-50 was \$12,700,000 or exactly \$12,679,000. That was the first year of Confederation and the full impact of Confederation taxes in Newfoundland was not felt because the Canadian Government only collected 4.1 million in income tax and succession duties. Now 1950-51: For Income Tax and Succession Duties: \$11,880,000. For Customs Duties for eleven months,

they did not have the final month, \$3,467,000; Excise Duties \$1,409,000. Excise Taxes \$801,000. Sales Tax \$1,040,000. That is a total of \$18,500,000 but the largest item of the lot is income tax and succession duties collected for the whole year whereas the remaining was for eleven months only. Now the remaining items total \$7,500,000. One-twelfth of that would be roughly a half million to be added to the eighteen and a half which gives nineteen millions for the full year collected in Newfoundland. That is not the total that was collected in respect of Newfoundland, because we Newfoundlanders pay taxes that we do not pay immediately and directly to the Government of Canada. If I go down to the Royal Stores or Bowrings or the London New York and Paris and buy clothes, I pay no tax on that, that I know of, nevertheless I pay a tax because of Federal Taxation and to the Provincial Government I pay 3% Security Assessment to help pay old age pensions and widows' and mothers' pensions and cripple persons' pensions and the like, but in Federal Taxation I appear to pay nothing whereas in fact I am paying the national tax paid on the profit made on that suit of clothes by the manufacturer in Quebec or Ontario, and when we arrive therefore at a total of \$19,000,000 collected within Newfoundland itself by the Government of Canada, we have not arrived at the grand total of taxation derived in Newfoundland in respect of Newfoundland by the Government of Canada. We have not arrived at the grand total of taxes the people of Newfoundland pay to the Government of Canada.

Now, I am inclined to think that you can double that figure because the biggest single item of

course is income tax and succession duties and it is collected right here in Newfoundland, collected here and paid here and that is the end of it. That is the largest item. When we take customs duties, excise duties, excise taxes and sales taxes then we have broken the back of Federal Taxation other than income tax and succession duties and the total of that is about eight millions collected within Newfoundland; then treble that and you have approximately what the Government of Canada gets out of the people of Newfoundland under those headings, say twenty-five millions and another ten or eleven millions from income tax and succession duties and you get about \$37,000,000. If the Government of Canada collects from the people of Newfoundland \$40,000,000 a year I will do what my honourable friend from Fogo said if the honourable member for Bonavista South turned Tory; I will eat my hat. If the Government of Canada collects \$40,000,000 a year from the people of Newfoundland I will eat my hat.

Now the Government of Newfoundland collects from the people of Newfoundland something of the order of seven or eight millions of dollars, so that there is less than fifty millions a year collected from the people of Newfoundland by the Government of Canada and by the Government of Newfoundland put together. Less than \$50,000,000 a year. The Government of Canada is paying into Newfoundland more money each year than the Government of Canada and the Government of Newfoundland put together are taking from the people of Newfoundland. In short the net result, as strange as the statement may sound is that the people of Newfoundland are not paying any taxation whatsoever. The net position is that

if you could imagine the people of Newfoundland as all one man, I know they are not but if you could picture the people of Newfoundland as collectively as one man then the net position would be this: That the Government of Canada collects taxes from that one man and the Government of Newfoundland collects taxes from that one man, the Newfoundland people would pay taxes to the Newfoundland Government and the Government of Canada so much all together, call it \$50,000,000 but that one man would receive from the Government or rather from one of those two Governments, the Government of Canada more than he pays to both governments put together, therefore we are not paying any taxes. The net position is that we are better off. Now, I know the Opposition would debate that, like the old lady who visited a penitentiary and speaking to one of the unfortunate men incarcerated there said: "Remember, my good man, stone walls do not a prison make, nor iron bars a cage." He said in reply: "You would have to be hypnotized." And I know the kind of hypocritical statements that have been made in debate that the people of Newfoundland are not paying any taxes, I know the kind of play we can make on that for political purposes and they could actually say, they must have me hypnotized. But the fact is the Government of Canada pays into Newfoundland each year more money than the taxation of the two Governments together, don't take as much money out of the people's pockets as the one government, the Government of Canada, puts in. What is the estimated amount this year \$19,000,000? They pay \$10,000,000 in Family Allowances, and \$6,000,000 in Old Age Pensions that is \$16,000,000

in Health they pay one half million, three millions in Veterans Allowances and another three and a half million to the railway. Unemployment Insurance Assistance and the salaries to some thousand, I think Federal Civil Servants, that is around a million and a half, the half million for Housing this past year and all kinds of odds and ends of grants for the Department of Natural Resources, the Department of Education and they pay a large net loss on the operation of Gander; they spend something of the order of a million dollars a year to Public Works, wharves, breakwaters, lighthouses, new construction of wharves and piers and other public works, add it all up and you will find that the Government of Canada are paying into Newfoundland, to the Newfoundland Government, through the Federal Civil Servants, through the Railway, through Public Works, for Housing and all the rest of it, are paying into Newfoundland more money each year than they and the Newfoundland Government are taking out. So that the net position is the people of Newfoundland are not paying any taxation whatever to both Governments. That is the net position, if the people of Newfoundland could be considered as one man. Now that argument is at least as valuable as the argument of my honourable friend the Leader of the Opposition, when he works out the average and says the Newfoundland people are paying \$13,000,000 sales tax, a highly fantastic figure.

Now, I was very much struck by the remarks this afternoon of the honourable Leader of the Opposition on the question of floor prices for the fisheries. He had me just a little confused for a while by his having advocated the floor prices and the

Ex-Minister of Natural Resources having advocated floor prices, my advocating against and various people in favour of it and various people against it and I became a little confused and I got up and asked my honourable and learned friend what prices he was in favour of and what I was opposed to? Did he mean a floor price to be put under fish by the Federal or by the Provincial Government? Now, I asked the same question of the honourable member for Bonavista South when he spoke of it in his speech in this debate and he made it clear that he thought it should be the Federal Government, and I admired him for it. But my honourable and learned friend, the Leader of the Opposition, did not make it clear and I still don't know what he meant and no one who sat here knows what he meant, whether he meant he was in favour of the Federal Government putting floor prices on the fish or the Provincial Government doing it.

Another thing that rather struck me throughout this debate has been the sort of grinding chorus from my honourable friends across the way begun by the honourable junior member for St. John's East, to this effect: "What is this Government boasting of? What has the Government done as to building hospitals except continue the work started by the Commission? They have built some schools, but that was started by the Commission of Government—don't give them credit for that, they have done nothing."

Now there is one flaw in that argument, one serious flaw. If my honourable friends were as familiar from reading and in other ways with the history of this House, as some of us

are, they would not say this Government is merely carrying out the Commission of Government's policy, would not say that all this Government is carrying out is a policy formulated in 1932. True this Government did not originate the policy of building roads, let us admit that and if any of us are inclined to take credit for originating the policy of road building let us divest ourselves of all such pride and give the credit to the first government elected in Newfoundland and they have only to give us credit that we have not stopped doing it. We have not originated the policy of building hospitals because the first hospital was built in Newfoundland before we had a government at all. Dr. William Carson, whose portrait is the second from the left here in this Chamber who was once Speaker of this House, founded the General Hospital before there was a House of Assembly at all. So let us not take the credit for originating the policy but give us the credit for building hospitals for carrying out the policy of our great predecessor, Dr. William Carson who was also the father of road building and built the first road from St. John's to Portugal Cove in 1825. We carried out the program laid down by that first great Liberal in Newfoundland, a good solid Liberal policy and we have followed in his foot-steps and are proud to do it, but if you call us plagiarists and copyists and imitators, give us credit for being good imitators for the past two years. We were in office two years on 31 March past and in these two years this Government built and rebuilt one quarter of the eleven hundred miles of road built and rebuilt in the last sixteen years. We did that in the last two years, one quarter of all the roads. In sixteen

years the sum of \$27,000,000 was spent on roads in Newfoundland to the end of March, 1947, and one-third of that this Government spent and accomplished the building and rebuilding of one quarter of all the eleven hundred miles done in those sixteen years. If we are imitators we are pretty good ones. In the matter of public health to the end of this year, March 31, 1951, the end of the third year of office for this Government at the end of these three years we will have spent the major part of the millions spent in the sixteen years starting in 1935. So it will have to be admitted that we are pretty good imitators. Now, my honourable friend spoke of the Loan Board as also did the honourable Leader of the Opposition. The Loan Boards were not constituted until the month of November last. They have so far lent about \$90,000 in five or six loans. They were constituted in full towards the end of November of last year. Give the Loan Boards a little chance, give them a chance, they will lend the money alright when they can find applicants that they can consider favourably. They are certainly not going to lend it out right and left and centre to anyone who wants it for anything, to go fishing, to start a grocery shop, to buy a van to distribute goods. They are not allowed to do it under the Act we passed unanimously in this House, unanimously I may say concurred in by my honourable friends opposite, and that very Act prohibited them from making loans in either one of the three boards except for certain purposes and under certain conditions, that if you want to lend money for anything you can lend it in millions, hundreds of millions, thousands of millions, there is no end to the

amount of money you can lend if there is no limit and no conditions. But there is a limit and there are conditions on the money we have handed to these three loan boards. One of the three loaned \$90,000 and the Board only started towards the end of November of last year. So where is the legitimate complaint?

Now, I will talk about the Printing Plant and I am delighted to do it, and very pleased to do it and I am thankful to the honourable gentleman for reminding me of it. One of the ablest Newfoundlanders that we have produced in this Province, in this Island, is Ewart Young. I remember when he came up here from Labrador, landed in St. John's and went to work for the Daily News. He worked with them some considerable period of time as a newspaper reporter and throughout the whole period his writings were noted amongst all the readers of the Daily News as outstanding. At the same time he wrote for foreign papers, the Montreal Gazette and various other newspapers. He finally left St. John's and went to Montreal and worked on the Montreal Gazette. A poor man, a young man with no money. While in Montreal he founded the Atlantic Guardian in which, I may say, the photograph of my honourable friend, the Leader of the Opposition, appeared, as did also the members of the Opposition and the members of this party as well. The magazine has been a credit to Newfoundland—no one denies that, no Newfoundlander. It has been published in Montreal and printed in Sackville in the Province of New Brunswick. Ewart Young decided to move his publishing activities back to St. John's after a period of five or six years, and he came back to Newfoundland, his native home. He

wanted to print the Atlantic Guardian here in Newfoundland not in Sackville and he wanted a plant capable of turning out a first class printing job, but it was not only to print the Atlantic Guardian but also a number of other magazines as well, such as the Journal of Commerce for the Newfoundland Board of Trade, and the Newfoundland Lumbermen's Association magazine, and a number of other Newfoundland magazines and pamphlets and newspapers, in association with a group of other Newfoundlanders.

I think he had in the publishing establishment in Montreal several other Newfoundlanders, key men, and he brought them all back and assembled them here in St. John's and wanted a loan to purchase or lease up-to-date machinery and things like that to print it here in Newfoundland and keep the money here and employ men here. He wanted a loan to help him to do that and so the Loan Board, not the Government, examined the position very closely and carefully, I have no doubt, and making sure they had security for the loan, the Loan Board decided to advance him \$50,000. Now he will employ from 55 to 60 men in that plant. What is wrong with that?

MR. R. J. FAHEY: Will the Honourable Premier yield? I am sure this House appreciates your explanation but is the Government aware that that same Loan Board refused a loan of \$40,000 to a mine in Long Pond, Manuels, to give employment to 75 men. It is the best talc in North America and the owner was prepared to go ahead and that same board turned it down.

MR. SMALLWOOD: I am aware of that, I am aware of the whole story from start to finish. Before the

Loan Board started at all the gentleman in question was in contact with me both in person and by letter and I have taken extensive efforts to get that talk operations going, have taken strenuous efforts to do that, but there are complications, notwithstanding which, I am still trying to get that plant reopened and that mine in operation. Obviously, I am, as it is my job; that is what I am here for. But as for the Loan Board, I think quite properly, Mr. James Baxter, Mr. Frank O'Leary, Mr. Hal Luscombe, Mr. Short, the Deputy Minister of Economic Development and Mr. Callahan, if they have done it I think there is no doubt they have reasons which are probably not known to my honourable friends opposite.

MR. FAHEY: You are Minister of Economic Development.

MR. SMALLWOOD: But I am not a member of that Board or familiar with the working of that Board and I would not restrain Mr. Baxter who is well known as a former banker of the Newfoundland Branch of the Royal Bank of Canada; I would not retain his services very long if I began telling him what to do. If I began interfering in the work of those Boards, or the Government did, I am afraid it would not be long before he would walk out and we would be looking for another chairman and new members. I do not, and the Government does not, interfere.

MR. FAHEY: As Minister of Economic Development you are interested in development.

MR. SMALLWOOD: There are complications about which my honourable friend is not familiar. Now then my honourable and learned leader of the Opposition (he has left

again) spoke of the cost of living. Let us have just a little common sense about this cost of living question and try to be fair. And let us try to be objective and realistic about it. The cost of living is high. It is uncomfortably high and for some people even unbearably high. Of that there is no doubt, no room for argument, no room for dispute. But it is not as high as it would be if we had not gotten Confederation, but that will not be admitted. Would it not have gone just as high as it has gone on the Mainland of Canada if we had not joined Canada?

MR. FAHEY: That depends on where we buy from.

MR. SMALLWOOD: Wherever we buy from the prices have gone higher. Wherever you go now in the world and buy, prices are sky high and prices are higher in the United States than in Canada, we can surely agree on that, and if Newfoundland had not joined Canada and become a province the cost of living in Canada would be just as high as it is now, the cost of living in Prince Edward Island, Nova Scotia, Quebec and Ontario and all across Canada to British Columbia is not higher because we are a province of Canada, surely they are no higher or lower, they are at exactly the same point they would have been had we never become a province.

MR. FAHEY: This is going to be good, you only told the House since 8:00 o'clock all the millions the Federal Government is pouring into Newfoundland. If we did not become a part of Canada therefore the cost of living would be cheaper in Prince Edward Island and out West.

MR. SMALLWOOD: I have the honourable gentleman's point but the

gross national products of Canada this present year is twenty thousand million dollars. Not twenty million, not twenty hundred millions, but twenty thousand millions, and if they pour into Newfoundland forty or fifty or sixty millions a year, what fraction is that of the total? Surely no one will argue the cost of living has gone up in the United States because Newfoundland became a province of Canada; nevertheless it is a fact that on the Mainland of Canada and in the United States and in Mexico and all down through South America and in Central America, the West Indies, the cost of living has risen, gone up steeply and sharply—there is no doubt of that.

It is a known fact today the highest cost of living in the entire history of that republic is the cost of living today. There is even a rumour here and there that it has gone up in Great Britain and that the cost of living has gone up all over the world. Now that is either so or it is not so. Will anyone here in this Chamber deny that in the last year or year and a half the cost of living in Canada and the United States and all down through Central and South America and Mexico and on the Continent of Europe has gone up? Will anyone here deny that? Is there anyone who has not heard of it? It is known to everyone.

MR. FAHEY: It was known to us some time ago when you spent \$40,000 to make an enquiry on the cost of living.

MR. SMALLWOOD: I could not make an enquiry into the cost of living on the Mainland but rather in Newfoundland and it was more than six months ago that that enquiry was made.

MR. FAHEY: Did Confederation

bring down the cost of living in Newfoundland?

MR. SMALLWOOD: Here is the Report of the Royal Commission for January 1950. We became a Province of Canada on March 31, 1949, and that was ten months after we did become a province and here is what happened.

Decrease in flour: St. John's, 12.7%, Bell Island 11.8%, Carbonear 15.7%, Bonavista 15.7%, Twillingate 18.6%, Green Bay District 16.8%, Burgeo and Ramea 21.1%, Burin 15.6%, Corner Brook and suburbs 9.8%, Buchans and Millertown 11.2%, Grand Falls 15.7%. So that ten months after Confederation the prices of flour had dropped in Newfoundland from 9.4% up to 21.1%. Now that was a drop, not an increase, but a fall. That was flour, now take sugar. I won't read the names of places: 12%, 11.5%, 15.5%, 19%, 15.5%, 12%, 11%, 4.6%. Now, Beans: 21.5%, 21.5%, 18%, 28%, 29%, 31%, 28%, 21.5%, 32%, 28%. Margarine: 12.8%, 12.5%, 15%, 7.5%, 7.5%, 5.15%, 5.15%, 15%, 7.5%. Rolled Oats: 25%, 18%, 25%. You can't take it, stop and listen. 18%, 25%, 23%, 25%. I will say he is a good sport, Mr. Speaker, anyhow, 25%, 25%. Raising Soap, and not soft soap at that. Cocoa: Why go on? The Royal Commission brought in these prices.

MR. FAHEY: May I go now?

MR. SMALLWOOD: Clear evidence that ten months after Confederation the cost of living had dropped here in Newfoundland very appreciably. The price on dry goods on the average fell 12% to 22%. 22% less in the group Carbonear, Bell Island, Buchans and St. John's, Port aux Basques, Green Bay and Grand Falls, Decrease in materials now: Blankets, cotton 21%, window blinds 16%,



purple heather wool 16%, floor canvas 36%, linoleum 30%, broadcloth 33%, boots 23%, caps 26%, men's combinations 28%, cotton work shirts, 19%, and so on and on. All these decreases came after Confederation—ten months after we became a Province the cost of living had fallen.

MR. FOGWILL: What was the index that month?

MR. SMALLWOOD: The Newfoundland index is practically worthless as my honourable friend knows. He is well aware of the worthlessness of that indeed. Personally we in the Cabinet receive it each month but we pay no attention to it—it is utterly worthless. So that the immediate effect of Confederation was a fall in the cost of living.

MR. FOGWILL: What percentage?

MR. SMALLWOOD: 20% to 30%.

MR. FOGWILL: That is wrong.

MR. SMALLWOOD: It may be less, may be more. The position is that whether it was 15% or 30%, the immediate result of Confederation was a fall in the cost of living, there is no doubt of that, as everyone in Newfoundland knows; the shopkeepers know. In fact there was a great wail from the shopkeepers that they were going to be ruined, caught with stuff on their shelves on which they had paid duty. They were going to be ruined and one after another they came to me in my office telling me about the ruin which faced them because they had paid the duty and the new goods were coming in duty free from the rest of Canada. There is no doubt about it, the cost of living fell at once with Confederation and ten months after Confederation in January 1950, more than a year ago we felt the effect. Now it is no news to

this House that since then in Canada, in the United States and Europe and all over the world, since January of last year, the cost of living has risen steeply, in fact there has been a frightful increase. Is that news, am I making that up? Is that something I dreamed? What happened is this: the immediate fall in the cost of living in Newfoundland brought about by Confederation was shortly after swallowed up by the world-wide inflation, the world-wide increase in prices. There is no doubt of that and every honourable member knows it, every reasonable member knows it. In the United States now the index is 189, the highest in the entire history of the United States and on the Mainland of Canada, 181, the highest in the history of Canada, higher than at any time in her whole history. What would the cost of living be in Newfoundland today but for Confederation? What would it be, how would it be? How would the ordinary family live in Newfoundland? Let us picture it. First of all there would be no ten million dollars coming into Newfoundland at all for family allowances, that would not be so, and the old age pensions would be \$30.00 a quarter and starting at the age of 75, and a man must struggle along somehow until he is 75 years of age, then if he had a wife he would get \$30.00 a quarter and if no wife \$18—\$6 a month. That was before Confederation. Up to the very day we became a Province, that is what we paid in Newfoundland. No family allowance no widowed mothers' allowances, no crippled persons' pensions, and the old age pension was \$30.00 a quarter, starting at the age of 75. How quickly we forget; two years after, a gentleman can stand in this Chamber and speak for hours and not see any good at all in Confederation, not a

scrap, just crying blue ruin and utter catastrophe. Well, I won't take any more time on what my honourable and learned friend said in his speech but there are a couple of other points, I think. I would dignify a point made by my honourable friend from Harbour Main - Bell Island with a reply. He wanted to know about this business of Government spending five million dollars to find employment for five hundred men and to him that did not seem to be good business. Five million dollars. Five million dollars to find employment for five hundred men. Carry it out to its logical conclusion and here is what you get: Five million dollars gives five hundred men jobs and by the same token ten million dollars gives one thousand men work and one hundred million gives ten thousand people jobs. Now if he were Premier or if he would prefer not to be Premier but were a member of the Government and he had to cast a vote in the Cabinet—what would he do? Here is a Government that has no surplus, nothing at all, just what it is taking in from day to day and week to week and month to month on current account, barely balancing its budget, year after year, and the members of that Government know there is no surplus, no cash in the till and he is to cast a vote on this decision. Will he be for one hundred million dollars to create industry that will employ ten thousand men at full time work, would he vote yes or no to that?

MR. FAHEY: Well, in the first place I would like to put the Honourable Premier right; what I actually said was this: Should the honourable House consider voting five million dollars to give employment to five hundred people or should this House vote one million to give employment to

28,000? In other words, I uttered words to this effect, should the House authorize the Government to spend that amount when in my opinion with a subsidy of a million and a half you could give employment to 28,000 fishermen and later I added, we could give employment to 30,000 farmers and fishermen.

MR. SMALLWOOD: All right, we will reduce it now to a hundred men for a million dollars. So it is the same thing. It is good business for the Government of Newfoundland to spend a million dollars to give employment to one hundred men, full time new jobs to be created, one hundred new full time jobs for one million or five million dollars for five hundred jobs, and ten thousand for one hundred million dollars. I ask him the question: If he were a member of the Government that had no surplus, was just balancing its budget from year to year, which is the normal position of Governments all over the world, and they are mostly very lucky if they do balance their budget, if he were a member of such a government and a proposition made to float a loan for the amount of one hundred million dollars to spend on creating an industry that will give employment to the ten thousand, would he do it? Would he consider it good business from the standpoint of the Government and from the standpoint of Newfoundland? I think his answer would be "Yes."

MR. FAHEY: Of course it is yes. I would take a million and take care of 28,000 fishermen. If that were brought up in the Cabinet so would we all, gladly.

MR. SMALLWOOD: Yes, of course we would. This House when none of us were here, not one of us, this

House voted twenty million guaranteed to Bowaters for a pulp and paper mill and the British Government voted ten million principal and interest on the same, that was \$20,000,000. We took second mortgage on it and that was when Newfoundland was collecting something of the order of eight million dollars a year and could not balance the budget and did not for years and years. They did it at that time to create a five hundred ton mill which is today the biggest in the world. At that time, if my memory serves me right, the total number of employees in that mill was something of the order of six hundred, it may have been seven. That was full time. There was something of the order of two thousand men who got part time work in the woods. Now the Newfoundland Government of that day took that chance; and when I say we should spend fifty million to create five thousand jobs it is good business. The only difficulty is this: can we find enough operations, enough new industries and go on and create a hundred million dollars worth of new industries employing ten thousand men? If we find them and do it and create the ten thousand jobs and if we spend a hundred million, would it not be equally good business to go and repeat it and have twenty thousand new jobs at two hundred million and the thirty thousand new jobs at three hundred million and forty thousand new jobs at four hundred million?

MR. FOGWILL: Hold on now, you are going to have a shortage of labour.

MR. SMALLWOOD: I hope so. My honourable friend, I am sure if ever he were in the Cabinet, he would vote exactly along that line.

In the Chamber, this afternoon, there were two visitors who arrived

in Newfoundland at 2:00 o'clock this morning. They have a proposition that will employ one hundred men here in the city of St. John's at somewhere around \$250,000 or \$300,000 a year in wages. One hundred men and it will cost about half a million dollars. Would it pay this Government to put up this half million dollars to find new jobs, create new jobs for one hundred men? We have to decide that shortly. Personally I don't think we can go wrong and no country or province is in the position where it can go wrong so long as it gets industry. Industries pay for everything. The old saying: "The consumer pays for all" and my honourable friend knows that industries pay for all, taxes, schools, hospitals, roads, public services, all come out of industry. We can't have enough industries, certainly not too many and if the people have to assist these industries to be born, if to get these things started the public credit is needed to be used, what is wrong with that? What is wrong with it? I dare say if we do not do it in the course of the next thirty-five or forty years or fifty years time it will come anyhow, if there are any people left in Newfoundland to enjoy it. It is a race between new industries and losing our population.

Now, I have only two other points; just two other points to make: Neither of these points was raised by the honourable Leader of the Opposition but they were raised by the honourable and gallant member for Ferryland and some of them were raised by the members of the Opposition Party.

First of all, the honourable and gallant member for Ferryland said we had no surplus at the end of this year, that we ended the year with-

out a surplus. Now he was a former Minister of Finance—at a time when things were a lot different from today. That was the famous time when the Premier of the day sent for another member of the Cabinet, and one member of the Cabinet, a large man with a big stomach who used to smoke cigars and spit out through the corner of his mouth said to him, "So you are the one who has been giving us all the trouble and he was a good honest, decent, God-fearing gentleman who was living in fear and dread. Now these were the days they paid little attention to the Auditor General—he was a minor official. Well, a former Minister of Finance says we have no surplus. He takes up the Budget which shows a surplus of nearly one million dollars, looks at it and says: "You have no surplus." Then he goes about proving it and this is how he proves it: He says "It is right in the Budget, last year you spent more on this and that and then you figured, you took in more on this and that, about ninety thousand dollars more than you estimated in that Department, and in the Department of Welfare you took in one million more than estimated and in this department as much more." Now he said: "Take that amount that you took in, in Public Welfare, you were not expecting seven hundred thousand of that, and that should go in, in respect of the previous year." That is to say in the previous year the Newfoundland Government spent that amount on behalf of the Government of Canada and it came back in the second year, not in the first year, therefore, it is credited to the first year, not to the year in which it came. I wish he were here, how I wish he were here right now. I don't enjoy going for

the honourable and gallant member behind his back and unless he is here to enjoy it, I have no heart for it. But of all the nonsense. Take any company, Ayre and Sons, Bowrings, any big firm; they close their books say the 31 of January, the end of the fiscal year and the books are closed and they have started a new year. It is now the first of February and the following January 15, a year later they have taken in some money that was owed them by my honourable Friend the Minister of Welfare who went down and bought a suit at Ayre and Sons and they sent him a bill a month later and he forgot or did not get around to paying it, and a year later after the books were closed he goes down and pays the bill. What is Ayre & Sons to do, will someone tell me? What should they do with \$50, that was owed in 1949 but did not come in until 1950? What should Ayre & Sons do with that \$50? How should it be entered in the books? They should enter it in the year in which they received it of course, what else? But my honourable friend says no, you should credit that to the year before. Utter nonsense, open up last year's books and slip it in between somewhere. If that is the kind of public finance they used to have when he was Minister of Finance, well no wonder Newfoundland went on the rocks, no wonder a Royal Commission came out to save us, no wonder. Now, he said, there was a deficit that first year of Confederation of \$3,700,000 and now he says, "Take \$700,000 from this year and credit it to the first year and reduce the deficit of that year from \$3,700,000 to \$3,000,000 and instead of a surplus this year we have a deficit." Well, I will say I am sorry he is absent; we could have

a lot of fun with that if he were here. But let me tell my honourable friends another point about that surplus, we had a surplus of \$1,900,000, but actually we had a much larger surplus than that thanks to my honourable friend the Minister of Welfare again. There was for years past by the Commission of Government and by this Government and for our first year in office the same thing, viz., in the Department of Welfare at the end of every year there is actually quite a bit of money for relief which is paid during the following year. They do not pay in the year the debt is contracted, but pay in the following year and that runs to \$600,000, or never less than a half million. Now, here's how it happens: There are relieving officers in some parts of my district, and in all districts who issue relief to the people who need it and these bills finally circulate back to the Department of Public Welfare and they issue the cheque in all cases. But what happened was, by the time the year came to a close the financial year, there was a large amount of money still not paid off, as bills were not sent in by the local outport merchants to the big business on Water Street, consequently they had not been sent in to the Department and they are outstanding. It is never less than half a million when the year closes. But how much do we have now? Now not a dollar. We caught up with that in the past year that is another half million which added to eight hundred thousand which is our real surplus in this year past on current account. We caught up with that and started the new year not owing a dollar. That is good financing, that is good business and that is what we did. But it was not so in the old days. Every

year they came into this House with a money bill to get authority to go out and borrow money, eight and ten million dollars each year and every year without a break for twenty years. They did not fail once in twenty years to seek authority to go out and borrow money in New York in Montreal and always the Bill said "Capital Development." What was capital development only a polite way of fooling financiers in New York and Montreal, asking them to lend money for capital development. Were the brokers fooled or not? We don't know, but the time arrived when they would lend no more and we went broke. Year after year there was a deficit and an Act was brought in to go out and borrow money. But they could not borrow on current account, therefore it was for light-houses and this and that and the other thing, all capital development, trying to hide deficits year after year after year on current account and by juggling, by manipulating financial figures they got away with it for many years. In those days the system of auditing was absurd and ridiculous. There was really no system of auditing, no system of financial control. Why in those days the members would sit around this Chamber here and the members of the Opposition would say to the members on this side, "What are we getting this year?" A quarter of a million dollars for all Newfoundland for roads. Do you know what was done with it? The Government handed to each individual member of the House the individual money of his district—handed it to him and the honourable member for that year put it in his pocket, went down to his district and said to some old man: "Here is a hundred dollars, now you hire some fellows and fix up the road."

The old man took the money, hired two or three or four people and paid 30c. an hour and got five or ten dollars for himself. If he took the money and put it in his pocket and did not spend a dollar in his District he did not go to jail, and it happened right here in this Chamber, it was done by a member of this House of Assembly. He was given his district money for roads and the district never saw a cent. That was the kind of finance going on, when my honourable and gallant friend was Finance Minister. It was very suspicious. We were living in another age, but it is gone and this new system is here; before that there was neither head or tail. No wonder he is not interested and hardly bothers to read the Budget, this system is gone way past him and he does not understand, control of the Treasury and a new system of auditing, and new conditions. He does not understand now or appreciate it but there is no fun in saying that when he is not here. The good old days, the good old days, those glorious traditions ! ! !

My friend opposite had me feeling very shy and embarrassed here a number of times and I felt like getting up and apologizing to the House for having a surplus. They actually berated us for having a surplus, saying we ought to be ashamed of it.

MR. RUSSELL: For last year, not for next year.

MR. SMALLWOOD: Our honourable friends opposite made us feel we should get up and apologize to the House and the Province for having a surplus of eight hundred thousand dollars. I wonder if the same honourable gentlemen would be congratulating this Government today if we

had a deficit? How they would make the welkin ring if we had ended the year with a deficit I know one honourable gentleman in this House who got the surprise of his life though it was not as great a surprise as it might be if I had not tabled the answers to questions on revenue and expenditure for the year. When my honourable friend, the junior member for St. John's East, tabled a question in this House as to the expenditure and revenue of the government for the first eleven months, I tabled the answers which showed a deficit of one million dollars. But he subsequently tabled another question as to the revenue and expenditure for the month of March 1951. I will tell the honourable gentleman, I hesitated and delayed in giving that answer as I wanted a surprise to come to a certain gentleman. But in the end I brought down the answer and that honourable gentleman was quick witted enough to see it at once, he saw it and so did my honourable friend see it too.

MR. FOGWILL: Long before that, don't fool yourself now.

MR. SMALLWOOD: For the first eleven months we had a deficit on the actual record at that time of a million dollars, but when we came to account for the final month we had a surplus of a million dollars, so that we dropped a million in eleven months and ended up with a surplus of a million dollars. They thought we would balance our budget but one thing the honourable gentleman did not anticipate was that we would end up with a surplus of nearly a million dollars. That is the last thing anyone expected.

MR. RUSSELL: Including the Government.

MR. SMALLWOOD: I told the same gentleman in the month of January that we were going to balance our budget, and he did not believe me and I knew by the end of March that we were going to do more than balance our budget and I announced in the Cabinet that we would do more than balance. Now so much for that. We don't apologize for the surplus for we are proud of it and sorry it is not bigger. Sorry, that instead of being able to place nine hundred thousand accumulated to spend on economic development and development of social services, we were not able to put a million there, and sorry it is not two million rather than approximately one.

Now, when this current year is ended and someone brings down the Budget a year from now, I wonder what stand my honourable friends opposite will take then. They will only be rehashing the old stuff if there is a deficit but will they remember berating us for a surplus, will they remember they berated us, almost demanded we apologize for having a surplus? Will they remember that if we have a deficit a year from now? Well I would not want to give them that pleasure.

Now one final point, and I am through. This point I would like to make very clear, as clear as I know how to make it. When Bowaters at Corner Brook decided to put in that paper mill machine and to install other machinery in their mill so as to increase their output, their production, where did they go to get the money to do it with? They went to the Bank of Montreal for \$12,000,000 and with that borrowed money they enlarged their mill. When Dosco decided to enlarge their

mines on Bell Island, what did this company do about getting the money with which they wished to enlarge and improve their mine on Bell Island? They went out and borrowed it. When the North Atlantic Fisheries here in Newfoundland wanted to establish a new industry at Grand Bank, what did they do about getting the money? They went out and borrowed it or at least part of it. When John Penney and Sons in Ramea wanted to build a new dragger, what did they do about that? They came to this Government to borrow the money and we were very happy and proud to lend it and when various other firms wanted to expand, what did they do about the cost of the expansions? They borrowed the money. Now that of course is a perfectly normal and conventional thing to do. If firms did not do that there would be no bond houses in the world, there would be no need of those bond houses and financial houses, and banking systems. If the normal way of expanding financially speaking were to do it out of current revenue, there would be no bond houses and the great insurance companies would have no outlet for investing sums of money that accumulated from their policies. If those companies had to wait until they could, out of their own profits, slowly accumulated year by year, finance their expansion of the mine at Bell Island and the Steel Mill at Sydney, if they waited out of their own savings year by year to do that out of current account, then there would be no expansion in Bell Island nor in Sydney and if Bowaters waited to build up year after year out of ordinary income enough to finance the extension of their mill, they would wait a long time and but for the fact that it is normal and conser-

vative, ordinary and usual to finance expansion and development out of borrow money, then expansion would be on a microscope scale and indeed industry and commerce would come virtually to a stand-still. We would have stagnation instead of expansion. Whatever we may say about these organizations, these great financial institutions, they are the means of industries expanding and going on. Now these private companies, Harvey and Sons, Chester Dawe, Dosco Co., Bowaters, John Penney and Sons, North Atlantic Fisheries, S. W. Moores, North Eastern Fisheries, Arthur Monroe, Fishery Products, all those are existing companies, how did they expand? How did they go in for capital development except by borrowing the money to do it? That is the first point. The second point is: That is how Governments normally do it. That is the normal way for Governments to do it. That is how a Government expands. If prudent, a Government is expected to raise enough every year to pay its ordinary current account expenses. That is what a Government is expected to do, indeed if the honourable House cares to take time off and read some of the history of public finance, the House would discover this fact. In this, my honourable friend the member for Bonavista South is more correct than any. He is more correct than he realized. The principle of public finance is this: that a Government ought not to collect from the people in taxes, money for capital expenditure, for instance this Government gets from the Government of Canada sixteen millions for which it does not have to tax the people, we get that handed to us this year, \$16,000,000. But a Government ought not to collect by taxes

more than just enough to balance its Budget on ordinary current expenditure account, that is to say operating account, and if there should be a surplus as a result of taxation on current account revenue over and above current account expenditure there is only one thing to do and that is to reduce taxation because the Government is supposed only to tax the people enough to raise by current revenue sufficient to meet current expenditure. Now that being so, one can see how unusual it would be for a Government to try and finance extension of capital development, capital investments out of current revenue because current revenue is supposed to be only enough to meet current expenditures and if there is more the Government is supposed to reduce taxation. Now, that principle goes back into antiquity under our British Flag.

It is normal, I say, for private firms and for Governments to finance capital development, capital expansion by means other than current revenue, and everybody in the world is happy when the Government takes in enough money in the year, in current account, to square its account on current expenditure, making the account balance. Talking about apologizing for a balanced Budget, formerly and during the Convention we talked about current account, that is all we talked about and asked did the Government balance its Budget? The Budget can and should show only one thing, current account, yet the Daily News came out the morning after the Budget Speech with a headline "The Government Ended the Year with ten and a half million deficits." It has been a long time since we have had politics in Newfoundland, and a lot of young men,



young newspaper men have grown up without the advantage of having listened to my honourable and gallant friend the member for Ferryland, while he was Finance Minister and a series of Finance Ministers and without studying the subject of finance, so we can imagine a headline writer quite sincerely writing in his newspaper there was a deficit of ten million dollars. This Government has a surplus of \$903,000, because it has an understanding of the essential division of surplus and current account. A Budget deals only with current account on expenditure and revenue and either balances or does not, shows a surplus or deficit or is exactly in balance, nothing else, surplus account is something entirely different. Now what happens is this: Here are several Budgets from different provinces across Canada, and what they have done is this: Take the headline across the Evening Telegram of yesterday, I clipped it here in the House: Victoria, B.C., the government of British Columbia expects to borrow between forty and fifty millions in the United States. Required, yes the funds are required, to meet capital expenditure. Now that is about the same amount as we are spending relatively, our population related to theirs, about the same amount the Newfoundland Government is spending on capital development. They are borrowing it. Will the newspaper in British Columbia, in respect of this year, denounce the Government and say if, let us say the Government have a surplus of a million dollars and they borrow forty millions during the year, will they come out and say the Government ended the year with a deficit of \$51,000,000 or \$41,000,000 or \$49,000,000 as they borrowed \$50,000,000? But if they had

a surplus of a million, would the newspaper be so silly as to come out and announce a deficit of \$49,000,000? Of course not. They had a surplus of one million dollars. Are they to take up the Budget Speech of the Government of British Columbia and say, here is the Budget Speech and then take up capital account and treat them as one account? No, they separate them, one has nothing to do with the other. Capital Account has to do with surplus and is always spent for capital account and there is quite a distinction between current account and capital development. The same thing applies to all the Budget Speeches I have here. If the Daily News comes out and talks of a deficit last year after we have shown a surplus of nine hundred thousand, and if we have spent some of our accumulated cash surplus and taken in some and they added the two and subtracted nine hundred thousand dollars and get a deficit of ten million dollars, it is absurd and contrary to all common sense concepts of public finance and there is no head nor tail nor sense to it. Take Nova Scotia, New Brunswick, Quebec, Ontario all provinces of Canada, how do they build roads, how do they get their hospitals? Prince Edward Island has more roads than we have here, how did they get them? How did Nova Scotia get her roads? How do the Provinces of Canada expand and develop these resources, by paying out of current account? No, they pay it by borrowing. That is why it is we have a public debt of only \$14 a head, and New Brunswick \$267 a head. That is why they borrowed to build roads, build schools, hospitals. We are not doing that but the day will come when we will, like them, but not now

—we pay it out of our accumulated surplus but the time will come when we will borrow again and if we do so we are doing what every government in the world does. Now, I will live to see the day, I have no doubt, when the Government of Newfoundland will borrow, but this Government won't do it. Let me make that plain, this Government will not borrow because the Government has a surplus but the day will come in Newfoundland when other Governments in Newfoundland will borrow, and so take their place with all the normal governments of the world. Mr. Speaker, that is all I want to say about the Budget Speech, we are very proud after the dislocation of the first year of Union, which was a great and historic day in the history of Newfoundland, after four and a half centuries of going along or trying to, we merged our identity with that of Canada which was a great shock to the sentimentality of some of our people but even more of a shock to the public economy and finances of Newfoundland, suddenly to find ourselves a Province of Canada, suddenly to find ourselves without all the normal and ordinary sources of revenue to which the Governments of Newfoundland long were accustomed, suddenly to find ourselves not knowing where we were, and after a year of that adjustment and dislocation, at the end of the year we had a deficit of \$3,700,000, of which a great amount was contracted by our predecessors and paid by us out of accumulated surplus. Now at the end of the second year, this is our first complete year, when our Budget is unaffected by the dealings of the previous government we ended this year with a surplus of practically a million dollars and budget for practically a mil-

lion in this year. We are proud of that, we worked hard to do it and there have been times without a doubt, within the last two years when this Government felt they were just a pack of galley slaves working night and day, Sunday and Monday, day in and day out, no relaxation, no holidays, just work. I don't know if men were meant to work like that, like galley slaves, but we punched in two years of it and we are exceedingly proud now that we have ended our year with a surplus, and we are budgeting to end the coming year with a surplus.

Now, Mr. Speaker, I repeat what I said at the outset, here in this Chamber, we fight and snarl at each other and scratch and row and fall out and become bad friends and patch it up and become good friends again, but over-riding all that, one thing is enduring, people change, we come and go and get elected and get defeated and run again and get kicked out and all the rest of it, but one thing is enduring and that is the people of Newfoundland, the ordinary common people whom I like to call the toiling masses because they are masses and they do toil and work hard—sober, frugal, industrious, simple, not complicated, not sophisticated, but hard-working, simple people with simple tastes and in that I know my honourable friend the Leader of the Opposition agrees with me a hundred percent; good stock, good breeding as fine as you get anywhere in the world, deserving of a break. It is for them surely we are here in this House. It is for them this Government are here—working for them, the people we sprang from, the common people, ordinary people. I know, God help me, there is nothing of the aristocrat about me, not a trace, not a drop of blue

blood in me. All my brothers are working men, working with their hands at common ordinary jobs, ordinary people, common people, working-class people. Other men here in this Chamber came from families of fishermen, some of them had a bit of luck, and became school teachers, the others are probably from a small family and got a better break but all of us, who are we? There is not an aristocrat amongst us; rolled all in one, we would not make half an aristocrat, the whole lot of us. The most aristocratic man here is the Minister of Health.

HON. JAMES R. CHALKER (Minister of Health): That is not fair.

MR. SMALLWOOD: Well, my honourable friend and I have one thing in common—pigs. I raised them and he killed them. I got in their pounds and swept them out and I don't know of any life that is more down to earth. You won't ever know until you have gone in and swept out after the pigs. Four years ago I was doing that, just four years ago. With a big broom and mop cleaning up and sweeping out after the pigs. I remind myself of that every now and then, so that I won't get a swelled head. I keep reminding myself that just four years ago I was cleaning up after pigs, a lot of them, six hundred of them and spending the day cleaning up after six hundred pigs is not one bit aristocratic, and before that I cleaned up after a thousand hens. I went into the hen business and it took me one entire day to clean out hen houses, often a thousand hens, a lot of work just to clean out the hen houses, and I am afraid I took Sunday to clean out; that is four or five years ago.

MR. HIGGINS: What happened to the pigs and hens?

MR. SMALLWOOD: That is a long story and if it were not as late as it is I would entertain you with that story. It is a sad story, I lost my shirt. The pigs got cholera and were all carried away.

Well, here we are and it would be nonsense for any of us to pretend to be anything but what we really are, all very common people, coming from very commonplace families and not very far removed from them, not a very wide gulf between us. Some of us may walk out of this Chamber into ordinary simple homes. I am a little bit ashamed of the house in which I live. It has thirty-two rooms and I need a guide to get around. I heard one day a family had moved in there two weeks ago and I did not know they were in the house. There is even a wine cellar. Well, let us keep our feet on the ground and remember we are just very common people and we can be flung out on our ear and be looking for a job the year after next, after the next general election; if we are defeated we are back where we began. We remember that here on this side and there is no trash or nonsense amongst us. We keep our feet on the ground and remember who put us here and what is expected from us and who can put us out when they feel like it. If we remember that, we will stay here for the next twenty-three years. Two years have gone and we have twenty-three to go, if we remember that. Just so long as we are true to the people they will send us back here.

MR. SPEAKER: The motion is I shall now leave the chair.

MR. CHAIRMAN: The Committee on Ways and Means have considered the matter to them referred and asks leave to sit again.

### Orders of the Day

Committee of the Whole on Supply.

DR. POTTLE: Mr. Chairman, I am not quite sure how far the committee has progressed.

MR. CHAIRMAN: We had allowed Dept. of Natural Resources, Health, Public Welfare, and Supply to stand. If the Committee agrees we could begin at 1101—Public Welfare.

DR. POTTLE: In making such a motion, Sir, I take the liberty to make a few remarks as a preamble, to the estimates as a whole for the Department of Public Welfare. In presenting the estimates we have striven to maintain the standard and the services set out last year, changing them only to the extent required under the statutes where the number of applications increased from month to month, and in the second respect with regard to regional welfare services, a service to which the House agreed last year and voted sufficient funds to maintain the service as set up last year under statutes. These are the services shown under 1106 which by stages is substituting for services under 1019, namely relieving officers. That change started last year and has been maintained throughout the year and we have just about gotten half way through the change-over, so that we have to provide for the remaining services under relieving officers who will eventually drop out and be replaced by regional officers. Now when we come to that regional welfare service under 1104 it shows a substantial increase to be set off against 1109 where, as indicated it will gradually decrease and it is now anticipated that in the course of the present year the relieving officers will vanish altogether.

Under 1108 there is substantial provision under 03 having to do with

children in foster homes, where I may say we provided last year \$125,000 of which only \$60,000 was spent, but we have maintained the vote at \$125,000 because by Minute of Council the Government approved a new rate for foster children. The Committee may have considerable more details if it wishes.

Now, Sir, the orphanage grant 1115: The vote last year set a total of \$45,500 and this year it is set away back to \$43,000. By Minute of Council since that item was set up it has been agreed that the rates to orphanages per child would be increased, normal but important increases because it is a matter of principle, for \$10 a month per child to \$12.50 per month per child. That is a contribution by the Government toward the monthly maintenance of children in orphanages.

Now, Sir, there is not much more detail, I can give further information, as we proceed. If the Committee will agree, we might pass 1101.

1102—Deputy Minister salary scale adjusted to new scale. Director of Professional Training, amended scale \$3,500-100-\$4,000.

Motion carried.

There was one male clerk upgraded to Administrative Officer. The post was filled in the course of the year and is now down in the estimates as such. One Grade 2 Clerk has been added and one additional shorthand typist.

1103—There is a reduction in this section due to the centralization of accounting.

1104—There is an increase of one in the staff. The fact is the person designated as utility man was already on the staff as a temporary officer. He

has been carried by the department for many years on a temporary basis from month to month, and is now set down in the estimates as an officer. It is not a real increase in staff.

1105—This looks again like an increase but the fact is if you note on page 78 there is a similar service we operate. We operate jointly with the Department of Health and share the expenses, last year on the basis of 1/6, this year it is more realistic because we have the real proportion of service the Department of Public Welfare takes to the total service. The proportion is  $\frac{1}{4}$ .

1106—This has to do with Welfare Services and the table is given on page 92. Now this should not be looked at it by itself, but we should look at the total services which is partially under relieving officers. This, I may say, is a maximum number because we did not want to take any chances and we have left the relieving officers long enough to the job for the new men to become familiar with it. There is just one point. The estimates last year provided for fifteen which carried us along, I believe, not too badly. For travelling, the original estimates had down thirty-five thousand but in a moment of weakness I cut back my estimates to twenty-five thousand. Am I likely to hear some very critical comment if I suggest it might be raised to thirty thousand? We won't travel any more. It is just a matter of not having to come back for a supplementary supply. Twenty-five thousand deleted and thirty thousand inserted.

MR. RUSSELL: Do you realize what all this is doing to the proposed surplus for next year?

MR. HIGGINS: Why apologize

about the increase? You act as though it were for yourself or something.

DR. POTTLE: I am that kind of person.

1107—This is divided into two parts, salaries to begin with on page 92. Again it looks like an increase. What we have done is put a number on the temporary staff, five in fact, who were under extra assistance which you will note was cut down to \$2,070. What we have done this year is cut down the number of the temporary because the work of the board is stabilized now and we have absorbed temporary staff, not necessarily the same people, into the main staff so that it is not a real increase.

Now, Sir, under 1107-03 comes the state allowances. Last year we voted \$2,390,000. It was a shot, we may say, out into the unknown, as we did not know what the actual expense was. We budgetted for \$1,265,000 and the actual expense was \$1,420,000. We have budgetted this year for \$1,500,000. Last year we budgetted for \$1,125,000 for Mothers' Allowances which was a remarkable estimate. We spent \$1,112,000. We are budgetting this year for \$1,250,000. That is all the comment I have on 1107. The Committee may have details if it should want them.

Carried.

1108—Child Welfare, Staff on page 93: The Committee raised a point regarding the Director of Child Welfare. There will be a reorganization relative to court services and a Bill will be introduced shortly, has already been introduced to the House for second reading for family courts. This reorganization will affect the position and status of the Director of Child Welfare, original salary was \$4,000-100-

4,800, which has been set back to \$4,500.

MR. RUSSELL: Why, if it is the intention to take another function?

DR. POTTLE: It is the intention eventually to have someone there on the \$35,000. It goes back to Division Head Statutes.

The staff dropped from 20 to 18 because there had been kept up one or two positions there that did not need to be filled.

Now, 1108-03—Maintenance of foster children: Part of that vote we may say is given to the Salvation Army home for girls, which houses about thirty girls or so. We pay for the whole amount of time \$1.00 per girl and 50c. per day per child, while the mother is living there and 75c. per child after the mother leaves. The total amount is somewhere around \$15,000 to \$20,000 a year. About 75% or 80% of the total cost of the building.

MR. FOGWILL: I would like to ask the honourable Minister in respect to foster homes, is there not in fact two other foster homes being operated more or less by a grant or money in respect of each child kept there? How much does the Government contribute to the children there?

DR. POTTLE: It would go into hundreds, but this would be a guess. I can get it for you from the Director of Child Welfare's Report which was circulated here. On page 10 of last year's report of Child Welfare the number of foster homes has increased from twenty-seven to one hundred and twenty-eight and the number of children averaged 2.6 per home last year.

MR. FOGWILL: Is there not one or two homes you maintain?

DR. POTTLE: I know it is not to our credit, but we have begun a campaign for foster homes: you have probably heard it over the air. It is a welfare problem which tends to concentrate on St. John's and we have difficulty finding accommodations in St. John's and we are doing all we can to put children in homes outside but it is difficult to get the children in the outports which we want to do.

Carried.

1109—Salaries on page 93: The decrease is due largely to the relieving officers and in that we have provided for twenty relieving officers full-time. That will vary in the course of the year, downward, as they are substituted by welfare officers. Travelling is again down as a result of the welfare officers being appointed. We have split the relief vote in two, relief persons as such and relief under board and lodging which is not statutory, so as to show the hard core of relief payments under 03, 04 will appear more realistic.

MR. RUSSELL: May I say the great amount voted last year was all spent or over-spent.

DR. POTTLE: Last year the amount spent was \$1,862,000. It would not be advisable to indicate more than that amount to be spent on relief this year.

MR. HIGGINS: How do you work out the average?

DR. POTTLE: On receipts on the basis of pay cheques. As you know we have to take the whole problem into account. 05, \$100,000 that is to maintain people for a short

time who do not qualify for statutory allowances, but for perhaps a couple of months when they are utterly out of action but do not qualify under statutory allowances. We have all kinds of special cases where people need to be supported for a little while, for instance while going to hospital.

MR. FOGWILL: What section does it come in under?

DR. POTTLE: Normally under 03 or under old age pensions.

MR. FOGWILL: The point is this, Mr. Chairman, there are quite a number of people covered there.

DR. POTTLE: We have a great number of people aged and infirm whom we board and we have from three up to ten in a house as members of the family.

MR. FOGWILL: I happen to visit a boarding house where the people kept there are ill, and I want to point out that I hope the Department has sufficient inspectors to see that those people in those places are looked after. I visited one place last winter and the conditions there were not all they should be, in fact there were very sick people there, patients tubercular and none too particular.

DR. POTTLE: That would be in the St. John's area. We have in the home for the Aged and Infirm a number of incurable people sent over to us from the various hospitals, the General and so on. Now what we try to do is get as many of these people out from the institution as we can but in doing so we do not always remedy the condition, as we have an appreciable number still waiting to get in and if we had more homes we should be able to solve the problem.

MR. FOGWILL: I would suggest to the honourable member that if they have not sufficient inspectors to inspect these places, I recomemnd he employ a couple more in that respect as I know it is necessary.

Carried.

1110: Salaries on page 93: Again it looks as if there is an increase, but that is not the case. There are, as you can see from extra assistance the vote has been reduced but we have absorbed into the staff, people who were last year carried as temporary. There is a change made in line two: We have employed a clerk, grade I, who assists the Chairman and is the office manager. The expenses are down for the reasons I gave just now as more of the work is being done by welfare officers at large. Office expenses are up, as last year was quite speculative as the House well knows. On statutory payments these figures are fairly firm. Last year we had set the old age pensions at \$4,900,000 and this year we have set the old age pensions at \$5,600,000 and \$150,000 for the blind, making a total of \$5,575,000 against which we received a Federal grant of \$4,312,000. They come on at the rate of 30 every month, people becoming 70 at that rate. We have an increase of 317 in the blind; these are increasing fast because of the examinations.

Carried.

MR. HIGGINS: 1111—In the staff here, are these registered nurses?

DR. POTTLE: Yes and no.

MR. HIGGINS: It is a small salary for a nurse.

DR. POTTLE: They live partly in and partly out and they get an allowance for living out.

MR. HIGGINS: I notice a seamstress at \$700, is there a lot of work all the time?

DR. POTTLE: That is the standard salary through the service for such work.

MR. HIGGINS: Is there no living allowance outside?

DR. POTTLE: It is a part-time job and as a matter of fact, I am not sure, I believe the seamstress is an inmate.

Now, Sir, there is an increase of staff, mainly the result of people on eight hour shifts.

MR. HIGGINS: Are these people bed-ridden?

DR. POTTLE: The ones there now are bed-ridden or in the ambulatory or if they can be at all they are let out in homes, such as they are.

MR. RUSSELL: Is there no possibility of a new building being built? I discussed it with the Minister of Public Works, if one were built for \$5,000 what difference would that make to the comfort of the inmates?

DR. POTTLE: As long as we have the present building we will have to keep up the present staff.

MR. RUSSELL: With a new building perhaps more.

MR. HIGGINS: That depends on the type of services set up.

DR. POTTLE: It is our aim to set up a one story building, easy to get out of in case of fire.

MR. FOGWILL: How many people have you out there now?

DR. POTTLE: Anywhere between 118 and 122.

Motion carried.

There is no particular change in 1111, 1112, or 1113, or 1114.

Motion carried.

MR. HIGGINS: Do orphanages get the family allowance?

DR. POTTLE: No, they are not considered as homes within the meaning of the Family Allowance Act.

MR. FOGWILL: How many boys are in the training school?

DR. POTTLE: About 42 on Bell Island and about 14 at Whitbourne. The number fluctuates and I can't say exactly at the moment. Somewhere around 55 altogether.

The Committee rose, reported progress and asked leave to sit again.

It being now 11:00 o'clock the House adjourns until tomorrow at 3:00 of the clock.

FRIDAY, May 18, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

Honourable the Minister of Finance to ask leave to introduce a Bill "An Act to Provide for the Operation and Control of a Fund to meet in Whole or in Part the Cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard,"



Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Committee of the Whole on Supply.

MR. SPEAKER: Leave was given yesterday that this Committee sit again today.

HON. DR. H. L. POTTLE (Minister of Public Welfare): 1114—Girls' Home and Training School: There is no change except in provisions. Details on page 94.

Carried.

1115—Orphanage Grants: I gave notice last night, Mr. Chairman, that since the votes were set down as they are now, a minute of council has approved the raising of the contribution of the Government to denominational institutes from \$10 per month per child to \$12.50 per month per child. That is a direct contribution and has no direct relation to the overall operation of the institution, in view of which I ask that last year's vote be restored. Now this grant is for children already in these institutions. I suggest therefore that the amount be restored as set down last year. The amount actually spent depends upon the number of children in the institutions, it does not increase the number of children if we increase the funds.

1116—Miscellaneous: Most of this item is a continuation of last year. There was a sum of \$10,000 which is out this year. I will come back to this in a minute. Assistance to shipwrecked crews is a nominal sum which may or may not be required. This is a Federal Responsibility which we may have to work out with the Federal Authorities in case of emergency, but it is a symbol of our intent

to help in such emergency. 07 and 08 are largely revotes not spent last year. 05: Miscellaneous: The Government is aware of a number of voluntary bodies, I could name one or more of these bodies who might legally be helped through Government assistance and that we might be in a position to encourage these organizations as we may see fit; the vote has been set down at \$5,000 more. That is the only change suggested under 1116, Sir.

MR. FOGWILL: 1116-09: Would the Minister explain that?

DR. POTTLE: Under 09—Professional Training—contains such items as these: There is the matter of bringing in our Welfare Officers for training for about two weeks. We did this last summer and that course of training was given by members from the Canadian Department of Welfare at Ottawa. This year we hope to lengthen out the school instead of sending our pupils abroad for a year or two to bring all together here in St. John's. That provides for travelling expenses and hiring of persons to do the work of teaching the courses.

MR. FAHEY: I would like the Minister to give us an explanation on 1116-08: Welfare Surveys.

DR. POTTLE: I indicated yesterday, in my address regarding the Budget, what was involved under 08. We hope in June to have a team of probably two people from the mainland in the field of public welfare to come here to conduct surveys of public welfare with a view to two or three things: To determine what scale of public welfare in keeping with our capacity to pay and suggest to us the nature of the legislation we should have in that service.

MR. FOGWILL: 07: Education, etc, of the blind, deaf and dumb. Does that just mean academic education or does it include vocational education?

DR. POTTLE: That vote takes care of about 70 children in institutions, one in Halifax and one in Montreal. It is vocational in the narrow sense of the word. We take them very young and hold them as long as we can at a cost of nearly a thousand dollars a year per child.

MR. FOGWILL: The reason I raised the point of the deaf and dumb; the blind people do get some vocational training and many are in useful occupations. Now, I am acquainted, myself, with several young people who are deaf and dumb and some of them are very bright. In fact, there are some very smart young people among those deaf and dumb who have no occupation. I suggest to the Minister if it is possible, for him to consider a certain sum on account of vocational training for those young people who cannot work at ordinary work. For instance, the blind are occupied by quite a lot of work; the deaf and dumb, whom I am personally acquainted with, are very unhappy because of the fact they have no work and they are handicapped because of being deaf and dumb but they are healthy and able to work.

DR. POTTLE: I consider that an excellent point, and we all feel that the handicapped persons, which include the mental defectives as well, are given very little systematic attention. Mental deficiency alone is a very considerable problem and we have not near the return in many educational institutions because many defective children are clogging up the system through no fault of anybody but it is

largely a question of cost and being overloaded. As a matter of fact it is difficult to find means to do it all.

Amendment in 1116-05: That \$5,000 be changed to \$10,000.

1117: Family Court: If the Committee needs any explanation here I shall be glad to give it. There is a Bill already on the Order Paper for setting up of a family court in St John's to take the place of the Juvenile Court. The judge will be a magistrate. The provision is not a token provision, it is the full provisions anticipated. As indicated from yesterday's discussion he will take over all domestic concerns from the magistrate here who is not full-time.

MR. HIGGINS: Where is it placed?

DR. POTTLE: In the second floor of the Miller Building, set aside for that purpose.

1118—Detention Receiving Home: This is not a token provision either but more like a realistic provision and is set down at \$2,500. That is the Home in St. John's which is taken care of by a competent man and takes care of children picked up by the police or any emergency who need special care. We have tried but have not been able to secure any such home but the provision is there in the hope we can, and will be reserved for children who have deserted their homes under any kind of emergency.

The total will be affected by the amendments.

Carried.

HON. LESLIE R. CURTIS (Attorney General): I understand the Chairman of the Committee reports item by item to Mr. Speaker, reports Wel-

fare Department so much, and I think it would be well to make the total.

DR. POTTLE: I can give you a pretty close approximation.

Carried.

MR. FAHEY: I would like to get one point clear, there was an amendment last night making an increase of \$5,000 and today's increases make a total of \$11,700. Now, I understand later we will have the Appropriation Bill brought in, which will have the corrected total which will be taken again for each Department and these will be the true totals having been checked by Finance. As I understand it the totals here are just tokens. How is that done, does the Committee or the House give the totals to the Department of Finance?

MR. CURTIS: We pass the individual item and the actual total is only a matter of mathematics but we pass each item separately. The Ministers' salaries have not been altered in the totals, but the increments have been just put up one scale. The true totals will come in with the Appropriation Bill. These have to be put again before the House, this is just a token vote, it is not customary and it is not necessary to do it now.

MR. FAHEY: Why pass on a token vote if the amount can be altered in bringing in the real estimates? If we pass a total here, I don't see how the Department of Finance can change that, unless we alter the totals as we go along.

MR. CHAIRMAN: There will be an Appropriation Bill come in here and we will have to vote on it. All the Department of Finance has to do is add up the totals. We cannot add

up the totals as there are one or two items we are not quite sure about so therefore we just pass the scale.

MR. FAHEY: Does this Committee or the House notify Finance that we have changed certain items as we go along, which gives them authority to alter the total?

MR. CHAIRMAN: Yes.

Department of Natural Resources:

DR. POTTLE: I might say by way of introduction that I will need all the forbearance of the House as I struggle along.

801: Minister's Office.

MR. RUSSELL: Mr. Chairman, speaking to 801, the Committee will no doubt not be surprised to find me making some comment or showing some interest in the Estimates with regard to the Department of Natural Resources. After all I was very intimately acquainted with the Department for a considerable time. But I will relieve the minds of the Committee by saying that after I have made a few comments on 801, I will make no further comment whatsoever on any other item in the eight hundreds. I know them intimately, studied them, but apart from this one item I am not going to make any further comment. I think there are two or three posts there a bit increased, maybe the importance of the posts justify that and I am not going to pretend I am indignant because there has been nothing done about the others. It would be pointless as the Committee is well aware, and everyone is well aware, a private member has no right to move it anyway so why try to make a virtue out of necessity. There are two or three policies there that I have been connected with in their

early stages which I note have been curtailed a little, I refer to land clearance and mine development, and I have good reason to believe there is ample justification for that because we lack the assurance of certain Federal assistance, which we hoped to get, so I am not going to take up the time of the Committee other than to remark on 801: I am going to favour that proposal with one slight reservation. I have been asked by a number of people outside on numerous occasions as to who I think is going to be appointed to that position. I have answered as I answered long ago when curiosity was expressed about another position; it is entirely the Premier's prerogative to recommend to the Crown who he thinks is the best and most suitable for the position. I am glad to see the post is likely to be filled and I would support whole-heartedly the filling of the position. But I wish to say a few words to the honourable gentleman who will fill it. I have no idea in the world who he is but I wish and I feel that if he will not regard what I am saying as sort of woolly headed or homespun homily, I feel that after I have completed what I have to say I might have still more reason to support his appointment, whoever he may be. The man who takes that position, Sir, is going into a position where there are some bright sides and some not so bright, is going into an old and well established Department where divisional heads and people in general, heads and sub-heads, have been there a long time and are thoroughly familiar with their work. In fact the Department is a machine, an efficient machine, and the Minister will find that his most important work is to step up that machine sometimes or to turn it this way or that

way in accordance with the policy of the Government of which he is a member. He will find another bright spot. He will have with him a private secretary who is certainly as capable, if not more capable, than any other private secretary in the Departments of the Government. She has been there a long, long time and carries around in her head probably more knowledge of the history of Government activities during recent years than any other public servant, with the exception, of course, of our one and only Bill Carew; he will find she is there every morning at about eight o'clock and by the time he arrives at nine o'clock or ten o'clock the days work has been made completely easy for him.

Now, Sir, those of us who have lived around outports where there are big fishing businesses have heard the local talk with reference to the employees of that business. Some are outside men and some are inside men and I suppose in a Cabinet, Sir, there are outside men and inside men, and I want to say this, in my opinion, Sir, the Minister of Natural Resources is one of the outside men. If I am here a year from now I hope to be back and hear the Minister of Natural Resources' experiences. And if he says he spends seven days a week, year in and out, in the office all the time, I will tell him to his face he has not done his work. The work of the Minister of Natural Resources with an efficient well trained staff is very easy in so far as the office work is concerned. It is mainly the gearing of that machine, adjusting it to new and more progressive policies. But probably 95% of the expenditure of that department lies in the out-of-doors, and in order to know the Department as I learned to know it, he has to go

out doors and see what is going on. There is an item of more than fifty thousand dollars spent every year in a tree planting nursery in Salmonier where young seedlings are planted and distributed all over the island. He should go to Salmonier and see the tree nursery and assess for himself whether or not the policy is worth continuing, and if that policy is criticised in the House at the end of the year he should be able to defend it or agree it is no good.

**Land Clearing:** I have spent two whole days touring the Avalon and watched clearing operations. I felt like inviting the Leader of the Opposition to go out there with me, when I heard him mention the cost of clearing, so that he could see some of the Government machinery in action, lifting out boulders of perhaps ten tons, shaking the top soil off gently and depositing them by the side of the field at a cost of less than a hundred dollars an acre.

He should visit sometime the garage where that machinery is stored and serviced during the winter and see at first hand, not take the information second hand, the facts about them.

When beaver is being shipped to Labrador to try and replenish the fast waning stock down there, he should do as his predecessor did and go and have a look at such an interesting piece of Government business.

Visit the shop at Whitbourne and see the forest fire fighting equipment and assess for himself the need for a new building to house that equipment. And when the Department spends money to urge people to build barns, go out and see some of them, as his predecessor did at the Goulds and other nearby farming areas. Visit for himself the areas where they are burn-

ing land to promote the blueberry industry. He would find all that pleasant, but now, Sir, for the dark side of the work :

If he spends so much time away from his office he has to be prepared, in a world such as this, for certain people who are bad enough, I am not going to use any severe adjectives, but people evil-minded enough to concoct dirty tales, and carry those tales to very high places and whisper poisonous filth and slander into those ears in high places, trying to give the impression, I presume, that the Minister, instead of staying in his office, God forgive him, in his office all the time, doing his work, is going out around, off duty doing I don't know what. Because there are so many gods and goddesses we have to be prepared to have that happen, but I hope for two things : first, that such filth will not be believed, and secondly that if it is, we may be able sometime to catch those who originate it and see they get their just desserts. But in spite of all that, he will find he has a very interesting department, one of the most interesting in the Government, and I wish him every success.

801—Carried.

**DR. POTTLE:**

802 : General Office, details on page 82 : There will be the change in the Deputy Minister's salary as in the other departments. There is no increase in the number of the staff. It is proposed to upgrade a male Grade 3 to Grade 2. That is all.

Carried.

803 : The Committee will notice a reduction in this section due to the centralization of accounting, and an arrangement has been worked out be-

tween the Department of Natural Resources and the Department of Finance.

Carried.

804: Forestry: Salaries are given in detail on page 74; There is an increase of one District Inspector and an increase of three District Wardens, and one clerk as a result of last year's legislation. These are all the increases. There is an increase in travelling expenses which were actually \$35,000 last year and this year are set down more realistically. The office is set down at \$3,500 on the basis of postage, telegrams, etc., expended in last year's experience. The Forestry Expenses are reduced this year because we have two forestry surveys in the field this year instead of three as last year, and supplies are reduced accordingly. Under 04 the increase is to provide for new fire equipment and increased cost of repairs and maintenance and travelling. Protection of Fisheries and Game, there is a slight reduction. 06: Grant to Fire Protection Association is a standard vote. 07: Forestry Conservation and Development, no increase.

MR. HIGGINS: What is 05; Protection of Fish and Game? Is that not paid for by the Federal Authorities?

DR. POTTLE: The sea fish are Federal, inland fish Provincial.

MR. HIGGINS: Do we have to pay game wardens? Who divides it up, the Chief Game Warden?

DR. POTTLE: Yes. All salaries here are our salaries.

MR. HIGGINS: Whom do the Federal Authorities pay then?

DR. POTTLE: There are about forty officials taken over for six

months by the Federal Authorities. they pay six months and we pay six.

MR. HIGGINS: I presume then they engage them Summer and Autumn, and we pay the rest of their salaries.

DR. POTTLE: We pay in full and get a rebate. No. It is the other way around; they pay and we repay them. We pay 37 men at \$2,136 a year, that is paid directly to the men concerned.

08: Is in the main the development of mink, including, I think, three cold storage plants, 10 freezing units, training for forty students and the beginning of ten new farms together with administrative travel for the purpose of extra assistance.

MR. FOGWILL: Freezers will be paid for by mink operators?

DR. POTTLE: Yes, under supervision.

MR. HIGGINS: When is the Book on Newfoundland Bird Life to be finished?

DR. POTTLE: It is in its last stages now. I have a change to recommend under that item, namely: The eleven thousand dollars last year was not spent, only about \$4,000 was spent and so we should revoke it and finish the job. So that \$11,000 should appear under 12.

MR. JANES: May I ask the honourable Minister, I understand the Federal Authorities are responsible for the River Wardens, might I ask who determines the number of wardens necessary for the protection of rivers?

DR. POTTLE: It is entirely a Federal matter.

MR. FOGWILL: Before we put a motion for page 73, there is only

one mechanic in that department, I understand. Would not the Department have a lot of machinery, bulldozers and motor vehicles for this one mechanic?

DR. POTTLE: That is just for the forestry section alone.

Carried.

805; Agriculture:

DR. POTTLE: Before we go on, under 805:02, travelling is set down as \$20,000. This is a typographical error and should be set down more realistically at \$25,000.

Under 01—We have only two students compared to eight last year who are taking training at Truro University. Training lasts about six months.

02—Demonstrations and Experiments, same as last year.

04—Grants to Agricultural Organizations: For some time past it has been the policy to give grants to Agricultural Societies on the basis of \$40 for each Society, plus \$1.00 per member up to a maximum of \$100. It has been found that the assistance is of greater value if provided for more direct and specific aid such as land clearing, improvement of livestock, and support for the Farm Produce Marketing Board.

05—Health of Cattle including compensation: For prevention of TB in cattle we have already set up a survey of cattle in the Humber and there has been no positive reaction. It is our intention to extend this over the Province including cows on Avalon where we have most cattle, and it is expected that it will be started soon as an order in council has been received from Ottawa.

MR. MAKINSON: Mr. Chairman, may I comment on that? I would

like to ask the honourable Minister and the Government if they would consider doubling, possibly trebling this vote? The reason for that, if I may be allowed a few moments of comment—soon after Confederation a petition was circulated by the Federal Authorities in regard to testing of all cattle in Newfoundland for detection of TB, and two-thirds of the farmers agreed to this test to be conducted and they were to be given TB bovine tests and any reactors had to be immediately destroyed. It was the policy of the Federal Government in pure breed animals to give them an amount of \$100 in compensation for any animal, which had to be destroyed for reasons of bovine TB and \$40 to any unregistered animal. Now as I understand it, every section of Avalon accepted it, except in the immediate vicinity of St. John's. When they came to me I signed this petition, but more or less under protest, and turned it over and made a note to the effect that I was not at all satisfied with the compensation paid and I indicated what in every respect this honourable House realizes that four or five years ago an animal could be imported for \$150 to \$200, but now the prices have risen to \$400 and \$500, really a great increase. Now for any dairy farmer having a number of cows there is a great chance taken in having his cows tested and there are few men in Newfoundland with very many cattle outside the Avalon Peninsula; they have one, and possibly two cows, in most instances one cow, a family cow, and as I understand it, every family who had one cow was quite agreeable to have this test as they did not want to be consuming milk and have their children who consumed it, affected by TB. However, it is a little different case when it comes

to the dairy farmer with a number of cattle—around St. John's and some places on the Avalon Peninsula where he has fifteen or twenty-five milking cows, and as seen in some Provinces, he submits his herd to the TB test and is practically ruined, and a farmer may possibly overcome the effect of this as it is possible for the majority of his cattle to be healthy and one cow in his herd contract TB and be the source of TB to the whole herd of twenty or twenty-five cattle or more who are reactors, but with the compensation now paid he would be ruined. So I think, if it is possible, this sum should be bolstered up and in the case of severe reactors I think it is not by any means severe. Now in the Avalon Peninsula, down here in the vicinity of St. John's, I understand the dairy farmers have not given consent and do not have to have their cattle tested as they considered it too big a risk under the compensation being paid. I understand on the Mainland they have the abattoirs, the cattle affected, if the TB is localized, are sent to the slaughter house as the meat is good after the affected part is taken out, and the proceeds from that are sold to bolster up the \$100 in case of pure breed, and \$40 in the case of unregistered cattle. However, here in Newfoundland both for localized TB and for generalized TB an animal is condemned and I understand the Federal Government for a retainer will pay more than the \$100 or the \$40 as the case may be. However, this point has not been cleared up and I have no information on it whatsoever. Now, maybe you will say here that the farmers in St. John's were not humane enough to consent to have their cows tested as their milk is used for human consumption, but it is a little different in the case of the man

who has one cow and is very anxious to have his cow tested so that his children are running no risk of disease.

However in the St. John's area the dairy men sell the milk and in nearly every instance it is pasteurized and in becoming pasteurized the TB germ is killed, that is how the dairy farmer in the St. John's area figures it. But the position is this, if this milk is not thoroughly pasteurized, instead of preventing TB it actually spreads TB amongst the children of this country, and there is always the possibility some of this milk will not be properly pasteurized and get around undetected, and bovine TB could result. Bovine TB affects only the very young and although bovine TB and human TB are both found in human bodies the bovine type of TB attacks the glands and joints, not so much the lungs. So in this case we must do something about the health of our people. It is no good here in Newfoundland to put our efforts behind the control of TB, and then on the other hand encourage it for the sake of not having a few dollars with which to pay compensation to the farmer.

Now the Federal Government, as I understand, here in St. John's has an area which can go free of the test, and I maintain the test is no good here in Newfoundland unless it becomes province-wide. Now for instance, as I understand, on the West Coast recently some four hundred cattle were tested and out of this four hundred they did not find one single reactor which I think is a wonderful advertisement for livestock and agriculture in Newfoundland. I think myself that this is chiefly due to isolation of our stock as there is not such a possibility of animals contact-



ing disease where they are isolated as it is on Prince Edward Island or in Nova Scotia where cattle population is much greater. However, I would certainly like to see some consideration given to increasing this vote, as I say, it is useless having the TB test on the West Coast and part of Avalon included and part exempted. Now every cattle owner, I think, in and about St. John's would be quite willing to have his cows tested if compensated for any loss. Now the reason why I say it is no use to have part of Avalon exempted, while cattle are tested for bovine TB in another area, because it would be very easy for cattle to be taken over from one district to another, though according to the Act a penalty is attached to it and they are not supposed to do so. What is to prevent me this evening going to Holyrood and taking a calf and taking it in the back of my truck and going home, who is going to know? That is what happens, it is different with cattle brought in from the Mainland as since Confederation cattle coming in have to be tested for bangs disease and TB; however, they are for immediate slaughter permitted to come in without these tests and in many instances this was abused, they were taken into the districts and the heifers were not used for immediate slaughter but held and used for breeding purposes, which was absolutely contrary to every effort being made at that time. Now I would ask the honourable Minister and the Government to carefully consider increasing this vote.

HON. J. R. SMALLWOOD (Prime Minister): I wonder, Mr. Chairman, if the honourable gentleman who has such knowledge of this whole subject, greater probably than that of any other member of the House, would

care to go into some little detail on the amount by which he thinks this vote might be increased, it is now, I think, \$5,000—and secondly the exact scale by which it would be increased, what rates of pay would he suggest, etc. If he could give us some idea—The Federal Government pay \$100 for pure bred cattle and \$40 for unregistered to which the Provincial Government adds \$50 and \$20 which makes a total of \$150 for pure bred and \$60 for grading. Now with this thought in mind, what would the honourable gentleman suggest as the rate of increase on the part of the Provincial Government?

MR. MAKINSON: Mr. Chairman, today it is impossible to get a cow, and not a good one at that, for \$250 or \$300. That is the replacement value. However, I am not asking the Government to consider that, as I think anybody would surely be very pleased to have his cattle herd cleared up and I imagine if his loss consisted of one cow, he should be quite willing to stand the loss. But whereas even the poorer fisherman-farmer may be willing to stand the loss of that one cow and lose the value rather than have his family subject to TB, and be willing to forego the cost of that animal; when it comes to the man with from ten to twenty, it is a little different. I would suggest that any one farmer should not be called upon to lose more than one cow. This test is for the welfare of the country therefore he should not be expected to take the loss of more than one cow and the replacement then should be in the neighbourhood of \$300.

MR. SMALLWOOD: By what amount payable?

MR. MAKINSON: It would have

to be taken into consideration whether or not it is a pure bred animal, the very cheapest pure bred is \$500 whereas you can get grades from \$250 to \$350.

MR. SMALLWOOD: Now before my honourable friend resumes his seat. The Government of Newfoundland presently paying \$50 on a pure bred and \$20 on a grade. That is in addition to what the Federal Government pays. Now what really does my honourable friend suggest that the Provincial Government should pay on first; a pure bred and second; a grade. We now pay \$50 and \$20. What should we pay to be reasonable, not to compensate fully but to be reasonable?

MR. MAKINSON: I say \$400 and \$200. And then, mind you, the farmer would still have quite a loss as cattle cannot be replaced at this particular time and he is going to go in the hole quite a lot due to the business he is carrying on. If he wants to buy a pure bred animal on the Mainland today, not taking transportation into consideration nor insurance, he has to pay \$500 and for a grade he will pay \$300 or \$350, so that I would say they should be compensated \$400 and \$200.

MR. SMALLWOOD: How much of that should be Provincial?

MR. MAKINSON: I think the matter should be gone into more fully with the Federal Government, as in some cases, I understand, they compensate people more than that \$150. The Federal Government may double that. However, in the event we go into the matter and find out they will not double it, then, and then only, would I ask the Provincial Government to assume that responsibility in order that cattle be tested through-

out Newfoundland and not have a reserved operation in St. John's area. I know I would like the Government to give it every consideration.

MR. HIGGINS: May I ask the honourable member, if a cow has localized TB, and as I understand the glands become affected with TB generally, what happens to the meat, is it thrown away in this country?

MR. MAKINSON: That is a very good point. On the Mainland, as I said, this goes to arbitrators and meat that is fit for human consumption is used and the money is given back to the farmer. However, here in Newfoundland there is no packing house and if a cow is condemned for having TB with only one little small part of the gland affected, the animal is condemned and will not be used here as meat, as there are no packing houses and butchers will not handle it.

MR. SMALLWOOD: I can add a little to this. Once again, I happen to have knowledge of this. When I was raising pigs in Gander I endeavoured to sell to the U.S. Forces and also the Canadian Forces at Gander. I had 800 pigs there and slaughtered and dressed 40 an hour. And it was very desirable that I should be able to sell to the forces. I had no difficulty whatsoever with the RAF but the largest body of men there was the Canadian and Americans, not the RAF. They would not buy except upon government certificate of eatibility and that was impossible to get in Newfoundland because the Government of Newfoundland never did have any system of inspection of slaughtered pork or beef. But I raised the matter with the Commanding Officer of the RAF, Group Captain Anderson, who with me

went to the Commanding Officer of the Royal Canadian Air Force and we had a discussion with the result that Wing Commander Siffon, the Head of the Banting Hospital, Medical Officer in Charge of the Hospital, was called in and undertook to introduce the system of inspection in the slaughter house, and Mr. Godson who operated Godson's Hotel, or Road-house, now, and was then security officer of the RAF was seconded by the Commanding Officer of the RAF to collaborate with the Head Doctor of the Hospital. So both appeared at my piggery one morning when I was about to slaughter fifty or sixty pigs, both in new coveralls, the Wing Commander in charge of a large hospital, and the security officer of the RAF. The pigs were slaughtered and they did what is done in every packing house across Canada, but done by the Federal Government. They inspected the carcasses. Now, in fact, they did not actually inspect the carcasses but the organs were removed from the hogs, the lungs and certain glands as big as the top of your finger. This Dr. Siffon with his knowledge of anatomy and physiology, very carefully with rubber gloves, took these glands and split them with a knife and with one look he knew whether they were diseased or not. If they were diseased, certain parts of the body were healthy. I think there are two glands in a pig's body which when examined and found to be healthy are final proof that the carcass is quite healthy. I followed them, and Godson was supposed to learn from Wing Commander Siffon, because I took quite an interest and saw it done a number of times and I learned from Siffon at the same time; though I could not go ahead and inspect my own pigs, yet I learned

to do it. Now, he condemned an occasional carcass, not wholly, but one part, and except for that one part the rest was perfectly healthy, and that part would be put in the furnace, in a large 25 ton steam boiler and destroyed. I saw the same thing in Canada Packers, in a large plant in Toronto, and in Swifts canning plant in Toronto and again in Wellington Packers at Guelph. It is the same system exactly as the Federal Inspection of pigs; and a very small portion is condemned and the remainder of the carcass is perfectly healthy. But, as my honourable friend says, here in Newfoundland I have known the butchers to lose many carcasses. I know of one case in the town of Bonavista, a butcher there named Harry Pearlstein carried on the business as part of his regular business, bought local cattle, slaughtered them and carried on a meat business. He is himself, Jewish, and like most Jewish people had a positive horror of diseased meat. With Jewish people healthy meat is most important, and they have their own butchers and to be a butcher is almost equal to being a rabbi involving a special training and if you go into a butcher shop the difference in the smell is positively startling, the smell is so much more wholesome. So with this inherent disgust and horror of diseased meat, now he as a businessman bought cattle and slaughtered it and sold it to the public. Again and again condemned cattle after having been paid for, were a dead loss to him. He not only lost what he paid out for that cattle but also the considerable sum of money he had to pay to buy gas, and wages to a couple of men to drench the carcass with gas and burn it. That was a dead loss to him but he did it because of

his instinctive horror of diseased meat. He did not know, however, that he could have condemned part of the carcass and saved the rest. He did not know enough scientifically and medically and as my honourable friend says, many a carcass is condemned in whole when they could be condemned only in part. I have seen that done in the finest packing house in Canada, Canada Packers in Toronto. They employ about twenty men, trained graduates, they examine the individual carcasses coming in and out of a shipment of carcasses, they may condemn two or three in whole or in part. That is the sort of thing we lack in Newfoundland. I am going to suggest, Mr. Chairman, that the honourable Minister of Natural Resources will leave the details of what payment should be made to be worked out departmentally.

MR. HIGGINS: I suggest the honourable Premier give up the trade of printer and become a mythologist.

MR. SMALLWOOD: Now what proportion would be paid? We are going to take a heavy burden there but might not that be just left to the Department if the Committee just votes the total amount?

DR. POTTLE: I think the point is quite well taken. The amount is voted and the details of the compensation can be very well worked out between the Federal and Provincial Departments.

HON. P. S. FORSEY (Minister of Supply): I understand the Federal vote on cattle is to be increased.

DR. POTTLE: We can enquire further into that. It is a token vote and we can't possibly know what the outcome will be. It is only a token

vote and if made \$5,000 we may still have to increase it later.

I wish to make a comment on two other points No. 12 and No. 13.

HON. E. S. SPENCER (Minister of Public Works): Might I interrupt a moment before leaving that point. I do not wish to enter into it with any knowledge of cattle and dairy farming but as the honourable member has already so ably said, it can not be done only in some sections of the Province, so I suggest, Mr. Chairman, the indications are, from the remarks made, that a thorough survey should be made and probably the honourable Acting Minister would be prepared to say that the Department would take that in hand and try to find out where we stand.

DR. POTTLE: I understand that this is really principally a Federal matter, that the Federal law provides that any area becomes an excluded or free area for cattle testing if two-thirds of the residents of the cattle owners in that area decide in favour of the tests.

MR. SPENCER: I think that we on Avalon are entirely prone to contact bovine TB because the cattle on Avalon may carry it and the people on Avalon do not allow the test because they feel they will not be compensated and also because the milk is pasteurized. I contend that if the Federal Government or this House or any other House makes exceptions, they should make a job of it and otherwise it is not worth a thing to me.

MR. MAKINSON: As I understand it, the survey has been made by the Federal Government to get the permission of the farmers throughout Newfoundland and it is going into

effect on the West Coast, and the Humbermouth Area is presently being tested and after they are through with the West Coast they will come to Avalon and outside of the St. John's area the cattle are to be tested. However the St. John's area, where they did not have a two-thirds majority, the cattle will not be tested and I maintain in order to make milk safe and free from TB throughout the Island, if compensation was such that the farmers in the St. John's area would not be liable to lose so much that it would cripple them, they would be quite willing to have the test, as a matter of fact, they would welcome it. But as it stands at the present time the grant given is so small they will not take that chance, consequently, here in the St. John's area all the children and adults as well may be exposed to bovine TB.

MR. SPENCER: What about the meat coming from the adjoining areas?

MR. MAKINSON: The same thing applies there, our agriculture with regard to packing houses facilities for local beef and licensing of handlers is far behind and many things along those lines could be improved. But with regard to this matter of animal health it is not only important from the standpoint of farmers and cattle but it is most necessary to ensure a healthy people.

DR. POTTLE: Without cutting short the discussion, I think the House is quite fairly informed of the issue involved and the honourable member for Port de Grave might prepare a statement as to what he thinks desirable and let the Government have the benefit of his views. Is that agreeable? I think we have gone pretty fully into it and we have here only a token

vote. The details are a matter of importance to be worked out.

Under 08 the vote has been increased for land fertility schemes, \$30,000, which represents an expenditure of ten dollars a ton for a thousand tons of lime. The farmers concerned expect to spread two tons of lime per acre and we reimburse them \$1.50 per ton and they get \$1.25 from the Federal. Under 13, Commercial Farmers' Loans, which is a technical service, I believe I should perhaps better read the notes of the Director of Land Development, and then I will not have to repeat myself.

#### Details of Assistance to Commercial Farmers

The proposed plan is to assist a total of 100 commercial farmers over a period of four years beginning in 1951 with 25 units a year.

The plan provides for the development of farms of at least 50 acres of arable land with not less than 40 acres in improved hay and pasture. It is felt that the average acreage to be cleared on each farm will reach 30 acres—total 3,000 acres.

For the establishment of grass on the 30 acres of newly cleared land, it is felt that the farmer will need approximately \$3,000 capital. For this purpose a loan fund must be established.

Following the development of 30 acres of new land, the farmer will then be in position to take advantage of the Canadian Farm Loan Policy for further capital and development. Cost of Assistance to one Commercial Farmer:

Land Clearing	Cost	Farmer's Contrib.
30 acres at \$60 per acre.....	1,800.00	\$360.00
Lime—60 tons, \$8. per ton.....	480.00	90.00
Loan .....	3,000.00	recoverable
<b>Total .....</b>	<b>\$5,280.00</b>	<b>\$450.00</b>

Now under 04, Development of blueberries: Over a period of recent years the Mutual Food Exporters, a combination of firms in the blueberry industry, sought to take a lease on private land by arrangement with the Government. Eventually it was cut out. The Government has now taken over the plan and we are going to burn and fertilize the blueberry areas by systematic plans. It is the thought that the Mutual Food Exporters will still be quite free if they wish to operate out there but we will not lease land. By the Fall of 1951 we anticipate about \$15,000 revenue and will spend \$5,000 on fertilizing.

MR. JANES: There are a few things here I would like to say. I don't want to amend anything here but there is something I would like to say with regard to agriculture and I would like to say in passing, I am not going to make an amendment or anything of that sort.

MR. CHAIRMAN: We are considering 805—Agriculture:

MR. JANES: I would like to say a few words in regard to agriculture. I say them because I am interested, and I say them because I think the biggest problem of Newfoundland and of the world is to provide people with enough food to prevent starvation, rather than with sufficient food to eat. Of all the giddy things in Newfoundland, all the aimless things in Newfoundland, I think agriculture is the most aimless. The present admin-

istration is not to blame for that. I don't know when in the history of Newfoundland—certainly not within the past ten years—there has been an agricultural policy. I travel around this country a lot, I know most of it with the exception of the South West Coast. I have travelled and lived in homes of the people who live on an acre or two of land with a cow or two, people trying to earn a living solely from land and I sometimes ask myself what is it all heading up to and where are we going? Agriculture in Newfoundland, Sir, presents two faces, one is turned towards the Avalon Peninsula and the other turns right about and faces the Codroy Valley, but if it gives Bonavista Bay a nod on the way and says hello to Eastport, and mind you, Eastport is a community as well as the Avalon Peninsula and as well as the Codroy Valley. A terrific amount of money—I don't know just how much, I don't think anybody in this House knows, I question whether any civil servant in the Department of Natural Resources knows—has been spent for agriculture in the Avalon Peninsula and the Codroy Valley and a few other centers, and a few settlements founded by the Commission of Government, I doubt whether anybody knows the amount of money actually spent to produce these communities.

On the Avalon Peninsula there is a nice market in St. John's, the best market that P.E.I. ever had and on the west coast there is Corner Brook

and between that nothing. We forget that there is good land, agricultural land, the natural agricultural land of this province, good natural agricultural land in territory never touched. Avalon Peninsula, as I see it, is tons of rocks and very little else. The natural bay is Bonavista Bay and the land on Fogo; Musgrave Harbour produced hundreds of head of cattle before the Commission of Government we sever thought about, Gander Bay, Victoria Cove, where the Commission of Government thought at one time there should be a land settlement; they did not put it there because it was too much trouble to build roads. Come up off the Avalon Peninsula, come up to St. Barbe, the very natural home of cattle, and Cow Head and Trout River in Port Saunders to Bonne Bay which has never been touched. We go on subsidizing the Codroy Valley and the Avalon Peninsula. Do you know why it has not been touched? Because the good agricultural lands are a day or two away by roads. Cattle in Cow Head and Musgravetown and Carmanville where they never see an agricultural fieldman, are on the decrease. They are on the decrease for the simple reason that the Government and the Commission of Government and all the Governments before never gave them any assistance.

Now, Sir, my reason for making these few remarks is to bring it to the attention of this House. I said at the beginning, as far as I am concerned, there is no agricultural policy nor has there been one over the past ten years, but giddy, aimless action accomplishing nothing; it is not accomplishing what it should be accomplishing, namely an attempt to provide the people of this Province with food. We have the whole of Notre Dame Bay down

through Fogo District, and apart from the few barrels of potatoes and carrots and turnips, and what comes from the few land settlements, apart from that the rest is imported and yet down there in that stretch from Angle Brook to Musgravetown to Gander Bay we have some of the finest agricultural land in any province. The only bit that has been cleared has been cleared by hand and not by tractors. The Commission of Government spent a million dollars at Cormac and the most they accomplished was to cut down the birch there and clear out the trees and try to provide a commercial area for which the country is not ready. Such an attempt at rural organization, as could have been foreseen, was crazy. In Cow Head there is beautiful land, anybody who has ever been out there realizes that, for miles from Bonne Bay to Port Saunders there is a strip something like five miles wide right up that coast, good grazing land and the people of Cow Head and Trout River became so fed up they don't even think of raising cattle any more, as there is no way of getting them out.

The people of my own district in Musgrave Harbour won't think of raising cattle as there is no way of getting them out. Yet the continuous subsidizing of agriculture on the Avalon Peninsula and the Codroy Valley goes on and on and is going on today. There is \$50,000 in the estimates for Commercial Farmers, loans this year and this grant, as I understand it, is solely for the purpose of getting more land into production. I would like to bring to the attention of the administration and ask if this land is to come into production on the very rocky Avalon Peninsula or into production on the Codroy

Valley where we have already spent millions in trying to provide a rural economy or is it going to go into all areas. I notice we have, apart from Avalon and Codroy Valley, few farmers who are commercial farmers, not because we haven't any people down on the Straight Shore or Fogo or St. Barbe, Cow Head and Trout River who would not become commercial farmers, so I suggest we go down to either one of these districts or the District of Twillingate and encourage farming but not here on Avalon. I don't know, Sir, where the land on the Avalon Peninsula is, the agricultural land, I don't see the justification for continued expenditure of funds to subsidize farms on Avalon and on the West Coast while there is good agricultural land in this Province being ignored and denied the right of cultivation for centuries now, while the people of Newfoundland continue to subsidize pretty heavily the agriculture of Avalon and the West Coast.

Carried.

DR. POTTLE: 806—Land Development: Details of salaries on page 74. There has been no increase. Land Clearing is made up as follows: It provides for the clearing of twelve hundred acres of land and maintenance and storage of equipment. Construction of Post-War Land Development Areas \$87,000. This is for the remainder of credits for veterans and travelling and supervision. Lourdes Land Settlement is a revote of \$8,000 for compensation under the Land Development Act, \$5,000.

MR. HIGGINS: When was that done?

DR. POTTLE: About twelve or thirteen years ago.

MR. HIGGINS: Why has it not been paid yet?

DR. POTTLE: Some of the land was held by absentee owners and it was a question of expropriation. This should clear up the whole matter.

MR. HIGGINS: Some has been paid?

DR. POTTLE: No, it is a revote. There are six or ten holdings involved.

Carried.

On 808 there is one addition in salaries, page 74:

MR. HIGGINS: Who is Director of Crown Lands now?

DR. POTTLE: Mr. Burridge.

MR. HIGGINS: A good man alright.

DR. POTTLE: There has been no expenditure under 02. Under 03 Instruments, Equipment and Supplies this is a maintenance vote. There is only one new vote in this group under 09—Aerial Photographs, purchase of: It is the intention of the Department to have a complete library of aerial photographs or maps for the Department and with possibly duplicates to service other departments, and this \$5,000 is provided for this purpose.

Carried.

809 Mines: The staff has been maintained at its last year's level and there has been no increase. There is an amendment under 03-01. There is a supplementary vote of \$25,000 required there to survey an area of six thousand square miles in the interior of the Province. I make this proposal in view of the Government's policy in regard to a survey of the area. Also that 03-04 be restored to \$70,000 in view of the necessity of



doing increased drilling in the gypsum and limestone area, in regard to the proposed new industry in the Corner Brook Area.

MR. FAHEY: I would like to have one explanation. On 809-04, that was \$70,000 in the Estimates last year and \$50,000 in this year's Estimates and now there is an amendment to put it at \$70,000 again.

DR. POTTLE: It was not at the time anticipated that we would have to do increased diamond drilling in the limestone area in order to make the prospect of the sale of the cement plant there more sure. We have to do further drilling in order to insure that. At the time the Department reduced the \$70,000 down to \$50,000 this was not realized and now we want to have it restored to that amount again.

MR. FAHEY: You reduced it from \$70,000 last year to \$50,000.

DR. POTTLE: I see your point but we only spent \$45,000, it is largely a revote.

MR. FOGWILL: On page 74-809: Geologist—I understand that is Mr. Howse. On page 98-1502—The Secretary of Research and Conservation under the Department of Economic Development there is a gentleman, C. Howse. Is it the same gentleman?

DR. POTTLE: Yes, his total salary, that was provided for last year. That is not new for these Estimates.

MR. SPENCER: I would like to bring a matter up again. I have done it before perhaps not in the House of Assembly but certainly in connection with this vote 809: 03—Salt Survey: I would like to ask the honourable Acting Minister, I appreciate how

difficult it is for him to bear with me in this case, but I have to get the information from somebody. For the past six or eight years or more there has been the same exact amount that this House has been called upon to pass a vote on which is indicated here under 809-03, Salt Survey. In my knowledge of the Island and the work undertaken by the Department of Natural Resources and the Geological Section of the Department of Natural Resources, I have yet to find where one dollar or fifty cents or ten cents or even one cent has been spent in actual surveying for salt. To me it is a camouflage. I regret to have to say this as I feel it is unfair to the honourable Minister in this case. This point to my mind should have been thrashed out before but I would be glad if the honourable Minister could give me some information as to just what is intended under 809-03. If we need that money for inspection or investigation of minerals or something else let us be straight about it and put it where it belongs. I don't mean there is anything crooked, but I mean let us be honest and put it where it belongs. There is no such thing as a salt survey, but I would be glad if I could be shown the difference of that.

HON. C. H. BALLAM (Minister of Labour): I think that question came up last year and we had an explanation, I think, from the Minister that it is just a revote and no money had been spent on it.

DR. POTTLE: We only spent \$4,557 last year on a drilling survey conducted on the West Coast in St. Fintans Area and results, while not promising, nevertheless were encouraging enough to prompt further exploration. You know what prospecting is

like, after all we are just as much criticized for withdrawing after eight years of survey. At least as long as there is a possibility that there is a vein there and the drilling indicates there is enough to justify further drilling, we should continue the work.

MR. FOGWILL: The criticism came from your own side of the House.

MR. SPENCER: I appreciate the explanation given by the honourable Acting Minister and I am now informed that there is actual drilling being done, and that \$4,500 has been spent for that. That is to my mind the first work done and I think I was not speaking in the tone the honourable member for St. John's East may think. Since the question came from this side of the House he could probably have told me that, had I done my duty in Cabinet, I would not have to ask and I could say he would be right. But I questioned this vote and questioned it for two years, I contended it was camouflage but the honourable Minister has shown me now and since it was spent there must be some reason for it but it is the first actual explanation I have had.

MR. HIGGINS: Is there any salt here in this country?

MR. CURTIS: I hope there is \$4,000 worth.

MR. HIGGINS: Is salt not naturally in water?

MR. SPENCER: There is a difference in sea salt and mineral salts.

MR. HIGGINS: I know cows go to the river and lick the rocks to get the salt. Where does that salt come from?

MR. CURTIS: That is from the soil. There must be some indications

of salt or we would not have the survey.

DR. POTTLE: Under 05 the word should be "magnetic."

Carried.

810: Carried. Total carried.

MR. CURTIS: We might go on now to the Department of Supply.

MR. FORSEY: 1301—no change—carried.

1302—There is an increase there under 04 for the Rent Control Board to do some work in Bonavista and Corner Brook, mainly in Corner Brook.

Carried.

1303—Price Control: There is a considerable reduction due to the fact that some of the office staff got positions with the Federal Government and others with Social Security Assessment Division, and there has been no replacements because we have made some appointments to the Department of Local Government, and we propose to use those officers when in town to do some work on price control.

MR. FOGWILL: This is the section dealing with the cost of living index?

MR. FORSEY: Yes.

MR. FOGWILL: Because now, presumably, you are not going to carry on that work.

MR. FORSEY: That is done by a simple form; there is not very much to that actually, and price control work is mostly going around town and checking on prices, and seeing books, and interviewing importers and so forth.

MR. FOGWILL: I wonder if the Department is going to continue the work, after the words of the Premier last night, that is was worthless. Is there an indication the Department might do it for its own use? After all, if the index is continued it should be done in a proper way if there is one.

MR. FORSEY: I don't agree with the Premier.

MR. FOGWILL: I am glad to hear it.

Carried.

MR. FORSEY: 1304: Purchasing: There is no increase there, Mr. Chairman.

Carried.

Under 1302 moved and seconded, salary of Deputy Minister be amended.

1305—There is an increase in Printing, Stationary and Office Supplies due to requirements of the Social Security Assessment Division, and in office equipment due to the same division requiring an extra machine, and the Social Security Division and the Board of Liquor Control need a machine with another compartment, and that amount covers the cost for the items.

Carried.

1306—There is an increase in salaries, Mr. Chairman, due to the fact that we have had to increase the personnel of that division. As I said before, the personnel are going to do some of the work under price control, and there is an annual grant to town councils which has been increased due to two factors, one: the number of town councils have been roughly doubled, I think it was eighteen last year. We made provision this year for thirty and we will have forty by the

end of the year and also the initial dollar for dollar grant has been increased to new councils to a dollar and a half for every dollar raised locally during the first three years. The Special Assistance Grants have been decreased for old town councils. We have discontinued giving special assistance and we have given authority to issue bonds for about eight or ten towns to give them a revenue producing project; and having done that we propose to discontinue any further assistance along the line of special grants so that this amount will gradually go down year by year, until it disappears altogether.

MR. FOGWILL: Under 1306-01, who is the person who holds that position at the present time?

MR. FORSEY: Mr. Brennan has always been the engineer, but prior to this year he has been paid out of the Department of Public Works.

MR. FOGWILL: What are his duties in setting them up?

MR. FORSEY: Making surveys of water and sewerage systems and when they are installed check them for the Town Council and the Government.

Carried.

1307,—No revote. Carried.

MR. CURTIS: I think, Mr. Chairman we have made good progress this afternoon, we have only the Department of Health now and Labour. We could now take the Department of Labour, page 62.

MR. BALLAM: 1601—There is no change there, Mr. Chairman.

Carried.

1602: There is no change there except the Deputy Minister's salary, which involves no addition.

MR. FOGWILL: Who is the present holder of the position of Labour Relations Officer?

MR. BALLAM: Mr. George Dyer. He has been there quite a number of years.

Carried.

1603: You will notice a big vote for the Workmen's Compensation Board. This vote is there to get them started. They have already started and I don't think we will actually use this money because the assessments are coming in so rapidly from the firms that it may not be used at all, but it is there just in case it is needed until they get going and it will be returned if not used.

MR. FOGWILL: What is the assessment set by the Compensation Board?

MR. BALLAM: The percentages of assessment are in different classifications, and more hazardous the higher the assessment.

MR. FOGWILL: How does it run, what is the minimum?

MR. BALLAM: In the woods I think it is three or three and a half percent, I just forget the amount but of course for office workers and that type of work it is very low, probably one-half to two. I could get the information if you require it.

Carried.

1604: Under this section you will notice there is one chief boiler inspector that is required under the Act, but actually up to the present we have not been able to get one but we anticipate having one, also a couple of engineers; we anticipate getting them as soon as we can.

Carried.

Total—Carried.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

### Orders of the Day

Third reading of a Bill "An Act to Amend the St. John's Housing Corporation Act, 1944."

MR. CURTIS: With the leave of the honourable Minister of Provincial Affairs, I move the third reading of this Bill and I wish to make a nominal amendment to clause 22. "Where any development was made by corporations in the Housing Area before or after the enactment of this Act comes into force." It is just a change in the wording.

MR. HIGGINS: The present section reads before and after, but you are just making it read a little better. Does that clarify the situation as to who is liable?

MR. CURTIS: We have not altered the principle of the Bill, on third reading we could not make an amendment except a verbal one.

MR. SPEAKER: Might the Clerk read the clause? The motion is to remove the word "was" and set in "is" and the word "before" and add the words "comes into force."

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Pardon me, Mr. Speaker, as I was responsible for the bringing in of this Bill, and this suggestion was made by the honourable the Attorney General; I would like to have him explain it as I am somewhat in ignorance of it; is the power vested in the Housing Corporation retroactive in regard to property owners who have had property and sold it? Between the property owner

who sold it and the property owner who had the improvements effected and still owns it, there is a difference and I may be called upon as the one who is responsible for it, and I may be made to appear ridiculous in the eyes of persons who ask for information and I would not be able to give it; I would like to have it explained.

MR. SPEAKER: As I see it, it is purely a matter of grammar because the Act says before or after.

MR. SPRATT: It has a wonderful significance, I understand that part of it, but the improvements may be made when I own the property and I sell it to someone else. The question was asked by the honourable Leader of the Opposition, if the person who sold it, would be responsible for the tax that would be placed on it by the Housing Corporation or the person to whom he sold the land, or would it be for both? That is something which I might say I do not like.

MR. SPEAKER: Substitution of "is" for "was" has no effect whatsoever on the Act. The motion is to delete the word "was" and substitute for it the word "is." The motion is now that the word do stand part of the question.

MR. FORSEY: What is the motion, a verbal amendment to the St. John's Housing Corporation Act to remove "was" and insert "is"?

MR. SPEAKER: The members who wish it deleted will vote against the motion.

Motion is lost.

MR. SPEAKER: Moved and seconded the word "is" be there inserted.

Carried.

Insert the word "either" between the words "in the Housing Area" and the words "before or after."

Carried.

The motion is to remove the words "the enactment of this Act" and substitute therefore the words "coming into force."

MR. SPRATT: Before putting the question, Mr. Speaker, I would really like to say I do not like the manner in which this is being done. I do not understand it and I might say my brain is average. I do not care, I do not want to be associated with something I do not understand.

MR. CURTIS: I do not know if I am allowed to speak again as I have already spoken on third reading. I do not want to speak again and close the debate. The position is, as I would like my honourable colleague to understand, we are not altering in any way the section that we agreed upon in committee. All we are doing is just changing the grammar, not altering the substance in any way, shape or form, simply taking the draft of one member and substituting the wording of another member, merely a grammatical change.

MR. SPRATT: One is past tense and the other is present tense which makes a difference in interpretation.

MR. CURTIS: No. I can assure my honourable friend the effect of this word will not change the sense. I do not care whether the amendment is made or not, it is purely to make the Act read grammatically.

MR. SPEAKER: Motion is the word "enactment of" do stand part of the question. Noes have it.

Motion is the word: "Comes into force" be substituted. Ayes have it.

Moved and seconded this Bill is now read a third time.

Bill read a third time and passed.

On motion the following orders of the day were deferred:

Third reading of Bill "An Act to Amend the Slum Clearance Act, 1950."

Third reading of Bill "An Act Further to Extend the Operation of Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

Third reading of Bill "An Act to Amend the Co-operative Development Act, 1949."

Third reading of Bill "An Act to Amend the Local Government Act, 1949."

Third reading of Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for such purposes."

Committee of a Whole on Bill "An Act Respecting Safety of Workmen in Mines."

Committee of a Whole on Bill "An Act Respecting Elections in Municipalities."

Committee of a Whole on Bill "An Act Relating to Wild Life."

Second reading of Bill "An Act to Amend the Co-operative Societies Act, 1939."

Second reading of Bill "An Act to Provide for the Establishment of Family Courts."

DR. POTTLE: I have much pleasure in moving the second reading of this Bill, "An Act to Provide for the

Establishment of Family Courts." I may say summarily that legislation of the Canadian Dominion on this matter is forty years old and in the Report of the Royal Commission of 1938, who investigated the system in Canada, recognition and praise for the important work of family courts formed an important part of that historic document.

Now, the point of view of family courts is that in the first place it is an extension of the work of the juvenile court and in this particular instance it takes the place of the juvenile court. It seems to me to be a very laudable work we are trying to do in this Province in trying to stabilize the law with regard to the protection of children and families who need special care under the legislation. The juvenile court was set up and it is proposed now that the work of the juvenile court should come under the family court in its entirety, and all the work of the magistrate's courts relating to domestic matters will come under the preview of this court. Our point of view is that, as far as the protection of children is concerned, the court has to deal with families as a unit because families are a unit within our culture. In other words, it is our point of view that a great many cases come under the previews of the courts which are really not matters for the courts as courts at all, and this particular court will have all the power of the magistrates' court and will be concerned also with guidance and with consultations with the Department of Health, and will be as much concerned with getting at the heart of the trouble as with the disposition of the case. As a matter of fact its fundamental concern will be trying to get at the heart of the difficulties con-

cerned. In that sense it is a social service, but at the same time it will benefit by all the powers of the magistrate's court so that it may lean on that authority.

The more precise jurisdiction of the court is indicated along the following lines: It has to do with children and family welfare, has to do with the care and protection and disposition of cases of neglected dependent and delinquent children, the adoption of children and all matters relating to domestic relations that would ordinarily come under the formal court, and general offenses of adults against children. It has all the functions of the juvenile court and also extends its jurisdiction to matters relating to the child and the family which ordinarily comes under the juvenile court but will now come under the family court. The court will be set up in this way: It will primarily be the concern of the Attorney General who is the chief officer of the Court, and a magistrate will be appointed solely for the purpose and will be assigned to the Attorney General's Department to whom, as chief officer of the court, he will be responsible to under the Department of Public Welfare, as I indicated a day or two ago.

I am happy to introduce legislation of this kind and to explain what we are striving to do in the field of social welfare for the past few years. I have no illusions that it will be a cure-all, but consider it as another factor in the total job. It is the nature of a preventative in the pattern of social service. I am happy to collaborate with my friend the Attorney General, and we have discussed it for some little time and are now trying to lessen the difference with the Mainland and in the hope of procuring a staff to do justice to the

cause. I am happy to introduce this Bill for second reading.

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

MR. CURTIS: Mr. Speaker, I move the remaining orders of the day be deferred and that the House at its rising adjourn until tomorrow Monday at 3:00 of the clock.

House adjourned accordingly.

MONDAY, May 21, 1951.

The House opened at three of the clock.

#### Presenting Petitions

Honourable the Minister of Health presented a petition re an amendment to the Shop Closing Act—regarding holidays not running in conjunction with St. John's at Harbour Grace.

#### Reports of Standing and Select Committees

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Mr. Speaker, I beg leave to present the report of the Select Committee appointed to consider the Petition of the St. John's Municipal Council, as follows:

"The Select Committee to consider the Petition of the St. John's Municipal Council praying that a Bill be passed to amend the Provisions of the St. John's Municipal Act, begs to report that it has examined the Petition and finds that the Rules have been complied with and recommends that the Bill, as presented, be introduced and read a first time."

(Sgd.) JAMES J. SPRATT.

Dated at St. John's  
this 21st Day of  
May, 1951.

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Giving Notice of Motions and Questions

None.

#### Orders of the Day

Committee of the Whole on Supply,  
Department of Public Health:

HON. JAMES R. CHALKER (Minister of Health): Mr. Speaker, in presenting the estimates of the Department of Health, I would like to say a few words on last year's activities. You will have noticed that the estimates for this year asks for an increase of approximately one million seven hundred thousand. The major item comes under General Health Services, board and travelling of patients and attendants and the General Hospital, provincial nurses and salaries. We have not increased the nurses' salaries but, from the lowest point to the highest, we have re-arranged the scale of payments so that nurses can be promoted a bit quicker and are therefore more interested in staying in the profession. As you know, in these past years we have had a lot of problems keeping nurses, and therefore this new scale put in effect for the nurses and approved by them makes their position more attractive. I would like to advise the House that the Government has seen fit to pension nurses who after ten years become eligible for pensions and the age for pensioning nurses is sixty, and on an average there are two or three pensioners a year.

We have new cottage hospitals, one at Fogo and one at Springdale and one in Channel, which will account for practically one hundred and fifty thousand dollars, in additional estim-

ates, and one, a general nursing station at White Bay where we have arrangements with the International Grenfell Association to look after a nursing station at Englee and also a boat and doctors to serve White Bay area this summer, costing the Government approximately \$16,500. Grant to Notre Dame Bay Hospital, \$75,000, to replace the boat the Bonnie Nell which the House knows has done wonderful work in Notre Dame Bay. Western Memorial Hospital, we have advanced them \$150,000, to more or less put them on their feet to run the hospital out there. There is also a capital expenditure of \$100,000 to complete the nurses' home. Expansion and increasing our existing health services and health grants received from the Federal Authorities, approximately \$100,000. That amounts to practically \$600,000 in increments and salaries. The Premier in his Budget Speech mentioned that Newfoundland is far behind the Maritimes with regard to hospitals and health and facilities and we are presently making up the difference and should in the not-too-distant future hope to become equal with the Maritime Provinces.

Since this Government came into power we have made many advances in health, especially in the General Hospital. When we took over, the General Hospital had an antiquated accounting system with one or two people looking after four hundred patients. During the fiscal year we have admitted 5,244 patients due to better organization and an additional thirty-five to forty being added to the staff.

The clinic, formerly operated at the present headquarters for Health has been removed to the General and now, imagine, that clinic just opened this



year is as modern as anywhere on this side of the Atlantic. To give you some idea of the work: In March there were 3,600 patients treated in this clinic. We are also working on more adequate control of stores and cost so that next year when we bring forward the estimates we will be able to present you with the cost per person per meal of all the institutions. The outstanding fact of the organization at the General Hospital was that revenue increased practically 50% and this year, the year just ended, they had taken in over \$150,000, practically double what they did before.

Another fact very interesting to note, is that more than one half the patients admitted to General Hospital were outside the districts of St. John's East and West.

In the sanatorium we have four hundred patients in residence now and this number is steadily increasing as we find additional staff and equipment. To take care of the West Coast we have the West Coast sanatorium which is receiving its finishing touches in the latter part of this month and it is our intention to admit one hundred patients the first of June. The Medical Side of the Department stresses the importance of only admitting a small number at this time due to the fact it is unfair to patients if they are over crowded at the very start.

Hospital for nervous and mental diseases; the two new wings are now rapidly nearing completion and it will be possible to relieve the overcrowding and admit additional patients. The total number of beds available for mental patients at the present time is roughly seven hundred.

Cottage Hospitals and nursing stations; there are additional hospitals to become available at Channel, Springdale and Fogo. We are making an effort to increase the staff in existing cottage hospitals and consequently increase in revenue from this source. It is interesting to note the revenue from all cottage hospitals is up this year anywhere from ten to twenty-five percent.

Expansion of existing health services; this vote covers health grants reimburseable by the Federal Government; the treatment of venereal diseases, cripple children, training courses for doctors, nurses and other personnel, additional staff for the treatment of mental illness, expansion of TB services, continuation of present survey of hospital facilities. Expansion of public health includes doctors, nurses and health services. Air ambulance services last year made two hundred flights practically, 51 to White Bay alone and each flight meant definitely the saving of a person's life. We had some unfortunate experiences due to weather over which we had no control. A woman was taken suddenly ill in Notre Dame Bay, and we tried for several days to get a plane out but due to inclement weather it was impossible and the woman passed away just about an hour previous to the arrival of the plane.

1001—No change—Carried.

1002—Increase of one shorthand typist, no other change—Carried.

1003—Accounting Office; there is a decline in that section from 17 to 12 due to the same thing as happened to all other departments when the work of the department was taken over by Finance Accounting Service.

Carried.

1004—Registry: Fees payable \$10,000 for stamps and fees paid to the Minister for registering the various children born, deaths and so on.

Carried.

1005—Ambulance and Transport Service: That is shared with the Department of Public Welfare and we pay our proportionate cost.

Carried.

1006—Ambulance and Transport Service: That is another item we share with the Department of Public Welfare. You may see our cars often taking nurses to various sections of St. John's. There has been complaints of cars sending people home at lunch hours. That is not so, but there are possibly one or two cases. These cars also meet all the trains and boats picking up Government patients and take them to hospital to which they have to go.

Carried.

1007: Headquarters Medical Staff: That is within the Department.

Carried.

1008: Nursing Services: That is a nursing service throughout the entire Province. We have roughly 72 nurses this year. We hope to get more if we can, but they are very difficult to obtain. We could still stand at least another fifteen.

Carried.

1009: Tuberculosis Control: That is at headquarters here in our Department and you will note, Mr. Chairman, grants from the Government include Grenfell, Notre Dame Bay Memorial and Newfoundland Tuberculosis Association.

MR. FOGWILL: There is a reduction?

MR. CHALKER: Yes, they have been moved down to the clinic and are attached to the General Hospital Staff now, so that Headquarters are there.

Carried.

1010 Health Inspection: This covers the entire Province and there is a change there, Mr. Chairman.

1011: Business Management: There is a slight change there. Due to having more patients at all the institutions we had to put on a grade 2 and a grade 3 clerk. That is a very busy section of the Department of Health.

Carried.

1012: Central Laundry: This is attached to the Mental Hospital and does all the laundry for all institutions in St. John's, and a lot of the cottage hospitals will send their surplus in here to be laundered at these headquarters.

HON. LESLIE R. CURTIS: Attorney General): Do the inmates work at that?

MR. CHALKER: No.

MR. FOGWILL: Do any patients work?

MR. CHALKER: Sometimes but very seldom. We have had a little trouble there and found it better to do without them, but they do work sometimes.

Carried.

1013: Central Pharmacy: We have a staff reduction there and due to better organization, it does not actually come under the General Hospital but under the new system of control be-

ginning to work there now. Distribution of all drugs for all cottage hospitals. There is a reduction due to the General Hospital having its own pharmacy, that being our biggest unit outside the mental hospital. We have opened up another pharmacy there and have taken three men and put them in that, so that we employ all the personnel for all hospitals in the Central Pharmacy in the Orthopaedic building.

Carried.

1014: Central Stores: You will notice a decrease there. The Central Stores were originally started to take care of surplus goods passed over to the Commission of Government by the Canadian Forces at the end of the last war. As these stores have been diminishing continuously we have found it is not necessary to have the stores there at the same rate as before. We have taken them out of a large building and put them in one section of the Orthopaedic Hospital.

Carried.

1015: Unallocated Equipment and Supplies: That is just a vote not charged until the end of the month when it is distributed under its proper heading.

1016: Prosthetic Services: That is artificial limbs. We have a new leather worker down there and we are very glad to have him as last year we ran into difficulties and we persuaded the man to stay.

1017: General Health Services: That is the general service stipends paid to various doctors throughout Newfoundland; there are fifty this year, they take certain areas and get practically \$1,300 to \$1,400 a year from the Government. It also in-

cludes the Lady Anderson and two additional watchmen for relieving in institutions during holiday seasons.

MR. FOGWILL: Those medical men are not on retainer basis?

MR. CHALKER: That is right. Carried.

1018: Venereal Disease Preventive Services: No. change.

Carried.

1019: Public Health Laboratory: The expenses there are about the same. Dr. Josephson is in charge.

1020: Radiologists: The salaries mentioned are the lowest at which we may retain a radiologist. They are servicing the entire Province. Radiologists all come under the General Hospital.

MR. HIGGINS: Is he paid by the hospitals?

MR. CHALKER: No, he is paid now as a civil servant; and we are having a bit of trouble there. We have made investigations on behalf of the Government and find for the radiologists on the Mainland the smallest salary earned in our sister Provinces is in the neighbourhood of \$14,000 per year.

MR. JOHN G. HIGGINS (Leader of the Opposition): How much are they paid here?

MR. CHALKER: They are paid by the government approximately \$5,500. There are only two in Newfoundland. Dr. Bliss Murphy and Dr. Higgins. As you know radiologists are greatly in demand.

MR. HIGGINS: Are they allowed fees?

MR. CHALKER: No, not under civil service regulations. Under the

regulations they are not permitted to collect fees. Dr. Higgins is not a civil servant. He has been given to us by the Federal Health and does not come under civil service regulations. He does the outside work and Dr. Murphy does the General Hospital.

1020: General Hospital: I might explain that increase there is between the minimum and the maximum so that it won't take too long to get a good salary. Details on page 81. We have reorganized the staff down there.

Carried.

1021: Fever Hospital: The same as last year except a little improvement in salaries for nurses and increments. This hospital fortunately is not used very much, usually five or six patients, but must be carried along in case of an emergency or an epidemic breaking out.

Carried.

1022: St. John's Sanatorium: You will note that generally the vote for provisions for all those hospitals is down and we are hoping this year to keep it that way, though rising prices over which we have no control may tend to drive them up, but we have made a definite effort to curtail them last year without dropping the scale of meals served. In other words we cut out waste which ran into a lot of money and in the General we saved \$10,000 on the vote and in the Sanatorium we saved \$20,000. We are voting now for approximately what we had last year but we are not sure we can do it if prices increase any higher.

1023: This institution is not open yet and that is more of an estimate of what it will cost to run it. We had difficulty getting a staff but we finally have sufficient now to take

one hundred patients in on the first of June. The vote for last year was all drop balance.

1024: Mr. Chairman, you will also note there a substantial drop in our provision Bill. We are saving \$40,000 more or less by stores control and by more efficient control in the kitchen and better buying by the Department of Supply. There was definitely wastage. We have a hospital secretary in there now who is proving very efficient and it may be quite possible to continue with that vote this year.

Carried.

1025: As you know, Mr. Chairman, we decided to close that hospital this year and to move the patients, mostly war veterans and merchant marine personnel, to the third floor of the General Hospital and turn the Merchant Navy Hospital into a nurses' home for students. There has been a lot of talk about the veterans not being properly taken care of if they went to the General Hospital, but recently I have visited them and they are very happy at the change-over and quite naturally as they have the entire personnel of the whole hospital at their disposal and at the present time there have been no complaints of the change-over.

Carried.

1026: The same as last year. There is a drop in provisions, if you will notice.

Carried.

1027: I may say the revenue is up in both those hospitals. The service is up too, Sir.

MR. FOGWILL: Out of all those provisions you expect to save over one hundred thousand dollars for the whole health vote?

MR. CHALKER: We hope we can unless there is an unforeseen increase.

MR. FOGWILL: Some of the votes are almost cut in two.

MR. CHALKER: I may say, too, that before this control came in our last year's estimates were in their preparation merely estimates, as it was our first year of actual operation, and now we are asking for what we actually spent last year with a slight increase to cover anything unforeseen.

1028:

MR. HIGGINS: Why such a terrific difference between this year and last? That is in 1028—Equipment and Supplies?

MR. CHALKER: That is for the three new cottage hospitals. We don't expect to get them in operation for a full year period. That is also for new cottage hospitals.

1029: International Grenfell Association, \$40,000. That is the same as last year. Grace Hospital and Notre Dame Bay Hospital. That is an amount for the Grace Hospital voted by the Legislative last year and they did not employ men to build. I understand they intend to start in a few months' time.

MR. HIGGINS: Under what circumstances do you allocate?

MR. CHALKER: To the International Grenfell Association by direct grant each year to take care of in one case for TB and in the other for looking after Northern TB patients under Government control. We can send patients there and charge it against this vote.

MR. HORWOOD: Under the grant the proposed new sanatorium in St. Anthony does not appear.

MR. CHALKER: That is not so, has not been brought up yet, the nursing stations are on the previous page.

MR. HORWOOD: I am referring to this new hospital now expected to be built.

MR. CHALKER: No, it is not included in the vote.

MR. HORWOOD: I gather, the travelling clinic from Twillingate spent this year from \$2,000 to \$7,000.

MR. CHALKER: That is right.

MR. HIGGINS: What is the difference between the Corner Brook General and the Western Memorial Hospital?

MR. CHALKER: Actually that is a mistake, it should be the Western Memorial Hospital. The extension is for the nurses' home. The old hospital originally owned by Bowaters has been donated to the Western Memorial and has been converted at a cost of \$100,000 into a nurses' residence.

Carried.

1030: Extension of existing health services. I gave a summary of those activities which will show as a credit as all are recoverable from the Federal Authorities.

Carried.

1031: Geriatric Centre: That is for aged mental people who are not so mentally ill as to be kept under guard; we have 140 of them now at the Orthopaedic Wing and separated from the mental. We will eventually build one or two geriatric centres there in the mental hospital where we will have sufficient spare beds to

take in the balance of the people mentally ill, or more or less senile.

Carried.

Mr. Chairman, before concluding the vote, I would like to advise you that the doctors in St. John's have arranged for one of them to be on duty twenty-four hours a day; regardless of where the call has come from, they may have to go. The doctors themselves were not looking after calls they were not getting paid for, and we have seen some write-ups in various papers. We now have an arrangement with the switchboard, and doctors may be contacted at night time or anytime during the 24 hours. I may say junior doctors are doing the work.

MR. FOGWILL: Where are they to be contacted, the General Hospital switch board?

MR. CHALKER: Yes. I think that something we should recognize is the good work being done by the doctors. I know we in the Department of Public Health are glad to see it happen.

MR. FOGWILL: It was very much needed, I think.

Carried.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Chairman, there was one item left out in bringing in the estimates in the Department of Provincial Affairs. An amount of \$10,000 voted as a grant to Bowring Park. Now the Deputy Minister of Finance says this should go in the Public Works vote. Page 38-908, Miscellaneous Services. It would be called a grant to Bowring Park or another way to do it would be to increase the amounts in 908-01.

MR. SPRATT: Pardon me, Mr. Chairman, this was originally intend-

ed for Bowring Park, exclusively for improvements within the park, and if it is set up for any other purpose the Public Works may take it for any other ordinary expenditure to fix up walks and that kind of thing to meet the requirements of the general public but it is exclusive to Bowring Park and the Council has nothing to do with it. The vote was made for Bowring Park and dare not be interfered with by the St. John's Municipal Council though His Worship the Mayor is the Chairman of Bowring Park. It was for the purpose of improving Bowring Park and we should apply the vote to Bowring Park, it has nothing whatever to do with general revenue or city funds.

MR. SMALLWOOD: In view of the comments by my honourable friend, the Minister of Provincial Affairs, I think now it is best to put it under 908. Grant to Bowring Park Committee, \$10,000. That makes the total of that sub-head \$55,000 instead of \$45,000, and will of course increase the grand total of the Department accordingly. I move that, Mr. Chairman.

Carried.

Now there remains an item in, I think, the Department of Finance to which the honourable the junior member for St. John's East referred. Page 18, 404-04 Railway Pensions. Amount \$275,000 and my recollection is that my honourable friend the junior member for St. John's East desired to have this item stand while something was checked, I forget the details.

MR. FOGWILL: It was in relation to some of the people who were previously employed with the Government of Newfoundland that come under this heading, whose services terminated in 1949 and are now civil servants transferred to Canada, I under-

stand their employment terminated in June but apart from those transferred to CNT, the services of those previously employed in the post office had their services to Newfoundland terminated April 1, 1949. Has the Government any information in respect to the application of them, in respect to those employed in regard to services after 1949 when they were taken over? That is why I raised the point. I know quite a number have been pensioned since and some will be this year and probably next. What is their pension after two or three years of service to the CNR, not only the CNR but the CNT employees as well? Persons who at the date of union had twenty years with the Government of Newfoundland and will have twenty years after that with the Canadian National Railway, what are the conditions in the last period of service? They understand the Government of Newfoundland is responsible for all pensionable service prior to 1949 and these people are anxious as to the application of them in respect of their service. There was a minute of council passed on June 23rd in respect to civil servants dealing with former employees of the Government of Newfoundland but not paid directly out of government funds. Their position is rather obscure.

MR. SMALLWOOD: I can say this at the very least, this Government is highly desirous of giving any possible help to the railway men and employees of the CNR in the position described by my honourable friend, and the responsibility of insuring the rights of these men or women under the Terms of Union is a responsibility, I would think, in the first place, of the Government of Canada through the organized representatives of these men. By that I do not mean this Government would even wish to

escape any responsibility which may lie upon it and is certainly most anxious to help in the matter. What occurs to me is the desirability of the organization of these men conferring with the Government, the Newfoundland Government, in an effort to have the matter raised at a high level with the Government of Canada, not with the CNR, but rather with the Government of Canada, and I would like it to be known that the Government of Newfoundland would be most willing, most anxious to be of any possible help in that regard. This vote of \$275,000 is in respect of pensionable service by railroaders up to the date of union and we asked the House to vote this sum to pay pensions to railway men in respect of their pensionable service with the Government of Newfoundland which service ended at the date of union. We are liable for those pensions and so ask the House to vote this \$275,000 to enable the Government to discharge its duty to those men. Now with regard to pensions earned by them or not, as the case may be, since the date of union, that is a matter surely between the men themselves and the CNR and the Government of Canada, and a matter surely between the Government of Canada and the men. Now the men are represented by their various organizations, very fine trade unions they are, and these unions in turn have a joint board representing, I believe, all of these railway unions and if not all then nearly all. They are also citizens represented by the Government, the House of Assembly. We have no desire in the world to shirk any responsibility that may rest upon us but just exactly what that responsibility is, I am a little unsure, but with all the goodwill in the world we are prepared to meet with

my honourable friend the junior member for St. John's East and the senior member for Harbour Main-Bell Island who are both railway men, union men, both prominent for years in the railway trade unions movement and if they care to confer with us we are happy indeed to meet them. If on the other hand the railway and unions wish to confer with us again we are happy to meet them, and if my honourable friend in collaboration with the unions or joint board of the unions desired to meet with us we would be happy to meet them and if it is desired by the unions, the joint board or the honourable members named to have the Newfoundland Government make official contact with the Government of Canada again we would be happy to do that. What we would like, I think I can say this for the Government, is to be briefed by the men most concerned directly or indirectly either by the organizations or the honourable gentlemen who occupy seats in this House. Now that being the case I wonder if my honourable friend desires to have this vote stand or is prepared to vote the appropriation.

MR. FOGWILL: We only asked the vote to stand for the moment to see if there was any information at all on it, if the Government had anything on this question. The vote can go ahead as far as I am concerned. In respect to the honourable Premier's invitation to collaborate with the Government and so on, I only raised the point as a member of the House not as a railway man. If the workers desire to meet the Government they may do so and appoint their representative and whoever they like.

MR. SMALLWOOD: I am glad to

hear that, and believe me I do not say it with any desire to evade giving any assistance that may lie in our power in that field, we need only to be asked and will be very happy indeed to do it. I realize the living of a lot of men is at stake in this matter and it is a matter positively needing to be cleared up and we are glad to do anything we can do to help. I move the adoption of 404.

Carried.

MR. SMALLWOOD: Now does that clean up the estimates?

MR. FAHEY: We did not vote the total for finance and on account of that 404 was held over.

Total Finance Vote carried.

MR. SMALLWOOD: With the concurrence of the House I would like to revert to the Department of Provincial Affairs, main estimates page 21 and the salaries page 67. It will be noticed the Deputy Minister of Provincial Affairs is put at the new salary scale for Deputy Ministers. Now further down on the page 505—Housing the title of Administrator \$5,000. That is Mr. Lew Crummey. Mr. Crummey was until shortly after Confederation, secretary of the Department of Public Health and Welfare, which meant that he was virtually the Deputy Minister of that joint department. Now shortly after Confederation that Department was divided and made into two units or new Departments. One, the Department of Health and the other the Department of Public Welfare, making two new separate departments. Mr. Crummey did not become Deputy Minister of either of these two departments but he did enjoy the position and salary scale of a Deputy Minister up to that time. A new



Deputy Minister of Health was appointed in the person of Dr. Miller and a new Deputy Minister of Public Welfare was appointed in the person of Mr. Fred W. Rowe. Mr. Crummev went in as administrator of the Public Works Relief Program and was subsequently appointed Administrator of Housing which position he occupies at the present time. Now his salary scale has been the salary scale of a Deputy Minister up to the present time so that it is thought that the scale of the Deputy Ministers having been raised, his scale should change accordingly and be still that of a Deputy Minister, so I ask the Committee to make that change, making it \$4,500-200-\$6,000, and I so move.

MR. HIGGINS: What is his work?

MR. SMALLWOOD: Administrator of housing, that is to say he is under the Minister in charge of housing authority. My honourable and learned friend will bear in mind that there are now two separate housing organizations, first the Housing Corporation, the personnel of which changed a few months ago and consists at the present time of certain members of the Cabinet together with His Worship the Mayor of St. John's and the City Engineer of St. John's, and in addition to that the Housing Authority, which is a body set up to administer such housing as comes under partnership arrangements between the Government of Newfoundland on the one hand and the Central Mortgaging and Housing Corporation of Ottawa on the other hand. That is a partnership in building of houses or a system of loans on which housing may be built, carried out necessarily under Canadian law but by a housing authority set up by the Province. Such a Housing Authority was set up under

the administration of Mr. Crummev and under him are, I think, others who bear the title of surveyor. I think there are two men who bear that title and a much more modest salary, I may say. I may say with regard to all three of them, Mr. Crummev and the two surveyors, one Mr. Callahan and one Mr. Duffett, the salaries of all three are paid, three quarters by the Federal Government and one quarter only by the Newfoundland Government. The Federal Government pays three-quarters of Mr. Crummev's salary, or \$4,000 and the whole of the amount is borne by the Newfoundland Government, but with regard to the surveyors three-quarters of their salaries are paid by the Federal Government, now where they appeared I do not know. They are not civil servants, they are temporary, unestablished and non-pensionable, so that they do not appear here. Mr. Crummev is a civil servant, pensionable civil servant and former Deputy Minister. That is why his position appears here and the others do not.

MR. HIGGINS: I don't see how that position is the same as Deputy Ministers. It is surely not as important and in my estimation it is not as important as the registrar of deeds, and I notice he gets a much less salary, and the magistrate of St. John's who works day and night gets a salary about three quarters what this is and if he is going to be raised, that salary, there is no reason why the others may not be raised as well.

MR. SMALLWOOD: The fact of the matter is he is actually receiving \$5,000 a year, is presently on the salary of a Deputy Minister \$4,000-200-\$5,500. He came into his present position from another position of

Deputy Minister and we felt he ought not to be demoted after many years.

MR. FOGWILL: What happened to him in the other position, was he unhappy there?

MR. SMALLWOOD: No. The Minister of Health did not want to have Mr. Crummey or any other layman as Deputy Minister of his new Department and the Minister of Public Welfare did not want to have Mr. Crummey as Deputy Minister of Public Welfare, he desired to have an entirely new man for that position and did in the person of Mr. Rowe. That left Mr. Crummey, who had been Deputy Minister for both departments, without a position as Deputy Minister but with a salary of Deputy Minister and there was never a thought or suggestion in the Government of reducing his salary scale below that of Deputy Minister so that, therefore, his salary becomes known as personal as are the salaries of a few others in the civil service, for some special reason their salary scale is at a level higher than perhaps the job itself requires or calls for. There is always some special reason and in his case the reason being he had attained the status of a Deputy Minister and he remained at that level but went at other work and is presently at other work, but still has the status of a Deputy Minister from the standpoint of salary, and that scale having been increased, we desire to increase his scale in accordance so that he will remain at the scale of a Deputy Minister.

MR. FOGWILL: If his salary is increased now it will eventually go to six thousand?

MR. SMALLWOOD: Yes, finally. I don't think he will be there long enough to reach that really.

MR. FOGWILL: He is not a young man.

MR. SMALLWOOD: He is not exactly an old man, but I think he has four or five years to go before he retires.

MR. FOGWILL: What department does this job come under?

MR. SMALLWOOD: Financially under the Department of Provincial Affairs, administratively under one of the Ministers without portfolio, namely the junior member for St. John's West.

Amendment carried.

MR. HIGGINS: I was talking a moment about the magistrate in St. John's. It is certainly a very important district and he has much work to do. You are not going to get a fairly important one and there should certainly be a big increase in that.

MR. CURTIS: I may say that when the committee rises it is still kept going, so that the matter and perhaps other matters which might have to be brought up for consideration may be. We actually do not disorganize the committee.

MR. SMALLWOOD: I was about to move the Committee rise, report progress and beg leave to sit again. Just in case we may need to sit again.

The Committee rose, passed resolutions and asked leave to sit again. Ordered received and adopted.

Third reading of Bill "An Act to Amend the Slum Clearance Act, 1950,"

Bill read a third time and passed.

Third reading of Bill "An Act Further to Extend the Operations of the

Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

Bill read a third time and passed.

Third reading of Bill "An Act to Amend the Co-operative Development Loan Act, 1945."

Bill read a third time and passed.

Third reading of Bill "An Act to Amend the Local Government Act, 1949."

Bill read a third time and passed.

Third reading of Bill "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for Such a Purpose."

Bill read a third time and passed.

On motion the Committee of the Whole on Bill "An Act Respecting the Safety of Workmen in Mines" was deferred.

Committee of the Whole on Bill "An Act Respecting Elections in Municipalities."

Clause 24 and Clause 92 allowed to stand.

HON. LESLIE R. CURTIS (Attorney General): We have now an amendment to be made to that section. The Supreme Court when it sits, sits by an Act like this, sits as a special court and therefore only has the powers we have given here, if we give it to them, so that section 92 (1) is quite in order and is copied from the National Convention Act. We are giving the election court the same powers as the Supreme Court has. So I move that section be passed.

Carried.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of the Whole "An Act Relating to Wild Life."

Amendment: "Stationed in New foundland" be added as sub-clause in (k) and inserted before the word "included" in (r).

Committee rose and reported having passed the Bill with some amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of a Whole "An Act to Provide for the Establishment of Family Courts."

Section 1 read and passed.

Section 2 read and passed.

Section 3 read and passed.

Section 4 read and passed.

Section 5 read and passed.

Section 6 read and passed.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Part four deals with children and it is not proposed immediately to pass these over to family courts because of the work involved. If it is found the family courts can do it, it is proposed to have power to make that in the future.

MR. HIGGINS: What is the meaning of 3?

MR. CURTIS: That is actually taken from the Quebec Act. It means he can adjourn a case.

MR. HIGGINS: "Any matter per-

taining to the legislation of a Province' should be cut out there.

MR. CURTIS: I think we may have that stand and see what it is all about.

Committee rose, reported progress, and asked leave to sit again.

Second reading of a Bill "An Act to Amend the Co-operative Societies Act, 1939," was deferred on motion.

Second reading of a Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies'."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill. It is not of very great interest to ordinary members of the House but would be of more technical interest to the honourable Leader of the Opposition and those associated with him. The effect of the amendment proposed is to enable companies incorporated under the law to make gifts and support funds created for the purpose of helping employees and general charities. I will read the section:

"14A. Every company incorporated under this Chapter has, and shall be deemed to have had, subject to specific restrictions, if any, in that regard contained in its Memorandum or Articles of Association, the power and capacity, exercisable by or under authority of its Directors, at any time and from time to time, to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences intended or calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons, and to grant pensions and allowances, and to

make payments towards or for insurance or for any other object or purpose like or similar to the foregoing, and to contribute, subscribe or guarantee money to or for any charitable, benevolent or educational object or purpose or any other object or purpose deemed by its Directors to be of a public, general, or useful nature"

The effect of this is that every company now has this power as if it were inserted in the charter unless there is a clause in the article saying the company shall not have that power.

This Bill also provides, Mr Speaker, for issuance of redeemable preferential shares that are issued by the company and sold for cash but capable of being paid off. In other words not like the ordinary charges of a company which when once issued must remain issued without any order of the court. Under this provision any company now can issue preferential shares and redeem them out of new shares offering or out of profits. I would move the second reading of this Bill.

Bill read a second time; to be referred to a Committee of a Whole on tomorrow.

Second reading of Bill "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the Cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard."

MR. CURTIS: This is a Bill, Mr. Speaker, that enables the Government which does not carry insurance to pay the sum every year into a fund to be known as the "Replacement of Government Property Destroyed or Damaged Fund." The Bill is very

short and the principle is set forth in paragraph 2. This is the main clause. The Bill then goes on and deals with management of the fund, trustees, earnings and issues out of the fund. I do not think there is need for any further remarks. It provides that an audit of the account shall be tabled by the Minister of Finance at every session of the Legislature.

Bill read a second time; to be referred to a Committee of a Whole on tomorrow.

On motion the second reading of Bill "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architect Designations in Newfoundland," was deferred.

MR. HORWOOD: Am I permitted to speak to this motion now, Mr. Speaker?

MR. SPEAKER: The motion has been moved deferred. That is the end of the Order Paper.

MR. CURTIS: To a question of privilege. I have had a request from the solicitors sponsoring this Bill, requesting permission to appear before the House and plead in favour of it and I would like to know what the reaction of the House would be in that matter, and if it would indicate whether or not the solicitors in cases like this, should appear at the Bar of the House and address the House.

MR. SPEAKER: The proper place for pleading of the case is either in person or by counsel before the select committee appointed after the Bill has received second reading. I would not be prepared at this time to say what the position would be toward private individuals appearing before the Bar of the House.

MR. FORSEY: It has not yet been determined whether the Bill is a private Bill or a Government measure. That should be brought out on second reading, on principle.

MR. SPEAKER: As far as the Chair is concerned the Bill disappears from the Order Paper. Motions called and not taken up are dropped.

MR. CURTIS: I withdraw my motion.

MR. SPEAKER: The honourable the Attorney General is right and the honourable the Minister for Provincial Affairs has spoken and therefore the motion is before the House.

MR. SPRATT: I never got a chance to speak, Mr. Speaker. On that occasion, the second reading of the Bill, to my mind, was not completed, because I took exception to a suggestion the honourable the Attorney General made. I did not agree with him there, and then on that I heard the gavel and I had to sit down, and that was that.

MR. SPEAKER: The honourable Minister has now the privilege of speech. I just said the second reading had been moved by the honourable the Attorney General and the honourable Minister for Provincial Affairs was speaking.

MR. SPRATT: You see, Mr. Speaker, at the time the honourable the Attorney General was making reference to section 28 (1), and said that should be kicked out, I took exception with him on that, and I would like to explain my reasons why I did that. If you will pardon me I will read the section: "Whenever any building or like structure is constructed, altered or enlarged and such work involves public hazard or the

use of structural calculations of a specialized nature, or whenever such erection, alteration or enlargement involves the expenditure of a sum in excess of fifteen thousand dollars, the services of an architect shall be employed in connection with any such work provided however this section shall not apply to any works of an engineering character as defined by paragraph one, section (e)."

Now, Mr. Speaker, I would like to point out that my reasons for not agreeing that the entire section be stricken out is that, from my own professional experience there are cases where human life is involved with regard to certain building constructions. Now take for argument's sake, right here now before our eyes this evening you have a perpendicular support keeping up that gallery and the Government decides to replace the perpendicular support by a horizontal, that alteration may not occasion the expenditure of one thousand dollars and yet in that instance you require an architect. Now, I would suggest that taking these things into consideration, I respectfully submit now, Mr. Speaker, that I am speaking from practical experience, where the perpendicular supports of some of our public buildings to be taken away and the burden of responsibility rested upon me to do that and perform that work and have it satisfactory to the safety of all concerned, I would not do that without an architect. The architect would have to design the horizontal girder to replace the perpendicular column. Now, Sir, in giving that matter serious thought this suggestion should remain if we are to consider this Bill to finalization. My suggestion is that it should read "when any building of like structure."

MR. SPEAKER: I could not take

a motion to amend or in any way alter the Bill. The principle of the Bill is, should we permit the architects to incorporate or not.

MR. SPRATT: There must be qualified conditions, we must have a reason for saying "Shall we" or "Shall we not," to justify a reason for having them or to my mind, well—I would not like to say what is in my mind at the present time—But if we are going to accept the architects we must have a justification for so doing and vice versa and if we are going to reject them or their Act we must have justification for that also and who is going to decide intelligently if we are not to express an opinion on it? I can't see it. Who is responsible for the Bill? There must be something in the Bill to justify its getting the serious attention of the Parliament, and I right here now have it before me and I know what I am talking about. Bring in all the lawyers in Newfoundland, and I think, clear of a point of law, I will talk intelligently to them on building matters. Now, therefore, I know what I am talking about and I say that in itself would justify the existence of the gentleman concerned, the architects. There might be other parts that would not justify their existence, and as far as architects are concerned I would say, yes, there are cases where they are required and cases where they are not required. In respect to alterations to buildings where human life is at stake, yes. While the layman, probably a dumb-bell like myself, may undertake to build a house without an architect, I have built houses without an architect, often altered them and performed operations on them without an architect, but there were times when I proposed a change and had to get an

architect. Some problems can be solved mathematically and some can be solved by fellows with ordinary education, but there are times when one has to seek someone who knows more than he does and in this case that is what we must realize and there is no person concerned in this Act who knows more than I about whether they should or should not be there. But there are limitations where we as representatives of the people must try and protect the people and not have people come in and make a lot of money on a job where they are not required. That is the other side of it so, Mr. Speaker, the question is very important and one requiring the serious attention and thought of every member of this Parliament. I have no personal interest in it, none whatsoever, but we are here to administer the law and give justice to everyone and give attention to the safety of our people both from the monetary and physical standpoint.

MR. SPEAKER: The honourable member for Labrador has the floor but before he begins, I would just say this regarding the difference on second reading of a private and a public Bill. A public Bill is based on the policy of the Government to which the House is prepared to give its assent. A private Bill is not founded on the policy of the Government at all but is based on allegation of facts and if it decides to give that Bill a second reading, it does not follow that the House will pass that Bill. It might be opposed to every clause. It means that the Bill is accepted conditionally upon it being immediately referred to a select committee.

MR. FORSEY: Point of information: I want to stress the fact that it is not a private Bill at all.

MR. HORWOOD: Mr. Speaker, I regret that I am not able to agree with the honourable Minister of Provincial Affairs in this matter. In fact I felt it my duty to the public, the general public affected by this Bill, that I should not permit it to pass into law without using every legal means at my disposal to prevent it. I regard this Bill, Mr. Speaker, as an unprincipled attempt on the part of a small group of building contractors to set up another monopoly for the purpose of milking the old and long suffering cow, the consumer. The cost of building today is high enough as everyone will admit, far too high, and this Bill proposes to add another 10% to the cost of erecting homes and buildings. I wonder what kind of fools these petitioners take us for or what level of intelligence they think this House has sunk to when they offer a Bill of this kind to us for our consideration. It is not, Mr. Speaker, merely what it purports to be. It purports merely to be a Bill to establish by legislation another association. But I regard this Bill as an attempt to set up a legalized racket and asks this House to enter into a conspiracy for fleecing the public, directly to increase the cost of living and making it more difficult for people to build homes.

Now, I want it understood that I have nothing against the architects. Some of these petitioners are personal friends of mine and have been for a number of years and I have certainly nothing against architecture itself. Architecture is one of the fine arts. It is deserving to rank beside music, painting and sculpture, I would not say beside literature but besides the other plastic arts as one of the nobler conceptions of the human mind.

Since I was a boy I have spent much of my time in the study of those nobler conceptions, and quite frankly it makes me see red when one is debased and dragged in the mud and exploited and used as a means of penny catching and levying another toll on the pockets of the public.

Architecture is probably the oldest of the fine arts flourishing over three thousand years ago when Hammurapi the great legislator in Assyria, founded several cities and built two magnificent temples in the City State of Elk. A thousand years later, three thousand years ago, under the great Assurbanipal of Assyria, architecture reached a level of perfection which has rarely ever been surpassed. Assurbanipal was the great emperor who rebuilt the great city of Nineveh and founded the greatest library of the ancient world, a huge building containing scores of thousands of volumes written on cloth. A thousand years later than that, no, I think it was actually the same time, King Solomon of Israel founded and built the first temple of Jerusalem and brought architects from all the great cities of the Near East and employed them to help build it, and in the time of Christ, Herod built the third temple, a building larger than the Government birch plant at Donovan's, supported on 180 pillars 18" in circumference. He brought one thousand architects from all parts to help in building it and the historic records of the learned Jew, Josephus, which contain an account of it are still studied today by students of architecture for knowledge and enlightenment.

Now my opinion is that architecture is one of the fine arts and has survived for four thousand years and more without any special legislation.

It has run on its own steam and survived on its own merits, and its practitioners received varying rewards according to their varying talent and throughout four thousand years survived and succeeded without any special legislation, sanction or approval, and make no mistake about it, Mr. Speaker, this Bill is presented to this House for the sole purpose of securing special privileges which could not be secured by any other means. If they want an association I am not against their having it, associations have been formed by any number of other groups without coming to this House and asking us to set it up. They can form for themselves a guild, a trade union, a secret society, any number of societies without a special Act permitting them to, but they come to us asking us to establish them to incorporate them by legislation. That is the only way they can write into their charter clauses covering special privileges; that is the only way they can force people to employ their services whether people want them or not. Preventing other artists from practicing their art without their special permission. That is the only way to secure for themselves a closed shop. That is why they come asking us for special incorporation.

Now, Mr. Speaker, there are 31 clauses in this Bill and I wish to call attention to standing order No. 75 which reads as follows:

"No important amendment may be proposed to any private Bill, in a Committee of the Whole House, or at the third reading of the Bill unless one day's notice has been given."

Now, Mr. Speaker, I have studied this Bill with some concern as some other honourable members have gone



through it clause by clause, and considered each separately, and I have come to the conclusion that should this Bill ever reach the Committee stage in anything like its present form, under the provisions of 75 I should feel called upon the day before to give notice of 31 amendments and taking all those factors into consideration and purely as a means of saving time for this House I propose the following amendment.

I move that the motion be amended, the motion as I understand it be read a second time—that the word "now" be stricken out and the words "six months hence" be added.

MR. FORSEY: As far as I am concerned, Mr. Speaker, the principle of this Bill is involved in two clauses, No. 28 and No. 4. Clause 28 has already been read but, incidentally, as it includes the imposition of taxes upon the people, in my opinion, that makes the Bill a money Bill and it therefore should be introduced by regular legislation of Committee of the Whole House. Clause 4, Mr. Speaker, which was not read before, says:

"Any person not otherwise qualified as hereinbefore mentioned residing in Newfoundland and who may desire to become registered as a member of the association may make application to the council for that purpose and upon passing such examination, oral or otherwise, as the council may prescribe shall be admitted to the registry as a member of the association on payment of the prescribed fees."

Clause 4 proposes to delegate to this particular association the power to grant licenses. In 1910 in the House of Commons in Britain there were a group of apothecaries who, in-

cidentially, like those architects in this Bill were already qualified and certified but sought power to grant licenses in other respects and it was introduced as a private bill. Mr. Speaker of the House of Commons drew attention to the fact that power to grant licenses was outside their jurisdiction and ruled that such should be dealt with by a public Bill as it affected the public and effected certain members of the public. My suggestion is that all those self-educated and self-made architects who comprise a considerable portion of the public would be affected by this Bill. One, it is a money Bill; and two, it can be classified as a public Bill and I contend the Bill is not a private Bill and should not be introduced as such into the Legislature. I second the motion of the honourable member for Labrador.

MR. SPEAKER: The question is—The Bill is now read a second time. There is an amendment to the effect that "now" be deleted and "six months hence" be added.

Motion is that the word "now" do stand part of the question.

I cannot decide—divide. Call in the members.

MR. FORSEY: Mr. Speaker, is it in order for me to ask for a ruling?

MR. SPEAKER: The question is that the Bill be read a second time, the amendment is to the effect that the word "now" be deleted and "six months hence" be added. The question is the word "now" do stand part of the question. Those in favour stand.

MR. BALLAM: Point of information. If we vote that the word "now" stand it means this Bill would come to second reading.

MR. SPEAKER: You are voting against the amendment proposed by the honourable member for Labrador.

MR. BALLAM: If, for instance, we did that, then it would come to second reading. Could not the matter be then referred to a select committee to bring in a report on this and then if necessary have the amendment?

MR. SPEAKER: That is a hypothetical question, no matter what I answer the question will have to be put. But for the information of each honourable member—To vote aye to this motion is to vote against the amendment. Those in favour of the question please stand—That the word "Now" do stand part of the question.

Favour: The Attorney General, Minister of Labour, Minister of Education, Minister for Provincial Affairs, Honourable Leader of the Opposition, Mr. Fogwill.

Against: Honourable Minister of Supply, Minister of Fisheries, Mr. Morgan, Minister of Public Works, Mr. Button, Mr. Drover, Mr. Courage.

MR. SPEAKER: The "noes" have it and the word "now" is deleted from the question. The motion is that the words "Six months hence" be added.

Carried.

MR. CURTIS: I move, Mr. Speaker, that the House adjourn until 3:00 o'clock tomorrow.

HON. E. S. SPENCER (Minister of Public Works): Before we rise I would like to draw attention to the fact that we have visitors in the gallery, which I very much appreciate, but I would like to call attention to the fact that for the safety of the

House and those who attend, I am perfectly happy to see young men come to the House and listen and follow up the debate, but I am very concerned about their welfare in leaning on that rail. I have no objection to their doing it only for their own sake.

The honourable Minister for Provincial Affairs referred a few moments ago to the architectural structure there; it is fairly substantial but as Minister of Public Works I can give no guarantee that rail will bear the weight of a group of people leaning against it. With all the good will in the world, I advise people from leaning on that rail, there is a danger there for which I am not prepared to accept the responsibility. I would be glad if the honourable Mr. Speaker would suggest that.

MR. SPEAKER: I will ask the Sergeant at Arms to see the individuals are informed that visitors do not lean on that rail.

Adjourned until tomorrow, Tuesday, at 3.00 of the clock.

TUESDAY, May 22, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask

leave to introduce a Bill "An Act Respecting Liability in Accidents for Damages where more than one Party is at Fault."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Relating to Use and Operation of Vehicles on Highways and for Other Purposes."

Also I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Respecting Automobile Insurance."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Labour Relations Act 1950."

#### Orders of the Day

On motion Committee of a Whole on Ways and Means, and Committee of the Whole on Supply were deferred.

Third reading of Bill "An Act Respecting Elections in Municipalities."

Bill read a third time, and passed.

Third reading of Bill "An Act Relating to Wild Life."

Bill read a third time and passed.

Committee of the Whole on Bill "An Act to Provide for the Establishment of Family Courts."

MR. CURTIS: This Bill was deferred, at least the committee had under consideration paragraph 8 of the Bill, and my attention was drawn to sub-section 3, referring to Clerk of the Court. "He may when any matter pertaining to the legislative authority of the Province is con-

cerned and when there is no judge." That was faced from the first Bill and followed literally the reading of the first. It is not very clear, so I would suggest striking out the comma after "may" and the words "when any matter pertaining to the legislative authority of the province is concerned" so that it will read "He may, when there is no judge present or able to act, perform any act or procedure of an official character, but he cannot render any judgment or pronounce sentence."

This gives the clerk permission to sit during the judge's absence.

Amendment carried.

Section 9 read and passed.

Section 10 read and passed.

Section 11 read and passed.

Section 12 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies'."

MR. FAHEY: Before we start on this I wonder if the Chairman notices there are now only nine members in the House. Yes, perhaps there are only two members of the Opposition, the Government members appear to be more worried about the Opposition.

Section 1 read and passed.

Section 2 read.

MR. JOHN G. HIGGINS (Leader of the Opposition): I presume this is meant to give to companies the right to carry out these aims if they are not—

MR. CURTIS: The effect of this clause is to put this in every article of associations automatically unless there is a clause in there restricting it.

Section 2 passed.

Section 3 read and passed.

The Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the Cost of Replacement of Government Property Destroyed or Damaged by Fire or other Destructive Hazard."

Section 1 to 10 read and passed.

The Committee rose and reported having passed the Bill without amendment. Ordered read a third time on tomorrow.

Committee of the Whole on Bill "An Act Respecting Safety of Workmen in Mines."

MR. CURTIS: There was only one section deferred in this Bill, section 270. The amendment I would suggest is that we follow the present section 270 to be 270 (1) and have sub-section (2) written in. "The manager shall remove or cause to be removed any person referred to in sub-section (1) from the mine, working place or machinery, as the case may be, and if he knowingly fails to do so he is guilty of an offence."

That clears the point raised by the honourable Minister.

MR. HIGGINS: If he knowingly fails.

MR. CURTIS: Then in relation to the penalty clause; I think it is all right, \$20 minimum fine.

MR. HIGGINS: That is later on in the Act.

Section 270 passed.

Section 271 read and passed.

Section 272 read and passed.

Section 273 read and passed.

Section 274 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Second reading of Bill "An Act to Amend the Co-operative Societies Act, 1939."

HON. WILLIAM J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, the intention of this legislation is to eliminate certain anomalies existing between the present co-operative societies and the existing regulations and to bring it in line with the legislation in other Provinces and to effect certain changes which are desirable. The amendment provides an amendment to give legal sanction to the use of the words "Board of Directors and Governing Body" of registered societies and the use of the word "President." Clause three is to rectify a mistake in printing in July 1949 in the amendment; there was provision for societies' liability and the word "society" should have appeared. There is an amendment under section 4; in 1949 the Co-operative Societies Act was amended to permit Agricultural societies to register without using the word "Co-operative." These societies have given little or no indication of a desire to register and the purpose of this Act is to repeal and now provide registered cooperative Societies bear the word "Co-operative" in its name. Under section 4, no society shall be registered under a name identical with a

name already in use by an existing society or so near it is likely to deceive. The amendment under section 4 includes an amendment to change the name if an error in registering exists in regard to registration of two societies by the same name. Amendment 4: existing legislation provides for transfer of shares from one member to another. This would prohibit withdrawal of all shares from one member to another. This would prohibit withdrawal of all shares being written off by members when a society is in distress. This legislation is common to the other Provinces. It is felt this properly should be authorized by the legislature. Existing legislation requires a society to issue free of charge a copy of its constitution and every amendment. It is proposed here to amend this because it is felt the cost involved would bring hardship to many societies were it enforced.

Section 6: Existing Section 30 of the existing Act is repealed.

Section 8: The existing legislation provides that loans may be made by registered societies to others but only with the sanction of the Registrar; this is amended, so that registered societies may make loans to other registered societies without the sanction of the Registrar.

Section 9 refers to section 39 of the existing Act and amends this because no society with liabilities may now be registered.

Section 43 of the existing Act requires that officers be bonded if the constitution so requires and it is proposed here to make it compulsory. Such legislation is common to the other Provinces. I think that pretty well covers it and I move the second reading.

MR. RUSSELL: Probably the two points I am about to raise might be raised just as well in Committee of the Whole. I know the answer but since it might possibly concern the principle of the Bill, I will bring it up now in order to ask the honourable Minister for further explanation. I agree with everything in the Bill except two things of which I am a little in doubt and I would like a little information.

Section 4: As the honourable Minister has explained that was repealed and an amendment inserted. Last year when I was attending at the board of agricultural societies, and as far as I know there has not been any great wave of enthusiasm on the part of agricultural societies in general to become incorporated in this Act, but there was one that did become registered under the Co-operative Societies Act and that is The St. John's Area Agricultural Society, and it was not so much they objected at the time of corporation but their official name then would be about that length. St. John's Area Agricultural Cooperative Society Limited or something, and they at the time felt they could do better and carry on the spirit of co-operation without using the word. I will bring up the other point before I ask the honourable Minister to answer that question. I just like to remind him of that point and I feel in all probability if the wishes of that society had been consulted, the next is a bit more curious. Section 4, sub-section 3: Now I am thoroughly familiar with the first part of that sub-section. It prohibits societies being registered with the same name or nearly the same name, but a society is not allowed now to use a name which is likely to deceive or cause confusion or for any other reason would cause

objection. It is to be in the opinion of the Registrar actually, or who is going to decide on what is or is not objectionable, or would the honourable Minister enlighten us if there has been a case that a name was used that was objectionable and if so, to whom?

I can well see where one Government might be in power and a society might be turned down politically for some name on the grounds it is objectionable, but a different government might think different. There are just these two points then: Are the societies reconciled to the use of the word co-operative, and two: what is the point of that phrase "or for any other reasons objectionable?" To whom and on what grounds?

MR. KEOUGH: Mr. Speaker —

MR. HIGGINS: I was wondering if these words were legal under the Companies' Act? Does the Companies Act apply to these Companies now that the word "Limited" is used?

I asked because of Section 30, subsection 3. Now that is contrary to the rules of the Companies Act in production in capital.

MR. KEOUGH: It does not apply. With regard to the points raised by the honourable member for Bonavista South, I raised that specific point with regard to the St. John's Society with the registrar, and I understand from him that their position will not be affected. They will be able to incorporate in whatever status they wish, use that or transfer the registration to some other; they will be able to do so. With regard to two: I understand the provision is there for this. It has been put to me this way: The situation may arise where a society is registered, probably only

a small credit society, using the name of the chief place in the locality where it is situated and it may subsequently develop at a later date three, five or ten years; a larger producer comes along or some other society develops in that place wishing to register with the name taken from the community and the registrar feels there must be some justification to require the registered society to forego the name and make it available to the larger one.

MR. RUSSELL: It would be in the opinion of the Registrar?

MR. HIGGINS: They can't use the word "Royal" for instance.

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

MR. SPEAKER: The last item on the Order Paper is an Act to Amend the St. John's Municipal Act.

MR. CURTIS: I move that order be deferred as it is not printed yet.

Motion carried.

MR. CURTIS: Yesterday afternoon the honourable Minister of Public Works gave notice he would on tomorrow ask leave to introduce a Bill the Highways Traffic Act. I wonder if the House would be prepared to have this Bill introduced forthwith with the unanimous consent? It is largely a consolidation of previous Bills and if the House would consent to its being introduced and read a first time now, we could probably proceed with the second reading or would it infringe the rights of any honourable member who thinks we are going too fast?

MR. SPEAKER: Does the House agree to the suspension of Standing

Order 56 which says a Bill may not be advanced two or more stages in any one day?

Leave is granted.

Moved and seconded read a first time. Ordered read a second time now.

MR. SPENCER: I realize fully, Mr. Speaker, that this Bill has just been distributed to the honourable members of the House and as a matter of fact it might very truthfully be said that some members, in the short time the Bill has been in their possession, may be more familiar with some of the details of the Act than I am as Minister of the Department which brings in the Act. It was not anticipated that we would require the immediate presentation of this Act but it so happened, and here I wish to say that I gave notice to the honourable Premier about a week ago, unfortunately or fortunately, that I wanted to be out of town from tomorrow Wednesday until probably the end of this week and the Premier very kindly agreed to make the necessary arrangements for me. In the meantime this Bill becomes ready for presentation. For that reason the honourable the Attorney General moved to present it as quickly as possible with the consent of the House as I may be absent for a few days and it follows I should have something to say about it. In presenting the Bill for first reading, I would merely say that it be read a first time with a view to having it read a second time immediately. I only want to point out the main reason is that I shall be out of town during the next few days, and it is the hope of the Government and all the members of the House that we may be able to prorogue by the end

of this month, I do not know the exact date. I have not asked the Premier about that but a lot depends on what we do here. The Bill looks rather pretentious from the point of view of clauses and pages, but I would point out briefly that it is merely a consolidation of the Highway Traffic Acts from the time the first Highway Traffic Act was instituted back in 1921 or 1922 or something like that. 1906 was the original one but in 1925 it was made more in the form of an Act to control highway traffic such as motor cars. Since that time there has been numerous amendments which have been brought in for enactment in this House and the idea is to consolidate and bring the Acts under one heading. I am sure my honourable and learned friend, the Leader of the Opposition, appreciates that point as he, some little time ago, made reference to similar numerous amendments, very difficult for men dealing with documents of this kind.

This Act is now presented to consolidate all of these Acts and Amendments under one Act and it is hoped it will serve for some considerable time. There may be some small items to be brought in again but that is the main purpose of presenting it in this form. Probably, before I proceed further, I should ask permission of the House if it is in order to proceed with the second reading of this Bill when I will give a little more detailed information about it.

Leave given.

MR. SPENCER: I am grateful to the House and to His Honour the Speaker for guiding me in this matter and I shall now make every effort to give you as briefly as I can the details of this Bill. There are many pages and I do not propose to go into it

as fully as perhaps otherwise I might, on the purpose of the Bill, and one might go further and say there does not appear to be anything of a contentious nature in this Bill as it is merely a consolidation of what we have had before with very few and slight changes which could probably be checked out in the Committee stage.

In the 25 years since the first Highway Traffic Act in this country there has been, as we all know, a very substantial increase in the mileage of motorable roads and there has been a tremendous increase in the number of vehicles in use, for example in 1925 there were a total of one thousand vehicles on the roads. In the registration of the year just passed we had upward of sixteen thousand vehicles in use. In other words the fact is, as not so many people may have noticed, one out of every 32 people in the Province of Newfoundland at the present is driving or operating a motor vehicle. And with regard to driving licenses it is a fact proven by statistics in our Department that one out of nineteen citizens possesses a driving license. In other words some thirty-five to forty thousand people will this year apply for licenses to operate vehicles.

The Bill that has just been placed before you represents a complete revision of everything from the 1941 Act to the present day.

Now I am going to skip on over some of these pages so as not to take too much time, these pages will be referred to again in the Committee stage. But I would like to point out a few things that I picked out in glancing through this document today, I notice sections 15 to 25 inclusively in the Bill deals with the

subject of dealers licenses. These sections are identical with the provisions of regulations previously made under the Highway Traffic Act but will not be embodied into the Act itself. They set out the conditions under which licenses may be issued and the conditions under which dealers plates may be issued. It prohibits the use of dealers plates on vehicles used for private purposes or hire and require that dealers' plates bought for dealers be registered separately. Now on that point I do not wish to have it conveyed that dealers generally through the city and the province have been taking advantage of the dealer's license plates but regrettable as it may appear it is true, very definitely true, that some, and I am very proud to say only a small number have been in some measure getting around the Act and taking advantage of the dealers' plates for their own personal use. At this moment, I do not intend to stress this matter except to say it is regrettable that this Department may even be unable to prevent it and the particular clauses dealing with that Clauses 15 through 25 will, under the present Act, we feel make it more difficult for anybody to circumvent the Act and consider himself a bit of a smart alec by saving \$15 or \$20.

Section 26 provides for license identification plates and permits as the property of the Crown. This provision is new but very common in all motor traffic legislation and is necessary, we feel, for effective carrying out of the safety provisions of this Act.

Another clause to which I wish to draw attention is Section 34 which requires that the driver keeps this license in his immediate possession



and produce it if so required to do. This is the sum total of former legislation. Any other points that may crop up which might be of a contentious nature, I shall be glad to endeavour to deal with in the committee stage.

I now want to refer briefly to what is known as safety responsibility which begins on page 48, section 63. This particular part of the Act deals with motor vehicle liability. It is generally recognized today that there should be legislation to protect innocent sufferers in respect to what is termed "judgment proof" drivers. That is, persons not having the financial resources to satisfy any judgment given against them on account of injuries to persons or damage to property which may be caused by reason of their operation of a motor vehicle. They should of course be responsible for damage caused. I need not stress that fact very much, Mr. Speaker, I have quite a number of arguments regarding the well known fact, all too many of these drivers are probably hiding under that certain clause and have neither the means nor the desire to accept the responsibility for their liability for the safety of the public on the street. That, too, is very well borne out by the very excessive rates which motor drivers are called upon to pay in this Province and it has been said that the Department might be more strict probably in the issuing of licenses. In this particular connection I feel that the Department has done even more than has been expected of it. When they find a vehicle presented to them for registration they have already power to send it to some qualified mechanic to test the machine, and until such time as the owner can bring back a certificate to show the machine is or

could be operated safely, he does not get a license. There is no desire to step on people who may be trying to get a little pleasure out of life when they get to the stage where they may be able to buy a second hand vehicle. Not very long ago I was very happy to have the advantage of buying a vehicle too and possibly was not able to buy a new car, I have not such a big one yet. However, it is the case when people see the road there and see other people getting around in cars which gives them a certain amount of pleasure, it follows that citizens are going to endeavour to enjoy that pleasure as well, so they raise a small sum of money, probably between a group, and buy maybe a second hand car, some unfortunately in a very dilapidated condition. This Bill is not with a view to taking these people off the road but in justice to the greater population, the large number of people in and about the City or on the Highways or in communities where motor roads are used, it stands to reason that the greater number of the population must be protected from the driving fiend who drives without accepting the responsibility. So this clause for safety responsibility is brought in. Section 83 down to 112 deals with this particular item.

There is a clause referring to unsatisfied judgment, in fact, several clauses. Some of the members of the honourable House are well aware of what an unsatisfied judgment clause means. There has been practical cases illustrated here, I expect in the memory of most of us, of those responsible and without the means to meet it. I would like to try and give as briefly as I can a practical example. Take my own case, John Jones, I go out and drive a vehicle around, a vehicle

I have obtained in some way or another, drive around and before getting very far am the cause of a very serious accident and as a result am taken before the courts and judgment is given against me. Probably it is not for reckless driving or maybe not drunken driving; I have not been arrested and judgment is given against me in favour of the plaintiff whose car I have perhaps seriously damaged with may be loss of life. The point is that I am irresponsible in as much as I have no means to meet the judgment. If it be that the owner of the vehicle had his car smashed beyond recognition and seeks redress through me and I am similar to the turnip without blood. An old adage says you cannot extract blood from a turnip. The same applies to me, I cannot meet the judgment, I am unable to pay it; my assets are probably few and nothing can be obtained from disposition of everything I possess. In such cases an unsatisfied judgment fund is set up in some Provinces on the Mainland and is serving a very fine purpose. Now you may inquire how that fund is brought about. In Ontario there is something like a million and a quarter drivers. There every driver in purchasing his license year after year pays a small assessment that can be made to vary to suit the conditions of the Province but since they have a million and a quarter drivers their assessment is well able to take care of unsatisfied judgments so that in the event of a person being unable to meet judgment responsibility the cost is met by the unsatisfied judgment fund. In Nova Scotia there are about one hundred and twenty-two thousand drivers and there too they build up a fund and are well able to take care of their needs in this particular instance. We

have in Newfoundland practically thirty-five thousand drivers and it is hoped that we may arrive at a decision to assess a certain amount on the drivers license in the first instance which will, we hope, build up a fund necessary to take care of our needs. We do not want to build up revenue from this. It is not the desire nor the intention to obtain a revenue from it but we feel the public must be protected and it is hoped we may tackle it in this way and build up a fund. Now this thing follows in proportion: if there are a million drivers it stands to reason there are more accidents than we will say in Nova Scotia where there are one hundred and twenty-two thousand drivers and we think the same thing follows in Newfoundland, though I fear and the thought I have in mind, based on the fact that our insurance rates are so very high, perhaps the accident rate in this Province is especially high. I don't know if it is so or otherwise but it should be in proportion.

If we can start a fund in this way it will raise sufficient to take care of what is called the unsatisfied judgment fund, I believe, Mr. Speaker there will be general satisfaction felt through the Province particularly by motor owners and possibly by the public as well over the institution of this clause. There have been many, many demands for it and since it has been my privilege to work in the Department of Public Works I know of no end of requests for something of this nature. Recently the public has seen an article published in the press by the St. John's Lions Club. They were concerned, and have been for a long time, by this particular question. They did not know that the Provin-

cial Government or the Department of Public Works of the Government had been dealing with it now for some time and only about three or four days ago there was published in the press a letter they had also sent to my department dealing with this very point. I subsequently replied and assured them that the matter was already under consideration by the Government and that in fact we had then a Bill at the printers which dealt with just such situations. One other point I would like to refer to and possibly quote from an article recently in the press regarding drivers in the Province of Quebec. May I quote? "Quebec Drivers Responsibility under the New Law." "A Bill before the Quebec Legislature provides for highway financial responsibility similar to Ontario and Manitoba and most of the other Provinces. The Bill lays down procedure to be followed when an accident occurs requiring the parties involved to notify the authorities, and motorists found responsible for accidents must satisfy any damage judgment against him and give evidence of future financial responsibility before being allowed to drive again. Evidence of financial responsibility may further be insured by posting a bond, making a deposit of funds guaranteeing it." Now on this point I will refer to one more thing than I think I am done. That point is: Should a driver be convicted and judgment given against him the public may very well say: "Oh well, John Jones had judgment given against him and had nothing to pay so they simply took it out of the Unsatisfied Judgment Fund." But John Jones is going to think twice, possibly more than twice before taking a chance and doing such a thing again. The Act also says he may never again

obtain a drivers' license in this Province until such time as he has made good to that unsatisfied judgment fund every dollar paid out on his behalf. When such a clause is made so plain and clear, Mr. Speaker, I submit that people will think twice, and in this way possibly we may help to reduce the number of traffic accidents this little Province is experiencing.

I have much pleasure in moving the second reading of this Bill.

MR. FAHEY: Mr. Speaker, as to the principle of this Bill, I must confess that I did not have much time to go through the Bill as it was only tabled and distributed about twenty minutes ago. But I understand from the honourable Minister introducing the Bill that there will be some sort of fund created for all drivers to take care of unsatisfied claims, so to speak. Now, I am not quite sure, I cannot say definitely, I did not have time to go through all the clauses of the Bill and I am not quite sure I agree with this particular set up in the Bill.

In some states, or in some countries, I understand, I don't know about the different Provinces of Canada, different Provinces I know on the Mainland people get compulsory insurance. Now the idea of that is a person may go buy a car for four or five hundred dollars and that is all they have in the world. They would not have to insure and may go out and have an accident, sometimes fatal or costly, or otherwise and in some cases the bread-winner of the family is laid up for twelve months or it even could be fatal. That person has nothing in the world but five hundred dollars tied up in a jallopy and nothing can be done about it and for that reason there is compel-

sory insurance brought in and before he gets a license he must produce his insurance by some company satisfactory to the Department, otherwise the Department itself issues on right there and then—and the Department, I may say, gets quite a lot of revenue from that. But they are not permitted to drive cars without insurance. As an example of this, if you want to go on the American Bases, you are not allowed in without insurance. I don't know the exact way it is being done in some other countries but according to this setup explained by the honourable Minister, if I have my car insured I have also to pay into a fund to pay someone else's insurance. There is a fund created and from that fund money is taken to pay unsatisfied judgment claims. That may be a good thing, but I don't think all the people who run cars and pay insurance should turn around then and pay for other cars by way of an assessment—pay for people who don't want to insure.

Now, I think compulsory insurance should be carried on motorcycles. They create more damage and cause more accidents than any other vehicles. That is another matter I think might be taken care of in the Act, I did not have time to check it through yet but I say it is unfair to have motor car owners pay insurance and because 20% are unwilling or unable to pay they have to pay an assessment besides to take care of those who won't pay, so that they may get judgment and if they have no money, (as the honourable Minister said, you can't get blood from a turnip) the amount will be taken from the Unsatisfied Judgment Fund. I don't agree with that policy; I think a policy of compulsory insurance would be much better than to have others

pay for those who do not want to pay.

MR. CURTIS: I have listened with a great deal of interest to the last speaker, the honourable member for Harbour Main-Bell Island, but I think it is impossible at this time for us to bring in a Bill providing for compulsory insurance. I don't think the time is ripe yet. The Department over which I have the honour to preside has been looking into the matter for some time and the Commission of Government gave the matter some considerable attention and there are several objections to it. In the first place the position is if you have compulsory insurance limiting the issuance of licenses to insured cars—in Saskatchewan they introduced, I think, a Government insurance scheme but I think it subsequently had to be abandoned—

MR. SPENCER: No, it has not been abandoned but it has run into difficulties and they are trying to straighten it out.

MR. CURTIS: The objection to compulsory insurance and policies issued by these companies is that they have in all their policies a clause to say the insurance is void if the operator of the car is drunk or under the influence of liquor. Now, if I have a car insured and that is my only asset, and I meet with an accident caused by me while intoxicated, then the company is freed of its obligation because of the fact that I am intoxicated. What protection is there for other parties until an insurance company issues a policy that will give full protection to the other party? Unless it does, it is not much good as an insurance policy. Now the Americans down on the Base got over that. You will remember some time

ago the question came up as to our permitting the Americans to try their own members in their own courts and one of the reasons which led us to agree with their contention was the fact that they insisted in all cases where American Servicemen driving cars carry insurance and with this clause deleted. In other words an American driving a car must be insured and secondly the insurance policy he has must be a policy that protects anybody whom he injures or any property damaged irrespective of whether or not he is drunk when driving the car. Now, you can see, Mr. Speaker, the value of such a policy and it seems to me we have reached the stage where we have to insist that insurance companies will not put that clause in the policy or it is not worth the paper it is written on, should there be an accident due to negligent driving or to intoxication. We will bring up another Bill dealing with automobiles, with automobile insurance and when that Bill comes before the House we may more properly discuss that matter.

I would like to say that I favour the adoption by the Provincial Government of the clause creating a fund out of which to pay unsatisfied judgments.

MR. FAHEY: Is that going to be compulsory?

MR. CURTIS: That fund of course will be compulsory. There is no fee named in the Act, presumably it will be either 50c. or \$1.00. In other words when you or I go to take out a license we will be charged 50c. or \$1.00 more than previously. I understand the license is \$3.00 and that \$1.00 is not going to hurt anyone but will create a fund of \$35,000 to \$36,000 at the present rate of

licenses and it would be a godsend in the case of an accident in which a driver with no insurance or who has no assets is involved. Now, I had a case three or four years ago when I was allowed to practice law, where a car had been stolen and the thief of the car ran into and demolished another car. Well in that case, Mr. Speaker, the insurance was not any good as the car had not been lawfully driven by the owner or a member of his family or a person authorized by him. In this case the thief driving the car ran into and demolished a car worth at least \$3,000 owned by a taximan who himself could not afford to take the loss but had no alternative. The fellow had no assets. Now had there been this fund he would have been eventually able to claim against this fund but, mind you, Mr. Speaker, this is not a sort of catch-all. Anybody who comes in and makes a claim against this fund must satisfy the courts, before whom he takes the case, that the defendant is action-proof and he has to have issued a writ of collection against the defendant and he has to make every possible effort to collect from the guilty party and only when he finally fails will this fund become available to protect the other motorists and the general public. The man who had been guilty of not paying the claim will not get a license and will not be allowed to drive a car unless he pays. I think it is good legislation and I think upon consideration, members will agree that it is good, and if it does cost a dollar a year for one, two or three years it is protecting everybody who is entitled to it.

MR. FAHEY: It is protection to the one who won't insure his car.

MR. CURTIS: Even if he were insured he may not be protected. The

provision is when it reaches \$150,000 the Minister will thereupon stop collecting this extra dollar and set some amount to keep the fund up to such a state that it will be able to assume any claim made against it. Now, I might say further that if my honourable friends will look at the section in question they will see that this portion of the Act does not come into force until it is proclaimed by the Lieutenant Governor in Council. In other words it may not be possible to apply it in the remaining part of the year, it may or may not, all licenses have now been issued and therefore it may not be possible to bring it into operation this year; but this Bill is a consolidation of the Law, it is only fair and proper to make provisions for it and if this Bill passes the House the provision of this section can be brought in only after the Lieutenant Governor in Council decides the time has come when the provisions of this article might be put into effect.

MR. RUSSELL: May I ask the Attorney General if there is any danger that the setting up of this fund will encourage a certain group of drivers not to get insurance, and in the case where the defendant has first of all to prove it is not collectable, would he have to prove he had tried to get insurance and could not?

MR. SPENCER: In that case he would not get a license.

MR. RUSSELL: He can't get a license if he tried to get an insurance and can't?

MR. SPENCER: In reply I have not at my finger tips the full knowledge nor all the details here but it is the principal of the Bill to which the honourable member must refer.

MR. SPEAKER: I must remind the honourable Minister, if he now speaks he closes the debate. However the honourable Minister has assurance of the House he may be permitted to answer a question. Proceed, I am merely pointing out the fact that if the Minister speaks again he closes the debate.

MR. SPENCER: I do not wish to deprive myself of closing the debate on this Bill. The point raised by the honourable member for Bonavista South with regard to the possible encouragement of individuals trying to get away with something, if he reads the clause he will see that is taken care of. Actually this is to discourage rather than encourage as has been pointed out by the honourable the Attorney General. It is problematical if we can put it in effect this year because we have 18,000 licenses issued, but the point is that an individual who will not provide sufficient proof that he has provided insurance or could provide it will be refused a license. That is part of this Act, I cannot exactly point out where but I am sure that is so.

HON. J. R. SMALLWOOD (Prime Minister): There are just two points I would like to make in connection with this Bill. First, in reply to the honourable the senior member for Harbour Main-Bell Island, who, I gather, is against the principle of the unsatisfied judgment fund which this Bill would set up—in reply to him I would point out that all or nearly all of the Provinces of Canada have exactly that legislation. I know certainly of two of the Provinces that have it, that same scheme in effect, one the Province of Ontario and the other the Province of Nova Scotia.

Now I was also very much interested in what the honourable gentleman said on this question of insurance, and I am beginning to come to the conclusion that a job has to be done by someone in Newfoundland, perhaps the Government, to investigate the whole question of insurance and the costliness of insurance in this Province of Newfoundland. I had a visit recently from Father Meegan, one of the Redemptorist Fathers at St. George's. We spent the best part of an hour discussing things in general and in particular the problem of education, and above all the problems of schools in his own immediate area of St. George's and he has come fairly recently to Newfoundland from one of the Prairie Provinces, the Province of Alberta, where, so he told me, insurance on churches and schools in his parish against fire for three years at a time costs less than he now pays for the same type of insurance, exactly the same type of insurance on his churches and schools in the neighbourhood of St. George's, for one year. So that exactly the same type of insurance is costing him in Newfoundland 300% above the cost of exactly similar insurance in the Province of Alberta, under almost exactly similar conditions so far as fire hazards are concerned. That is to say that in Alberta he insured churches and schools in an area that lacked fire protection in the same way exactly that his property in the area of St. George's lacks protection against fire hazards. So that in comparison of the cost of insurance in the area of Alberta from which he recently came with the area in and around St. George's to which he recently went, we are comparing like with like, the conditions are almost identical, and yet in Newfoundland he pays three times as much for

the same service that he paid in Alberta. I am asking myself how much longer it would be just to go without finding out why it is that insurance, fire insurance, and possibly motor car insurance is costing so much as it does in the Province of Newfoundland. Now I am not going to utter any reckless challenges on profiteering, still less of racketeering, but I do remember compiling the figures over a period of ten years, the years when I was editing the year book and I do recall vividly that for that period of ten years after you subtracted the total sum paid out by insurance companies in Newfoundland from the total amount they collected in premiums—collected from the people of Newfoundland—it was a huge amount and ran, I believe, into millions of dollars. In that period of ten years approximately millions of dollars were drawn out of the pockets of the Newfoundland people under the heading of fire insurance. Now motor car insurance is carried, if not entirely, then I believe certainly mostly, by agents of Insurance Companies and Companies who deal also in Fire Insurance. I imagine that these agents represent companies who deal exclusively in motor car insurance, as they represent other companies also who deal exclusively in fire insurance, although there may be some direct connection between the two types of companies; on that I cannot speak with any knowledge. But knowing as we do the high rates charged for fire insurance in Newfoundland, may we not at least presume that the rates for motor car insurance and vehicle insurance are equally unjustifiable. Now in the Province of Saskatchewan they have made motor car insurance compulsory by law and they have made that type of insurance a state monopoly, in

exactly the same way as this Province recently made workmen's compensation insurance a state monopoly. That is to say the Province of Saskatchewan created an insurance office or department or company or division of the Government of the Province with the sole and exclusive right to carry on the business of motor vehicle insurance. From the later indications I have seen that scheme has not been altogether successful whether because the premium rates charged on the motor vehicles were too small or for some other cause or reason I don't know but from the latest indications it seems that the Treasury of the Government has had to make up some losses in the operation of that motor vehicle insurance operation. Now that may be a matter of a temporary misjudgment or miscalculation of the size of the premium they ought to charge, it may be a matter quite easily remedied by increasing the premium rate chargeable to the customer and it could be until that larger rate is charged they could be temporarily embarrassed in their finance to the extent that the Treasury of the Province had to make good the deficit. I am afraid I could not inform the House as to exact and accurate details of the cause but I have recently seen a strong suggestion in more than one Canadian newspaper—particularly the "Financial Post" which is a finance, business-man's paper and rather noticeably unfriendly to the socialized government of Saskatchewan and hence probably not entirely unbiased in its comments on what is basically a socialized insurance scheme operating in Saskatchewan—that it has not come up to expectations, and from other evidence I have reasons to believe that the scheme has not proven to be successful or to be a solution to the problem, so I do suggest to the

House that before we proceed to adoption of the principle of compulsory motor vehicle insurance in Newfoundland, perhaps the House, perhaps the Government, perhaps some public body will do the job of delving into the whole scheme of motor vehicle insurance rates with a view to determining whether these rates are as reasonably low, as we have a right to expect them to be, and that in the meanwhile the present Bill, which can be amended next year or the year after if the House should desire to do so, be adopted.

Now on the other principle, surely on mature thought there can be very little room for difference of opinion on this unsatisfied judgment fund which is conventional and almost traditional in the other Provinces of Canada. I know that no member of the House is going to take the stupid stand that we in this Province do not need to pay any attention to what goes on in the other Provinces of Canada. To take such an absurd stand would indeed be short-sighted and merely prejudiced because human experience wherever it is can always be of benefit to human beings wherever they are and if the Governments of the neighbouring parts of the Mainland of Canada have practical experience in these matters then we would be wise, I think, to learn from their experience as in this matter. That is sound, as they have proven to have had unusual success with damages which have been found to have occurred as a result of motor car accidents.

I would be quite frank, Mr. Speaker, not only have I not read this Bill through but I have no intention of doing so unless I am driven to it. Life seems really too short for a man to read every word of every



Bill which comes into this House, even if we do homework and carry them home with us at night, life is still too short for every one of us to read every word of every Bill legislated. However, I hope some people will read every word and that the House will have the benefits of the study which I know the honourable Leader of the Opposition will give the Bill in its entirety and the honourable the Attorney General will undoubtedly give the Bill close study and the honourable the Minister of Public Works with the benefit of his staff undoubtedly will have given the Bill itself in its entirety close study so that if the House is led in this matter by these three honourable gentlemen I think we can feel quite safe in not insisting each one read every last word of it. Now it is my understanding that it is not the desire of the honourable Minister of Public Works to ask the House to do more than give the Bill second reading at this stage of our proceedings, it is not his intention to ask the House to go into committee of the whole. In committee of the whole, when the Bill finally goes there, we can examine it closely clause by clause in such detail as the honourable the member for Bonavista South and other honourable gentlemen may desire, point by point, as they arise.

MR. SPEAKER: I understood that it was not to go into Committee of the Whole today, but I learned from the honourable the Attorney General he would be rather disappointed if it does not go ahead.

MR. SMALLWOOD: I don't insist. If the whole House agrees, far be it from me to delay it. We are all anxious, I think, to complete the business of the House as early as possible and I assume we will have a night session, and if it is the will of the House to

move on into Committee of the Whole House and get through as much as we can, I would be happy.

MR. HIGGINS: We have to look at this Act from the standpoint of citizens who may be ruined, personally disabled or financially ruined probably by the act of an irresponsible person. Regarding this it is very difficult to say just what should be done. I am sorry to hear the so-called socialized state of Saskatchewan has failed to settle the question. Something ought to be done and I understand the position. There is no question about it, persons ought to be insured. There is but one thing if a driver meets with an accident which he is liable for, he never gets insured again, no company will give him insurance and that is why he must be careful. There are two things to guard against. One: a person who does not insure his car against damage to another person is a menace and there is too much of it today. All lawyers know what unsatisfied judgment is and the person who will laugh at you when judgment is given is laughing at the poor unfortunate who has to suffer. It is time something should be done with regard to highway traffic accidents. Here is a man, healthy, and earning good money, giving his family a respectable rearing, and because of an accident all his prospects are ruined and he becomes a burden on the state. I am glad some attempt is being made to offset such consequences. If a man is injured and can't work let him get some compensation to get some of the comforts of life. I know it is impossible to put such a man back in his original position but something should be done. I really cannot understand why the motorists here have not formed up an insurance. We all insure our houses

and pay far more than \$2.00 a house which could be damaged by our own neglect and sometimes through no fault of our own but in the case of being injured by some motorist that is just as possible for us as anyone else.

I presume I have to go over this Act again according to the dictates of the Premier who throws the burden upon the Attorney General, myself and the Minister for Public Works and we can leave any controversial section remaining over, for instance page 48, section 83, I would like to do a bit of home work on this Bill as I have not much else to do these days and can spare some time. Is the Automobile Insurance Act 1951 printed yet?

MR. CURTIS: It will be here tomorrow.

MR. HIGGINS: Would it not be better if we had a copy just to know what it is about?

MR. SPENCER: I think it is in connection with—

MR. SPEAKER: Order, the honourable Minister may speak only once. Questions are not properly asked at this stage but are asked in Committee of the Whole, otherwise a Committee of the Whole debate may take place. This is only for the members own protection. Is the House ready for questions?

Bill read a second time.

MR. SPENCER: May I now request the authority of the House to proceed with the Committee of the Whole stage of this Bill?

MR. SPEAKER: Leave is granted to Committee of the Whole on this Bill.

Committee of the Whole on Bill "An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes."

Section 1 read and passed.

Section 2 (a) read and passed.

Section 2 (b) read and passed.

Section 2 (c) read and passed.

Section 2 (d) read and passed.

MR. HIGGINS: What is the difference between common and public highroads?

MR. CURTIS: It means the same thing.

MR. SPENCER: It is brought down from the other Act.

Section 2 (e) read and passed.

Section 2 (f) read and passed.

Section 2 (g) read and passed.

Section 2 (h) read and passed.

Section 2 (i) read and passed.

MR. FAHEY: Under this clause are there any regulations to take care of bicycles and motor cycles?

MR. SPENCER: Under (i) I doubt very much.

MR. FAHEY: They use the highways frequently.

MR. SPENCER: One thing we cannot seem to control is that bicycle business; we do not know what to do about it. A bicycle is not classified as a vehicle.

MR. FAHEY: The reason I drew it to the attention of the Minister, no matter where we go there is always a bicycle in front, sometimes going against the traffic, crossing the roads and flaunting regulations which

all other types of vehicles obey. I do not see it.

MR. HIGGINS: Like cats and dogs they are a menace and get in the way sometimes.

MR. FAHEY: I have nothing against a bicycle, I think children are entitled to have a bike for transportation but they should be governed by some regulations. For instance, I saw a man walking along the street one day and I stopped the car and asked him why he did not walk on the sidewalk and he answered, "I don't have to." Yet if I got in there on the sidewalk in a car I would be arrested. Well the same thing applies with a bike, we make regulations for a car and we must be governed by certain speed, stop signs and so on, but I have seen on Rawlin's Cross recently, when all the traffic was stopped for a red light, a bicycle went on through and it is a wonder there are not more serious accidents.

HON. S. J. HEFFERTON (Minister of Education): On page 73 there is a section which deals with bicycles.

MR. HIGGINS: I think we had better go ahead.

MR. CHAIRMAN: It is very difficult to give people the floor unless they rise and address the Chair. It is very difficult otherwise to know who is speaking or who has the floor.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): How about strangers coming in, who would not be aware of the existing law, would that be any difference?

MR. SPENCER: Everybody knows he has to comply with some law.

Section 2 (j) read and passed.

Section 2 (k) read and passed.

Section 2 (l) read and passed.

Section 2 (m) read and passed.

Section 2 (n) read and passed.

Section 2 (o) read and passed.

Section 2 (p) read and passed.

Section 2 (q) read and passed.

Section 2 (r) read and passed.

Section 2 (s) read and passed.

Section 2 (t) read and passed.

Section 2 (u) read and passed.

Sections 3 to 15 read and passed.

MR. HIGGINS: What is the meaning of number 15?

MR. SPENCER: That is in connection with dealer's license plates to dealers for demonstration purposes but not for their own personal use, one of the things I referred to in second reading.

Sections 16 through 28 read and passed.

MR. HEFFERTON: We have the age of 18 as the age for obtaining a motor licence, but there is a clause there which permits drivers coming into the Province a year younger.

MR. SPENCER: If they give proof they have operated for three months and they are legally licensed in another province.

Section 29 read and passed.

Section 30 read.

MR. HORWOOD: I would gather from that clause a motorbike is a safer vehicle to operate than a car.

MR. SPENCER: The answer to that is rather difficult but it always has been the practice that a motor license for a motorcycle be issued at a younger age than a license for a motor car.

MR. HORWOOD: What is the logic for it?

MR. SPENCER: I am afraid that is hard to answer but it has been the case, as a matter of fact we raised the age here to 17 years.

MR. HIGGINS: They are more dangerous than a car.

MR. MAKINSON: More dangerous to the driver but not to the general public.

MR. HIGGINS: If you give it to younger people under this clause the boys here will wonder why they are not allowed to drive.

MR. MAKINSON: For a point of information; I do not see any provision made that a tractor must be licensed. Was there not in the old Act some provision whereby a tractor might operate between fields using the highway?

MR. SPENCER: If they have to cross the highway they must have a license.

MR. CURTIS: Just get a permit to cross and things like that?

MR. MAKINSON: Do you mean to say a farmer with a tractor going a limited distance perhaps a mile or a half mile whose farm extends along a mile or so of the highway has to have all his equipment licensed?

MR. SPENCER: There is some special permit dealing with that. With respect to the point raised by the honourable Leader of the Opposition all I can say is that motor-bike operators, since these machines have been in the country, are allowed to operate down to seventeen years of age. It was down to sixteen but I hesitate very much to change it under the present situation. We might bring in something to restrict their taking advantage of the Highway Act and

speeding far more than motorcars; they are getting pretty reckless, it may be necessary to do something about that.

MR. HIGGINS: Under 29 (3)—what is meant by character?

MR. SPENCER: I think we have to give legal sanction here. We had a case very recently, last year, where the operator was a victim of epileptic fits and was involved in an accident due to his physical condition and of course his license was cancelled. The individual has probably recovered somewhat and has not had a relapse and he recently applied again and we still refused. We have authority to refuse under this Act and when we refused him he went to a medical practitioner who passed him as being physically fit and said we should issue a license. He sent that along and we were not satisfied and we sent it to our medical officer, to the Deputy Minister of Health and he came back with a ruling that in accordance with all the regulations he was unfit to receive a driver's license and two days later we received a cable from the medical practitioner that he had had another fit and "for God's sake" do not issue him a license. It covers just such cases as that and the word "character" does not enter in so much except that a person shows himself to be entirely unfit.

MR. CURTIS: We have to be very careful. I happened to be solicitor in that case and I found the Commissioner was stupid and arrogant. The doctor in the Department of Health gave the decision without looking at the evidence and gave an affidavit which mis-stated the facts. I just say that because we must be sure it is not abused.

MR. HEFFERTON: Section 30 (2)—could you tell me what is the system in the other provinces? I could have gotten a license in Halifax but in New Brunswick it takes a king to get a license there.

MR. SPENCER: The laws differ in the various provinces and as to your personal experience in New Brunswick last year I do know that in other provinces that was not so. I was engaged just a few years ago on the mainland with a contracting firm moving all equipment to Quebec and Quebec is supposed to be most difficult to deal with on that matter, we went in to have some work done for a contracting firm and we had to have all vehicles re-licensed and pay the fee in Quebec. Regarding the question I can merely say it is a difference in regulation in the various Provinces and we extend the same courtesy here as do the other Provinces near us.

MR. MAKINSON: Not for business purposes?

MR. SPENCER: A permit for three months if they are licensed on the Mainland.

MR. CHAIRMAN: It being now six o'clock we will leave the Chair until 8:00 o'clock.

#### NIGHT SESSION

The House met at 8 o'clock.

Committee of the Whole on Bill "An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes."

MR. CHAIRMAN: I think we just completed section 30—page 15.

Sections 31 to 34 read and passed.

Section 35 (a), (b), (c), read and passed.

Section 35 (d) read.

MR. RUSSELL: In section 35 (d) it is an offence to refuse to surrender upon demand. What about if it is just requested to be returned?

MR. SPENCER: The understanding is that the Minister of the Department would not ask for the return of the license without jurisdiction for it, for instance if the owner's condition rendered him an unsafe person to hold a license.

MR. RUSSELL: If you are going to have section 25 you must have a penalty.

MR. SPENCER: Penalties come on page 79, section 119.

MR. HORWOOD: We understand from this section that from the day a man is charged with an offense his license is automatically cancelled? I am not making a mistake. It is not when convicted but suspended when charged, whether he is guilty or not. Is that the intention of this clause?

MR. SPENCER: In reply, the situation now is that as soon as a man is charged his license is automatically suspended by the Department. If however, he is subsequently not proven guilty his license is returned. The main reason for that particular clause I understand in many cases in the past, I do not know about many, but certain cases, where persons have been charged with possibly manslaughter or something of that kind and there was nothing whatsoever to prevent that person from immediately going out and causing another manslaughter case so that, no, we are suspending the license and as soon as a

man is proven innocent his license is returned.

MR. HIGGINS: Was there not a case a little while ago where a man up on indictment before his trial committed another offense?

MR. HORWOOD: I cannot say I entirely agree with the clause. It could be regarded as suspending a right and consequently would be a form of punishment.

MR. SMALLWOOD: It is not a right.

MR. HORWOOD: No, in a sense it is a certain privilege granted certain persons.

MR. FAHEY: The point I would like to make is: supposing a driver's license is suspended and the trial did not come off possibly for six months, he could be inconvenienced all that time and be still proven innocent.

MR. SPENCER: Yes, that is the actual position.

MR. HIGGINS: That has to be, if a man up on indictment went out and before trial killed another person, what would anybody say?

MR. SPENCER: In the meantime the court has jurisdiction to say whether the offence was serious enough to justify taking away the license.

Section 35 (d) passed.

Section 35 (e) read and passed.

Section 36 (1) read.

MR. RUSSELL: In section 36—why does it refer to the Criminal Code?

MR. SPENCER: In case of drunken driving.

Section 36 (1) passed.

Section 36 (2) read and passed.

Section 37 read and passed.

Section 38 read.

MR. FOGWILL: What is meant by the word "Misconduct" in Clause 38?

MR. SPENCER: We more or less explained that clause this afternoon when the honourable member referred to the word "character." It is pretty much the same here. If the license be suspended for misconduct the Minister has power under that clause of misconduct to suspend licenses or cancel them if necessary. It is very much the same as the explanation of the word "character" the honourable member for St. John's East referred to this afternoon. It is not meant for ordinary misconduct which might not affect a driving license in any way.

Section 38 passed.

Sections 39 to 41 read and passed.

Section 42 read.

MR. FAHEY: I would like to ask the Minister under 42 (c)—fees to be paid for such licenses—does that mean that the Minister, through rulings with the Lieutenant-Governor in Council can issue the fees on motor cars?

MR. SPENCER: Only with the approval of the Lieutenant-Governor in Council.

MR. FAHEY: It means the Lieutenant-Governor in Council can increase the fees at any time. Increased them last year and raised them 50%.

Section 42 passed.

Sections 43 to 54 read and passed.

Section 55 (a) read.

MR. SMALLWOOD: Mr. Chairman, before you adopt section (a) of

clause 55 I would ask the Committee to turn to page 31, at the foot of the page. It has become traditional in this House that no session of it should pass without a Dog Act and I see no likelihood of a Dog Act coming in this session and so that the dogs may not be ignored I suggest the insertion of the word "dog" in that section. I do not know if that is the best place to insert the word "dog" and probably the Minister of Public Works or the Minister of Labour thinks I am just joking, whereas the rest of us are very serious. I do not insist on it, and if the honourable Minister of Public Works can think of a better place to put it, we should do so.

MR. HIGGINS: I think we will spend many dog-days here before the House closes so that I ask that everything that is connected with dogs be suspended.

MR. SPENCER: The honourable Leader of the Opposition has expressed my thoughts but in the reading and passing of lengthy legislation of this type, I think, with all respect to the honourable Premier, he is endeavouring to bring a little humour into this session for the benefit of the members sitting here. With reference to the inclusion of the word "dog" here I think it is much better dealt with when it is brought in from time to time by the Department of Natural Resources, and we in the Department of Public Works have sufficient to do to try to look after vehicles, to worry much about dogs.

MR. HIGGINS: It might be suggested you add elephants, ostriches and other animals.

MR. CHAIRMAN: I rule the word "dog" out of order.

Section 55 (a) to (x) read and passed.

Sections 56, 57, 58, read and passed.  
Section 59 read.

MR. HEFFERTON: Section 59—does that mean all Traffic Orders must be published in the Newfoundland Gazette and otherwise? Should it not be and/or otherwise?

MR. SMALLWOOD: Formerly it was published only in the Gazette but Statutes are now published in other papers and may be produced as evidence in court.

MR. HIGGINS: The great advantage there was that the Gazette is a small paper and anybody wanting to find an item, it is handy. That is all. If I pick up the Telegram or the Daily News I would not know where to find it. People are supposed to know the law. That is the only advantage.

MR. SPENCER: The reason for this in the clause is principally to provide the authority for the Chief of Police regulating traffic in the City on special days, such as Regatta Day, or special holidays or when special functions are taking place, and I think that has been very well dealt with. We in the Public Works merely approve of the action taken and are glad to pass that authority on to him. Having done this we do not need to worry so much about the publication, according to this Act it has to be in the Gazette but in addition it is published in the daily papers, as everybody is well aware.

MR. MORGAN: Is the word highway taken to be street in the City of St. John's?

MR. SPENCER: Yes.

Section 59 passed.

Section 60 read and passed.

Section 61 read.

MR. FAHEY: Under 61—suppose any person converted an old car or vehicle into use for a convenience round the farm, would he not be permitted to have the same concessions as farm equipment? Are there licenses to go with that or are they just left to the Minister's discretion?

MR. SPENCER: The honourable member will find the clause has some elasticity in this sense; if the owner uses such vehicle merely for use on his own farm and not on the highway the fees are remitted. In the matter of crossing the highway, say his farm is on both sides of the highway and adjoining to it, he could obtain a permit to cross the highway, he is not supposed to use it for transportation purposes, if he does he is liable for regular fees.

MR. MARINSON: He is allowed to cross but not to travel at all? That is a point which I think is very important. Does it not mean a vehicle may proceed along the highway which is bordering the farm, otherwise the farmer will have to get a permit for each of these vehicles or trailers going between farms and travelling perhaps a distance of half a mile thus paying three times the license that others do.

MR. SPENCER: In such cases as the honourable member for Port de Grave referred to there is a special fee for a farm tractor, a very nominal fee actually, I believe about \$3.00, and if a trailer is used and attached to such tractor, it is about half the fee of the tractor. So there are regulations to cover it but it is also obvious that nobody may use either of those vehicles along the highway or any portion thereof without paying a regular fee for it. On page 89 (2), "In respect of motor vehicles, being a traction engine not ordinarily used

on a highway but which is required to be driven upon a highway in order that it may be moved to or from any place where it is ordinarily used, a license may be issued on such terms as the Minister may determine."

I take it that clause shows that a motor vehicle which must travel on the highway has to pay a nominal fee of that type but it does not demand that farmers or other owners have to pay what is considered a nominal fee for such vehicles. In other words they are not crippled there.

MR. SMALLWOOD: I think this: I once had a farm tractor at Gander and used it for farming and saw-milling and I had occasion from time to time to move the tractor from one farm to some other near-by farm, and indeed I did some custom plowing with it, and for that purpose I used the highroads and I remember very definitely I did not have to pay any fee for that, nor did I have to have a license plate. This part of the regulations is something new. How long has that been the practice?

MR. SPENCER: Since the original Act in 1935. Perhaps you were breaking the law in not having a license plate.

MR. HIGGINS: It is statutory barred now.

MR. SMALLWOOD: If so, I plainly confess I broke the law—if that was the law. Surely a farm tractor ought not to be subject to any tax for moving along the road and I am quite sure the honourable Minister will be very sympathetic with that viewpoint and I would not be surprised were he the first to move that it be stricken out. I know he is completely sympathetic to the development of agriculture in



Newfoundland and farmers should be exempt from this tax, for, after all, a man with a farm does not ordinarily use the road and would not use it more than one percent of the time and nearly all vehicles are rubber-tired, and only move from one farm to another. I know a case of a farmer doing a considerable amount of custom plowing with his own tractor and he has of course to move from one farm to another, work perhaps for eight hours on a farm, perhaps at night using headlights and often works until past midnight cleaning up a job on a farm and moves maybe ten miles to another farm and works there a day or two, and actually his use of the road is purely incidental, and surely Newfoundland is not so badly in need of revenue or so eager to get revenue that we need to impose that burden on farmers—surely that is the feeling of my honourable colleagues too.

MR. SPENCER: I would like to say that is exactly the position I take myself, dealing with that clause.

MR. HIGGINS: I do not see why regulations should be brought up here. We pass an Act and the regulations may be changed overnight. If we pass the fee here there would be no power to change it in the regulations. You cannot change a fee set.

Sections 61 passed.

Section 62 read and passed.

Section 63 read.

MR. SPRATT: I would like to ask the honourable Minister if the Municipal law in any way conflicts with the erection of signs. According to this Act would it not be better for the Department to set up signs uniform throughout the Province? I see

here the signs delegated to the City may be different than on the highway. That may not work out, as I see it.

MR. SPENCER: In reply to the honourable Minister of Provincial Affairs I wish to point out that signs on the highways are definitely under the jurisdiction of the Department of Public Works and it is covered in section (4), on page 37, which reads:

"(4). A municipality to which the Minister has delegated the power to make regulations under sub-section (1) may, subject to the approval of the Minister, provide in the regulations for the erection of traffic signs of the kinds and descriptions approved by the Minister and the provisions of sections 47 and 51 shall apply mutatis mutandis in respect of such signs."

The actual position being we have control over the signs and our whole object is to work towards uniformity, and the Municipal Council may not place any sign within the city regarding the streets which have not been approved by our Department.

MR. RUSSELL: With regard to piling of logs on the side of the highway; if they are piled parallel to the highway they can constitute a hazard whereas at right angles it is much safer. Is there anything here giving power to regulate that?

MR. SPENCER: It is covered under Public Works Act; in fact we had occasion to remove telephone poles with the ends sticking out on the highway.

Section 63 passed.

Section 64 and 65 read and passed.

Section 66 read.

MR. HIGGINS: I wish to draw attention to one point in clause 66,

It includes moving the injured which perhaps could be the worst thing that could happen. In case a person has a broken back it is better to leave him alone; if a person is placed in a car while suffering from a broken pelvis or back, it could be fatal. If it is known to be law people will do it and that is dangerous. A person who is injured should be left until the doctor comes.

MR. SPENCER: It happens to be identical with legislation throughout the Dominion. The odd case may be detrimental, but in the great number of cases the need is to get the injured to medical aid as soon as possible.

Section 66 passed.

Sections 67 through 79 read and passed.

Section 80 read.

MR. HIGGINS: Under clause 80. Why gross negligence, why not say negligence?

MR. SPENCER: That is in our Act.

MR. HIGGINS: There is no such thing as gross negligence; negligence is the same thing. I understand it has been debated for a long time and each time it comes up the ruling is that the word "gross" does not change the meaning in any way, but it does not seem to do any harm and if we leave it there it will have little effect.

MR. FOGWILL: How would this section work out where a person was riding a vehicle with the owner who because of drinking, met with an accident, and the person was injured?

MR. SPENCER: Under the law there is no charge recognized unless there was negligence.

MR. HIGGINS: That is just a re-statement of the common law that if the owner and the driver of a car, through negligence, causes the guest to be injured, the guest has an action against him in any case.

MR. SPENCER: I wish to point out to the Committee that we are now approaching the sections of the Act regarding safety responsibility, and I feel we should read some sections not in before so that they may be able to approve or perhaps detect some flaw. I am fortunate in having the Assistant Deputy with me who is quite familiar with the construction of the Act.

MR. SPRATT: In section (2)—"the Minister shall suspend the driver's license in such cases," I think should be inserted there.

MR. SPENCER: That really applies to a case of one person being convicted there.

Section 80 passed.

Sections 82 through 84 read and passed.

Section 85 read.

MR. FAHEY: No. 85 (c)—Criminal Code—will the Minister explain that?

MR. SPENCER: I understand, in reply to the honourable member for Harbour Main-Bell Island, 284 covers where grievous bodily harm may be done, 285 covers drunken driving and 377 is applicable or refers to theft of motor vehicles.

Section 85 passed.

Section 86 through 88 read and passed.

Section 89 read.

MR. FAHEY: It says here on page 55, that any money deposited will be

with the Minister of Finance. How is he taking care of that. Is he only given the right to hold on to it? Should there not be a clause that it should not go into general revenue?

MR. SPENCER: It is only held for the other person's account until such time as the action is satisfied.

MR. HIGGINS: What happens to the interest, as he is supposed to deposit \$5,000.

MR. SPENCER: I understand the person for whom the money is held for any length of time would get the money including his interest. He is entitled to what he paid in, plus interest.

Section 89 passed.

Sections 89 through 105 read and passed.

Section 106 read.

MR. SPENCER: Section 106 (2) —the amount \$15,000 should be \$150,000.

Section 107 to 125 read and passed.

MR. SPENCER: Prior to rising the Committee, I would like to express, if I may, my appreciation of the co-operation given in getting through this rather lengthy piece of legislation. I realize it is a laborious job sitting here and reading every one of these Acts, but I realize too the necessity of editing them since we have not had time to do so, since they came from the printers. In that regard too, I wish to express my appreciation. It has been pointed out by the honourable Leader of the Opposition that we have the power under the Act to make regulations and it is not necessary to read all these; they are merely in for the benefit

of the Committee, and I would be quite satisfied to read them if it is wished and if we pass this set of regulations here in the House this evening, we still have power to make slight changes.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

End of Order Paper.

MR. SMALLWOOD: Mr. Speaker, I move the House do adjourn until tomorrow, Wednesday, at three of the clock.

The House adjourned accordingly.

WEDNESDAY, May 23, 1951

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

Honourable the Attorney General to ask leave to introduce a Bill, "An Act Respecting Liability in actions for Damage when more than one Party is at Fault."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Labour to ask leave to introduce a Bill, "An Act to Amend the Labour Regulations Act, 1951."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Public Works to ask leave to introduce a Bill "An Act Respecting Automobile Insurance."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Second reading of a Bill "An Act to Amend the St. John's Municipal Act."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, on this motion may I say that the House finds itself in a very unfortunate position as a result of a fire that took place last night in the building of the King's Printers, who, as the House is aware, prints the Bills for the House. There are some 25 Bills, more or less, in the hands of the printers at this moment for printing and we still do not know where we stand in regard to these Bills as a result of the fire. It may be that we will be considerably delayed in getting these Bills here in the House. Just what arrangements can be made I do not see as yet. I do not know if the Bills were set up in type and partly printed and the paper severely damaged by water or whether the Bills were merely set up in type and the paper has been damaged by water. If the latter is the case it is merely a matter of moving the type itself to another printing office and get the actual printing done there. We will not know about it until the day is over. In the meantime as the House would not normally meet on Saturday, and tomorrow is a holiday, and in view of the situation at the King's Printers, I propose to move today when we complete

what business we have, the adjournment of the House until Monday, in the hope that we will meet, for we cannot do business if the Bills are not printed. This fire is just an unfortunate incident which has cropped up and may cause some delay. I move that the order be deferred, Mr. Speaker, and that the next two orders also be deferred and that we defer Committee of the Whole on Ways and Means and go on to the third readings.

Motion carried.

Third reading of Bill "An Act to Provide for the Establishment of Family Courts."

Bill read a third time and passed.

Third reading of Bill "An Act Further to Amend Chapter 127 'Of the Consolidated Statutes (Third Series) and entitled 'Of Companies'."

Bill read a third time and passed.

Third reading of Bill "An Act to Provide for Operation and Control of a Fund to Meet in Whole or Part the Cost of Replacement of Government Property Destroyed by Fire and Other Destructive Hazards."

Bill read a third time and passed.

Committee of the Whole on Bill "An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes."

HON. LESLIE R. CURTIS (Attorney General): It is agreed last night to call the regulations by number as those passed now may be amended by the Minister at any time.

MR. MILLER: The thought has just struck me with respect to No. 5: as it is now compulsory to carry a license on one's person we might have a second one.

MR. CURTIS: It is always a good idea.

MR. MILLER: Then one would not have to think about getting it every time.

MR. SMALLWOOD: To have two issued at the same time is merely a matter of administrative detail for the Department itself. If there were enough pressure for that and it was known to be useful no doubt it could be arranged. It need not be inserted here but would be an administrative arrangement.

MR. CURTIS: I got a second one last year when I lost mine.

MR. JOHN J. HIGGINS (Leader of Opposition): Under 7 (D) does that also mean tricycles?

MR. SMALLWOOD: Just motor cycles. It does not include vehicles used by human power, they have to be motor driven.

Carried.

MR. SMALLWOOD: In respect of motor vehicles, being a traction engine not ordinarily used on a highway. . . . A license may be used on payment of a fee of \$3.00, and the fee included one set of identification plates. That is in regard to farm tractors of which we spoke yesterday and while I have no possible objection to issuance of licences for such vehicles or machines, it does seem to me that there ought to be a charge for that licence and this clause provides for payment of a fee of \$3.00, and the issuance of a set of identification plates. Now in the nature of things they don't need to have identification plates and ought not pay a fee of \$3.00 and if the honourable the Attorney General, with or without the assistance of the Leader of the Op-

position, who are both lawyers, would suggest an amendment.

MR. HIGGINS: How much do identification plates cost?

MR. CURTIS: Replacements are \$2.00.

MR. SMALLWOOD: But what is the need of farm tractors having identification plates? In days of Commission of Government they introduced a coloured gasoline for use by fishermen and they provided also that farmers would be licensed to receive the pure Acto. I know, I had a licence myself for Acto for a tractor, permitting us to use Acto. Surely we cannot charge the farmers a fee for his infinitesimal use of the highway. Why charge him anything, he is not driving for pleasure or profit, merely moving along because it is the only way he can get from one farm to another.

MR. HIGGINS: That is not the point. Is it the intention not to give identification plates?

MR. CURTIS: It seems to me a vehicle like that may well block traffic and may not be driven properly on the road. Take "Concrete Products"—they are moving tractors all the time.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Could you not add something to it as section (4)?

MR. FAHEY: I know farmers who have old trucks converted for use on the farm but not operated on the highway. The reason is in some places they can use old trucks and get them fitted up for that purpose. I think we should have a reference to equipment used for farming.

MR. SMALLWOOD: Obviously we will have to draw the line between a

truck and a truck-converted tractor for I know cases where trucks are used virtually as tractors, the truck is loaded with rocks and chains are put on the tires and it is put in four-wheel drive and in some ways it is better than a tractor, but the same truck driven around on the roads without the chains is exactly like any other truck and if a truck is used in that way to abuse the privilege I have all the sympathy in the world for the idea of the honourable gentleman, but I think he will see on reflection if it includes motor trucks; it would be impossible to know whether it was being properly operated on the road or not.

MR. FAHEY: I had in mind cases where I know people who have old trucks and cars and have them converted for farm equipment, and sometimes have to cross the roads and go along them to get to another section of their farm. I had a complaint, in fact, from one member in my district who was not allowed to go through a certain section without a license and he had to pay the full license and I saw the truck—he could not use it on the road. If it is a matter of identification plates, could they not be issued a type of plates which could not be used for general purposes?

MR. SMALLWOOD: The special plates cost very much more.

MR. FAHEY: Suppose some motor manufacturers, General Motors or someone else, put, out the tractors in the shape of a model T Ford, would they be considered as tractors?

MR. SMALLWOOD: If they were farm tractors, yes. My honourable friend gives an example of a truck converted into some sort of farm tool,

useless except as a farm tool; now I have already given an example of a four-wheel drive truck being used as a tractor for farm purposes by putting on chains and filling the truck with rocks; it has weight, traction and power, but there is nothing in the world to prevent the owner of the truck from going anywhere on the road. How are we to draw the distinction, we are going to be lost if we include more than tractors, home-made or not, but they should be tractors.

MR. CURTIS: I wonder if we just left the words on page 79 and struck out the words "On payment of a fee of three dollars and the fee includes one set of identifications;" and add the words "On such terms as would give him the latitude to give it free or make conditions of use." It is quite possible some people would abuse that and these things are hard on the road if they are allowed to go indiscriminately. I suggest that because the less we alter the construction for the printer the better.

MR. SMALLWOOD: Of course with Order in Council the Minister can be instructed to make a certain regulation. If the Committee would be willing to trust the administration in that matter and accept our good faith and desire to be of help in this matter to the farmer, the suggestion of the honourable the Attorney General would be a good one and at least while this administration is in power they will continue to have the same sympathetic attention. So that a license may be issued on certain terms.

MR. CURTIS: You take a man with a lot of machinery which he moves along from place to place. You must have control of those things.

Amendment moved and seconded.

HON. S. J. HEFFERTON (Minister of Education): I have been in all sorts of cars, some with no meter or speedometer on them. I just wonder what attempt is made to check up on the deficiencies in a car?

MR. SMALLWOOD: Mr. Chairman before the honourable the Minister of Public Works replies to that, what the honourable Minister of Education has said is that he requests legislation against his own neglect, he has just confessed driving a car without rear vision or speedometer or fenders and presumably with some type of elementary brake on her and he thinks he ought to be protected against it.

MR. HEFFERTON: That is right in part.

MR. CURTIS: I think he will have to take a chance on that and when he is involved in any offense he will be checked up for it.

MR. HEFFERTON: Under Sub-section 4—Section 52—public vehicles should be equipped with a lot of things, yet yesterday afternoon I happened to drive up immediately behind a pick-up and in it were some ten or twelve men and some standing and two or three on the tail-board and it was for me a most uncomfortable drive from the driveway here to the entrance of Prince of Wales Street. It seems to me there should be some consideration given to this type of thing. A person may be jerked off and the driver behind has no time whatsoever to keep from piling on top of him; and looking at this regulation I can't see anything to cover that point.

MR. MAKINSON: In some Provinces on the Mainland nobody may

be carried in that type of pick-up other than helpers. Here in Newfoundland it may be impossible, to enforce. However, it is dangerous as some Provinces have found out.

HON. E. S. SPENCER (Minister of Public Works): I appreciate the point raised by the honourable member the Minister of Education and referred to by the honourable member for Port de Grave in connection with hazardous driving but the trucks in this Province, as has been pointed out by the honourable member for Port de Grave very often, make it convenient for people to get out in the country and it might be very well left to the regulations. I will take note of it, as I am aware there is not a particular clause in the regulations thus far referring to that particular clause raised, but on page 101 (h) there is a clause covering the seating capacity which indicates that those who drafted the regulations are sufficiently aware that these will be glad to make a note of it, and will find out if we cannot get some regulations published which might probably help to save a life or something of that kind and should certainly prevent accidents. All we may be able to do would be to say "people carrying passengers under those conditions should not carry them at the risk of injury or hazard to people so carried." I appreciate however the point raised by the honourable Minister of Education and will, as I say, undertake to have a clause drafted and published with a view to trying to eliminate such hazard.

MR. SPRATT: I think we will be reaching the maximum when we accomplish something that will deal with the matter of trucks carrying men. I have had quite a long experience

with regard to trucks carrying heavy loads, particularly human life, men coming home in the evening. You get many men working on a building and some have a long distance to go and when a truck is going along the route it is only natural for a man to get a drive home and the truck driver is not going to refuse taking a man, tired after a hard day's work. There is no use in making laws a laughing stock, it is a waste of time and money and strikes me as ridiculous to be inserting clauses and passing regulations cannot be enforced, and this is one of the instances where they will not be carried out.

MR. HIGGINS: That is all right until someone is in an accident. I remember coming from Bell Island years ago and seeing the boats so crowded that some people said they were going to sink, but there was not a word said until many people were drowned in an accident.

MR. SPRATT: They might be killed walking home.

MR. SMALLWOOD: The thought occurs to me, as I glance at some of these clauses, that they are all very sound and very desirable but that the average motorist is not likely, except when he contravenes one of these laws and is apprehended and brought into court, to know very much about them. They are a dead letter insofar as the average motorist is concerned. Would it not be practical and a good thing to have a sort of a recapitulation of the more immediately important of these regulations compiled and printed in a small booklet to be issued to the motorist when he gets his driver's licence. Would that be a practical thing to do? Could the most relevant and important of these regulations be drawn up in simple

language in a booklet and given to drivers. For example take Clause 76, page 108 "Shall not permit the vehicle to remain in a stationary position on the highway whether for the temporary taking up or discharging of passengers or goods or for any other purposes, except upon the right side of the highway and in any one of the following positions: (a) (b) (c). Now take those two items: how many times have each one of us driving over the highway seen that principle violated? Every one of us has seen it violated scores of times and it may well be that those who violate it are not aware of it. That just occurs to me now as I read these clauses.

MR. HIGGINS: If it is a reasonable law, a reasonable man is expected to do it.

MR. SMALLWOOD: Many people are probably not aware that they are actually breaking the law when they fail to do it. Now, I wonder if the honourable the Minister of Public Works would not agree that he would be rendering a first class piece of public service if he were to order his Department to prepare a synopsis in simple language of the more important of these regulations and issue to all motorists and distribute to them on getting their driver's licence. Now further, I think he would be justified if he charged a small fee to cover the cost of the printing. I agree you don't do that ordinarily when a law is passed, don't make a precis of the laws and print them as a pamphlet and sell them to the public, but here is a case where life and limb are at stake and if it is justifiable to refuse a licence to a motorist, except under certain circumstances and conditions, certainly it should be justified that



he purchase at a modest fee of say, 25c., a booklet prepared to give an outline of these regulations and I think it would have to state that any omission of reference to a certain section of the law, was not to be regarded as exemption from that law, or something of that order. I don't mean to press the honourable Minister to commit himself on that except insofar as he feels like doing so but I would ask him to give it his mature consideration and I think, if he would it would be a signal public service in Newfoundland and might be the means of saving half a dozen lives in the course of the next five or six years, in which case he would be a life-saver as well as Minister of Public Works.

MR. SPRATT: I would like to draw attention to Section 76 (a) where it reads "The right front wheel and the right rear wheel shall be within eighteen inches of the edge of the driving surface of the highway." This is an actual, specific distance, this should read more or less because after all a man may park within the law and not be exactly eighteen inches and he could be prosecuted in the court for a violation of that law.

MR. SMALLWOOD: A note has just been handed to me by a gentleman in the press gallery which says there is a booklet "The Motorist Manual" now obtainable from the Motorists Organization and can be obtained from the Motor registration department; it is not however as complete as I suggested. It appears my honourable colleague has already issued something of the nature of a booklet and has been hiding his light under a bushel.

MR. SPENCER: I am sure we all appreciate the point raised by the

honourable Premier and the comments by my honourable colleague the member for St. John's West, but I think if I might deal with the last one—first 76 (a): I take it the interpretation there might be more clear, as he suggested, that the words were written as "not less than 18 inches;" I think the word "within" covers it. Maybe we could insert there "not more than 18 inches." I would like to point out further that the honourable Premier has already discovered through the kindness of somebody from the press gallery, that there is already such a booklet; true it is not complete but to go further and compile and publish a pamphlet with all the regulations here would be a rather expensive undertaking and whether or not the department would be justified in publishing a booklet of that nature I am not competent to say, but I rather feel that the public is supposed to make itself cognizant of the law. However, I appreciate the point raised by the honourable the Premier and his idea to make it as clear as possible to all motorists. It might well be that some organization such as the Motorists Organization might be inclined to do something further along that line. However, I am glad the point has been raised and we are only too anxious to co-operate with the driving public with a view to having them as familiar as possible with the regulations. It is standard practice, most members will readily understand, to publish regulations in the Gazette and once they are gazetted they are law. But if it would help to get somebody interested sufficiently to publish still further information we would be glad to do so. Now, I think, Mr. Chairman, we should refer to section 76 (a) for classification.

We could have the word "within" striken out and the word "form" inserted in its place.

MR. HORWOOD: There is something I would like the honourable Minister to explain to me: This regulation forbids cars to park on the left side of the road. I have often wondered why parking on the left is more dangerous than on the right, as a matter of fact it is very commonly done and the only difference is the way the car is headed.

MR. FAHEY: You have to cross the traffic to get there and back again.

MR. HEFFERTON: I might add—

MR. SPENCER: Of course, Mr. Chairman, it is rather difficult to deal with the point in the Municipality of St. John's, there are certain streets on which you may not park on either side of the street and in certain places parking may not be done at all. Now on Water Street there has been a regulation for some time to try and prevent parking on the North side of the Street whether right or left. It does not say right or left but merely says "On the North side of the Street," and the same thing applies to the reference of the honourable member for Labrador as to parking on the left or right; he may be referring to certain places out along the highway, certainly not in the city.

MR. HORWOOD: Suppose a car were proceeding West on Water Street, what harm is caused while still facing West to park on the South side of Water Street? It is no more dangerous than parked with the right side to the curb. One place, in front of the Government Offices behind

Newfoundland Hotel you park wherever you happen to be on either side of the street. It is the only way to avoid the drain.

MR. SPENCER: I don't propose to enter into a general discussion, Mr. Chairman, although I don't object to the point raised by the honourable member for Labrador, yet I don't propose to enter into a general discussion regarding the parking of vehicles in the city of St. John's. There is a traffic committee appointed to deal with that matter and they are having a difficult time. One point raised by the honourable member was that he did not see anything wrong with parking with the left side of the car to the curb and that going West on Water Street there is nothing wrong with the car heading West but obviously it is wrong to be there when one must drive on the right, that is in itself a breach. However, the honourable member will appreciate we are not trying to readjust traffic in the city of St. John's and these regulations are definitely not meant to be applicable to St. John's, but really to try and regulate traffic bordering the highway and I would say, in the main, outside the Municipality. There appears to be two or three governing bodies for the rulings and regulations concerned and only yesterday morning a committee of the Cabinet met and held a meeting with the Municipal Council and His Worship the Mayor and all the Councillors and the Engineer and Secretary, etc., and during the course of that meeting the main point under discussion was traffic. It is generally considered by the Municipality that we of the Public Works are a short-stop for any lack of control or anything that goes wrong within the city of St. John's. We in the Depart-

ment of Public Works are not responsible for the city of St. John's traffic, it is a nightmare that does not belong to us at all. The responsibility has not been placed where it should be and nevertheless that situation has been brought about largely by the fact the Municipal Council did not have powers broad enough at one time to take control and are now financially handicapped and feel they cannot take any additional responsibility until they have the necessary funds, and until such time as that is properly ironed out I confess to the honourable committee or the honourable member who raised this point, I do not desire to get into a contentious argument. It cannot be settled here as far as traffic in the city of St. John's is concerned. The honourable member is a citizen who probably lived here most of his life, I don't know, but he knows the city as well as I do and until such time as arrangements can be made for the Municipality to take control of this function which rightfully should belong to it, signs, and traffic, and that sort of thing, it is going to be difficult. Right now if they want a sign up, they come to the Department of Public Works and we have to go down and put it up in order to avoid accidents or something of that kind. However, I sincerely hope that in the not too distant future things will be ironed out.

MR. SPRATT: Not in the way of criticism, I would like to call the honourable Minister's attention to section 76 (c). The rear wheels of the vehicle shall be as close as practicable to the edge of the driving surface of the highway and the front of the vehicle shall extend across the highway, but so as to interfere as little as possible with traffic. Now, to my

mind, I don't think that is the right way to have that written. My suggestion would be that it be amended to read: "The rear wheels of the vehicle as close as practicable to the edge of the driving surface of the highway and the front of the vehicle shall extend across the road not so as to interfere with traffic." Not "little as possible." That to my mind would be the better way of putting it. I would move, Sir, that alteration be made.

MR. HEFFERTON: I don't see any particular objection to the amendment but I think the word "now" should be inserted between "as" and "to" and that "as little as possible with" be deleted.

Motion carried.

MR. MILLER: I think if you look at (b) I think the amendment would apply also to (b).

Carried.

MR. HIGGINS: No. 88. Does that come under the Department of the Attorney General, the speed limit? If it does, I recommend they take some better means to see the law is carried out, better than at present. The speed limit is broken day after day as any citizen can see, hundreds of times. The worst part of all is the lower part of Military Road and the junction at the top of Military Road and to go up there at 35 or 40 miles an hour on Military Road seems a terrible speed.

MR. HEFFERTON: All this is for outside St. John's.

MR. HIGGINS: Neither inside nor outside the city of St. John's is any attempt made. Only yesterday a man was telling me he is afraid to send

his children to school every day and I know at 9 o'clock hundreds of children and vehicles come close to the curb. At one time I was struck in the arm near Barnes Road; it is a recognized bottle-neck, and if children going to school are considered, fifteen miles is fast enough. I have seen cars going 40 and 50 miles an hour. No wonder parents are frightened out of their lives. I have one boy and I am afraid every day he will be killed. I would suggest that with these regulations made, whether inside or outside the city, there should be proper equipment given to the police, a small motor car the same as in other countries. Get a few drivers and that would stop it. It is foolish to make regulations without seeing they are carried out.

MR. CURTIS: I am very glad this point has been brought up. It is our intention to police the city by patrol cars just as soon as we reduce the police force. The cost of policing St. John's is too great.

MR. HIGGINS: And I don't mean sending motorcycles out on the road. I remember once going to Harbour Grace in heavy weather and seeing a motorcycle police in the snow and ice who had no protection. I offered him a drink but he would not take it and he had to drive on then for 25 miles in that raging snowstorm, so I took a chance on offering him a drink, and if I broke the law I thought the authorities were not charitable and I would sooner break the law than be uncharitable. To send a man out on a day like that is unnatural.

MR. CURTIS: The speed limit in the city is ridiculous, 20 miles an hour for the city of St. John's is in my opinion crazy.

MR. HIGGINS: There is nothing gained by a higher speed except about a minute.

MR. CURTIS: A decent car does not go that slow and I think there would be less stalling and less accidents and the traffic in the city would be 100% better if drivers were not expected to keep in a twenty mile limit.

MR. HIGGINS: I don't think anybody ever bothers about the 20-mile law.

MR. CURTIS: It is unfortunate to have to break the law every time a man goes from his home to his office.

MR. HORWOOD: We all break it every time on a highway, under this section 88. I don't believe there is any member of this House even tries to keep to the 25 miles an hour limit on the highway, slow down on curves yes, but, my gosh, if you can see 200 yards ahead you proceed until you see a car approaching from the other direction, then slow down.

MR. HIGGINS: That law was passed when the roads were narrower.

HON. JAMES R. CHALKER (Minister of Public Health): The average speed around the Bay is 40 miles an hour except on Sunday afternoons.

MR. HIGGINS: On narrow roads that is very dangerous.

MR. CURTIS: The speed limit around the Bay is much higher.

Motion carried.

MR. MILLER: I think that a speed limit of 35 miles an hour should be made in case of some roads. Surely on a narrow gravel road 35 miles an

hour might be alright to keep traffic down to that, although I would like to point out that for many of the larger settlements running between eighty and one hundred miles from St. John's if a motorist kept to a speed limit of 35 miles an hour it would mean four hours drive to get to the city and unless a man gets up very early it would be eleven or twelve o'clock when a lot of people are already lined up at the Controllers. I have in mind the American highway, a very wide road, and I consider that 35 miles there in respect to that road can't be compared and if motorists were permitted to do 35 miles an hour before that road was built, why today it ought to be wide open. But I really do think when roads are beyond a certain width to actually touch fifty and get by at sixty where a motorist has not to be much concerned with passing traffic is all right, and I think some instructions or authority ought to be given to put signs up whereby the speed on just such roads may be increased.

MR. CURTIS: I think we should let 35 stand, I think there is a lot in what the honourable members said and it is ridiculous to drive a car from here to Placentia and not exceed a speed of 35 miles an hour, even if it is an opposition District, we are not punishing them.

MR. HIGGINS: On any unpaved highway—Does that mean to say where it branches off at Whitbourne, the Hodgwater Line, you are not allowed to go over 35 miles an hour. On the Hodgwater Line it may be enough.

MR. HEFFERTON: You are not allowed on the Argentia Road either, I agree too there should be a width but we might let it stand and when

the Minister comes in we may pass this.

MR. HIGGINS: In any case on the Placentia Road they all go along at 50 and 60 miles and have to slow down in many places so that there is an average of 35 miles an hour.

MR. CURTIS: I understand the honourable member for Placentia-St. Mary's would like to increase this limit. You will find the man who drafted this Act probably does not drive a car.

MR. SPRATT: That is a matter which requires very serious attention and consideration; anyone driving over the Avalon Peninsula at a time when traffic is so congested can go 25 miles an hour and be in great danger. I know I have been over and am going over every day and night and the time is come when there should be great care taken in making rules and laws and regulations for the safety of the public for it is nothing but an anomaly in mind, making laws on the one side and encouraging accidents on the other. It is an outrage. There is no need for 40 miles an hour.

MR. MILLER: I think the honourable Minister of Provincial Affairs will appreciate the fact that there are 30 odd miles of that road, where I say 25 miles is not presently safe, but the burden is on all the motorists and if anyone wants to have a real trying experience let him ride that run on Sunday night from 8:00 o'clock to 10:00 or 11:00 o'clock and that will be something to remember. I have seen more cars forced off the road by pedestrians any time I came in during the Convention days on Sunday nights. It is difficult to avoid the people on the road, and until such time as real stringent laws are enforced to ascer-

tain whose right it is, the right of the motorist to get along or a gang-up of pedestrians who get in the way, then one might as well sit down and wait until twelve o'clock to come in when the pedestrian traffic has moved off. Consequently, you are always going to have that condition until such time, in my opinion, as the Trans-Canada Highway does not come through these settlements, then these settlements will have the burden of keeping up the roads. It is a mess for that 20 odd miles but when you do open up the wide open road in the country it is too ridiculous to keep to a somewhat similar speed to that used through the towns.

MR. SPRATT: I fully appreciate the remarks of the honourable member for Placentia and St. Mary's and I would be the last to put an impediment in his way but the point I want to make was this: that we have to be particularly careful about the speed of the motorists. I have been in cars myself when I have had to call on God to protect me. I know the danger, I am not a preacher, I am speaking common sense and there are people here driving 80 and 90 miles an hour and who is the protector of the public? We are supposed to be looked upon as trying to make laws and regulations and get inspectors to help the public and protect the public and that is what I want to see. Any man going in the country to enjoy himself and take his wife and children wants to enjoy himself with safety, doesn't want to be subject to nervous prostration all the way along the road with cars passing you at how many miles an hour? I would like to find the gentleman to tell you—it is a case of where a desperate measure is needed, a desperate remedy, and one thing I am sorry for

today is that I am on the wrong side of the equator as far as life is concerned, but for that, Mr. Chairman, I would revolutionize this city. I would. I think this is the time when great men are needed, men who are fearless and not afraid to express their opinion regardless of whom they offend. I have sat here for a long time, but the water is beginning to boil in me now, Mr. Chairman, and I can only express my regret we are at the end of the session and I hope God will spare me for another session.

MR. CURTIS: Page 62, clause 95 sub-section (2) is amended by the following words being added to this clause: "And the Minister may cancel licences issued in respect of any such vehicle if the vehicle is not covered by the insurance required by the Minister."

Motion carried.

Report received and adopted. The Committee rose and reported having passed the Bill with some amendments.

Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Amend the Co-operative Society Act, 1939."

Sections 1 through 3 read and passed.

MR. KEOUGH: Section 4—Sub-section (5). There was a line dropped in the printing of that Bill and I move it be inserted. "Request in writing the Registrar will effect the change."

MR. HIGGINS: You don't want the change to be made public?

MR. KEOUGH: The law requires that a person who becomes a member

of the club must have certain qualifications.

Section 4 passed.

The Committee rose and reported having passed the Bill with no amendments.

Report received and adopted. Ordered to be read a third time on tomorrow.

MR. CURTIS: As the honourable the Premier has informed the House, as yet we do not know where we are due to the fire which took place on Duckworth Street in the King's Printers Office. This morning I was in touch with Mr. Moore who is in charge of the printing establishment and I went through the plant and, fortunately, I don't think any of the manuscripts have been destroyed but it was a mess. It may be used again and certainly everything will have to be cleared thoroughly. There is water on the floor and the whole place is covered with water and the linotype has been injured, and I don't see much object in having the House meet again until the Bills are ready for us, I move the House at its rising adjourn until Monday, at 3:00 of the clock.

House adjourned accordingly.

MONDAY, May 28, 1951.

The House opened at three of the clock.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I should like to present to the House a statement on the recent Dominion-Provincial Conference relating to old age security, with special reference to this Province.

Last December the Provinces, in consultation with the Dominion, adopted recommendations of the Joint Parliamentary Committee on Old Age Security. These recommendations were briefly as follows:

1. That a flat, uniform benefit of \$40 a month should be made available to all persons seventy years of age and over. The scheme, administered by the Federal Government, should be based on a system of contributions and eligibility determined solely by age and residence qualifications.

2. That for the age group 65-69 a plan of old age assistance should be introduced, subject to an eligibility test similar to the one now in operation for the over-70 group, and financed on a 50-50 basis by the Federal and Provincial Governments.

The December Conference also agreed, in the words of the Honourable the Prime Minister of Canada as given to the Press,

"That a continuing committee should be set up to consider the character of the legislation which would be appropriate respecting persons between the ages of 65 and 69 and to what groups thereof and under what conditions it should be made applicable in each Province."

It was to achieve these objects that the Conference of last week gave its full attention.

The sessions of the Conference throughout were conducted in a spirit of cordiality and co-operation. While no provincial representative could commit his government to major decisions, all expressed serious intention to work toward harmonious agreement. For my part, representing the

Government of Newfoundland, at the opening session I stated a number of principles which I considered the Conference in its discussions ought to follow :

1. That whatever plan of old age security might be worked out, it should be adopted as closely as possible to the special circumstances of each province so as not to bring undue hardship on the Province in financing such a plan.

2. That the plan for the age group 65-69 should be a matter of assistance not of pension. The idea of pension gives the impression that earning power is at an end, which is undesirable at 65; whereas the idea of assistance suggests that the person is still expected to work and that the government benefit is a supplement to his casual earnings.

3. Further I maintained that in any plan of old age security there should be no more overlapping between the Federal and Provincial Governments than absolutely necessary. This point was endorsed by other speakers.

In more particular, all the Provinces agreed on important details of the legislation and of the kind of eligibility test (commonly known as the means test) that should be applied.

In the House of Commons on Friday last, May 25th, the Minister of National Health and Welfare stated that the Federal Government hoped to proceed with all the necessary legislation this year—that is, applying to persons over 70 and to those between 65-69, as well as to the blind.

In order, now, for us in Newfoundland to be in a better position to judge how, when and to what extent this legislation may apply, here I shall

quote for the benefit of the House and our people at large part of a statement made to the press by the Minister of National Health and Welfare at the close of the Conference.

"It is naturally our hope," he said, "that all provinces will take uniform action on this matter, not only in the interests of equitable treatment for all Canadians but also in order to avoid the administrative complications which may otherwise arise. "Nonetheless," he continued, "if any province comes to the conclusion that it cannot, for reasons of its own, implement this part of the program (to the 65-69 age group) in its jurisdiction at the present time, or that it can only do so on a limited and partial basis, this will not affect the Federal Government's offer, as it applies to the other provinces."

If we apply this statement to Newfoundland then this is the situation :

The fact that the Federal Government will grant pensions to all persons over 70 does not thereby obligate the Government of Newfoundland, at the same time or any time thereafter, to put into effect a benefit plan for needy persons aged 65-69. Furthermore, any such plan may begin at age 66, 67, or 68. At whatever age it may begin is a matter for the Government of Newfoundland to decide by agreement with the Government of Canada. Still further, what classes of persons will qualify, whether handicapped only or on a wider basis, is likewise a matter for the Government of this Province to determine and likewise by agreement.

Another Conference will be called later in the year to work out the entire range of details to be covered in the body of regulations.



In the meantime the officials of my Department are already taking the necessary steps to assist the Federal Government in preparing for the introduction of the universal pension for persons over 70, and to follow up all others matters of importance arising out of the Conference affecting the administration of security for the aged and blind in Newfoundland.

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

MR. CURTIS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce two Bills, one "An Act to Amend the Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) Entitled 'Of the St. John's Fire Department,'" and a Bill "An Act to Repeal Certain Newfoundland Statutes."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds Issued by Town Councils." Also a Bill "An Act to Incorporate the Water and Sewerage Corporation of Great Corner Brook."

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Department of Public Works (Amendment) Act, 1951." This is a very brief Bill.

DR. POTTLE: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Land Development Act, 1944."

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Make Provision for the Granting of Loans to Certain Companies."

#### Orders of the Day

Committee of the Whole on Ways and Means, deferred.

Committee of the Whole on Supply, deferred.

Third reading of Bill "An Act Relative to the Use and Operation of Vehicles on Highways and for Other Purposes."

Bill read a third time and passed.

Third reading of Bill "An Act to Amend the Co-operative Societies Act, 1939."

Bill read a third time and passed.

Second reading of Bill "An Act Respecting Liability in Action for Damages for Negligence Where More than One Party is at Fault,"

MR. CURTIS: I beg to move the second reading of this Bill, Mr. Speaker. I think this Bill permits the courts in cases of motor car collisions, where more than one person is at fault, to assess the degree of fault in each case and give judgment accordingly, as it is now, the Court has to determine which party is liable and that party is responsible for all the loss. Under this Bill, if both parties are guilty it can be thrown out. Now under this legislation it is possible for the Court to determine

the degree of responsibility for both parties and make both parties pay their share of the total loss in proportion to their liability. It is a measure the Courts have been asking for some time and I move the second reading of the Bill.

Bill read a second time.

MR. CURTIS: I wonder if the House would be prepared to go into Committee of this Bill now? I do not want to rush the Opposition and I am very nervous of the "Daily News" who seem to be critical of this, but nevertheless we still run the House. I move that we go into Committee of the Whole on this Bill later.

MR. SPEAKER: You may defer it, it is not a motion.

Second reading of a Bill, "An Act to Amend the Labour Relations Act, 1950" was deferred on motion.

Second reading of a Bill "An Act Respecting Automobile Insurance."

MR. CURTIS: I beg to move second reading of a Bill "An Act Respecting Automobile Insurance." At the moment we have in Newfoundland no insurance Act or Act respecting automobile insurance which provides that all policies are to be uniform. The result is that various companies in Newfoundland adopt their own conditions or they adopt statutory conditions which have become recognized in other provinces or countries.

The effect of this Act is to make all statutory conditions on automobile insurance policies similar and that is the effect of this Bill. Statutory conditions are set forth on page 20 of the Bill and there are features of the statutory conditions which are modified by the Bill itself. Honourable

members will remember, Mr. Speaker, when we were considering the responsibility clauses of the Highway Traffic Act; provisions were made in certain cases where a motorist could produce as security his insurance policy and it was pointed out at the time, it seemed very objectionable in view of the policy being void in the event of the driver being under the influence of liquor. That is remedied in this Act and now if a car is insured a company is still liable for \$1,000 in case of property damage, and \$5,000 for injury to one person, and \$10,000 in case of more than one person. The Act is a great improvement over present statutes and at the same time brings the law into conformity with the other provinces. I have much pleasure in moving the second reading of this Bill.

MR. JOHN G. HIGGINS (Leader of the Opposition): This is just the same now as the Act which makes uniform fire insurance; for instance we can call these the statutory conditions. There is nothing outside the conditions of the policy, you can be insured anywhere, this only lays down uniform conditions?

MR. CURTIS: That is right.

Bill was read a second time. To be referred to Committee of the Whole on tomorrow.

On motion the second reading of a Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes" was deferred.

MR. SPEAKER: The honourable the Attorney General asked leave for Committee of the Whole on a Bill "An Act Respecting Liability in Action for Damages for Negligence

Where More than One Party is at Fault."

MR. HIGGINS: We consent and are ready for Committee now.

House goes into Committee.

MR. CURTIS: I would like to say, Mr. Chairman, in asking the House to go into Committee on this Bill I do not want it to be thought for one moment that we are trying to push the legislation and if any honourable member wants it deferred, we are only too happy to do it. I think this has always been our attitude but it has been suggested that we are pushing things through. It is a case of using the moments as they go.

MR. HIGGINS: Yes, that is all right. Supposing there are three motors cars and two were at fault, would that make one man liable if there were only one damaged?

MR. CURTIS: Yes, that is right.

Sections 1 through 4 read and passed.

MR. HIGGINS: Might we refer back to number 3. If there were three cars and two were found guilty; one for 3/10 and one for 7/10 of the damage—

MR. CURTIS: That would make both equally liable.

MR. HIGGINS: Suppose one is a pauper, then the other has to pay all the damage?

MR. CURTIS: Then they are protected under special provision of the Highway Traffic Act so that the party not worth anything when his obligation is proven and he has nothing, it must come under the Financial Responsibility provision of the Highway Traffic Act and he gets paid out of that fund.

MR. HIGGINS: I do not see that each is liable for the full amount.

MR. CURTIS: If you will read the clause carefully.

MR. HIGGINS: It says liable. That does not say the other man may collect, if one party has nothing and he cannot collect from him, then he would not have a contribution under the Financial Responsibility clause.

Suppose now, I parked my car two feet from the curb, it is against the law and I am consequently guilty of negligence. Therefore that is an offense and another car comes up fast and slams into me and drives away and into another car and damage is done, what is the responsibility? If I am liable 1/10 the other man is responsible 9/10; that man is a pauper and the car injured collects from me?

MR. CURTIS: I think in that case the car owner unable to pay definitely comes under the Financial Responsibility clause of the Highway Traffic Act, but on the other hand it is jointly and severally. I think we should let section 3 stand and check up on the law in the other provinces.

MR. HIGGINS: I think we should. It is rather serious.

Sections 5 through 7 read and passed.

Section 8 read.

MR. HIGGINS: What is Section 80 of the Highway Traffic Act?

MR. CURTIS: "No person being transported by the owner or operator of a motor vehicle as a guest without payment for such transportation or entering or getting on the motor

vehicle to be so transported or alighting from the motor vehicle after being so transported has a cause of action for damages against the owner or operator for injury, death or loss in case of accident unless the accident was caused by the gross negligence or wilful and wanton misconduct of the owner or operator of the motor vehicle, and unless the gross negligence or wilful and wanton misconduct contributed to the injury, death or loss for which the action is brought." That is a clarification of the law. I think there has been different decisions about it.

MR. HIGGINS: Does that mean if I am driving a car and have a passenger, and I am negligent, there is an immunity? The person in my car can get after me but not after the other car?

MR. CURTIS: That is not it. Suppose I were driving and met an accident and were 10% liable. In other words, you are riding in my car and are injured, you can sue the man who ran into me, even if the Court assesses that I am 10% responsible; you cannot get after me, but you can cover the balance from the other party.

MR. FOGWILL: No passenger is protected?

MR. CURTIS: Yes, he is protected, but it must be gross neglect or wilful or wanton driving.

MR. FOGWILL: This includes a man's immediate family but exempts all other persons.

MR. CURTIS: Exempts him except in the case of gross neglect; apart from that I do not think he ought to be liable.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): As I see

it, the owner of the car will not take a person in if he is held responsible.

MR. HIGGINS: It is only so in case of negligence. It must be negligence before the passenger can claim damages.

MR. MAKINSON: How about a collision?

MR. CURTIS: That is a different matter, this constitutes driving only.

MR. MAKINSON: In other words the owner is paying for insurance he would not be getting the benefit of.

MR. CURTIS: Unless someone has a case against you the insurance company is not going to pay it.

MR. MAKINSON: It is sometimes pretty hard to prove gross negligence.

MR. CURTIS: My words are not gospel, but I am afraid the honourable the Minister of Provincial Affairs will have to walk home after this, I am certainly not going to insure him.

MR. SPRATT: I feel now that if any individual owner of a car takes a number of children out for a run in the country and injures them while driving, I claim the owner is responsible and I would like to have the opportunity to present such a claim to a court. I would take it up tomorrow against any lawyer. That is my reaction to it.

MR. CURTIS: We shall let section 8 stand, and return to it.

Section 9 read and passed.

Section 10 read and passed.

MR. CURTIS: I move, Mr. Chairman, the Committee rise, report progress and ask leave to sit again and reserve sections 9 and 8; if the honourable members would like to have

them considered in Committee again. I am not trying to push these things. This is a Bill which has been handed to me and is not my Bill.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

Honourable the Attorney General asked leave to have the House go into Committee of the Whole on a Bill "An Act Respecting Automobile Insurance."

Section 1 to 30 read and passed.

MR. SPENCER: I would like to point out though, I think the honourable the Attorney General is well aware, that section at the foot of clause 20, sub-section (b)—"unless the coverage is expressly extended under section 22." The honourable members may not know exactly what that is to take care of. We had some discussion in Committee a few minutes ago and that clause is to permit the owner to take coverage for special purposes set forth in clause 20, if it is so desired. For instance in (b) "The insurer shall not be liable under his own driver's policy for loss or damages to relatives, but if the insurer or owner so desires he can make application to the company and get coverage for that particular case as well by paying an extra premium." That is the main reason for that clause.

MR. HIGGINS: Schedule (i)—"any change in the insurable interest of the insured named in the policy on the automobile by sale, assignment or otherwise, except through change of title by succession, death or proceedings under the Bankruptcy Act;" Does that make an awful lot of difference; what is the meaning of that?

MR. CURTIS: When a person is

insured the insurer wants to know that, and if he has been the victim of an offense before and if the insured dies and the car goes to his son and the son may be a blackguard, surely the company is supposed to know that, or if the man dies and the car goes to his wife who is maybe a poor driver. Supposing I had a policy for fire on my car and I died tomorrow, and obviously in the event my successor decides to use the car—

MR. HIGGINS: Under (6) on page 25: What is the meaning of "Sound Value"?

MR. CURTIS: I think it is the actual value not based on, for instance, a shortage in a certain year. The sound value is the real value.

MR. SPRATT: On page 21—1 (b). I feel it should read this way. I do not see why there should be any exception there.

MR. HIGGINS: I have already brought that up and the Attorney General is going to find out tomorrow. I could not see it either.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

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

The House adjourned accordingly.

TUESDAY, May 29, 1951.

The House opened at three of the clock.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, before you call the Orders of the Day, I think it

might be useful if I gave the House some indication, in as far as I am able to do so, of the position and the possibility of prorogation. Now I believe every Member of the House is anxious to do two things: First, to give every necessary and careful consideration to the Bills coming before the House, and secondly to bring about prorogation quickly, consistent with that careful consideration of the business yet to be done. We have, I think, something in the neighbourhood of 25 Statutes or Bills yet to come before the House. Now most of these are what we term formal Bills, short amendments to existing legislation or else new legislation of a character that could not truthfully be described as fundamental or of grave importance. There are, however, in those 25 Bills two, three or four which are of pretty considerable importance and one of what I would describe as of supreme importance. There is the Crown Lands Act which is largely a consolidation of existing Acts with, however, some new principles which have been introduced. That is quite a long act, something like the traffic Act already passed here. There is the amending Bill which is providing for amendments to the Alcoholic Liquors Act which was forecast in the Speech from the Throne. There is a Municipal Act, that is to say an Act to provide for amendments to the City Charter, I suppose you would call it, at all events to the St. John's Municipal Act, in response to a petition from the City Council already before the House. There are one or two other Bills of importance, and finally one of what I call supreme importance, an Act on which the Government has been working for many months and which in its formal, final aspect is expected to be ready to go to the printers three or four days

from now. The final draft of it, from the law firm drafting it in Montreal, is supposed to leave Montreal today by airmail and should be here tomorrow and ready to go to the printers on Thursday or Friday. It seems to me, in so far as I can hazard an estimate, that if the House is prepared, with the formal motion or not, to suspend the rules, or rather dealing with each Bill as it comes along for consideration, as the House has been doing, indeed, for the past week or more; it seems to me that by the end of next week we might be ready to complete our business and be ready for prorogation. Now I appreciate deeply the active co-operation of the Opposition in this and I appreciate, also, that they are not less anxious than we on this side to complete the work and arrive at the prorogation.

#### Presenting Petitions

None.

#### Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

None.

Honourable the Attorney General asks leave to introduce a Bill "An Act to Repeal Certain Newfoundland Statutes."

Bill read a first time.

HON. LESLIE R. CURTIS (Attorney General): This Bill has, I think, Mr. Speaker, been distributed and I just wish to say that the effect of the Bill is to clean up some surplus statutes so that when the Acts have been consolidated they will not be included. With the consent of the House I ask that this Bill be read a second time now. The honourable Leader of the

Opposition referred to the Bill yesterday. It has been distributed this afternoon and the other was distributed yesterday. It is purely a formal Act to clean up the Statutes.

Bill read a second time. It was moved that the House go into Committee of the Whole on this Bill now.

MR. CURTIS: If any member would like an explanation or has any questions, I shall be glad to answer them at the Committee stage.

MR. JOHN G. HIGGINS (Leader of the Opposition): Why are they being repealed?

MR. CURTIS: They are all outmoded.

Committee of the Whole on Bill "An Act to Repeal Certain Newfoundland Statutes."

Section 1 read and passed.

Section 2 read and passed.

MR. CURTIS: Mr. Chairman, I suggest that the various honourable Ministers who have copies make sure their own Bills are included in order to have them repealed.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Pardon me, Mr. Chairman, but it is necessary to get some explanation as we go along as we have to be sure we are in favour or not and personally it is double-dutch to me.

MR. RUSSELL: Salaries Act, is that being repealed?

MR. CURTIS: These Bills, Mr. Chairman, have all been submitted to us by the various departments, and I particularly recommend they be repealed and not be included in the Consolidated Statutes because all these Bills have fallen into disuse

mostly by reason of Confederation and others by reason of the passing of the situation which necessitated the Act. I may say I don't propose that the Committee rise and report having passed the Bill in full, but I thought we might finish the reading of it and rise the Committee so that every Department and the honourable members would be able to study it until tomorrow. The Legislature Act, 1917 was an Act curtailing the privileges of the Upper House. In the olden days the Upper House held up legislation and killed it. By the way, the first Act I ever drafted—The Upper House by this Act had power only to hold up a money bill for one month and to hold up other legislation temporarily. If the House of Assembly passed a Bill and continued to pass it for three sessions it was made law whether it was passed by the Upper House or not. That is the Newfoundland duplication of the Parliament Act.

C-65: The Rebuilding of Carbon-car—After a fire forty or fifty years ago and I presume it is an old Act and that was one of the ancient fires.

HON. JAMES R. CHALKER (Minister of Public Welfare): This seems to be rather a recent Act—Rebuilding Harbour Grace—and if it is not the intention to close the Committee this afternoon I would like a chance to go into it.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again tomorrow. Meantime I would appreciate if any member interested in this Bill would make sure they are not being improperly repealed, if they are repealed, or some departments may otherwise find themselves in trouble.

Honourable the Attorney General asks leave to introduce a Bill "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) Entitled 'Of the St. John's Fire Department.'"

Bill read a first time.

MR. CURTIS: Mr. Speaker, I would now move this Bill be now read a second time. The object of this Bill is to provide that where a building within the city or within one mile of the city is a dangerous fire hazard, the Chief Officer may declare the same to constitute a public nuisance and may order the removal of the building if he sees fit. Honourable members will appreciate why such order may be given approval and I ask that this reading be deferred until later. I want to say that such order shall not be made without the prior approval of the St. John's Municipal Council. It further provides for the service of the order and empowers the Newfoundland Constabulary to carry out the order, and if not obeyed provides a penalty for refusal to abandon it, and I consequently move second reading.

Bill read a second time.

MR. RUSSELL: It may not be made without prior approval—Does that include the removal? In other words does sub-section (i) give the Chief Officer of the Fire Department power to remove the building or only to endeavour to get the Council's approval? If that is the meaning it seems to me a little thought may be required. Order removal or demolition.

MR. CURTIS: I will discuss that later in committee.

Referred to Committee of the Whole on tomorrow.

MR. HIGGINS: Mr. Speaker, I don't mind all this; I ask the Attorney General to consider the honourable member for Bonavista South, but there is one thing I am going to object to, and that is leaving it entirely in the hands of the Chief of Police; and every matter should refer to the prior approval, first of Minutes in Council. I am aware we should not be in a position to have building hazards to ourselves or our neighbour but I would not like one man to decide. The Municipal Council is an elected body to take care of every man's case here and after it is heard have it referred to the Chief of Police.

MR. CURTIS: I must say, Mr. Speaker, that is the reason I asked to have it referred to the Committee on tomorrow.

Honourable the Premier asks leave to introduce a Bill, "An Act to Make Provisions for the Granting of Loans to Certain Companies." Read a first time. Ordered read a second time tomorrow.

Honourable the Acting Minister of Natural Resources asks leave to introduce a Bill "An Act Further to Amend the Land Development Act, 1944."

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

Honourable the Minister of Supply asks leave to introduce a Bill, "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds Issued by Town Councils."

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



Honourable the Minister of Supply asks leave to introduce a Bill, "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

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

Honourable the Minister of Public Works to ask leave to introduce a Bill "An Act to Amend the Department of Public Works (Amendment) Act, 1951."

Moved that this motion be withdrawn.

#### Orders of the Day

Committee of the Whole on Ways and Means.

Committee of the Whole on a Bill "An Act Respecting Liability in Action for Damages for Negligence where more than One Party is at Fault."

MR. CURTIS: I ask that this be further deferred.

Committee of the Whole "An Act Respecting Automobile Insurance."

MR. CHAIRMAN: All this Bill was read and passed except the Preamble and the Title.

MR. CURTIS: In this case, Mr. Chairman, there was some objections raised on page 21. I have checked this up since last sitting and I find the same clause is in the Nova Scotia, British Columbia and Alberta legislation. I don't think it is a matter involving the insurance company and I have no objection to an insertion there but I move we leave the section as it is without amendments.

Committee rose and reported having passed the Bill without amend-

ments. Ordered read a third time tomorrow.

Second reading of Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof and for Certain Other Purposes."

MR. CURTIS: I move this order be deferred.

Second reading of a Bill "An Act to Amend the Labour Relations Act, 1950."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, this is an amendment found to be necessary through our experience last year and the purpose now is to amend certain sections of the 1950 Act. Section 2 Sub-section 8, refers clearly to organized slow-down and as it stands at the moment it is difficult to determine what other activity might be referred to. Section 3 repeals (6) of Section 9, that a union had to comply with the Trade Union Act before it could be certified. Section 4 is amended by sub-section 11 precluding a section that labour relations revoke a union if it failed to comply with the Labour Act. Section 6, repeals the provisions—If application for certificate before the board might order suspension of collective bargaining until a decision is made and it is considered that negotiations should not be held up while the board is considering. Section 7 includes a provision from other Provinces which is intended to speed up negotiations in the case of employers with a board of directors outside the Province. There were some instances in the past where local negotiations had to wait for replies from such directors and general managers who are in other parts of the Dominion and thereby drawing out negotiations. Section 8 reduces the

penalty for a trade union. We had a heavier fine there we find than in any other Province or in the Federal Act, as a matter of fact, and this section reduces the penalty to correspond with others. I move second reading of this Bill, Mr. Speaker.

Bill read a second time.

MR. RUSSELL: I would like to ask the honourable Minister two or three questions. One at a time, he and I won't get involved then.

Section 3, he said, repeals the provisions of the Organization Act and the Organization is the Labour Relations Act and Trade Union Act linked together in a rather unnatural way, and the penalty for not behaving under trade union is now under this. Now if that be removed and another penalty substituted are we removing the penalty which puts a sting in the Trade Union Act itself? It seems to me there might be some consideration given to the possibility of amendment to the Trade Union Act which might be made by this which was, in fact, a penalty on trade and if we did not do so trade unions could be sort of punished by non-recognition under this one. Under section 6: I am not quite sure of the point there, but I believe while waiting for, or while the board is deciding whether or not certain certified unions, awaiting negotiations which are pending between that union and the employer thus the organization is sort of hung up until the board makes a decision. Let us suppose negotiations are going ahead between this union and the employer, and the board finally decides not to certify the bargaining, has not a great deal of time been wasted there if the unions is not eventually certified at all? Would it not be just as well and a great

deal less painful to hang the thing up as the Organization Act provides for?

MR. BALLAM: The honourable member will recollect last year the Trade Union and Labour Relations Act were tied together, and by having them in that manner there was a penalty in the Labour Relations Act for non-compliance with Trade Unions and vice versa and this is being looked after now. It is our intention to divorce the two Acts by bringing in an amendment to the Trade Union Act to look after the point in this section. Section 6 repeals a provision where if application is made for certification the Board might order suspension of collective bargaining until a decision is made. We now consider that negotiations should not be tied up while the board is considering an application and the board might not certify them, but that is very unlikely and we found that this section as it was in the last year's Act was a hindrance rather than a help, and I think there are other sections in the Labour Relations Act that regulate the board's activities and give them a chance to get over this point without having this in the Act. It has been recognized by the Board and also has been suggested and recommended by the Federation of Labour that this should be changed, and we feel that it would be to the advantage of all concerned to change it as suggested in the amendment. I think that covers the point.

MR. HIGGINS: Must the employer be consulted too?

MR. BALLAM: This actually does not affect the employers.

Bill read a second time. Ordered to Committee of the Whole now.

Committee of the Whole: Section 1 read and passed. Section 2 read.

Amendment Section 2 (8). In the third line cut out the word "Activity" and insert the words "Organized Slow-down" and in the fourth line the word "Primarily" is deleted.

Section 2 passed. Sections 3 and 4 read and passed. Section 5 read.

MR. FAHEY: Would the Minister explain that section 5?

MR. BALLAM: We are just striking out some words in the Labour Relations Act pertaining to Trade Unions Act and taking that part out because they no longer apply in the Labour Relations Act.

MR. FAHEY: Previous to this the Trade Union had to comply, or if it failed to comply with this provision of the Trade Union Act, they may not get the bargaining rights and now if they fail to comply they may still have the bargaining rights.

MR. BALLAM: Yes, the Trade Union Act looks after itself and this Act looks after itself.

Section 5 passed. Section 6 read.

MR. RUSSELL: It is well known today in all labour circles that one of the main issues in labour relations is the problem in some cases where unions are certified as bargaining agents in certain industries. This is a very hot subject right now, and the question is now which is the better procedure. The Government is anxious to find the best possible and probably this is it. Here we have probably two very powerful unions each maintaining its own bargaining agency, the A.N.D. and Bowater's, in the meantime going blissfully on making working agreements. You say this is just

(to clarify it but I still maintain that the best bargaining seems to me to be if they knew the board would get to work and do it quickly, but meantime the board can just postpone a problem and sweep it under the mat for a while and delay what is probably the most important of the two issues. The honourable Minister said there were other things in the labour relations Act which, in practice, were found to be a bit of a nuisance. I would be interested in having elaborated that and other things in the Act at the outset. I am probably all wrong and am only asking for information more than anything else. It seems to me that probably paragraph 6 might be better left alone.

MR. BALLAM: Well, this is going in for the benefit, Mr. Chairman, and it has been gone into very carefully by the Department and by the Board and by the Justice Department and we all agree that we would probably get on better and expedite the business by repealing this section. The Federation of Labour is also in agreement on that. I might say in regard to the point just mentioned there for certification, all unions, before being certified, are investigated by officials and can only be certified as bargaining agencies if they have a certain percentage of membership, and before that is done both the union and the company's payroll is checked and there is an agreement then as to who is the bargaining agent for that particular company. That would be no indication at all.

If fifty are on the payroll and this union here say has thirty-five or forty members employed with this company therefore they would be the bargaining agent, if they are the required percentage of the total employees.

MR. RUSSELL: Under the present law, Mr. Chairman, I would like to ask the Minister—Supposing a good strong union merged as a collective bargaining agent with the employer, would it be possible under the present law for anybody, e.g., Buchans Mining Co., to say we have the right to certify it. Could that be done under the present Act?

MR. BALLAM: It has happened and we find it one of the reasons why it is repealed.

MR. RUSSELL: I take it this clause means saving the union representative from having to go to the Mainland or other countries, where the board of directors are appointed here, and sign on behalf of the company and that is final. The only thing it bars the union officers from having a trip.

MR. BALLAM: The purpose is, very often negotiations are tied up indefinitely because the local manager has not the right to sign the agreement and it has to be taken to the general manager and he has to take it to the Board of Directors, and we have experienced that already during the year, so that negotiations have been tied up too long. We contend they should give the manager, the local manager, the power, or should appoint some person who could conduct negotiations and conclude them.

MR. FAHEY: In other words the delay is deliberate.

MR. BALLAM: We don't say it is but it could be.

MR. RUSSELL: I wonder if (c) is necessary at all?

MR. BALLAM: Yes, I think it is. We thought this section up ourselves here in case we had a little trouble in this matter, and then we started

looking through the other Provincial Acts and we find it is in at least one, word for word with this here as we have it.

MR. RUSSELL: Ours as a rule are drafted better than theirs.

MR. BALLAM: I quite agree and we are very proud of that fact.

MR. CURTIS: There are two ways, Mr. Speaker, of looking at it, (I think it is good drafting) to say after, if he does not do it he is guilty of an offense. I note the point and it may be a good one but we want to have it clarified beyond doubt and therefore that is the form the Department adopted.

MR. RUSSELL: If we would have to proceed by way of a summons I think it would be better left as it is.

Section 6 passed.

Sections 7 and 8 read and passed.

Committee rose and reported having passed the Bill with some amendments. Ordered read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Alcoholic Liquor Act" also "An Act Respecting Civil Defence."

I would like to take this opportunity to say to the House that we have about fifteen Bills now in the hands of the Ministers, the rest are now in the hands of the printers. The only thing is, the printing is hopelessly out because of the fire and one of the reasons I am glad of an early adjournment is that I may go down and see if I can't untangle it and if any Bills are ready, I may ask to give

notice and introduce them at the same time so as to clear the decks.

MR. SMALLWOOD: I move the House at its rising adjourn until tomorrow, Wednesday, at 3 of the clock.

House adjourned accordingly.

WEDNESDAY, May 30, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notices of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act to Amend Certain Newfoundland Statutes."

Honourable the Attorney General asks leave to introduce a Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill "An Act Respecting Civil Defence."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Second reading of a Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment

Thereof and for Certain Other Purposes."

MR. CURTIS: This Act, Mr. Speaker, is at the printers and I understand the prints will be available at 3:30, so I move the order be deferred until a later hour this day.

Motion carried.

On motion the Committee of the Whole on Ways and Means and the Committee of the Whole on Supply were deferred.

Third reading of Bill "An Act Respecting Automobile Insurance,"

Bill read a third time and passed.

Third reading of a Bill, "An Act to Amend the Labour Relations Act, 1950."

Bill read a third time and passed.

On motion the Committee of the Whole on Bill "An Act to Repeal Certain Newfoundland Statutes" was deferred.

Committee of the Whole on Bill "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department'" was deferred.

Section 1 read and passed.

Section 2 read.

MR. CURTIS: Mr. Chairman, when this Bill was up for second reading, the honourable member for Bonavista South drew attention to an error in sub-section 2 of paragraph 2 and I would therefore suggest that on the second line of sub-paragraph 2, before the word "alterations" put in the word "Closure" and remove the words "All or."

Carried

Section 2 passed.

The Committee rose and reported having passed the Bill with some amendments.

Ordered read a third time on tomorrow.

Committee of the Whole on Bill, "An Act Respecting Liability in Action for Damages for Negligence when more than One Party is at Fault."

MR. CURTIS: I move, Mr. Speaker, this Order be deferred.

Motion carried.

Second reading of a Bill "An Act to Make Provisions for the Granting of Loans to Certain Companies."

MR. CURTIS: In the absence of the honourable Minister of Finance I would ask the clerk to have the Order stand deferred until later on in the afternoon.

Second Reading of Bill "An Act Further to Amend the Land Development Act, 1944."

MR. CURTIS: In the absence of the honourable the Acting Minister for Natural Resources I move the second reading of this Bill. I am informed by the Ex-Minister that that is purely a formal bill and frankly I have to accept his word for it. This is a Bill which is designed to amend the Land Development Act of 1944 by providing for a grant to a settler to whom no licence or lease was issued.

H.C.—Subject to the approval of the Lieutenant Governor in Council, the Minister of Natural Resources may, for such consideration upon such terms and subject to such conditions as appear to him to be met, issue a grant of land in any development area or any part of the land to any person.

That is a very short Act, Mr. Speaker.

MR. JOHN J. HIGGINS (Leader of the Opposition): What is the meaning of "No such licence" in section (b)?

MR. RUSSELL: I can explain that. The facts are well known to me, Mr. Speaker, the original Land Development Act 1944 was designed mainly for Cormack, where it was proposed to settle a number of war veterans and it was also the aim that the Act be made to apply to certain other land settlements. They were to go up there for one year at Cormack and during that year had a kind of a licence of occupation for one year which gave them time to find out if they liked the life or not. If at the end of the year they did not like it or their wives did not like it, they left and went somewhere else and there were no hard feelings. The licence of occupation expired at the end of the year and perhaps may be given to another, and at the end of that year, if he liked it, he was given a licence of the same sort as the ordinary prospective farmer gets for a piece of land which he holds for five years, and if he has a certain amount cultivated during that five years he gets an outright grant. That is the main thing, but many settlers gave up and left and other settlers went in, and I know in a good many cases they have no licence of occupation and others have no settler's license for five years. Now unfortunately, the Act says they can't get the licence for five years because they should have had the other. The amendment would say that if they did not get those things it was not their fault, it may have been neglect on the part of the last Government anyway, why penalize

the settlement for the neglect of the Government? All this happened long before my day. This amendment will remove this hardship to well deserving settlers.

HON. E. S. SPENCER (Minister of Public Works): The honourable member for Bonavista South very clearly explained the effect on settlers in Cormack and Markland and maybe some others, I don't know, and I wonder if I may be enlightened if it was the intention with regard to houses there, to give them to those living in them the same way. Would they get them this way, I wonder. Certain settlements were set up and the Government spent money for houses and people moved in and I wonder now if the grant for land, with which idea I am perfectly in accord, and which they should have but I wonder if it includes the buildings?

MR. RUSSELL: Yes, the buildings but they are supposed to pay back \$500 to the Government for the rest.

MR. HIGGINS: I was asking the question; there were no licences for occupation and no licences under section eight or no such lease under section 12. What is the meaning of that 'such' there?

MR. CURTIS: I wonder, Mr. Speaker, if we might let that stand until committee and have the discussion then?

MR. SPEAKER: Yes, it could not be answered by the honourable member for Bonavista South who has already spoken.

Bill read a second time.

MR. CURTIS: Mr. Speaker, I move, in view of the fact that this is an unimportant measure, that the House proceed and go into Committee of the Whole forthwith.

Committee of the Whole on Bill, "An Act Further to Amend the Land Development Act."

Section 1 read and passed.

Section 2 read.

MR. RUSSELL: I think the point troubling the honourable Leader of the Opposition is clause (b) "To whom no licence for occupation." The original Act provides for licences for occupation, or for a licence during the second one after the licence of occupation has expired, and as far as I am concerned it means the same thing. Those words "No such" does not change the sense, it would mean the same thing if they were not there at all. There were only two kinds of licences permitted under the Act, under Section 8, and I don't think it matters whether those words are there or not.

MR. CURTIS: I don't think it is any harm to leave them there. Apparently a settler went in and got a licence after a period of time—"To whom no licence has been issued" "and no such licence"—it does no harm and there may be a reason for putting it in. I have no copy of the original Act here. Probably we should let it stand and after the Committee reports the Bill we can check on these words.

The Committee rose and reported having passed the Bill without amendments. Ordered read a third time tomorrow.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, might we revert to a Bill "An Act to Make Provisions for Granting of Loans to Certain Companies."

Second reading of Bill "An Act to Make Provisions for the Granting of Loans to Certain Companies."

MR. SMALLWOOD: Mr. Speaker, in the session of last year we brought forward a Bill along very similar lines and it was most important. The Bill last year gave legislative sanction to loans already granted up to that time by the Government and so in all or nearly all of the cases listed in the present Bill, legislative sanction is sought for loans already granted by Order in Council.

The first one to Fishery Products, Limited, \$350,000 to enable the company to purchase two new draggers. The House is probably aware of the fact that these two draggers were bought and brought to Newfoundland and one shortly afterwards capsized. Mr. Arthur Monroe is the principal officer, I think, of the company. They have plants at Burin, Burgeo, Isle au Mort and Burnt Island. They have four plants. One of the draggers capsized on the Banks, fortunately without loss of life, and the insurance on her enabled the company to purchase a new dragger to replace her. That they did, of course, only by permission of the Government because the insurance on both boats was in the Government's name. North Eastern Fish Industries, Limited, is the firm of which Mr. Sy Moores is the principal officer. They have a plant at Harbour Grace and are now erecting a very fine fish plant at Fermeuse on the Southern Shore. The purpose of this loan of \$350,000 is to purchase two new draggers in the United Kingdom to supply their new plant being erected at Fermeuse. Up to date they have not availed themselves of this loan but it is expected they will do so. The next amount, \$35,000 to the Northeastern Co-operative Fisheries Society, Limited, which is a society at Change Islands in the District of Fogo

where the co-operative society has been reorganized along these lines namely: The different financial societies have been separately organized, so that now I think there are two societies, one dealing with consumers, a consumers society, the other a producer or Fishery Co-operative. The purpose of this loan is principally to enable one to purchase the property of the other. The next is a loan for \$125,000 to Arctic Fisheries Products, Limited, at Dildo, Trinity Bay. That firm has cold storage facilities and other facilities and they, as the House is doubtlessly aware, are engaged in the business of capturing and purchasing fish in Trinity Bay for manufacture at Dildo and in addition are engaged in the business of purchasing, packing and freezing blueberries. Actually, I think at the moment, of the \$125,000 they now owe the Government, \$60,000. In fact, they made a heavy repayment as they have had an exceptionally fortunate and successful year in 1950. I am informed that they did not, in fact, draw on the whole of the loan or the credit granted but rather did so only to the extent of \$60,000. John Penney & Sons, Limited, at Ramea, \$125,000 to enable them to construct a new dragger, one new dragger. It was not to pay the full cost of the dragger but partly to do so that an amount of \$125,000 was made. They have not actually drawn any of it yet but I understand it was planned to order construction of the new dragger at Clarendville and it is presently under construction. Then there is an amount of \$675,000 to the Northlantic Fisheries, Limited. That is the firm that—how shall I put it—the firm that controls Job's Cold Storage and Fish Processing of frozen fish business on the South Side; Bona-



vista cold storage plant and to some extent the cold storage plant at St. Anthony, and when I say cold storage plant I mean fish freezing and filleting plants. The purpose of this loan is to assist the company to finance a large new development on the South West Coast in the fishing town of Grand Bank. The total investment in the plant facilities and druggers is to be of the order, (I am speaking from memory), of \$1,400,000. Now the loan was made to this company, guaranteed to them and made available by Bank credit. So far they have spent \$230,000 only. There are a number of conditions, one of which is a most interesting feature, a condition that the people of Grand Bank should themselves subscribe to the purchase of shares of the company to an amount of not less than \$200,000. The strength with which the people of Grand Bank have subscribed for shares in this new company is most impressive, to say the least, and most encouraging. People of modest means have invested as little as a few hundred dollars and people of more ample means have subscribed of course in amounts considerably larger. That is to be an exceedingly modern fish filleting and freezing plant and the Federal Government are assisting the plant, incidentally, and not only the plant, but harbour and breakwater facilities, which are being effected at Grand Bank. Then there is an amount of \$45,000 to Dunphy's Limited in Curling, Bay of Islands. That is to assist the company to purchase and equip a new vessel for the purpose of operating purse seining for herring and trawling, and thereby hangs a tale, namely the experiment in which people engaged for many years in the herring fishery industry of Newfoundland are beginning to see

and accept the urgent need for more breaking away from the old conventional methods of prosecuting the herring fishery, namely the gill net and the bar seine and are going out in deeper water, farther from shore, to get the herring by means of the purse seine. This is an echo of the ill-fated Icelandic Herring venture which as the House knows ended unsuccessfully, though I have seen in principle, and verbally heard, the argument that it was far from being a failure. At all events there is increasing evidence that if we in Newfoundland are to develop on a large scale the fish meal and herring oil industry, we must break away from our dependence on that small portion of the large bodies of herring in Newfoundland waters that actually come in to the shore so that they may be taken by the gill net and bar seine and instead an effort must be made to seek out the herring in the deeper water. As the House may be aware Herring Un-Limited, in collaboration with James Baird Limited sank something in the nature of a quarter of a million dollars of their own money in the search for herring in deep water, and the desire is to do here in Newfoundland what has been done in Iceland, Norway and British Columbia, that is to say to locate the herring in deep water, to find out where they are and to be able to forecast each year where and when they will appear, in what amount, and in what age group and then to be able to follow them to shore and extend the period of catching herring by many weeks, and indeed many months, each year, and thereby insure a very large yield of herring to serve modern, new herring plants producing fish meal and herring oil. So far very little success has attended the

various efforts by the Government of Canada in collaboration with the governments of the various maritime provinces and Newfoundland, the efforts of the Newfoundland Government through the Icelandic venture or the efforts of Herring Un-Limited or the efforts of various other private interests. But those who know best profess to have faith in the idea which is completely unshaken and undiminished, and I admit that I share their faith and have confidence in the idea that Newfoundland can build a huge herring industry. When we became aware of the fact that bodies of herring along the coast of Newfoundland had been measured by the fathometer or echo-sounder and recorded on paper as running to one hundred and fifty thousand and two hundred thousand ton, not barrels, but tons, and when we remember the almost unbelievable quantities of herring taken in other countries, British Columbia, and along the coast of Iceland and Norway and the Baltic countries and in the North Sea and the European Waters, the incredible, inconceivable quantity and tonnage of huge takes in those waters, it seems to me at least reasonable to expect that the coastal waters of Newfoundland, and I don't refer to the inshore waters along the fore-shore but the coastal waters within fifty or perhaps a hundred miles off our shore, that quantities in that area would be equally as great. This we know, from studies made today in Newfoundland, the average size is greater, the average weight is greater and there are scientific indications that our herring bodies are under fished, that they need to be depleted with a view to reducing the size of the herring. Large fish of that type in large numbers are a good indication of

underfishing. Well, we have loaned Dunphy's Limited this amount to procure a vessel, they have not yet taken delivery of the vessel but we have agreed to loan them the sum to assist them and enable them to go out after the herring and not depend on those that come in to the fore-shore.

Then there is an amount of \$125,000 to Hollett Sons & Co., Limited, to enable the company to purchase two carriers for use in connection with the fresh fish industry presently established at Burin to prosecute the halibut fishery. That is rather interesting too, Mr. Speaker, Holletts have been quite successful in the halibut fishery but like other halibut fishermen in Newfoundland they have to ship their halibut to Sydney and Halifax at which ports they are taken by refrigerated conveyance to Boston and New York, at which ports they sell the halibut at prices appreciably lower than are to be obtained in the actual markets themselves. So Hollett's conceived the idea of discontinuing the practice of shipping the halibut merely to Sydney or Halifax and selling it there but delivering the fish themselves to the actual markets for which purpose they needed two things, first a plant at Burin from which boats would operate and into which halibut is brought and processed and iced, not frozen, and secondly fast carriers which would be refrigerated and used to convey the iced halibut from Burin to Boston, New York or other markets. They have availed themselves of the full amount.

Now, Mr. Speaker, the terms of these loans are about the same in all cases. What we aim at doing, we guarantee the loan for capital de-

velopment in the fisheries and confine the loans to begin with to that purpose, capital development, the building or extending of existing plants or plant facilities, the acquisition of new equipment, new boats for the purpose of engaging in the fishery, and secondly we try to fix a limit or we have been trying to fix a limit of eleven years. That is to say in the first year the borrower repays only the interest but nothing by way of reducing the principle and then each of ten succeeding years pays to reduce the principle by one tenth together with the rate of interest so that at the end of eleven years the loan is repaid in full, with interest. There is another principle that we have tried to follow in connection with any such venture which is requesting a loan, and that is we aim at providing not more than half of the total capital necessary for the given enterprise. We prefer to advance not more than 40% and leave it to the private enterprise involved to advance the remaining 60% but we do go and are still prepared to go as high as 50% of the cost of the whole investment. By that I mean an equal status or better but take a highly potential firm, as an example, John Brown and Sons who are in the fishing industry and their investment consists of a quarter of a million dollars. At the moment they want to do something which will cost \$100,000, acquire a dragger or further equipment or build an extension to their building. In that case we don't necessarily require that such a barrier be put up, \$50,000 of that \$100,000 additional expenditure, leaving us to put up \$50,000. That limitation does not apply to that \$100,000 but is rather added to the quarter of a million already invested making it \$350,000, in which case we are pre-

pared to guarantee the full amount of \$100,000, provided, however, and here comes the third condition of the loan, we take a mortgage on the whole thing so that we become covered, the Treasury has as collateral the value created by the loan itself plus other values already there. In short we endeavour to cover our loan at least by 200%, the 100% of the loan and another 100% with it. Now we have been able in every instance to achieve these three aims though actually we have failed to keep loans limited in time to eleven years, therefore, there is a variation in years running from eleven years to fifteen or sixteen years. The Northeastern Industries, Limited is for sixteen years and the Northeastern Co-operative Fisheries Society, Limited is for one year pending a rearrangement of the Arctic Fisheries Products. Eleven years has been arrived at as our ideal. John Penney & Sons is for eleven years, Northlantic Fisheries, Limited, five years, in five equal amounts or annual installments together with interest. Hollett Sons & Company, Limited, eleven years. Interest rate is the same throughout, namely three and a half percent.

Mr. Speaker, I have one other thing to add, a rather serious fact. In all of these loans what we have done is guarantee at some bank the principal and interest of the loan amount in question and the bank then makes the loan and the dealing is between the bank and the borrower, but the Newfoundland Government guarantee is behind the principal and interest of the loan. The transaction from that point on is one between the borrowers and the bank and the Government appears on the scene only in case of default in repayment of the principal and payment of the interest,

We can no longer do that under the directive received by the banks from the Bank of Canada—credit is not permitted to be given for more than a year. I may say that I sent a telegram to the Prime Minister of Canada protesting that ruling in so far as the banks in Newfoundland proposed to make it apply to fishing industries. I pointed out that the Government of Newfoundland is most anxious to assist the fish industry to move further away from the salt cod, dried cod, industry towards the modern technique of freezing and shipping fresh fish and going in for other kinds of fish besides cod—haddock, rose fish, halibut, herring, and in the pursuit of that purpose the Newfoundland Government had been making loans through the banks to various Newfoundland firms to assist them in achieving that purpose and that this ruling of the Bank of Canada, which is the central bank of Canada, cut across our purpose and threatened to paralyze the policy of the Government in that matter. I asked that loans guaranteed by the Government of Newfoundland through the chartered banks to fishery firms and fishing organizations, which included co-operative societies, be exempt from the ruling of the Bank of Canada which the Chartered Banks were required to carry out. Mr. St. Laurent was quite sympathetic but in fact it was not a matter falling within his jurisdiction as I knew when I sent the message, but I sent it to him with the feeling that in passing it to the Minister responsible it would get a bit more attention than if I had sent it direct to the Minister in question. Mr. Abbott the Minister of Finance replied expressing a considerable amount of sympathy with the viewpoint expressed in my telegram and

pointed to the fact that in an effort to prevent inflation in the present impending war situation this ruling had been made and he was afraid it could not be broken, which left the Newfoundland Government in this position: We can no longer guarantee loans for more than a year to fish firms or other industries or business firms through the chartered banks. That means of financing is cut off from us and the only means left is either to advance the cash out of the surplus as loans for such purposes or else to guarantee bond issues so that a borrower instead of receiving a cash loan from a bank as a result of our having guaranteed the loan principal and interest, raises the money by selling bonds of his company which bonds would be guaranteed as to principal and interest by the Government of Newfoundland. Now there is one unfortunate thing about that and that is the rate of interest on bonds has, as the House doubtlessly knows, increased considerably within recent weeks. Central mortgages on housing just increased the rate to 5% interest and the Industrial Development Bank, a subsidiary of the Bank of Canada, set up by the Bank of Canada to assist in financing industries that Chartered Banks would not normally undertake, raised its rates to 5½%. Municipal Bonds and Company Bonds recently increased their rate to an extent as to make ordinary commission loans not entirely feasible.

Now, we at present are negotiating with one or two companies desiring financial assistance for development and expansion. I refer to fish companies specifically at Bonavista, St. Anthony and Englee, we have indeed been negotiating with these three companies and Northlantic Fisheries, Limited, for some months past. We

think we have it worked out but this can be done only by means of bond issues to be floated by the three companies, each a separate bond issue and aggregating a quarter of a million among the three in three sets of bond issues guaranteed by the Newfoundland Government. I don't know if there is anything else I can add.

There is in the bill still another amount of a quarter of a million dollars to the St. Lawrence Corporation of Newfoundland, Limited. I must be careful there, I am never quite sure which is which. There are two companies in St. Lawrence both mining fluorspar. The St. Lawrence Corporation of Newfoundland of which Mr. Siebert is the principal officer. Last year, the House may recall, we guaranteed at one of the banks a loan of credit to that company to a maximum, I think, of a quarter of a million dollars. We have, of course, taken a mortgage, every kind of mortgage I can think of and many other precautions and securities on the mine and mill both in Newfoundland and in Wilmington, Delaware, and on Mr. Siebert's life insurance, his home and a number of things to cover that quarter of a million. The result is the mines, instead of closing, continued and within a year of the advance or guarantee has paid out more than the amount of the loan in wages and indeed the prospects for the company for years to come are excellent and the demand for fluorspar is increasing rapidly. It was a good loan and for an excellent purpose. But then they ran into difficulties and ninety days passed in the past Fall without the Company having shipped a ton, they just could not get shipping. Mr. Siebert came to see me in New York City when I was there in January and talked

about it. The Attorney General was with me and for ninety days, at that point, they had not had a ship to take a ton of it to their customers who were pressing to have it and they had no prospect of getting a ship. I phoned Ottawa and talked with the Maritime Commissioner, and with Mr. Howe, Minister of Trade and Commerce, and they did not know where to get shipping and it seemed the whole purpose of our loan would collapse. We came to the conclusion, the Attorney General and I, that there was really only one thing to do, only one solution and that was for the Company to buy a boat, indeed when he approached us he said he could buy an L.S.T., I think you call it, which was especially good for the purpose, self-propelled, with large carrying capacity and ideal for the purpose of holding this fluorspar. We returned to St. John's and put the matter before our colleagues who agreed there was an emergency and we ought to do something to prevent that mine closing. We therefore guaranteed a loan of a quarter of a million to the same company for the purchase of that boat. Now the deal made was this: We had already secured our first loan with everything they had and there was no new security to give us except the boat which our money was to buy. So besides taking a mortgage on the boat which incidentally is now worth a hundred thousand dollars more than was paid for it—it is now worth at least \$350,000—in addition we as a government have a deal whereby after the boat is paid for we share in the profits. Once the quarter of a million paid for the boat is repaid, the Government share 50-50 in any operating profit the boat may make or the profit realized on the sale of her.

Obviously when shipping becomes plentiful again there is no intention on the part of the company to continue as ship owners and operators and they will promptly sell the vessel and if it is done at the right time there might be substantial profit made, half of which comes to the Government. On the other hand if they don't sell but continue to operate for some time after they have repaid the purchasing price, the Government gets half of the operating profits. The Attorney General reminds me that in addition we have taken a further mortgage on everything. I don't know how good that is, as the lawyers tell me they already have everything mortgaged but it is now mortgaged again. That is probably good. I am not a financier and don't know.

If there is any further information required by the House we can give it in Committee of the Whole where it will be debated and any member may speak as frequently as he wishes and ask any questions.

MR. HIGGINS: Mr. Speaker, this is another one of those cases where the House is told they must vote an amount because the Government has already voted the amount of the Bill itself. Now, I am going to serve notice to the Government we shall be under no obligation to support money paid guaranteed by the Government until we know fully all about the loan, who the parties are, what are the assets, what is the financial position of the various companies or projects or group who need money either paid or guaranteed. After all no company can get a loan of any description until a balance sheet is shown and their financial position certified by an accountant. I am saying the House has certainly not have all the

information here. Certain names like Si Moore; who is behind that Moore interest? Co-operative Fisheries; what business people are behind that? Who is running the project? Now, we are told a mortgage is taken on all this property. We don't know if it is all or only some. What kind of mortgage? Has the Government any right to call in the loan if it sees the company is failing, not carrying on the business properly? Have they any right to interfere for eleven or fifteen years, or must they wait for that time before any step may be taken to call in the loan? What kind of mortgage is it? All these matters should be known, we should know the position. I asked, for instance for the accounts of Lourdes Corporation and the accounts of the Buy Newfoundland Goods project to which \$50,000 was allocated and I have not been able to get either yet. Consequently, full information should be given. Now, in the first place what should have been told here is if those people have already received money from the Government? How much, if any part of the loan has been returned, given back to the Government? I will admit it is advisable when the first loan is given to add that to the mortgage, as part of the security. If the company has a million dollars worth of assets and the Government has a five hundred thousand investment on mortgage the Government is only protected for that. If they advance another loan and the company's assets are then only five hundred thousand, if however the second five hundred thousand dollars is added to the mortgage then if the assets realize a million, the government will get the whole million back and I presume that is what is meant by what the Attorney General said. Now, the St.

Lawrence Corp. got \$150,000 last year and we are not told if it has been paid back. I understand North Atlantic Fisheries received money before. Has that been paid back? Or the Monroe Export, have they paid back any money? I understand there are two or three amounts besides this and I don't know what amounts the other companies got. Now I notice there is for the Holletts \$150,000. Are these the two Clarendville Boats sold by the Government for a smaller amount to another party and would it not have been cheaper if the Government had held on to them, and why they did not I don't know?

Now we are dealing here with \$2,800,000, and such an amount, even to this Government, is in this country a huge amount of money and in our estimation the House should be given fuller and better information in cases of this kind and I serve notice now that if we are not given the information and facts we are under no obligation. We should be able to ascertain what loans are given, what securities are given, what guarantees and all that type of thing pertaining to them so that we can decide if they are good, fit and proper and indeed otherwise we are forced to vote against the Bill.

Bill read a second time.

MR. SMALLWOOD: If the House is agreeable we might go into Committee of the Whole on this Bill where it can be discussed with greater freedom and questions asked and answered and any information desired produced. I move this Bill be now referred to Committee of the Whole.

Carried.

Sections 1 and 2 read and passed.  
Section 3 read.

MR. CURTIS: I wonder if it would be wise to say, with or without interest, because in some cases we have not had to guarantee the interest. So I suggest we put in "with or without the interest." The point I am trying to stress is in these words on the fifth line "guarantee repayment of loan without or with interest by any of the companies." That is of course the maximum loan. In some cases it may not be necessary, for instance we may make provision for three draggers and the company is only able to get two. These are maximum amounts and they won't be allowed to use the balance except for the purpose for which the loan is given. In all cases it is given for acquisition of draggers. I may say while here it has been the practice, or ideal as far as possible, to give the same security for the Government as if acting for a private individual. All the loans are copper-fastened so that if there is any default at any time interest is due the whole amount comes due automatically.

MR. HIGGINS: Suppose you get a new management, how do you make that out?

MR. CURTIS: There is no provision for that. The only way to protect against that would be to have a government director and we don't want to go that far too often. In some cases we have appointed a government director.

MR. HIGGINS: Fifteen years is a long time, anything may happen.

MR. CURTIS: I know, but the practice had started with the Commission of Government and we have cut it down to eleven years and if possible to ten. On the other hand it is not much good to assist with one

hand and on the other hand cripple, and although we have the terms for 15 years it is always our understanding that if the business allows, payment will be made before that. In many cases we are hoping for a lesser period than the time fixed.

MR. HIGGINS: My point is this, you investigate certain people and are going to hand them money and there is just a chance another management comes in to run the company who don't like the first crowd. Suppose they sell out all their shares what do you do then?

MR. CURTIS: I think that is a contingency we have not been able to protect ourselves against. I don't think we can protect ourselves against a change of ownership. True we have made loans and do make loans on the strength of personal integrity of the management and I presume in cases of very heavy investment they are not going to allow their interest to pass into the hands of irresponsible persons. I think that is a practical impossibility.

MR. HIGGINS: There is always a time when a company—

MR. SMALLWOOD: Surely, Mr. Chairman, in a firm like Job Brothers, Moores or Penney, it won't matter very much when they pay it back, will it?

MR. HIGGINS: Now talking about that, 15 years is a long time to look ahead.

MR. SMALLWOOD: Job Brothers have been here since 1780.

MR. HIGGINS: I know but none of the others, for instance, Dunphy's and Holletts.

MR. SMALLWOOD: The loan for Fisheries Products is for five years.

MR. HIGGINS: And for Northeastern Fish Industries Ltd. Some of those companies have been here a hundred years but some have been only a short while. What is going to happen here. Fifteen years is a long time. The son may take over and the father go out, there may be a change in management. I move therefore that line five be amended by inserting the word "or" between "with" and "interest."

Section 3 passed.

Sections 4 and 5 read and passed.

MR. HIGGINS: I wonder how many of these companies have second loans. I would like to get that information, and in what amounts.

MR. SMALLWOOD: I wonder if the honourable learned Leader of the Opposition means any Government of Newfoundland? I think the Fisheries Products had a loan from the Commission of Government which was paid off, I believe.

MR. HIGGINS: How many loans are on hand now, I mean?

MR. SMALLWOOD: We gave them one last year for another purpose and they have altogether \$150,000.

MR. HIGGINS: That is the only outstanding?

MR. SMALLWOOD: All the old Commission loans have been paid off. Northeastern Fisheries, yes, they have a loan from the Commission of Government of \$280,000 which has been reduced to about \$250,000 and this is the first loan we have given them. Arctic Fisheries has had only one. John Penney & Sons had a loan from the Commission of Government and paid it off. I think this is the



first loan they have had. North-lantic, I don't know if they have ever had a loan before. Job Bros. have had but not for Northlantic. I think this is the first loan.

Carried.

Committee rose and reported having passed the Bill with one amendment.

Ordered read a third time on to-morrow.

MR. SMALLWOOD: Mr. Speaker, may we have a recess for ten minutes.

Second reading of Bill "An Act to Amend the St. John's Municipal Act, 1921."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I move this order be deferred.

Second reading of a Bill "An Act to Amend the St. John's Municipal Act, 1921 and Acts in Amendment thereof, and for certain other purposes."

MR. CURTIS: A week or so ago, Mr. Speaker, a petition was presented to this honourable House by the members of the Municipal Council of the city of St. John's which set out certain facts. This Bill proposed an amendment to the said Act which the Council deems necessary for the clarification of the Act and for the purpose, among others of the efficient operation of the administration of the city itself.

I may say, before going further, Mr. Speaker, that I have been asked by the Council to withdraw the application for a motor car tax and withdraw section 13 which provides for a poll tax.

Now, Mr. Speaker, in pursuance of that petition the Council submitted a

Bill, but that Bill has now been re-drafted and has been circulated among honourable members who will find the proposed Bill in their desks. I may say in moving the second reading of this Bill that first, this is not a Government measure and the members behind me are at liberty to oppose it as much as they like, and my honourable friends opposite can sponsor it as much as they like without the fear of being asked to cross the floor.

MR. FAHEY: We may oppose it or sponsor it.

MR. CURTIS: The Bill tries to remedy a situation which has been developing for the past five or six years in the Council; throughout that period the Council's deficits have been in the nature of a hundred thousand dollars annually and as we all know from the petition they lay a measure of blame upon Confederation, but I really do not think an examination of the situation will show that that is strictly correct. It is true that for a number of years the Council collected one hundred thousand dollars a year coal tax, a dollar a ton on hard coal and 50c. a ton on soft coal or some such figure, but long before Confederation, Mr. Speaker, the use of coal in the city of St. John's decreased very considerably and I doubt if that sum were collectable today, I doubt if the Council would be able to collect anything like that amount of one hundred thousand dollars which they did in the old days. The honourable the Premier tells me they were down to \$80,000 before Confederation and a lot of citizens have put in oil since then. On the other hand if the Council are to run the city they must have the necessary revenue—you can't make

brick without clay. Obviously no Council can run the city without money. It is true the criticism may be made that the money has been wasted but that is hardly a matter that should come within the scope of this House. If our mayor and councillors are wasting money, surely the proper and only recourse is to defeat them when they come up for re-election, and put in councillors and a mayor who will not waste funds. I am not making any suggestion against the present mayor and councillors; apparently the deficits took place before the present mayor was elected. Then again there is criticism of the Council because they say the taxes on city property are not fairly apportioned, some houses are not paying the taxes they should and other houses are paying the limit. That too, 'is hardly a matter which this House can deal with. The Council Act provides for appraisers, for a court of revision also, and while we are perfectly satisfied the taxation is not as well balanced as it should be, nevertheless I don't think that is a matter of which this House should take cognizance. That is a matter which the voters of the St. John's city should through the Mayor or Councillors, seek to remedy. In other words they cannot have a Council that is building up debts to the extent of \$60,000 or \$70,000. Therefore, I feel in introducing this Bill—I want to repeat it is a private measure and this House should give serious consideration to the request of the Council for permission. Mr. Speaker, the effect is not to impose any taxes but this is a permissive Bill empowering the Council to increase taxation or use other forms of taxation which up to the present have not been permitted by them. Now I do not think

I need to refer to the first few sections of the Bill which are purely, one might say, formal. For instance, in section 3 it defines Quidi Vidi Lake as being now part of the city, held by the city in trust for the public as a public park. Likewise, some of the succeeding sections are purely nominal and formal and sections to which we could have no objections. Section 7 goes on to make it an offence to litter up back or front yards, or any others, with old motor cars or any unsightly machinery. This is a section which enables the council to keep the city clean and tidy. Section 8 deals with tenants of Crown property. This is a new section which I will read:

"8. There shall be inserted in the Principal Act immediately after Section 213 the following as Section 213A:

213A. Any person being the tenant of any land or building owned by the Crown in right of Canada or in right of Newfoundland (except a person occupying the same as tenant in an official capacity under the Crown) or being the owner of any land or building in which the Crown has an interest, or the tenant of any such land or building, shall be assessed in respect of such land or building as if the land or building was owned or the interest of the Crown was held by such person and shall pay to the city half-yearly in advance on the first day of January and the first day of July in each year an annual city tax which shall be fixed, established and imposed by the Council at such rate per centum on the annual rental value of such land or building, including therewith the annual rental value of the land on

which the said buildings are erected and all land appurtenant to the said buildings, as the Council shall determine, and all the provisions of this Act relating to appraisalment for the purposes of taxation shall be applicable to the tax imposed by this section, and, in addition to the liability of every such person to pay the tax imposed by this section, the interest, if any, of every person, other than the Crown, in such land shall be subject to the provisions of Section 265 of this Act."

I presume the effect of this section, Mr. Speaker, is to make a tenant of the Crown like other tenants from the point of view of taxation.

MR. HIGGINS: If the Government owns land and uses it itself there is no taxation, but if it is rented to outsiders for offices, for instance, the tenant pays taxation the same as any other person.

MR. CURTIS: I think that is correct. That is how I read the section. Then the other section, number 9, deals with small amendments to the principal Act which are not important but should be necessary. Going on to section 10 we come across a section under which the Council asks power to tax water.

"224A (a) The said tax may be based upon and form such percentage of the appraised annual rental value of the building or premises or part thereof as the Council may determine, or, in the case of any owner-occupier, may be levied in the form of a surtax on the city tax payable by such owner-occupier."

In other words the Council may say there is 10% tax on existing city taxes now or on a tax of \$45 for six

months the water assessment is \$4.50 for the same period.

"(b) The said tax may be determined by the number of demand water taps or outlets located in any such building or premises or part thereof and charged at flat rates for specified total numbers of taps or outlets or at a rate per tap or outlet fixed by the Council."

They are going to count the taps now in houses and charge so much a tap for six months and then again, Mr. Speaker, the tax may be based upon the quantity of water used and if that is done, meters will have to be installed. Obviously the last method is the fairest method of imposing water tax because if you are taxed according to the water used you will not waste the water and one of the reasons for this requested legislation is to conserve our water supply.

MR. HIGGINS: Don't take too many baths.

MR. CURTIS: Don't take showers.

MR. HIGGINS: A leaky tap uses much more water than any number of baths.

MR. CURTIS: If one knew the accumulated wastage from such taps! However the Council asks permission to tax water now. Frankly, I do not see why the Council asked this, because under existing legislation they can assess under the city tax, our property for as great an amount as they wish, but they have decided this year not to make the City Tax 20%, but to retain it at 18%, yet they now ask for permission to put on water taxes which might be 10% of the City Tax which is to make the tax payable not 18% but 19.8%. If they had gone ahead with the ordinary system and

made the tax 20% they would have exactly the same revenue but they prefer to have it this way and have asked us now to put on a water taxation or allow them to, in the hope, presumably, that by putting on such a tax they will eventually conserve the use of water and certainly stop the wastage for water. There is a lot to be said in favour of the proposal of water taxation. I understand all other Canadian cities have this particular form of taxation as distinct from the main tax, and the water tax is \$18 a year. Well if the tax is based on the number of taps in the poorer houses it should not be very heavy. On the other hand, it would be more substantial where there are a number of outlets. The suggestion now seems to be in residences only and the House should give very careful and serious consideration to inserting it.

The next section, number 12, deals with a proposed tax which the Council wishes permission to levy on fuel oil. There is an amendment to the petition to insert this taxation in lieu of motor and poll tax. They ask in lieu of these to be allowed to impose a tax on fuel oil and other oil. As the Bill is at present, section 12 would authorize the Council to impose upon and collect and levy a tax not to exceed one cent a gallon. It does not impose that taxation but simply authorized the Council to impose such a tax if it deems it necessary on such fuel oil not to exceed one cent a gallon and the following subsection sets forth the details as to how it may be collected.

MR. SMALLWOOD: That would give them about \$125,000 a year at the present rate of consumption.

HON. JAMES J. SPRATT (Minis-

ter of Provincial Affairs): That is more than the annual deficit now.

MR. CURTIS: Now it is realized, Mr. Speaker, that there are interests in Newfoundland outside St. John's which use fuel oil which may be brought from St. John's and there is a saving clause to section 12 which refers to tax exemptions on fuel oil. If the honourable members will refer to the last sub-section of Section 12 they will see that tax exempted fuel oil means oil purchased or received in St. John's for use or consumption outside the limits of the City. So if any oil is to be used outside the city it is tax exempt. But this does not include fuel oil delivered to operators of any ship other than a ship engaged in Newfoundland Coastal Shipping Trade, or any fishing vessel, or trawler, the catch of which is processed in Newfoundland, nor to any railway, but such ship or railway would be outside the limits of the city.

The other clauses of the Bill are not serious. Every Commercial Traveler has to pay a tax of 25% now exempt from that by reason of a tax agreement between this Government and the Government of Canada. Section 14 provides the Council, in lieu of entertainment taxation on circuses, which they have found very difficult to collect, are now empowered to licence circuses and the Council feels the limited sum per diem amount will bring in more revenue than did the entertainment tax.

Section 16 is a new section and the effect of it is that no action in respect of all taxes, rates, assessments or debts, payable to the city or Council shall be barred in any court except by the lapse of twenty years.

MR. HIGGINS: That is unreasonable.

MR. CURTIS: In other words it is extended by this from six years to twenty years. There is some question as to whether or not the law was not 20 years, I don't know what experience my honourable friend opposite has had but it seems to me it is always a question of what does the original question in the original charter mean by this clause. We have been asked to extend this clause to twenty years instead of six. I think that is the effect of the present section. The other amendments are purely formal and I don't think it is necessary to discuss them at all.

In moving the second reading of this Bill, Mr. Speaker, I think it is only fair to tell the House, the Council is our baby. We have created it, not this Government, but the legislature has created it, and I think it is our duty to see that that baby has sufficient revenue to keep going, sufficient milk.

MR. RUSSELL: I think it is time to wean it.

MR. CURTIS: If we don't allow the Council to impose sufficient taxation to maintain itself we have to vote it money. Now the first year we came in office in 1949 we realized the Council met certain losses and we voted them \$100,000. In the year 1950 we did not vote them any money but we lent them \$100,000 free of interest. Well, if we don't allow the Council now to finance itself we are up against the same situation year after year of having to lend or give them money. Therefore, we felt, Mr. Speaker, the House should give this Bill very serious consideration and should in doing so remember that the

Council must have money with which to operate. If the people of St. John's want a clean city and a decent city, it is up to them, the people of St. John's, to pay for it and it is not for us as a Government and Legislature to vote the money year after year.

In closing I would like to say, Mr. Speaker, that when you compare St. John's with the other cities you must remember that St. John's is in a different position from all other cities in the other Provinces. In the city of St. John's the Government pays all the education costs, other cities have to contribute toward education. In other cities they have to pay for their police services. The Government of Newfoundland, at a cost of some half million a year, pays for the policing of St. John's. In other cities fire protection and prevention is at the expense of the city but in the case of St. John's the Government pays a quarter of a million dollars a year to maintain the Fire Department. So you see, Mr. Speaker, you can't exactly compare St. John's with any other provincial city. At the same time one must admit the city must be kept up, the roads have to be maintained, and where possible improved, and therefore it is felt that if it is at all possible we should accede to the wishes of the Council in their request that they be allowed to collect taxes as set forth in this Bill.

I move the second reading.

MR. HIGGINS: Mr. Speaker, before going any further I would like to pass one remark. It is no use to compare with the Mainland but if St. John's does not pay for police services neither does any other outport, therefore every part of the Island is treated as one. The Police are not paid by

the outports but out of general revenue. St. John's does get one help, the Fire Department, but I presume that is because of the large number of Government Public Buildings. The St. John's Council has to get money somewhere, there is no doubt about that. If they turn around and say we can't run the Council without more taxation, they have to get more. Now, I quite agree with the remarks that we should have a clean and decent city. I don't want a wealthy city, if people are to lose their houses due to heavy taxation, and houses become vacant because people can't pay their taxes. I don't want to see a first class city. This is not a first class country or Province. Not a first class city but just good roads and a clean city, not have taxation so high every one of us is going to lose his house.

MR. SPRATT: I first want to congratulate the honourable the Attorney General for his very able presentation of the Act. If he were to have the idea of standing for mayor of the city he could not have done much better. He has gone the limit in supporting this Bill which is not a Government Bill. Now, I want to have it made clear that I am not opposed to the city council. I have more experience in the actual working of the city council, I suppose, than any living man today. I spent 16 years as a member of the city Council. When the revenue of the city was less than one-third of what it is today, and down through the number of years that have passed since I was a member and during that period all the civic improvements in the way of roads in particular were made during the period while I was a member I am not saying this to take any credit, but for the first eight years

I was a member of the City Council we had a credit balance having done all the work out of current revenue. It was only with the past five or six years that the city really took upon itself financial responsibilities which they could not meet and I would like to point out, Mr. Speaker, and honourable members of the House of Assembly, that a great deal of this expenditure could have been avoided. The point I want to bring up here today is that it is not necessary for the Council to have increased taxation today. The honourable the Attorney General says this Bill does not mean that there is going to be increased taxation but only gives the power to do so. To my mind there is only one thing behind that statement, the Council wants power to increase taxation as set forth in this Act. Now let us bear in mind that the city can not be run without money, but if you want to run a business economically you do it with the money existing and the energy you supply yourself. The same applies to any city. But I say right here and now that there are ways and means that this city can be run without any further increase to the people who are living here, and serious thought should be given by the members of the Council to the fact that people do not want something they cannot afford to pay for, they must take into consideration that the comparison drawn with the cities on the mainland, compared with Newfoundland, there is no comparison whatsoever. Their population is greater, their income is greater, they can contribute to all the wonderful things they have and I would ask the members to give this matter very serious consideration because there are other ways out, and even though my voice may be lost on the desert air,

I undertake to take the whole on myself tomorrow. I may not go down with people, they may think because I am in the twilight of my life that I am getting nutty and don't know what I am talking about but I have practical experience. I could tell to-day where the money went and where the money that is owed today was spent, injudiciously, very injudiciously spent, and so they find themselves in debt today and I ask you again to be very careful in imposing a water tax. I am prepared to do anything to help the Council, give them all the time at my disposal that the Government would grant me permission to do and I think I could tell them there are ways and means. I know the working people, I lived, moved and had my being amongst them. I was born in the slums of the city or what is now the slums of the city and I am not ashamed of it. I know working men with six or seven children who can't meet ordinary home requirements who have a little home and can't afford to have it painted. Do these thoughts ever occur when we are making legislation? Are we making it for a highroad to allow motor cars to pass and people to enjoy them on easy street. Now the poor you shall always have with you, as the Lord said. But we must do something to help the people of Newfoundland, the fishermen of Newfoundland, we are calling out today to do something to bring in a policy, we appeal to the people to help the fishermen and to help every other man as well. That is what I am in this Government for and I must say first that my remarks may be misconstrued but I am proud to be associated with the Premier and his associates as far as that is concerned. I don't want it understood that I am opposed to the

Council, I want to help them but I am saying right here now, in my honest opinion from practical experience, with a little shifting here and a little shifting there they can balance their budget without imposing taxation on taxation. I am against the Bill as it is now, Mr. Speaker.

MR. RUSSELL: There is very little that I can add to what the honourable the Attorney General said in moving the second reading. I am in agreement almost entirely with everything he said and in fact he said one or two things I would not have thought of, but I agree with them just the same.

Now I hold no brief for the City Council, I have hardly been a resident of the city long enough to be entitled to a vote but I do support the Bill one hundred percent.

Now, Sir, I agree with every item in it and where there are three classes of ways to collect the water tax I may have definite views as to which is the best of the three. As a matter of fact while on that matter of water taxes, I disagree with the mover of the second reading in that I believe it is a wise idea for the Council, if they wish to collect additional revenue on the water supply, I believe it is a wise move to ask for this amendment, which now gives them the right which I hope they eventually use for the raising of this tax by installing water meters and thereby not only increasing their revenue but doing what is at the same time something much more important, concerning the water supply. I am not afraid of the water tax, Mr. Speaker, for years when I lived in the northern outports I paid amounts monthly to a boy to come every evening and fill a water barrel in my back porch and

it was more than I pay altogether now in city taxation. And I feel that I am getting a great deal more value in that one phase of city services, namely, water supply, I am getting a great deal better value for that alone, ignoring altogether the many other services I get, I am getting a great deal more for that money than I did from having to finance keeping my water barrel full.

What is the alternative to the Council's proposal? If it is our baby it is time to wean it and take the diapers off, let it loose from the apron strings and allow it to run its own affairs. I am sorry for the City Council, not only because of its financial embarrassment at the moment, but because of what almost amounts to humiliation when they have to come to us and ask us for permission to run their own affairs. I am like the Attorney General, not concerned whether they are wasting money of the taxpayers who elected them, that is for them to take appropriate action at the next municipal election. Apparently they are hard-headed, or taking a hard-headed realistic view of the problem, and I believe they are sincere and sensible in their proposals.

Now, Sir, there is one point I must stress, the last one, if we don't want to let them run their own affairs we have to continue what we have been doing for the past two years. If we ever have to do that again, give them an outright grant as we did one year or an interest free loan as we did on another occasion, I want to say right here and now I will resent it. To give an outright grant of provincial funds belonging to everybody in Newfoundland rather than get it by water taxes, is asking the very poorest people of the district I represent to

help pay for services I am getting here in St. John's. Even when I had to have the water barrel filled I paid for it myself and I did not want poorer people to pay for it for me and I don't want it now. I don't think it is right to be spending provincial funds until the city has paid all, at any rate they are willing to pay to maintain their own services.

Sir, I am for the Bill but there are one or two things I might mention in Committee, but I support the Bill entirely as it is.

MR. FAHEY: Mr. Speaker, in this Act, as I see it, we are giving the Council power to levy taxes. Now there are a few things we should analyze on that basis. It is true this does not put on taxes but only gives the Council permission to raise taxes and within the last few years the city raised the taxes from 16% to 18% and then again there was a discount of 10% if taxation was paid on or before the first of June which was cut to five percent, and in addition to that again last year a readjustment was made of all property which came into effect this year and which drove the taxes on people quite a bit. This Act is now asking the Government to give the Council further power to increase taxation. Now I will agree the Council must have money to exist. It has been stated here that the Council had a debt of \$100,000 last year and the Council claimed that was brought about due to the fact they lost one dollar a ton royalty on coal. It says that people have substituted oil for coal and the Council asks the right to tax the oil to offset the revenue lost by the coal. But I think the Council could do a little better in some cases in the assessment of property, I think there are sections



in this country covering half a square acre and perhaps there is more taxation paid in the centre of the city on a 20 ft. frontage than some of those properties pay. I have my opinion on that and I will stick to it and I think they should adjust their own affairs, clean house as it were before coming to the Government and asking them to give them power to increase taxation. The Government would probably say yes, the Council must have taxation and the House may therefore give them the power but when we speak about water taxes I am opposed to that entirely. As a member of this House I am interested in revenue and if water is taxed the Board of Liquor Control won't show the same profit and for that reason alone I am against it.

Now we are told the Council is our baby, created by this House. If that is true let us look at it in the right way. The motorcars that are registered by the Ministry of Public Works are somewhere in the vicinity of 15,000 and I think 90% of these cars use the streets of St. John's and the Provincial Government collects 14c. a gallon on gasoline. I think the Government is getting the biggest share of revenue through taxation and they are subsidizing the Council to the extent of \$100,000 because the Council is putting up the streets for the cars from which the Government is collecting the taxes, and it is only fair that the Government should return the Council \$100,000 outright. I don't say the people should pay more taxation, they are paying enough now and if it is the desire to help the Council along then the Government should look over their own shoulder and say, well we are getting quite a lot of revenue from gasoline tax and the Council is keeping up the streets

and but for that there would not be so many cars, therefore, my contention is the Government should assist the Council—and the people are taxed heavily enough already.

MR. SMALLWOOD: The question before the House, I think, is one of allowing the Council to balance its budget or of forcing the Government to balance it for them. Now, as far as the Government are concerned, we don't want to be forced to balance the budget for the City Council. This year in the estimates we asked the House to grant a large sum of money to the city to balance its budget or help to balance it and last year we asked the House to grant a large sum and to lend a large sum to the Council for the same purpose. We certainly do not want to come in here next year and the year after and again ask the House to vote money to help the Council balance its budget. We don't think that the Government nor this House ought to be concerned with the budget of the City Council, at last I don't think so. And if we are not prepared to balance the city budget we ought I think to allow them to do it themselves. Now there we have them completely at our mercy. The City Council can impose no new taxation whatsoever under the law and we pass the laws. They can collect only what we will allow them to collect, not a cent more. They can impose only such taxation as we permit them to do. If we are not prepared to grant, year after year, sums of money to them to enable them to balance their budget then we ought, I think, to be prepared to allow them to do that by passing the laws that will allow them to impose the taxation they need and I must say I take the view directly opposite to that of my honourable

and learned friend the Leader of the Opposition. I have lived in St. John's about half my life, I am not a native of it. But I am not content to have St. John's just a clean city, simply clean and decent. I am not content that any Newfoundland town should be merely clean and decent. I would like to see St. John's and every Newfoundland town, as Corner Brook: I would like to see St. John's be just about half as progressive and modern as Corner Brook. I would be very pleased if St. John's were nearly as progressive and modern and up to date as Grand Falls, but even if it were I would not be satisfied. I see no reason, basically, intrinsically, inherently why the Provincial Capital of Newfoundland should not be a thoroughly modern, up to date, progressive city and I am thinking in that respect of the purely material things pertaining to the city as a city, sidewalks, gutters, pavements and lighting. I see no reason why the capital of this Province should take second place to the capital of Nova Scotia or Prince Edward Island, New Brunswick or of the Prairie Provinces with the possible exception of the Province of Alberta. And my ambitions for St. John's goes away beyond that of my honourable and learned friend the Leader of the Opposition. I believe he is a native of St. John's, but with a difference; he, as I observed before, walks forward with his head turned over his shoulder looking with affection on the good old days.

MR. HIGGINS: And hates to see a man losing his house. Mr. Speaker, I don't like that.

MR. SMALLWOOD: If my honourable and learned friend is offended, I apologize to him. I certainly had no intention of offending him and I

don't understand why he is so touchy. We are getting a little bit case-hardened; when we are called a pack of grafters, and racketeers we are not made touchy even by that, but if my honourable friend is offended by this I will promptly drop that line of explanation. He is like everyone and does not wish to be misconstrued and I would hope not to misconstrue him, but actually I might not find it always easy to do it but I hope to be able to do it with some little assistance from him.

Now, I don't think for one moment that St. John's is as up-to-date or modern or progressive as it ought to be, but I think also that the system of taxation in St. John's and the absolute amount of tax imposed and revenue collected is inadequate. The honourable the Minister of Supply surprised me very much by remarking the other day that there are four towns in Newfoundland where the average per capita taxation imposed by the Town Council is higher than that imposed by the City Council of St. John's. That is to say if you take all of the revenue collected by the Town Council in each of the four towns in this Province and divide it by the entire population of each of those towns the average per capita taxation is higher than that imposed by the City Council of St. John's. I don't agree with my honourable and very highly respected friend, the Minister of Provincial Affairs. I don't agree with him at all in that matter, I disagree with him completely. I think that the Municipal taxes ought to be higher in St. John's, referring to the total amount collected, not referring to any particular taxation. I am not suggesting the tax rate at 18% is not high enough. I say that it is far too high in certain cases. I

know a member of this House whose home is appraised by the city at \$30 rent a month, \$360 a year and that same honourable gentleman told me, and I am not naming any names obviously, that if he were to leave his house and rent it he could do so easily for \$70 or \$75 a month yet he is paying taxes at the rate of \$30 per month. The point made by the senior member for Harbour Main-Bell Island is, I think, a very valid point of big spaces in the city of St. John's privately owned and occupied which are not properly appraised. One of the greatest weakness of the city taxation is an unfair and highly unscientific system of appraisal. A proper system would yield much more taxation and that is my own opinion. I am not the mayor of St. John's nor a member of the City Government and I am here as a member of this House; it is none of my business how they impose their taxation, how many people they exempt from it, how fair or unfair their system of taxation is. That is their business and the business of the citizens of St. John's.

MR. FAHEY: You pay taxes.

MR. SMALLWOOD: I am not here as a taxpayer of the city of St. John's. I am here as a member for Bonavista North and I am speaking here as a member for Bonavista North just as my honourable friend is speaking for Harbour Main-Bell Island and just as the Minister of Provincial Affairs has spoken, not as a citizen of St. John's, not as Minister of Provincial Affairs but as a member of this House and it is in that capacity and that only we should speak to this subject and as such it is not my business how they impose their taxation and what system they have. This is my business; as a member of this

House I don't want to be called on year after year to finance the City Government or help do it and certainly, as leader of the Government, I don't want to be in the position of having to ask the House to vote money year after year to the City Government, and further, I will go further, and as the honourable and gallant member for Ferryland says, I will go further now and say, I do not intend to be bringing in that recommendation by the Government year after year to this House. Let them finance themselves. That is what they are there for. That is why they were elected, that is what those who elected them expect them to do, balance their budget. Now if this House knows it has not given them sufficient legislation to do so, let us give it to them, and if we give it to them they know it is no good to come back to us as a Government asking for grants and until we have given them authority to raise their own revenue, by their own taxes, they must come back to us because by law they must balance their budget. Now if Newfoundland were on the downward grade, if we were facing a depression in Newfoundland then I would say let the City Council begin to cut and clean and retrench. But Newfoundland is not on the edge of a downward trend but on the edge and well on the edge of an upward trend and I don't see any call for the city to try to be just a village, a glorified little hamlet clean and decent. Let it be a modern, pulsating, progressive city. It has a population of fifty thousand, about the tenth or twelfth largest in the whole of Canada, this whole nation. This city of St. John's is not going to be a glorified village. If it is a city we have to make it so but they must have authority to have it so and I for

one am going to vote for this Bill and I am willing to go along with those changes on the principle of the Bill that the City Council have authority to impose new or additional taxation. I am in full agreement.

Now, if they don't do it right the taxpayers of St. John's will know what to do about that—it is none of my business, except when it comes to voting as a taxpayer of St. John's—but here in this House I do not take that stand. They stand between the devil and the deep blue sea, on the horns of a dilemma like the man on the roof, they are not allowed to balance their budget and they have to do it. I vote for this measure.

MR. FORSEY: Sir, I thoroughly agree with the principle of the Bill, namely, if people want services they should expect to pay for them. The position as I see it is this: There is a man living on one of the streets in St. John's with a house valued at \$5,000 and the St. John's Municipal Council maintains for him, a water system, the St. John's Municipal Council maintains for him a system of sewerage, it puts a paved road in front of his House. The St. John's Municipal Council collects garbage from his door. These are four services and the St. John's Municipal Council will charge that man who owns \$5,000 worth of property in the city \$3 a month, a small sum. If he goes to a private company and says I want a phone which I will use ten or a dozen times a day, when he asks the price the charge will be identically the same.

The assessment of property in St. John's is ridiculously low, about one-third what it should be to conform with assessment of property on the Mainland and if we have citizens of

this city expecting services they must expect to pay for them.

MR. JANES: I have to agree with the Minister of Supply, Sir, but it is a matter which we as members of the House are not very much concerned with, but here we are faced with a city not paying its way and the last thing I want to do, Sir, is to have the people of Fogo Island help to pay for maintenance of services in the City of St. John's. It has been done before and part of it is being done now, even the police force. There are fifty thousand people here and in Fogo ten thousand and they have one policeman. At that rate St. John's should have about five or six; I am not concerned with that, we have the police and we have to make use of them and there is no better place than the city of St. John's for them. With regard to water taxes, Sir, I am hoping that when it comes to Committee it will be amended. The matter of charging for water should be by meter rather than by an assessment on rental values. I have one impression of St. John's I am not going to forget very quickly. I was away a few years and on St. Patrick's Day, 1946 I came back. I had seen a few cities during my absence but this was the most disgraceful city ever I had seen in my life, and as I went up through St. John's I had the feeling the city was down on my head. The citizens of St. John's should not be satisfied having a city as good as anywhere else. There was a commission to report on the Council, what happened to that report, how much of it is being implemented? I don't know, all I see is occasionally a two-ton truck going around picking up paper with three men employed on it. I do know that is going on, I see it every day. To me that is a

wastage of time and labour, but we are not here to decide that. The Council cannot balance its budget, well then there is only one thing left to do; give them the power to do it or give them the money and I am not prepared to give them the money.

MR. FAHEY: To put another truck on Elizabeth Avenue.

MR. JANES: Yes, so long as Fogo does not have to pay for it, and that is if they want another, but I know how I will vote next time if I think they have too many trucks.

If the Council is our baby give them the power to balance their budget and operate on their budget and balance it rather than come back here year after year and look for more money.

MR. VARDY: Mr. Speaker, I was sorry that I did not hear the remarks made in the early part of the debate. This Bill is a matter in which I am very keenly interested both as a representative of part of the city of St. John's and also as a citizen, and as one who over some years had experience as a member of the Municipal Council so that I should have acquired at least a slight knowledge of the circumstances, which brought about the conditions which necessitate the Bill which is before the House today. I think, Mr. Speaker the difficulties of St. John's cover a great many years because of the commitments made by representatives of the citizens who were committed to no increase in taxation yet the citizens expected those same individuals whom they elected on a claim of no increased taxation to provide full services for every nook and corner of the city. And when I say municipal services, Mr. Speaker, I mean services on a par with any municipality in

North America. The citizens of St. John's are not satisfied with anything less than the finest type of services that can be provided and any municipal council or group of people attempting to restrict that service in any manner soon found themselves in hot water. Now, Mr. Speaker, it was stated here in the debate you cannot have those services until they are paid for and someone has to pay for them and who more logically than the citizens who are enjoying them? That is a fundamental principle accepted all throughout the history of municipal government, local democratic governments, that citizens can only get what they are prepared to pay for and cannot expect to have New York Metropolitan services on a penny pocket book. We must be prepared to shell out for these services, and in making that statement I do it advisedly as a property owner of St. John's, and as one with some small interest in business and likely to suffer as a result of increased taxation and I feel, I speak for a very large proportion of the people when I say, they have come to the realization and conclusion that in order to maintain St. John's on a par with sister municipalities throughout the rest of the Dominion there has to be a complete revision of our approach to this property and business taxation. We cannot continue as we have been doing in the past. In view of the fact, Mr. Speaker, it is now nearly six o'clock and I have a few other remarks I would like to make on the same subject tomorrow, I ask the debate be adjourned.

MR. SMALLWOOD: Mr. Speaker, it being now six o'clock I move the adjournment of the House until tomorrow at 8:00 of the clock.

The House adjourned accordingly.

THURSDAY, May 31, 1951.

The House opened at three of the clock.

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I wish to speak to a point of privilege; yesterday there appeared in the Evening Telegram a letter which I will read for the edification of the House.

**"CLAIMS NO TENDERS ASKED**

Sir,

Will you please allow me space to make the following observations.

I wonder if the honourable Mr. Smallwood is aware of the fact that at least some goods are purchased from a manufacturer on the mainland and shipped direct to the Department of Supply, and without tenders being sent to local dealers or suppliers, who are not given a chance to quote.

I publicly state that the Department of Supply are now getting in substantial shipments of Mouth Wipes direct from a manufacturer on the mainland and that no tenders on this item have been sent out to local business firms this year.

I challenge the Minister of Supply to deny or refute this statement through the local press.

Does one have to be a member of the Cabinet or a Senator in order to get any Government business? It seems that this is so, in any event it certainly smells of rotten party politics.

If the honourable Mr. Smallwood has the interest of having a clean house at heart, I submit that he direct the Minister of Supply to send out tenders for Mouth Wipes and that the lowest tender submitted with quality be accepted and to

have the present obnoxious method of buying this item discontinued.

Yours truly,

LOCAL BUSINESS."

The facts of the matter, I can say, are as follows: A requisition was sent to the Department of Supply from the Department of Health as follows: Requisition—Sub-head No. 102233, Item 1.—250 dozen cartons of Mouth Wipes manufactured by Hygiene Products, Ltd. I may say, as a matter of fact, I never see requisitions except when they are questioned in the House or some member of the organization or Department of the Gripe phones me during the day in connection with some particular gripe. But this came over to the Department of Supply and the officer concerned had it. Apparently the doctors in the San had had experience with different types and preferred this particular kind, and without impinging on the honesty or the integrity of the people concerned, the Department of Health and medical practitioners in the various institutions concerned probably placed the order as requested by the Department of Health. This morning I asked for comment from the Department of Health and the following was submitted to me by the Deputy Minister:

"Re Hypo-Mouth Wipes: I am advised by the business manager that this type was used exclusively up to about 1942 and the only kind found fully satisfactory. After 1942 it was difficult to secure them and another type were used. However, when Hypo again became available and a local agent was appointed in St. John's by the Government, and as this was the only source of supply, the order was directed there by the Department, and further, there was a

grave danger of a shortage of supply and it was necessary to make requisition for a supply for a long time."

This is the answer I have to give to the gentleman who wrote this letter in the Evening Telegram and I refuse the opportunity of denying or refuting the statement to the local press. I am making the explanation through the proper channels, namely this honourable House.

HON. J. R. SMALLWOOD (Prime Minister): I would like to make a statement on that same matter. I had given orders to the Department of Supply as the Premier of this Province and leader of this Government that all purchases by the Department are to be made at the lowest possible prices consistent with quality. When I say order, the proper word is instructious or directive, because from the honourable Minister in his Department—there has been no objection or hesitance whatsoever to carry out that directive. If there is one thing this Government are proud of, it is that the many hundred, indeed, many thousands of articles necessary for us to buy, are bought in the lowest markets. That means that some of the bitterest opponents we have politically get a very considerable slice of the public business. There is a young man named Jimmie McNab who passes his time calumniating me yet who nevertheless, despite that fact, gets large orders from this Government. I am not ashamed to admit it, though in the old way of political thinking, McNab should not get one dollar of business from this Government until at least he learns to shut his mouth, but because his prices are lowest he gets the business. The same thing applies to firms all along Water Street that hate our

guts, despise us, look upon us as filth and dirt, only fit to soil the sole of their shoes. Nevertheless because they tender lowest they get the business from this Government and we take great pride in that. But as these purchase run into literally millions of dollars a year and are made up of many thousands of items for delivery to many institutions, every penny-half penny two-by-four commission agent who tenders and does not get the orders, jumps at once to the conclusion it is all graft and bribery and corruption and the life of the Minister of Supply, no matter who he may be, is a life of hell on earth so long as he occupies that ministerial post. As I say, every little cheap commission agent who tenders and does not get the order jumps to the conclusion, and frequently spreads the rumour about the town that it is all graft and corruption. Admittedly it was so in the good old days gone by, whereas in actual fact we would give the business to the devil himself if his tender is best and consistent with the quality of his goods. Now the Government does not buy sulphur but if it did, it would not mind going straight to Hell for it, though we know the Devil spends most of his time opposing this Government. Now there are cases where it is most economical and in the public interest to order direct from the Mainland. In such cases the order is placed with the Mainland manufacturer. Now, we have one preference however. Our preference is in favour of home manufacturers and we are prepared to pay a bit more for goods manufactured or grown or processed here in this Province so that local industry may be helped and encouraged and for that reason and no other we do place orders with local manufacturers

and local processing concerns and producing concerns in preference to firms handling goods other than home products. Now the customary thing in the past has been that when any one had a gripe he went to the member of the Opposition and asked that member of the Opposition if he would table the question in the House and ask if the Government purchased such and such article, if so when and from whom and at what price were tenders called, to produce the other tenders and that is usually one of the functions of the Opposition. Now we have a new one, the scurrilous filth and dirt in the public press written anonymously to the public press, a public press which has not hesitated to suggest that a loan made by a subsidiary body of this Government, a semi-independent body, a loan board was made because some Government member is a director of the Company receiving the money, I wonder if the writer of that editorial was aware of the completely insulting character of that suggestion? I said to the honourable Leader of the Opposition that it was a contemptible suggestion, beneath contempt. If we pride ourselves on anything in this Government more than the program of economic development it is the fact that we are honest and clean. No Government in Newfoundland's history after the year 1900 could pretend to be as clean as we are.

MR. FOGWILL: What is the question before the House?

MR. SPEAKER: The Ministerial statement made by the honourable Premier.

MR. FOGWILL: I understood the point to be a question made by the honourable Minister of Supply.

MR. SPEAKER: The honourable the Premier said he wished to make a statement regarding the same point.

MR. FOGWILL: It is rather peculiar.

MR. SMALLWOOD: My honourable friend would not consider it peculiar were he to study parliamentary procedure and understand it as well as some of us, then he would cease to regard it as peculiar and regard it as quite normal. And so I say, Mr. Speaker, it is probably inevitable that the thanks we will get for being honest is to have those imputations made against us. Now one thing I assure the House is this, and this is said in connection with this matter today. We have no intention whatsoever of spending the rest of our time in office answering silly anonymous accusations made in print, either anonymous or otherwise. We are completely conscious of our own integrity as a Government; there may come a day when it is prudent and necessary to do so, but we are too busy a Government to play party politics, too busy with things too vital for the people of Newfoundland to play party politics and we have come to the conclusion the best politics to play is not to play politics.

#### Presenting Petitions

None.

MR. FAHEY: Do I understand it is in order to make a ministerial statement.

MR. SPEAKER: That is perfectly in order, the Minister of Supply made a complaint of breach of privilege and did not ask the House to take any action. The honourable Premier asked to make a Ministerial Statement which was absolutely in order, there was no motion for the Chair.



### Giving Notice of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill "An Act to Further Amend the Public Utilities Act, 1949."

HON. DR. H. L. POTTLE (Minister of Public Welfare): I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Respecting Live-stock."

HON. C. H. BALLAM (Minister of Labour): I give notice I will on tomorrow ask leave to introduce a Bill, "An Act to Amend the Trade Union Act, 1950," also a Bill, "An Act to Amend the Workmen's Compensation Act, 1950."

MR. FOGWILL: In view of the fact that the Government is shortly to introduce legislation involving the expenditure or guarantee of public funds in connection with timber in Lake Melville, I give notice that I will on tomorrow ask if the Government are now prepared to table the IBEC Report so that we may study it in connection with the proposed legislation.

The honourable the Attorney General asks leave to introduce a Bill "An Act to Amend Certain Newfoundland Statutes."

Bill read a first time.

MR. CURTIS: This, Mr. Speaker, is purely a formal Bill tidying up a lot of acts in the consolidated statutes and so I will ask leave that the Bill be now read a second time. If honourable members will refer to the Bill they will see the amendments are purely formal; there is no matter of policy involved in any of them but

is merely a bit of tidying up of legislation which can be discussed more fully, if honourable members wish, in Committee.

Bill read a second time.

MR. CURTIS: Mr. Speaker, I move that the House resolve itself into Committee of the Whole on this Bill, in view of the fact that I have informed the honourable Leader of the Opposition that when the Committee reads the Bill I propose to suggest we raise the Committee and not report so that he may have a chance tomorrow to ask us any questions.

Committee of the Whole on Bill "An Act to Amend Certain Newfoundland Statutes."

Sections 1 and 2 read and passed.

Section 3 read.

MR. FOGWILL: Will the honourable Minister explain?

MR. CURTIS: This refers, Mr. Chairman (I hope the honourable members won't ask me about all the Bills as I don't pretend to be familiar with them all)—this refers to the Supreme Court of Newfoundland. We have to make this change because the judges of the Supreme Court are now appointed by the Governor-General in Council and the change is to embrace the judges of the Supreme Court.

MR. FOGWILL: In reference to the honourable the Attorney General's suggestion that we not ask too many questions, we will ask all we want.

MR. CURTIS: I know that but I may have to defer the answers.

MR. FAHEY: Will the Minister explain?

MR. CURTIS: These are all Federal now.

(H) Comes under the Board of Liquor Control. (F) Public Printing comes under Supply.

MR. CURTIS: This I may say is one of the Acts in suspense, we are keeping it there in case we do not sign the Tax Agreement. Next year this Act I think will become operative.

Section 3 passed.

Section 4 read and passed.

Section 5 read.

MR. CHAIRMAN: We will let clause 5 stand.

MR. CURTIS: We better let six stand also, Mr. Chairman, as I don't know why that should be repealed unless there are two, certainly that fund is not dead.

MR. CHAIRMAN: Clause 6 stands.

Section 7 read.

MR. CURTIS: Instead of Privy Council it is now Supreme Court of Canada.

MR. FOGWILL: Will the Minister explain?

MR. CURTIS: Just while the law clerk is looking up that section, I would like to refer again to the Permanent Marine Disaster Fund, only section 9 is being repealed and that is the one providing for franking of letters. We cannot give them that privilege now so it is very obvious it must come out. It is just a case of tidying up the schedule, it is exactly the same in both Acts. This is just a matter of form. The Landlords Taxation, Chapter 1, only one section in that chapter. Now under this section the amendment

puts in the word "Ground" so it shall be the Ground Landlords Taxation. That is merely clearing up what was meant. I may say this amendment is made retroactive to the Consolidation Committee's work.

Sections 8, 9 and 10 read and passed.

Section 11 read.

MR. FAHEY: What does Section 11 mean?

MR. CURTIS: We are just writing out that clause as it apparently does not mean anything.

MR. FAHEY: People will still get married.

MR. CURTIS: Unfortunately. That is just a readjustment it puts our own instead of the English Act. Under Section 18: Instead of Dominion of Canada—"Any Province of the Dominion of Canada."

I think instead of exportation we should say shipment. Replace the word exportation with the word shipment. That clause gives them the right to bring in the stuff duty free and is valueless now.

Section 18 is one of those things, I recommend the Committee let it stand.

Sections 13 to 16 read and passed.

Section 17 read.

MR. FAHEY: Mr. Chairman, I would like the Minister to explain—Does the Minister of Provincial Affairs take the place of the Colonial Secretary?

MR. CURTIS: Not in buying stationery, the Minister of Supply does all the buying for all the Departments.

MR. FAHEY: I always thought the Minister or Secretary of Provincial Affairs, whatever he is called, in each province more or less takes the place of what we used to call the Colonial Secretary?

MR. CURTIS: Yes, you see, Mr. Chairman, all the stationery is bought through the Department of Supply but when that Act was passed in 1926, at that time, the Colonial Secretary's Office or Department used to do all the buying.

Section 17 passed.

Section 18 read.

MR. FOGWILL: What would be the position there if it were necessary to exhume a body, what is the position in regard to the police?

MR. CURTIS: Permission would always have to be obtained from the police. But it would have to be done with the co-operation of the Department of Health. I think the decision is really with the Minister of Justice, the Attorney General but we have not had one since I have been here. At the same time I think the idea is to join with the Minister of Health to be sure there is no infection or infectious disease involved. That means the Minister of Health would have to supervise it.

MR. FOGWILL: What I have in mind is in case of crime.

MR. CURTIS: That does not alter it, it would be discussed with the Minister of Health as there is no chairman of the Board of Health now.

Section 18 passed.

Sections 19 to 22 read and passed.

Section 23 read.

That had better stand I would like to check up on that one.

Section 24 read.

MR. FOGWILL: I would like an explanation of 24—All of section 75 of the Education Act except paragraph (u) and part (b) of the schedule according to that Act are repealed and added in the new amendment. Does the Minister know what that Act is?

MR. CURTIS: We had better have that stand and check up on it.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I would like the honourable the Attorney General to go back to Section 5 and explain it, I do not understand the sub-section of section 35, Chapter 51. What does that mean? For argument's sake after taking out Newfoundland and substituting Canada then we are working under chapter 51 of the Consolidated statutes of Canada, are we actually working under that?

MR. CURTIS: I shall be glad to answer that as soon as the book is brought down from the Library.

MR. CHAIRMAN: That clause was not passed, it was allowed to stand at the request of the Committee.

MR. CURTIS: I will deal with that section tomorrow. I move the Committee rise, report progress and ask leave to sit again tomorrow.

Carried.

Third reading of a Bill, "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department.'"

Bill read a third time and passed.

Third reading of a Bill, "An Act to Amend the Land Development Act, 1944."

Bill read a third time and passed.

Third reading of a Bill, "An Act to Make Provision for the Granting of Loans to Certain Companies."

MR. CURTIS: I move this order be deferred. I move the next four orders on the Order Paper be deferred which will bring us to the St. John's Municipal Act.

Carried.

MR. VARDY: Mr. Speaker, in discussing the principle of this Bill yesterday afternoon I indicated, I think, in the brief remarks I made that I was very emphatically in favour of the principle, viz., that the St. John's Municipal Council is asking the permission of this House to grant it powers to finance its own operation so that it may keep its own affairs in order. And I think in supporting that principle, Mr. Speaker, it is only fair and reasonable. Now, it does not Council and those of us who are in favour of the proposal that we should justify the stand we take in contending that the assertions of the Municipal Council that they should be granted additional taxation powers are fair and reasonable. Now, it does not necessarily follow that if these powers are granted to the St. John's Municipal Council they are going to be put into effect. That is not for us to determine, that is strictly and entirely a matter for the St. John's Municipal Council, a body elected by the citizens of St. John's, to determine in their wisdom as they will be the ones, in the final analysis to answer to the citizens who put them in office. But I think it is only fair

to make a few comparisons between the taxation situation of the city of St. John's and that of comparable communities, and I think the most comparable is the city of Halifax.

Now, it is true it is a City with a completely different population problem than we have here in St. John's and all their methods of operation are somewhat different; that is I think where the great distinction arises, and I think it is only fair that that distinction should be brought in to focus so that we might see exactly what it is. For instance if we were residents of the city of Halifax today we would be participating in and continuing an expenditure which entails an overall cost of \$5,667,000. Now the statistics I am going to quote with relation to the city of Halifax have to do with 1949 year ending, so these statistics being made available, I believe, at the end of March 1950, just a little over a year ago. I don't have in my possession the statement for 1950 but I take it the difference won't be very great. That is computed, Mr. Speaker, on a population of 100,000 and for argument's sake we will place the population of St. John's at 50,000. It is, I contend, closer to 65,000 but in order to simplify the position we will cut the figures in half. In other words in the city of Halifax and the city of St. John's the proportion of population is only half and if we were paying taxation in St. John's on the same proportion we would be contributing roughly \$2,800,000 instead of one million as at the present time.

Now the citizens of Halifax have to pay for these services: They have to pay for their central government which involves an expenditure of \$519,000 which would mean roughly

\$250,000 for the city of St. John's; Fire Protection for which they provide another \$547,000, they have police protection, another \$321,531, also their City Court and City Prison, corrective Institute which costs an additional \$65,800, for Wire inspection, \$15,000, for Street Lighting, they pay the Public Works \$262,000 for maintenance and that might be somewhat lower than paid in the city of St. John's, but it does not provide for capital expenditure. They provide another \$284,000 for garbage collection and street cleaning, surface maintenance and snow removal. Now here we come to an item of primary importance to us: For contribution to health, contributions for Health Department \$121,000, \$13,000 miscellaneous expenditures making a total of \$137,000 paid in the city of Halifax. The taxation pays for education, to the school board \$1,120,000 and an additional amount to teachers' pension fund and municipal school fund making a total of \$1,200,000 paid by the city of Halifax to education alone which is more money, in fact, than is collected by all the taxation annually in the city of St. John's. They pay for recreation and community services and the recreation committee spent in that year \$23,700. They provide public baths and pay to maintain them for \$14,000. A City Market costing roughly \$3,000 and a public library \$7,417, making an additional grant of \$10,000. For the Bi-Centenary Celebrations they spent \$25,000 and on other municipal items \$25,000, in all reaching an expenditure of \$107,000 in that year alone. Now we come to other items in the city of Halifax, they provide their own Public Welfare and for that they spend \$85,000 a year. Their welfare department alone costs them \$34,000

and their Child Welfare \$50,000, then hospitalization and medical services are paid for by a grant by the city of Halifax. They spend \$67,000 on indigent sick, in other words those sick people who could not pay their own hospital bills and to cover this, there is a hospital grant of \$19,000. There is a city owned Hospital and a TB Hospital also, costing them to operate during that year \$145,000; infectious diseases Hospital costing \$33,000 to maintain and those amounts alone make a total of \$265,000 for those four items, as the gross cost of operating these, and besides they make a grant to private charitable organizations of an additional \$24,000. They also maintain their cemeteries, Mr. Speaker, and their interest on bank charges and so forth. I won't recite any more as it is enough to say in the city of Halifax they maintain all these services at a total expenditure of \$5,680,000 as against the roughly one million that is provided by the city of St. John's through direct taxation.

Now, I have one point yet, I have heard some of the speakers make various comments on it, and I think it was the honourable Leader of the Opposition who said, I am not quite sure, that he did not disagree entirely with the Bill but was opposed in part since he did not want to see any poor people in St. John's lose their homes as a result of increased taxation. Well, Mr. Speaker, I agree entirely with that point of view, but I would like to point out at the same time that in the city of St. John's at the moment there is a very large amount of arrears due from delinquent taxation and the city of St. John's has at the present time the power to foreclose on any of these properties and sell them in order to

recover the taxation due but we have a very considerate Council with a policy which has been in existence all through the years and they have never invoked that power or took advantage of it. I was rather interested to note, yesterday, a comment made by the honourable member for Fogo regarding a report which was made available to the Municipality some years ago at considerable expense, around \$15,000 or \$20,000 and I must say it provided some rather startling information and made some very startling suggestions which would have startled the citizens of St. John's had this report ever been made public.

Now, Mr. Speaker, that is all very well but it further goes on to state "It may be in the best interest of the Municipality to have the present Municipal Government as it exists wiped out completely and replaced by the present central government with the municipality being administered by a separate committee. Now, I don't think it is the thought of the Provincial Government to take any steps in that direction. I have never heard it suggested but I merely raised the point to show that, for a long time, the difficulties experienced under the present municipal status have been realized. It has been recognized for a long time that it is necessary, and will be increasingly necessary in the not far distant future, to have a completely new charter set up so that the organization can run its own affairs within certain limits which exist in all subordinate of all governmental bodies. That is to have a clear line laid down, and once that is done the organization should be able to absorb and take on its own shoulders much of the services provided now by the central government. I don't think it is fair, and I think I am speaking for

a large number of the taxpayers of the city of St. John's; I am at a loss for words to describe this situation which exists at the present time whereby the citizens of St. John's who are contributing very largely have to come with their hats in their hand and ask for grants again from the Central Government. They should know exactly where they stand, what resources are open to them, what they can do with the money available to them. If it is necessary for the city of St. John's or the St. John's Municipal body to operate their own fire and police department, I believe means should be made available for them to do it whether by taxation or by increased grants. Because after all it is obvious to all of us in the Provincial Government a fire department and police protection for St. John's cannot be provided without spending the money or having a definite and specific grant made available to the Municipality which should assume the responsibility of administering their own affairs themselves.

Now, Mr. Speaker, I don't want to labour this point too much but I do, however, want to answer another point raised by, I believe, the member for Harbour Main-Bell Island which referred to water meters. I would like to read what this report has to say regarding that. I just thought that for the information of the House I would raise that point in connection with it. I do entirely endorse the principle of this Bill that the Municipality should be given the power to levy taxation to conduct its own affairs. My only feeling is that the municipality is not asking sufficient power, at this time; it cannot conduct its own affairs without complete authority to do it and in order to do so the Council must have financial independence and that

can be acquired in two ways, by direct grants or increased taxation. I think that is something for them to determine as they would be the ones to answer for it to the taxpayers. I don't think this is ever going to be the community we all want it to be until the step is taken, and I would be the first to support it if it were brought forward.

MR. FOGWILL: I would like, Mr. Speaker, to make some few remarks on this Bill. I would first like to say I was very much interested in the remarks of the previous speaker, just now ended, when he quoted some very impressive figures in relation to the city of Halifax. These very well may have been true, the city of Halifax may have been going on for a long time, much longer than the development of St. John's, although St. John's itself is an ancient place in point of occupation by people from Europe, yet nevertheless we are impressed with the figures presented in respect to the burden of taxation on the people of Halifax, and we probably may take it this way, I may be wrong and I may be right, but the opinion is very strong on what is taking place in Newfoundland that the pattern of taxation for our country is taking a gradual change and the change is taking place in all taxation forms in all the towns and villages in Canada the change has been taking place since 1867; their pattern was laid down then and has developed from that time.

We are different in this old city. We have been having taxation at a minimum, of course, for the past forty years and there has been a great development in our city with regard to services of water and sewerage and other facilities. I remember

the time myself, not very long ago, about 40 years ago, there was only one paved street and I recollect very distinctly the rest of the streets in St. John's were ankle deep in mud and many a youngster earned a penny by taking a broom and sweeping it clear so that people could get across the street without getting their boots or shoes soiled. I earned many a penny myself doing that. But I want to repeat this because it has been said by many before, the people of St. John's and all the other people in the towns and villages of Newfoundland have to prepare themselves for a new system of taxation, altogether something entirely foreign to them and suddenly forced upon them, not gradually as it should be. Now, it is not very long ago, Sir, when we had no town planning at all. Only in late years have we had town planning and the reason why the Council is now asking for the right to impose new taxation probably can be put down to one or two facts, the increase in the cost of the city itself, the spreading out into longer avenues and streets and the cost of servicing of the streets, the laying of sewerage and water and the demand from the taxpayers for more and better services.

There was a remark made by the honourable member for Fogo here yesterday that he saw a council truck going around with three men picking up paper. I would like to say to him they were doing more than picking up paper, they were cleaning the city, clearing the garbage and working all hours in the night and when there was a broken water main in Portugal Cove they worked all night up to their knees in mud. I resent any reflection upon the employees of the City Council. They

don't work hard all the time nor easy all the time but they give a good service to the people.

Of course we have another fact, the loss of revenue due to Confederation. It may be the opinion of some members that there was not a great loss. Then we have the increased cost of material and the downward trend or the devaluation of the dollar itself. In passing I would like to make a remark in support of what my honourable friend, the member for Harbour Main-Bell Island, said about the enormous amount of water used by the controllers. It would be a good guess that the Controllers mix a little rum with water and I don't believe they sell less than one million dollars worth of city water a year. That is evidenced by reports brought in during the last couple of years. They should have a meter paying not so much per thousand gallons but by the gallon. They are getting well paid for it.

Now, Mr. Speaker, I think this Bill will merit all the consideration we can give it. I am not entirely in accordance with all the clauses but I do realize the city must have money to carry on and I am doubtful if I would vote against the principle entirely but I think many clauses are objectionable and until such time as the Council gets its own house in order and lets the people know what is going on, how they are spending money and what value they are getting for it, I don't feel it is correct to impose more taxation on the city. After all the city of Halifax may earn more money, may be in a position to pay a higher taxation than the city of St. John's. The people of St. John's are poor people and the greater burden of taxation will rest

upon the poor people who probably, many of them, work only seven or nine or ten months a year. If we are to have increased taxation it should be spread among those people who can pay for it and no further burden should be placed on those unable to pay this taxation. Mr. Speaker, I support the principle of the Bill but I assert I am opposed to some of the clauses in that Bill in relation to increased taxation, which may bring a greater burden upon the poor people. Thank you.

Moved and seconded this Bill now be read a second time.—Carried.

MR. CURTIS: Before we decide what to do about this Bill, I wonder if we might have our recess.

MR. SPEAKER: Before recess, may I remind the House of standing order 66—Private Bills read a second time are referred to Committee.

Recess.

MR. SPEAKER: The Municipal Bill which has been read a second time is referred, according to Standing Order 66, to a select committee. I would suggest to the House that the committee previously appointed to study this Bill; the Honourable the Attorney General, the Honourable Minister of Provincial Affairs, Honourable Mr. Vardy, the Honourable the Leader of the Opposition, Mr. Fahey, and I suggest the addition of one other Honourable Member, Mr. Russell.

MR. CURTIS: Mr. Speaker, would it be in order to move this be not referred to select committee, but to have the rules of the House suspended, would it be in order to make such a motion?



MR. RUSSELL: I second that motion.

MR. SPEAKER: Moved and seconded that standing order No. 66 be suspended and this Bill be now referred to a Committee of the Whole House.

Committee of the Whole on a Bill "An Act to Amend the St. John's Municipal Act, 1921 and Acts in Amendment Thereof and for Certain Other Purposes."

Sections 1, 2, 3 read and passed.

Section 4 read.

MR. FAHEY: Will the Minister explain Section 4?

MR. CURTIS: I may say this Bill was not drafted by the Department of the Attorney General but by the City Solicitors and they have some wording strange to us.

MR. SPRATT: I would like to point out that that Act as read had to be changed during the period that I was in the Council as it brought a great hardship to the people. As a matter of fact it was not done and down on Duckworth Street where it was paved the Council had considerable trouble in collecting the money, and did not collect, and there are people living on that street who could not by any stretch of the imagination pay it. They had to pay on that frontage and it was impossible to do it, with the result that certain members of the Council objected to its being carried out, and that went on for years, some people paying installments and after four years, through my continued objections and with the support of the majority of the members, the Act was changed and the money collected was handed back to the

people who had paid it. Now I would wish, like every member of this Government, to see the Council progress, but I should like to see the taxation levied in a manner that would not put too great a burden upon anybody, particularly the people who can't afford to pay and I don't care who agrees with me or who does not.

I have a fundamental knowledge of civic works and I am prepared to take a challenge from anybody on that matter. I know the work. They say you are getting water and sewerage but you are paying for them when you build your house and for the curb, every foot of it. And so it is with everything you get. What do you get for your taxes? You pay for the gutter, the sidewalk and now they want you to pay for the King's Highway belonging to everybody. I think it is too ridiculous, that is what is it. We are talking behind closed doors. I don't know if we are permitted to talk outside or not. But I think a law of that kind should not be allowed to pass. There are ways and means to run the city intelligently and give the people what is required. I want to be fair. There is one gentleman in the House today who was associated with me for eight years and he should know I am serious in expressing my opinion and whether I know what I am talking about or not. I would ask, Mr. Chairman, that the terms of that section be seriously considered and I believe every right-minded person will admit that it is not right for a person to pay for a street which is a public highway. People from all over the Island of Newfoundland and from foreign countries walking on a street you paid for and you have no claim on it any more than they have! It is not right. If

the taxation is not sufficient to give the streets to the public then by all means let them secure the taxes in a manner where it is not applied to the people whom it will hurt most. I oppose that section.

MR. CURTIS: I think we should allow this section to stand. I cannot find the reference to Section 82 in the Bill and I can't find it in No. 32. I think we had better let it stand.

HON. E. S. SPENCER (Minister of Public Works): Just before that vote, I wonder if that refers to five.

MR. SPRATT: George Pond has a large number of residents near it and the same applies to Windsor Lake.

MR. VARDY: That is not the water shed.

MR. HIGGINS: The watershed is any hill leading down into the lake.

MR. SPENCER: I take it, the purpose is probably to prevent any further building and it may be a good idea. I wonder if anybody could enlighten me?

MR. SPRATT: I think that is ridiculous to have that there. I don't see why it is necessary at all. Nobody could build on the watershed as it is owned by the city. It is the city's property. The thing appears ridiculous to me. Everybody knows you cannot build on the watershed as it is the actual property of the city, bought and paid for from holders of the property. You can't call Portugal Cove Road the watershed. There are parts of it within it but there are no houses to affect the water. But if you went in on the Thorburn Road, the road is considerably nearer the lake and all the horse offal and every-

thing from the road washes into Windsor Lake. I know Windsor Lake too. But you can't build on the watershed.

MR. VARDY: It provides additional protection.

MR. CURTIS: The object is purely to stop future building.

MR. SPRATT: The point I want to make is this: if I own a piece of property no one can build a house on it.

MR. RUSSELL: They had better do something like that up on Signal Hill.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again, on tomorrow.

Carried.

Second reading of a Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

MR. SMALLWOOD: Mr. Speaker, I move the second reading of this Bill. The Speech from the Throne announced the intention of the Government to introduce this Bill to amend the Act passed by the House in 1949, the first session of this General Assembly. The Bill of 1949 was intended, as I said at the time, to bring about a greater degree of temperance and to reduce the consumption of intoxicating liquors. The Bill has had an affect because since it came into effect and the new board was appointed and the new liquor policy of that Act carried out, the consumption of liquor has very definitely decreased as have also offenses against the Act. The number of persons arrested for offenses against the Act, that is to say for being drunk on the public street, being drunk while driving a car or in

charge of a car, and for other such offences, has decreased and figures have been presented to the House showing the actual volume by which the consumption of hard liquor has decreased in the past two years. Now this new amendment is designed further to encourage temperance and to decrease the consumption of alcoholic liquors in Newfoundland.

The Bill has two or three principal features designed to accomplish that purpose. These are principally introduction of local operations providing that in any settlement in Newfoundland or a combination of two settlements there will be a tavern for the sale of beer and wines or a store for the sale of hard liquor only if a number of the qualified voters in the area agree to have it, and not if they do not agree. And with that in mind the Bill provides that any person desiring to have a tavern license for the sale of intoxicating liquor in any given place shall advertise the fact in the public press and it provides further that twenty percent of the qualified voters of any such area may by petition to the Lieutenant Governor in Council pray that a plebiscite be held on the question of whether or not that licence should be granted in that area. Such a petition having been received and signed by not fewer than 20% of the qualified voters of the area, the Lieutenant Governor in Council must arrange for the holding of a plebiscite which will be conducted in exactly the same way as the electing of a member to the House of Assembly is conducted. That is to say, a returning officer will be appointed, a day appointed for the holding of the plebiscite, booths provided, ballots printed and cast secretly. The decision will be that of a majority of the votes cast in that

plebiscite. Now that is the first principle laid down in this amending Bill to provide for local operations. It does, however, provide that in any area where a majority of the qualified voters decide in a plebiscite that there shall be no tavern or liquor store, the board may nonetheless grant a licence for a hotel or tourist establishment, or I think a club.

Another provision of this Bill is to limit the number of bottles of hard liquor which may be purchased from the Board by any citizen. At the moment there is not a limit and my understanding is that any citizen may purchase any number of bottles from the Board of Liquor Control at any of its stores. The board at one time was limited by law in the sale of hard liquor to a bottle a week, and I believe, at another time, two bottles a week. Just before the Commission of Government went out of office they either passed an Act or repealed one, I forget which, that had the effect of removing all restrictions whatsoever on the number of bottles of hard liquor purchased by any citizen. This Bill, if made into a law, would limit the number of bottles which any citizen might purchase to three a week, three bottles in any one week. Another provision of the Bill is to prevent any brewer or distiller or agent or servant of a brewery or distiller from supplying orders for the sale of alcoholic liquor from any person other than the Board itself.

Now these are the two main provisions of the Bill, first to provide for local operations and second to limit the sale of hard liquor to any one person to three bottles a week. There are, however, several other features on which I might comment. I think I have mentioned the fact

that before a licence can be granted the applicant must advertise his intentions to establish such an establishment. Whereupon 20% of the qualified voters in the area concerned could by petition request the holding of a plebiscite and from that point on the machinery is provided for the holding of such plebiscite. Another provision; no person shall purchase beer or wine in any tavern in respect of which a licence has been issued under this section except for personal consumption in the tavern and no person employed shall sell any beer or wine to any person except for personal consumption in the tavern. That is the no drinking clause, so called. But it may be sold only for a person's own use and consumption in the tavern. There is another provision here to the effect all samples lawfully taken and confiscated or seized for laboratory test may be disposed of as the Board may direct and the proceeds, if any, of such disposal shall form part of the revenue of the Board.

Now, there is another section here on page 2, towards the bottom of the page, section 7 is to be added. The magistrate trying the case may, in the absence of evidence to the contrary, infer that liquor is alcoholic from the fact that the witnesses describe it as alcoholic, rum, whiskey or any other name commonly applied to alcoholic liquor. The purpose is this: At the moment when liquor is seized and the case comes up before a magistrate even though the involved agrees it is liquor and that fact is not disputed the liquor has nevertheless to be sent to St. John's for analysis at the Government Laboratory. The purpose of this section is, where there is no contention that it is not liquor or any witness says it is liquor, then the magistrate may infer that it is indeed

liquor. If, however, anyone contends it is not liquor the magistrate must then do as now, must in such cases send the sample forward to St. John's for analysis. I think, Mr. Speaker, I have now described the main provisions of this amending Bill. We bring this Bill before the House in the hope that its adoption will indeed further the Government's purpose which is to limit the consumption of hard liquor or to promote the cause of temperance, which are the main purposes of the main Bill to which this one is an amendment.

MR. HIGGINS: I don't know that the last alcoholic bill brought about lesser consumption or that it did not. Personally, I think the high cost brought down the consumption and, as I said before, if the liquor goes up, the ordinary decent man will not pay the price. The man who has to drink will pay the price but there is one section there I am rather glad of. That is the fact it should be purchased by a person himself: No person shall purchase beer or wine except for personal consumption in the tavern. That should be a special section and I don't see why it should not apply to clubs too. I think there is nothing one can suffer more from than the liberal practice of treating a man to a drink in a club or tavern. When I take a man to my house I give him a drink and when you go to a club you have to take four or five or until you pass out. The drinks are passed around and each one has to pay for a round of drinks, I don't mind having to pay for a drink but hate to have to take four or five drinks and I think the "No treating" clause is the best section here. Years ago Archbishop Howley suggested a "no treating" regulation and that did away with heavy drinking. What

happened in those days was that a man came down in the morning and wanted to have one drink only to be met with the plea, "Oh come on, Bill, have one on me," he had a drink on him which meant he was expected to stand a drink and the result was the poor devil who wanted one drink found himself with four or five. Now I go into a club and have one drink and pay for one and want no more only to find myself with three or four where I only wanted one. How are you going to offset that, where you have six men, in terms of "A drink on me," there are six drinks handed around and then stand another and a man is half soused, whereas he went in with the best of intentions and finds himself with six drinks. It is terrible and that is what they found in the olden days when a man went in for a drink and found a friend and had to have five or six. I think it would be a good thing to put that section in for both taverns and clubs. I think it is the best antidote against too much drinking and I think it would be a good thing not only for the country at large but for every man.

**MR. FOGWILL:** I support the hope and wish of the Premier in this Bill that it will result in less drinking although, Mr. Speaker, when it was brought in in 1949 the alcoholic Liquor Bill was introduced by the Premier as a temperance Act; yet he did quote figures in this House in reply to my question and made reference to it today that the result of that Bill was that there was less liquor drunk but that does not show in the revenue because in 1949, Mr. Speaker, the actual revenue was \$3,000,000 which the Government received as profits on liquor and in 1950 there was \$3,000,000. Now I can't see how

the Alcoholic Act resulted in any lessening in the consumption of liquor but rather the higher prices brought about the reduction in the consumption of hard liquor. Now everybody knows, and I know myself personally, I am acquainted with people who have not the hard cash and they buy beer and wine commonly referred to as "Pinky", I think the House is aware of the huge quantity of "Pinky" consumed. Beer and Pinky and you have the most glorious load any man ever wanted.

Mr. Speaker, I rise for the purpose of supporting the Bill and I am very happy that the honourable the Premier has intimated the willingness of the Government to accede to the suggestion of the honourable Leader of the Opposition and make the "No treating" clause a wider clause and applicable in respect of clubs in addition to taverns. I do know this; that people in Newfoundland can't afford to pay five million dollars a year on liquor or on the water they buy with the liquor, the more water the better in that event as they are not getting drunk as they would get if the liquor were stronger.

**MR. CURTIS:** I do not forget, as I said the other day, that the people of Newfoundland as a people put themselves on record as being in favour of prohibition and extreme form of temperance and I think therefore any Bill designed to bring temperance to the people will be acceptable to the country as a whole and to this House. The Bill covers some loopholes which have been found since the Bill was introduced last year or in 1949 by the honourable the Premier and I think the amendments suggested will greatly improve the Bill and will cut down the consumption of liquor

and will be a real benefit to the community and I am particularly happy about the "no treating" clause which I think will be particularly valuable in lessening the huge consumption of liquor. I trust that if the Bill passes that the effect will be to strengthen the existing law to the advantage of the whole country. I have great pleasure in supporting the Bill.

DR. POTTLE: I rise briefly, Mr. Speaker, merely to add vocal support to the Bill in principle. I don't wish to make any speech and I have no remarks to make except to say that this legislation, as already indicated, is designed to restrict the consumption of alcoholic liquors and to make the drinking of alcoholic liquor probably as decent as it can be. This legislation is designed to meet these ends but I think it will have to be realized by the House, as it is being generally realized probably more and more, that one cannot legislate very effectively in this field of drinking, it is a matter which hardly can be controlled to any very effective extent by the passing of legislation. I shall say this Government is very sensitive, and will remain sensitive, to the majority, the expressed wish of the people regarding the whole matter of drinking and the whole House seems to be fully in support of the principle enunciated in this Bill. The purpose is to restrict and control the conditions under which drinking takes place and is designed to make the Act as workable as possible. One may only hope the end the legislation has in mind in theory will be achieved in practice.

MR. SPRATT: Mr. Speaker, I deem it my duty to support the Bill and to congratulate the honourable Premier on the principle involved. Now, I have no occasion to have any

clause made for me to keep clear of strong drink.

MR. HIGGINS: I object, it is not supposed to apply to us.

MR. SPRATT: You may say what you like to me and I can take what is coming. Now, the point I want to make is this: The principle of giving the people the chance to say whether they are to have strong drink or not, that is the point I appreciate. I don't believe myself in restrictions at all. I believe if you had rum running out of the tanks after a while you would get a lot of sober men. Now, that is my honest opinion and I know myself, I have it in my own family right from the time of infancy. My father drank a gallon a day, I often brought four noggins for him, what he used to call his morning toddy when old Tom Bailey was in the business before most of you were born. Now I had experience myself. I took the pledge 69 years ago and I was a member of the Total Abstinence Society during my whole life. Twenty-six years ago I was employed by the Government of the day to superintend the construction of a public building in Corner Brook. I was born with only four senses and when I made that statement once that I was born with only four senses and did not have the sense of smell, one lad said, "Well what the Almighty took off your nose, he put on your tongue." However during the time I was in Corner Brook, I was invited out and, as the honourable Leader of the Opposition says, there were a number of strange people came along and invited me to have a bottle of beer. It was a hot evening in the summer and I used to drink that Haig Ale they sell around in the stores when you get thirsty. Prohi-

bition was on at the time. I went in with them and I took a bottle of beer. I was quite thirsty but I did not think it was different from any other beer for the time being, but when I began to sip it, I said, "That is rather strong beer." I never drank anything as strong as that before. They turned around and told me it was Bass Ale the strongest kind of beer. I said, "Gentleman, I am a teetotaler or at least I was, but am no longer." There I was, a lifetime of total abstinence gone in the twinkling of an eye. I went out and sent a telegram: "A life of abstinence gone in the twinkling of an eye please erase my name from the roll." Then I went back and drank 20 bottles of beer. It had such an effect on me as it was the first drink I ever had, that I bought shoe-shine and hair oil and moonshine and everything I could find afterwards. I learned a lesson, I went from one extreme to another and I realized that if I carried on ultimately disaster would overtake me. Immediately on coming in to St. John's I knelt down at Fr. Pippy's knee and people did not know but that I was asking for his blessing. But I had this experience and I know something about drinking and it is the nervous system that calls for it and nothing else. And let me tell you this, there is an acid in some person's body accentuated by alcohol and in others that can benefit by it. Some men can take ten glasses of rum and not notice it and another only one and be drunk. So, gentlemen, I support the Bill before the Chair and trust my few rambling remarks have been amusing anyhow.

MR. VARDY: Mr. Speaker, I feel I would be derelict if I did not join with my honourable colleagues in

supporting the principle of this Bill. I can not do so either as a total abstainer or as a prohibitioner but I do support it in the cause of moderation. It is unquestionably the idea behind the Bill to eliminate as much as possible the bootlegging and law violations that are so prevalent and have been brought to the fore so much lately by the law enforcing agents. As for the limitation on the number of bottles, Mr. Speaker, I am of the firm conviction the freer alcoholic liquor and the more readily accessible, the less violation and less abuse there will be. I think that has been proven by those who have already done it. We may not be ready for that yet but it will have to come in time. I am partly in agreement with the idea of extending the privilege to any community to determine for themselves whether they should or should not have the sale of alcoholic liquor within its border. I believe, without a doubt the drafters of this Bill have given it a lot of thought and I don't believe anybody can doubt its sincerity in the cause of temperance and the practical manner in which it is being approached. As the honourable Minister for Welfare stated a few moments ago it is impossible to deal with a matter like this through compulsory legislation and it is only on the fundamental basis of such a measure, as we are trying to do at the present time that any equitable control can be achieved. I have great pleasure in supporting the principle of this Bill.

MR. SPENCER: Mr. Speaker, I, too, rise to support the principle of this Bill. I don't propose to go into any lengthy discussion as to the use of alcoholic liquors but I can say that as a youth on Bell Island many years ago I was probably one of the most ardent sponsors of prohibition of that

day. I have lived since to learn that we do not get exactly what we then endeavoured to obtain on that occasion, but I do think progress was made and since then I have formed very pronounced views regarding the uses of intoxicating liquor. The whole purpose of this amendment, referred to in a great many cases, is to minimize the use of alcoholic liquor and to minimize the sale of it. Whether or not the Bill is accepted by the public, and I believe it will be, it is a move in this direction. Whether or not all our honourable friends in the Opposition will agree the Government are endeavouring to produce a Bill which will really reduce in some measure the consumption of alcoholic liquor in the Province is something which rather remains to be seen. In my opinion, as has been said, it is very difficult to legislate, to absolutely control 100%, the use or abuse of what is often called the social glass. I don't think we can accomplish it but I do think we can help. As far as the principle of the Bill is concerned, I have much pleasure in supporting the Bill. There are some clauses in the original Bill with which I am not in accord but that can more properly be dealt with in Committee of the Whole. I feel possibly, for one who has taken part so little in the uses of the social glass, that my experience has been somewhat worthwhile and I feel the Committee will have the opportunity to see just what is contained in the Bill. I think it is a right move particularly when we realize we have a report from the Justice Department, a few days ago, of many people in the bootlegging business here in St. John's and elsewhere around the Province and we do have a report of one home which was found to contain five or six hundred bottles and I think that

should be remedied and it is my sincere belief we can help to curtail the sale and consumption in such a manner.

MR. MORGAN: Mr. Speaker, I would like to put honourable members at their ease. I do not intend to use the full time at my disposal in this Bill but having the honour to represent the District of Green Bay, I feel that I should give my support to this Bill. I am very happy to do so because the District of Green Bay is one of the few districts in Newfoundland where we have no tavern, no club, or as a matter of fact no place at all where hard liquor or beer can be obtained. I am very glad to give my support to the Bill. I would particularly mention one section of the Bill which provides for local operation because I feel that if, at the present time, we have no tavern or hard liquor stores with the provisions of the local operations there will not be for some time. I support this Bill.

MR. FAHEY: I don't rise to support the Bill as previous speakers have done this evening. I can't see what purpose this Bill serves. It is like a sieve, full of loop-holes, to my way of thinking. Take for instance the amount is cut down from whatever amount one wants to buy to three bottles a week. We had that before and what happened? People went and got seven and eight books and if you went in to the Controllers there were men buttonholing you and asking "Do you want a bottle, I can get it for you for an extra fifty cents and pass it over to you." The same thing applies for instance, in case of a party in a house, where they want to get four bottles, and may not need any more perhaps for the next six months. All I see is that it is creating a hardship on citizens and I don't



agree with it and I don't think that clause will stop people or confine them to three bottles a week. The only thing it will do, people who can't purchase hard liquor will buy more beer and it will bring up the beer revenue. Now I could tell you a story on that; I had a trip to the United States in 1928 when prohibition was on and they were spending millions of dollars to keep the country dry and every house I went to they pulled out a drink of "hooch", they called it, moonshine or whatever it might be and every one would ask "what is the recipe?" That is all the talk I heard there about liquor or how to make it and it finished up with the country going wet again. That is how it was. I had occasion to go back again when the country was wet and nobody ever asked me to have a drink and I went to dozens of houses. That is an example, the more you cut down the more anxious people are to get liquor and if you went into the Controllers somebody would ask if your book was filled out and those who can't get hard liquor will consume more beer. So what is the difference.

Now this matter of treating, I agree with that. It will save me a few dollars in the run of a year and I wonder about one thing. Is a citizen not allowed to treat his wife? I know that may be a save, too, I will agree with the Honourable Minister of Public Welfare. Now I honestly think that clause will never stand up. It may for a week or so but after that it will die out. But I very definitely agree with the clause the people in the various districts should have the right to say whether they should have hard liquor or not. The only thing I disagree with is that one-fifth of the people may decide.

MR. SMALLWOOD: No, over half.

MR. FAHEY: I am sorry, in that case I agree with the measure. The people should have the right to decide, based on democratic rights. That is all I have to say only I think that clause of three bottles a week won't stand up and the no treating clause won't stand up. It would be a good thing if it could be enforced but I don't think it can be done.

MR. SMALLWOOD: Mr. Speaker, I have not very much to say, specifically in reply to the honourable gentleman who has just spoken; I may remind him that the Act which is now proposed to be amended, that is the original Act, contains provisions whereby any citizen may obtain more than three bottles a week by special permission of the Board when he wants it for some particular purpose such as a wedding, a banquet or any other special occasion. That is already covered in the original Act we passed in 1949. If there is any conflict between the original Act and the amendment that can be taken care of in Committee of the Whole.

Now there are just two points I would like to make before the vote is put. One has to do with a request made on the Mainland of Canada to the Prime Minister of the appointment of a Royal Commission by the Government of Canada to investigate and examine the whole field of liquor consumption in Canada which of course includes this Province. I had a visit the other day from the permanent full time general secretary of the Canadian Temperance Association or the Canadian Temperance Federation, a Federal body which is made up of units all across the Canadian nation, and he informed me of his having waited upon the Prime Minister of Canada with the request for the appointment of that royal com-

mission. The Prime Minister expressed his complete agreement with the idea but pointed out that as liquor is a matter controlled entirely by the Provincial jurisdictions, he felt that before such a royal commission were appointed the Provincial Governments or Legislatures ought to express their agreement whereupon the Government of Canada would be quite happy to appoint the Royal Commission for that purpose and I was able to assure Dr. Linton, General Secretary of the Canadian Federation that I felt that the Government of Newfoundland would join with the other Provinces in an expression of its desire to have the Government of Canada appoint such a royal commission

**MR. HIGGINS:** Is this for prohibition?

**MR. SMALLWOOD:** No, purely temperance. It is for the appointment of a royal commission to study the rather alarming increase in the consumption of liquor and that it is alarming I think any thoughtful man will agree be he teetotaler, moderate partaker or any other than an unfortunate outright alcoholic, and perhaps he would agree more ardently than any, that the consumption of liquor is becoming alarmingly high. Anyone, I feel, would agree that a Royal Commission should look into it and make recommendations. It is a matter beyond dispute. But I assured him that if the resolutions were properly drafted I would feel it an honour to have it introduced into this House and have it go not from the Government but from the Legislature of Newfoundland.

Now, there is one other point, I must utter this word of caution to all in Newfoundland who abhor the consumption of liquor and there are many

who do. They must not expect this legislation, still less the Government, to do the work which they were never intended to do, which they are unable to do, and which it is some one else's duty to do, namely to develop in the people of Newfoundland a positive desire for temperance and to conduct constructive education amongst the people of Newfoundland particularly the younger generation. Education along the lines at least of warning the young on the dangers of drinking and certainly the danger of excessive drinking. Now that is not the job of the Government or the Legislature but there is a job along that line that badly needs doing—very badly needs doing. I told Dr. Linton I would consider it an honour to move here in this House a vote of fifteen or twenty or twenty-five thousand dollars a year of public funds to some citizen's organization (it would have to be that—a citizens' organization) which was non-sectarian, which was open to all citizens who cared to support it, to be used by such an organization to carry on a constructive educational program for temperance in Newfoundland and campaign along the line of at least drawing to the attention of our 80,000 school children the danger of drinking at all, of even beginning to drink. I hope to have the honour, probably not in this session, to introduce such a motion as that, probably a year from now.

Bill read a second time—referred to committee of the whole on tomorrow.

**MR. SMALLWOOD:** I move the remaining orders be deferred and the House at its rising adjourn until tomorrow, Friday, at 3:00 of the clock.

Carried.

The House adjourned accordingly.

FRIDAY, June 1, 1951.

The House opened at three of the clock.

#### Presenting Petitions

Hon. Mr. Keough presented a petition re the need for more efficient telephone services in the area of Heatherton, Highlands and St. George's.

Petition received and forwarded to the department concerned.

#### Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): There is on the order paper today a question addressed to me by the honourable the junior member for St. John's East asking, in view of the probability that the Government will shortly introduce legislation involving the expenditure or guarantee of public funds in connection with timber areas in Lake Melville, is the Government now prepared to table the IBEC report so that the House may study it and discuss it in connection with the proposed legislation? I have already said that in the view of the Government it would not be in the public interest to table the IBEC report at the present time. When that report is tabled, it will, of course, be available to the public press and undoubtedly a resumé of its contents will appear in the public press. It would not at the present time be in the interest of the public to have the information or at any rate to have certain of that information in that report summarized and given publica-

tion. However, if my honourable friend is agreeable or at all interested, we would have no objections whatsoever to providing him or his leader or all of his Party with a copy of the IBEC report, two reports in fact, one on the possibility and practicability of a pulp and paper mill in Bay D'Espoir and the other dealing with the same question in Labrador, for their own private information but that would be only, and could be only on condition that publication be not given to the report. That is that it be not released to the press but used only for the information of my honourable friends opposite; I would be glad indeed to pass over a copy of the report. Now I do hope my honourable friend will think there is not anything capricious or trifling in my reply. This is a very genuine reply and we mean very finally that it would not at the present juncture be in the public interest to have certain information published to the world, but there is no reason in the world why the honourable member may not have a copy for his own information as a member of this House and I do suggest this, that it would provide certain background for them in the consideration of legislation which is, as he suggested, likely to come before the House at the present session.

Honourable the Minister of Labour to ask leave to introduce a Bill "An Act to Amend the Trade Union Act, 1950."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Labour to ask leave to introduce a Bill "An Act Further to Amend the Workmen's Compensation Act, 1950."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General to ask leave to introduce a Bill "An Act Further to Amend the Public Utilities Act, 1949."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Acting Minister of Natural Resources to ask leave to introduce a Bill "An Act Respecting Livestock."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Committee of the Whole on Ways and Means. Deferred.

Committee of the Whole on Supply.

Third reading of Bill "An Act to Make Provisions for the Granting of Loans to Certain Companies."

MR. SMALLWOOD: Mr. Speaker, we would like to have that Bill deferred. I think, Mr. Speaker, there are additions that we would like to make for which reason we would like to have it recommitted to Committee of the Whole and we are not ready at the moment to do that.

Committee of the Whole, "An Act to Repeal Certain Newfoundland Statutes."

MR. CHAIRMAN: The clauses were read and passed in this Bill.

HON. LESLIE R. CURTIS (Attorney General): I think, Mr. Chairman, that being so, I move the Committee rise and report progress and ask leave to sit again. There are no changes to be made but I would like to be absolutely sure the Bill is all-inclusive, therefore my motion the Committee rise and ask leave to sit again.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

MR. CURTIS: I believe, Mr. Speaker, there is an item omitted from the Order Paper, Committee of the Whole on Bill "An Act to Amend Certain Newfoundland Statutes." In fact, I believe that was meant to be the Committee which just sat. I move the House now go into Committee of the Whole again on a Bill "An Act to Amend Certain Newfoundland Statutes."

Motion carried.

MR. CURTIS: Mr. Chairman, two sections were allowed to stand. The last one, let us go backwards, deals with Teachers' Pensions and the Minister piloting the Bill would like the Committee to consider Clause 24 first, which is the last clause. "29. Subject to Section 26 of this Act, all of Section 75 of the Education Act except paragraph (u), and Part B of Schedule K to that Act and the Act No. 35 of 1939 are repealed but such repeal does not affect anything validly done before the passing of this Act."

An amendment to this clause consisted of these words, "and the Act, No. 35 of 1950 are repealed but such repeal does not affect anything validly done before the drafting of this Act." That was an error on the part of the draughtsman that when repealing the Bill, to repeal an Amending Act Section 29. It does not affect it but is just a tidying up amendment which I move.

Motion carried.

MR. CURTIS: Now we can refer back to No. 5: This is an amendment to the section that deals with women of disrepute going aboard ships and

refers to Newfoundland ships in the Nuisance Act and there being now no Newfoundland ships the expression is changed to Canadian ships.

Carried.

MR. CURTIS: Mr. Chairman refer to Section 16—"An Act Respecting the Reporting of Missing Vessels"—Act 8 and 9 George V, Chapter 23 of the Statutes of 1918. The first section is not being repealed.

Now the section which is being amended in this Act is Section 3 which is being deleted which says: "It shall be the duty of every Customs Officer . . ."

We cannot legislate for Customs collectors because it is Federal and they are Federal officials so we are asking to have Section 3 stricken out.

Clause 20: The Town of Windsor Act, 1942. When the Act was drafted in 1942 there was a slight error in Section 45 (1) "The licence fee upon every person or Company doing business within the limits of the town shall be . . ."

Unfortunately a previous section 43 sets forth that the Council may prescribe an amount not exceeding \$100 under the provisions of this Act. In order to make the clauses read the same, the amendment is to delete the word \$10 and \$35 and substitute the words \$5 and \$100 respectively, the idea being to make the Bill uniform. Section 43 which I quoted but did not read in full as it is a very long section—Under the Business and Entertainment Taxation a license fee of \$5 and not more than \$100, so I move that amendment.

Now, Mr. Chairman, I ask you to refer to Section 14 of the Bill which

I would ask the Committee to reconsider. Originally the draft stated: As amended by inserting after the "Exportation to" the words "any province of." We changed yesterday the word "exportation" to "ship" but looking into the matter since I find that when fish leaves the Province of Newfoundland for any other province of Canada it is referred to in Federal Statutes as "exportation" so that the word "exportation" as originally drafted is perfectly in order and I move the amendment be deleted.

MR. FAHEY: Does that apply to all products leaving Newfoundland for other parts of Canada or just fish only?

MR. CURTIS: I do not think that would be a general interpretation but from the point of view of fish it is exportation. I move the Committee rise, report progress and ask leave to sit again.

Motion carried.

On motion the following items were deferred until later in the day:

Committee of the Whole on Bill "An Act Respecting Liability in Actions for Damages for Negligence when more than One Party is at Fault."

Committee of the Whole on Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes."

Committee of the Whole on Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

Second reading of Bill "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils."

Second reading of Bill "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I move the second reading of this Bill. I will point out that this Bill provides for the setting up of water and sewerage corporation in Greater Corner Brook Area with the powers to acquire, supply and distribute water to the residents of that area and also providing adequate sewerage system for the same people. The Corporation will be administered by a board consisting of representatives of each of the Municipalities that constitute the area of Greater Corner Brook. The day to day working will be carried out by the management appointed by the Board. In order to enable it to achieve its objectives, provisions are made to grant it the following powers: Acquire the necessary property and rights by purchase or expropriation and where recourse is had to expropriation, prices are to be fixed by arbitration. To make regulations and by-laws to control the discharge of sewerage and industrial waste to sewers and rivers flowing through or adjoining the area. Three, to impose water and sewerage rates subject to approval of the Lieutenant Governor in Council and to require all persons to use it after it has been constructed. To secure the necessary funds to install, as well as a short time loan to meet current operation expenses in anticipation of collecting annual revenue. Lastly to add any municipality which may be served in the area by the water and sewerage system. These six points contain all the issues in the Bill and I would move the second reading.

Read a second time. Moved the rules of the House be suspended and

the Bill be now committed of the Whole House. Motion carried.

Committee of the Whole on a Bill "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

MR. JOHN G. HIGGINS (Leader of the Opposition): What is meant by water licence?—And to be exempt from cancellation? If the water company ceased to function what would happen then?

MR. SMALLWOOD: Mr. Chairman, in Clause 2: "Proper and reasonable allowance should be made in the estimates," ought not that to read "Shall"? It sounds like a bit of advice instead of a law.

Amended.

MR. SMALLWOOD: I notice in a number of Acts going through here, Chartered Accountants are specified should not that be—either/or, one or the other, chartered or certified? It seems like a bit of discrimination. This House chartered an association of certified public accountants and in other legislation provides specifically the work should be done by Chartered rather than Certified Accountants, ought it not to read "Chartered or Certified? Will the Minister consider that point?

MR. FORSEY: I don't think the Certified Public Accountants are capable of doing this work.

HON. JAMES R. CHALKER (Minister of Health): 90% of the work is done by public certified accountants.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I agree with the Premier, I think it should be amended.

MR. HIGGINS: Number 3, Page 14, what is the meaning of that? Is there something left out? Fourth line from the bottom of the page.

MR. CHAIRMAN: We could let that stand.

MR. FORSEY: On page 14 there are some words left out at the side. It should read "Power to enter and inspect," and down below, No. 4, the word sewerage is used everywhere else and sewage is used here.

MR. CURTIS: Sewage is what goes through the sewer.

MR. FOGWILL: In the case of people really unable to pay for this service, for instance—

HON. C. H. BALLAM (Minister of Labour): I think there is a clause, if I may say so, looks after that in the Bill. Section 49.

MR. FORSEY: I think part of section 50 looks after that. Or it is covered by section 46.

MR. HIGGINS: Under the St. John's Municipal Act for persons not able to pay, the Council puts in sewerage and water and allows them to pay so much a month. What is going to happen here where people are poor? I imagine there are a lot of poor people in Corner Brook as well as in Humbermouth.

MR. SPRATT: I might add the sum of \$10,000 was set aside for the provision of installation of water and sewerage in homes where people could not afford it and that went on and on and was never increased. It was paid annually and I feel when the Council is set up they won't be hard on the people.

MR. BALLAM: If you would go back to Section 45 and Section 46.

MR. SPRATT: Mr. Chairman, there is one point I would like to raise in connection with occupiers when the occupier is not the owner and does not come within the recommendation of taxation, city taxation at all. If you own a house and rent it to me, you are the one responsible for the taxation and not the tenant and there is something wrong with that to say in the event of default of tax the occupier is held responsible for the assessment of the house. It is not just, it is ridiculous.

MR. HIGGINS: Mr. Chairman, do you mind referring to Section 50: Are there any 99 year leases in Corner Brook. If there are 99 year leases the owner of the land pays nothing, the tenant really owns the property. A man with a 99 year lease is regarded as the owner of the property.

MR. FORSEY: The owner and lessee make an agreement between themselves.

MR. HIGGINS: I suppose that only applies to 99 years, I think they rent them all on long leases, and the Company should not be called upon to pay.

MR. CURTIS: They have agreed to.

MR. HIGGINS: I don't think it applies to houses they already own and rent but to houses they give to people on 99 year leases.

MR. VARDY: The whole service is being taken over.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I suppose we can take it this Bill has been carefully read over and the numbers could be called rather than word by word.

**MR. VARDY:** Mr. Chairman, in support of the suggestion of the honourable Minister of Public Welfare, I think it is realized this Bill has been drafted by the legal advisers of the parties concerned and is the result of a very long period of discussion between the representatives of the four councils involved out there and it has been considered and sent back and forth between the Justice Department and the advisers in St. John's and in Corner Brook, and they have given it very careful consideration and have arrived at these conclusions which is an arrangement agreeable to all parties concerned, and I think our going over and questioning the relativity of certain clauses is entirely superfluous.

**MR. FORSEY:** Yes, the draft was prepared by Mr. Muir, K.C., on behalf of the Council and later modified after consultations with the Solicitors for Bowaters.

**MR. HIGGINS:** I think, Mr. Chairman, we might go over it to find out if there are any mistakes.

**MR. CURTIS:** I think the printed copies were only received this afternoon.

**MR. HIGGINS:** We have the responsibility, if we sent out the legislation and it is not correct, we get the blame.

**MR. VARDY:** Is it in order to ask if we may go back to page 22: The arbitrators shall attend in some convenient place—If this Committee did die what would be the effect?

**MR. HIGGINS:** It cannot be corrected once it is passed here, can't correct it at all once the Act is certified.

**MR. CURTIS:** What we could do in a case like that, Mr. Chairman, is

for the members to read it through and it could be edited over the weekend by Department of the Attorney General, to make any final corrections.

**MR. CHAIRMAN:** It is entirely up to the Committee. The honourable Minister of Public Welfare made a suggestion, it could be put to a vote and the Committee may decide.

**DR. POTTLE:** The only corrections so far are of omission rather than substance.

**MR. CHAIRMAN:** Is it agreeable the numbers be called and then of course any honourable member who wishes to speak may do so.

Agreed.

**MR. SPRATT:** I don't agree with that, I may be wrong but if any person is supplied with water and fails or refuses to pay the rates properly charged to him—

"35—(1) The Corporation is hereby empowered to control by by-law, acquire, purchase, or compulsorily to take and expropriate lands and timber, within or without the district, continuous or adjacent to the source or sources of supply of water, or within the watershed area or sources of the supply of water, used or intended to be used by the Corporation for part of its waterworks and sewage disposal systems or for the purpose of protecting or preserving such source or sources of water-supply; and the Corporation may thereafter sell or lease or dispose of so much of such lands and timber so acquired, purchased, taken or expropriated as aforesaid as shall afterwards be found or deemed not to be required for the purposes of the Corporation.



"(2) In the event of the Corporation compulsorily taking or expropriating any lands or timber under the provisions of sub-section (1), the amount of compensation which shall be payable in respect thereof shall include not only the value of the lands or timber but also any loss or damage thereby occasioned to the owner or holder of the lands or timber in respect of expenditures theretofore made in the construction, equipment, and placing of works and equipment for the cutting, removal, and shipment of timber."

Now, I think, this is giving too much power in this case. For argument's sake, I am looking upon a man who owns a house, a man who may not have been in the vicinity for a year or so but the tenant is forwarding the rent to some agent or someone. Because the owner of the house is delinquent in his taxes the people who do not owe anything are penalized and the water is cut off. It is too ridiculous to my mind.

MR. BALLAM: I would say this—

MR. SPRATT: As far as I am concerned I would look upon those as actual penal clauses, that is what it amounts to. We are going too far with it to my mind.

MR. BALLAM: I would suggest to our honourable friend that this has been gone over by all of the four or five councils concerned and they have agreed on this and regardless of what has been or may be done in the city of St John's or any other city this is what they wish to have. Therefore, I would suggest that instead of going through this thing section by section we go through it by numbers.

MR. SPRATT: Mr. Chairman, I am sincere, I don't believe in vesting in any one particular group arbitrary power to penalize the ordinary person and I am prepared, if ever such thing came about, to lead an army myself, to combat it.

MR. BALLAM: I am sorry I did not know we agreed to carry on this by numbers.

MR. HIGGINS: I might say I quite agree that twelve years is too long to allow a person to sue. If a council is so lazy and so indifferent not to take proceedings in six years it ought to be dashed well ashamed of itself. Twelve years is too long.

MR. CURTIS: I agree with the honourable Leader of the Opposition. The idea of altering the statutes of limitations for a man too lazy to collect the bills—

MR. SMALLWOOD: What is the statutory period for everybody else?

MR. HIGGINS: The position is that they can sue a person for five years and if the person does not pay get a judgment for twenty years and that is why very often judgment is taken because statutory limitations come into effect and the year before take a judgment.

MR. FORSEY: What is the effect if you name it for six years only?

MR. BALLAM: I move we let the section stand.

MR. SMALLWOOD: In parliamentary language stand means to stand over, it does not mean to let stand and pass as is.

MR. BALLAM: I move the section be carried as it is.

MR. CURTIS: I don't think the honourable Minister understands the

motion. If he owes the Town Council an amount for five years and pays one dollar it is good for a further six years, and if he pays another dollar the bill is good for another six years without any payment on account. It is unreasonable.

MR. FORSEY: On the other hand if he does not pay it?

MR. SMALLWOOD: The ordinary statutory period is six years.

MR. FORSEY: This Bill has taken months of preparation and the various town councils and solicitors have all gone into it, spent months at it and I don't think we can just wipe out anything.

MR. CURTIS: This does not affect the Bill at all.

Carried.

MR. CURTIS: It looks to me something has been left out in the printing, I ask the Minister to suspend or explain section 61 the sub-section there.

MR. CHAIRMAN: It seems to me the one and the hyphen before it should come out.

MR. CURTIS: Will the Minister accept that as an amendment?

MR. HIGGINS: What about the interest of 4%?

MR. SMALLWOOD: Mr. Chairman, I think the Minister ought properly to give us some assurance on that matter. Here we are dealing with section 65, I take it. I notice the banks are only paying 2½% interest on deposits, savings accounts deposits and the bank rates now, I think, have been raised considerably, I don't know if that comes strictly within the jurisdiction of the Minister of the Supply

Department. I think probably we ought to have some assurance on that question. It is all very fine to ask us to vote to pay large rates of interest to banks but what about the rates they pay us? There might be a ceiling on it.

MR. FORSEY: The ceiling is here, Mr. Chairman.

MR. SMALLWOOD: Well, in that case, by the same token can't the Minister insert a clause here fixing the rate the banks will pay as well as charge?

MR. CURTIS: I think the Minister ought to change the section.

MR. SMALLWOOD: I think the Committee is entitled to an explanation.

Carried.

MR. SMALLWOOD: I would like to know what the difference is between debenture and temporary, I would ask the Minister to explain that.

Mr. Chairman, this is a serious point, could we refer to Clause 73? The proceeds of debentures. Is not that entirely contrary to the practice in the Government Finance Department? All finances received by the Government either for loan or other sources are paid into the consolidated fund and it is contrary altogether to Government practice to have funds, received from any particular source, kept separate from the main body of the fund.

MR. VARDY: It is contrary to municipalities.

MR. SMALLWOOD: The purposes for which the money is to be spent is quite a different matter but

the receipts in the first place surely ought to go into one consolidated revenue fund out of which, on authority, payments are made. But it should all go into one fund in the first instance surely.

MR. BALLAM: Mr. Chairman, I think the idea of this, the proceeds of debentures or other securities should be paid into a bank for the credit of the Corporation so that they would not be able to spend it for another purpose. Put it in a bank and create a trust fund and then it would be paid to whoever gave them a loan if there was such a thing. This just prevents them from investing it, put it into a chartered bank and pay the account from that.

MR. SMALLWOOD: It is provided here in the Bill that that fund in the normal course is deposited in a chartered bank. Well presumably this committee or commission would deal with one bank there in the area and it would be but one bank they deal with. If it should be necessary to have two banks out there, it is a matter where they will deposit the proceeds. The point is the ordinary receipts of the corporation are to be deposited somewhere and the Bill provides for that. Similarly the proceeds of any bonds they sell are to be deposited at some bank. Now, why was the principle whereby they are ordered in this Bill to keep the deposits made up of proceeds of loans of debentures separate in the bank from the proceeds of other kinds. Why the separation? Why not a consolidated revenue fund for this fund?

MR. FORSEY: Because it is easier to keep separate the expenditure on capital and current account.

MR. SMALLWOOD: It does not refer to expenditures but refers to

receipts. By the same token a Government might segregate receipts under different headings into various funds, returns from taxes into one fund in the bank, returns from the Government of Canada deposited in another fund, in our case, returns from loans, if any, in another fund. But that is exactly what we are not permitted to do. What we are required to do, is to deposit all monies in the one fund. That is the whole of receipts is deposited. Now on capital expenditure or purchases or any other kind of expenditure, these expenditures are as laid down but are drawn from the one fund. All Government funds are in the one fund, and what difference is there in this corporation, a semi-government body.

MR. FORSEY: It is staffed by officers competent to deal with that sort of thing.

MR. HIGGINS: I do not know what the Government does but every company and every lawyer keeps two funds and this money does not belong to the company no matter what you say, it was gotten under trustees and brought down for certain purposes and I presume the only reason the money is kept in a separate account is that the company does not own it but in a limited sense. It should not be mixed up with a current account which the company owns completely. This, for instance, is set up for the building of sewer pipes in certain districts, therefore it must be used for that. This is a trust fund, for instance, I receive money for a client and put it in a trust fund. I can't touch that. My current account is kept separately.

MR. SPRATT: They only have one account in the Municipality, what other revenue have you got?

MR. HIGGINS: That is not revenue.

MR. SPRATT: If I go to you tomorrow and borrow \$1,000 from you, well, I owe you \$1,000, I must have some revenue or you would never get it back with the interest due you.

MR. SMALLWOOD: That has nothing whatsoever to do with it. Will my honourable friend allow me to explain. To insure that proceeds of the loan are spent only for the purpose for which the loan was made it is not necessary to deposit the proceeds in a separate account, nor is it even desirable if it is the property of the Government, it is required by law that all receipts whether of taxation or grants, shall be deposited in one account and that is the result of proven experience and good sense of governments throughout the world, notwithstanding the fact that some governments spend money on many varying purposes and those varying projects can still be achieved even though the money is deposited in one account. Surely if that is so it ought to be safe and prudent for a water company.

MR. HIGGINS: No, I don't think so, a Government is in a different position, the money is controlled by the Controller of the Treasury. You must realize we must protect the public and there is no other reason.

MR. BALLAM: I think we are on Section 73-1 which says it will be paid into a chartered bank until required for the intended purpose and may from time to time be reinvested or invested. Until such time as it is decided to use it for the given purpose it must be put in a chartered bank.

MR. SMALLWOOD: There is no doubt it should be in a chartered

bank but that is not all that clause provides, of course it ought to be deposited in a chartered bank and of course it ought to be spent for the purpose for which it was made. There is no doubt about that, the only doubt is in the wording and here I quote "And shall be kept separate from other funds of the corporation." This I question because I find it a little startling to find a public body, elected by the public, handling public funds, not only required, but must keep separate funds whereas it is the practice all over the world to have a consolidated revenue fund all in the one fund regardless of the source. I don't know why the difference on this point, sinking fund and all that is beside the point. It is not a sinking fund if you sell a half million dollars worth of bonds for a certain purpose, you spend it on this purpose; the interest and the sinking fund are a matter of the time, but the point I am getting at is the banking procedure of a bond issue—you sell bonds and get cash, and when you receive the cash you certainly are not going to carry it around in your pocket nor in a cash till in the office but deposit it in some chartered bank. That is right. That is proper. That is as it should be, but why in doing so segregate these receipts from others. Why not put them all in a consolidated fund?

MR. FORSEY: Suppose you look at the practical proceedings. There are two sections over there, it has one hundred thousand dollars in bonds which is supposed to be spent on capital and another twenty five thousand on current account, \$125,000. The next month current revenue is \$7,000. Who is going to control them to see they do not spend that? The bank does not care about it, but if

it is in another fund, they know when the account is overdrawn.

MR. SMALLWOOD: Exactly and the same argument applies to Government consolidated revenue fund. Presumably this company involving millions of dollars will have some kind of fixed control. Is there not provided elsewhere in the Bill some system of financial control apart from the audit? The audit happens after, control of finance before the transaction takes place. Is there not some system of financial control or does the Bill control, and who enforces the Bill?

MR. CHAIRMAN: I think the honourable Premier's point is that he is only talking about the debenture or other securities and his point is, what about the rest of the money, should the company make money? If you look further along in section 78 we have not come to it yet.

MR. HIGGINS: That is a common thing, the company must be protected.

MR. BALLAM: If we had read the Bill right in the first instance.

Carried.

MR. SMALLWOOD: In section 87 the side title, the last line seems to be redundant. Cut out the word un-maliciously.

Moved the committee rise, report progress and ask leave to sit again tomorrow.

Motion carried.

Second reading of a Bill "An Act Respecting Civil Defense."

MR. CURTIS: I beg to move, Mr. Speaker, the second reading of this Civil Defense Bill. This is a Bill which provides for the appointment of

an advisory council and defines civil defense and makes provisions for civil defense committee and a director of civil defense. I may say we have found it very difficult to get a precedent to go on this civil defense program as it came on us more or less unexpectedly but in Saskatchewan which is the only Province which has a civil defense legislation they have passed a Bill more or less on these lines and we feel we should have such a Bill as this. We may not use it or all the clauses or all the powers given to us by the Bill but by having the Bill we will, at least, be able to follow such measures as may be necessary. There is no need to read the Bill. It provides for an advisory committee, civil defense committee and gives the Minister appointed by the Government certain powers and also gives the municipality certain powers and protects their authority for anything they may do in connection with civil defense under the authority of the Bill.

Read a second time. Referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, it has been suggested to me, I was frankly not expecting to meet tonight, but it has been suggested to me by a number of the members, in view of our desire to bring about prorogation we ought to meet tonight, especially in view of the fact that Monday is a holiday and there is no session tomorrow. I don't know what would suit the convenience of the House best, to have a session tomorrow or to meet again tonight.

MR. FOGWILL: Why not let us do both?

MR. CURTIS: Have we enough work to do, we have only the Municipal Bill.

MR. SMALLWOOD: Well, if we meet tonight we might be in a better position to meet tomorrow when we see what progress we have made and what Bills have actually been printed. If we could meet at 8:00 o'clock.

Recess until 8.00 of the clock.

### NIGHT SESSION

MR. SPEAKER: The Orders of the Day have been completed except for certain orders which were deferred and I think the next to be called was Committee of the Whole "An Act Respecting Liability in Action for Damages for Negligence Where More than One Person is at Fault."

MR. SMALLWOOD: I move that order be deferred.

Carried.

MR. SPEAKER: Committee of the Whole "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes."

Section 7 read.

DR. POTTLE: The word is unsanitary rather than insanitary.

MR. FAHEY: Does the Council have to remove rubbish from their own yard as well as anybody else.

MR. CURTIS: Yes.

Section 7 passed.

Section 8 read and passed.

Section 9 read.

MR. FAHEY: I would like to get some information on that clause. There does not seem to be anyone piloting the Bill through. In these cases where there are two buildings or two businesses carried on in the one building, I presume as in some instances where a grocery store is

divided off for confectionery in the night time. Is the tax paid for the confectionery or just the grocery?

MR. SMALLWOOD: You can have half a dozen businesses in one building. In the Board of Trade there must be twenty.

MR. FAHEY: I would like to know exactly what is the amendment.

MR. HIGGINS: I think that refers to 18, personal business taxation and one building run by the same party with three or four businesses, one a jewellery, one a haberdashery and both pay the same. For instance one is taxed on the jewellery and may be only a small portion and the haberdashery may have to pay double the taxation, is that right?

MR. CURTIS: If there are two businesses in the same building, under the same ownership and one is a jewellery it carries a treble rate and one a drygoods which pays a double rate, instead of taxing the two at treble rate they divide the rent and assess so much to each business and the jewellery business has the higher rate and the other business the lower rate. Just a more accurate way to do it.

MR. SPRATT: I would not consider it intelligently employed at all because it is not a business tax according to this Act which is now a rental tax. The owner, as I tried to point out to my colleagues this afternoon, the owner of the property is the one known in the Council and no other. And the owner is assessed on the actual rental value of the house or the rent the owner is receiving and in this instance where I have a house or building, call it what I like, and I lease it or let it to two parties, one a grocery and the other some other

kind of business, it does not matter whether it is a watchmaker or dress-maker in applying a business tax you apply it on the business but here there is no reference made to it at all. The house is already fully appraised and assessed on the actual rental value. Now if two people were to go into the same house, use it and not have a business the owner would be assessed on the actual rent received for the property. There should be a special tax then for people being there and operating a business. That would be an exclusive tax as I see it, and I have been looking for answers to my questions and can't get them. Nobody cares. The same thing applies here. I will be accused of trying to obstruct this Bill as I am accused when I am doing what I can to have proper taxation applied intelligently without hardship on anybody. That is all and surely goodness I am not such a dumbell after a lifetime in civic affairs and giving serious thought to it, and right now I venture, if it would not be out of order to make a bet, I am right. I would put up the cash and always would all my life-time. But, Sir, I respectfully submit, and I don't want to make a joke out of it either, that the setup of that Act is not concerned with and within the application of the law as it should be. Further on I will have some more to say on that.

Section 9 passed.

Section 10:

MR. SPRATT: Mr. Chairman, before we go any further I would like to make a few remarks on that.

MR. CHAIRMAN: I wonder if we might read the section first.

Section 10 read.

MR. SPRATT: I make now an appeal to my colleagues and members

on the other side of the House to have this proposal with regard to an extra tax on water stricken out. Now, I have a serious reason for so doing. I am not against the Council, I have no hatred or ill-feeling or anything but only want to help just as well as any other member of the House and I do feel, with the knowledge that I have, that it is not necessary to apply this taxation. During and before our advent into union with Canada I was a member of the City Council. We had a revenue, as I said here at a recent meeting that if properly handled we could carry on the city intelligently and to the satisfaction of the taxpayers. Now by joining with Canada the Council lost a considerable amount of money in taxation. I know it lost practically one hundred thousand dollars and since that time they have received government financial assistance and in the meantime their income has increased considerably. There has been a wonderful expansion in building and the more houses that we build the more revenue the Council receives. Now there is a false impression about that, the Council are handicapped by having to build new roads and water and sewerage. But every inch of it is paid for by the taxpayer, every foot of curb and gutter is paid for by the taxpayer, every bit of concrete sidewalk is paid by the taxpayers. Now what then? What are we getting for our 18%? They have a revenue of more than a million dollars and three hundred thousand dollars, perhaps three hundred and fifty thousand and is able to carry on the city in all departments. Now you have one hundred thousand dollars or a little more to pay the instalments to liquidate a loan and the interest on it. Now what are they doing with

the other four hundred, five hundred, six hundred or seven hundred thousand dollars. I claim with judicious and technical operations that you can run this city without imposing further taxation. I know people who don't mind, I know people who can drink champagne when someone else drinks beer or do without a drink at all. So it applies with the underprivileged person. I know, and I take the blame the same as anybody else, I don't know all, I am not a know-all nor a dumbell nor an idiot but I do know a whole lot about civic work and I tell you, Mr. Chairman, that I have had experience during my period in the Council. An absolute crime, so to speak, has been brought about through ignorance and a lack of knowledge of proper application to the duties which involve the Council. Take a road; a contract is entered into and an amount paid for to carry out that contract in a first class manner. Three or four months later there is an upheaval and the road has to be done over again and again and again and like the song, as long as they had the money to jingle. When the money was there somebody found a way out to get it. A man takes a contract and that contract is specific and should be guaranteed and was guaranteed and I am one of the ones who let a red herring be dragged across the trail always and a way out always for the contractor and if anyone wants the proof I can give it to them. Right there on Water Street there was \$360,000 which could have been done without and I have the proof right in my office and the public can see it. I know what I am talking about and with such conditions as that existing is it right or fair or honest to impose a taxation on people? I don't

think it is. I don't think it is right. I am really serious, I am not getting anything out of it, I want to do what is right and fair and I am prepared as I said this afternoon to lead an army in defence of the people, I am not a yes man and never was, if I give my word, it is my word. If I am out of order and doing anything and the Premier comes to me and tells me I am willing to abide by the law.

MR. SMALLWOOD: You are not out of order.

MR. SPRATT: I was told in this morning's "News" that I let the people down. I was for eighteen years active in the Council and when I was opposed to anything it was because I knew the money was not being spent judiciously, I have no ill-feeling for the Council but I make this appeal, against this tax because the Council does not need it. The Government has given them certain privileges and they are going to collect at least \$125,000 on oil taxation and therefore I see no necessity for this. If it were necessary surely goodness I would not stand up here in cold blood and try and impress an audience or those in authority to listen to me, but, gentlemen, this is an appeal from the bottom of my heart and I know, as others know as well, that this is going to affect 70% of the working people in the city of St. John's.

MR. RUSSELL: Mr. Chairman, with reference to section 10, there is one thing about it I do not agree with. I may say I am in agreement with the section as a whole, I do not disagree that there should be a water tax. I think that was made clear on the debate on second reading and those of us who support the



principle do not necessarily support all the taxation that is not actually proposed but inferred by the Bill. What I do support is the right to impose taxation if the Council sees fit and I cannot somehow be in the position whereby, as a member of this House, in supporting this Bill I am letting loose some evil monster on the poor unsuspecting people of St. John's. That is not so. The City Council as far as I am concerned is the citizens of St. John's themselves. Since they can't all go down to City Hall and do business they select a Council to do it. The City Council may or may not ever impose a water tax, I hope they won't, if they do I will have to pay it. Maybe they won't need to. It does not follow they will if they are given permission to do so. I am not supporting the tax, I am supporting the right of the City Council to impose it if they wish. Now, in this section here they asked for three different methods whereby they might impose this taxation. Now, I disagree entirely with these first two. Supposing we pass this Act and the Council eventually find they need to impose a water tax, it seems to me there is some logic in imposing a taxation in proportion to the area of the premises because though it does not always follow yet generally speaking if a certain residence is valued twice as much as another one very frequently the owner or occupier of that premises is in a better position, probably twice as good, or it has a tendency to work out that he is in a better position to pay the tax. It seems to me that the installation of the meter is the logical way, the more water you use the more you pay for. I only wish there were some way the rates could go up very drastically so that those who did not

do their part in water conservation could pay through the nose. I can see a lot of logical sense in (c) but to give the Council the right to enter a house and count the number of taps regardless of the building and the amount of water used and to set a rate per tap, there is no rhyme nor reason in that. It is an idea I disagree with entirely, in fact I will go so far as to move an amendment that (b) be deleted and (c) be number (b).

MR. FAHEY: I second that and in doing so I would like to say a few words. First of all there is an old saying that "cleanliness is next to godliness."

MR. HIGGINS: That applies to the soul.

MR. FAHEY: It is all right to have cleanliness of body too if it does not cost too much. I am more inclined to agree with the Minister of Provincial Affairs on this account. For instance the water supply to this city does not cost a great amount of money due to the fact it is gravity fed, there is no big outlay or pump or supply.

MR. SMALLWOOD: Except that the whole system here has to be replaced.

MR. FAHEY: I am talking about the actual cost of supplying the water day after day. It does not cost any great sum to maintain the supply, practically not a nickel. Now for a person going to get water in a new building, I know a citizen who only last week, who had a frontage of something like 40 ft., made application to get water in and because of the fact the Council paved the street before he had built he had to pay his

proportion of the cost or \$154 and a spur run in where the pavement had to be dug up, he had to pay \$30 extra for that after buying the copper pipe and sewerage pipe from a firm in town. The Council charged another \$30 so that now the amount is something over \$200 for a 40 ft. frontage. Now, I don't know if that is due to the fact the individual when he applied for water had to pay for frontage and the spur and that is why the House is being asked for an extra tax on the water. I support the motion made by the honourable member for Bonavista South. There is this to say for the tap system, some people have in for their convenience three or four taps and the Council can come in and charge \$3 or \$4 each or whatever the rate may be. It is very easy to impose that tax it would not conserve water whatsoever. For instance a tap in the basement for washing a car, it would be very easy to turn it into the kitchen tap but that does not save water. I think the better system is to pay for what I can use. You can use just as much water with one tap as two so therefore on that basis I support the motion. To me it looks ridiculous.

DR. POTTLE: Mr. Chairman, my remarks will be quite brief. I could not support the amendment because I believe for the same reason the member for Bonavista South gave for declining to approve that it may be used on (c) where the tax can be issued upon the quantity of water used and the quantity may be in proportion to the class of building and class of occupant. I was not here at the time of second reading and I would like to take advantage of this occasion to make a few remarks. My remarks will issue from this point of view, that if the Council feels that a certain system of taxation is necessary for the operation

of proper business, then unless there are good reasons that I can discern to the contrary, as we consider the proposals, I shall have to agree to the proposals they make. I think it is advisable to say that in St. John's the Council does not have to provide the same services as other Canadian cities of equal populations. It does not provide for fire protection, for police or for education services and all of these and more besides the city is relieved of. For instance, Toronto has a tremendous system of welfare in its own right. These services and more besides the Province here provides so I look upon it as a matter of relief used in a different sense when the City Council comes in and makes a proposition of this nature. I consider it a good sign with all deference to my colleague, the Minister of Provincial Affairs, where as ten years ago candidates would be elected by promises of reduced taxation they were not elected on that basis in the last election, and they said nothing about it and those who said the least got the most votes. That is a good sign because it is becoming to be seen that people get only what they pay for and when they reach that level of education it is a good sign. Now the facts of Confederation are mixed. I am not saying that with any political implication but to say it with regard to the fact that the system regarding taxation has changed since Confederation. I think myself that Confederation did not change the picture in the matter of nature but in the matter of degree just accelerated what was already taking place. Brought about the necessity at a greater speed for services to be paid for and through some such revenue as the Council seeks. Now reference has been made in the early part of the debate to the domestic affairs of the Council, that is their

own business, ours is to deal with those things set down before us and not to meddle with their affairs but on the other hand when bringing forward proposals of this nature my suggestion is, other things being equal, if I hear nothing to the contrary to agree to the proposals.

MR. HIGGINS: Mr. Chairman, I support the amendment. I am in sympathy with the remarks of the last speaker but I must say I think the City is most fair in one way but when I consider a meter system, I think it puts a burden on poor people. Now take the poorer houses where the water has to be kept running in winter because the pipes would freeze. That would be a burden on the poor people. Some houses have one tap and another house has ten taps but the same amount of water would be used, there may be a basement tap which may be used once or twice a year. I think that is the most equitable way. There is no logic in (b) at all, the same amount of water may be used no matter how many taps there are, they are going to take baths and boil kettles. I agree with the Council saying people must pay for water they use. It is more than that, I think the people who have the bigger houses should pay more not in the sense they use more but are more able to pay and may be the poorer people will use just as much water because in the winter they have their taps running and should be encouraged to use the water and the poor people cannot afford to pay as the richer people can. That is why I support the amendment. With (a) and (c) I agree but not with (b).

MR. FORSEY: I am under the impression (b) is included because it takes some time before it is prac-

ticable and feasible to install the meters.

MR. HIGGINS: And they could use (a) up to then.

MR. SMALLWOOD: May call it a good weather, foul weather —

MR. HIGGINS: Well, they call it water tax, so much for use of water.

MR. VARDY: I think it is only fair in dealing with the amendment and the clause, we should emphasize the point I tried to make in my remarks yesterday. We are not being called upon to impose or assess taxation, we are not the determining body, all we are being asked to do is to confer upon the St. John's Council the right to run their own affairs in the manner they see fit to do it. There are three clauses here to gain additional revenue, they don't say which one they will use or propose to use, all they really ask is permission to use any or all if it is found necessary to do so. In the first instance they point out the simplest form of collecting, merely placing a surtax or property tax, namely a property tax of \$90 or \$50 a year whatever the case may be and pay 10% of that which would be termed a water tax. If the tax is only \$50 a year then there would be an additional \$5 as water tax. Now that can be fair in a sense and unfair as the people of the poorer houses and cheaper areas do not pay as much taxation but if put under the present tax system it does not always apply. It is possible a poor type of house is being rented and the taxation is based upon the rent whereas a much better type house being occupied by the owner is being appraised at a much lower value so it does not mean the first one is going to be more equitable. As far as (b) is concerned

that could be equitable in the degree of the services that the house provides. It is very obvious, Mr. Chairman, that a house with one tap in the kitchen is not luxurious, whereas an establishment with probably two in the kitchen, two in the bathroom, and a shower, two more, and two in the basement and so on are conveniences which come with better class houses and the owners may in proportion to the facilities available be more able to pay the taxation. As far as (c) I think it was indicated yesterday, largely as a result of a reference made to the Report from the Malcolm Pinnie & Associates that was brought down here to make that survey that while the meter system is the fairest and most suitable and satisfactory the initial cost of installation precludes it from being used at the present time. But all the Council asks is authority to install some sort of assessment if it feels it is necessary and it gives three classes that may be used, they don't say they will use any one. I cannot support the amendment.

MR. HIGGINS: In other words a factory which makes beer or mineral water and has only ten taps but uses one hundred times as much water is rated the same as any other person.

MR. VARDY: They could pay under a meter.

MR. HIGGINS: Then it is expensive.

MR. VARDY: Then if the meter is expensive make everybody pay under (a).

MR. HIGGINS: But if you take two houses, one with two taps and the other six or eight yet using no more water.

MR. SPRATT: The water is running all the time night and day in the winter time in the poorer class houses.

MR. BALLAM: I think, Mr. Chairman, the point is we are not asked to decide the virtues of (a), (b) or (c) we are not asked to decide this at all but rather we are asked to approve this Bill to give the right to the Council to decide which one they would use.

MR. FOGWILL: I want to register my non support of the whole section. I don't believe in it at all. If it is to tax the use of water I say the purpose of using water is for people to keep clean. I say use the water all right but for business houses using hundreds of thousands upon thousands of gallons of water and selling it in bottles I don't believe in it then and particularly the Board of Liquor Control, we might have a meter down there, they probably take three quarters of a million bottles of water a year and put in a little drop of rum and make money, I don't believe in this tax at all.

MR. FAHEY: If they have to pay for water they will go broke down there.

Motion is the section be amended by striking out (b) and renumbering (c) and (b).

Motion lost.

Section 10 passed.

Section 11 read and passed.

Section 12 read.

MR. FAHEY: I wish to state that I am entirely in disagreement with that clause altogether. I would like to outline that in the first place the reason given for the water tax was that the Council lost a lot of revenue

through the coal tax when people turned over to oil and they now ask for permission to put one cent a gallon on fuel oil to offset the coal. If a lot of people have changed over I don't see why in the world a lot of them may not change over to electricity next year, will we then have to charge one cent a kilowatt hour burned in homes? Because of that I feel the clause is worthless and I am entirely opposed to it altogether and I think the people in the smaller income bracket pay enough now without an extra cent. First when they started to burn oil it was at a cheap rate and year after year as there was more demand the price has gone up treble what it was when people started to burn it, and now the Council wants to add another cent.

MR. SPRATT: They should burn birch junks instead.

MR. FOGWILL: Encourage home industry.

MR. FAHEY: That would be local industry, would that come under Economic Development?

MR. SPRATT: People in the lower income brackets are paying more for oil than it is worth and I think the Council, if they looked after their affairs, would get along with the revenue they are getting, in my opinion.

MR. FOGWILL: I wish to register my non-support of the Provincial Government's Social Assessment Act, which I think is now 5% and I think it is not equitable, and should be wiped out.

MR. RUSSELL: It looks as if the City Council got you anyhow. If you burn oil they charge one cent a gallon and if you save oil and run the

water they charge you for the water. Henry VII had a scheme of taxation whereby he could get you anyhow. If you looked poor you were a miser and had to pay up and if you looked rich you could afford it and had to shell out; it looks as if the Earl of Marden is back again.

Section 12 passed.

Section 13 read and passed.

Section 14 read.

MR. HIGGINS: That is an enormous amount of money, \$500, that is beyond the taxation, that is a penalty. I don't see any reason why we can't oppose the Council if we want to as members for St. John's and I think \$500 is a penalty not a taxation. There are companies I realize it would be good to keep out but there is one company I know, Lynch's which is a very honest one and a very charitable one.

MR. VARDY: There are places on the Mainland they are not allowed to operate.

MR. CURTIS: They are all gamblers.

MR. HORWOOD: I don't disagree anyway with the Council collecting a tax from circuses. I think it is a perfectly legal way of getting revenue for themselves, but I do question their right to impose it outside the limits of the municipality. That matter arose last year when another amendment was made here to an Act and in each case when the Council tried to impose a tax outside by amendment in Committee that right was taken away from them. I don't know where the circuses customarily operate when they come here, whether it is within the city limits. I have never been in the city in recent years when one was operating here.

But I do think it is establishing a bad precedent to give the right to impose taxation without the limits of the municipality and taking that into consideration I move this clause be amended by cutting out the words "within one mile of the limits of the city," which occurs in the clause in line three. In clause 11 and clause 12, and line three and four of sub-section 1, and 2.

MR. BALLAM: I may say I am sorry but I am in disagreement with my honourable friend the member for Labrador, it has been proven that when they are prevented from operating in the city then some area must be set in some kind of legislation and it should be not one mile, but should be three miles. I have seen cities on the mainland with circuses clustered all around the outskirts of the city and are more often a nuisance than anything else. I say if you want to change this clause change it to 3 miles though I do agree that the City Council should not be able to legislate for anything outside their boundary. But looking at it another way these things are more of a nuisance, either accept them in the city and give them room to work or keep them further removed, that has been proven many times over.

MR. VARDY: I agree with the last speaker and would also like to point out the City Council have control of the buildings within this Charter within one mile of the City Limits, they have to assume that responsibility. But there is something left out which might very well be advantageously included, and I would agree with the honourable Leader of the Opposition that the imposition of \$500 is too high. If we allow them to come in and they are of some bene-

fit to the children and the population at large from an educational point of view not the low grade carnivals, I would say \$500 a day is only chicken feed for what is taken out from poor people, the ones we are here to protect. I think it is a disgrace and I move, Mr. Chairman, that the word carnival be inserted, the owner, agent or manager of a circus or carnival in the city or within one mile, because I believe by including the word carnival these carnivals now operating under the label of circus may very well revert and call themselves carnivals and thus exempt themselves from the provisions of this Act, and it would be unfair abuse of the good offices of the Municipality.

MR. CHAIRMAN: There is another amendment before the Chair. It has been moved and seconded that that section 14, sub-sections 2-6 and 3 be amended by striking out the words "or within one mile of the City Limits."

MR. HIGGINS: The Council has control of one mile outside the city limits, we can't take that out.

MR. SMALLWOOD: Mr. Chairman, I was impressed by the argument used by the honourable member for Labrador until the honourable the junior member for St. John's West made his statement that the city has control for the margin of a mile surrounding the city but now I am wondering just what that means. Could someone, perhaps the honourable Leader of the Opposition—could we be told the meaning of that statement and just what it controls?

MR. VARDY: It controls buildings.

MR. SMALLWOOD: Not taxation.

MR. CURTIS: There is no taxation.

MR. SMALLWOOD: Have they now the right to tax for the distance of a mile outside the city?

MR. FAHEY: They do tax I think a nominal fee of \$1 a month for supplying water.

MR. CURTIS: That is not a tax, it is a service.

MR. SMALLWOOD: They do now enjoy the right to tax outside the city limits so is it proper in this section that this committee give them, is that proper?

MR. VARDY: Yes.

MR. SMALLWOOD: Now, let us not be diverted from the principle. I am in sympathy with what my honourable colleague says when he says there has been a strong sentiment in St. John's lately and indeed in the other parts of the Province that these low class carnivals, gyp joints, that is the proper word, that have been coming here ought to be taken and taxed very heavily, indeed not allowed to come here. Now, that is a good point but one that has really no bearing whatsoever on the principle of whether they shall have the right to impose taxation outside their taxing jurisdiction, it is or is not fixed and that fixing does not include a margin of a mile outside their jurisdiction. If it does not should we give it to them? That is what the clause does. Extending my honourable colleague's case we might add a number of things such as horse races, dog races and list out a number of things they would be permitted to tax but the fact that it is a carnival or a circus is not of itself sufficient reason surely to justify us in extending to the City Council the right to impose taxation beyond their territorial jurisdiction if they have not got it now. If they

haven't got it now, are we prepared in this Committee to give them the right to impose such taxation. Now, I am not talking of collecting a service charge for delivery of water or something of that character any more than of the right of the Newfoundland Light and Power to collect charges for services they may render. I am speaking only of taxation and they either have or have not the right now to impose taxation beyond the border of their territorial jurisdiction. If they have not are we going to give it to them? I would think not. I would personally feel that they ought not to have the right if they have not already got it. Can we have it established here in Committee for the benefit of all of us whether or not the Council has any right at present to tax outside their immediate boundary?

MR. FORSEY: As I see it, this House is called upon to delegate certain powers to the City Council and in this particular instance the power is going to be delegated anyway, if we delegate to the City Council either to collect taxation outside the city or delegate to them the authority that no circus or gyp joint may operate to evade taxation by going outside the city.

MR. SMALLWOOD: That is no argument. Will my honourable friend allow me? If the city does not tax them someone else may, it does not follow by any means that if the city is not given the right in this Bill to tax them there they will escape taxation. That does not follow. The right of this legislation to impose provincial taxation on them is not in dispute. Now, most Provinces have an entertainment tax and this Province should have such a tax, and I feel

it indeed should have such a tax and at the next session of the House it may well be that the Government will recommend to the House a tax on entertainment outside the jurisdiction of the City and Town Councils which would cover the case of carnivals or circuses established outside a city, or outside a town's jurisdiction. I don't think that factor ought to influence us at all in our consideration of the question whether or not we will now authorize the City Government to impose taxation beyond their jurisdiction.

MR. FOGWILL: I think that was passed a few days ago that the Council may assess land improved by civic work.

MR. VARDY: That was the Slum Clearance Act.

MR. FOGWILL: I think it was improvements made by the City Council.

MR. VARDY: There were two acts, the Housing Corporation and the Slum Clearance Act. The Slum Clearance affected outside, the Housing Corporation within the City Limits.

MR. SMALLWOOD: If we give them the right to tax within a mile beyond their territorial jurisdiction why not five miles, why not three and a quarter or two and five eighths? Why one mile, why any?

MR. FORSEY: For control but the Legislature is supreme and can change the control when desirable.

MR. SMALLWOOD: That is quite true, if they were that ill-advised. The Legislature has to see the Provincial Government gets some revenue and I seriously feel we ought not to rush into this and give the city the right to tax beyond their jurisdiction.

I am not afraid of a carnival moving outside the city boundary to avoid extra taxation, I am not one bit apprehensive about it.

MR. SPRATT: I think we ought to be particularly careful about how far we go in giving power to the City Council to impose taxation and why should unjust taxation be imposed, why should we keep anybody out who come in here and pay a reasonable taxation? What are we going to make out of our country? It is not unusual for circuses to travel through the great cities of the world, what is wrong with it? They are mostly enjoyed to the fullest extent by the young people and the kiddies particularly and then they have aided materially in helping the war veterans in this country and I see no reason why they should be kept out. What is the reason for it, what are we getting for it, what is the result of the embarrassment of people coming in here and making them feel like criminals as though they were coming in to take our birthright from us?

MR. FORSEY: Why should there be any taxation at all, Mr. Chairman?

MR. SPRATT: Would you like to go down and purchase clothes not worth \$50 and pay \$200? It would make you sick. It is unfair, that is. What we want in the world today is a square deal and it is not a square deal to impose such taxation, and when we touch every salary and everything in the country we are going too far with taxation particularly in the City Council and I am always talking about it. I know what I am talking about and I will prove it. I know what I am talking about and I can build a city with my own hands, I am a mechanic and if you give me the brick and mortar and stone I will



build a subway and I know how to add and subtract and divide as well as any member of this Cabinet and I can talk and have been talking for fifty years and I have often heard "Look out for Spratt, he is a dangerous fellow." But I tell you, Sir, the day will come when they will say I was right, and I hope I will be in the land of the living and just as well able to handle myself physically and mentally as I am tonight. I think we are going too far and giving them too much power. I say again they have wasted millions of dollars and you can take me and put me in as one of the guilty parties, millions of dollars wasted in the City of St. John's from the period when I was a member of the Council and I say, I plead guilty as anybody else and it behoves this Government to be particularly careful not to give legislative authority to a body of men who will not get just returns and who won't apply and spend that money judiciously, that is all. I could talk here until I grow sad and then if somebody said something nice to me, I could soon answer that but I would get nowhere.

**DR. POTTLE:** Would it be in order to suggest that the sensible thing would be that the lawyers of the House consult with the solicitors of the City Council and something might be arranged?

**MR. HIGGINS:** I was going to suggest that. The area within the limits of the city of St. John's and for a mile outside, but it should be referred to the law officers.

**MR. SMALLWOOD:** It occurs to me that if this clause is passed and the city has the right to impose taxation within that area of a mile outside the city limits what is to stop a circus from moving a mile and a

quarter, or a mile and six or seven feet outside the area of the city?

**MR. VARDY:** They would not get the business a mile outside the city.

**MR. BALLAM:** There is one thing I would like to say about this section: I think my honourable friend the Leader of the Opposition mentioned it before. For years we have had Bill Lynch's circus coming to Newfoundland and he has paid more money and given more contributions to war veterans than any other association that I know of. He has always paid whatever fee he is supposed to pay the City Council but we include here everybody who owns, operates or manages a circus, that includes the bad as well as the good and for a charge of \$500 a day. I think it is outrageous, but I would make that limit three miles. The city controls the buildings within one mile, so therefore the Council would be the party who would have to permit the operation either in or outside the city if they were not outside the one-mile limit. Give them the permit and then set the rate they would pay, not lay down that every person operating a circus should pay \$500 a day. I think that is an imposition. It would mean the good outfit, not the gyp one, would never be able to come in here and operate under these conditions at all. Not in addition to what they pay the veterans. I think we should reconsider this section.

**HON. MR. CHALKER (Minister of Health):** I believe the idea of the Municipal Council in drafting this Bill is to keep the circus and carnivals and whatever else you call them at least a mile away which is quite a good idea. The circuses that come here are not a nice

thing in any city or town, I am making no reference to Bill Lynch, but I know he is barred from certain cities of the Maritimes and no circus is allowed within three miles of them. And I quite agree with the City Council on this tax and I must say I concur with them in trying to keep them outside the City Limits.

HON. E. S. SPENCER (Minister of Public Works): I do not wish to prolong this discussion but I have one brief thought regarding it and when I express that thought I do not want to be accused of posing as a puritan. I can take my place at the table and play a game of cards or throw a dice or perhaps bet on horses if the opportunity offered and it would not worry me very much. There are certain points in this clause with which I disagree. One has been referred to by several speakers including the honourable the Premier regarding the distance outside the City Boundary. I agree with him entirely when he says if we state specifically one mile, they can go one mile and one yard and be within the law. I agree with that point and may be some other way has to be found to deal with it. I too, think \$500 is a pretty heavy taxation within the city limits but what we should bear in mind, Mr. Chairman, is the character or type of carnival or circus we allow to come within the city limits. I feel we have to have some other legislation to control the dissipation and I am referring to the gambling and I guarantee you I am no puritan. But I refer to the gambling tables they set up and by which they extract far more than is recorded and paid for in the legislated tax. I feel possibly the word 'gyp joint' may be applied, I don't say it does but think possibly that it may. My suggestion is that we find some

other way to deal with these people whether the circus is named Lynch's or any other name since in most places on the Mainland they operate three miles outside the boundaries of small towns and cities. I think we should try and prevent the extent of some of these gambling tables and, like the honourable Minister of Provincial Affairs, I know what I am talking about, when I refer to gambling tables. I feel that system should be controlled. That is one point I would like to interject here, i.e., the actual amount of taxation I think that possibly may be controlled in some other way if we get a tax or system or law to control them. Up to this time there is nothing to say who will control them if they go a mile and a half outside the city there is nothing to say what should happen out there, and I hope there will be some legislation brought in some time to control that and stop the drain that is being made on people by this system of gambling which takes a far greater sum from their pockets than the price of visiting the circus.

MR. RUSSELL: I am going to vote against the motion and the amendment, because there is in this clause a sentence that to me is objectionable and entirely contrary to the whole principle of the Bill. I have argued all along in supporting the Bill and other members of the Committee have argued the same way. We are not imposing taxation, we are merely granting to the Council the right to impose certain taxation and certainly this here is entirely different and if they set down here now that every circus entering the city shall pay a license fee of \$500, if we adopt this we are not giving power, we are ordering the Council to charge a specific sum of money and it is entirely con-

trary to the principle of the Bill and I am not going to support the motion which should read a license fee of not more than \$500. I am not going to support the motion nor move that second amendment, I think there is already a motion before the Chair and I have wasted a lot of time with amendments already tonight.

DR. POTTLE: I would like to press a point which I have made before recess. This is a concession clause and it seems to me the best way for the time being would be for the Attorney General and the Leader of the Opposition to consult. It may involve the legality and may run contrary to other phases of the tax and the validity of the whole thing become a matter of doubt.

MR. CHAIRMAN: Is that an amendment to the amendment?

DR. POTTLE: I just ask to let it stand.

MR. VARDY: So that we will not have to go all over it again, I wonder if the Committee would be agreeable to include the word "carnival" in about eight different places in the four different sections?

DR. POTTLE: Only the question of whether the tax is legal or valid will stand over.

MR. BALLAM: Certainly my honourable friend does not mean to tell me that every club in the city which has a carnival such as an ice carnival or any kind of summer carnival, that he wants to include them in here and prevent them from doing a little social job such as they usually do. You will have to add something else if you want carnivals added here.

DR. POTTLE: For the purpose of this section—

MR. BALLAM: Exactly.

Agreed to let the section stand.

Section 15 read.

MR. HORWOOD: I wonder if some member would enlighten us as to what this clause means, is this imposing a retroactive tax back to January, 1949 or what?

MR. CURTIS: The reason for that, I think you will find, Mr. Chairman, the policy holders are paid annually; it is a case of getting the insurance to pass over what has been collected as tax. We did the same thing with Government taxation last year—the insurance company has collected the money and don't know what to do with it.

MR. HIGGINS: Now, I am going to speak more strongly on this one. One hundred years ago it was decided in England to place a limitation on actions for debts and such things and for a simple debt six years was laid down and the Lord help those who did not collect in six years. Six years is long enough because after six years the evidence may be destroyed, the person dead or the receipts lost. Now if any person ran a bill 18 years ago on Water Street and was sued for it and owes a firm there \$100, eighteen years ago, the evidence is gone, the records are gone, how are they going to collect it? Take for instance I may have a dispute with a company about an amount and let it run and forget all about it, my witness is dead, everybody connected with it is dead, except myself, and I have no receipts, nothing to show and all the court has is the record on the books down there which may not be right. The real reason for this limitation is because after six years it is presumed the

evidence will be destroyed. Can you imagine yourself in the position. Suppose you lived in the city all your life and you found yourself sued for \$200 arrears and you find it happened fifteen years ago, you can't prove anything after fifteen years, the evidence is gone, but if in the interval you paid so much that keeps the debt open, shows you do owe some money and after six years you can give written acknowledgment and hold it open for another six years or the judgment is clear on the record that you do owe but if a debt goes for more than six years, what is the position? Some poor unfortunate individual finds his receipts gone, his evidence destroyed and probably a year afterwards a document appears that would have proven his case. I don't think it is right. The Council have their own limitation, I think it is in twelve months they have to take an action. Why wait for 20 years, you can't tell what happened fifteen years ago, it is hard enough after six years. Now in certain cases you have to take an action in three years, assault and battery actions in three years but for ordinary common debts are statute barred after six years. I don't know what is in the old Act but it is absolutely unnecessary because if the Council wants to collect the money they should do so as soon as possible and I am going to tell you candidly, I doubt if the Council knows, but I think I told the Mayor, I said it was a damnable outrage and I said I am going to oppose. But maybe I should not say that, maybe the implication did not hit him at all when he read it.

MR. FORSEY: What is the limitation on municipal actions?

MR. CURTIS: There is a lien for six years but it takes the position that

debts due the Council are statutorily and continuously entitled to 20 years. I think this is a matter which might well be referred to a select committee to find out, why make such a ridiculous request?

MR. FAHEY: You mean we have to keep receipts for twenty years.

MR. CURTIS: I think we should let the section stand and go before the Committee.

MR. FAHEY: I know if it went through we would have to keep receipts for twenty years.

MR. CHALKER: Does that mean that delinquent taxpayers would lose their property and the city would be forced to foreclose and the taxpayer would lose his property after a certain time?

MR. HIGGINS: No, they could collect \$5 or \$10 and open up the debt for another year, if it is collected it runs from the date of payment. Suppose it goes five years and then it is paid, then it is opened up for another six years.

MR. CURTIS: They can protect themselves.

MR. FORSEY: They have hundreds of thousands of dollars in uncollected taxes.

MR. SPRATT: For more than ten years, some are twenty years and more.

MR. CHAIRMAN: It is moved this clause be referred to a Committee.

Sections 16 to 20 read and passed.

Section 21 read.

Section 21 amended by striking out the words "Not less than one dollar"

Section 21 passed.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

MR. CHAIRMAN: The amendment is to strike out the words "As may be agreed upon between the Council and the owner," and have the clause read "As may be determined by the Council."

MR. FAHEY: What happens to the owner?

MR. CURTIS: The owner is not to be consulted if this amendment goes through.

MR. FAHEY: I think there ought to be some debate as to just what the amendment is. I don't think we can decide a question in this manner until we have all had a chance to agree and if there is a difference of opinion I do think the question should be debated.

MR. CURTIS: If the honourable member would like to be sure what he is voting on and would explain his point—

MR. FAHEY: I know it is a private Bill, I don't care how they vote but I would at least like to know what is being voted on and for that reason, I move that the Clause be now reconsidered so that we at least know what it contains and I think that is reasonable. On the other hand if you want to take the majority vote or divide, I am willing, but how are we going to divide on a question when we don't know what we are talking about?

MR. SMALLWOOD: Is there a motion to reconsider?

MR. CURTIS: I move we recon-

sider this section so that we may know what we are voting on.

Moved and seconded the regular orders be suspended and this section be reconsidered.

MR. FOGWILL: I don't think that is quite in order.

MR. SMALLWOOD: I say, Mr. Chairman, the Minister piloting a Bill has the right to recommit any section of the Bill until the Bill is adopted and the Chairman of the Committee has reported and that has been done, and he can move to go back into Committee of the Whole and reconsider the Bill, any part of it.

MR. HIGGINS: I doubt that.

MR. FAHEY: This case is a bit different, the Chairman made the decision and the only thing that can be done according to the rules then must be a call for a division. After that I agree the honourable the Attorney General may move we go back again. At the present time I say, I can't see how the honourable member can make the motion.

MR. CURTIS: Do you mean to say no one can move. Certainly the House can do what it likes.

MR. FAHEY: I happen to be a part of the House. I am speaking on the rules of the House adopted here a short while ago, and it says when the Chairman makes a decision there can be no further debate except that any two members may call for a division. Now we may have the division and after that is done, the Minister may get up then and refer back, to do otherwise would be to break the Rules of the House. Are we do adopt them one day and break them the next?

MR. CURTIS: We will vote in favour, whatever it is.

MR. BALLAM: We asked that this section be read because we did not hear it, we could not hear it over here, and do not know what the talk is about.

MR. CHAIRMAN: Divide:

Favour: Forsey, Keough, Smallwood, Pottle, Chalker, Vardy, Curtis.

Against: Higgins, Fogwill, Fahey, Russell, Horwood, Spratt.

MR. HORWOOD: According to the rules of the House every member must vote.

MR. BALLAM: And I say I will not vote. I asked twice to have it repeated and until I do hear I am not voting.

MR. SPENCER: These are my sentiments. Rules or otherwise, I did not hear and I definitely am not going to vote on something when I don't know what it is. It is all very well for the gentlemen on the opposite side who are directly opposite, they may know what they are talking about and the honourable member for Bonavista South may have heard but I did not and I refuse to vote.

MR. FORSEY: I suggest, Mr. Chairman, that you act in your dual capacity of Chairman and Party Whip and make the members vote.

MR. CURTIS: I may say for the information of the House if it were read they would be none the wiser, it refers to five other sections and until they are also read—

MR. SMALLWOOD: The matter is closed, the motion is taken.

Committee rose, reported progress and asked leave to sit again tomorrow.

MR. FAHEY: Before we go on, on a point of privilege, I would like to report to you Mr. Speaker that while in Committee the rules of the House were broken due to the fact that all the members did not vote on a division.

MR. SPEAKER: I regret I cannot take the point, the speaker cannot give a ruling on any matter which happened in Committee. Only the House can give a ruling, and the Committee should deal with these matters, the Speaker cannot.

MR. FAHEY: The House is supreme over the Committee, the House has to deal with the Committee and as the Committee violated the rules of the House, that is why I report it to you, Your Honour, as I think I should.

MR. SMALLWOOD: Mr. Speaker, to that same point of order, I believe the motion is until the Committee adjoins for the particular purpose of referring the matter to your Honour for judgment or decision, it is out of order.

MR. SPEAKER: The House can deal with a matter only if the Committee reports the matter. The report of the Committee was received and adopted and leave was given to sit another day.

Committee of the Whole on a Bill "An Act Further to Amend the Alcoholic Liquor Act, 1949."

Sections 1 and 2 read and passed.  
Section 3 read.

MR. FAHEY: Mr. Chairman, I would like to make an amendment and insert the word "six" instead of "three." I feel it is all right to modify the present law permitting a person to go down and get 26 or 56 bottles. It is all right to modify the

Act but not to modify it too much as it would be "three." I think "six" would be better. Once before there was a law permitting a bottle a day and three to my mind is too fine altogether. One week a man might not use any and then the next week-end would like to go off troutng and I would like to make an amendment to delete the word "three" and insert the word "six," in paragraph 3.

MR. SMALLWOOD: This, of course, is a Government Bill and Government have decided on the amount of three bottles and I am afraid we cannot accept the honourable gentleman's amendment. We have to stand on the figure three.

MR. FAHEY: I quite understand that it is a Government measure but in Committee I have a right to make an amendment.

Motion moved and lost.

MR. FAHEY: I am glad we have a good temperance bunch anyway.

Section 3 passed.

Section 4 read.

MR. SPENCER: I would like to have some information, can the manufacturer deliver to any other than the Board of Liquor Control?

MR. CURTIS: That is answered in the Bill itself "May deliver in any manner instructed by the Board."

Section 4 passed.

Sections 5 to 8 read and passed.

Section 9 read.

MR. HIGGINS: I think it is only a waste of time to get up and say anything no matter how reasonable a remark is made.

MR. SMALLWOOD: Now, that is not necessarily so but there is nothing

to prevent the Government from rejecting or accepting an amendment. The particular amendment made by my honourable friend the member for Harbour Main-Bell Island we are unable to accept, but it does not follow from that that if there is another amendment we will not accept it. I suggest the honourable members make any suggestions or propose any amendments and they will be judged on their merit.

MR. HIGGINS: The remark was made the Government stands on it.

MR. SMALLWOOD: On that clause.

MR. HIGGINS: I don't care, I am going to explain my point. I don't like 1, 2 or 3. I consider one-fifth of the voters is too small a proportion and in other words, of 20% of the people come in and sign a petition and say we demand a plebiscite. It should be more than that, I say 35% at the very least. One fifth is too small a number to put the country to the expense of a plebiscite. I would say 35% or 40%. I would move it be one-third.

MR. SMALLWOOD: Move it a third and we will accept that. I accept for the Government the suggestion of my honourable and learned friend the Leader of the Opposition and I move it be one-third rather than 20%. I think it is a practical and prudent suggestion.

Moved section 9, sub-sections 1, 2, 3 be amended.

MR. CURTIS: The drafters put in one-fifth as that was in 1899 Temperance Act and I agree with the amendment, in fact I would go so far as to make it 50%.

MR. FAHEY: Must we have a motion in order to continue after 11:00 o'clock?

MR. SMALLWOOD: I move we rise, report progress and ask leave to sit again tomorrow.

Motion carried.

MR. SMALLWOOD: I move the House at its rising adjourn until tomorrow at 3:00 of the clock.

The House adjourned accordingly.

TUESDAY, June 5, 1951.

The House opens at three of the clock.

#### Presenting Petitions

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I have a resolution here presented by the Town Council of Grank Bank road, which I should like to bring to the attention of the House. I would move, Mr. Speaker, that this petition be laid on the table of the House and drawn to the attention of the Ministers mentioned there for whatever action is deemed necessary.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Restaurant Act, 1929."

I give notice that I will on tomorrow ask leave to introduce a Bill "An

Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

HON. J. R. SMALLWOOD (Prime Minister): I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited."

#### Orders of the Day

On motion the following items were deferred.

(1) Committee of the Whole on Ways and Means.

(2) Committee of the Whole on Supply.

(3) Third reading of Bill "An Act to Make Provision for the Granting of Loans to Certain Companies."

(4) Committee of the Whole on Bill "An Act to Repeal Certain Newfoundland Statutes."

(5) Committee of the Whole on Bill "An Act to Amend Certain Newfoundland Statutes."

Carried.

MR. SMALLWOOD: Mr. Speaker, Mr. Gardiner has arrived in the building. Perhaps the Leader of the Opposition will accompany me and we can escort him into the Chamber.

MR. SMALLWOOD: Mr. Speaker, it is a very great pleasure today to have present with us in this House one of the really great statesmen of Canada in the person of the Right Honourable James G. Gardiner, the very famous Minister of Agriculture of Canada. Mr. Gardiner for the past 16 or 17 years has been a Minister of



the Government in that same important portfolio and I think that it is recognized throughout the whole of North America that Mr. Gardiner is one of the greatest authorities on agriculture in all its aspects. He himself is a farmer with a farm of 460 acres in his own Province of Saskatchewan. Before going into the Government of Canada, Mr. Gardiner was the Premier of Saskatchewan and I understand he has been in public life either provincially or federally for some 39 years; and what will interest all of us in this House, I think in all those 39 years not even once has he been defeated at the hands of the electorate. That is an inspiration of achievement which I am sure every member of this House will take unto himself.

Mr. Gardiner is visiting Newfoundland for the first time having arrived here on Sunday night, and having spent all of yesterday travelling by car around through some of the farm sections during this forenoon, I believe he intends to see even more during the remainder of today and tomorrow. Tomorrow night it is his intention on invitation, to address a public meeting of farmers in and around St. John's and any other citizens who care to attend that meeting which will be in the Memorial University. Now there is one thing if Mr. Gardiner would feel like answering the House would like very much to know as we have recently become a Province of Canada and we admit very frankly we are amateurs, completely, indeed green horns in the business of getting money out of the Federal Government: getting what we would like to regard as our just and proper share of the Federal Funds, and so being green horns and political amateurs we have a great

advantage in welcoming one of the great masters who, shall we say, put a slight sum of fifty-six millions of Canadian funds into the pockets of some of the farmers, to wit, the Wheat Growers of Canada. If Mr. Gardiner cares to give us the inside story of how that was done we would deeply appreciate it, and I assure them we will apply it industrially for the remaining period of our term in the House.

I know that the House would be delighted to hear Mr. Gardiner speak and I propose to invite him to do so, but I think perhaps his education on Newfoundland would not be entirely completed if I failed to tell him just a little about this Chamber in which he meets us here today. The building was completed just a little over a hundred years ago, and always since then this Chamber has been the Lower House, and through this wall on the other side there is another Chamber about the same size, which was the home of the Upper House, the appointed Legislative Council which was abolished when we became a Province of Canada.

Now this Chamber had some little refurbishing. Behind Mr. Gardiner, Mr. Speaker sits in a very beautiful chair made in Toronto hand carved and presented to this House by the Legislature of that Province. On the table beside Mr. Speaker, is a very fine gavel presented to the House by the Province of Prince Edward Island. At the foot of the Table is the Mace presented by the Legislature of British Columbia. I think it is the most beautiful Mace in North America and perhaps in the world, certainly in North America—twenty-one carat gold and costing I think something over \$10,000. But it came from a very rich Province and is made of

native British Columbia gold. The clock over the door was presented to us by the Province of Manitoba and the Sergeant-at-Arms is wearing the sword which was presented by the Province of Saskatchewan, made in London by the King's Armorer. The Province of Quebec is sending a Table to replace the present one, hand-made in that Province and it has not yet arrived. So that slowly and gradually we are being furnished at the expense of our Sister Provinces.

Now on this wall are hung portraits of all the Speakers the House has ever had with the exception only of Mr. Speaker of today. These have been painted within the last year and hung on the walls of the Chamber. The painting of the ceiling would interest Mr. Gardiner. In 1890 there arrived in St. John's from Poland on his way to the United States or perhaps to the Mainland of Canada, one who stopped over here at St. John's and got into some difficulties with the result that he ended in jail.

MR. CASHIN: I hope that does not happen to Mr. Gardiner.

MR. SMALLWOOD: While he was in jail during these two years the Government of the day decided the building needed to be painted inside as did also the Government House and someone remembered that down in our jail there was a man who claimed to be a painter whom they did not need to pay. He was allowed to come out each day and it didn't cost a penny and if Mr. Gardiner has seen Polish pictures or reproductions of them elsewhere he will notice the strong similarity in the style of art on this ceiling to the Polish art treasures now held somewhere, I think in Ottawa or elsewhere in

Canada. He did the job and then I believe they were considerate enough to shorten his term and released him and we never saw him afterwards. Now this has been repainted or retouched every year but following the original design and we are very proud of the story attached to it.

There is one other story which in conclusion I might tell about the Mace which was first used when the Legislature met in 1832. They had a Mace someone carved out by hand, out of birch, I hope, or if not birch at least some other Newfoundland wood, and painted it up by hand and so they held their first session. There was no building so the session was held in a house, a boarding house a woman kept here in the city and they held the session. When it was over they had forgotten to vote money to pay the rent for the use of the boarding house, consequently when they met again they had nowhere to meet as the boarding mistress would not let them meet until they paid the rent, furthermore she seized the Mace and hid it, and they could not meet without it, and could not pay her until they met as no money had been voted. It was a complete deadlock. The deadlock was severed by the Government of the day paying the bill out of their own pockets and the boarding mistress yielded up the Mace. They met in her boarding house and voted the money, the Government was paid back and that is how they carried on.

MR. SPEAKER: I have the great honour and pleasure indeed to introduce to the House the Right Honourable James G. Gardiner, Minister of Agriculture of Canada.

MR. GARDNIER: Mr. Speaker, Mr. Premier and Members of the

Legislature. These words I have been speaking most of my life as a member either of the Legislature or the House of Commons. During that period of time I have learned one thing if not anything else, and that is the great care with which those who are given the responsibility of conducting situations of this kind must exercise in extending invitations to anyone to speak on the floor of the Legislature or the House of Commons. I therefore acknowledge the honour which you do me in permitting me to speak here. The occasion is one of a visit here which I have been planning to make to Newfoundland ever since it became the tenth Province of Canada. I found it difficult to come before, I was going to find it difficult to come later this summer so I took three days away from the sessions of the House of Commons to be here now. I will arrive back in Ottawa on Thursday next to continue with my efforts to get as much money out of the treasury as I can. My estimates are before the House at present. But while I am here, I would like to say to you that I came from one of two sister Provinces which were the youngest members of Confederation until you joined us as the tenth Province. My home was in what is now the Province of Saskatchewan, before it became Saskatchewan and was still part of the North West Territory, and so on the 5th of September, 1905, I had the privilege of attending the inauguration ceremonies in connection with the setting up of the Province of Saskatchewan. From that time until very recently we were one of the two latest in the development of Canada, we were not the earliest British Colony in a manner as you know, you have a much better claim to that

right than those of us who live on the Mainland. But Canada over a long period of time has been associated first with the British Empire which later came to be called the British Commonwealth of Nations and 84 years ago we formed what was known as a Confederation under the British North American Act. At that time only four provinces signed, Prince Edward Island, Manitoba, then British Columbia and later Saskatchewan and Alberta became members, raising the number to nine. When Confederation first came I think everyone associated with it on the Mainland had hoped Newfoundland would become a part of that Confederation. It had not happened however. But on each occasion that other Provinces came in it was hoped again the question would come up in some way or another and that Newfoundland would become a part of the Dominion of Canada, but that did not happen; but in the time between 1867 and the time when you did raise the question a great many things happened. First going back beyond that period there is one main reason why Cabot came to this Island when he made his way across the Atlantic and that is because it is the shortest distance between the populated part of Europe and the nearest point, the first point to be reached, is on this Island. That is a fact that no one gave much consideration to in the earliest days and more particularly did not give very much consideration to it after steamships started to travel. But in more recent times, in 1901 to be exact, when we found that there were new methods of communication being developed, Marconi found the nearest point from which to send forth his messages to the more densely populated areas was on this Island, in this city as a

matter of fact and then at a later date when means of transportation for human beings at least was developing from that of fast motion on the ocean by steamship, or on land by train, to airplanes in the air, it was again from this Island that those took off who were attempting to prove they could fly non-stop across the Atlantic Ocean. All of those facts which probably did not register very much with those who were living on this Island or off it but when we entered the last great war and it became evident that the moving of air transports across the Atlantic was going to make a difference between winning and losing the war, the location and there is not need to recall it to your minds, resulted in the great activity that at once sprang up on this Island. Now, I do not know what effect that had upon the minds of those of us who live in Canada but outside Newfoundland.

During the period I spoke of a moment ago, namely 1905, when our Province first entered, up to 1935, our population rose from less than one hundred thousand to almost a million people and nearly all of the migration which resulted in the settlement of the Western Provinces passed through the Straights of Belle Isle in the North of this Island and you would be surprised at the conversations taking place by people from European Countries, not the British Isles. They know the stories about the people who came from the European Countries who passed by this Island and up the Gulf of St. Lawrence and wondered why it was not a Province of the Dominion of Canada, the new country to which they had come and most of us did not realize the real importance of it being a part of Canada until we had our experience of

the last war. During that time it was found that if we wanted to go from California to the centres of the conflict in Europe by the most rapid route we flew to Gander or Goose and then took off from there across the ocean. If you wanted to come back in the opposite direction you did the same thing. That is of the greatest importance for two different reasons: In the first place this particular colony, in the days when it was a colony, was perhaps the first move that was made toward an influence exercised upon civilization by the fact that all trade or all important trade, passed over the British Isles. You know there was a time when the greatest city in the world was Bagdad but that was in the days of caravans between the East and West. There was a time when the greatest cities in the world were on the Mediterranean, that was in the days when trade moved in galley ships, and there became a time not so long ago when all of the important trade passing between a population running into hundreds of millions was located on the Continent of Europe and passing over to a new land being developed on two continents to the West but by far the greatest part of that trade passed through and over Britain and she became the best known land in the world, the greatest trader in the world, fed more people compared with the amount of food she could produce than any other country in the world, and became a leader in spreading the idea that people ought to trade with one another, they ought to build up a peace based on friendly pursuits rather than warlike pursuits, with the result that we have in the world today a British Commonwealth of Nations. An association which is a controlling influence

over about three quarters of a billion people, people who when they have difficulties sit down and talk about them and decide about them and don't talk about fighting. When they have trade problems they sit down and discuss them and try to make one another happier by resisting the inclination to go and fight and take things from people that other people think belong to them.

When I was out at Gander the day before yesterday, in twenty-five minutes I saw one of the greatest carriers of mankind and one of the greatest carriers came in with the name Saskatchewan; it remained for a few minutes before going out again. Then I saw the Flying-Dutchman come in and do the same thing, then a few minutes later another plane came in, I don't know yet where it came from as I could not read the language on it. It might be China, India or it might be Israel, I don't know, but some of the passengers at least came from India, in other words it was obviously a plane from the central Mediterranean Area. There you have three ships coming in, in twenty-five minutes extending over the whole western cities of the European Continent and when we realize there are four hundred million people living west of the Russian Boundary Line to the West Coast of Britain and that these ships represent the trade that comes from those people with the Continent of at least North America and probably the Continent of South America as well, we can only dream about what the importance of this place is.

I came here to look at your agricultural land. You will all agree with me immediately that the area is not very great but I was on a farm yesterday; I am not going to say whose

it was, you can probably guess, as he is here, it is a beautiful little farm in a beautiful valley with rocky land all around it. It has a number of dairy cattle on it, luscious grass to feed them, has the clearest and purest of water, and I learned that the milk that those cows produce is being sold to the American establishments that are here because of the facts I have been mentioning in the last few minutes. Then again when I was flying in the other day I passed by a pulp mill away in the central part of the Province and I got a glimpse of another over toward the coast, and of a cement plant. All of these have their importance. If one travels through this Province, in any part of it, and is familiar with the Highlands of Scotland and when one recalls the result which the method of living in that area has had upon mankind generally one realizes what the final development of this area will mean and the influence it will have. What I want to say is this: the greatest influence in the world for peace and harmony and good will amongst men is the British Commonwealth of Nations representing some three quarters of a billion people who do not fight, abhor fighting, as it is with all others who become acquainted with them in a greater or lesser degree and over a period of time. And they are a greater influence towards that end in the world today, maintaining that kind of organization. The fact that the northern part of the North American Continent is a part of that organization and the fact you are the important link between this Continent and the European Continent is important insofar as people who are in a hurry to get ideas across and get somewhere else are concerned, and is going to be a greater influence on the development of this Province

to my mind than any other thing, and when I recall that many parts of those British Isles are just as rough, with many parts of them composed of solid rock as you find in this Province, I must realize that there are some other things which are of importance besides rich agricultural lands. Food can be brought here by means of transportation but it is most important that where you have most excellent scenery to look at while engaged in some pursuits of pulp, birch wood into plywood and the development of some of your rocks into cement, while you are engaged in all this you can develop homes in areas where the growing of food is possible. And insofar as the Agricultural Department of the Dominion of Canada is concerned we want to help in that development. Now I am not going to try and tell you we can develop this island into one of the greatest agricultural areas in the Dominion of Canada but I may be able to tell you in the years ahead our effort in cooperation with yours may produce some of the finest agricultural spots in the Dominion of Canada where people are living on agriculture in comfort and getting along as well as people anywhere. But the most important fact as I say again is this: you are a part of the Dominion of Canada. No matter what we thought when talking about it, you know when we formed the Province of Saskatchewan in 1905 we had one of the most bitter political campaigns I ever listened to. We finally formed the Province and we still have some of the discussions we had in 1905 but nobody ever thinks of not having a Province. I have no doubt as the years go by here many who took one point of view and emphasized it will have given a contribution towards the future strengthening of the

Province, and men who have taken the other side will also have made a great contribution and in the end the Tenth Province in Canada will have many reasons for believing they did more by joining us to strengthen Confederation, from one end of Canada to another, than they actually thought when they went into Confederation. But most of all I think the greatest single fact in the development of the last two or three hundred years was the building up of the British Commonwealth of Nations. To my mind it is doing more today towards the establishment of permanent peace in the world than any other one thing and you will help yourselves by becoming the known centre of all the transportation activities that take place through this area and that applies more in peace time than it can in war time and you here will benefit by all that but we outside will be benefited just as much as you and if we all co-operate together we should be able to accomplish these things.

Now to answer the Premier's suggestion and in conclusion, I am going to tell you now we got \$65,000,000. The \$65,000,000 belongs to the farmers in the West and we had to convince the House of Commons and the Government of Canada that that \$65,000,000 at least did belong to the Western farmers and when we found out nobody else would pay it to the farmers, we decided someone ought to pay it, and finally the Government of Canada decided to pay and have it over with. I don't know if that means the question is settled or not.

I am going to tell you a little story: When I became Premier of Saskatchewan a group of fellows in British Columbia thought they should march to Ottawa and tell Mr. Ben-

nett, then the Prime Minister, how to run the country. As it was rather a long walk they got a train there and ordered the crew to take them to Ottawa. Well, when Mr. Bennett heard they were coming over he had the Mounted Police lined up across the track at Regina and stopped the train and got the men off the train, and put them in the exhibition grounds. I wondered, as Premier of the Province, what right Mr. Bennett had to stop those British Columbians in the Province of Saskatchewan on their way to Ottawa by the Mounted Police of the Province of Saskatchewan. I went to the Commissioner and said "Who is running this Police Force, Mr. Bennett or I?" He said "Give me an order and see who is running it." I said to him: "Well, I want the guard taken off these fellows and the exhibition grounds and let them go down town for dinner." All right, we got in the car and ordered them all off down to dinner. Then one of them said to us, "What are you going to do to us?" I asked them "Men, would you like to go home?" They answered "Yes." I said "All right, we will send you home." I don't need to go into the details; we had a little trouble getting transportation—one group on C.N.R. and one on C.P.R. and we loaded them all on. Well, Mr. Davis was the Attorney General at that time and I went down to the exhibition grounds at night acting as station agent and issued all the tickets, enough to eat up \$40,000 and we sent the bill to Ottawa. Well, Ottawa would not pay, so we paid it.

I was invited to Ottawa within six months of that time to become Minister of Agriculture and when I got there I submitted the bill for \$40,000 to the new government and they paid it. Well, I don't know if it is always

going to remain so but if this Government would not pay the \$65,000,000, I was hoping there would be a Government who would probably pay it, if they do the \$65,000,000 will not go to the wheat growers but to the taxpayers in general, in other words the treasury. But to make a long story short we do not think the people who had supplied wheat at a low price in order to feed people when in need should be asked to pay the whole bill and we made that story stick with the Government first, and later with the House of Commons and finally we submitted it when it was passed all three parts of the Government the money was paid. That is the whole story, and all I am going to say to you is this: If Newfoundland at any time thinks like the farmers, you have a good story to present, you will find some one in Ottawa, if not me, someone else, who is prepared to do battle. Now in all the Houses I have ever been in before I have been accustomed to speaking to the Government on my right but I find you don't sit that way in this House and I am going to say this: on occasions of this kind one appreciates the fact that the Opposition and the Government alike have agreed to permit a talk of this kind being made and I hope that anything I have said may be of help to all parties in the House. Thank you.

MR. JOHN G. HIGGINS (Leader of the Opposition): I have much pleasure in supporting the welcome given by the Premier to the Honourable Mr. Gardiner who has come here today. You will have noticed, Sir, that the Premier took advantage, in giving you the history of this House, to express appreciation of the various gifts, the wise men from the Provinces brought here, the clock, the gavel, and particularly at the end drew attention to

that beautiful mace sparkling and glistening in the eye of the wealthy Canadian Federal Minister. Wealthy in the sense that you take under your control the farmers' vast millions of dollars and I know you feel you will go away with its glitter in your eye to remind you of \$65,000,000 and make you realize perhaps the time will come when we might become the recipients of some \$65,000,000. Can you imagine what little bit of comfort \$65,000,000 gave to the wealthy farmers of the West? If it gave them a little bit of comfort, imagine what comfort and strength and wealth it could bring to a little, under-populated country like ours. Why, it would make us the mecca of all places in the world.

Now, we have had other visitors coming through, there were two others both of whom were Progressive Conservatives and we were beginning to wonder if there was a single Liberal on the Mainland. At last we had one. But all those others sat on our side and even the High Commissioner of Australia sat on our side too to swell our numbers, boost up our morale, but may be we have all come to the realization that no matter what happens in the House we are on the right. Now, Mr. Gardiner being a Liberal had to make some sort of a stand and not being bigoted decided to be neutral and where he stands seems only natural indeed but whether you are Liberal, Progressive Conservative or Independent, you are welcome just the same. I am sure your speech down at the luncheon this afternoon must have been very good and I am sorry I did not hear it, however, my reasons for absence were not half as important as the reasons that brought me back here for I must forego pleasure for the call of duty and

we on this side very often make up a quorum, and have to be sure to be here.

Now, Sir, we are very sorry your stay is so short, somehow two days seem too short and it seems we have thrust upon us the honour of welcoming the speeding guest. Sir, ours is the welcome, yours the speed, we are not hurrying you away at all. I am sure quite a lot of farmers would like to spend a lot of time with you to discuss the various agricultural problems and show you the necessity of strong support to this poor country.

Now, I want to thank you very much indeed for your speech, I am sure every one here, the members of the House and the audience, enjoyed it and if this were a half holiday and they knew you were coming I know this Chamber would be crowded. Yours was the story of the romance of civilization in a small compass and particularly drew for us the importance of our country so very important in the history of the world as we join together the American and European coasts. Time does not permit me to speak on that subject except to say thanks, thanks and still more thanks.

House resumes normal business.

MR. CURTIS: I move the first five orders of the day be deferred, and that the House will now go into Committee of the Whole on a Bill "An Act Respecting Liability in Actions for Damages for Negligence when more than One Party is at Fault." This matter, Mr. Chairman, the honourable Leader of the Opposition and I discussed as lawyers and we thought we might let the clauses stay as they are.



3rd clause passed.

8th clause passed was allowed to stand carried.

MR. FOGWILL: May I ask the Honourable the Attorney General to explain to us section "A" as I am not familiar with the clause?

MR. CURTIS: The position in connection with clause "8" is this: If I am allowed to refer back to it, we have passed it but the position as to the man who is driving, his wife and family, he is not liable for injuries received unless he is guilty of wanton neglect. The effect of this section is this: that if a passenger is injured in a car the liability is on the part of the driver of the car if the passenger is a guest in the car. If there is another car involved the court is allowed in that case in finding who is responsible for the injuries to place it between the two of them and say the driver of the car with the passenger is liable to one-third and the other car two-thirds of the damage. The effect is this, that the party injured can recover only from the driver of the other car and not from the driver of the car in question in which he is a guest, in other words if I take the Honourable Member and we drive home in my car and the Minister of Welfare being under the influence runs into us and as a result my honourable friend is injured, let us suppose the injury amounted to \$10,000, and he sues both of us. Well, I have not been responsible, I have not been grossly negligent, true I did commit a breach of some traffic regulation with some slight carelessness but not sufficient to make me responsible for more than 25% and I am not guilty enough to be responsible under the "Highway Traffic Act." In that case if the

court held \$10,000, liability between myself and the Minister of Welfare, I would be 25% and he 75% and instead of recovering \$10,000 he would get only the 75% and I would not be called upon to pay my 25%.

MR. FOGWILL: Where one party is at fault, for argument's sake, you drove me home and ran into a bridge, this Bill applies to where more than one party is at fault only. I see.

Committee rose and reported having passed the Bill with no amendments.

Bill read a second time. Ordered to be read a third time on tomorrow.

Committee of the Whole. A Bill An Act to Amend the St. John's Municipal Act, 1921, and acts in Amendment thereof and for Certain Other Purposes."

MR. CURTIS: Clause "4" was allowed to stand, that is on page "13" Mr. Chairman, at the request of the Council we suggest the following amendment to section 4, instead of having the section written within one mile of the City Limits to pay the Committee fee of \$5.00 they ask now that it read: "The Council is empowered to impose upon and levy or collect from every person, operator, manager, or owner."

MR. VARDY: Does it make any reference to the question of carnivals?

MR. CURTIS: No.

MR. HIGGINS: A circus and a carnival as there might be such a thing as a rink carnival under the auspices of some organization which would render it awkward. What is to be done in that case? Is the Council to make it read circus? I suggest we stick to the strict wording and if there are instances that won't cover it, it will be their headache.

MR. VARDY: The only thing I suggest is that if the term circus is going to cover some of the gyp joint owners operating for so long in the past, there should be a definite definition as to what constitutes a circus. A circus on the Mainland and in Europe is generally a highly reputable organization and does not have as a rule associations with the sort of thing we have inflicted upon us, the public of St. John's by groups of, I don't want to use too exact a term, but I don't think there is too strong a term, that we have had here robbing us right and left. I make that statement and I have seen so many people go without bread and inflicting hardship upon the business of the City because the poor unfortunates go down there and through the lack of understanding permit themselves to be fleeced. That is not the sort of organization associated with a reputable circus and there is a very long distance between the type of low grade carnivals in the City of St. John's and circuses as employed here and I think if it is going to remain in the Act to cover both types of organizations there should be a specific definition of what is meant by a circus in future and not pass for a carnival and so avoid taxes by coming in and labeling themselves as a carnival.

MR. HIGGINS: First, Mr. Chairman, I do object to the word "gyp." I think Lynch's circus is most reputable in spite of the remarks of the honourable member for St. John's West, and most of all it has a good reputation in Nova Scotia and New Brunswick. I know Lynch and have a very high opinion of him and so does the Honourable Minister of Labour. Whatever the usage in other places the word "Carnival" only applies to amateur efforts, fancy dress balls, and

it is not a circus in that sense and it is better that the word "Circus" would be interpreted as always here, I think that is right.

MR. CURTIS: I think the committee should rise and give the Council one more opportunity to discuss the matter. In the meantime this is what they asked us to pass and they feel it covers it, so I suggest that we report progress and give them an opportunity in the meantime to define the word "Circus."

The motion is that sub-clause 2 of clause 14 be stricken out and the following inserted as sub-clause 2.

MR. HIGGINS: The Council would say this and expect us to give them the power of discretion to grant such licenses.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, before that amendment is passed I appreciate the position. We have as a House felt this afternoon that the Honourable the Attorney General in piloting this Bill and there has been a comment made here by the Honourable the Junior Member for St. John's West and at the last session here he discussed this same viewpoint and I raised the thought on that occasion that one feels the necessity of these various bodies. Everybody knows, and the House knows, what I am talking about and it is not necessary, as I said, to pose as Puritans but the position is that there are a series of gambling tables run by these various circuses here which is a cause for complaint. I certainly have no intention or desire to pose as one who thinks that in order to make this City a safe place to live in, it is necessary to eliminate such things, there is no such thing in my mind

nor do I hope to attain those standards, but I do feel that it is very important that we take note of the complaints and I am wondering, if we do pass this clause, that if at some future date we can do something which will limit the gambling which is the cause of trouble, I will admit I am prepared to take a chance now and again, but I like to have a fifty-fifty chance. I regret to go along with it and it seems to me we should have some assurance. It seems to me the City wants it, the public wants it, we want assurance that these people coming in with a circus we will welcome them if they don't gyp us. I think it has gone a little too far and I submit possibly we can do something about it. I am quite prepared to pass that clause but I do want to have assurance that if we do this, at some future date people will not come in here running ten or a dozen gambling tables and gyp everyone who comes to them.

MR. VARDY: I support the amendment but with the thought in mind that care would be taken as to the manner in which these people would be allowed to carry on their gambling and other parts of their programme and I agree with the previous speaker that something should be done. There should be set in the Act something specific guarding against the unfair manipulations of gambling in such places whether it be dice or cards or what not, and I suggest it is not good for the province or its people. I maintain it would be different if properly organized circuses or even a part of a circus which could be available in assisting, for instance, war veterans or any charitable organization and they run their fair in a perfectly legal manner, then I say I am in favour of them and I think

it is incumbent upon the Government to see that proper laws are instituted to guard against any unlawful irregularities.

MR. RUSSELL: How, Mr. Chairman, is the circus to raise \$5.00 a day unless they have gambling?

MR. VARDY: By a charge of 15c. for a five cent drink and 25c. for a 10c. hamburger.

MR. RUSSELL: If it is going to bring gambling to the City, I maintain there is too much of it.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): What is the amendment, Mr. Chairman? I know it was read but what about the details we are voting here and almost railroading the law through and once it is passed, it is passed, and the amendment means almost nothing—it does not say what is unlawful and what is not.

MR. CURTIS: The section is not supposed to say that it is just as before, a circus coming here has to pay a licence fee of an amount not exceeding \$5.00 a day.

MR. FOGWILL: What have all the previous speakers and myself been talking about?

MR. CURTIS: You have not really been talking about this section at all, this section deals with licence.

MR. SPRATT: But the other speakers made reference to gambling and I was speaking along the same lines.

MR. CURTIS: I am not making a complaint against the honourable Minister, I am not trying to rush it through, if the honourable Minister wishes to speak.

MR. SPRATT: I don't wish to speak, Sir, but there has been some comment on the desirability of having the circus come here at all and there have been other complaints given vent to by various speakers as to the form and manner under which they operate and if they should be allowed certain gambling games taking money from people unlawfully. I feel now that there is nothing in that Act to prevent them from so doing, that is what I am saying and if there is not, why not? Here is the place to do it, if it is not done here and the Act is passed as it is, it is too late then until further legislation will give us the power to amend it. We are here dealing with it now and surely we can deal with it intelligently at the present time giving circus owners the right to come in.

MR. VARDY: I wonder if the position is not that all these gambling games are illegal anyway, and I would like for the information of the House to know how they are to collect \$5.00 a day if the gambling games are eliminated, I think it is only fair the council does not collect tax on admissions to so called side shows and to the grounds and the Council collected an amusement tax on these things but it is now impossible for them to collect that under the new set-up and therefore there is a specific licence fee of \$5.00 a day. The equivalent was collected formerly in the form of an amusement tax, a percentage of admission so that eliminating of the gambling won't reduce the Council's revenue to \$5.00 a day.

MR. RUSSELL: It would be some job to eliminate gambling.

Motion carried.

Section "4" was allowed to stand.

MR. CURTIS: The Council has asked to be permitted to make the following amendment:

No duplicate or substitute card shall be issued by the City Clerk for any reason whatsoever.

Motion carried.

Clause "16" in the Act is deleted and the following is substituted therefor:

MR. FOGWILL: That is an amendment to take the place of the 20 years, it is reduced to 10 years.

MR. CURTIS: Yes.

MR. RUSSELL: I am as generous to the Council as any member of this House but I am not going to support this amendment. I still think 6 years is sufficient, in fact with 6 years there is no need of the section at all because the Statutes of Limitations would refer there. I am not in favour of even the 10 years.

Motion carried.

The Committee rose and reported having passed the Bill with some amendments.

Ordered to be read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I have just been in touch with the Council and the amendment we just passed is not in accordance with their full wishes, I would ask therefore that the House go into Committee of the Whole again on this Bill.

The Motion is: "That the Motion to adopt the report of the Committee of the Whole on the St. John's Municipal Act, 1921, and Acts in Amendment thereof and for Certain Other Purposes; be rescinded, and the Bill

be recommitted to Committee of the Whole."

House goes into Committee.

MR. CURTIS: Mr. Chairman, I move we reconsider section "14" of the Bill. I understand the Council intended to continue on after the word "Operation" the words that are written in the original draft. We are putting in the new clause but the rest of the section shall continue as it is. I move we add those words appearing in the original Bill.

Motion carried.

Committee of the Whole on Bill: "An Act to Amend the Alcoholic Liquor Act, 1949."

MR. CURTIS: Mr. Chairman, since our last session we have been looking in to the proposed amendments to the Alcoholic Liquor amendment Act, and I suggest that we should refer to Section "2" and I would ask that this clause be amended in this way.

Motion carried.

MR. CURTIS: Now the next section, "The board shall not sell to any person more than three bottles in any one week. It seems that if we adopt that it would be impossible for a man to have a cocktail party such as we are hoping to attend in another hour, therefore, it is suggested we should add to that, that the Board may subject to the Minister authorize the sale of spirits in a greater quantity than three bottles weekly to such persons, institutions, clubs, hotels, or other bodies as the Board shall see fit. The reason for that amendment, Mr. Chairman, is that under the present Act the Board can give special permits in certain cases for

banquets, dinners, weddings, and if they are limited to three bottles a week that clause would be not so that we have this amendment to Section "3."

HON. H. L. POTTLE (Minister of Public Welfare): I would like to raise the question if it should be issued to persons as persons but to such socials as parties.

MR. SMALLWOOD: Take for instance today, the Chief Justice is entertaining the Lieutenant Governor of Ontario at a reception to which doubtlessly members of the House have been invited. Now I have no doubt there will probably be three hundred persons and there will be a glass of wine, no doubt, for those who like a glass of wine. Now, that has to be purchased by the Chief Justice, for such an occasion. Therefore it his Honour the Lieutenant Governor entertains on any occasion in his official capacity and so with other individuals not only for weddings but on other occasions such as receptions of one kind and another and we are not hypocritical enough to pretend that at such receptions liquor is not served. It has been the practice from time immemorial to entertain the members of the Legislature on Opening Day and for the Minister of Finance to entertain the members of the Legislature on Budget day and it is sometimes necessary to purchase rather sizable amounts of liquor for such receptions and occasions and the purpose of this clause is to give such individuals that right. Now it would be quite useless for a bootlegger to go to the Board and ask for a permit to get a large number of bottles, more than three a week.

MR. FORSEY: Mr. Chairman, speaking to that amendment, I was

wondering if I come under that heading? I would like to bring up the point that there are a number of clubs in the city and various district which I presume have the right and privilege to open during meal periods and on Sunday and different holidays.

MR. SMALLWOOD: That is covered in another amendment coming up now.

MR. CURTIS: I think, Mr. Chairman, we might let that clause stand for just a moment and we will. Section 56 is amended by adding thereto, sub-section 6 the following: "The board may by order prescribe that any club licensed to sell alcoholic liquors under this Act shall not remain open for the sale of alcoholic liquors at such times as are set out in the said order."

MR. HIGGINS: You mean the Board can apply any hours to any club it wishes.

MR. SMALLWOOD: That is intended to cover the point raised by the honourable member for Harbour Main-Bell Island. It is intended to cover that point without being inflexible. If it is inflexible as the Committee will appreciate, there are cases where there can be no possible opposition to a club being open on certain days, and there are cases where there are good reasons for opening, these cases are well known to the Board and some flexibility seems to be desirable in this. Now if it is absolutely rigid and inflexible it seems to us that it would work very definite injustice on some clubs, on others however it would not and so it is thought very desirable to make that amendment.

MR. FAHEY: Mr. Chairman, what I had in mind was this, that this

amendment now brought in by the Attorney General, I agree with it to a point. If the club can't keep within the bounds so to speak, the board has the power to say you must close on such a day, but the point I had in mind is actually a little bit different from that. For instance, I may not be a member of any club and probably may not be admitted to some club and I am not sure whether I want to be admitted. The point is this: there are some citizens or people of this Province who may or may not be admitted to such clubs, it is all very fine for anybody who wants to take care of these on Sunday. For members of the club it is open from one o'clock to three o'clock and five o'clock to six o'clock and it would be all right for hotels and things of that character, I would not say taverns as such should have the same privileges. For instance if I happened to be over on Harbour Main Highway or Trinity Bay District and I went into a hotel and it had a license and I ordered dinner there or liquor whatever the case may be and I can't get it because it is illegal for the hotel to sell—I contend a hotel or any place opened with a license where people are served should have the same privileges as clubs, and I was wondering if the Attorney General could take care of it by adding an amendment due to the fact that we should consider that everyone in the Province is a member of a club.

MR. SMALLWOOD: This section applies only to clubs. In short the restriction in this new amendment is a restriction applicable only to clubs not hotels. Hotels have certain rights in the main Act and they are not restricted by this amendment. So that so far from restricting hotels there is no further restriction on

them only clubs, and power is given in this amendment to place restrictions on clubs not on hotels.

MR. FAHEY: I agree with the remarks of the Premier, but I don't know if the Committee got my point. To make it a bit plainer we have people with taverns and hotels, I am not speaking especially of the City but about various districts where I travel and perhaps Sunday is the only time they can do any business; during the week they may sell a dozen bottles of beer and they are called upon to pay a licence the same as anyone else but during the routine everyday life they sell only perhaps a dozen or so of beer, and the only time they can get to do any business worthwhile is when the local tourists are travelling back and forth, part of the tourist traffic. I was wondering if the Government would consider that point on the same basis as clubs' licenses.

MR. SMALLWOOD: I am not afraid. With all the good will in the world and all the good intentions in the world we are trying to accomplish two purposes; not be silly or foolish on the one hand and on the other hand I think we cannot consider opening taverns on Sundays. It is not done to my knowledge anywhere. Now whatever case there may be for allowing private clubs to open on Sundays and hotels there is certainly no case you could imagine for permitting taverns to open on Sundays. I am aware that there is a tremendously wide gulf in the thinking of some people on this whole question of beer, wine, liquor, a tremendous gulf and never the twain perhaps shall meet. Personally I like to steer a course reasonably in between these extremes and not to at-

tempt the adoption here of fanatical and impossible restrictions that will challenge and invite violations and make the law a mockery and yet not open her up and I think that in Newfoundland as in most parts of Canada, especially the older parts of Canada and the Maritime Provinces, the thought of opening taverns on Sunday is far from the thinking of most people. Now there would be the occasional man who would like to take his drive around the Bay, Sunday afternoon, and drop into a tavern and have a bottle of beer or have it with his meal. I am not going to say that is a terrible thing to happen but to open taverns on Sunday would run absolutely contrary to the general feelings of the Newfoundland people—I think the vast majority, and that cuts across all kinds and classes of people and when I say kinds and classes, I mean all kinds and all classes. There are some people in all kinds and classes who would say open them but the vast majority would say "No," not on Sunday, I don't think we can accept such an amendment.

Motion carried.

Now section 6 shall be numbered 7; and 8, shall be numbered 9, and 9 is now 10 and in that section, I would like to move that we insert this clause 6 (a) after the period: "Which shall not be less than 30 days."

Motion carried.

Insert a side note "Only electors shall sign."

Sub-clause 2—Side title is now "New Plebiscite."

Sub-clause 7—Is cut out altogether.

Now, Mr. Chairman, I am going to ask that 7 and 8 be stricken from the Bill as there is time enough for that when we get tourists. Instead of that there will be a new clause 11, "Date of Coming into Effect." This Act shall come into force on a day to be fixed by proclamation, of the Lieutenant Governor in Council. That is there, Mr. Chairman, because it will take the board some time to get books printed and it would be impossible to keep track. Now reverting again to No. 3:

MR. FAHEY: Suppose a citizen goes to the Board for a permit for a wedding or some sort of a function or as a representative of an organization which may require some spirits for some sort of function and the Board turns him down. What appeal has he? If the Board's decision is final the Board can easily use their position to play politics. We are giving them the power to do that.

MR. CURTIS: I do not think the Board will turn down a reasonable request.

MR. FAHEY: I would not like to have to make an amendment to a man going down and looking for a half dozen bottles for a function tomorrow.

DR. POTTLE: The situation is that the clause is being made more liberal, that is all. This suggestion makes it more wide and liberal than it was.

MR. RUSSELL: It gives the board wider powers of decision and gives them all sorts of opportunity for discrimination.

MR. CURTIS: I think that is the only thing the board will worry about.

MR. FAHEY: If I got the money, honey, I will get the liquor, the Board

will never stop me, if they want to discriminate they can. I am not saying they will but we are giving them the power, there is no appeal, the Board says no and that is final.

MR. SPRATT: Why not make it "Shall." It would make it more pleasing, unless you want to invest dictatorial powers in the Board.

MR. CURTIS: You have to give dictatorial powers to the Board or you will have the thing wide open. Lots of people get a permit. It can't be proven that some are not bootleggers. The only objection is the Board is too anxious to give it out. I don't think any members need worry about the Board.

MR. RUSSELL: Well, you have the board and also have to give them something to do.

MR. FAHEY: Play politics.

MR. CURTIS: I may say that is copied from the former Act. The Act says persons and we made it parties instead of persons as it is only for social purposes. Otherwise it is defeating the purpose. You have to show you are putting on a party.

MR. FAHEY: If that is the case the bootleggers should have a wedding every week.

Motion carried.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole: "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

Clause 3—sub-clause 3 was allowed to stand.



MR. FORSEY: This clause should be passed as it is. If they proposed to buy a particular water works the present actual value is as assessed, say at \$40,000 or \$60,000 and the system would last about 80 years, and it is already 20 years old then one fifth of its value would be depreciated so that they would actually pay \$40,000 though the system when it was built cost only \$20,000, so there is no objection to that clause as is.

Motion carried.

Committee rose and reported having passed the Bill without amendments. Ordered to be read a second time on tomorrow.

Committee of the Whole: "An Act Respecting Civil Defence."

DR. POTTLE: Clause two—Amendment "In this Act or any other regulations made thereunder."

The Committee rose and reported having passed the Bill with no amendments. Ordered to be read a third time on tomorrow.

Bill read a second time. "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment Issues by Town Councils."

MR. FORSEY: Mr. Speaker, when the Commission of Government introduced the idea of Town Councils they instituted the policy of giving Town Councils special grants for particular projects in those areas. Over the years I think they disbursed in that manner something between three and four million dollars. It is now proposed in the case of certain of the larger towns to discontinue that policy and instead with these various town councils to have a revenue producing project which when installed will enable the particular town council to be

weaned away from Government special grants. The Government proposes by this Bill to authorize the guarantee of bond issues by the Town Council. Actually if the servicing of the bonds for a particular town council, that is the sinking fund and the interest amount to \$5,000 the town council provides to meet, at least at a maximum, half of that amount and the Government provides up to the other half. The principle of the Bill as I say, Mr. Speaker, is contained in the text and I move the second reading.

MR. RUSSELL: I regret very much, Sir, that I have to express my opposition to the principle of this Bill. I may be wrong in continuing what the Minister of Supply said just now regarding the principle of the Bill. If the principle of the Bill were as simple as that outlined in the copy. There is nothing wrong in principle with the Government granting a guarantee of interest and principal in part of in whole of bonds issued by Town Councils but the principle here, it seems to me, is a little more serious than that. The question is not so much who is in favour of guaranteeing a bond issue or the principal on it or the interest to any particular town council but whether or not we are going as a House to be willing to give to the Government what would amount to a sort of a blank check so that the Government would be in a position to guarantee bonds here and there as it seems fit without having to come for prior approval or come later on to the House for ratification. I am not going to refer to other bills as it is out of order to refer to them without reopening any argument on them, but it is a well known fact in this House that we have been asked to approve guarantees that the Government had made in

the past or contemplated making. And I have heard some honourable member give notice he is not going to be bound to support each and every such guarantee for application. Now, Sir, if a Bill like this goes through it seems to me too late then to talk about whether or not we agree with the specific uses the Government made of the powers given to them.

It is not a bit of good to give power to do certain things and later making a terrible uproar about someone's salary or some loan made by some board that is for a proper purpose or not. A lot of that, to my mind, is all nonsense,—all this we are arguing about or trying to regulate. The House gave the Government the power and if we pass this Bill, Sir, accepting the principle it is no good next year going out from this Assembly and asking some questions framed like this: To ask the appropriate minister just what bond issues, for what town councils and for what purpose voted and to what extent the Government guaranteed? And from time to time here in the event that some money becomes payable under section 4 there will be some criticism for this Bill passed and if I voted for it I should later on feel that if the Government guaranteed a bond issue and finally had to close it out I would have no right to criticize. Mr. Chairman, the whole subject of guarantees is far too important to bring up in rather insignificant measure of this sort. I am going to cut my remarks short by just saying I think the principle here is a principle with which we may become fairly well acquainted, asking the House to give away powers which the House and the House only, to my mind, should have; to give them to the Government so that it will be able to say at any time—a long one,

I hope—that the Lieutenant Governor in Council may from time to time appropriate funds from the consolidated revenue fund for such purposes and there would be no need for the House at all. As a member of the House I feel I have a responsibility and I feel I should weigh every case brought to my attention where public funds are to be either spent or involved and I consequently doubt that I have the right to delegate that authority or responsibility to the Cabinet and as a member of the House I demand that I and the House be cognizant of every matter; I want to know when the Government guarantees a bond issue or part of one to a town council, what town council, the financial status of the town council whichever one it might be, their ability of eventually maturing it, the purpose for which they need it. I want to know all this as a member of the House and I feel it is my duty then when I know all these things to judge as to whether or not I agree. I don't think I am unjust and otherwise I would be shirking my responsibility as a member of this House. If I am permitted to make the motion now I move the adjournment of the debate as I would like to continue tomorrow for a few moments.

MR. CURTIS: I second that motion.

MR. SMALLWOOD: I move the remaining orders be deferred and the House at its rising adjourn until tomorrow, Wednesday, at 3 of the clock.

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WEDNESDAY, June 6, 1951.

The House opened at three of the clock.

### Presenting Petitions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, for some days past, representatives of the fishermen and the fish merchants have been meeting in St. John's to discuss prices which the fishermen should receive for fish produced in 1951. These meetings were held at the Newfoundland Fisheries Board at the request of the Salt Cod Fisheries Association and invitations were extended by the Board to the Fishermen's Organization, and the Trade too had representatives present. These meetings did not succeed in establishing prices which the fishermen's representatives felt they could recommend to the fishermen or the Federation representatives feel they could recommend to the merchants. No agreement could be reached. The later meeting held at the invitation of the Newfoundland Fisheries' Board was equally unsuccessful in establishing prices which the various representatives felt they could recommend to those whom they represent. The fishermen's representatives felt the fishermen would need to get \$12.50 for small Maderia and so stated. It was agreed, however, to recommend to the fishermen an opening price of \$11 for Maderia on the undertaking that the subject would be examined again on July 25 and every month thereafter. The merchants' representatives would not agree to \$11 as an opening price for small Maderia but offered to recommend \$10.25 instead. This the fishermen's representatives refused to accept especially as they had been informed that some outport merchants intended to pay \$11 as an opening price for small Maderia this season.

The representatives of the fishermen and the merchants met this forenoon for another attempt to come to

an agreement, but no agreement was reached. The merchants' representatives stated they could not recommend more than \$10.25 as an opening price and the fishermen's representatives stated they would not recommend a price lower than \$11 a quintal to open with. The Government know as much as the merchants about the prices paid for fish to fishermen last year and the prices received by merchants when the same fish was sold in the markets.

In a few weeks time the Government will have received a full and detailed report by the Royal Commission who have been investigating last year's prices to the fishermen and the merchants. The Government are aware that market prices are expected to be brighter than last year. There are only about 12,000 quintals still left unsold from last year's catch whereas a year ago there were over 200,000 quintals still left unsold from the year before. Not very often in the past, at this time of the year, was Newfoundland so bare of unsold fish as she is at this moment. The prospects for successful marketing are brighter than last year and the Government are fully aware that even if the market prospects were no better than last year, \$11 could be paid for small Madeira as an opening price this year. But there are even better prospects than existed last year and even if they were not better the merchants could without difficulty or hesitation agree to pay \$11 for small Madeira this year. The Government have given the closest possible attention to the situation and do not hesitate to express the frank hope that the merchants will agree to an opening price of \$11 subject to review on July 25, 1951.

A year ago, speaking for the Government, I stated the Government considered it to be their duty to see that undue profits were not made on the fishermen's fish, and that was not an idle promise, as shown by the fact that we appointed a Royal Commission to find out exactly what was received by the fishermen and what was received in the markets. The Government feel that they have still that same duty to perform and when the full report on last year's fishery is received it is our intention, should the need arise, to order another inquiry into prices paid this year and the profits made on fish with the purpose of taking the same action as may be taken on the report of last year's transaction. The Government are unanimously convinced that the fishermen should receive a just price for their fish and the merchants a just profit, and it is our intention, as far as our authority will permit, to see that both receive a just price or profit.

MR. VARDY: I have the honour, Mr. Speaker, to present a petition from some seventy-five residents of the community of Kilbride in the District of St. John's West praying that consideration be given that a hydrant be placed on the waterline at some convenient place as an emergency water supply in the case of fire in that district or vicinity. In presenting this petition I would say it is rather an unique suggestion while it is not a matter of very great moment involving any great amount of expenditure to have a hydrant placed there for the convenience of a large group of residents of that particular district who desire to have their property protected, it is unique in this respect, that same petition was presented as far back as 1944 to the then Commissioner of Public Works.

Apparently the request became side-tracked though I do understand there is a fairly strong sympathy in the Department but nevertheless it has not been possible up to the present time to have any action taken on it and the residents are very much concerned, Mr. Speaker, over the situation that exists in their particular locality especially in view of the fact that the number of buildings and residents in the particular community are increasing very rapidly and thus the hazard of a serious fire as a result of which they would be completely wiped out is adding to the concern. In presenting this petition, Mr. Speaker, I have very much pleasure in tabling it and asking that it be referred to the Department concerned and I urge that all possible be done to have a hydrant placed in that particular location.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I have much pleasure, Mr. Speaker, in supporting this petition. I am well informed of the situation and I endorse everything my honourable colleague has said. It was made incumbent upon me since being a member of the Government and representing the district of St. John's West to call to the attention perhaps in an informal way of the Public Works Department and not directly, on the first occasion, but on one occasion I had called the attention of the honourable Minister of Public Works in a rather informal manner and I feel that he is seriously interested, or at least interested enough that he will acknowledge that the request is not an unjust one. I have much pleasure, Sir, in supporting the petition and hope favourable results will accrue.

HON. E. S. SPENCER (Minister of Public Works): Is it in order, Mr.

Speaker, for me to have a word in connection with this petition? As the honourable member for St. John's West said a moment ago this situation is very well known in the Department of Public Works. It may not be well known to the members of this House generally or to the public that this community referred to lies just outside the City Limits of St. John's and there are no servicing lines there with the exception of a private line brought from some of the little lakes on the South Side to supply water to the Mental Hospital and to the Sanatorium. There has been during the past number of years, I don't know how far back, numerous requests on the part of private citizens along this road to be permitted to tap that line all of which I suppose have been considered. But it appears the Engineering Department are not satisfied that the supply is sufficient to warrant putting in additional connections for all and sundry who apply. The matter of this fire hydrant is one which the Department will consider very seriously. We must, however, be guided by the knowledge of the Engineering Department who are cognizant of the facts and of the need of the supply for the institutions referred to. There is no intention or no desire on the part of the Department of Public Works, I may say, to refrain from granting the prayer of this petition providing that the supply is sufficient and will not in any way interfere with the supply for the Mental Hospital and the Sanatorium. I merely felt that in the light of the facts of this petition presented in 1944 which is one of many perhaps that received scant attention, or at least which the Department apparently found it would be unable to grant, and it is only natural it would

now come up when we, the representatives of the people, have to deal with it. As far as the Department is concerned, Mr. Speaker, we will give the utmost consideration to this petition and it will depend, as I have already said, on the report of the Engineering Department responsible for the water supply for those institutions and we will be happy if the prayer can be granted.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notices of Motions and Questions

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act to Incorporate the Newfoundland Federation of Fishermen."

MR. SMALLWOOD: I give notice, Mr. Speaker, that I will on tomorrow ask leave to introduce a Bill "An Act Respecting the Public Revenue, the Raising of a Loan Authorized by the Legislation and the Auditing of Public Accounts," which is more familiarly known as the "Audit Act."

I also give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Income Tax Act, 1950."

MR. SPEAKER: The honourable the Premier asks leave to introduce a Bill "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited."

MR. SMALLWOOD: Mr. Speaker, I would be very frank and tell you this was second reading and it has already been given first reading. I wonder if the House would permit

me to move second reading today, not in the least with any intention of rushing or hurrying anyone, but my purpose would be merely in moving the second reading to explain the Bill and deliver some remarks that would assist the House to understand the Bill and then to hold over the debate, not to proceed with the debate today, but merely begin the second reading today and enable me to explain the Bill so that members of the House may perhaps more readily understand what it is all about and therefore be able to give the Bill more consideration for the purpose of their contribution to the debate. For that purpose and no other, merely that I explain the Bill but not proceed any further with the debate, I ask the House's permission to give it second reading today. I must say the hope of an adjournment this week as far as I am personally concerned has been abandoned. I do not see any hope of prorogation of the House this week. This Bill is very important and requires considerable thought and study by the House and we have other Bills as well.

MR. JOHN G. HIGGINS (Leader of the Opposition): I have no objections, if I may be allowed to say, a second reading is all right today providing this Bill is not rushed through. Looking at this Bill it strikes me that it could not be gone through without two or three weeks' study—each paragraph needs study. It is by no means an easy thing to understand, and I imagine, I say this deliberately, it must have taken the lawyers months to prepare, it is most complicated and difficult and we should be given plenty of time to go over this and I don't think it will be finished for weeks yet. It is

a serious Act and it would take us weeks to go through and appreciate it.

MR. SMALLWOOD: Mr. Speaker, I am very proud indeed to have the privilege on behalf of the Government to move second reading of this Bill. I think it is one of the most important pieces of legislation ever brought into this Chamber, and I say that with the full knowledge of the very great importance of many pieces of legislation brought in here in years gone by. Certainly it is, I think, the most important piece of legislation yet brought to this House by the present administration and I am personally very proud indeed that it should fall to my lot to introduce it.

Now, Sir, the House and I, possibly the Province are fairly well aware of the fact that this Government have taken more than usual interest in a programme of economic development. Indeed we place economic development in the very forefront of our policy and intentions. As a Government we regard the Economic Development of Newfoundland as being paramount and as deserving more attention and energy than any other function of this or any Government in Newfoundland possibly deserves at the present time. The present Bill is brought before the House in line with the Government's policy and programme of economic development. It is part and parcel of our policy, it is, I submit, a necessary part of our programme. Now, Sir, it is a matter of very great regret to the Government and I believe to the House and to the people in Newfoundland that former governments placed so little value on the public domain. Huge tracts of public domain were given away to private interests and to private individuals for nothing or next to nothing.

Those members of this House who were members of the National Convention will remember the dismay of many of us in that Convention to learn of the huge slices of our public property that had been given away almost literally for nothing, huge potential hydro-electric powers, alienated from the Crown for payment of one pepper corn; huge tracks of valuable timber land given away in fee simple for nothing and unconditionally, so that at this moment while I speak there are in Newfoundland and Labrador great areas of what was formerly public property, belonging to all the people of Newfoundland, which no longer are public property but have been given away for literally nothing or next to nothing by former governments running back for half a century and more, which are today owned by private interests who are not required to develop them and who sit on them doing nothing, and allowing no one else to do anything to develop them. A most depressing proportion of the public domain has been alienated from the people—I will not go so far as to say cheated from the public—but certainly alienated without due thought and without due recompense to the public. This Government, however, for some time past has been giving very considerable thought to the recovery to the Crown of all alienated public property both in Newfoundland and Labrador, and we have been taking legal advice in that matter and have strong hopes of bringing legislation in here to remedy at least in part the terrible blunders in that regard in the days gone by.

Now, fortunately, not all of the public domain has been lost to the public, the people of Newfoundland; the Crown in short, still owns very large and very important tracks of

public lands containing very valuable timber stands, very valuable water powers, and we hope and we believe, extremely valuable deposits of minerals, and the question naturally arises what can be done to bring these under development, or to develop these natural resources, of the people of Newfoundland, to bring them into development or production? To that question this Government has given a great deal of thought. Now last year we spent, on authority of this House, some of that authority was given beforehand and some of it subsequently, a grant of a total of probably something more than half a million dollars out of the public treasury for what we call economic surveys. That is to say in some attempt at measuring some of the natural resources still left in the name of the Crown.

This year we will have spent by the end of the year, another quarter of a million dollars and next year if we spend less than a quarter of a million dollars we would not have done much. But I suggest, Mr. Speaker, that it is in fact beyond the financial capacity of this or any Government in Newfoundland to go on spending such huge sums of public money on these various economic surveys, badly needed as these surveys are. Because the House is thoroughly familiar with the fact that it is precious little that we know about the actual extent or character of the natural resources that are still left to the Crown because so little has, in fact, been done in days gone by to find out just what we have and what would be needed financially speaking to procure profitable development of them. This Government, last year, with great boldness set forth on a policy of such surveys and spent, as

I have said, more than half a million dollars of public money which was the largest sum spent perhaps in that one year than had previously been spent in twenty-five years before we came into office. But, Sir, it is, I submit, beyond the sound capacity of this Government of Newfoundland to go on spending money at that rate each year and in short, in other parts of the world that kind of expenditure is normally paid by private enterprise.

It is the practice of most large, profitable mining corporations to set aside approximately 10% of all their profits to be spent in the further search for minerals and I doubt not that the great mining companies or corporation of the United States and Canada among them spend each year, and more particularly these recent years, sums running into hundreds of millions of dollars a year of their profits in the search for further workable deposits of minerals. Very little of that is spent in Newfoundland, that is why last year the Government of Newfoundland so boldly spent half a million dollars of public money in a drive to measure some at least of the minerals and water powers potentialities of this Province. Now we had in the back of our minds the hope that at least one result of last year's survey would be the discovery of new potentialities in those areas surveyed to interest private capital in the possibilities of this Province.

But, Sir, the Government have in addition to this work they may do by way of economic development, also a staggering amount of work to do in other directions. Perhaps the work the Government have had to do in the past two years is more diversified and rather heavier than earlier governments had to do because of the

fact we have become a Province and a large number of new matters have cropped up. Certainly it is a great burden and a very great strain on the Government to have to give so much of its time and its energy to both classes of work; on the one hand a greatly increased volume of ordinary public affairs and on the other hand an unprecedented amount of time and energy to this great drive to bring about economic development.

And so, Sir, it has occurred to us as a Government that it might be sound if the Government created and instituted a weapon, an organization through which in matters of economic development it might operate and thereby place the actual negotiations of new industries one step removed from actual intimate Cabinet activity into the hands of a separate and semi-independent organization altogether. In short, after considerable thought about development bodies of one kind and another which are known to exist in various parts of the world or to have existed in the past, after considerable thought about the famous East India Company, the Great Hudson Bay Company and other famous and some of them infamous, I am afraid, notorious development organizations that have existed in the past in various parts of the world; after considering indeed a large number of possible ways to go about this business of economic development, the Government came at last to the idea of creating a development corporation which should be not merely another Department of the Government, not merely another public body nor for that matter a mere private company, a mere capitalistic enterprise but a combination of the two.

That is to say we came to the conclusion that the wisest course we could



pursue was to organize a corporation in which both the Government and private enterprise might unite in some form of partnership for the carrying out of these aims. And what we have here in this Bill today is a Bill that would incorporate a corporation to be known as the Newfoundland and Labrador Corporation. The mandate of the corporation is set forth in the preamble. In short, Mr. Speaker, the general and broad purpose of this corporation are identical with the broad purposes of the Government itself and I have no doubt of the House itself, because it must surely be the desire of all of us to bring about economic development of this Province and raise the standard of living of our people and these are the purposes set out in the very front of the Bill as being the purposes for which this legislation is created, this Corporation. In short that is the broad mandate that this corporation would receive from this legislation, a mandate to develop Newfoundland and help thereby to raise the standard of our people's living.

Now, Sir, I have no intention whatsoever today to go into all the multifarious details of the Bill itself, rather, I think it would be useful if I tried to explain its proceedings. First may I say this, if the Government set up a corporation to develop Newfoundland which of course includes Labrador to develop this Province and own that corporation wholly then that corporation would be something very largely in the nature of state socialization. I don't think there can be any room for doubt on that. We would then have state socialism in effect in Newfoundland, that is to say a corporation wholly owned by the State and industries and other economic enterprises, that would in deed

be state socialism. Now, on the other hand, if we were to assist in the creation of a private corporation wholly owned by private enterprise we would be doing precisely the thing set down further along in this same Bill, in the granting of the concessions that the Bill has in mind and the Bill sets forth precisely the things for which we have so roundly condemned Governments of the past. Therefore I point out that in the first place this Corporation is neither a Government corporation nor a private enterprise, it is a combination of the two.

In the second place, the corporation is to have an authorized capital of three million dollars of which one million dollars are to be subscribed forthwith but with authority to sell the remaining two million dollars of its shares or any portion thereof. So that it would begin with a capital of one million dollars cash in the company's treasury. Now, Sir, of the one million dollars to be provided for the purpose of one million shares at a dollar a share the Government itself will purchase nine hundred thousand of the million shares by paying a dollar a share into the treasury of the Corporation but what of the other one hundred thousand shares? These too are to be sold but not to the Government of Newfoundland. These one hundred thousand shares are to be sold at the same rate naturally, a dollar a share, by the corporation to certain private interests whom I will now proceed to describe.

These private interests are namely three corporations, two American and one Canadian. One of the two American Companies, namely Harriman Ripley Company of New York, happens to be one of the greatest finan-

cial houses in all of the United States of America and therefore one of the greatest of the world. The other American firm, the Cement and General Development Corporation is neither as large nor as important as is the firm of Harriman Ripley & Company; the Canadian firm is the firm of Wood Gundy Corporation who are the largest bond house in the Canadian Nation; larger than Dominion Securities, larger than Ames Co., larger indeed than any other financial house in the Dominion of Canada. And a firm, I may say, in very close touch with close financial association with the Wall Street firm of Harriman Ripley & Company, indeed each is the other's correspondent in Canada today, Wood Gundy Corporation is the Canadian correspondent of the Harriman Ripley and in the United States the Harriman-Ripley are the American correspondent of Wood Gundy Corporation and the two work in very close financial association. Now, I cannot describe the firm of Harriman-Ripley as being in the United States what the firm of Wood Gundy are in Canada, for Wood Gundy are the largest firm of their kind in Canada, whereas Harriman-Ripley are only one of four or five largest firms in all the United States. It will give the House some idea, however, of the size and importance of the firm of Harriman-Ripley of New York when I name some of the industrial giants of the United States who have been financed in whole or in part by this firm of Harriman-Ripley. Merely to recite the names of those firms is to recite a catalogue of American industrial and financial might, because these are names that are household words virtually throughout the world: American Locomotive, American Tobacco Co.,

Amco Steel, Bethlehem Steel, Continental Can, Dominion Chemicals, Dupont & Co., Eastern Airlines, Eastman Kodak, General Foods Corporation, General Motors Corporation, B. F. Goodrich & Co., Gulf Oil, Maceys, Pan American Airways, Shell Oil, Standard Oil, American Telephone and Telegraph, (these are only some of the companies). There, Mr. Speaker, I have shown, more or less at random a mere handful of companies from the pages of names of some of the greatest industrial and financial projects of the United States. So that this firm of Harriman-Ripley are admitted undoubtedly to be one of the largest of the world and how large they are can be seen in the fact that between 1934 and the end of 1949 that firm had raised or assisted in raising twenty-eight billion dollars of funds, without including the operations of last year or those of this year. Last year for instance this company financed the building of the railway in Labrador from Seven Islands to Nobb Lake at a cost of one hundred million dollars.

Now, the other company is the Cement and General Development Corporation which is a much smaller concern but it so happens that Cement and General Development was the first American Company with whom the Government came in contact and through that Company the Government came finally in touch with the firm of Harriman-Ripley. The Cement and General Development Corporation of New York were established by three men who are exceedingly well known: The late Edward R. Stettinius who was ambassador to the United Kingdom, I believe. General Donovan, better known to most of us as the Head of the Cloak and Dagger Office of the United

States special services, whom the Attorney General and I had the pleasure of meeting a number of times in New York in recent months, and Sir William Stevenson, the gentleman who in the late war was head of British Intelligence and Intelligence for the whole of the Western Hemisphere. He is a close personal and intimate friend of Mr. Winston Churchill and during the days of the last war he crossed the Atlantic forty-seven times to confer privately with Churchill, in the midst of world war two. There is one other director in the corporation in the person of Mr. Lytton B. P. Gould of New York, an independent financier who has been of very great service and value to the Government in all its negotiations.

Now, all of these companies between them will buy in the aggregate ten percent of the shares of this Corporation and the remaining nine hundred thousand or 90% being bought by the Government itself and the ten percent is split between these various corporations in certain proportions which will have the result of giving Harriman-Ripley and Wood Gundy, two companies so closely associated undoubted and undisputed control of the minority interest of the ten percent. In short the two between them will own, I believe, something between sixty and seventy percent of the ten percent.

Now, the Corporation will have its head office in the city of St. John's and would have a board of directors numbering not fewer than nine and not more than fifteen. The directors at the commencement of the Corporation and until the first actual meeting is held will consist of the following: Hon. Leslie R. Curtis, Dr.

Valdmanis, Chesley A. Pippy, Eric A. Bowring, H. M. S. Lewin, all of Newfoundland, and Claude S. Richardson of Montreal, Lytton B. P. Gould of New York, George M. Mackintosh, New York, and Colonel Harold S. Griffin of Halifax, together with the Premier of Newfoundland who happens at the moment to be the person who is speaking now. The Premier for the time being of Newfoundland is to be Ex-Officio Chairman of the Corporation. To that clause we are going to move an amendment providing that the Premier for the time being is also a director of the Corporation or insert the Premier's name, by name, in section 2 which legislates the names of the directors of the company for the first period of its life until its first annual meeting when perhaps a more permanent directorate would be elected. So that this Corporation with a million dollars subscribed capital in its treasury with head offices in St. John's and with the directors that are named would set up in business for the purpose of procuring and promoting economic development in this Province and the House may ask what development can they do with a mere million dollars, can they start a paper mill, how much can they start with a million dollars? How can they set up industries and enterprises, how many industries can be initiated with this total subscribed capital of one million dollars? That is a fair question deserving of a fair reply. It is not the intention that this development corporation may itself necessarily initiate and own and operate any individual industrial enterprises. The purpose of the Corporation is rather to promote and procure economic development by operating through other companies and

bringing them into Newfoundland with their capital.

Now, it may be asked what other reason could the Government have besides the one I have already named for permitting private enterprise to purchase ten percent of the shares of the Corporation? What other reason besides the one I gave, namely if it were not so it would be a wholly owned by the Government and would be a striking example of State Socialism in operation. Besides that reason the Government considered it to be valid and accurate that besides that there is another good reason why private enterprise ought to be permitted to buy in at the same price, ten percent of the shares of the Corporation and the reason is this: Harriman-Ripley and Wood Gundy have connections of their own, corporation connections and personal connections throughout the United States and throughout the Dominion of Canada which if used in Newfoundland's behalf can be of incomparable benefit to this Province. Mr. Joseph P. Ripley, the President of Harriman-Ripley, told us very frankly, without thinking very much of it and not at all by way of inducement or enticement or promise, that he is the director of a large number of Corporations throughout the United States including a West Coast Pulp and Paper Mill and is very intimately acquainted with the paper mill industry. He says quite frankly: "How do you want it done down there, what have you got, you want developed? Is it pulp and paper, is it minerals? Who would you like, what companies do you want, what have you got? What timber companies do you want? We can get you any of these companies if you have anything down there. They are all interested in the

possible development, they are all looking for something to buy themselves into if you have anything worth developing." The same thing applies to Wood Gundy. By bringing those two great firms into this Corporation as shareholders and partners we secure from them an interest in Newfoundland which we think we could not hope to secure in any other way.

Now, Sir, let us assume for argument's sake that this corporation is so successful and profitable that it makes and is able to declare a dividend of not less than one hundred percent per year, and that this corporation that declares a hundred percent dividend, let us assume they do actually that, what then can the firm of Harriman Ripley and the firm of Wood Gundy for example expect to make? They expect to make \$50,000 to \$60,000 a year. And the House has to ask itself why the firm of Harriman-Ripley is interested in lending its name to a corporation and lending one of its principal officers to be a director, in buying shares in the corporation, of being publicly identified with such a corporation, to do all that for a dividend or a profit of \$50,000 which is a hundred percent dividend a year. I suggest to the House that what is attracting Harriman-Ripley and Wood Gundy is not the mere dividends or profits on their investment they make in the development corporation, there is and there must be some other inducement to attract such great firms into this partnership with the Government of Newfoundland and what attracts them is this: The opportunity that will come thereby to do financing. That is their business, financing companies, financing corporations, financing governments, financing mines, financing individuals, but they would

have to be very important individuals. The firm of Harriman Ripley is noted particularly for this; they are not the ordinary or conventional financiers that sit behind ornate desks and wait for customers to come in. On the contrary they are noted by all American financial houses for the manner and degree in which they go out to promote business, to create interests. One example of that occurred last year with the timber kings of the world who are making millions out on the coast of British Columbia, one of the timber kings of the world there has a vast lumber empire, dealing only in lumber, but there is also beside it a great pulp and paper mill and there was a lot of wood in pulp that would have been wasted for high price lumber and a lot of lumber that could have been used for pulp. Harriman Ripley sized up the situation, moved in and as the amalgamation of the two companies required financing, the financing fell to Harriman Ripley. That is where they made their money; so that as shareholders in this development corporation if they are to make any real money it must be by the financing they are called upon to do in any of the companies or corporations which will be created by this new development corporation. Now, I asked the question a moment ago, what assets would this corporation have? They would open offices in St. John's with the fine name, The Newfoundland and Labrador Corporation. They might have very fine offices and very fine directors and a million dollars in the treasury, and that is not a million to spend, because the Bill provides that half is to be put aside as capital surplus and not to be spent as ordinary capital expenditure so that in fact they have a half million dollars in

cash to spend. What assets would they have? None at all unless the House gives them assets and the Bill asks the House to give that corporation certain assets and the assets which the Bill asks the House to give to the Corporation is public domain, public land running up somewhere between five thousand and ten thousand square miles containing timber, minerals and water power. Now, when I say "give" I do not mean to part with the title. It is quite contrary to the policy of this Government to part with title to any land with a few exceptions. We do grant land absolutely, absolute title to land for cemeteries, for schools, for churches and for farmers but no others. We have not given title to one inch of land since taking office except for these purposes. Our policy, as I say, is to retain the title to the public main in the Crown and not to alienate title to any more public land. The Bill does not ask the House to give between five and ten thousand square miles to this corporation but rather to give to them or grant to the corporation a lease for 99 years to these lands.

Now, as I have already said, if they were a private corporation wholly owned by private capital this would be the last Government conceivable that would come into this House and ask to have land granted even for 99 years and recommend the lease of between five and ten thousand square miles to a private corporation. That would be the last thing this Government would do. But it is not a private corporation, it is a public company, a British Corporation, a Crown Corporation. Under Canadian law and in Canadian Taxation Law it is a corporation owned as to not less than 90% by the

Crown, and the House may see some significance in that parallel here, a corporation that is owned 90% by the Crown, and there is a Canadian Tax Law which says a corporation which is owned as to not less than 90% by the Crown is exempt from the payment of taxation and if the House sees any striking similarity in those two facts or any connection I cannot prevent the House from seeing it. At all events it will not be subject to Canadian Government Taxation nor will any of its subsidiary companies, provided those subsidiary companies are wholly owned by the Crown Corporation. And it may well be that this development corporation will have one or more wholly owned subsidiary companies. It may well be that it may have one or more subsidiary companies owned only in part and it may be that they will set up subsidiary companies which they will not own in whole or in part. The hope is, and the expectation is, that as a result of our setting up this corporation, this House setting it up really, will be the realization of a considerable number of other companies who will do the actual work.

Now, I come back, Mr. Speaker, to a point made here a few moments ago when speaking of huge sums of money which were spent by the Government last year in surveys and exploration and the rather huge sums which are to be spent this year. Half a million last year and a quarter of a million this year and it may be greater next year, a million dollars hard cash taken from surplus in three years. I have said we cannot afford it, badly needed as it is, badly as it is needed to be done it would perhaps become too rich for our blood as a Province, as a Government, to be doing with public money what is normally done in

other parts of the world by private enterprise and so one of the principal purposes of this Corporation is to get private enterprise to spend on exploration and on surveys the money which will have to come out of our public treasury. If this corporation can get firms such as Andoconda Copper, American Metals and other industrial giants to come into Newfoundland with geo-physical prospecting apparatus and air-borne magnitometers and all the other modern means of discovering minerals at their own expense we can accomplish two purposes. First, save the money to the public treasury, and secondly, we can produce development or at least the corporation can produce development because it is not very likely these companies will come into Newfoundland and Labrador and spend considerable sums looking for minerals and other natural resources to be developed. It follows as sure as day follows night that they will develop those resources so that by means of this corporation and the connections which are thereby created with these American and Canadian Firms we fully expect to bring into Newfoundland and Labrador a rather considerable number of important American and Canadian concerns for the purpose of prospecting and doing with their own money what hitherto we have been doing with public money drawn from the surplus. Now, I want to emphasize this point that the Crown Corporation starts off as a Crown Corporation and remains a Crown Corporation. Of the one million dollars worth of shares to be subscribed at the outset the Crown will subscribe nine hundred thousand dollars and any part of the million remaining, authorized capital subscribed will be subscribed in the same proportion

or it will not be subscribed, that is to say it will always be a Crown Corporation so that if the House passes this Bill into law and grants to the Corporation these tracts of land in Labrador and Newfoundland for 99 years it will not be passing these Crown properties over to a private company but rather to a company which is a Crown Corporation owned as to no less than 90%, it may be more, it will never be less, by the Government of Newfoundland itself.

And the question the House has to determine is this: Is it worthwhile? Is it a good bargain for Newfoundland? Owning as she does now these five to ten thousand square miles, all of them, is it good business to begin by owning one hundred percent and end by owning ninety percent? Is that good business? Is it a bargain for Newfoundland? Why should we give the right to these private companies to buy ten percent of the shares and therefore draw ten percent of the profits the Corporation may make? Is that good business, what does Newfoundland get out of it? Now, if all we got were the one hundred thousand dollars that they would pay for these shares going into the treasury of the Corporation that would be very poor business. We would be foolish. But that is not all we will get. For giving them the right to buy ten percent of the shares and therefore to take ten percent of the profits what we get is a partnership with two of the greater financial houses in North America. The Government are quite convinced that that is good business for Newfoundland and that that will pay handsome dividends to Newfoundland. The Government are quite convinced that by having Harriman Ripley and Wood Gundy become partners of ours in

this Corporation we will thereby bring into Newfoundland, Canadian and American Corporations which otherwise would not come or if they did, would come only after many months and even years of enticement on our part, corporations who will bring with them their own money to do their own exploration and their own surveys and then, if and when they find something worthwhile, develop with their own money. Now, how in that case does the Corporation make their profits? If the Legislature votes to give this Corporation public lands running from five to ten thousand square miles in area in Labrador and Newfoundland for 99 years the corporation will do one of three things: In the first place if any part of that area is not developed, the Government can develop it any time it wishes to do so, that right is preserved in the Bill. Secondly they will either develop it or if they don't we are still in the same position as we are now when we just began. Now, with regard to anything they develop they will do it in a number of ways; they will themselves develop it by setting up a semi-owned subsidiary by coming perhaps to the Government for a guarantee of bonds and one million is provided by the Government so that they may guarantee the corporation bonds up to a maximum of ten million dollars, and if it goes over that, call the House together and lay the request for further guarantee so that the Corporation might develop an industry by creating a wholly owned subsidiary which would be tax free as the Corporation is tax free or it might create an industry by a subsidiary company partly owned by the Corporation and partly by private enterprise or might promote economic development by setting up or prob-

ably suggesting the setting up of a corporation none of whose capital was subscribed by the Corporation at all. But in either case the industry concerned is set up on the basis of public lands, minerals and water powers or timber which this House would have ceded to the Corporation and apart altogether from any taxation applied to such industries, taxation of general application, apart from such taxation which would flow directly into the treasury, the Corporation itself would have its own revenue in the form of royalties on the raw material that were being used up in the industries concerned.

Now, Mr. Speaker, I think perhaps I have covered all the essential points in this Bill and I am quite certain that never was anything introduced into this House which got less acclaim from the newspapers. I have watched with great interest the gentlemen of the press who listened with appreciable interest and not a pencil was working and I am curious to know what the public will be able to read tomorrow about this proposition. I know newspapers myself, and I know a story when I see it if others don't. But we are not dependent on them, we are dependent on the people of Newfoundland and we have our own ways of reaching the people. Now they write, they think that is news. That is intelligent that is easy to understand.

Now, there are two other points of great importance in this Bill to which I ought to refer. There are two vetoes, one an over-riding veto enjoyed by the Government, by the Government Directors on the Board of the Corporation. Not alone has the Government a majority of the stock and a majority of the directors, but

the Lieutenant Governor in Council as such has the power of veto over all the transactions of the Corporation. In short if the House is apprehensive of the effect of the voting of large tracts of public domain to a corporation owned ninety percent by the Crown, on whose board the Government has a majority of the directors, lest someone in that corporation would make some misuse of these resources ceded to them, leased to them, these apprehensions can be put aside because the final veto is exercised by the Government itself. Now, that is one veto that is an over-riding veto which the Government exercises throughout to the whole of the Corporation. The other veto is enjoyed by that director who represents the majority of the minority, in short that means Harriman Ripley. And the veto is in section 10 (a) page 13. In other words the director who represents the majority of the minority shall have consent thereto by him, through him in writing, signed by him and delivered to the Corporation. Now, the reason for that is this, at least the reason given to us by Harriman-Ripley and it appears to us to be reasonable and fair; Harriman-Ripley for the first time in their lives are partners with a Government which is most novel, certainly unusual for a Wall Street financial house to find itself in partnership with a Government in a corporation and furthermore partners representing only a minority or a majority of the minority altogether owning only ten percent and they say: What if the Corporation, because the Government has a majority of shares, a majority of directors and an over-riding veto; what if the Government decides to bring in some enterprise not of an economically sound character? An



enterprise with which we disagree, which we believe to be unsound, are we then to be dragged into it by the Government of Newfoundland; forced to go along with an enterprise which we don't agree with? Then again they asked something like this; it is a Government, an elected government—and I must say that the experiences of most financial houses in New York with governments in the United States in recent years has not been a particularly happy one and they have had particular reason to be uneasy in their minds with regard to how governments may behave in relation to them—They said an elected government may allow political considerations to interfere in their thinking in connection with their starting of this or that company or this or that enterprise. Suppose, they said, the government orders the corporation to start an industry in, say Kelligrews when it should be in Manuels, and they do it for political reasons and we as a reputable banking firm are forced to go along with an enterprise which is not sound in a business sense but may be sound politically. So they asked for that veto that except in regard to industries relating exclusively and pertaining directly to timber or mines, in these they have no veto, in timber or minerals, paper mills, saw mills, pulp mills, logging operations or any kind of mining, excepting these they shall have veto powers because the Government has many ideas of industries which might very well be started in Newfoundland other than big paper mills and mines and all Harriman-Ripley asks is that their director shall be, so far as it does not affect timber and mines, their director shall be satisfied that is is a sound project before the corporation can go along with it. That

is the extent of their veto. Now, Mr. Speaker, I don't know whether I have covered all the essential points but perhaps in the few minutes I have left it might be wise if I summarized and then moved the adjournment of the debate so that I might come back to it again in case tomorrow, in the interim, I think of some points I have not covered. I have no notes as the House can see and am speaking entirely from memory, extemporaneously and there may be one or two points so familiar to me that I don't see them today so that tomorrow I will resume the debate. Before adjourning now I will summarize:

The Government feel very strongly the need of an institution such as this Bill provides, an instrument through which we can act, can assemble a number of experienced business men who will act as a board of directors; a corporation which will receive and consider and act upon a variety and number of economic propositions which perhaps a government, a cabinet are not best suited to consider. The Government, I say, feel the need for such an institution. So that we are attempting in this Bill to create that institution and for which purpose we have asked Mr. Eric Bowring, Mr. C. A. Pippy and Mr. H. M. S. Lewin to act as directors along with our own Director of Economic Development, the Attorney General and myself, or whoever happens to be Premier from time to time, to serve as directors together with representatives of other houses, two from the Mainland of Canada and two from the Mainland of the United States. An organization served by such a board as that, with headquarters in St. John's and an authorized capital of three million dollars of which one million would be subscribed and of that 90% would be

subscribed by the Government would thus be a Crown Corporation. The intention is that it shall always be a Crown Corporation and if the House can devise any clause on that point to make sure there is nothing omitted that insures it will always be a Crown Corporation with never less than 90% of the shares then we would very heartily welcome any suggestion or any amendment which would achieve that purpose. The Government would have the right to guarantee the bonds of the Corporation up to a maximum of ten million dollars. The legislation cedes a 99 year lease to the Corporation on areas which are laid down here consisting mainly of something approximating toward five thousand square miles of those surveyed in Lake Melville area and another area of Labrador contiguous with the present holding, I emphasise the word present, of the Labrador Mining and Exploration Company in Newfoundland. The remaining portion unalienated of the five thousand square miles surveyed last year by the air borne magnetometer in the Notre Dame Bay area and then another area on which we are doing a survey this year, a sort of diagonal slice running roughly, putting it very roughly, from Cape Freels, diagonally across the Island in a strip which must be more than 10 thousand square miles altogether, about two thousand square miles in this area. That would be eight thousand square miles in Newfoundland and probably two thousand in Labrador. The actual boundaries are given in the Act. That these be leased to the Corporation, only leased, that they not be exempted from taxation of general application, I mean, of course, provincial taxation of general application generally applicable to things of like character will actually apply to these areas as well. That these areas are leased to

that Corporation but within these areas, any part of which they do not proceed to develop, the Government can still develop through somebody else, either directly or indirectly. It does not mean that once the House cedes these areas that from that time on no one but the Corporation can develop, that is not the case. It is there that, if and when the Corporation fails to develop, then the Government itself can do so directly or indirectly of its own violation or through other parties with whom they negotiate an agreement. In other words the Corporation can not sit on the area and do nothing and pursue a do nothing policy. Finally, I have to say this, I cannot emphasize too much, we found ourselves in the Cabinet for weeks on end viewing this Corporation as something apart from us, viewing it as if it were Morgan or Eaton or some other separate company and it took us quite a while to familiarize ourselves with the fact that it was still us, the Corporation is Newfoundland; it is the Government of Newfoundland because it is always a Crown Corporation and 90% and not less always belongs to the Crown and what we are parting with we are parting with to ourselves, merely shifting it from one pocket into another, with the exception that it comes out of one as 100% and goes into the other as 90%, and furthermore when we select people to buy that other 10% we selected people carefully chosen to be of tremendous assistance to Newfoundland in development of this Province. In view of the fact that all of us in the House are going down to a reception for Mr. Gardiner which begins at 5:00 o'clock, I move the adjournment of the debate.

Honourable the Attorney General asks leave to introduce a Bill "An Act

to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill "An Act to Amend the Restaurant Act, 1929."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

MR. SMALLWOOD: Mr. Speaker, I ask to have order No. 1 through 4 deferred.

Motion carried.

Third reading of a Bill "An Act Respecting Liability in Actions Where More Than One Party is at Fault."

Bill read a third time and passed.

Third reading of a Bill "An Act to Incorporate the Water and Sewerage of Greater Corner Brook."

Bill read a third time and passed.

Third reading of a Bill "An Act Respecting Civil Defense."

Bill read a third time and passed.

On motion, items 8 through 11 were deferred.

Second reading of a Bill "An Act to Amend the Trade Union Act, 1950."

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, this is a very short amendment and is brought about by the fact that we have sort of separated this Trade Union Act from the Labour Relations Act and in brief, it just gives the Minister the right on request from seven or more members of the union to ask

for an audit of the accounts and also in the old Act it said the Minister gives an annual certificate for unions. This amendment briefly will certify a union and that that certificate could be revoked at any time the Minister sees fit. That is the whole of it and I move the second reading.

Bill read a second time. To be referred to a Committee of the Whole on tomorrow.

Second reading of a Bill "An Act to Amend the Workmen's Compensation Act."

MR. BALLAM: This is also a very short Act, Mr. Speaker; in the Act of 1950 it says the Auditor General shall audit the accounts of the Board and we are amending the Act by adding the Lieutenant Governor in Council may appoint an auditor to audit the accounts of the Board and remuneration may be determined by the Board. Which means the Board may call or the Lieutenant Governor in Council may have an auditor audit the accounts of the Board as well as the general audit, when it is deemed expedient. That is the amendment, and I move second reading, Mr. Speaker.

Bill read a second time. To be referred to a Committee of a Whole on tomorrow.

On motion the remaining orders of the day were deferred.

MR. CURTIS: Mr. Speaker, a select committee was appointed to consider a Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland." This is a private Bill and I have discussed the matter with various members and it is the feeling of the Committee that there is no reason why this Bill

should stand over and be gone into by a select committee. I therefore move the rules of the House be wavered and then instead of having this report of a select committee, that it be referred to a Committee of a Whole House.

Ordered referred to a Committee of the Whole House on tomorrow.

MR. SMALLWOOD: I move the adjournment of the House until tomorrow, Thursday, at 3 of the clock.

The House adjourned accordingly.

THURSDAY, June 7, 1951.

The House opened at three of the clock.

#### Presenting Petitions

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Mr. Speaker, I beg leave to present a petition on behalf of a large number of business people on Water Street re assessment for pavement of Water Street.

I beg leave to move that this petition be permitted to be laid on the Table of the House for the consideration of the House.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I would like to make it clear that the petition brought before the House by the honourable the Minister for Provincial Affairs is brought before it presumably in his capacity as legislative representative for the district of St. John's West and not in his capacity as a Minister or member of the Government. It is the right of any citizen to petition the House and the petition is normally sent or handed to the elected representative of the

House for presentation by him. That the honourable Minister has done in his capacity as a member for St. John's West. It is not a Government measure, it is not a Government petition, but it is a petition to the whole House and I would imagine that the House would desire to consider and debate the subject matter of the petition. The petitioners are a sizeable proportion of the property owners on Water Street in the City of St. John's and I would suggest that this petition deserves some debate, some consideration by the House. What procedure they would like to adopt in doing that I do not know, that is a matter entirely for the House to decide.

MR. SPEAKER: The House may take the petition into consideration now or any day it wishes to appoint or refer it to a select committee for consideration, such a committee is in existence. If the honourable member would care to make a motion to that effect.

MR. SPRATT: Mr. Speaker, I accept your ruling that a committee is already in existence, looking after municipal affairs, therefore I do not think it is necessary to make any further proposal.

Carried.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation", and a

Bill "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer."

HON. S. J. HEFFERTON (Minister of Education): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Education Act, 1927."

Honourable the Premier to ask leave to introduce a Bill "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Premier to ask leave to introduce a Bill "An Act to Amend the Mining Tax Act, 1950."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Committee of the Whole on Ways and Means. Deferred.

Committee of the Whole on Supply.

MR. SMALLWOOD: Mr. Chairman, I ask the Committee to return to the Supplementary Supply Bill that has been brought in and passed second reading and indeed all stages. Earlier in the session the Committee will remember that it was asked for an amount of \$3,500,000 under a number of heads. The purpose of moving now to Committee again is to deal with votes in the Department of Economic Development, \$1,850,100, and to increase that amount to \$1,850,200. It is actually a token vote to give legislative coverage for expenditures incurred or to be incurred in the making of a documentary film

which is now virtually completed and should be ready for exposure in another two or three weeks. Most of that is paid for out of last year's vote, contravailing savings, but not all of it, some has to be paid out of this year's vote and this \$100 in supplementary supply is to give the legislative sanction for the expenditure. If it were not done this way it would have to be done by bringing in a new supplementary bill for the amount of one hundred dollars which would be a little grandeloquent for an amount of that size. I move that the figures \$1,850,100 be reinstated as \$1,850,200, I ask the Committee to vote an additional \$100 which will make the grand total \$3,550,800 rather than \$3,550,700.

MR. CASHIN: What page in the estimates is that?

MR. SMALLWOOD: It is not in the estimates.

MR. CASHIN: Is it an addition to what is in the estimates?

MR. SMALLWOOD: Frankly, I don't know.

MR. CASHIN: I think, Mr. Chairman, the position is this: The estimates have been voted for Economic Development. This group on page 61 of the Estimates—

MR. SMALLWOOD: That is not affected.

MR. CASHIN: That is what has been voted, whether it is changed or not I don't know, but it was the estimates called for. I take it that would include the supplementary supply Bill brought in before which was for the purpose of paying for these. That is a total of \$4,923,300 in the estimates.

MR. SMALLWOOD: If the honourable gentleman will allow me I

will explain. Before the estimates were ready to be brought to the House we brought in a Supplementary Bill of \$3,550,700 which was passed. I have now asked the Committee to make that \$3,550,700 read \$3,550,800 which increases it by an amount of \$100. Now the reason is that last year that was an expenditure in 1950-51 which was not voted in the estimates last year. It has no bearing on the estimates for this year. Now in that supplementary Bill everything was included for money which had not been voted with the exception of this. Now the cost of the documentary film was met in part out of last year's vote and in this year's estimates but in neither was there legislative provision and that is what I am asking now in the amount of \$100. It does not increase the estimates by even a cent, it is merely legislative sanction for something already provided for.

Carried.

MR. CASHIN: In connection with this Committee of the Whole on Supply when do we anticipate the Bill is to be brought in to give effect to this whole thing?

MR. SMALLWOOD: The position is that when the estimates were going through department by department, item by item, there were some increases, as the honourable gentleman knows, and the adding up of these and the correction of the total has been left to the Department of Finance, and the Bill has been printed, I don't know if notice has been given, but anyway it has been printed with the correct total and we are waiting on the Finance Department, and the last time I spoke to Mr. Marshall, it was a very busy time in the last couple of weeks and they have been working night and day. I told

him to get the figures from the Clerk, someone must have them as we went along and if the Clerk has not got them the Deputy Ministers have them, he is waiting on them before we can have the Bill, so as to get the new totals.

MR. CASHIN: Who has the new totals?

MR. SMALLWOOD: The Deputy Minister of Finance and they give us the new totals. I do not know if the Deputy Minister is here at present but if the House would give me a little indulgence I could find out in a moment, how we stand. I find, Mr. Chairman, that the position is that the totals have been added up and everything is ready but some additions are desired by the Government to be made to the estimates, for example, some on surplus and some on capital. The Bill brought before the House yesterday, presently before the House for second reading would require an expenditure of \$900,000 for the purchase of \$900,000, worth of shares in new development and consequently would have to be provided for in the Bill and would come, of course, out of surplus. Then for Civil Defence the Attorney General desired to add \$25,000 to the vote in his Department and the Department of Supply decided to add \$100,000 for votes to Town Councils and so on. Now as soon as we can get a decision, we have not had a chance to hold a Cabinet Meeting for a week, and certainly this week there is no chance, but as soon as we can get the Cabinet to authorize by Order in Council, we will then move it here in Committee of Supply and if these estimates are passed then the new total can be handed to the Finance Department and we can have the Bill printed and brought in.

MR. CASHIN: I hope I am not entirely out of order bringing up the matter but I was not here for the Estimates for Supply and I would like to ask the Minister of Public Works or the Minister of Health—

MR. SMALLWOOD: I am afraid the honourable gentleman is entirely out of order.

MR. CASHIN: Supplementary Supply is not on the Order Paper, it says Supply.

MR. SMALLWOOD: At the moment the business of the Committee is Supplementary Supply and the honourable gentleman is entirely out of order going back over it.

To a point of order, the honourable gentleman, I hold, is completely out of order. We will come back to the estimates when they are before us, we are now on supplementary supply.

MR. CASHIN: I know the Order Paper says distinctly Supply.

MR. SMALLWOOD: Mr. Chairman, may I have a ruling?

MR. CHAIRMAN: You were considering the schedule.

MR. SMALLWOOD: The honourable gentleman is not supposed to interrupt the Chair when speaking.

MR. CHAIRMAN: The honourable gentleman is out of order, as it is not in order to interrupt the Chair when speaking.

MR. CASHIN: It was the Premier, himself. Well my point of order is we are in Committee of the Whole on Supply. That is what Mr. Speaker, called, Committee of the Whole on Supply and you were asked to take the Chair on Supply. It was not

supplementary supply. As a matter of fact I did not know what it was.

MR. CHAIRMAN: The motion has been passed and all this conversation is out of order. The motion has been passed and all that remains is for the Attorney General or whoever introduced this motion to introduce a motion that the Committee rise.

MR. SMALLWOOD: I move the Committee rise and report progress.

MR. CASHIN: I have no objection to the Committee rising at all. I was merely going to ask a question, a question which I had asked before, but the Premier at that time being very courteous—I want an answer to my question and I am entitled to it but it seems I am not going to get it. However, there is another opportunity coming.

Committee rose and reported having added the amount of \$100 to the amount of the Supplementary Bill "An Act for Granting to His 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-One, and for Other Purposes relating to the Public Service."

MR. CASHIN: Mr. Speaker, I just want to draw your attention to that Bill which was just passed. We were not given notice on Committee of the Whole on Supply and a Bill was already passed outlining the amount \$100 short and which properly should have happened when the Bill was passed some time ago less \$100, so it should be resubmitted.

MR. SPEAKER: The motion before the House, the Chairman of the

Committee of the Whole reports to having considered the matter to them referred and have added the sum of \$100 to the amount granted to His Majesty for Defraying Certain Expenditures for the Financial year, moved and seconded this report be adopted.

Carried.

**MR. SMALLWOOD:** Now, Mr. Speaker, I move the Bill be recommitted to the House. This procedure must be followed as the measure has actually received third reading and I move the recommitment of the Bill, to receive third reading. It has not received Royal Assent so that it is just a matter of moving that third reading be rescinded.

Carried.

**MR. SMALLWOOD:** Mr. Chairman, there is nothing to add to the remarks I made in Committee, it is identically the same Bill and I move the addition of \$100 in the vote for Economic Development.

**MR. CHAIRMAN:** Motion is that under schedule, Economic Development, \$100 be deleted and \$200 be inserted, and honourable members will notice this changes the total, shall these estimates carry?

Carried.

The Committee rose and reported having passed the Bill with some amendments.

On motion, rule 261 was suspended and the Bill was read a third time and passed.

On motion the following items on the Order Paper were deferred:

Third reading of Bill "An Act to Make Provision for the Granting of Loans to Certain Companies."

Third reading of Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes."

Third reading of Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949."

Committee of the Whole on Bill "An Act to Amend Certain Newfoundland Statutes."

**MR. CURTIS:** In this Bill there are just one or two amendments I would like to suggest to the Committee before finally passing the Bill. I would ask the Committee to refer to Section 5 "Of Nuisances and Municipal Regulations." I move that section 5 read, 5 (1) and then (2). Sections 24 and 26 of the same chapter are repealed; these two sections deal, Mr. Chairman, with traffic regulations and provide that vehicles keep to the left and that is sufficiently covered in the Highway Traffic Act, and it is no place for that section in a Nuisance Act and section 26 deals with men being drunk in public places so that we are amending and striking out section 24 and 26 of the Nuisance Act. Both those items are dealt with under other Acts and we can see no object in keeping them in the Nuisance Act, therefore, I move sub-section (2) read as follows: "Sections 24 and 26 of the said chapter be repealed."

I now move, Mr. Chairman, we reconsider section 14. I move this entire section be stricken out and the remaining sections be renumbered accordingly. We feel, in my department, that section 14 deals with what is now a Federal matter and we have no right to deal with it so I move that section be stricken out and section 15 be renumbered 14 and so on.



Carried.

Committee rose and reported having passed this Bill with some amendments.

Report received and adopted. Bill ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Amend the Trade Union Act 1950," and Committee of the Whole on Bill "An Act to Amend the Workmen's Compensation Act, 1950."

"An Act to Amend the Trade Union Act 1950."

Sections 1 to 4 read and passed.

Carried.

"An Act Further to Amend the Workmen's Compensation Act, 1950."

Section 1 read and passed.

Section 2 read.

MR. RUSSELL: Mr. Chairman, subsection (1) reads rather funny to me. The purpose, I take it, of the section is to give the Government the Power to impose an audit on the Board, but the wording of the section gives the Board the power to refuse to accept the audit because if they have the power to determine if they should make it, they may not allow it to be done and thereby make it impossible to carry out the Government's order. It says the Lieutenant Governor in Council may call for an audit but the Act says it shall be determined by the Board.

HON. C. H. BALLAM (Minister of Labour): I think you are right there. I think we should cut out that amendment so that the word "determine" may be deleted from the clause.

Carried.

The Committee rose and reported having passed the Bill with some amendment.

The Committee rose and reported having passed the Bill "An Act to Amend the Trade Union Act, 1950" without amendment.

Reports received and adopted. Both Bills ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

MR. CURTIS: This Bill was deferred in case there should be some additions made to it, but as there has been no additions I move the preamble be read.

Preamble read and passed.

The Committee rose and reported having passed the Bill without amendments.

Report received and adopted. Ordered to be read a third time on tomorrow.

On motion the following three items were deferred.

Committee of the Whole on Bill "An Act to Repeal Certain Newfoundland Statutes."

Second reading of Bill "An Act Further to Amend the Public Utilities Act, 1949."

Second reading of Bill "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils."

Second reading of Bill "An Act Respecting Livestock."

MR. SMALLWOOD: Mr. Speaker, the honourable the Acting Minister of Natural Resources is unavoidably absent at least for part of the session this afternoon and he has asked me to move second reading of this Bill. Now I will confess quite frankly that I am not at all familiar with the contents or purpose of the Bill. The honourable the Acting Minister is quite familiar with it but unfortunately, as I say, he is at the moment absent from the Chamber. However, I have the pleasure, in his name, to move the second reading and I happen to know the honourable member for Port de Grave has made himself very familiar with the Bill and I have no doubt that the House will have the pleasure of hearing from him the explanation of the Bill, which I am afraid I am unable to give.

MR. MAKINSON: Mr. Speaker, it gives me great pleasure to rise to speak in support of this Bill. It is a Bill that is chiefly designed for the protection of livestock breeders in this Province. Up to the present time, I believe, there has been no livestock regulations whatsoever and the nearest we have to it is a Nuisance Act, regarding trespass of animals, which governs the control of our bulls, goats and other animals. Now if this Bill is enacted it rescinds both these former Acts and it is something, I may say, that this Province is badly in need of. The Province has set out the policy of encouraging the breeding and raising of livestock, however the effort is being sabotaged yearly. There are a great number of animals allowed to run on the commons and for one reason or another when it comes time to take them in for the Fall they have disappeared. In some instances they have been killed by trains and there is no necessity on the

part of the Railway to report that they have so killed or injured those cattle, consequently the owner not only loses the animals, but also loses months in the Fall in a futile attempt to find them.

Now there are other things in the Bill which will be dealt with in Committee stage by discussion. It defines a legal fence and trespass by animals. The Act states that a good substantial fence shall be erected in order to keep livestock out of enclosed lands. However, there is no definition in regard to fences in this Act, anyone may notice that the Bill does not say "shall." In Newfoundland people have been in the habit in the past of letting animals roam on the commons and it would mean more or less a hardship to suddenly inform them they shall send in information to the Minister so that records may be kept. Now, in order for cattle owners or raisers to get the benefits of services they will have to send in records of classes of livestock and brands they own, and the owner shall cause a record to be kept of such brands and in many instances it will save duplication of the markings, and as time goes on and the people are more or less educated, it will avoid a brand which has been allocated to any person one year, may not the following year be used by someone else.

There are many things in the Act, for instance, attempted rustling and stealing. In some districts at the present time, it is a well known fact that there are many cases of sheep being stolen, disappearing in the Fall, or a group getting together with a truck to make some easy money by going to a farmer and buying say five sheep and while the farmer is being paid around the corner, three, four or five sheep

are put on board the truck and taken and sold or killed for resale to people along the Shore. This is usually done sometime in August and the owner of such sheep have no occasion to look for them until they bring them in sometimes in September or later than that actually, and during this time the sheep have been disposed of or the cattle, and in some instances the dealer or the butcher has not thought it necessary for him to keep any records whatsoever and may not even be too particular if he gets the animals, and in many instances they are their own butchers and the hides are disposed of. At the present time they are shipped to Montreal and in many instances before the hide could be brought back to be identified it has been processed.

Now for each of these sections as we go through them in the Committee stages I can give a good reason and I think that would be the proper place and would take up less time rather than elaborating on each section. There is a reason for each one and I feel sure the Honourable House when it has read over the Bill will agree there is nothing in it of a contentious nature, it is merely for protection for those trying to make a living from growing livestock and I have no hesitation in commending it to the Honourable House for consideration.

MR. HIGGINS: We are all very glad, Mr. Speaker, to have an expert in agriculture to explain many matters of this kind but none of us are experts in all things and there is one section here I think very important, No. 9. Why in civilized countries are barbed wire fences allowed, they only serve to rip a person's clothing and injure animals. It looks to me like a piece of cruelty, and another thing,

a person is allowed to have run at large mischievous animals and live stock. I have heard many a man calling goats mischievous but there is no such thing as a mischievous animal at all in the Bill.

MR. SMALLWOOD: That can all be handled in committee.

Bill read a second time. To be referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, in connection with the next order, No. 14, "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited," I would like, with your permission, and the permission of the House, before moving the order to say a few words with regard to the disposition of this order and of this Bill. I said earlier that the Government had not even the slightest desire to rush the Bill and I repeat that now. On the other hand the Government have a very strong desire, if the House is to consider the Bill at all, that consideration be given without any loss of time, and so, therefore, we are anxious to steer a course between rushing it on the one hand, and leaving the House with adequate time in which to consider it and getting it through as quickly as possible on the other hand, and I will explain the reason for that. We are deeply anxious not to lose a year which we might well do if this Bill is not given the earliest and most expeditious attention possible. Contracts have been made under which large and important American Companies would move into Newfoundland this year if this corporation is set up in sufficient time to enable that to be done. If that is not done, if the corporation is not set up in a reasonable time, in the reasonably near future, then it is en-

tirely likely that certain great corporations which would otherwise move into Newfoundland this year will not move in until 1952 and Newfoundland will thereby lose a whole year of possible economic development.

And in view of the world situation we in the Government feel that Newfoundland just cannot afford to lose even a day, not alone a year, in economic development. Now for our part we are prepared to meet morning, afternoon and night, to abandon our offices, to abandon Cabinet meetings and meet here mornings, afternoons and night for a careful consideration of this Bill which is, we believe, of such great importance for the people of this Province. Now I will ask my honourable friends opposite to indicate if they would, their willingness to do what we on this side are prepared to do and I may say that the members on this side, with the exception only of the members of the Cabinet, face this Bill with the same fresh minds as do the members on the other side, with the exception of one honourable gentleman on the other side. We ask for an indication of willingness to do on their part what everyone on this side is willing to do, to give morning, afternoon and night, including Saturdays, to the consideration of the Bills before the House and particular consideration to No. 14 on the Order Paper of today "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited."

Now, Mr. Speaker, before you call the Order, my honourable friends opposite might or might not feel inclined to give some indications of their desire and feelings in this matter.

MR. FOGWILL: Mr. Speaker, I don't want to lose my right to speak to this Bill.

MR. SPEAKER: There is no motion.

MR. FOGWILL: Well, Mr. Speaker, I realize the importance of the Bill, I realize the time and effort put upon the preparation of it, I think it has taken a long while, at least six or seven months, and quite possibly the members of the Cabinet might be conversant with the Bill and all the details of it and it is quite possible they would know all about it and know what they are doing when speaking to it. Nevertheless I am not satisfied as to the principle of this Bill. It was brought in yesterday and explained by the Premier as, if not the most important piece of legislation since this House came into being at least one of the most important pieces of legislation, and I certainly myself am not satisfied and I think the principle of the Bill is something that should be studied by both sides of the House and also by the Public in general. I would not be satisfied to see this thing rushed through at all.

MR. FAHEY: Mr. Speaker, in speaking to the principle.

MR. SPEAKER: Second reading has not been moved yet.

MR. HIGGINS: Mr. Speaker, I am in favour of what my colleague has said. I passed the remark yesterday that this is a most serious Bill which must have taken many months for a Montreal lawyer, as we have been told, and we have no reason to doubt it must have taken six months to draft.

MR. SMALLWOOD: If my honourable friend will allow me, Mr. Speaker, no, it has taken the Government six months' work, off and on, to negotiate the transaction. The drafting itself took far short of six months, not even a half or even a third of that time.

MR. HIGGINS: Well, if it has even taken a month to draft, and the Cabinet are conversant with it and have been discussing it for two or three, I can't see how we can study it in less than three weeks or a month. I am sorry I am not prepared to argue until I have had the time to evaluate the matter involved, we are a small number on the one side and these are very astute men who make money by keen competition, men who know financing down to the smallest point and must know it. None of us know much about it and we cannot hand the country over to these people. Though the Corporation is run by these directors, it is no use saying to the Government these men are going to do it. Now with all that in view and the whole country being literally handed over to this Corporation it is a serious matter and as the Premier himself said, it is perhaps the most important Act ever to come before the country. Why? Because it comprehends an enormous amount of national interest far more than any other national Bill has comprehended. If the matter had to be carried through this Summer why was it not brought in at the beginning of the Session? That was not done but we are not prepared that the burden be put on us. We have been here since March and now at the last moment we are told this. It was the same thing last year.

MR. SMALLWOOD: There is no last moment about it,

MR. HIGGINS: We have to go out among the public and discuss it and get their separate ideas. We have no chance to get the public's opinion and I don't see how we can do this in less than three weeks or a month and I am afraid—

MR. SMALLWOOD: I now serve notice on my honourable friends opposite that if they don't come we will be here afternoons and nights, we will be here and will be willing to stay from now until Christmas, but we are going to deal with this Bill, we are going to develop this Province or go out of office.

Second reading of a Bill "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited."

MR. SMALLWOOD: I do not intend to occupy much of the time of the House in concluding the explanatory remarks I made on this Bill yesterday. I believe that in my remarks yesterday I covered pretty accurately the principles involved in the Bill, the details of the Bill will of course receive careful scrutiny in Committee of the Whole House where every word, every line and every paragraph will be read aloud by the Clerk of the House and where every member of the House will have all the opportunity he can possibly want, within reason, to consider and debate every word, every line and every paragraph of the Bill and where the Government will be cheerfully willing and indeed happy to the very best of their ability to explain any part or section of the Bill.

Now, Sir, I have already said in this speech which I began yesterday, not that this is the most important Bill or piece of business ever brought before this House, but that it is the most important one brought before this House in this session, this General Assembly, by this administration. I think that great Bills have come before this House, I think the Bill, for example, creating the Humber Industry was a greater Bill than the present one, I think that perhaps other

bills, the Railway Bill, probably more than one railway Bill brought before this House was certainly at that time more important than the present Bill, but I do agree that it is one of the most important Bills, one of the most important pieces of legislation ever brought before this Legislature because it sets out in its very wording, in its very preamble and as the first of a series of objects stated in the Bill itself, it sets out to create in Newfoundland economic development for the purpose of raising the standards of our people's living and anything brought into this House aimed at raising the standard of our people's living is by its very nature of most profound importance to this House as it is to the people of the Province.

Now, Sir, for something like six months the Government, not to the exclusion of all other business, but from time to time have given consideration and some of the government more than some others of it have given additional consideration to the matter involved in this Bill and have had many long talks and discussion on and off for a period beginning some time last summer. Finally, the ideas were clarified and in a final discussion in Cabinet with representatives of Harriman-Ripley of New York and Wood Gundy of Toronto agreements were reached as to amendments and modifications and these have been incorporated by the Montreal law firm who drafted the Bill. It does not follow from that, that weeks and months must need be given by this House to the consideration of the Bill, the principle is simplicity itself. It could not be more simple in principle than it is. I will give the House an example: there has arrived in St. John's today a distinguished industrialist from Europe and there will arrive in St. John's

on Monday from Europe another distinguished industrialist, there sits in this Chamber today another very distinguished industrial engineer representing one of the greater corporations in this world which handles financing in half the countries of the world including Newfoundland. There will arrive in St. John's other engineers and industrialists and financiers in the remainder of this month and we have a considerable number of them here now. Now the Government with all the goodwill in the world, with all the desire imaginable to negotiate contracts and business projects and industrial projects for Newfoundland with various people from various parts of the world, with all the good intentions and desires in the world to do that, the Government confesses unashamedly we are not industrialists ourselves, financiers or bankers and confess unashamedly that we are not as competent to negotiate with these businessmen, industrialists, bankers, financiers from various parts of the world for various types of industries and economic projects for Newfoundland as we would be were we a government made up of bankers, financiers, and businessmen so we have, as I remarked yesterday when making this motion for second reading of the Bill, we have felt the need to create an instrument, a business an economic trust through which we can negotiate on far more equal terms with businessmen and traders and economists and financiers and industrialists from various parts of the world. We have, therefore, brought this Bill forward because the Bill does exactly that, it creates an instrument, not an advisory committee, not a Royal Commission, not a political body at all, but a business body, a body of businessmen having their own two repre-

sentatives of the Government in the person of the Attorney General and myself, who are not businessmen, but it is a board consisting primarily of businessmen, men such as Mr. Lewin who is the Vice-President and General Manager of Bowater's; Mr. Eric A. Bowring, Managing Director of Bowring Brothers; Mr. C. A. Pippy, President and Managing Director of the Newfoundland Tractor and Equipment Co. and director of a considerable number of other business concerns in Newfoundland, to be with representatives of the firm of Harriman-Ripley and Wood Gundy and so on, a business organization which is an instrument of the Newfoundland Government, an instrument through which the Newfoundland Government can operate for the development of the people's natural resources which have gone so long undeveloped.

I will confess to the House that if it were feasible, if I could have that power which a Premier has and not be Premier, I would resign in a moment if I could devote all my time to the business of economic development, all of my nights and days, Sundays and Mondays, and not have to concern myself with the thoughts and necessary details that have to come to a political leader and member of a cabinet. I would cheerfully do it but that is not possible. It is not possible for anyone to have the power of the Premier except the Premier and the Premier cannot give all his time and all his energy and all his thoughts to one job of bringing economic development, creating work, jobs and economic development for the people of the Province, he could not do it as he must use up a great deal of time and energy and enthusiasm on other things, on many other things than the drive for economic development which

is the paramount thing of all, so paramount as to make mere politics trifling and ridiculous by comparison. This great drive to pull Newfoundland up out of the backward state that the centuries have left her in, and in a few years get where ordinarily it might take half a century to get, that great drive is a paramount thing and that great drive suffers and must suffer from the fact that the Government is immersed in a thousand other details, whether this road will be built from Joe Batt's Arm to Fogo this year or next year, whether to build or not to build a road from Seal Cove or a highway from somewhere to somewhere else and ten thousand details which must be handled by someone and can only be by the Government. The extent to which the Government's time and energy is occupied and absorbed in all the ordinary routine day to day affairs of Government, to that extent the drive for economic development while it is exclusively the work and responsibility of the Government suffers and must suffer and cannot succeed in what it needs to do in Newfoundland if we are to get the kind of effective development which is the dream of every man on this side of the House and no doubt on that side as well.

Now, I say, let us create a corporation, a big organization through which we can work. You might say "why." Why do you have to do it? Why not private enterprise? Or you might say; Why not do it entirely with private enterprise? The only thing really novel about this proposal is the combination of Government and private enterprise in the project. The principle of the Bill, it seems to me although admittedly the details will require very considerable thought and attention

in Committee of the Whole, the principle of the Bill is one surely which surely and it obviously must be debated, and I assure the House it cannot be debated too much to please me, I doubt if it could be enough to please me, I have not yet since this General Assembly was called together by the Government, seen a Bill that was debated enough to please me. I have never been satisfied that anything brought into this Chamber was sufficiently debated, never, not once up to this moment. Bills of tremendous interest and considerable importance have come in here and have gone through with scarcely a word spoken in so far as the words come from that side of the House. I have often gotten on my feet in this Chamber and called on members to speak and have gotten on my feet and registered a complaint because Bills of interest and importance were being permitted to go through without as much as yes or no, so that there is not much chance that this Bill will be debated more than I like to see it debated.

Now, I would like to see the debate on second reading where the principle is under discussion, I would like to see it debated in Committee of the Whole and if the House wants a week of solid debate we are ready, if it wants two weeks debate we are ready and if it wants three weeks debate on it we are ready, if it wants a month we are ready, but we are not willing to wait. If any member on either side of the House desires to get expert opinion from any source or sources on this Bill they are quite free to do so, quite free and that applies to all members in this Chamber. But in the meanwhile the debate will go on. I don't say that it can go to the exclusion of all other business, we have other Bills on the

Order Paper and that business will be proceeded with in the normal course, but I for one, Mr. Speaker, if there is any danger of delay in the beginning of the consideration, delay in the beginning of the consideration, of postponement of the day when consideration of the Bill would begin, feel that certain firms of considerable importance in the world may put off until next year what otherwise they might or would do this year by way of sending survey parties in at their own expense, geological and water power, mining exploratory parties, if there is that danger and I hold there is that danger contained in delay, then I am against delay of the commencement of the debate. I don't care how long the debate may take and when I say that, I speak for the Government. The Government does not care, if it is desired, to debate this for the next three months. We have more than three months left in this year and the House may take all the time it desires to have, but the debate will go on.

Motion is the Bill is now read a second time.

MR. FAHEY: Mr. Speaker, in making a few remarks at this time when the Bill is now up for second reading I want to make it clear at the beginning that I do not agree with the Act for different reasons. First this Act was only handed to us yesterday, and we did not have time to study the Act and there may be different paragraphs that we may or may not agree with but in principle I could not agree to the Act which we had not had time to study up to the present time. Now I may say that the Premier made it clear in his remarks yesterday that past governments gave away the public domain of this



country and tracks of lands have been leased for little or nothing. That may or may not be so but in this Act before the House now for second reading we are asked here to give practically what is left of Newfoundland to this Corporation for a lease of 99 years. It is a wonder that it was not 999 years, but what may be left of it in 99 years is too far for me to see at the moment or any other honourable member of this House.

In this Act we, the people, are asked to put up nine hundred thousand dollars and the directors or the Corporation will put up one hundred thousand dollars or ten percent. On that basis, in my opinion, we are asked here in this House to give away for 99 years 10% of what the Government themselves are putting up. The Corporation is putting up 10% and we are asked to give away what we hear so much about, public domain. In other words it appears to me that what we did not give away in 1949 we are asked to give now in this Act. This Act puts the finishing touch to it. In my opinion, this is the straw that is going to break the camel's back.

We are asked also in this Act to give the right to the Corporation to raise ten million dollars in bond issues. Now the Corporation through this Act will have the right to float a bond issue to the extent of ten million dollars without having to come back to the House and if that bond issue should fail, the people, or the toiling masses, will have to make it up later. It may not be those of us who are around today but somebody will have to make it up if it fails and through this Act this corporation can do that without even coming back to the House to ask

their approval. I say it is ridiculous, the most ridiculous thing I ever heard.

The Premier said, in introducing this Act, all we do is just take some money, one hundred thousand dollars from one pocket, and put ninety thousand in the other pocket, it belongs to the people and the corporation is the people, the corporation is a Crown Corporation as it were. That may sound all right on the surface and we only drop 10% but this Corporation will control it, not the people, the Corporation will control what is left of the public domain of Newfoundland. They will have the right to give it out to different companies and corporations just as it pleases, tracts of minerals, watersheds or anything else we have and then we only take one hundred thousand from one pocket and put it in the other less 10%, it is still the people. But it is not the people who are going to control, who are going to give it out and slice up Newfoundland or that part of it which has not been already given away such as airports and all that given away a couple of years ago now. And I say the honourable members should think very carefully and keep in mind the fact that the members of this House represent the toiling masses and should not vote to give away what belongs to the toiling masses without first giving it careful consideration. It may be said, Sir, that we are not giving away anything now, but we are giving away control of various assets which are left in Newfoundland, all of which will be controlled by a board and we are asked to hand over what is left to this board to do as they may see fit. In addition to that they may raise a bond issue of ten million dollars without even getting

approval of the House. Now all this reminds me of a story which a local firm had on a few years ago and there was quite a lot in it about a certain country and what went on in that country in that day and I hope we can face the fact and make sure we are not being misled by this Act now before the House. Let us face the facts. To my mind, this is the last ditch, that which is taking place now. So, I say that we should keep calm and don't be fooled by any smooth talk. There are several talkers of that kind. This Act is really designed, in my opinion, to give over the assets of Newfoundland to this corporation and in future, to my mind, not in the very near future but for many years to come it will cripple the economy of Newfoundland. I don't see any reason in the world that, if any company should come in here tomorrow and want to start a paper mill or a mine of any kind, in the mineral end of it, or any other development, the Government is not so busy as all that even though they do work night and day, they should and could find time to negotiate with such a company directly rather than hand over the control of this country to this corporation.

With those thoughts in mind, Mr. Speaker, I would move that further consideration of this Bill be postponed until one month from this date in order that we all might get a chance to study this Bill and so that members on both sides of the House would see what they are voting on. At the present time we are asked to vote in the dark more or less any more than an explanation was made here yesterday by the Premier and again today and I feel the members should have at least a month to consider that we are giving away the

assets of Newfoundland to a corporation to handle when they should be handled here in this honourable House where we are elected by the toiling masses. With that thought I move that it be moved for consideration one month from today.

**MR. SPEAKER:** The motion is that this Bill be now read a second time and an amendment has been proposed by the honourable member for Harbour Main-Bell Island, seconded by the honourable member for St. John's East, that the Bill be read a second time one month hence.

The motion is that the word "now" in the original question do stand part of the question.

**MR. SMALLWOOD:** Mr. Speaker, just before the motion is put, I have already on behalf of the Government announced that we cannot accept a delay in beginning the debate and for that reason we cannot of course accept this motion and for at least one reason, there are others, but one is enough; that is if this Bill is not begun to be considered for another month which would bring us up to July 7th, and is then considered for probably a week or two or three weeks, it would be the end of July before it becomes law. The result inevitably would be to bar out from Newfoundland companies of great importance and resources as are in the United States and Canada who would otherwise come to Newfoundland this year, to begin exploration of our natural resources with a view to developing them, they would be barred out this year and would not come, if they came then, until 1952. The state of the world is such that Newfoundland just cannot afford to lose a year unless she must, if we

have no choice, but to lose a year then we must lose it, but if we have no excuse we must not lose it. We must, if it is in our power, bring those concerns to Newfoundland this year, the firms who would be brought here by this development corporation through the good offices of the partners of the Government. We cannot accept the amendment.

MR. SPEAKER: The main question is that this Bill be now read a second time. This motion is that the word "now" do stand part of the question, those in favour aye, contrary nay. The ayes have it.

Division is called.

MR. SPEAKER: I would remind all the honourable members in the House that on a division they must vote.

Motion is that the word "now" do stand part of the question. Those in favour stand.

The Premier, the Attorney General, Minister of Welfare, Minister of Provincial Affairs, Minister of Labour, Minister of Education, Minister of Public Works, Minister of Supply, Minister of Fisheries and Co-operatives, Minister of Health, Hon. Mr. Vardy, Mr. Morgan, Mr. Makinson, Mr. Button, Mr. Janes, Mr. Drover, Mr. Horwood, Mr. Courage.

Nays stand:

Honourable Leader of the Opposition, Mr. Fogwill, Mr. Fahey, Mr. Cashin, Mr. Russell.

MR. SPEAKER: The ayes have it.

Motion before the Chair is that this Bill be read a second time.

MR. CASHIN: Mr. Speaker, I voted that this Bill be left over for

a month. Some time ago I did not agree with the principle that the Government discriminate against certain people, and in protest I walked out of this House. I take it therefore that the gentlemen who walked out just now in protest of this Bill being read a second time agreed with the principle the Government announced at that time, the discrimination against the civil servants. However, that is not the motion before the Chair. I listened to the Premier yesterday fairly attentively when he went on to describe the wonderful people who Harriman Ripley were and Wood Gundy. He told us, and mentioned names, of great corporations in the United States. The Premier at that time led us to think that Harriman Ripley put up all that money themselves. They are nothing less than salesmen, good men but they do not find probably one dollar of the hundreds of millions of dollars they finance large corporations with, not one dollar out of their pockets and probably get five or eight percent commission. He spoke very highly of Wood Gundy as the most outstanding people in Canada. Now, I happen to know a little about Wood Gundy. They are also salesmen, they are interested in Bell Island and the Dominion Steel Corporation. Wood Gundy Corporation practically ruined the Newfoundland economy in Canada in 1930 and for reference any member of the Government can go and ask it it is not so. So that now all these big corporations we hear about Wood Gundy and Harriman Ripley are nothing more or less than coming to this House and asking for certain concessions with the idea of going out and peddling them out all over the world and are not putting one dollar

in this of their own money but are peddling to other corporations.

They are putting up a hundred thousand dollars and you are putting up nine hundred thousand of the people's money and they are taking that and going out to spend it in promotion. You will acknowledge, Mr. Speaker, and the Government will acknowledge, they have not one business, they had to get Harriman-Ripley and Wood Gundy to get it for them. Now, I notice there are others who are directors of the Board, one the Vice-President and Managing Director of Bowaters and it is very significant to me. Also in the explanation of this Bill I noticed that the right to export fifty thousand cords of wood is given. Now, Bowaters are interested, in 1927 as a matter of fact that Company came to Newfoundland and would have gone to Canada at that time, they wanted a permit from Canada and New Brunswick to export wood to Great Britain and were turned down. They then came to the Government of Newfoundland and got the right to survey certain areas in Labrador and spent \$70,000 or \$80,000 of their own money down there and surveyed certain territory in Hamilton Inlet and then tried to get hold to the Gander for little or nothing. Now, with the injection of Mr. Lewin into this Corporation, how do we know that any such paper mill as we are looking forward to, which we were hoping to have legislation for this year, is ever going to be constructed in Labrador or Bay D'Espoir? Would it not pay this Corporation well to keep any competition out and here in this Corporation we have a vice-president who will naturally work for Bowaters. Bowaters are paying him and this Corporation will not be paying him. He is down there as a

nominal director, whom he represents we do not know. The Bill does not tell whether it is the Government or Bowaters or anyone else. We know who represents the Government; the Premier and the Attorney General, and the rest may or may not be representatives of the Government. The Government acknowledge they are not business men and if the others are the good business men they claim they are, they can certainly put it all over them. That is on their own admission. The only thing is the Government finds the money and the other people spend it.

Now we had dreams of this wonderful paper mill to be erected in Labrador and were to have legislation for it this year but it is as far away as ever now. We are told by the Premier that if we do not pass this Act now these people will go away and never come back again. Surely, the Premier does not expect us to swallow that. They will come back so long as there is a dollar, Wood Gundy in particular, and when I say that I speak with personal experience. I would not trust them with a hot stove, they are not the outstanding financiers in Canada. Reliable? They have been mixed up in more shady deals than any other banking institution in Canada. Go back over the Dominion Steel and the Canada Power and Paper in 1935, 1932. Ask them, and I know, what they did with Anticosti Island? How much money was paid out of Canada Power and Paper which was a total loss? Some millions of dollars which they threw away, went bankrupt and would have taken A.N.D. with them. Then we are told about the great corporation they are. They are the keenest operators in Canada but in comparison with Dominion Securities and Ames

& Co., they are not in the same class for reliability.

Look at Bell Island, everything is going smoothly over there now but twenty years ago they were gyped out of money by Wood Gundy, gyped and we are told what wonderful people they are. Now, Harriman Ripley, if you go back into the history of all these corporations, and I realize they need money in order to finance them, but when the Premier gets up and tells us what wonderful people they are, we are going to trace back their history, trace them to the New York Railway and others in the United States and Canada and find where their millions came from. They wear an air of respectability now.

Now there is no man in this House on either side. I am the only one here now and I am pledged to no party but as far as the second reading of this Bill is concerned now, I am going to stay here until it is over and I am going to tell you, Mr. Speaker, and members of the House, that every section of that Act I am going to ask every member on the other side to explain to the House and if he does not know what he is talking about he should. Every inch of it and there are sections there that no one can understand particularly when it comes to manipulation of stocks and that is what this Bill is full of, the manipulation of stocks.

I am inclined to agree with the step the Opposition has taken. The Government has had some six months to work on this Bill brought in here and members of the House exclusive of the Cabinet are supposed to do in six hours what it took six months to draft by a firm of Canadian lawyers. I predict here they are, the Montgomery Firm of whom Claude

Richardson is a member. They are the people who drafted that Act, the Justice Department had nothing whatsoever to do with it. The only little bit they drafted is the little bit at the opening, the little political bit. I never saw an Act brought in like this. "Improvement of the standard of living," put in an Act and a resolution, that is the political part of it. These people are to be brought in here to improve the standard of living of the people of Newfoundland. Why that is an insult to the members of the House; there was never an Act in the Commonwealth Governments with such a thing inserted in it and that is the only section of that Act drafted by the Justice Department, the rest is by the Montgomery Firm. They are the firm of which Claude Richardson is a member and ever since this House opened three months ago we have been promised such legislation as this and now in the dying hours of the House it is brought in here and I am forced to conclude that it is to be railroaded through. Only the Cabinet knows anything about it. Yet it is the most important Bill ever brought in because the Government as a whole. I don't understand it, you are giving away to this Corporation, who are going to be controlled by Harriman Ripley and Wood Gundy, Pippy, Bowring and Lewin and Richardson. I don't know whose representatives, these are the people who are going to control and the Government will have nothing to say because they don't understand business on their own admission, and they will hand it to those people to do what they like; go out and peddle it and in addition give them the mining rights and timber of Labrador which are not already taken up by the Labrador

Mining & Exploration Co. The timber and the water powers not taken up by the Labrador Mining and Exploration Co., as well as what is owned by the Royal Bank of Canada, all the rest is handed over to this Corporation to peddle around to try and make money off in the next five years. Now, no one in here can predict with any degree of accuracy whether anything will come out of this or not.

One of the greatest industrialists of the world is in this House this afternoon, I have not seen him and I don't know who he is but we have had so many of these individuals in here from the United States, famous or infamous as the case may be, and I am getting sick and tired of hearing it.

Now, what about this paper mill on the Labrador and/or in Bay D'Espoir? There is nothing in here to tell us we will have one. The only thing in here is that we are handing over ten or eleven thousand square miles or more of concessions to this corporation to go around and dicker with and if they don't want to do so the Government may step in and develop them. Now, the Government, on its own admission, is not capable of developing it. That is what was said this afternoon.

MR. SMALLWOOD: I said no such thing.

MR. CASHIN: You said you were not financiers, you were not economists, not business men. I ask the reporters if that statement has not been taken down.

MR. SMALLWOOD: I said that.

MR. CASHIN: If you are not any of these you are not competent. You said you were not business men, not

economists, not industrialists, not bankers, you said that, you said you did not understand or words to that effect.

MR. SPEAKER: Order, you are not to have conversation between two honourable members.

MR. CASHIN: Well, Sir, when that day is over the two honourable members will walk out, the Premier and myself will bow to you Sir, and take our departure because when that day arrives it is all over.

MR. SMALLWOOD: Life would not be worth living.

MR. SPEAKER: I have allowed you thirty seconds.

MR. CASHIN: I put it to the Government, I want them to understand I could make it so unhealthy for the Government here alone by myself on every section of that Act, and you need not laugh at me either. You would not know what struck you and it would not be the first time, Mr. Speaker. This House has to have some fun. This Act to me, Mr. Speaker is repulsive, not alone for the manner in which it was brought in, in the dying moments of the session, but every section of that Act is contentious and, mark my word, as I said a moment ago, the members of the Government side, as far as I am concerned, every honourable member exclusive of the Cabinet are just voting for this because the Cabinet says so and they do not understand, and should not vote. Therefore they will have to get up and explain every section of that Act for me.

MR. SMALLWOOD: The way to learn is to listen to someone else explaining it.

MR. CASHIN: There is such a thing as your explaining a thing to me and I would not understand it. That is quite possible. You might explain many things to me and me to you too and we would not understand and surely they are not going to vote for something they don't know all about. There are certain things in this they don't know all about, it is poorly drafted in the beginning and I am not a lawyer at all.

Every sub-section written down there will have to be explained by every member of the Government. I am not asking the honourable Premier to explain but I bet him dollars to doughnuts the members don't understand these sections now. Yes, dollars to doughnuts, I will bet him now that there are very few of the rank and file able to get up and explain that Act and then we are asked to vote for it when they don't understand what it is all about and I question if half the Cabinet knows what it is all about.

Now we are coming to the export of pulp wood. They are granted a slice of five thousand square miles of territory in Labrador, incidentally we have not had a map to show us where this territory is. Surely the House is entitled to this information.

MR. SMALLWOOD: That will be given.

MR. CASHIN: It should be given now when the discussion on second reading is taking place. If they are given ten thousand square miles they will go in and take the best and go out and peddle it and see what they can make out of it. Then they are allowed to export 50,000 cords of wood a year. 50,000 cords of wood, Mr. Speaker, that sounds to me, that the hand of Bowater's is in it. They

want raw wood exported to Britain, they are hungry for wood and here is a chance to get 50,000 cords a year.

Now I have heard a lot inside this House and outside about the destruction of our natural resources by exporting raw materials. I have heard the Premier talk on it and after talking so much he can change and in this Act give the right to export 50,000 cords a year. That is half a million cords they are allowed to export in five years.

Now what about this mill, this mill which was practically assured? I see a lot of people's hands in this besides Harriman Ripley; when I heard about Sir William Stephenson I said there is another man in here trying to make easy money. There is nothing definite in here about a mill, nothing. Nor is there any indication that we are going to have one. We are told these people are dickering with some people to come in here and do some of this work, this surveying. Why we have a survey of the timber areas of Labrador right here according to this Bill and I understand it has been done. The timber areas of Labrador have been surveyed. Now there is no idea of production but it just gives these people the right to go out and peddle it. There are no people at the present time evidently interested in the development of a paper mill on Labrador. But if you dig deeper into this thing and find out who is underwriting Wood Gundy, what paper companies that would think it a good idea to block it, for which no doubt they would be paid in common stock by those people to operate or develop them. Now we are told we want competition but this Bill to my mind cuts out all competition and all possibilities of another paper mill. We

have no indication there that another paper mill is probable at the present time or in the cards. Where is it? I have heard the Premier say there were distinguished people coming in here, Germans, going down to Labrador to develop the paper mill. Where are they now? The property is gone into this Corporation and this Corporation has to go to them now. Although I doubt very much whether these great German industrialists have a dollar in Canadian funds to put up out here. They may have the necessary machinery to put in them which they want to sell out here and get Canadian dollars for it. But to put up actual money, they have not got it in dollars, everyone knows that and there are too many of those people tracking back and forth across the Atlantic peddling Labrador all over the globe.

Certainly it is not anything like the Corner Brook proposition of 1922. It has been said it was the greatest proposition that ever came into this House, we knew at the time the people were to build a mill but we have no guarantee whatsoever in that Act that anything is being done. The only people who have a chance to make any money are the directors, apart from the Government. The Government finds the money, they use the money and they make the money if there is any money made in the promotion of, and the selling of, bonds, the selling of the common stock in the markets. These are the people who are going to make the money but there is nothing to guarantee a paper mill or a mine being developed in this country. That is another thing that ought to be brought in here for the information of the House and Newfoundland, the territory we can give to them, before we go on. Before we go on, I wonder

if the Cabinet has that before them showing what part of Notre Dame Bay and all other territory involved is ceded to this corporation. I think the House is entitled to it. If the Cabinet has it the House is entitled to it. Certainly we have been told quite finally in this House that we are only going to get what it pleases the Government to give us. Now Rockefeller or IBEC, made a survey. That is all washed up now, they have done nothing, have not put a cent in here and were paid for what they did and walked out. Now we are handing it over to a new corporation whom we call Harriman Ripley and Wood Gundy. Now Rockefeller has done some work and received pay for it. A year or so ago we were told, we have those people interested in Newfoundland now and everything is going to be rosy. Rockefeller is coming in here and when we get them in the public will be on easy street and now it transpires they got paid for what they had done. None of the Rockefeller Foundation Fund found its way in here.

Now about this paper mill, and I am keenly interested in it, yet I have no faith in Wood Gundy promoting a paper mill in Labrador nor in Bay D'Espoir. I know what I am talking about and I bet you dollars to doughnuts again. Bring him in here on the floor of this House and ask him if he is interested in developing a paper mill in Labrador or Bay D'Espoir. He is a peddler and will take a pack on his back and go out and see what he can find but for him to find the necessary capital in Canada or the United States at the present time is what we need. This Act here gives us nothing, but takes away everything from the country. I think I stated in this House the last time



I spoke here that I would be prepared to guarantee twenty millions to help a paper mill in Labrador or preferably the South West Coast which I feel would be more economical, because I think it is a fairly sound proposition. I have gone into it very thoroughly, I have gone into the market conditions, and I have found the market conditions for Newfoundland newsprint at the present such, that there is a wonderful demand as newsprint is in short supply and if the Government were honest about it, instead of handing this thing out to Wood Gundy and Harriman Ripley they would go into the money markets or appoint someone, clear of those people, to go into the money markets for Newfoundland and say that the Government under certain conditions are prepared to guarantee a bond issue of twenty millions in order to develop a paper mill of two hundred and fifty tons a day in Bay D'Espoir. It would not be economical to have five hundred tons a day. In my opinion five hundred tons is too large, it has to be sounded out first to see how it works but you could lay out your plan which could be enlarged like Corner Brook up to five hundred or in fact to a thousand if it were required. Corner Brook was laid out for four hundred and now it has a capacity of eleven or twelve hundred because it was laid out or planned to be expanded. Bay D'Espoir could be done the same thing with. Speaking of Bay D'Espoir I feel honestly that is the only place to build the mill economically to be fed with ninety percent wood from the Labrador and ten percent from Bay D'Espoir itself, which is now being cut by Bowater's for mostly var or fir wood. You must have a good percentage of spruce and fir in order to make good newsprint. Facilities for a harbour in Bay

D'Espoir are open all the year round whereas Labrador has only three months or four months taken on the average, particularly on the northern edge of Labrador, but that does not indicate anything to justify giving Wood Gundy and Harriman Ripley, who are to be the peddlers of the Government, an area of roughly 11 thousand square miles with concessions on mining rights and timber rights to go out and sell them where they can and make a commission on them. I would like to get that kind of business myself from the Government for nothing to put in one hundred thousand and our Government put in nine hundred thousand and five hundred thousand from the surplus. In other words put up five hundred thousand now and next year they are practically gone broke and come back again for more and sell more of the stock and the Government will buy 90% and they will buy 10% and so on it goes.

Now the operations or the intentions the public do not know and have not been informed by the Government as to whether or not there are possibilities or what those prospects are. It is all very well for the Premier; we have to keep that secret but we have nothing concrete, we are voting for nothing as far as Newfoundland is concerned. It is good for Harriman Ripley and for Wood Gundy who are I say the most unscrupulous, and I will say that on a public platform too, the most unscrupulous double dealers in Canada today and if you look up their record you will find out it is correct. The Canada Power and Paper Co; go back twenty years and find out what happened to them and what A.N.D. had to do to get out of Canada Power and Paper Corporation to save their skin.

Fortunately at that time Corner Brook was not involved, the only people not in the International Paper Company, a company to itself. They tried to make a combine in Canada, tried to make a combine to beat the International Paper Co. At this time all the mills in Canada were directly involved and the late Sir Herbert Hope was instrumental in bringing that out and ultimately there was a crash in 1931 and he tried to make it sound which he succeeded in doing. Now we have them here, they have made a lot of money sometimes but when we are told what wonderful people they are it is time to tell the other side and see whether we come out on the debit or credit side of it.

Bell Island is another example. People right in this city today lost thousands of dollars on Bell Island through manipulation of the stocks of that company, when it was handed over in 1926-27 it was a bankrupt company though at the present time it is prosperous, but that is getting away from this Act here, Mr. Speaker. As I said at the outset I am not going to take just the Premier's explanation but want an explanation from every member on the opposite side of the House, every member has to be prepared to get up and answer any question I may ask him because if this is so good I want it to be explained to me so that I am satisfied or half-way satisfied we know what we are dealing with in these various sections. I don't want the Premier to get up and do it but every member over there and if they are not prepared then admit they don't know what they are voting for. It looks as though they have them all whipped into line. I remember distinctly in 1923, the year the Government had discussions in connection with that deal which the

Premier admitted was the most important that ever went through this House. And I know the Opposition had many meetings before that Act was passed and it was not passed overnight and to me this Bill is even more important for this reason. The only thing about the Corner Brook Act which was important was the guarantee by the Government of twenty million dollars, to be accurate, they guaranteed ten but there was a second mortgage making it twenty and if they had to go broke they would, in order to protect themselves, have to guarantee twenty million. At that time we had something specific to go on but here we have nothing specific. At that time the Reids who promoted the Corner Brook deal had certain areas which were given to them because of the Railway contract, property given to Reids in 1898 for building a railway across the country but these fellows are getting property now for nothing to go out and peddle it, the Government is not going out to peddle it. Dr. Valdmanis, Harriman Ripley and Wood Gundy are the peddlers and the sooner they take their packs on their backs and start off and peddle it the better for Newfoundland. But I question and I tell them right here, straight now this Act is not decent, they are committing themselves to nothing, there is not one commitment in here, beyond putting up one hundred thousand in cash, and we don't know how much Harriman Ripley or Wood Gundy are putting up between them. We have only two Government Directors here and the rest of them are private individuals, in private business. The Act was framed at Montreal by Mr. Richardson, I say that right now; very well, it is not the first Act he framed in connection with Labrador. There

was one in 1939 in connection with Labrador drawn up by the Commission of Government. But this Act here covers not only Labrador but Newfoundland as well. Therefore I say, to the Government, and I think the Premier will agree with me, they should produce charts and maps outlining where this property is. At the present time the Bill gives us boundaries which will be leased for ninety nine years. Now that survey should be placed on the table of this House if we are to discuss the Bill intelligently and those of us who have some interest in it should be told how much timber is down there in those ten thousand square miles. As a guess we are told forty million cords.

MR. SMALLWOOD: Thirty nine million cords.

MR. CASHIN: That is pretty close, a good guess, but we have not seen the survey. Has the rank and file of the Government seen the survey? I put that question to the House. I question whether the Government has a map outlining where these ten thousand square miles are, I question whether they have seen it or not. They are voting on it and don't know what they are voting on. They are a crowd of sheep. These are things which I contend are important. I bet the Cabinet before they talked about this at all had a map before them showing the ten thousand square miles and they should show it to the members of their party and the members on this side, both Opposition and Independent, but you are not going to do this. Surely you are not going to tell us it is not in the public interest to show a survey which the people paid good money, many thousand dollars for.

They are to get 50c. a cord export royalty which is too little. Point

one. Why from the Province of Quebec, the Commission Government were offered 75c. a cord in 1939 for wood by a Corporation and turned it down.

MR. SMALLWOOD: We have an offer of \$5.

MR. CASHIN: It is not in there. I have the floor. You have an offer of \$5 a cord, who is going to make the \$4.50. The Premier tells us we have an offer for \$5 and this Bill says 50c., where does the other \$4.50 go? Mr. Gundy and Mr. Harriman Ripley will reap some of that reward. You have an offer of \$5 and still you give the corporation the right to export for 50c. a cord. That does not sound sensible to me. If you have that offer it should go in here and I will give my undertaking right now I will vote for it at once for I know they will never collect it. It would be interesting to know where that offer comes from. I bet it is some fly by night salesman running to Montreal or Windsor, and if from Montreal it is not from any outstanding corporation, it is not Bowater's nor the A.N.D. Company or the Anglo Canadian or any of those corporations.

MR. SMALLWOOD: They have their wood.

MR. CASHIN: They are short on wood the whole lot of them, and the only birch and timber left on the North East Coast is in Labrador.

MR. SMALLWOOD: That is why we get an offer of \$5.

MR. CASHIN: Will you explain it now?

MR. SMALLWOOD: In my reply I will tell you.

MR. CASHIN: It is not incorporated in here. Are they going to get

\$5 and have a rake-off? If it is going into a corporation of this kind why is it not \$5 in here?

Mr. Speaker, it is getting near six o'clock and I am getting hungry. Well it has taken you a full six months and I venture to bet that ninety percent of the members can't explain it. The Premier made a brief explanation yesterday and followed it up today but every section of that Act should be gone over by a Corporation lawyer and we have not that kind of man in this House, not one, with all due respects to the two we have. They are not corporation lawyers in the strict sense of the word, they are not trained for it and could never go in to court and explain twisted sentences such as we have here that are Dutch to you and I, Mr. Speaker, as private individuals and therefore we should have an expert lawyer, a corporation lawyer to advise us but we have not got one. However, we do find that the Government has been offered \$5 a cord royalty on wood and in spite of that there is only 50c. according to the Act. I am going to talk on that in connection with this Bill and a paper mill in Labrador and Bay D'Espoir for some time. I remember away back in 1927 when the International Paper Company took over the Newfoundland Power and Paper at Corner Brook. At that time the Late Harry Crow had the rights on the Bay D'Espoir timber areas in that section. When the Government were bankrupt or were supposed to be in 1930 we discovered that Crow had made a deal with a previous government in 1912 or 1915 to develop and put up \$80,000 to insure this and he had not carried it out and when the International Paper Co., took over they took over his liability to do this work and we confiscated

the \$80,000 and put it in the treasury to help to pay our bills and they were going to take us to court, and I don't know what else they were going to do but anyway the water power belonged to Newfoundland and belongs to Newfoundland today, despite what the Premier said the other day about former governments giving away the country. However, at that time the International Company had a survey made and it was made by outstanding engineers in Canada, the Late W. I. Bishop who informed me, because he was a fairly close friend of his, that there were great possibilities for development of a pulp and paper mill in Bay D'Espoir to be fed from Labrador.

MR. CHAIRMAN: We will now leave the Chair until 8:00 o'clock tonight, when the honourable member who has the floor may continue.

#### NIGHT SESSION

MR. CASHIN: Mr. Speaker, before the House closed at 6:00 o'clock I was talking about the possibility of a mill on the South West Coast fed from wood in Labrador and I pointed out at that time that there was no indication in this Act that any such mill is in the offing though we have been told in the House repeatedly during the past few months that the IBEC Group had made a report and while this Bill is being discussed, I hold that the IBEC Report should be available here for the information of the House. But it is not and we are told it would not be in the public interest to disclose it. After all the IBEC people have been paid for making that report and the money has been taken out of the treasury and not from the pockets of the Cabinet. Consequently the public is entitled to

know what is in that report. As far as I see this Act here which is now before the House is largely being railroaded through in the dying days of the House, I can't stop it, nobody can stop it and I may not want to stop it, if I knew the full content but I have not been told the full content. In referring to the Humber Deal as being the greatest Bill ever put through this House, it was not brought in in the dying days of the House, but was brought in practically at the opening of the House and the House was notified in the Speech from the Throne that such a Bill was coming through and it came through and was discussed intelligently. That time there was something to discuss, here we have nothing to discuss only a grant of nine or ten thousand square miles of public domain to this Corporation to peddle around the world. We were told also in the Terms of Union, if I might be permitted to refer to them, that if any economic reports were necessary or had to be made the Federal Government would be prepared to give us all possible assistance and that has not been done but rather outsiders have been brought in to make this economic report which the Government now refuses to make public.

Now, with respect to a mill on the South West Coast fed from Labrador I hold, Mr. Speaker, that under the present marketing conditions, the chances of erection of that mill fed with wood from Labrador are not only possible but probable and I hold also that under the present set-up of this corporation that they are not interested in the development of that mill on the South West Coast and will do everything in their power to block it because they have other interests and because some of the directors of this

corporation are already in the paper business elsewhere, and naturally and humanly will try and stop any further competition with mills to which they are personally, and I might say, closely connected.

Now, in order to find out whether or not, it would be practical and an economic proposition to have another mill on the South West Coast, and I hold a two hundred and fifty ton mill would cost about forty-five millions to erect, and to put it in production you have to ascertain market conditions at the present time for that additional newsprint and are the markets in condition to warrant that mill?

Now then what are the market conditions at the present time, of the various newsprint mills in Canada? The United States and Great Britain have a capacity of somewhere around ten or eleven million tons of newsprint annually, including Newfoundland, which has a capacity of one million tons or probably more by now. The market conditions in the United States alone will take seven million tons of newsprint annually, apart from what might be going to Great Britain which prior to the outbreak of the great war produced one hundred thousand tons of newsprint annually from timber produced in Canada and Scandinavia and made probably from pulp wood manufactured in Scandinavia and Canada. At present they only manufacture, at the most, six hundred thousand tons a year and in addition import a considerable amount of newsprint when they can find the necessary dollars to buy it, which makes a shortage at the present time of roughly two million tons of newsprint. Now, a mill on the South West Coast produced in such a man-

ner that it could be expanded to five hundred or even a thousand tons ultimately would only fill in the gap for a hundred thousand tons each year so that there would still be a shortage. The price is up at the present time to somewhere around \$110 a ton F.O.B. New York and in this morning's paper you will find it has gone up to \$115 a ton. Therefore if we take thirty-five million dollars of which \$20,000,000 could be guaranteed by the Government and \$15,000,000 by subscription in common or preferred stock by outside people would that mill be profitable? How much would it cost to produce and how much could it be sold for? Well, Mr. Speaker, I have made enquiries and as far as I can find out the cost of producing newsprint at the present time including interest and sinking fund to pay off funds outstanding against a corporation in Newfoundland and on the Mainland of Canada would be in the vicinity of \$60 or net profit \$50 a ton. \$50 a ton profit on 1,000,000 tons a year, five million dollars which is quite a profit.

Now there is nothing in this Act to tell us that any efforts are being made to establish a mill. It is all very well to hear the Premier tell us people are interested. We know people have come and gone down and looked at the timber areas on Labrador but the surveys have not been produced in this House and no information has really been given the House in the form of maps or surveys or anything else. All we are told is, here is a Bill, vote for it or oppose it. Now, my position in here is not to oppose everything the Government brings in. If the Government brings in legislation which I think is good for the country I am going to vote for it, and I don't care who likes

it or does not like it. On the other hand if they come in here as they did in this case in the dying moments of the session and ask to give to this corporation nine thousand square miles roughly of Newfoundland and Labrador for the purpose of going out and peddling and under no Government control financially, then I say it is not correct. Furthermore the Government says we have control we have the power of veto but if certain things have to be done or have not to be done it is left to the discrimination of the Lieutenant Governor in Council; not the House, but the Lieutenant Governor in Council. Why, Mr. Speaker, if the Lieutenant Governor in Council are going to run the whole country and if they can come in here and because of a Government measure put through what they like then it is just as well in the public interest, if you look at it that way, to have no opposition and there is some justification for the gentlemen who walked out this afternoon. A gentleman came to me and said, I could understand that in three days, I bet he does not understand it now. Three days! Any gentleman who says he can understand that in three days can understand the general principles which are very few in number. A Corporation which is given areas, a guarantee of ten million dollars are two things that we understand, but the rest of it, the manipulation of stocks and the sale of stocks and so forth, no Sir, there is no man in this House or in this country who could understand it in three days and they don't understand it now, many of those who have been dickered with it for six or seven months. I am not here to block any legislation and it would be fruitless on my part to attempt it. But there

is not one dollar coming into the country out of that Bill it is all going out to Harriman Ripley, Wood Gundy, Mr. Lewin, Mr. Pippy. Their expenses are being paid though they have no salary.

MR. SMALLWOOD: Nor no shares.

MR. CASHIN: The Government has 90% who has the other 10%? What are they on the Board of Directors for?

MR. SMALLWOOD: We are the ones who put them there.

MR. CASHIN: You put them there and it does not say if they represent the Government or not. They represent Bowring Brothers, St. John's; and Bowaters, Corner Brook, and Mr. Someone else represents someone else and so on. It does not say they represent the Government of Newfoundland in that Act. There are many features of this Act which easily show that these people do not represent the Government of Newfoundland. At the present time they represent themselves and their own financial interests not the Government of Newfoundland. There are two people representing the Government of Newfoundland, the Premier and the Attorney General. And as the Premier said, I think this afternoon, the reason they could not do the business was because they were not bankers, financiers, industrialists or economists or businessmen themselves and these people were so. So they give them this thing to go out and peddle around. Once that legislation is passed these people can take and peddle our resources all over the world which is the worst thing that can be done to this country or any country to give a corporation without putting in any money the right to

go out and try to make money on our resources and if they find there is nothing in it, good night. The Bill then will be just another piece of waste paper as far as they are concerned and Newfoundland will be half a million or six hundred thousand dollars out.

Now I would like the Premier when he speaks again to tell us when we are going to get the IBEC Report and if it is not in the public interest to see it, why not before we go on let us see a map outlining the territory to be given to this Corporation in Newfoundland and Labrador? If there is a copy of the survey made by the Photographic Survey Corporation Limited, if we could have that to see how much timber is on that particular territory, which I understand is in the vicinity of forty million cords and undoubtedly the report tells us the feasibility of cutting that wood and the possibility of a mill. These are things which we should know before we can vote intelligently.

Mr. Speaker, after I make these few remarks I may do the same thing as the Opposition and let the Government fight it out amongst themselves. I may not, on the other hand, and if I don't do it every section of that Act will have to be thoroughly explained to the House as we go through it. It is not that I want to hold it up. It is the Government who has held it up. We have been here three months today, since the 7th of March this House has been open and today is the 7th of June and the most important piece of legislation has been held over either deliberately or otherwise until the dying days of the session. I do not consider it right or fair, if it is so important as we are told it is.

Now with respect to that mill on the Labrador or in Bay D'Espoir. The Government has visions of a five hundred ton mill at a cost of fifty or probably one hundred million dollars, but I question whether a hundred million dollar expenditure would be warranted to produce five hundred tons a day, one hundred and fifty tons a year at a profit of \$50 a ton which is a half million profit. Now when you take the sinking fund and interest from that, what would be the net profit? There would be very little left to pay dividends or construction on a fifty million or a hundred million dollar mill, and I feel the position at present is not so good because of the high cost of construction and another difficulty which has been overlooked, that is the difficulty of obtaining steel, machinery and equipment, all kinds of equipment for the running of these projects envisioned in this Act such as manufacture of lumber and pulp and paper development, as without steel nothing can be produced anywhere not even fish. You have to have steel to do it. Now what are the possibilities today? Those people who are coming in here, Harriman Ripley and Wood Gundy are close to the Government of both countries who control the steel industries at the present time. Are they in a position to guarantee the steel necessary to construct a paper mill, and if such a thing were possible, are the Government in a position to tell the House that if they had a company ready tomorrow to construct and develop a mill on the South West Coast or in Labrador that the necessary steel would be available? All these things are matters which should receive attention.

Now there is another thing also; let us hope always that there won't

be such a thing as a third world war because if it comes, and there are a lot of people who think it will; I only hope it won't, but if it does come then this Bill here is automatically deferred until such time as conditions adjust themselves, and then what happens? The biggest calamity is anticipated that the world has ever known and the biggest slump the world has ever known after this third world war, if it comes. Supposing we eliminated the possibility of a third world war, what would happen then? Do we realize that the boom that is on in Canada and the United States today is attributable solely to the possibility and the preparation for a third world war. The whole economic strength of the United States of America and the Great Dominion of Canada is built up around armunitions, guns, planes and all that kind of thing, ships, warships of all kinds. That is what is giving the employment today, not paper mills so much, not mining so much. Let us go right in to the Great Dominion of Canada, on the Mainland, and find today in Montreal, Toronto, Quebec and all these areas out west are engaged in the shipbuilding industry and we find all these things going full blast because of the possibility of war, building up a defence. Therefore we have to figure out at the present time whether or not it would be possible to obtain the necessary equipment, the necessary steel to construct and put into motion any of these projects which might be envisioned in this Act but there is not one envisioned, not one project, only giving away to the Corporation though I grant it is controlled financially by the Government; a Crown Corporation controlled in a sense by the Government financially but as far as the manipu-



lation and the business is concerned it is controlled by Wood Gundy and Harriman Ripley. They do the work and manipulate the markets while we sit idly by and see the dough they get. And we are expected to come in here and vote for that.

If I could see in this Act any possibility of a mill on the South West Coast or on the Labrador or the development of the mine in Green Bay or if there was any possibility of them and the Government could assure me and if Harriman Ripley and Wood Gundy would come in here and assure me that is what they are aiming at, I would vote for it. Now, the position is that these people, and I include here the Government, are given this concession right now with nothing in view but to go out and sell it to someone outside. That is the position as I see it. There has been no competent company come to the Government and say: "Look we know there are forty million cords of wood on the Labrador, at least the IBEC Report says so," and the Government could say: "Look here is our report, see for yourself." There is all that water power on the South West Coast and the Hamilton Inlet, therefore this power can be developed. Has any company or organization come to the Government and asked the Government this question: You have the wood, the timber, the water power, we have the money and are prepared to develop on a guarantee of twenty million or ten million or fifty million for that matter. Has any company come to us for that?

MR. SMALLWOOD: If any company came to us with that proposition the mill would be underway today.

MR. CASHIN: No company has but when you go to them, will they

say, "O.K. Mr. Premier give us that concession and we will go out and try and sell it." That is the answer, there is no company and you went to no company to ask them to build a mill and to offer to give them a concession of twenty or fifty million dollars. No.

MR. SMALLWOOD: Stick to what I said when you quote me. No company came and asked us to guarantee a bond issue.

MR. CASHIN: Did you go to any company and say you would guarantee a bond issue and they refused? That is the question. On the other side I question whether you have or not, I don't know, but it is evident you got no satisfaction from anyone else. This great Dr. Valdmanis has not produced it either but we have all those statistics at hand of development all over the place. I agree with development and that the possibilities are there but the Government are the ones to negotiate those deals, not Wood Gundy and not Harriman Ripley, if there is any money to be paid out to make money. The Government, the Provincial Government won't make any money in any case, no money as far as revenue is concerned, they will make nothing except put people to work creating increased incomes and taxation to balance the budget and they will have to pile on more taxation in order to do it. If you constructed a mill tomorrow it would certainly help you to balance the budget next year or the year after because the people would be earning money. They would have to engage four or five thousand men to construct a paper mill earning an average of four or five million dollars a year on which you could place taxation because everyone is getting taxed to

day and can't get rid of it. More money has to be obtained for defense. We can't tax directly therefore we have to put on Social Security Tax and increase it from three to six or ten percent if we want to balance our budget. But if we had the extra earning power we could do it, but there is no indication of that here and that is what I am kicking about. The possibilities, Mr. Speaker, are these, that Wood Gundy and Harriman Ripley Corporation and the Bowater Corporation, because they are represented here and they should not be, they envision a possibility of going out and making money on the sale of these concessions to outside concerns who might be interested in them. That is why we find Wood Gundy there. That is why Bowaters are there. Now we are told they are not putting up any money, Harriman Ripley and Wood Gundy, apart from the Government, are the only ones who are but there is nothing in here to say that, all we know is the Government is putting up nine hundred thousand and these other people, exclusive of the Attorney General and the Premier, are putting up the balance. Now, who do they represent? Mr. Pippy, Mr. Bowring, Mr. Lewin, Mr. Richardson is a lawyer in Montreal who drafted this Act, Mr. Gould, New York, and Col. Griffin, six people to put up one hundred thousand dollars, a mere matter of \$17,000 each. The money is put up by Harriman Ripley and Wood Gundy. Cement General Development have no director representing them. They are putting up money without any director. Now, Mr. Bowring can buy a share if he wants to at a dollar.

MR. SMALLWOOD: The Government owns 90% of the shares.

MR. CASHIN: The Government takes 90% and there is 10% for the other people. Now, Messrs. Bowring, Pippy and Lewin are not named as directors appointed by the Government, but here, they represent either themselves or their own companies according to this Act. There is nothing here to indicate anything else, they have been appointed but they have to have a share to be a director, and in order to get a share they have to pay a dollar.

MR. SMALLWOOD: The Act provides that there may be directors without holding shares.

MR. CASHIN: What Act does that come under? I will find it here and read it. "The Corporation shall not commence operations or transact any business until one million of its Common Shares shall have been subscribed and paid for in cash at one dollar per share and nine hundred thousand of such Common Shares shall forthwith be so subscribed and paid for by the Government of Newfoundland." That is a dollar a share and one hundred thousand shares go to those other people and they have to pay for them. It does not say Mr. Bowring and Mr. Pippy or anyone else cannot buy a share.

MR. SMALLWOOD: But it does say a man can be a director without owning a share.

MR. CASHIN: Well I never knew a company yet where a director did not own a share, because, number one, you can't do it. You have to give them one share. If a lawyer were forming a company for me tomorrow, I pay him his fee and we have three shareholders to form a company. That lawyer or a member of his staff is put down as a share-

holder with one share, that is how a company is formed.

MR. SMALLWOOD: No, it is not.

MR. CASHIN: Well I formed one myself a short while ago and I know and it was not the first one I have been mixed up in. Three people put up \$100,000, \$33,000 each. I take it for granted that happened.

MR. SMALLWOOD: Harriman Ripley is putting up just over half, Wood Gundy considerably less than half.

MR. CASHIN: I figure that is a very small amount.

MR. SMALLWOOD: And Gould is putting up a very small amount.

MR. CASHIN: Well, there are three and between them they are putting up \$100,000 and the Government is putting up \$900,000 and they have the privilege of peddling all over the country, that is their job peddling, there are thousands of them running around in New York and Montreal. I told you this afternoon about some of them. The next time you see Gundy ask him about them. I am going to tell you about this:

In 1922 the Corporation known as Canada Power and Paper was formed in Montreal. That Company was promoted by Wood Gundy, and those industries issued bonds and took in five or six paper companies and made an effort to control the whole paper industry of Canada, and incidentally took in Grand Falls and Quebec but it was with a proviso and they got out from under when they saw situations arising with which they did not agree and the way matters were being run. What happened? The stocks of Canada Power and Paper Company in less than a week in 1935

went from \$38 to \$50 down to \$4 a share, Mr. Gundy might be interested in telling you how these people peddled around Montreal and through the Sun Life Insurance Company and various other utilities and nearly brought the Sun Life down to rock bottom. We all know about the Sun Life mess in 1935 because the president was thrown out because he bought so many shares and many industrial concerns in the United States and in Canada were near bankruptcy. Who unloaded? Wood Gundy. Yes, Sir, they are the best peddlers who ever came to this country, who ever carried a pack, slickers every one of them. You can also ask him about the Dominion Steel and Coal when he took over, what happened to them and how many times they have gone to the Federal Government for financial assistance to keep afloat and at the present time how much money they owe the Federal Government. Some peddlers, the slickest in Canada today though not the only ones. I know Mr. Gundy personally as well as I know the Premier and I would not give Mr. Gundy hot air and as far as I am concerned if I were in the Government today I would not have anything to do with him. I consider his outfit not too good, not as the Premier talked about it yesterday. When you have to set up an outfit to take a concession like that, have the credit and debit to go on St. James Street or Bay Street in Toronto and find out about these people. They will tell you more than I, about the shady deals they have pulled but you won't find that in Dominion Securities or Aimes & Co., they would not be mixed up in anything like that.

Now, Mr. Speaker, the second reading of this Bill as far as I am con-

cerned is about over. The next stage of the Bill will be Committee of the Whole. Every member of this House both on the Government side and on the Opposition, I am not on the Opposition, I am here by myself, should familiarize themselves with the text of the various sections of this Act which is giving away to this Corporation, giving away, I say through the Government who have financial control but still giving away to three or four outfits the control of eight or ten thousand square miles of Newfoundland's territory, five thousand on the Labrador selected out of ten thousand which will be the best down there naturally. If you will check from the IBEC Report and the survey done by the Toronto Company they will select the best and leave what is called the cullage out and select the good spots, which is wrong in principle because they should take the good with the bad and average them up. For instance, in 40 million cords of wood on a thousand square miles there are roughly four thousand cords to a square mile, if my memory serves me right, but there are places in that territory with very little wood at all, probably none, but on the other hand when the Gander Deal and the Humber Deal were put through they did not go out and check, they had to take it as it came. The Reids were given concessions for the Railway in 1888 and there was the Humber and later the Gander deal and on the West Coast of the Island they later bought up other sections adjoining those they had operations on. Before the deal went through the House granted between the two companies, I forget how many square miles between them, practically the whole of the Island

excluding these concessions here which is not much as far as I can see it.

MR. SMALLWOOD: How would this compare with the present holdings of the two paper companies in Newfoundland?

MR. CASHIN: Well here is the position, there are forty million cords of wood practically, outlined in that area, that five thousand square miles may have two-thirds of it, say 25 million cords of wood or say 20 million just to make it easier. How many cords of wood now have Bowater?

MR. SMALLWOOD: Eighteen or twelve million cords.

MR. CASHIN: I think I have it here somewhere. We will settle now for twelve. There is 39 millions in the country at the present time, practically 39½ million on the Island of Newfoundland and thirty-one and a quarter millions under the control of A.N.D. and Bowaters at the present time. Now, give two-thirds to this other outfit and two thirds of the wood on the Labrador and they will have thirty million cords out of it.

MR. SMALLWOOD: That is not so.

MR. CASHIN: That is what I am trying to get at. If you would table the maps and reports then we will know but until such time as you do that in the interest of the House for the information of the country and tell where the wood is located and how much there is and how much they are getting. We should know. Why not table the reports?

MR. SMALLWOOD: I can formally and officially inform the gentleman and the Government what of the ten thousand square miles the Corporation

will get. That is why I can assure you it is not so.

MR. CASHIN: Under this Act it distinctly says: "For a term of ninety-nine years from the day upon which this Act comes into force, a timber concession in Labrador in the Lake Melville and adjacent areas (to be selected by the Corporation subject to the approval of the Lieutenant-Governor in Council) in blocks of not less than one hundred square miles each, from the area of approximately ten thousand square miles surveyed by the Photographic Survey Corporation Limited, such concession to contain not less than four thousand square miles and not more than five thousand square miles and to carry the right, throughout said terms of ninety-nine years, subject to fulfillment of the condition set forth in the next following paragraph to the Corporation and its assignees or transferees, to cut timber on such concessions at a stumpage charge of fifty cents per cord."

MR. SMALLWOOD: Exactly.

MR. CASHIN: I grant you exactly. But that is the trouble, Mr. Speaker, "to be selected by the Corporation subject to the approval of the Lieutenant-Governor in Council."

MR. SMALLWOOD: Is the House going to start picking and choosing the five thousand square miles?

MR. CASHIN: It is a job for the Government and for Government control in here, not by me though I am sovereign here by myself. It is a job for the Government yes, but you are giving it to those people, you have financial control I grant.

MR. SMALLWOOD: In every way, we have a complete veto.

MR. CASHIN: I know you have but here is the position: If those people go out tomorrow and sell a proposition.

MR. SMALLWOOD: They can't sell a thimble unless we say yes.

MR. CASHIN: But you can come in here and say we sold this to a Corporation in the United States and Canada, then tentatively until such time as it is approved by the Government—

MR. SMALLWOOD: They can't even sell their own shares.

MR. CASHIN: I am saying they have been given the privilege of going out and peddling all over the United States and Canada.

MR. SMALLWOOD: That is exactly what we want.

MR. CASHIN: Yes, and I say they should not be allowed. It is not good for the country. If you have something good show it to the capitalists.

MR. SMALLWOOD: That is what you are calling peddling.

MR. CASHIN: To give it to private individuals. Why does not the Government go out and peddle?

MR. SMALLWOOD: They are our agents.

MR. CASHIN: Yes, but they are going to make money out of it. Now, Mr. Speaker, how are they going to make money out of it? In this way: You admitted, I think, this afternoon that you were not business men and so on, but Wood Gundy—

MR. SMALLWOOD: He is no fool.

MR. CASHIN: Perhaps not in the connection of a businessman, but I say this thing is foolish; I would take on Wood Gundy tomorrow and I speak of them knowing what I am talking about. And they are the same outfit, in the United States Harriman Ripley are their corresponding agent. Well they will get a concern interested in here and you will give them a guarantee, I agree with it but how much is Wood Gundy going to get out of it? If they were not going to make money they would not want their name identified with it.

MR. SMALLWOOD: They make their money in financing.

MR. CASHIN: That is what I say, they have to sell the idea to the manufacturers, to the industrialists and the bankers and insurance companies because all their interests are financial interests. The Labrador Mining and Exploration Co., raised a loan of one hundred and twenty millions the other day and they did not get it from the man in the street.

MR. SMALLWOOD: Wood Gundy and Harriman Ripley got it from insurance companies.

MR. CASHIN: How much commission did they make out of it. They are entitled to a certain sum, I am not arguing about that. But I don't want anyone to come in here and say they are not going to make any money out of it. I say they will and they can make it in two or three ways.

MR. SMALLWOOD: We are hoping so.

MR. SPEAKER: Order.

MR. CASHIN: We will never have order in here.

MR. SPEAKER: I think we will.

MR. CASHIN: I will be finished in a few minutes and then order will be restored. I cannot see in this Act any difference whatsoever between giving these people, or any other people a concession in Newfoundland if they were putting up some money for development. You have your surveys and no doubt they have seen them, I don't know if they have or not, maybe it was not in the public interest to show them to them. They have to go out and sell your ideas, they have not said you can sell them. When this talk of a mill was first brought forth I thought the people were right outside the door waiting to come in with the necessary funds to develop it. I was given to understand that from the statement of the Premier when he brought this into the House, but the only thing in there is that Harriman Ripley and Wood Gundy have been given a job on a commission basis to go out and sell a mill for Newfoundland, and if they get suitable terms, the Government will agree with it.

MR. SMALLWOOD: What is wrong about that?

MR. CASHIN: This much is wrong that unless they have something to offer they should not be given concessions. You will find two or three days after this Act passes they will be down in the middle of Wall Street trying to sell this idea, this whole business.

MR. SMALLWOOD: That is the idea of the Bill.

MR. CASHIN: There is nothing wrong with it. I have not said I am voting against it, and I am entitled to vote whatever way I like. There is

none here can take a whip out and make me vote.

MR. SMALLWOOD: No one ever could.

MR. CASHIN: There are others in here not in that position. All right, when this thing goes through Committee of the Whole, I might vote for this whole thing. I don't suppose you care?

MR. SMALLWOOD: We do care. If you allow me, more than all those other gentlemen put together.

MR. CASHIN: I am not worried about them.

MR. SMALLWOOD: No, nor we.

MR. CASHIN: I am just as much interested in this country as any of you. I don't want only a certain amount of concessions to be given for a mill.

MR. SMALLWOOD: You are not satisfied with one mill?

MR. CASHIN: Too many big ambitions and accomplished nothing yet.

MR. SMALLWOOD: We want a paper mill and also a pulp mill.

MR. CASHIN: We have neither yet. We all want a lot of things, I want a Rolls-Royce but I can't get it. And the Government won't get it. Very shortly there will be nothing left. Here is the Government financing Harriman Ripley and Wood Gundy to the tune of nine hundred thousand dollars to go out and sell ideas.

MR. SMALLWOOD: They don't get a cent of that money.

MR. CASHIN: I think that should have been explained long ago. It

should have been explained in the second reading of the Bill.

MR. SMALLWOOD: I never thought anyone would assume it was going to them.

MR. CASHIN: We assume that Harriman Ripley and Wood Gundy are shareholders in this Corporation and put in a certain amount of money and that you put in nine hundred thousand, now we have to find agents to go down to New York and their expenses and so on, the Corporation has to pay that and has to make surveys, the Corporation has to find the money.

MR. SMALLWOOD: The surveys will be made by the companies, who are interested in coming into Newfoundland.

MR. CASHIN: Well why do we have to put up any money. There are nine hundred thousand dollars going to be spent. What are you going to do with it? If you are not going to spend it, why put it in?

MR. SMALLWOOD: It is going to be spent but not handed to Harriman Ripley.

MR. CASHIN: We are entitled to know that.

MR. SMALLWOOD: In this way: If a dozen corporations are started by this development corporation, the development corporation can invest in each of them to the extent of its capital. That is what is going to be done with it. It is not going to be handed to Harriman Ripley and Wood Gundy.

MR. CASHIN: Well here is the position: They will go down to New York tomorrow and find some

company interested in this proposition of a mill or a mine.

MR. SMALLWOOD: Give us one thing at a time, don't crowd us out, one mill or a mine.

MR. CASHIN: All right, this crowd comes up here and they have so much money, and you are a holding company now and you are going to buy so many shares in this other company, and they are going out to explore this territory with your money and their money for development.

MR. SMALLWOOD: The exploration will be conducted at their own expense.

MR. CASHIN: All right, it has been explored and everything is going ahead and you are going to buy so much stock or the Corporation is with the Government's money. The other crowd are only putting up a couple of dollars and any profits you receive are tax free for Wood Gundy.

MR. SMALLWOOD: No, any profits they receive they pay taxes on it. If there are any profits they have to pay taxes on them, but the Government does not.

MR. CASHIN: Well, Mr. Speaker, this Bill is going through and I don't understand it at the present time even though I was very much flattered this afternoon by being told I could understand it in three days. I am going to tell you I am so darn stupid I could not understand the principle. I think it is the Government is putting up a certain amount of money and certain concessions. I understand that. Secondly in return for these concessions and the guarantee of this country the corporation will go out and sell it. I understand that. But

when it comes to the manipulation of stocks and shares in this corporation I am going to tell you there is not a man in this House who understands, not alone me, and I was highly flattered when I was told I was able to see it in three days.

MR. COURAGE: You are doing all right.

MR. CASHIN: Do you understand it? You may understand the general principle the same as I, but you could be taken in by Wood Gundy.

MR. SMALLWOOD: I don't think Mr. Pippy could be fooled nor are Mr. Bowring and Mr. Lewin going to be easy.

MR. CASHIN: Mr. Lewin was put in there to protect the interests of Bowaters.

MR. SMALLWOOD: That is not a warranted statement. He is a good Newfoundland. I wish we had more like him. I wish we had more like Mr. Lewin in this Province, a dozen more.

MR. CASHIN: The Premier has changed his attitude in the past four or five years and I did too. I would not take his word for anything, I had my experience of it and I am sorry he is not here to tell him so to his face. I would not take Mr. Lewin's word for anything. I want everyone to understand that. He is a little god on the West Coast, a little Hitler who rules with a rod of iron and half the people are scared of him but here is one that is not. You cannot take his word, I have had business experience with him and I know what I am talking about. That is one connection I would like to see explained, and why? Mr. Lewin is going to do what he is told by Bowaters, he has



to look after his job and he would be a darn fool if he did not.

MR. SMALLWOOD: Any director on that Board who misrepresents the Government is just put off the Board.

MR. CASHIN: He should not be there at all. I don't know if he knows or not but he will overnight and I hope someone will tell him tonight what I have said and I will if I get the opportunity because I am not very diplomatic, especially when it comes to matters of that nature. And I would tell it to his face and he knows the reason why. A man who can't keep his word is not worth talking to and he is one of them. A roughneck, an autocrat, low contemptible, how 's that? That is not worthy of me either. He represents a big company in this country, the biggest we have had here and Bowaters have done a great job.

MR. SMALLWOOD: He did it.

MR. CASHIN: With someone's help; he is a chartered accountant, nothing more, but they have done a lot for the West Coast but nearly bankrupted Bowaters, and if we went into the full details two or three years ago we'd know all that, and the Bankers came down and took over.

Now, Sir, I am just about finished but I want to have this House understand right here and now that I oppose no legislation which is for the betterment of this country, but I don't want to be a party to a lot of tripe and in the main a lot of it is tripe. It is merely giving a concession to go out and sell. All these pages of the Act to cover it are unnecessary. Give them an option one way or the other for three or five years to develop one way or the other and if they fall down well and good but not

give it to them in order to go out and make money; go out and sell the idea. But this gives concessions here even though it is under the control of the Government. You don't know who is going to be here tomorrow. We only know some Government is going to be here and these fellows can put it all over them, they did it before, they crucified Newfoundland and well I know it. You are in a happy position, Mr. Speaker, this Government never had to go begging for money but I have been in the unfortunate position when I had to go on my hands and knees to beg for it and what happened? We got a kick in the side and were told we were bankrupt when we were the most solvent country in the lot. That is what you will be up against tomorrow or the next day when you lose the surplus, watch these chaps what they will do.

Now, Sir, I have made a tirade out of this but have not indicated whether I will vote for or against it but as I said, if I stay in the House, every section has to be thoroughly explained and I have to see every point. There is no one over on this side but myself, I am over here alone.

MR. COURAGE: You are doing a good job.

MR. CASHIN: I can cause you more trouble than all the others put together.

MR. SMALLWOOD: The others can't touch you.

MR. CASHIN: I have no political affiliations with any party in Newfoundland but I want to make it quite clear here tonight that any legislation which comes in here which I consider good for the country I will support but I am not going to be a party to railroading legislation through

in the dying days of the session and that is what I consider in a great measure this is. It reminds me of a certain company here in St. John's reputed for waiting for the dying moment of the House to bring in a little piece of legislation which could go through under suspended rules. I have not seen any this year but it is not too late yet. I understand the rules are not actually suspended. They waited every year and in the dying moments in they came. That has happened for twenty years and all old politicians here tonight will know who I am talking about. When we were cluing up, in a friendly way, someone would say, so and so has a little Bill ready and in it would come in the dying moments.

Now supposing I walked out of here tonight and left you to fight it out for yourselves, wouldn't that be wonderful?

MR. SMALLWOOD: Don't do that. Help us to hammer it out, clause by clause, word by word.

MR. COURAGE: That is the duty of the Opposition.

MR. CASHIN: I don't care what the Opposition does, I do not belong in it.

MR. SMALLWOOD: You would not do it that way.

MR. CASHIN: I want every member of the House to understand it, not alone the Cabinet. I want to understand it. It is the other sections I am worried about, I know what these corporation lawyers can be capable of and this Montgomery firm are the best Corporation Lawyers in North America, their business is run like an ordinary industrial corporation, occupying a whole floor in

the Sun Life Building in Montreal with 21 juniors. The biggest law corporation in the British Empire and they are the ones behind this and that is why I say we have to be very careful with these clauses and there is no nonsense about it. The junior members in this House should be acquainted with every clause of this Act and be able to talk as well as the Premier and if not they should not vote on it. If they do not know what it really means and cannot understand they have no right to vote on that Act and we are not all stupid and it can be gone through in the proper way and I am here to help the Government in that respect. As a matter of fact I may be the only one here all the summer.

MR. SMALLWOOD: You are the only one we want there and we want you there all the time.

MR. CASHIN: I will have put in my two hours in another two or three minutes. In my opinion there are many many loop-holes in the Act here and as we discuss it I think it is going to take some time to pick out way through. I want to hear some other members of the Government express their personal opinion on the principle of the Bill, and I want to know if I have made any statements that may be wrong. As a matter of fact I would not trust Wood Gundy with a hot stove if he said it was correct. Now, there is only one way to do it. Bring that man Gundy before this House and if he is not prepared to come here throw the Act at him, if he is not prepared to come and explain the Canada Power Corporation in 1931, that had to be salvaged after him and is now the Consolidated Paper Company of Canada. If he is not pre-

pared to come here and tell how his company pirated the company in 1931, then I say if he is not prepared to defend himself in that respect that outfit should not be included in that Bill. He is a lovely gentleman to me, I have had dinner with him but I have been very careful to watch whether he would poison me or not. Thank you.

MR. CURTIS: Mr. Speaker, I don't know just what it was we witnessed this afternoon when the honourable members of the Opposition walked out. It looked as though they were attending a funeral of the Progressive Conservative Party, they went out with such dignity and such order of procession. It is a beautiful night, maybe they thought it a good ruse to get away for the evening. I am sorry they are not here but I am very happy indeed that the honourable member for Ferryland did stay because he has shown from his remarks that he is keenly interested in the Bill under consideration, and it will be a pleasure for us to try and assist him in understanding what is in the Government's mind in sponsoring this Bill.

Now, we are not, Sir, in the dying moments of the session. There is no time limit to this debate. It is true we have been here for three months and we can stay another three if it is necessary. We are under no time limit. But I think even my honourable friend opposite will admit that a request for one month's adjournment in order to allow members to study this Bill is a bit thick. I think, and I told my honourable friend so, he could understand this Bill in three days, and if they asked for an adjournment for three days or one week one might have been influenced to

think they were being reasonable. But to ask us to close the House for a month and keep all the members in town a month while reading this Bill is, I think, and I believe my honourable friend opposite who voted for them will admit, a little too thick.

I am sorry they are not here because I propose tonight to run through the Bill and assist them and anybody else in the House who might be assisted to understand just what the Bill means. The honourable the Premier, yesterday when introducing the Bill, gave the general picture and I think he covered the Bill very well. However, there may be some points which in the course of his address he omitted to mention. He spoke without notes and did not refer in detail to the Bill at all. Therefore, I would propose at this time to briefly run through the Bill and assist any members of the House who may need assistance to understand it.

Now, of course, Mr. Speaker, most of us know just what a Limited Liability Company is, and my honourable friend told us he incorporated one very recently, and he knows he did not read all the details pushed under his hand for signature when the time came for recording it. Obviously therefore a Bill such as the present one has a lot of clauses which would not interest the ordinary layman. It is the practice, as you know, Mr. Speaker, for matters of this kind to be left to professional men and it is sufficient for the ordinary man to know the meat of the Bill and the general contentions there. When my honourable friend suggested that every member of this House should be able to get up and explain every section of the Bill, he is asking something absolutely unreasonable,

something very few members of this House would be able to do.

Now, Mr. Speaker, I would propose to discuss briefly some of the aspects of this Bill. Take for instance the first page; there is not a thing on that first page that anyone could fail to understand. The names of the Company and it sets forth the names of the original incorporators. It is necessary in all Bills of this kind to set forth the names of the incorporators, unless there is such a list no one exists and the very fact that those men's names are mentioned there as the ones who will be in attendance at the first meeting and put the company on its feet. We regret, however, Mr. Speaker, because we have included the names of these gentlemen that they should be held up by my honourable friend to ridicule and contempt and, for instance, I don't think it is fair, Mr. Speaker, when the Government ask men of that calibre whom we have here to represent the country, not merely to represent the company, when they are asked to come in here and represent us, I don't think it is fair, for them to be personally attacked in this House. Mr. Lewin did not ask for this appointment. We asked him. Mr. Bowring, we asked him; Mr. Pippy, we asked him. All these gentlemen, Mr. Speaker, have taken on this obligation as a public duty, just as other men have from time to time in this country subscribed their names and given their prestige and assets to organizations of a patriotic and similar nature. So, Mr. Speaker, let it be clear from the outset that none of these men whose names are listed here have gone into it with the idea of making any money. Harriman Ripley, Wood Gundy and possibly Mr. Gould and the Newfoundland

Government have gone in with the possibility of making money but for every cent that all the rest get put together, the Newfoundland Government will get ten cents, for every dollar they get we get ten dollars and for every hundred dollars we get ten times as much. One to ten, which is good enough.

Now, Mr. Speaker, my honourable friend says we need money, of course we need money to balance the budget, to keep this country in good condition. What have we got? Raw timber, an area on the Labrador with miles and miles and miles of it and prospective areas in Newfoundland which may well be developed. What would my honourable friend like us to do? What previous Governments have done; to farm out the territories to all our firends piece-a-piece, here it is for you and you and you, go ahead and clean up. Is that what you would like us to do? We have big industries in Newfoundland, three or four of them. I refer particularly to A.N.D. at Grand Falls. Who made the money on the original incorporation of these companies? Speculators. Who got it from the Newfoundland Government for nothing and sold it at a huge profit? What happened in the case of Corner Brook, where did they get the areas? Bought it and we got nothing for it; and what happened in the case of Buchans? We got nothing and the A.N.D. Co., is sitting pretty getting millions of dollars every year as their share. Now, Mr. Speaker, what is our answer to that? We have those natural resources and want them developed. Are we going to farm them out, give them away to speculators and let them clean up on them? No. We have organized this corporation in which we have 90% interest and this corporation will

handle and dispose of these interests. For whom? For the benefit of the country. Ninety cents of every dollar profit will come to the country, the Government and the people. The other 10% can go to the rest. Is not that better than the old arrangement? Is not ninety percent of this profit better than nothing, and that is what other governments got, nothing.

MR. CASHIN: Yes they have.

MR. SMALLWOOD: Taxes.

MR. CURTIS: We will get those too. That last clause is to come out. You know that clause No. 40 will come out.

Now, let us continue with the Bill. On the next page; the Chairman and the Directors are named, the authorized capital is three million dollars. You don't want a month to understand that. The Head Office of the Corporation is to be in St. John's. You don't want a month to understand that. Objects and Powers: The Corporation may carry on any trade, business or act whatsoever within the judgment of its directors as evidenced by the resolution of the Board, should operate, directly or indirectly, to promote the industrial and economic development of the Province of Newfoundland or any part or parts thereof or to develop the natural resources thereof and thereby to improve the standard of living of the people therein. Is that involved? The objects of the corporation are to promote the well-being of the country. Then follow a lot of more clauses which don't mean anything except to a lawyer and are contained in every company's charter. Mr. Speaker, these can be cut down very considerably, we could generalize those objects for four of five pages

or they could be limited to ten additional objects but I think anyone will see that they are fully comprehensive and follow the suggestion.

Now, in the next clause comes the commencement of operations. The Corporation cannot transact business until a million dollars has been bought up in capital. Does it take a month to understand that? The next says that out of the one million five hundred thousand shall be and become paid in surplus. The shares have no par value, therefore in order to capitalize the company it is deemed advisable to set aside half of the original million dollars of capital as surplus. But it is there to be used and just means that from the very start has a surplus and if during the first couple of years has to spend very considerable sums in development or any other way it would not impair the company because it simply means the reduction of that much of the surplus.

Now, the next clause: When future shares are issued the same thing happens, so much is capital and so much surplus. I don't think anyone would need a week or a day to understand that or any section so far.

Now, then we come to No. 8: Concessions for a term of 99 years. They get a timber concession on the Labrador to be selected by the Corporation but subject to approval of the Governor-General in Council. They can get up to four thousand square miles and then there are a lot of provisos tacked on which make it expedient that they act and act promptly in connection with these limitations, and remember those concessions are not going to outsiders but are going to the Government as to 90%. What have they got to do within five years? They have to cut

timber at an average annual rate of not less than one hundred million board feet, not a thousand, but a million as the figure suggests. A hundred million board feet.

MR. CASHIN: What about the survey?

MR. CURTIS: What survey? The Photographic Survey just shows the area where we can get it; we have ten thousand square miles surveyed.

MR. CASHIN: What about a copy of that survey?

MR. SMALLWOOD: We have never been asked to produce that. We would be glad to.

MR. CURTIS: Now then, Mr. Speaker, what is all this talk of this terrific concession?

MR. CASHIN: What about the 50c. a cord and \$5.00 a cord?

MR. CURTIS: I will tell my honourable friend there are two concessions aggregating thirty-five hundred square miles which were given away between 1918 and 1923 to private companies for 25c. a cord and they are there yet and they are not going to be there long, we are going to take them back. Thirty-five hundred square miles given away for \$2 a square mile.

MR. CASHIN: Half of it was no good anyway.

MR. CURTIS: Whether it is good or not we are going to see. We have given this corporation four thousand, and out they walked because they have not had a month to consider that.

MR. CASHIN: I am curious about the 50c. a cord and the \$5 the Premier talked about.

MR. CURTIS: Suppose it does pay \$5.00 and the corporation gets \$4.50 profit, we will get \$4 of that \$4.50 and the other 50c. will go to the corporation.

MR. CASHIN: Where is that agreement for \$5 a cord?

MR. CURTIS: We have nothing in writing.

So for that concession we have given to this Corporation, which is ninety percent ours, the equivalent of two grants given away by the previous governments at half the price and to companies so well protected that they have had those areas for the past thirty-five years and apart from the miserable rent we get nothing. This grant is so tied up that we will either get returns from this corporation for these areas or they revert back to the Government and will be given to someone else who will. So much for that.

Now, then (a) on pages eight and nine concessions and (b) exclusive exploration rights for a period of ten years.

MR. CASHIN: Before you go along do you mind if I interrupt, about the export of pulp wood.

MR. CURTIS: \$5.00 a cord, if we could get \$5.00 for cutting fifty thousand cords of pulp wood a year exclusive of labour, I doubt if my honourable friend would object.

MR. CASHIN: You said there was nothing in writing.

MR. CURTIS: I am afraid if I said we had it in writing you might ask for it and it is not in the public interest to give it to you.

Now then, the next thing; exclusive rights for a period of ten years. What

is that? It is simply something similar to what we have done for Buchans and similar to what we have done for the Labrador Mining and Exploration Co., similar to what we are about to do for Falconbridge and something we are prepared to do for anybody giving an undertaking to spend a substantial sum of money exploring our country. What are we giving? The whole of the area for practically ten thousand square miles surveyed by Photographic Survey Corporation. The whole of the ten thousand square miles, and they want thirty days to figure that out.

MR. CASHIN: I would like to know how much the Government gave the Newfoundland Mining and Exploration Co. I tried to look it up before I came in tonight.

MR. SMALLWOOD: Twenty thousand out of which they have to select two thousand. Gave them exploration rights on twenty thousand square miles.

MR. CURTIS: This one private company in whom the country has no interest, no shares, gets twenty thousand square miles and incidentally one of the areas now going to those is twenty-nine hundred square miles they had to abandon under the terms of the concession, they give up fifteen percent per year, and if my honourable friend or any other member will look on page 11, we give this corporation, ourselves as to ninety percent, two hundred square miles which the Labrador Mining Co. abandoned. But in addition to the ten thousand square miles surveyed by the Photographic Survey we are also giving the corporation another four thousand square miles in Newfoundland. Last year we had an area surveyed by the Magnetometer Survey and we are giv-

ing half of it practically to Falconbridge to develop, and the other half to our own corporation. Is that not good policy, Mr. Speaker?

And so we go on to (c), page 12: "For a term of ninety-nine (99) years from the day upon which this Act comes into force, all such hydro-electric and hydraulic power rights in, to and in respect of the waters and tracts of land referred to or described in paragraph (b), to the extent not previously alienated by the Government of Newfoundland, as may from time to time reasonably be required by the Corporation, its assignees or transferees, for or in connection with the generation and transmission for use or for distribution and sale of any electric or hydraulic power or energy or any water or water power." We have put in there a proviso: "PROVIDED, however, that the right is reserved to the Government of Newfoundland or its assignee or transferee, at any time to develop power at any rate in either or both of the tracts of land referred to in sub-paragraph (ii) of paragraph (b) if in neither the Corporation shall previously have begun work on such development."

If they have done it we do not want to do it nor no one else but we want power development to take place. So now we are up to page twelve and there are only twenty minutes gone.

On page 13 reads: "The Corporation shall have the power at any time and from time to time, with the approval of the Lieutenant-Governor in Council, to assign, transfer, lease or otherwise in any other way to alienate or dispose of, to any person, firm or corporation (in Act sometimes referred to as the 'assignee' or

'transferee' of the Corporation), for such prices or other considerations and upon and subject to such terms and conditions as the Corporation deems proper, all or any property or rights at any time belonging to or held or exercisable by the Corporation, including, without derogation from the generality of the foregoing by this special mention, all or any of its rights in, to or in respect of said timber concession or any part or parts thereof or to or in respect of said exploration rights, mining rights and hydro-electric and hydraulic power rights or any of them." The Lieutenant-Governor in Council has a rope around the Corporation's neck and it must respect the wishes of the country, and the Government of course, protect the interests of the people. So we come to section 9. The Government is empowered to give additional areas to the Corporation. There is no obligation, Mr. Speaker, but it may be necessary to round out lots, or it may be necessary to exchange a piece here in return for something there. This is a general clause which enables the Government of the day to seek futurity.

The next one is not a difficult one, Mr. Speaker, it just means that while the Corporation is owned as to ten percent by other people and private interests they have certain rights. It really means the Government cannot dictate to the Corporation to do something which may not be in its own interest until the Government owns over ninety-five percent of the shares. If they have more than five percent of the shares they must be consulted.

MR. CASHIN: That is a little joker. That is a little reservation they have made to keep the Govern-

ment from planning something profitable. Then the Government has not the control they talk about.

MR. CURTIS: If by control you mean to take them by the throat and say you have to build a chicken farm in Twillingate; if that is to the detriment of the Government, that is a bad deal.

Now then we will go on, Mr. Speaker, to the Limitation of Liability of Shareholders. That is the ordinary clause of trust companies. What it means is this, Mr. Speaker, the Government has 90% of the ordinary paid up capital and if they decide to increase tomorrow to two million, the Government has the first chance to buy a further 90% of the second deal. It is a usual clause in corporations of any kind.

The allotment of common shares: That, Mr. Speaker, is a clause implemented to give the Company an out, I presume, in case the Progressive Conservatives should get in, but of course they are not as sure of our staying in as we are. The meaning of sales value: We undertake to buy their shares at par plus earned profits, not at par for there is no par value but the value plus profits. That is not a difficult clause to understand. It is defined in No. 15 and in the case of a dispute the decision of the auditor is final.

So that now we are up to page 17, Mr. Speaker.

MR. CASHIN: You are doing pretty good, too.

MR. CURTIS: The honourable member will soon understand then. I think he understands more than he pretends.



Now the section is No. 16 which deals with the transfer of shares. Now we form this Corporation, Mr. Speaker, with Harriman Ripley and Wood Gundy, not because we want their one hundred thousand dollars but because we want these firms to be of assistance to us. There is a restriction on the transfer of shares and they may not tomorrow sell a share to Mr. Bowering, Mr. Pippy or Mr. Lewin, the Premier or myself without first offering the shares to the Government. The Government has the option and if it does not exercise the option those people have the right to sell to one another but they can not sell those shares to any person not approved by the Lieutenant Governor in Council. In other words, the Government has the right to decide who or with whom they are to be shareholders in this venture. It is a very advantageous clause and one which is very favourable to the Government. And so we go on to page 20.

If this Corporation ceases to be a Crown Corporation, Mr. Speaker, none of these restrictions will apply. If the Government loses its ninety per cent or if it voluntarily sells its shares, obviously, it would be unfair for it to expect to receive these rights and so there is a clause there that says this does not affect the transfer of shares by reason of debt or assessment. So that if Wood Gundy go insolvent, as my honourable friend hopes, the people will get their assets on these shares. And so as we go on, Mr. Speaker, there is no transfer of shares unless paid for without the consent of the directors. This is a regular clause in all corporations.

"The Corporation may from time to time, with the approval of the Lieutenant Governor in Council, under

authority of a resolution of the Directors—

- (a) borrow money upon the credit of the Corporation;
- (b) limit or increase the amount of be borrowed;
- (c) issue bonds, debentures or other obligations of the Corporation;
- (d) pledge or sell such bonds, debentures or other obligations for such sums and at such prices as may be deemed expedient;
- (e) mortgage, charge or pledge all or any of the real and personal property, present and future, and rights of the Corporation to secure any such bonds, debentures or other obligations or the fulfilment or discharge of any other obligation or liability of the Corporation."

But it is always with the approval of the Lieutenant Governor in Council. In other words they cannot alienate them, they can do nothing without our consent.

The next clause deals with the delegation of powers, the usual clause. No. 18, Dividends, is the usual clause. Liability of Directors in respect of payment of dividends is not so usual and means if the Directors pay out dividends not strictly paid out of profits then they are personally responsible for what they have done. I think, Mr. Speaker, we will just have to take a chance on that one.

So we go on to page 22, the Management and the Board of Directors, Not more than fifteen directors and not less than five, and then it says in the last line of the paragraph, "A director need not be a shareholder of the Corporation." My honourable friend finds it hard to understand why a director need not be a share-

holder. I was very recently sitting at a table and found not one of us sitting at the table had a share in the company. So that it is not an unusual thing. It is the general intention that they be retained, but it is not the intention of the Government to pay any fancy directors' fees, that is protected and provided for later when we come to directors' fees.

We come then to the powers of directors and elections in 1952. Annual elections, and it will be seen if the honourable members will read through the next few sections, that the Government has the controlling vote and the Government can elect ninety percent of the directors and the minority directors have the right at best to elect but one director. They are given more in the beginning but the right is there limited to one director and it is interesting to note in the light of the remarks of my honourable friend, how this one director is going to control the corporation and lead it around by the nose and tell it what and where and when to do.

And so we come on to vacancies on page 22 and then to the power of directors on page 23. Section 22 gives power to directors to do certain things; one to allot shares, subject to approval of the Lieutenant Governor in Council. These are just the regular clauses, Mr. Speaker, and there is nothing unusual in this Bill.

MR. CASHIN: What innocent people these are.

MR. CURTIS: So innocent you can't realize it.

The Directors may make by-laws. That is usual. Increase or reduction of Capital, No. 23; my honourable friend is greatly worried over this; how to divide and sub-divide and re-

divide and do everything with shares. But, Mr. Speaker, if my honourable friend will see section 24, he will see that the powers granted in section 23 may be exercised only with the approval of the Lieutenant-Governor in Council. We don't care who is on that board as long as they are good men, honourable men, men interested in Newfoundland. Under section 24 any monkeying with shares must be with the approval of the Lieutenant Governor in Council. So we go on, Mr. Speaker, to page 27: Restriction on Transfer of Shares: That is the usual clause in every contract. So on page 28: The month is not nearly up yet. We go on to Books are Evidence: This is a usual clause.

Voting by person or proxy: That is a usual clause.

Shareholders other than Government may elect directors in certain cases. This just provides, Mr. Speaker, that when the minority exceeds five percent they have the right to elect one director. That is the only right they have. Then it shows how the voting takes place which is a little complicated, but I think my honourable friend the honourable Leader of the Opposition could understand it in thirty days.

So up to page 30: Minutes of meetings: Minutes of meetings to be kept. That is a terrible thing, only every company does it. Accounts to be kept. They must have a seal and balance sheets are to be submitted. Auditors: The first auditors are to be appointed by the Directors and the Directors may fill any casual vacancies. Remuneration of Auditors: That is an ordinary clause. Reports of Auditors: Auditors have the right of access to books, just ordinary clauses. Non-Liability of Directors is an ordinary clause and now we come to clause 37 which is

really the only clause that is contentious at all and that provides, with the consent of His Excellency the Lieutenant Governor, that the Corporation may from time to time guarantee loans or bonds or other interests of the Corporation or any subsidiary, and that Clause I believe my honourable friend says he agrees with.

MR. CASHIN: If there is anything to guarantee, there is nothing there yet.

MR. CURTIS: But there will be before we guarantee them.

MR. SMALLWOOD: We won't guarantee if there is nothing to guarantee for.

MR. CURTIS: So we go on to the definitions: Subsidiary is defined and there is a penalty clause dealing with anyone dishonest in connection with the corporation.

Then Clause No. 40.

MR. CASHIN: I hope you enforce that penalty clause, then some of them will get the works.

MR. CURTIS: This section No. 40 will come out.

Now there is the Bill. This is the terrific bit of legislation that our friends wanted 30 days to read before starting the debate.

MR. CASHIN: You have been at it for six months.

MR. SMALLWOOD: It may take a year to write a book you may read in an hour.

MR. CURTIS: So I will ask my honourable friend opposite, when this matter comes for second reading and the vote is taken, I will ask him to run through it in the light of what

I have said and if there are any questions we will be happy to answer them. We are not asking anybody to take our word for it, but we are saying; here is our proposition, it is fairly reasonable. We want to create this Corporation, not the sort of private speculators we were getting in the past, to protect the country and give the Government the assistance of a group of men of outstanding merit, to give us their assistance. Is not that in our interest? Now, Mr. Speaker, I don't want to delay the House any further tonight but on the other hand I don't think the honourable the Premier would like to close without seeing if the mourners are coming back from the funeral, or they may be back tomorrow after taking the night off.

MR. SMALLWOOD: They may be gone to Montreal.

MR. CURTIS: So, Mr. Speaker, at this juncture I move the adjournment of the debate and its subsequent course will depend on whether or not our friends turn up tomorrow. But I would like to repeat in closing, we are not in the dying hours of the session and there is no rush here as long as anybody wants to stay here. We are not set to any time limit and we will be happy as a Government to co-operate with anybody wholeheartedly. I move, Mr. Speaker, the adjournment of the debate.

Second reading of a Bill "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill. Since this present Government came into power we have been besieged with applications from every

Tom, Dick and Harry who has a bus or public service vehicle for a franchise to operate between certain points and in certain areas. The effect of this Legislation is to permit the Board of Commissioners of Public Utilities to be the board to whom all such applications are referred. This Bill gives this Board power to grant franchises, in certain cases power to demand returns by franchise holders to the Government. They may not give any franchises in any case but will be enabled to and if they do give a franchise no other people may operate a public service vehicle in that vicinity. They must accept passengers and may charge only such amounts as are fixed by the board. I move the second reading of this Bill.

MR. SMALLWOOD: Before that motion is put I feared I would have to do what I have had to do ever since this assembly met. Apparently now I have not to do it, I was going to say what I have been obliged to do ever since this General Assembly met three sessions ago to assist in promoting debate. So many Bills have gone through this House in the three sessions of the House without even a syllable from any one member of the Opposition that it becomes deadly dull, deadly dull indeed. The Government gives considerable time to the preparation of Bills, notice would be given of the introduction of Bills and then the time would come here for second reading, the debating stage, and again and again on literally dozens of occasions, Bills have come in here and have been given their second reading without even the utterance of one syllable, let alone a whole word, even a part of a word from the honourable gentlemen of the Opposition.

MR. FAHEY: Mr. Speaker, is the

honourable Premier speaking to the principle of the Bill?

MR. SMALLWOOD: So I say, Mr. Speaker, it falls again to my lot to attempt to promote debate on a Bill at second reading. As the honourable the Attorney General has just said, there is in some parts of this Province a problem which is quite serious, the problem of unrelated passenger traffic by public conveyance from one point or settlement to another, or to another settlement or even passing through settlements. There are no regulations, there is no law controlling the number of such public conveyances as may ply the highroads serving the public, virtually no control over it. Anyone who cares to do so may operate a public bus service by means of his own conveyance or another's and the purpose of this Bill is to vest in the Public Utilities Commission the duty and the responsibility which will give them the opportunity to carry out these very regulations. Now from Corner Brook, Grand Falls, Botwood, Holyrood and other places in Newfoundland we have had repeated requests, indeed really demands that we should institute some kind of control on that kind of public traffic and therefore the purpose of the present Bill is to give power to do exactly that by vesting that authority and responsibility in the Public Utilities Commission. That is the principle of the Bill and I hope it will be debated. I hope that it will pass but only after adequate discussion of the principle has taken place. Because in some ways this Bill is as important as another Bill to which I will make no special reference at this time. I support the second reading of this Bill, Mr. Speaker.

MR. HIGGINS: What Bill, Mr. Speaker?

MR. SPEAKER: An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I did not think a moment ago I would take part in the debate on second reading but it has just struck me the thought that there are individuals all around this Island or parts of it at least who are looking for some such regulations as this, and I think looking wisely for such regulations as this. I do know further that a former government had been asked on various occasions to legislate along lines of this kind and declined doing so. In this Province here, if you institute civil regulations it might look like infringement on the rights of one to grant special concessions to another, but you have only to visualize what is taking place in some settlements which have to be served by car transportation where either by a method of laissez faire and every man for himself and you will find a great number of second rate vehicles with no schedule and giving the people no proper service. That is a situation which by some means of control we should seek to remedy, and under the sections of this Bill today this very thing will happen. I presume that under the provisions of this Bill the Board will give franchises in certain areas and thereby they will be able to build up a service that will be of great benefit and confer a worthwhile service on the people concerned. Otherwise it is a matter of chaos and one has to take one side or the other. Without regulations there is little protection for the people concerned. So let us make some regulations in the hope that order will emerge and I believe the balance of factors, if

you like the balance of advantages, is on that side. Therefore I am supporting the principle.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I can only reiterate what has already been said by the honourable the Premier and the honourable Minister of Public Welfare with the possibility of adding a note or two of personal knowledge which I believe has come to every member of this House and many of the citizens of the Province. There have been several strong demands made to the Department over which I preside since we have come into office and in the early stages of our term of office, this Administration decided since those demands persisted, that indeed something of this nature had to be brought forward. We have all had practical experience of the fine weather taxis and I take it that when my honourable friend referred to the lack of service at all times provided to the general public he had that in mind. In my own constituency in two places at least extending from Botwood to Grand Falls, three actually, since Lewisporte has been connected with Notre Dame Junction so that also comes in and then again at Gander the great airport we all know so much about, we have the same situation at these various places where at certain times and under fair weather conditions, due to lack of control and the fact there is no such legislation as this, you will find the right-of-way from the side of the train literally blocked with cars and buses. Many of us have seen that. And then again on other occasions when you arrive at these same railway stations or perhaps boat terminals it is only to find it may take a long time to raise a taxi or any means of transportation either

to a home or a hotel. Why I had the unusual experience, if I am permitted to give a personal one, of coming into St. John's within the past six weeks and arriving at the railway terminal in the West End of the city and on that occasion, which happened to be a very stormy day, rain and bad weather, the train arrived fairly close to schedule; I am absolutely certain there was not less than thirty passengers on that train who had to spend from five minutes to half an hour at the railway station before getting transportation to their homes or a hotel. I personally stayed back to allow a woman and child to take a taxi, I know that is the kind of thing most of us are inclined to do.

With reference to this section in my own constituency, Grand Falls and Gander there are many people who know the situation there. It is not so very long ago that the Department of Transport endeavoured to take a hand in the situation because this thing had really gotten out of hand. They tried to control it but they did not have the power, but in certain cases where taxi men were employees of the Department of Transport they were ordered off the road. However, it was not legal to grant franchises to operate taxis or buses as the case may be. That same condition existed between Botwood and Grand Falls and Windsor on the Railway Line, and the system has gotten out of hand and there have been demands to control it and so we brought in the Public Utilities regulation law, the idea being to provide where possible a suitable means of transportation for the public in these various places, one which could be relied upon in all weathers and not the so-called fine weather

bird. That, I take it, Mr. Speaker, is the purpose of this Bill which will, if passed by this House, give power to Public Utilities to grant a franchise and thereby see that the transportation system is carried on in a satisfactory manner and not become overcrowded whereby no one can make a living and so spoil the chances for two or three or four or a half dozen to make a living, as the case may be, but give a franchise to the required number. That is part of the purpose of the Public Utilities Board. I have pleasure, Mr. Speaker, in supporting the Bill.

MR. FAHEY: I don't rise, Mr. Speaker, to support this Bill. However, I will agree that it is all right, under certain sections of the Bill, for the Government to make regulations. But this Bill has gone a little further than that and has entered into the field of franchises. I could tell the honourable members here in the House that I have had an experience some years ago when I went to live on Topsal Road in 1921 and there was one bus on the road and owned at that time by a man named Courtney. It had a seating capacity for about 20 but most of the time he only had about seven or eight. I will agree that since that time up to the present the bus business and transportation generally has become tremendous and calls for regulations. Regulations in so far as how many passengers should ride in the different types of buses or in a car and so on. I believe it is the right of the Government to bring in regulations to that effect but when they enter into the field of franchise, I think the franchise can be easily slanted towards supporters of the Government like many other franchises or licenses granted. We don't have to be very dumb not to

see those things. I don't think this Bill is designed so much to make regulations as it is to give franchises, taking them away from private enterprise and as I explained a moment ago, I remember the time when there was only one bus on that road. It has gone up to a hundred now and that developed without any franchise but under free enterprise. That is what builds a nation but when a Government gets down to something so small and contemptible as to create franchises and dish them out to their friends as they do with licenses for beer, or may have in mind with licenses for tourists, and want to take over the transportation end of it, I say it is ridiculous to be creating such franchises for Smith or Jones and don't let us cover it up by talking about bad weather and people who only come out when they see fit. Some of those people have built up bus services over a number of years and did not do it by staying by the radiator in their own homes but by going out in the storm as well as in the fine weather. Don't be bluffed by that sort of tripe. I contend it is all right to make regulations and see the buses, etc., are not overloaded but in the meantime don't like the idea of Government intervention in the field of franchise, giving a franchise to certain individuals and barring others from operating. As I have said before, and I believe that could be a chance to reward government supporters of the day, by giving them a franchise.

MR. SMALLWOOD: A point of order, I request the honourable gentleman to withdraw that. He has remarked that franchises in this Bill will be handed to Government supporters.

MR. SPEAKER: I understood the honourable member to have said "could be." If he said, would be, he would be making charges against the Government and they would have to ask him to explain.

MR. FAHEY: I said could be. And I repeat again it is necessary that the Government make regulations as to the carrying of passengers over roads and in lots of cases they have not even standing room. I believe in regulations, Sir, in regard to that, but I am very doubtful when we come to enter into the field of franchise. I won't say any more at the moment but in Committee of the Whole when we come to the seventh paragraph 3 (3) and (4) and in (6), (7) perhaps I will have a little more to say. At the moment I say I agree with the principle of the Government making regulations but I do not agree with the franchise business.

MR. BALLAM: Mr. Speaker, I rise with my colleagues in support of this Bill, and I am sure even my honourable friend the member for Harbour Main-Bell Island, if he visited Corner Brook West or Curling or Humbermouth would see the great need for having somebody with authority to grant a franchise in that area. As my honourable friend, the member for Grand Falls said, we have a lot of fine weather operators and it is no trouble at all to get bus service when the weather is fine. As a matter of fact almost everybody owning a car or bus is operating a bus service and some of them operate in a dual capacity, not only do they operate a bus when they see a chance, they have a sign there which they turn around and make a taxi out of their bus, and when the taxi business is dull they switch around and go

into the bus service. The roads are crowded with buses of all kinds and some old jalopies which should be in the scrap heap years ago and my constituents, in my district, have been urging and requesting ever since we have been in here to try and have the Government bring about legislation of this nature. I can assure you that a thing of this nature, if left uncontrolled will get so entirely out of hand that nothing will ever be done with it. I endorse this measure and give my utmost support to this Bill.

MR. FOGWILL: Mr. Speaker, I am opposed to this Bill too. I don't know what it is exactly, but it looks to me like a West Coast Bill just to protect some indignant citizens in Corner Brook and Grand Falls Areas. We have heard from the Minister of Public Works and the Minister of Labour on the bus situation in their areas, but I think the situation on the East Coast is entirely different. We have in this area here a very different situation altogether and we have some of the finest small operators here in St. John's and around Conception Bay giving good service, running on schedule and charging a very small rate. At the present time by the franchise given in the city by the City Council to a bus company operators here have been forced out of business. They have given good service down through the years and have built up the service from nothing and have taught the people to ride instead of walk which took a good load off the people's feet, though they did pay for transportation. Now, here in this area we have a number of people giving good service right from Harbour Grace to St. John's and even to the North Shore. There may be a few of them with buses not up to the mark but they are mostly good

cars or buses as the case may be. Some have already been forced out of business because of the franchise given to the Capital Coaches Ltd. in St. John's and many had to sell their buses.

That clause here, Mr. Speaker (3) under (C) where they are employed solely in taking workmen to and from work on the highway. In other words we have buses operating now from Flat Rock and Torbay and from St. Phillips and Broad Cove and all around the Conception Bay Highway, Kelligrews, Seal Cove, bringing people to St. John's and giving good service bringing them in here by eight o'clock in order to go to work. It says here, adequate transportation. In other words any time the Board of Public Utilities may say the transportation to the city is not adequate and turn these people out and force them out of business. It is entirely wrong to take away the right of free enterprise and I don't believe in one single thing in the principle of this Bill and it is going to get a lot of opposition from all those people who give good service and a lot of opposition from the people who travel on the buses. It is just a West Coast Bill and nothing else.

MR. BALLAM: I take exception to that and if you remember—

MR. FOGWILL: You have already spoken.

MR. BALLAM: This paragraph does not exclude these people.

MR. SPEAKER: Is the honourable gentleman taking exception to certain words?

MR. FOGWILL: He is not on a point of order or privilege.



MR. HIGGINS: Mr. Speaker, I have not had a chance to read the Bill but just glanced through it. It is an attempt to set up a monopoly. I don't like it; competition produces good service. If we had competition in liquor for instance I believe we would have better liquor. Sir, competition is the spice of life, it gives spice to living anyway. Now as the member for St. John's East, next to me, said, the places around the Avalon Peninsula are very well serviced and around the Southern Shore and from Holyrood on to Harbour Grace and down in the east end all these places are well serviced by a number of buses going all hours of the day and night and carrying people. I have driven in the buses at different times and found them very comfortable and I know they cost a lot of money. As for Corner Brook, I don't know so much about it, I did not live there long but every time I went there I found it easy to get a car or bus running around all hours of the day and night. I found them very satisfactory and would like to have such a system here. Now, the honourable the Minister of Labour drew attention to some old jalopies or run-down cars and I think there should be regulations for the protection of the people to this effect to force the old cars out but not good cars. Now, I think it is unfortunate that people who have borne the heat and burden of the day, should be now thrown out of business while probably a stranger might come in and get a franchise and take away the living of others when they are giving good service to the people. I am quite aware a bus can be dangerous but that is where regulations come in. A lot of transportation is done by motor cars and you can't give a franchise for motor

cars and I don't see why you should give it to buses. Now according to this Bill a board will be set up and that will mean more money.

MR. CURTIS: It is already in existence.

MR. HIGGINS: There are to be no extra people employed by the board, I am glad to hear that. I don't know if they have enough work or can attend to this business, but apart from that there will be a charge for this franchise and that means the fares will go up. You can go to Bay Bulls now for 50c., the next thing it will be 55c. or 60c. Competition brings down prices and this Act will bring up the cost of fares. That means the public will have to pay more and fifty cents is a lot of money to some people.

MR. FAHEY: The toiling masses don't mind that.

MR. HIGGINS: I think it would be much better if the Government would bring in regulations at this time rather than granting franchises and doing away with competition.

MR. JAMES: If this is a West Coast Bill, the West Coast should feel very proud of it, at least it shows interest in the thing which is probably more than the representatives of the Avalon Peninsula are showing at this moment. It is not a matter of granting a franchise to any bus company, this Bill is concerned with the matter of transportation of the people, if that should mean anything to the honourable members opposite. You had good transportation here in the city of St. John's too, with vehicles rattling around the streets, and this was an example of what is happening around the Avalon Peninsula which you know just as well as I do.

MR. SPEAKER: Order—Address the Chair.

MR. JANES: We have people, Sir, who want to go places and must travel either by buses or railway. Would the honourable members opposite want to have a dozen railways across Newfoundland and anyone who wanted to do so run an airplane to Gander and Torbay?

MR. HIGGINS: If it would pay, there is nothing to stop them.

MR. JANES: I do not think that we should be endangering the lives of people who travel over the highways in some of the buses which go out from here when they are paying for a better service, and when the Public Utilities Board was formed one of the purposes of that Board was to insure that the public got what they were paying for, and the honourable members of this House would not suggest the people are getting what they are paying for in the present bus service. There is no talk here of a monopoly and no necessity for a monopoly, and there is no reason why all those who operate buses today should not get together and form a company if they want to do so.

MR. FAHEY: They did that in St. John's when all the buses incorporated themselves into a company and went to the City Council for a franchise which it would not give them.

MR. JANES: If bus or coach travelling is such a lucrative service, would it not be cheaper to have a company instead of competing as they do? The same number of people will travel, a franchise will not increase the number of people travelling and if it is profitable now it should be more so when incorporated. The same people will run it as do now. This is all

nonsense, Sir, and after spending the night out they come in now and look for something to talk about.

MR. CURTIS: If there is nobody else to speak I will close the debate. I would like to say in reply to the honourable member for St. John's West—"2 (c) 'public service vehicle' means a public service vehicle as defined by the Highway Traffic Act, 1951, but does not include—

- (i) any motor carrier vehicle from any other province of Canada or from the United States carrying only tourists on one continuous trip to, through and from this Province under contract made without this Province;
- (ii) any school bus while in use as such, upon request of the Minister of Education;
- (iii) any vehicle while employed solely in taking workmen to and from their work over a highway upon which no adequate transportation is provided at convenient times for that purpose by a person holding a franchise under this Act conferring exclusive, limited or special rights to operate public service vehicles over such highway;
- (iv) any vehicle employed on charter to carry passengers to a picnic, outing or similar gathering, over a highway upon which no adequate transportation is provided at reasonable times for that purpose by a person holding a franchise under this Act conferring exclusive, limited or special rights to operate public service vehicles over such highway;"

This Bill does not compel the Board to give franchises, but enables them to give franchises, and if my

honourable friend will look at paragraph (c) of Section 2, he will see that the franchise does not operate against any vehicle which is employed solely in taking men to work. In any event he will see there are other exceptions too. You see, Mr. Speaker, the position is this, somebody must have the power to issue franchises, someone must have the power. The Government does not want to have to do it, it is far too busy to do it, so that what we have done is appoint this Board of Public Utilities and told them to do it to protect the people. Franchises are given today for everything, you can't get a decent bus service without a franchise. What is everybody's business is nobody's and if you can't appreciate that, look at the vehicles that travelled in St. John's when the Golden Arrow was discontinued, anything that could pretend to move, even hearses like you fellows who walked out this afternoon should have had, even those.

MR. FAHEY: They had real buses to come in and they would not give them a franchise.

Carried:

MR. HIGGINS: Division.

MR. SPENCER: You may bank on it you will be voted down.

MR. RUSSELL: You don't like a debate when you get one, you get sore about it.

MR. SPEAKER: The Chair does not think a division necessary.

MR. FAHEY: I understand.

MR. SPEAKER: If Mr. Speaker decides it is not necessary he will not waste the time of the House by granting a division.

MR. FOGWILL: I will agree, Sir, there is not much doubt.

Bill read a second time. To be referred to a Committee of the Whole tomorrow.

Second reading of Bill "An Act to Amend the Restaurant Act, 1929."

MR. CURTIS: I would call attention, Mr. Speaker, in moving the second reading to an error; it should be 1949 instead of 1929. At the moment, the law of Newfoundland is that restaurants must close at 12:00 o'clock in the night and they are not allowed to open before seven in the morning. That regulation was made in 1929 as the then inspector of police was very anxious to try to clean up the city, and it was very difficult checking restaurants at all hours of the night and in order to close certain places a general law was passed closing all restaurants at 12:00 in the night. There are in the vicinity of St. John's, Mr. Speaker, several restaurants which are not undesirable, in fact some which are quite attractive and it is not in the public interest that such restaurants should have to close at 12:00 o'clock at night and the object of this Bill is to give the Chief of Police of St. John's and Senior Officer of the Royal Canadian Mounted Police, outside St. John's, power to extend the hour so that any particular restaurant may remain open and to specify the conditions. Now, Mr. Speaker, this matter was brought to the attention of the Government by the Commanding Officer of the Canadian Army who found that he was unable to feed his troops in the mornings, and they contend the troops have to visit restaurants in the city and it was found they were not allowed to open until 7:00 o'clock and in order to feed troops before

eight o'clock these restaurants had to break the law. Well they broke the law, Mr. Speaker, and fed the troops and the matter was reported to my department by the police but we need not tell you no prosecutions took place. So that instead of eight o'clock in the morning the suggestion now is that they be allowed to open at six o'clock in the morning and as for staying open, it is suggested that they remain open until 1:00 in the night but they can do so only with the permission of the Chief of Police in St. John's or the Senior Officer of the Royal Canadian Mounted Police outside St. John's. I commend the Bill to the House and move second reading.

Bill read a second time. To be referred to a Committee of the Whole House on tomorrow.

Committee of the Whole on Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

HON. P. S. FORSEY (Minister of Supply): Mr. Chairman, in this particular clause I suppose there are some allegations of facts which I imagine the Committee considered and in the list of names, I presume the Committee attested the fact that those people are duly qualified and are in fact members of the Society of Industrial and Cost Accountants of Newfoundland but now incidentally the clause contains another fact, namely; some other persons not connected with them are also duly qualified, I wonder if you will advise me how the Committee may insure that those whose names are unknown to it and will be in future members of this Society will be duly qualified.

Clause carried :

MR. FORSEY: Mr. Chairman, point of information, what is the procedure now, the question is completely ignored?

MR. HIGGINS: I quite agree it should have been answered.

MR. CURTIS: Well, if anyone can answer he is welcome to do it, it is a private Bill and the Corporation has a choice as to who will become members and they will protect their own interest. If you incorporate the dentists they are not going to admit anyone but dentists, so I imagine the association is not going to admit any but qualified accountants. I think the suggestion is nonsense.

MR. FORSEY: It is not nonsense. There is a set procedure for private Bills and we waived them in this case. In my opinion we had no right to waive them.

MR. CHAIRMAN: Order. I will now put the clause.

Carried.

MR. HIGGINS: With regard to membership in the organization, I do not know if it is our duty to inquire into the names of people here or not. Anybody can come in here and claim they are so and so, but when I saw the Bill first I knew these names here are accountants, but the question may arise where a number of men may come in and we must accept them. It has only come to my mind now. I know these are all right here, I know practically every one of them.

MR. CURTIS: I think the point of my honourable friend opposite and the Minister of Supply is well taken, especially if those people really asked for any exclusive rights of any kind, but the only rights they seek is the

right to call themselves CPA or something like that, nothing exclusive, anybody may act as a cost accountant without being a member of this association so that really it is not worth worrying about—if they want to have it, let them, that is my feeling.

I move the Committee rise, report progress and ask leave to sit again, tomorrow.

MR. SMALLWOOD: Before we call No. eleven, Mr. Speaker, I would like in moving the adjournment to ascertain if I can, what would be the pleasure of the House, by that I mean all of the House, as to when we should meet again. Normally we would meet at three o'clock tomorrow afternoon but I have already indicated our complete willingness on this side to meet at two in the morning as well as in the afternoon and morning for as many weeks, and as long as the House may desire for ample consideration and debate of the legislation before us. I wonder if the honourable Leader of the Opposition would care to indicate whether it would be satisfactory to him and to his colleagues and what my honourable and gallant friend, the member for Ferryland, if he would care to indicate his pleasure in the matter on the question of meeting at 11:00 in the forenoon. Many days or weeks may be required to give ample consideration to the legislation remaining to be decided. If I could have an indication of the feelings of the House on that matter, I would be in a position to move the adjournment.

MR. SPEAKER: Do you wish to ask the House if it is its pleasure to meet tomorrow morning?

MR. SMALLWOOD I think on this side of the House we are agreeable to do it. I am not pressing for

it or anything of that nature. If the honourable gentlemen opposite feel that ample debate can be given without meeting in the mornings that too would be agreeable to us.

MR. HIGGINS I don't think we are in a position to meet tomorrow morning. I want to read the Bill. I can't debate then. I didn't even get time to read this Act.

MR. SMALLWOOD In view of what my honourable friend said, I move the adjournment until tomorrow, Friday at 3:00 of the clock and then we can see how we get on and what is the desire of the House.

The House adjourned accordingly.

FRIDAY, June 8, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I have pleasure in presenting to the House the first report of the Department of Public Welfare for the year ending 31 March, 1951. I am gratified to be able to present this report which brings the public records of the Department up to that late date. Ordinarily public records are not so up to date but we have made a special effort in order that we might be able to get the report before the House, before the closing of the House. This typewritten report will be followed by a printed report which has been delayed because the printers

have likewise the business of printing the records of the House, I understand.

I have pleasure, therefore, in presenting to the House the report of the Department of Public Welfare for the financial year ending March 31, 1951.

Report presented.

#### Giving Notice of Motions and Questions

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Harbour Grace Water Company."

Honourable the Attorney General asks leave to introduce a Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Attorney General asks leave to introduce a Bill "An Act to Provide the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Education asks leave to introduce a Bill "An Act to Amend the Education Act, 1927."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Committee of the Whole on Ways and Means. Committee of the Whole on Supply.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I ask to have

that deferred, but may possibly later in the day refer to it as I have certain figures to be added, but not at the moment, to the totals. We might go into Committee on Supply now for the purpose of making some additions in the estimates.

Committee of the Whole on Supply:

MR. SMALLWOOD: Mr. Chairman, if the Committee would turn to the estimates, Attorney General's Department, General Heading 7, page 2 we have to add an amount of \$25,000 for Civil Defence and that would come as a new vote at the end, Civil Defence \$25,000, current account. We might just make the entries and then the Committee may discuss them and vote on them afterwards, or it may be better to deal with them one by one. I move the insertion of a new sub-head under Sub-Head 7, (4) Civil Defence \$25,000.

MR. CASHIN: How is that money to be expended?

HON. LESLIE R. CURTIS (Attorney General): It is purely a token vote and we hope it won't have to be spent at all. We may have to have a Director of Civil Defence and if so we will have to pay him.

MR. CASHIN: Have you got a Director of Civil Defence?

MR. CURTIS: We have seconded to the Department a man from the Department of Health but there is no appointment made. The man is Mr. J. V. Rabbits.

MR. CASHIN: Being paid by the Department of Health?

MR. CURTIS: Yes.

MR. CASHIN: Could the honourable the Attorney General give the

House any indication or idea of how that \$25,000 would be spent for Civil Defence as all defence comes under Federal Authorities?

MR. SMALLWOOD: Just in part.

MR. CASHIN: \$25,000 is a lot of money for Civil Defence.

MR. CURTIS: The idea is just to have a sub-head to authorize the Department to make some expenditure if they have to do so. As a matter of fact it is supposed to be looked after by the Municipality and the Provincial Government is not supposed to make any contribution. Only in the city of St. John's the Municipality has no money and it looks that as usual, the Provincial Government has to bear the brunt of any expenditure necessary. So far as I see at the moment the only expense is a director.

MR. CASHIN: What would his duties be?

MR. CURTIS: They are worked out in conjunction with the Municipality. We may possibly vote the municipality the money and ask them to assume the responsibility; we are far too busy to attend to each and every municipal payment. If the Municipality of St. John's accepts the responsibility we would not have any difficulty but appoint a general director with control over these matters. This vote creates a sub-head only to be spent on the order of the Lieutenant Governor in Council and I am hoping that it will be very largely, if not all, a drop balance.

MR. SMALLWOOD: Page 36, Department of Public Works. Now this is an item, Mr. Chairman, which at first sight may seem rather strange to the Committee and yet on second thought I imagine the committee will probably be rather pleased by it. The

whole world is short of steel, as everybody knows there is a world shortage of steel to which the honourable member for Ferryland referred last night. The Department of Public Works is one of the principal users of steel in Newfoundland, bridge building, special reinforced steel for bridge building. Now, the sections of the Trans-Canada Highway which have been built and are being built required bridges, concrete bridges which must be reinforced. Where was the steel to come from? By a bit of good luck after failing to get steel, after endeavouring but failing to get steel, the Department of Public Works had a bit of good luck in that an order of steel produced in England for some customer somewhere on this side of the Atlantic became suddenly available and the fact came from Ottawa to our knowledge, came from Ottawa, and the Department was tipped off to the fact and went after the steel. Now, it is very much more than the Government needs, the Department of Public Works could use except for a considerable number of years. I forget the actual figures, I am sorry the honourable Minister is not here as he could say at once the number of tons, but I think it is 25 hundred tons. I could easily confirm that by phone call. This is very much more than the Department needs but it was in one parcel and had to be bought as a unit. Now, we placed the order and got the clearance in Ottawa that we could take it. It is due here shortly, in fact it was due long ago but the ship had an accident and had to go back to England and unload the whole steamer-load of steel and it had to be transferred to another ship and there has been considerable delay but the Bank has informed the Department of Finance

yesterday that the steamer is now leaving England and is due here in a matter of days and the bank credit to pay will fall due on delivery of the steel. What the Government proposes to do is to retain some of it, as much as it feels it should safely retain in view of the world shortage and have the balance of it to sell. We will be subject to the steel controller of Canada and if we want to go into the black or gray market for steel we would not be allowed to do it as the steel controller of Canada regulates all sales of steel. The thought is to sell the unwanted part of the 2,500 tons and reserve that amount we need. Now, I am not suggesting we enter here on the revenue side a partly contravailing revenue as I do not know what the revenue will be. It will come into the Treasury and go into the Consolidated Revenue Fund and appear in the Public Accounts. The amount is \$500,000 and to be quite frank with you, I don't know under what heading it ought to go, current account or capital because it will be used in capital works which would be otherwise paid out of capital as the building of new bridges would come out of capital account so it seems it ought to be paid from capital account. So that, I suppose, the item could be put in 908, page 38, sub-head 908 as 908-09 Purchase of Steel \$500,000. That is on surplus account.

Now, I may say further that we have strong hopes that we may recover by the sale of this surplus steel we don't know the amount of steel we will keep out of this shipment, I think we are saving two or three cents a pound on the shipment of steel we are purchasing. I may say the price of the twenty-five hundred tons is lower than the price at which we are

able to buy had we felt able to buy it, the prices quoted us were higher than on this shipment of steel.

MR. FOGWILL: The thought occurs to me that this steel purchase is being charged to capital account. Of course it is quite possible the Minister of Public Works in reinforcing bridges on the highway and ordinary maintenance, some of this steel may be used in the maintenance of ordinary bridges, in other words in addition to the Canadian Highway. Does that come under capital, maintenance of roads and bridges, ordinary maintenance? Some of that steel should be charged to current account.

MR. SMALLWOOD: The amount would be trifling, if any it would be quite trifling.

MR. FOGWILL: There is one other point, in buying such a large amount of steel I think we should be acquainted with the dimensions of the steel and all we know is that it is just reinforcing steel, steel bars or rods as the case may be, is any of steel structural steel?

MR. SMALLWOOD: It is all reinforcing steel.

MR. FOGWILL: In varying sizes, how would the sizes run?

MR. SMALLWOOD: From memory I don't know, but it would be very easy to have the statistics from Public Works. I think it is a half inch up to one and three quarters of an inch, 40 ft. lengths. So my colleague tells me but he is speaking from memory.

MR. FOGWILL: The size of the steel is from one half to one and a quarter; the other point would be how much half inches and how much an inch and three quarters as the case



may be. Is there steel in sufficient quantity in the size we require?

MR. SMALLWOOD: Yes, this I do know, without the detail of exact specifications they are suitable for the purposes of the Department of Public Works. I was particularly concerned about that. I did not want to have the Government buy steel and even at a bargain when it did not need it and the Minister assured me it is precisely the specifications needed.

MR. FOGWILL: The Committee has his assurance of that?

MR. SMALLWOOD: Of course, on the word of the Minister who assured me.

Carried.

MR. SMALLWOOD: Now finally, Mr. Chairman, the Department of Supply, page 55—page 56, Local Government Affairs, 106: Special Assistance, we are going to increase that amount by \$100,000 which would make it \$275,000. That Special Assistance Grant is for Town Councils. Perhaps the Minister would be the better one to explain the position there.

MR. FORSEY: The Committee recently had several matters brought to its attention. The local Government Division, for example Stephenville has advised us that indiscriminate dumping of cans and motor car bodies interfere with radar and is likely to present a serious matter so there is nothing for us to do except after negotiations with the American Authorities and the Local Authorities to take over the area and declare it a Government area. Now, the people of Stephenville, the Town Council, is not at present prepared to accept the

responsibility so that the area will have to be looked after directly by the Department of Supply and will cost somewhere in the vicinity of \$10,000. It has not yet been approved by the Government. We are just putting it in the estimates in case the Government does approve of the recommendation. Secondly, in Corner Brook they are putting on a survey for the whole area and Bowaters is contributing \$25,000 and the Town Council \$15,000 and they are requesting the Government for the other \$25,000 and the Division of Local Government are going to recommend that amount to the Government. The Bell Island Town Council is also contemplating capital expenditures this year of some \$65,000 and negotiations are presently proceeding with the Company who are tentatively prepared to contribute the sum of \$25,000 and the Council themselves are prepared to budget for \$15,000, and they are asking the Government for \$25,000, and we propose to recommend that also to the Government. There is a special project under consideration for the town of Windsor regarding a capital expenditure of \$20,000 for a public building and I understand there is a contract with the Federal Government for \$4,000 revenue a year and it is our proposal to recommend that. In addition there are one or more towns which are considering and possibly will be incorporating themselves this summer, and it is proposed to give them some assistance at the outset also. As I have said, none of those things have been approved by the Government but the amount of \$100,000 is put in the estimates awaiting the decision of the Government to act on these various matters. I think in connection with the one in Stephenville there is

nothing else we can do but accept and take over the area and make dumping regulations to remove that hazard to all planes, American and Canadian, flying through.

MR. FAHEY: In reference to the honourable Minister of Supply's remarks, Mr. Speaker, little less than a month ago we voted \$150,000 and now we are asked to add an additional \$100,000, and the explanation is that due to the fact there is a lot of tin cans dumped up in Stephenville. That is one of the reasons of course, but in my opinion they must be using a lot of tin food as that is a lot of cans to my way of thinking.

Then we get back to the encouragement of Town Councils. That is all very nice on the surface. The Minister in passing referred to Bell Island which I have the honour—I won't say like some member, my District, but I have the honour to represent that district. Put as clear as that I think it is very nice for Town Councils to get along and for the Provincial Government to assist them but I wonder, I just wonder, do those Town Councils realize what they are heading for in ten years from now? Do they realize that they will be called upon to take care of local roads, education programmes and what have you. What I call it is an encouraging grant to get the Town Councils started and I think the honourable members on the Government side just as well as I realize it is only a coxer, if one may use that word, to get them started to foot their own bills in the future and relieve the Provincial Government, when the surplus has dwindled down, of the responsibility of taking care of the obligations they had in the past.

Now, we may be absent from the

House occasionally but though we are absent we know what is going on and I would like to remind the honourable members we may be absent but we have little birds, you know. Not only the Liberal Party has birdies over the Province and we know that they too have the civil servants at their disposal.

MR. SMALLWOOD: I will not, since it would be a pity, ask for order, though your remarks are out of order, not being relevant to the matter under debate.

MR. FAHEY: I might say, in dealing with Town Councils, we on this side of the House did not have shall I say civil servants, or certain people at our disposal to campaign at the expense of the Province, nevertheless I think it will help us as time goes along. I don't think because of the fact Newfoundland is known as a Fish Province and because of that fact we are supposed to be gullible that it is true you will always find them as gullible as in 1949. However, I agree with some remarks passed by the honourable Minister of Supply in outlining this increase requesting \$100,000. But I will say that I feel it may take a little time for the people to catch up with some of those who smile so broadly now but may not smile so broadly tomorrow.

MR. HIGGINS: These are not loans, they are grants.

MR. RUSSELL: The right word is inducement, the word became famous in the Commission days.

MR. FORSEY: I would like to put the honourable member right.

MR. FOGWILL: That is what I would call just bait.

Carried.

MR. SMALLWOOD: That completes the items to be added to the estimates.

MR. FAHEY: May I ask if we might refer back to 1028?

MR. SMALLWOOD: Mr. Chairman, on that, if you are about to put the motion I would like to speak, if merely to call the motion, well, Mr. Chairman, the Government had no other reference to make to the estimates and we have no desire whatsoever to go back over the ground again and if it is agreed to have a reversion to one, we would be in a position where we would be referring to them over and over and before we know it would be going all over the estimates again. With all due deference to my honourable friend, I cannot agree on it.

MR. FAHEY: If we in Committee of the Whole are to refer back to the estimates and the Government referred back to two or three different departments, the last one being Town Councils, I think, we on this side of the House have a right to refer back to No. 1028 if we want to discuss it. If the Government wants to discuss two or three others, but what is the use of moving it you have already said you can't agree. I know what would happen and know it would be no use moving it, everybody knows what I mean when I say that.

MR. SMALLWOOD: Whenever my honourable friend finds that every motion carries, he will find himself on this side not the other.

MR. FAHEY: Only a week ago we were not over on that side and carried it.

MR. CASHIN: In connection with that motion, it could be brought in

when the resolutions are brought in here giving the total amount of the estimates. Then the whole matter may be brought up and when ultimately brought into the House we can discuss every item in the estimates again because that Supply Bill is certainly not in agreement with the amounts in the estimates at the present time. The total expenditure, I question if even the honourable Minister of Finance can tell us.

MR. SMALLWOOD: The Clerk of the House can do it, and the Minister of Finance in a matter of minutes.

MR. CASHIN: They are shamming, Mr. Chairman.

MR. SMALLWOOD: They are all taken into account including the additions just made.

MR. FAHEY: I want to make it clear, I made a motion to refer back to No. 1028.

MR. CHAIRMAN: The motion is in order and I asked if you want to put the motion or merely made a motion, if you desired it to be put. The Chair will accept it but it is up to the Committee to pass it or not.

MR. FAHEY: I make the motion we refer back to 1028.

Motion lost.

MR. SMALLWOOD: I move the Committee rise, report progress and ask leave to sit again presently.

Ordered sit again directly.

Third reading of Bill "An Act to Make Provision for the Granting of Loans to Certain Companies."

MR. SMALLWOOD: Mr. Speaker, I move this Bill, "An Act to Make Provisions for the Granting of Loans

to Certain Companies," be recommitted.

Ordered recommitted to Committee of the Whole.

MR. SMALLWOOD: Mr. Chairman, we desire to propose some amendments to the Bill. In clause 3, section three, third line from the bottom insert the words "and The United Church Board of Education in St. John's," because we are proposing to add to the total an amount of \$40,000 guarantee of loan to the United Church Board of Education in St. John's. And in the last line of the Clause, after the word Company and before the word in, insert the words "The said Board of Education."

MR. FAHEY: May I ask the honourable Premier if this is the only denomination requesting a loan?

MR. SMALLWOOD: Yes.

MR. FAHEY: I mean if any other denomination such as the Seven Day Adventists or the Salvation Army, requests a loan, would it be granted?

MR. SMALLWOOD: Of course, we have always made loans and special grants on a non-discriminatory basis. According to the Terms of Union when making loans or grants to schools we do it on a strictly non-discriminatory basis. I can assure my honourable friend whenever he sees anything brought into this House by the Government affecting education he may rest easy in his mind we are not going to depart even by a fraction of an inch from a position of strict impartiality and even-handed justice. He need not give it a second thought. I will see to that if no other Minister will, but there is no need of my taking any special interest as it is the view of the whole Government in Newfoundland.

MR. FAHEY: I am happy to hear that statement by the Premier and I hope it will apply to all other Bills coming forward to the House.

MR. SMALLWOOD: That is a cryptic remark which could mean anything. Now the schedule, in the last item there, the St. Lawrence Corporation of Newfoundland, the amount shown is \$250,000 and we now propose changing that to 287,500. The additional \$37,500 is for the addition of diesel power to the Mine and the cost in U.S. Dollars \$287,500.

MR. FAHEY: In addition.

MR. SMALLWOOD: Yes, the purpose is the installation of diesel electric power in the mine. There is a terrific shortage of hydro-electric power in that whole peninsula. The existing development of hydro-electric power cannot give the power needed and in the main development the United Towns Electric Co., is quite incapable of giving the two mines and other industrial customers in the area the power needed, so that, unfortunately, some of them have to install their own power. That is mainly what this increase is for. My honourable friend, the Attorney General, informs me that both mining companies at St. Lawrence are now quite independent altogether of the United Towns Electric Power although at considerable cost because they must run to about 5c. a kilowatt hour for diesel.

MR. FOGWILL: No.

MR. SMALLWOOD: The rate is high, however, I don't know the exact rate.

MR. FOGWILL: Diesel power is very cheap.

MR. SMALLWOOD: At Gander and other places in Newfoundland diesel power is costing quite a bit. I don't know what hydro-power costs.

MR. CASHIN: Has the St. Lawrence Corporation received this money yet?

MR. SMALLWOOD: I expect so, several months ago, we gave the guarantee to the bank subject to confirmation.

MR. CASHIN: In other words your other amount was an error.

MR. FOGWILL: If this total amount has already been expended.

MR. SMALLWOOD: The credit at the bank has been guaranteed by the Government subject to the confirmation of the House. How much has actually been drawn, it must be the bulk of it because the bulk of it was for the purchase of the ship to carry the concentrates to market and that alone took nearly all of it and the rest of it is for the installation of this diesel power in the mine.

MR. HIGGINS: What is the increase obtained from the Government?

MR. CURTIS: It was just a mistake in the Bill.

Carried.

MR. SMALLWOOD: I propose an addition in the schedule, "United Church Board of Education, St. John's \$40,000."

MR. CASHIN: Have they received this money or is this a new amount?

MR. SMALLWOOD: I honestly don't know. No, as I recall it came up in Cabinet a few weeks ago, they got it from the bank on our guarantee and have not used all of it yet.

Carried.

MR. SMALLWOOD: Now finally, Olsen Sealing and Whaling Limited, \$50,000." I will explain the purpose to the Committee. The position there is this: Mr. Chairman, the company had obtained from the Government as the Committee will recall, a bank loan more than a year ago for \$350,000, a year and a half ago. They are now about to start operations again under conditions vastly improved over what they experienced last year. Last year they had a very unfortunate, in fact a series of unfortunate expenses. To begin with they had contracted in the normal course for the sale of the whole output at a price which was very considerably below the price to which the oil usually went. The market prices rose in the course of the summer but they were tied to the lower price and they had to deliver their output at prices which were way below what they could have gotten had they not been bound by contract. In addition to that, one of their ships blew up and due to this accident they lost a whole month of whaling with the result that their catch was only 155 whales for the year. This was 45 whales below the average production of the six years previous. So that with a smaller output as a result of the accident and the sale at lower prices than the market price, they had indeed a very unfortunate experience last year. Now, this year their prospects are quite bright. They have sold their output for this year subject only to production for a figure of, perhaps it would not be fair to name the figure, but it is considerably higher than the figure for last year. Their ships are in good condition and the prospects are excellent. But one of their unfortunate expenses is that they did

not and have not yet been paid for one extremely important part of their catch of last year, I refer to their fish solubles which they marketed in the United States to a value of something getting up to \$100,000 and for which they have not yet been paid. We have taken for security of this \$50,000 loan at the bank which we propose to guarantee and are asking the Committee to ratify, as security for that we have taken that debt in U.S. due to the Olson Whaling and Sealing to the extent of the full repayment to the bank through the bank at Boston and the bank in St. John's acting in our behalf. The first payment falls on July 15 and at the bank here will be credited to our account and thereafter on the fifteenth of each month until the \$50,000 is fully repaid with interest to the bank on interest they charge. The payments as received will be credited to the Government. Now, that has had the effect of preventing the closing-down of Olson Whaling and Sealing Limited and the loss of employment of about 200 persons in the factory. I can say that if we did not guarantee this loan this industry which has expectations this year to wipe out their losses of last year and to get on an even keel, would have been obliged to close down and we felt we could not, we owed it to Newfoundland in general to try and prevent that and at the same time cover the advance from the bank with security that we thought was adequate and we are quite confident we have that.

MR. HIGGINS: May I ask how much of the original loan has been repaid?

MR. SMALLWOOD: None has been repaid.

MR. HIGGINS: We are lending

them \$150,000 now what security have we?

MR. SMALLWOOD: We have everything they have, over one million dollars security.

MR. HIGGINS: Is the financial position of the company good?

MR. SMALLWOOD: Basically yes, but their liquid position is very bad. If we could have been sure that some other company would move in, operate it as a going concern and not have it parcelled up and scattered and the industry become lost to Newfoundland, the position would be different.

MR. HIGGINS: If there is so much money as that involved there should not be any difficulty in selling the place.

MR. SMALLWOOD: There is no difficulty about getting the money back. If we could sell the whole thing as a going concern we would get the money without any difficulty or selling it piecemeal, this to one man and that to the other, whalers are in demand and if we dismantled the plant and sold it piecemeal we would get the money back but there is a very vital reason for keeping it there, I am not in a position to speak of it but before the House closes I may be in a position to speak of it. The Committee has doubtlessly read items and heard rumours about an oil hardening plant which we are indeed working on, an oil hardening plant and we must have a minimum of six or seven million gallons of oil a year and that would make it a very feasible and economic proposition. That means whale, seal and herring oil and whales are a very large part of the output in Newfoundland where we want the oil to be processed not

shipped away raw but manufactured into hardened, homogenized, deodorized, graded oils. We have a very special reason therefore to desire the continuation of this company as a going concern. Now we are guaranteeing this additional loan for two reasons, one to prevent two hundred men from being out of work and the industry going down and no oil being produced and because of our further interest in another plant altogether not started yet but expected to be this year, quite a sizeable new oil hardening plant in Conception Bay.

MR. CASHIN: Mr. Chairman, last year the loan for this company was guaranteed and I think it is time they told us. We were told it was to do something with caplin but that was a flop. Now, the whaling business is the most speculative business in Newfoundland history and it is repeating itself again. It seems to me the capital outlay in this company is quite large and it would be too bad to close her down. If they did the Government would not get 50c. on the dollar. Why? Because the outlet for the whale fishery is good and the price of whale oil is away up but getting the fish is another matter. They had a poor year last year, worse than the year before and it would be interesting to watch this year. I don't think the Committee is quite justified in thinking the outlook is good. The market outlook yes, but we can't anticipate how many whales.

MR. SMALLWOOD: For the six years before last year they averaged two hundred a year and last year it dropped to 158. I was most concerned, that is why I asked for the figures to learn whether it was a downward trend, catching a large number and then less and less. There was no

downward trend for the six years. Last year it dropped but they lost a whole month due to a ship's boiler bursting, and blew up.

MR. RUSSELL: This is one thing which has been done by the Government since I left, so that I won't feel any doubts when I comment on it. One thought which occurs to me is, this Company has a credit in New York or Boston on account of some money owed from last year's operation and are getting payment so much a month starting 15 July, which is more than enough to cover \$50,000 and the bank knows that and it still won't make a \$50,000 loan without a government guarantee. I find it hard to believe but it must be true, it is certainly worth commenting on. Would the bank have made it without a government guarantee, if the Government had stayed out would the loan have been made on the security of the money due?

MR. SMALLWOOD: I can assure my honourable friend the bank refused to do it and it was only afterwards we came on the scene.

MR. RUSSELL: Is the bank in doubt of the security?

MR. HIGGINS: And what amount is paid in?

MR. SMALLWOOD: That is a risk the company takes, as a matter of fact the company involved, to whom they sold the fish solubles last year, were simply unable to pay for it except in these monthly payments. They found themselves short of liquid capital though they are worth millions of dollars. It is not fair to mention their name as it is well known in Newfoundland. It is an American firm worth millions who

find themselves for the time being short of liquid capital. They have made an arrangement through a bank in Boston and the bank here to pay in five monthly instalments.

MR. HIGGINS: Just so as they pay it back, that is the only reason.

MR. FAHEY: The Premier said that in reference to the last six years there was no downward trend except last year, well that reminds me of the text of the Bible, seven good years and seven lean years. Well, if there are to be seven good years and seven lean years and the Government comes back with an Act and asks the Honourable House to pass an Act that those companies when they have six good years have to put away a sinking fund to take care of the seven lean years, I would support that Bill, but here is a case brought into the House where a company has had six good years with no downward trend whatsoever except one lean year, and yet they come back to the House and in addition to their original loan ask for another amount of \$50,000 to bring their amount up to \$350,000. Now, I think unless the Government—perhaps they are wiser on that side of the House than we are and may have better advisers on the Mainland or something like that—I think unless the Government is going to continue with the policy of lending money out to everyone they may come along one of those days and ask a loan for some individual to start a bullseye store. I think it would be good Government Policy if every time they lend money to a firm or corporation up in the hundreds of thousands of dollars, they should tell them, during their good years to create a sinking fund so as to get by in lean years and not have to come back and ask the Government

to assist them at the expense of the taxpayers. I would call that a good policy and a good Act but at the present time the way we are heading with the loans given out I am afraid that in the very near future they will have to up and say no more loans, and then those people will have to find some way or another during their good years to set aside money to take care of their lean years. I don't see why, although those firms may be giving quite a bit of employment, nevertheless I don't think the Government should go on year after year putting money into private enterprise without seeing to it that these companies during their good years provide for their lean years so that the taxpayers won't be left holding the bag.

MR. HIGGINS: What was the date of the first loan?

MR. SMALLWOOD: That was passed in the last session of the House.

MR. CASHIN: What happened to that money?

MR. SMALLWOOD: They put a considerable number of new plants down there. My honourable friend, the member for Harbour Main-Bell Island, I know he did not intend to do it, misquoted me. I did not say they had six good years, I said that for six years there had been no trend to indicate a falling off in the number of whales caught.

MR. FAHEY: I stand corrected.

MR. SMALLWOOD: If they had had six good years they would not need to come in and ask for a loan. They had six good years from the standpoint of a number of whales but the last two or three years were anything but good, the oil market as you



are probably aware went completely to the dogs altogether. Oil became a drug on the market and they had severe losses. That is why they had to come in here for a loan. I see in the paper tonight the whaling operations have begun at Williamsport. There are two ships now ready and the other is on dock leaving next week.

MR. CASHIN: Bought last year? Two hundred whales for three ships in a year is nothing.

MR. SMALLWOOD: As I understand, when a whale is killed the length of time it takes to bring the whale to the plant determines whether or not it is No. 1, 2 or 3 oil. When a ship is able to get the whale in immediately, you get No. 1 oil but it takes much time to come in and go out again and it may lose the whole if it stays out, so they killed the whale and another ship took it in. Now, they have an additional ship for towing the whales and when brought in such a way to the plant the oil is fresher and in that way as in others their prospects are, I hope that I am right, but I believe their prospects are better. I can't guarantee such, all I can do is lend them the money, public money to try and prevent them from folding up and keeping the industry going. If after that they don't get the whales or something else happens, we can be blamed for loaning the money but if they are successful and pay back I suppose we will get some credit for preventing their closing up. What are we going to be in this Province, dizzy from starting industries and dizzy from seeing them fold up? Are we going to have one fold up for every one started?

MR. CASHIN: This is a highly speculative one. You brought out

the point I was trying to make that they have to fish a long ways, that they are drifting off the land and you have to go further and that brings us around to the Norwegian way of having floating factories move along and manufacture the whales aboard the ship. I don't think it is an awful lot of difference whether they are brought in tomorrow when killed today, it is towed in, flung upon the slip and the fat taken off and then the carcass is taken and pulled to another slip. Now, in British Columbia 35 or 40 years ago they were chopped up and thrown in tanks and steamed and the number two oil is then obtained, then the bone, etc., is put in the grinder and the guano is made. Now, if they towed that whale in a couple of days after it is killed it does not hurt the No. 1 or No. 2 oil. But it gets more difficult as they have to go further and it costs more to tow and they had a big ship last year costing a thousand dollars a day, I suppose. I wish them every success. I don't want to knock them, they made a mess of the herring business last year and I suppose about \$375,000 has gone up in smoke. But if they folded up today the Government would not get a dollar, they have to keep going like the story of a certain business man in town many years ago. The bank was pressing him for money and, as the story goes, he went to them and wanted \$100,000 to buy fish, when they refused he handed over the books and he said: "Now all right you are in the fish business." So we are in the whaling business now right up to our necks, that is the position. He can hand over the business tomorrow and the gentleman can say, "All right you are in the whaling business, carry on."

MR. FOGWILL: It is a whale of a business all right.

MR. SMALLWOOD: There is a change in the title: "An Act to Make Provisions for Making of loans to Certain Companies and the United Church Board of Education for St. John's," because it is not a company of course.

The Committee rose and reported having passed the Bill with some amendments. Ordered read a third time now.

Read a third time, ordered passed and title be as amended.

Third reading of a Bill "An Act to Amend the St. John's Municipal Act, 1921 and Acts in Amendment Thereof and for Certain Other Purposes."

Read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill "An Act Further to Amend the Alcoholic Liquors Act, 1949." Read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill "An Act to Amend Certain Newfoundland Statutes." Read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill "An Act to Amend the Trade Union Act, 1950." Read a third time, ordered passed and title be as on the Order Paper.

Third reading of Bill "An Act to Amend the Workmen's Compensation Act, 1950." Ordered passed and title be as on the Order Paper.

Third reading of Bill "An Act to Repeal Certain Newfoundland Statutes." Read a third time, ordered

passed and title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, the House might care now to go in finally to Committee on Supply, the final figures departmentally and the grand total we could have thus inserted in the printed estimates and I think the procedure is that the Committee recommends resolutions be introduced to give effect to the Supply Bill. The Committee merely recommends that resolutions be introduced to give effect to the estimates.

MR. FOGWILL: A point of information, are we going into Committee on Supply or Committee of the Whole on Ways and Means after this?

MR. SMALLWOOD: That is the form, to go in and rise at once because the speeches have all been made and the motion put and the Committee goes in and rises immediately as there is no business to do.

MR. FOGWILL: On previous occasions in Committee of the Whole on Ways and Means there was a question period as to how certain items of revenue had been arrived at.

MR. SMALLWOOD: No, when the Committee goes in on Ways and Means nothing happens except the proposer of the motion moves the Committee rise and report having considered the matter referred and not ask to sit again. When presenting the Budget Speech it is made on motion that the House now go into Committee of Ways and Means and on that Motion, the Budget is delivered and on that motion other people speak and when all have spoken the motion is put, the motion on which everyone can speak, that then the House goes into Committee and rises at once. It

has nothing to do as its work is completed. That is the universal custom.

MR. CASHIN: I don't know what the rule is now, but I brought in three budgets and moved the House into Committee and we went into Committee and I delivered the budget in Committee which has not been done now. On motion we go into Committee, the budget is delivered but formerly the budget was presented in Committee, we then had the Revenue Act which we don't have today and a schedule of taxation in the budget we do not have today. You have to bring in a special Act today for taxation and it is an entirely different matter than in the old Responsible Government days when we always went into Committee of the Whole to deliver the budget; everyone I remember now for thirty years, everyone would go into Committee of the Whole and all members had the right to speak on the budget, but it is superfluous.

MR. SMALLWOOD: This Committee merely records the amount, then they are printed in the resolutions. Now, Mr. Chairman, if the honourable members will jot them down they will find them in the front page of the estimates. If any honourable member is doubtful about any of the figures I would be glad to repeat the ones of which he is in doubt.

Mr. Chairman, I move these sixteen resolutions calling for the amounts set opposite the various items or heads of expenditure and I propose the Committee recommend a Bill be brought in giving effect to these resolutions.

MR. CASHIN: Mr. Chairman, there is just one thing I would like

to ask, something that happened in my absence; unfortunately I was not here when the Heads of Departments vote was discussed. Now, last year there was an item in the estimates for cottage hospitals, a cottage hospital for Ferryland. I have seen it in here again for this year and I just want to get it straight. Is it the intention of the Government to do it this year or to put it in from year to year? If not I would like to see it out as it would be just as well.

MR. SMALLWOOD: May I inform my honourable friend and ask him to believe that it is sincere. From a personal view I am all in favour and want to see it and the amount is in the estimates to pay for it. Now, I don't want to see him get angry with me at all and I hope he won't get angry with some civil servant. I see he is beginning to get angry already as soon as I say the word civil servant. We want to see it built but at the same time we are anxious that our honourable friend won't get one bit of credit.

MR. CASHIN: The government has to get the credit, they have to find the money.

MR. SMALLWOOD: That is right and I will let the honourable Minister of Health speak for himself. Only a day or two ago I asked him about it and if I understand correctly, he feels identically as I do and I dare say between us all there will be that hospital but you must allow the department and the Government to decide where it is to go.

MR. CASHIN: So long as it is in the District where it ought to be.

MR. SMALLWOOD: But I would rather let the Minister speak for himself on his views.

HON. JAMES R. CHALKER (Minister of Public Health): Mr. Chairman, it is the intention of the Department of Health to have a hospital somewhere in Ferryland District. We have not as yet decided where. The reason it has not been built in preference to the other three now under construction is due to the close proximity to St. John's and the availability to the people of that district to come to a large medical centre such as St. John's, at the present time compared with Fogo, Springdale and Channel. I am sure the honourable and gallant member will agree with our decision. As I have stated before, Mr. Chairman, we are definitely interested in getting that cottage hospital and I have already talked with several people who have come to see me on the various locations and my intention is to see the honourable and gallant member in a short time, and work out the definite position where it goes. I will give him the credit of his position in the House and we will see that it is built.

MR. CASHIN: I appreciate the statement of the honourable Premier and the honourable Minister of Public Health. I don't want any credit for it and could not get it if I wanted it, because the Government has to find the money, and if they want to keep the credit they can say they are not going to build. I am not going to get angry with any civil servant today no matter what happens and I resent that sort of thing. When we vote in this House and the civil servants say, "No we are not going to do it," their job is to do what this House and the Government tell them. I appreciate the reply of the honourable Minister of Public Health. As to where they want to put it, wherever is the most strategic place

for it in the District that is the place to put it, and I think you will find that the people up in that section of the District can't come down to this end, these people have to come into St. John's to try and get in the Hospital and when they come in they are told, here is your notice from the Doctor; come back in about ten days from now, which is mighty unsatisfactory. In the meantime such a person may have a chance to go fishing, when the fishing season is on and is waiting to get fixed up. The hospital in St. John's is no good for them, it is crowded all the time. I understand that and you can't tell me anything I don't know about this hospital business, I have been mixed up with them all trying to get people in and out of them. However, I appreciate the answer and I think the people of Ferryland will appreciate it just as much, as they are to be benefited, not me. I am not looking for any credit for it. They can tell me, if I go back, whether I did my job right or wrong. I will leave it to them and not try to steal political credit, for that matter my political record is there for a long while and I will leave it to them when the time comes if I want to go back there. Maybe I will go somewhere else and give you fellows a bit of a fight.

MR. FAHEY: Mr. Chairman—

MR. CHAIRMAN: If the honourable members will permit me, those totals have not been passed. Last year each one of the items was passed and the total after the item. All items and totals carried.

Moved the Committee rise, report having passed certain resolutions and recommend that a Bill be introduced to give effect to same.

Ordered referred now.

Resolutions now read a second time.

MR. FAHEY: Mr. Speaker, is it now in order to speak?

MR. SPEAKER: No, there is no debate on the adoption of reports.

The honourable Minister asked leave to introduce a Bill to give effect to the resolutions.

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

MR. SMALLWOOD: Mr. Speaker, before you call No. 18, I wish to make a very brief announcement on behalf of my honourable friend the Attorney General who is presently speaking to the debate on second reading, and who I assume will now speak again when the order is called and will either complete his speech now or not as he may choose. After he has spoken, Mr. Speaker, I am going to ask him to move the adjournment of the debate for the purpose of enabling him to speak again when the debate is resumed. Whether he avails himself of that opportunity or not, of course, is his affair, but when he moves the adjournment of the debate I am going to ask him to move it until next week, say Tuesday or Wednesday, so that every member of the House will have every opportunity to read the Bill and to think about it, so that when the debate begins in earnest every member will be thoroughly familiar with the Bill and so that again when it comes into Committee of the Whole every member will be fully prepared with the questions and observations to discuss it line for line, clause for clause, and word for word. Now, I don't know if it is any use asking if a Bill of such importance

as this should be adequately reported in the press. The Attorney General had the floor for nearly an hour last night and went over the Bill pretty thoroughly, and one daily paper gave it three inches of space this morning and the evening paper gave it one inch. Now, if that is honest, generous service to the public, what is the use of talking, we might as well be dumb. But let me say again what I have said before and which as yet no paper has printed. If you want one week, two weeks, one, two or three months you can have it; if you want to debate it until Christmas you may do so and we are here to debate it as long as you wish to debate it. Will the press report this in common fairness!

MR. CURTIS: Mr. Speaker, when this debate concluded yesterday—

MR. FOGWILL: If the honourable gentleman would yield for one moment—I understand from the honourable the Premier, he has suggested that further debate on this question would be adjourned probably to sometime next week. I would suggest, Mr. Speaker, if the honourable gentleman now continuing the debate, if he will take it in good part or not, I don't know, but I would suggest adjournment until next Friday.

MR. CURTIS: Mr. Speaker, when I moved the adjournment of the debate yesterday I had, as the honourable member knows, tried to discuss the Bill intelligently and in detail.

I have finished my remarks and the motion should be put.

MR. RUSSELL: Sir, I am sorry to have to accept this as what might be the latest opportunity to speak on second reading. Personally, I want to say that although I am only prepared to go so far in my expression of sym-

pathy for the Official Opposition, yet I feel they are entitled to a little more sympathetic understanding than they have been getting here. I cannot at this time contribute a great deal to the debate in two hours, as a matter of fact it seems to me the honourable Premier and the honourable Attorney General are both inclined to oversimplify this question. The honourable the Premier explained at length and in detail certain things about the Bill, explained it lucidly and I am sure when he was finished there should not have been any doubt in the minds of any members who had an average education of say grade nine or ten, as to what the Bill is about. I refer to the actual wording of the Bill, the literary content, the meaning of the sentences in the Bill, if someone had to study it for homework and answer questions on it next day. The Premier described it as if it were an instrument or machine which the Government was building in order to work through to the administration of certain phases of economic development. I use that analogy, a machine, an instrument, a tool. The Attorney General, I understand has since taken it apart and held up to the House each part and said as each part was explained that there was nothing in the world that could be objected to in that. Now, I have some acquaintance with it, with the investigations that prompted the Bill. I had some considerable experience with that before I left the Government. The thing had not been agreed on before I left and even now there are some little changes. As soon as I got the Bill the other day I took it and looked for two or three things to see if there had been changes. Before the honourable Premier began to speak, in one sense I understood the Bill

but in another sense far more important, I don't understand it now.

MR. CURTIS: If you had stayed here yesterday afternoon you would understand it better.

MR. RUSSELL: Not a bit, because I am able to go over it word for word and section by section and see what it means. It is something like little Peter when he listened to an old man describing the Battle of Blenheim and when he finally ended up he asked, what good has come of it, all this wonderful battle. The old man said: "I don't know," said he "but it was a famous victory." All we know about this corporation is that it is going to be a famous company but what I want to know is: what is it going to do after it is formed?

Now, Mr. Speaker, getting back again to the matter of time to study this matter. As a matter of fact it is no good for me to make a suggestion, the Opposition asked for a month, but a month is no good for me, if I study it for six months there are still a lot of things I don't understand about it: Exactly why it is set up. What is the machine supposed to do and how it is supposed to do it? The gesture is generous and I believe sincere when we are told the other side of the House is willing to debate the Bill for any number of months but will only debate it within the limitations set down for debate. The honourable gentleman, the member for Ferryland, for instance, did all that the rules allowed him in matter of time and there are only two or three others over here and if they all took up the time and used all the time allowed it would only take two or three days as far as second reading is concerned. One of

them has already appealed for postponement and probably lost his right to speak in the debate. I am hoping the House will be generous, he has paid quite a price, when a month was asked for and rejected. I say a month would not be any help to me whatsoever. But what could they do if the Government is not willing to give a month, do as they did and state what they would give because it is rather difficult for the next honourable member of the Opposition to guess what the Government meant, or he could make a motion and have that turned down and so lose his opportunity to speak. So I am very happy to see that it is the intention of the Government to give a little more time to these gentlemen. After all, they represent a party, I represent nobody, I have no one to consult, no advisors, no party leader but they may be in a different position. Anyway let that pass.

Now, I don't know yet, but I want to know of just what benefit if any this corporation will be. We have two statements both from the Government, one is and I quote: "It is expedient for the production of the industrial and economic development of the Province of Newfoundland and for the development of its natural resources and the improvement of the standard of living of the people." The corporation is formed along those lines. And the second statement is that (there I may misquote, I am only trying to interpret the meaning of what was said there): "Industrialists would be companies who would be willing to begin some sort of development in Newfoundland but won't do it or may be delayed from doing it simply because this corporation does not yet exist." Now take that second statement, that there are some indus-

trial companies who would like to begin something in this country. Have these companies been started yet so we can go and contact them. If they are not started we can't start.

MR. SMALLWOOD: Would the honourable gentleman let me explain: Harriman-Ripley has famous and numerous connections as my honourable friend knows with a vast number of firms throughout the United States, and Harriman-Ripley, when the Corporation is formed, has undertaken to contact and get them in here this summer prospecting.

MR. RUSSELL: Well, honestly, I don't lay the same importance on a statement like that by Harriman-Ripley as the Government does. I cannot. It seems to me by this time, even without such a corporation there are companies in Newfoundland today who came here and started industries without such a corporation and I heard of other companies when I was in the Government, in the Office of the Minister of Natural Resources, and I know it is still going on. If they are interested in the development of minerals and resources they are perfectly willing to come and talk with the Government and make the proper arrangements with the Government, but if they find nothing here worthwhile to justify an industry there is nothing they can do about it unless such companies think it is worthwhile to do so. For several months now we have been hearing about the possibility of old mines opening in Green Bay and York Harbour Area and the possibility of new ones being started. These are business people, people anxious to make a dollar when and wherever they can, and are only too delighted if they see an opportunity down here of operat-

ing a mine or paper mill and they would be glad to do it. How many others would come because of the existence of this corporation? That is a matter on which I have not the same cheerful optimism as the Government has.

Now, Sir, if I were sure, and I am not, that this Corporation were necessary for the proper development of economic resources, I am not sure, in fact, I am not very hopeful about it at all, if I were certain then I would probably want to weigh the benefits that we will get from this Act against what we are losing. Here is what we are giving away: Section nine of the Bill. I am not so much interested in section eight. I am not particularly interested in maps and whether it is 21,800 or 19,000 square miles, whatever it is. Section nine relieves our minds a lot:

"If the Corporation wishes to have timber up to a maximum of one hundred thousand (100,000) cords annually from the area covered by the Agreement entered into on the ninth day of June, 1951, between the Government of Newfoundland and Doctor Arthur Siegheim supplied to it or an assignee for the purpose of its or the assignee's operations in areas in the vicinity of the said area, the Government of Newfoundland shall, if in its opinion the request is reasonable, instruct the said Doctor Arthur Siegheim or his assignee to cut and supply the timber in accordance with the terms of the said Agreement."

In addition to certain special rights the Government, in accordance with agreements incorporated in the Bill must give the rest of our unalienated crown property, with the consent of the Lieutenant Governor in Council. Now, Sir, I am not willing—

MR. SMALLWOOD: To whom—the Corporation?

MR. RUSSELL: Well then, from then on the members of the House have no further interest, no further jurisdiction over what happens to—yes, all the presently unalienated public domain will be between the Corporation and the Lieutenant Governor in Council, that is the Cabinet. I would like, Sir, to see that every time any important concession is given a company under an agreement between the company and the Government that that agreement is at least brought in here for ratification even if after the agreement is concluded.

MR. SMALLWOOD: Even a Crown Corporation?

MR. RUSSELL: Yes, even if it were the Cabinet itself. I still want to see the House of Assembly have the final say. I am probably getting a bee in my bonnet in thinking the House of Assembly, the people should not be stripped of this authority or responsibility or power and section No. 9 does that very effectively, if and when the Bill is passed. Now, that Section No. 9 not only takes this power from the House of Assembly or the people's representatives but the corporation may assign or may apportion those things to other interests as they see fit. I admit the Lieutenant Governor in Council has a veto power in some things but not in all. But the power is gone from the House of Assembly, and most of the remaining part of the Public Domain is gone under section No. 9.

Now, with regard to public funds and public guarantees of public funds, I am opposed of course to the nine hundred thousand simply because this Act asks us to vote nine hundred thousand dollars to go into the funds



of the corporation without knowing what is being done with it after it gets there. It may be a manufacturing plant or a paper mill may end up owning half those shares. As a matter of fact not more than 50% is put aside as capital surplus of the corporation and we don't know where it is going eventually. It will be a matter for the corporation to decide and it may or may not be in that particular the right of the Lieutenant Governor in Council to have the last say, and as far as I am concerned will not have. We are voting money here without knowing where it is going to end up eventually. But can any of us guarantee additional money to the Government to spend outright to a total of ten million dollars? If it should ever be necessary to invest more than \$10,000 of course the Government would have to come back to the House probably for an amendment to have an additional amount voted as has been done by one or two Bills passed already. But up to and including ten million dollars we are asked to guarantee. The Government could say to us in effect, "Look it has always been the custom and a right and proper one that before the Government spent or pledged or requisitioned public funds, to come and ask the House or at least if they had to do it in an emergency they would come later on and tell the House and ask the House to ratify and bring in a Bill to justify it. We would do it and the Government could say afterwards when they got away to themselves: "We got away with that but let us be more careful next time, let us make sure before we guarantee a dollar of public money we have a case that even the Opposition will back us up in." That is the sort of thing, the knowledge that the House of Assembly was going to

criticize, probably to approve but to reprove gently at the same time. That is the sort of thing that makes for good government.

When I became a member of the House that was a part of my duty not merely to try and get some money for my district, to get some men sent to Seven Islands from my district, or try and get a road, but to join with other members of the House to try and see to it that good legislation was passed, and secondly, that public funds were properly safeguarded and voting for this \$10,000,000 has the same effect as saying, I don't care what happens to it, you take it. The Cabinet, the Lieutenant Governor in Council, this Corporation may guarantee it in such a way as it sees fit, maybe on things which if they came in before the House I would not agree with and I am giving away my right to disagree. I cannot do it.

Now, Sir, while we are on the subject of Government Guarantees, I would like to make a comment or two. There is the famous case in our economic history where a large amount was guaranteed in the case of Bowaters. Now, Sir, I say that there is no similarity between the guarantee made then and the one we are asked to make here in this Bill. In the first place the guarantee to Bowaters was voted by the House of Assembly who voted for it and knew what they were voting for. In this case I don't know a thing in the world, I have no idea what type of industry is involved. As a matter of fact, as I will show in a few minutes there is only one industry, only one mentioned in the whole Bill with any amount or degree of definiteness, and I am not sure that I would be willing to guarantee money for that one. Another point, I make this statement and it may sound very

foolish but to me it seems very sensible: If we had to pony up a great part of the amount that we guaranteed on bonds in the case of Bowaters, if we had to pony up several millions, the Government of Newfoundland would still be making a wise decision and history would have backed them up, as they would still be making a good bargain in a country such as Newfoundland was then and was up to a few years ago. It would then actually pay a government to invest money in an industry and lose it, it would actually pay a government to guarantee such bonds, Sir, and have to make good on those guarantees, because I suppose if the Government had had to come through when the company was in difficulty or had lost two or three million dollars, what was that in comparison to the revenue the Newfoundland Government received as a result of the existence of that industry? Such revenue as we could not reap today because the sources of those revenues are not longer open to us as a Province. I am not talking against Confederation, I am still a confederate but these are facts. Everybody who ever worked in an industry in Newfoundland up to two years ago brought in things that customs duties were payable on and the Government received the customs duties or the income tax and all the various forms of revenue that were open to a sovereign government. Today, Sir, things are different and I do want to appeal to the Government, in future when thinking about guarantees, to remember that the guarantee of loans and guarantee of bonds is not the fruitful or the wise thing it once was. It may be still wise in some cases but there are some cases—if I had them all listed here, some I agreed with some disagreed with, I am not saying a word against the principle of guar-

anteeing loans or bonds. When I was with the Government I supported some, others I disagreed with and did not support them on their merits, but I do say, I have listened here and to the National Convention on talks about the country's economy, about all the money the Government was losing on the railway and other ventures. If the Government lost some years a million dollars on the railway and paid out five in salaries and wages and out of that five million got in a million and a quarter back in revenue, that was no loss. That is why a little country like we had could build a railway and acquire only a reasonably moderate debt. That is why it does not hurt the Federal Government as much as you think when they have, from time to time, deficits on certain organizations of that type because they get back an income almost equal or the company does, but the Government certainly gets back revenue from new money that would not have been there to get but for those industries and when you get back more income that way out of new money than you pay in then you can afford to do it. But we cannot finance those industries any longer so blithely as we once did, we have to be more careful. So I urge the Government to keep that in mind. It is not enough to say it will put people to work, putting people to work may or may not be economic, I am as strong for it as anyone else and when it is shown to me to my satisfaction that the passing of this Bill will give a basis for economic development and will result in new industries here which we would not otherwise get here, then I will begin to ponder the next question, if we are not paying too much for it.

The honourable Premier has explained that by our association with

these houses, and honestly, Mr. Speaker, I don't know enough to their detriment to say anything bad about them, but by our association with them we keep ourselves from having an outright Crown Corporation one hundred percent owned by the Crown, we therefore avoid the pitfalls of a State Socialism because if we owned it one hundred percent I think it would be State Socialism. Also we will become associated with some of the greatest names of the financial world, but, Sir, just look at section 14 for a moment. Let us see how far from State Socialism it is, if that is what our position would be, how secure and on how firm a foundation is our association with those financial houses. "The Government should be bound, within thirty days after receipt of such notice, to purchase at a price per share equal to their then "sale value" This beautiful mixture of private enterprise and the Government would make it then a one hundred percent Crown Corporation, Government owned. I am not saying that would develop but to those who don't like the idea of State Socialism, which is frowned upon a little bit by the Government when advancing that bit of information as one reason why we own that corporation 90% and 10% rather than one hundred percent, and of course there is the prestige of our association with those great names, yet 30 days' notice and we have to buy it. I cannot leave section 14 without saying something else. "The Government has then to buy them at a price per share equal to the then "Sale Value." Now I believe there is a clause here which mentions one dollar plus. Well supposing they are not worth one dollar, should they be a dollar minus? These big corporations reserve the right at any time

by giving thirty days' notice to say to the Government; "Here you buy our shares, you pay us \$150,000 for them and take them." At any time in the four years, they may not be worth one hundred thousand dollars but they say: "You pay us \$100,000 and take them." It is a case of heads I win, tails you lose.

MR. VARDY: The Government has not to take them.

MR. RUSSELL: It says here, the Government should. It looks like a very strong word. I wish it were, "The Government may," or if it does not, let someone else. But it says should.

MR. SMALLWOOD: What is wrong with the value of the shares, the selling price?

MR. RUSSELL: The value of the shares is at least a dollar and maybe more if the price of shares has gone up, then the Government will have to buy them at an increased value.

MR. SMALLWOOD: If the price has gone down the Government has to buy them at a smaller price, they still have to buy them.

MR. RUSSELL: One of the reasons why I think the second reading of this Bill is so important, and I think the Government honestly agrees with me it is, because with one or two exceptions it has to be passed as it is or not at all when it comes into the Committee of the Whole stage and to ask the Government to amend and change it, it is just as well to be fair and realize there has been long negotiations with people outside the Province and may, when they come here, have some sort of hint from other parties to this agreement, and the House probably will be willing

to give way to them. I don't think that is so. I think if we have an amendment in connection with it we cannot do it without having to delay and refer back to the other parties.

MR. SMALLWOOD: We can have them here for that purpose and we are willing to accept any amendment to improve the Bill from the Newfoundland standpoint. That is obvious and I ought not to have to say it.

MR. RUSSELL: I will say this, the statement the Premier made about industrialists not being willing to come here, I will say I think he believes, honestly believes that industrialists can be deterred either directly or indirectly by the fact of having no Corporation. I don't believe that statement but I believe he means it, but I would like it very much if such industrialists were here or are going to be here while this is being debated.

MR. SMALLWOOD: I mean a representative of Harriman-Ripley is here.

MR. RUSSELL: If he has a representative here now I would enjoy very much to dig down and get at the bottom of it and find out why there is any great difference whether there is such a corporation or not.

MR. SPEAKER: I am not quite clear whether the Government wishes to sit again tonight. If it is not your intention to sit again tonight, the debate will have to be adjourned.

MR. SMALLWOOD: Before you call the six o'clock, Mr. Speaker, the honourable member having moved the adjournment of the debate, I move the remaining orders be deferred and the House at its rising adjourn until tomorrow Monday at 3:00 of the clock.

MR. SPEAKER: I have not yet heard the motion to adjourn the debate.

Moved and seconded the debate be adjourned.

Carried.

MR. SMALLWOOD: I move that the House at its rising adjourn until tomorrow at 3:00 of the clock and I do that in the very sincere hope that in the interim honourable members will have some opportunity to study the Bill, think about it so that the debate can continue on Monday and if no one is prepared on Monday to speak the debate will be adjourned until Tuesday, and if no one is prepared on Tuesday it will be adjourned until Wednesday, but I don't think we will want to adjourn after Wednesday. In the meantime on Monday and Tuesday any member on this side who wishes to speak may do so. I have no desire whatever, I keep repeating, to rush the debate.

The House adjourned accordingly.

MONDAY, June 11, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Ratify

an Agreement Made Between the Government and Doctor Arthur Siegheim, and a Bill "An Act Relating to Licences to Cut Timber issued Prior to January 1951."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickle Mines, Limited."

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, on behalf of the honourable Minister of Fisheries, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Respecting the Sale and Distribution of Fishery Salt."

Honourable the Minister of Supply asks leave to introduce a Bill "An Act to Amend the Harbour Grace Water Company Act."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

On motion the Committee of the Whole on Ways and Means was deferred.

Committee of the Whole on Bill "An Act Respecting Livestock."

Sections 1 to 13 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

Sections 1 to 4 read and passed.

Section 5 read.

MR. FAHEY: Mr. Chairman, in dealing with those clauses, mostly all of them from one to five are dealing with franchise. That is the purpose, the Utility Board will have the right to grant franchises to whom it may seem fit. Now, my contention on that score is the fact the regulations are in effect now and if those regulations in so far as carrying passengers are concerned, the conditions of the buses or seven or five passenger cars should be kept up to certain standards and should not be overloaded in so far as to carry more passengers; there is not enough space to seat more than twenty-five persons. It is the part of the Board to see the machines are in perfect mechanical condition with no danger to the public but I don't agree with the franchise. Competition is the life of trade and when you give franchises to any group or individual and stop others doing business you are cutting in on the main livelihood. If a man can afford to get a bus and it is mechanically up to the requirements of the various standards in so far as safety is concerned he should be allowed to operate whether he is going in debt or not. There may be cases where the Board should come in and interfere, it is necessary for the Board to have that right but I am opposed to these particular clauses as they stand.

MR. SMALLWOOD: I take strong exception to the views expressed by my honourable friend. It is rather late in the day, in the century, to oppose giving to a Government or a Government body the right to give or not to give franchises for the use of certain types of public conveyances provided at public expense. In every State of America and without exception, in every Province of Canada,

without exception, or I ought to say with the exception of Newfoundland at this moment, authority has been given to the Government or to some government body to give or withhold franchises for certain purposes, telephones, telegraphs, radio broadcasts, the movement of aircraft, the conveyance of freight or passengers or mail by aircraft, the regulation of taxis. The giving or withholding of franchises for taxis is extreme but for ships, ferries, motor buses, motor trucks all of those things in all parts of the United States and all parts of Canada, except Newfoundland are subject not only to Government regulations but to the giving or withholding of government franchises. The giving or withholding of franchise may be done directly or indirectly by the Government or by a body set up under the authority of the Legislature and in this particular Bill it is a body set up under the Legislature of this House to whom the present Bill proposes that the right to give or withhold franchises be given. There is nothing in the world that can be said, not a valid argument used, against the purpose of this clause in this Bill. These clauses follow precedent originated in the United Kingdom, in the United States and in Canada where all bus lines and all buses operate under franchise as do virtually all other means of communication and transportation.

**MR. HIGGINS:** Exclusive franchise?

**MR. SMALLWOOD:** Frequently exclusive but not always. This does not give the right only to issue exclusive franchises. There are no doubt occasions when exclusive franchises are the thing to give and there are many occasions when they are not. There will be cases where more

than one franchise ought to be given or franchises given to more than one firm or operator.

I will be very much interested to hear any solid, sound argument that any honourable member can produce here in Committee against the principle set forth in this particular clause now before the Committee.

**DR. POTTLE:** Mr. Chairman, on this clause my point is that there is no provision made under this clause for any franchise given to be reviewed. There is no provision for either revision or cancellation. I think there should be a provision for a review annually or at the discretion of the Board.

**MR. FOGWILL:** Mr. Chairman, there is one point in the Bill that strikes me. The honourable Premier has pointed out the fact that franchises or exclusive franchises are issued in all other Provinces and in the United States and in England. The fact remains, Sir, that we have a number of bus drivers driving today in their own buses who have built up a business and built it up the hard way. Now, the effect of this Bill to me, Sir, is that those people will be put out of business after investing their life-time savings in a bus or two or three buses. They operate a satisfactory service in the area where I live, particularly St. John's West and the highway coming into St. John's. Now, the effect will be that those people will lose the opportunity to earn a living on something built up by them and if they have built it up and given satisfactory service there is no reason at this time that legislation should be brought in to deny them that right. There is one other thing in connection with this. Under this Bill additional fees are to be charged

and, what is more, the fares to be charged the public by the bus drivers are to be set by the Public Utilities Commission and this Bill will have the effect that these people will lose the opportunity to earn a living, the Board of Public Utilities will receive additional revenue and also the public will pay a higher rate for transportation.

MR. SMALLWOOD: There is nothing in the wide world to show that the Public Utilities would increase the fares. You are just as justified in assuming the Board of Public Utilities will reduce the fares. I have had some personal experience very recently of this very matter. I went or I tried to go, at least, one day to the Birch Mill. I spent twenty minutes or half an hour virtually every day in there when the work started in earnest, there were probably one hundred and fifty men employed. Virtually all lived some distance away from the plant and there arose of course the problem of getting back and forth. The contractor, Mr. Day, contacted various bus companies and suggested to them that, as there were one hundred and fifty men working there who had to get back and forth daily, there might be some trade to be done by way of buses in there to move men back and forth, and one or several could come in there to do the job. That was done, with what result? At once, having arranged with one or two bus companies to have there the necessary number of buses to pick the men up at certain points in the city, early enough to land them on the job in time to begin on the job, and return them when the day was over, and be there waiting for them at night when they checked out. Having arranged all that, what happened? The next thing six or eight

buses were there, with the result the original buses pulled out, got disgusted as it had now become a scramble and the next thing the bus rate went up from ten to fifteen cents to twenty cents a man. Forty cents a day, all due to lack of control and lack of regulations and my honourable friend must not assume for one moment that this Bill gives authority to increase fares but rather authority to decrease fares. At this moment, except for the City Council of St. John's, my impression is that no one in Newfoundland has any authority at the moment to regulate or confer franchises or fix fares except the City Council within the City Limits, and they can do it only with the authority of an Act passed in this House. This House has already given the City Council that authority to do it within the City Limits, not outside where there is no authority to give or withhold a franchise and that is all this Bill does to give the authority to a public body, a board of public utilities commission. What is wrong with that? What is wrong with it?

MR. FAHEY: What is wrong with it? Lots of men spend a lifetime building up the service.

MR. SMALLWOOD: Who says they are now being stopped?

MR. FAHEY: I say so. Some big firm from the Mainland or some company or some individual in this country is getting it. The toiling masses suffer, for a franchise destroys competition which is the life of trade and I fail to see how when a dozen buses went in, the fare went up at the Birch Plant. I contend there is no need whatsoever for a franchise, we are getting all over the Island today good bus service, better I think than they could get

with a franchise. When there is no franchise, competition takes care of it and the public gets good service but there are cases where the fares have been cut so much nobody is getting anything and in such cases, I say, yes, the board should work in fairness to the public and to those operating the buses and I think there is room for regulations. Buses should have emergency doors and so on and no person should be allowed to operate a bus not fit for the public to travel in but I do not, and I cannot, agree with the franchise to give control to companies and run out of business, the small man, who has spent a life-time building up that business.

MR. HIGGINS: Yes, and will be put out of business, to my mind it is nonsense, all of it.

MR. FOGWILL: I express the opinion the effect will be to drive the buses out of business. Now these people are giving good service particularly in the mornings. All you have to do is go out and see them coming in by the dozens. Good clean buses, I know it because I have to get up early to go to my regular work. They come from Pouch Cove, Flat Rock, Torbay and all the Southern Shore and Conception Bay with the people and get them in in time and in winter when the road is not plowed they get out and shovel and get in as they can and very few of these people are late in the mornings and most of them who come in are paid by the hour and have to get in early or lose time. The different bus drivers are giving good service and will be put right out of business.

MR. SMALLWOOD: My honourable friend has no right to assume, I am talking as a matter of logic, we know the honourable gentleman has

a constitutional right but he has no right in logic to assume this Bill refers only to St. John's. There are other parts of Newfoundland besides St. John's and the Avalon Peninsula. It is badly needed in Humber, presumably, and I heard the honourable member for Grand Falls declare it was badly needed. This House should not fall into the mistake that St. John's or the Avalon Peninsula are the whole of Newfoundland. There are other parts of Newfoundland besides. The second point is this: The honourable gentleman has no right in logic to assume the passing of this Bill means the Board of Public Utilities will at once drive out everyone from the highways leading into St. John's except one or two. That is what I inferred, probably I am wrong but the inference I made from the honourable gentleman's remarks is that a large number of the bus drivers on the roads in and out of St. John's may be at once driven off the road and put out of business. It is not right to assume so, to assume so is to assume we are full of prejudice and bigotry.

MR. FAHEY: Kindly allow me to make my own inferences. If the honourable Premier makes a statement, so long as I don't misquote him, he must allow me to make my own inferences from what he said and I have made exactly that inference, that you have a board of utilities down there who, if given authority to issue franchises, will at once drive all the small men off the roads.

MR. SMALLWOOD: No, it is not right to make a statement like that or to make that inference. Who are they, and what are they? They are a responsible government body who can be removed by the government, and up to this moment have not been



guilty of anything like that and to prophesy they will be a dictatorship and all kinds of dire things are to happen because they are being set up—this afternoon we were told that, at once, as soon as they are given this power they are going to push all the little men off the road and have some foreign organization brought in to be given a monopoly in Newfoundland,—sheer trash and utter nonsense.

**MR. HIGGINS:** The honourable Premier has said there are other places besides St. John's and tells us that if Grand Falls and Corner Brook want it, it must go through. St. John's including Harbour Grace and all outlying districts, and it is all bunk and nonsense, dictatorial bunk, but there is a possibility that there may be a franchise granted to one party and that activity be given the right for that area.

**MR. SMALLWOOD:** I have no doubt whatsoever that every one of these arguments have been used on every single occasion in the other Provinces of Canada and in the 48 states of the United States of America when it was proposed to do exactly what this Bill proposed to do, that the government proposes setting up a dictatorship. These were back at the beginning of the century.

**MR. HIGGINS:** Many actions of the Government have been proven unjust too in the United States and in Canada.

**MR. VARDY:** Mr. Chairman, in view of the fact that St. John's enters into this, as a representative I think it is only fair the position of the members on this side who favour it and are vitally concerned with the welfare of their constituencies, and the condition of the bus service in St. John's, should be expressed also.

Now, Mr. Chairman, I don't think anybody is very anxious or would be a party to making them a dictatorship. My interpretation of this particular clause is that it gives the necessary protection for a properly run transportation service. It is the desire of a good many of the operators referred to by the honourable gentlemen on the other side, I have discussed it with a number of operators on the Southern Shore, Conception Bay and different parts of Avalon and they have pleaded time after time, why can't we have some protection against the unrestricted competition of fly-by-night drivers not making a living but cutting in when the moment suits them and taking the bread and butter out of the mouths of those trying to make a living from it, and I think it very important that this Act will enable the Public Utilities Commission to provide protection for responsible operators and that is one reason why I support the Act, because it will give protection to proper operators who have over a period of years built up a business conducted in an honest manner and we as the people's representatives have a right to give protection to them to do so. I see nothing in the Bill to have such repercussions. I have every confidence in the board and the administration is not going to permit any board which is a creature of the Government and this House to abuse its rights and privileges and powers bestowed upon them by this House, and this House has the right in time to say if they had done the things predicted and to remove them from office, as the Premier stated. And I would say, as a member of the House, he would be the first one to advocate it if an attempt such as that were made to in any way interfere with the rights of pro-

perly conducted bus services so as to discriminate against and put them out of business. I think, Mr. Chairman, the point has probably been over-exaggerated, the Bill is not going to put them out of business but is going to be the means of keeping them in and make a decent living if there is no unrestricted and unorganized competition.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): Mr. Chairman, I thoroughly endorse the remarks of my honourable colleague and while appreciating the serious thoughts expressed by honourable members of the Opposition, I must admit that I was very concerned with the conditions referred to with regard to men operating cars and with regard to drivers who make it their main vocation, very concerned by it, and glad to hear the remarks on the other side and by the Premier, and those expressed by my honourable colleagues that it would benefit the very men who are seriously interested in the business. With that thought in mind and the knowledge that the institution of the law was for the betterment of the people generally instead of ignoring them, I support the matter and do feel, gentlemen, that there will be nothing done that will seriously effect these people or do harm or bring disappointment to anyone.

MR. JANES: Mr. Chairman, it rather amuses me to have the Opposition turn up and champion the cause of the little man, the little bus drivers. It would be well if sometime they would go to Adelaide Street and see the clap-traps that come in over Topsail Road and when we come to this House to bring in legislation to remove them it is a far greater service to the public of St. John's

than is the attitude taken this afternoon with regard to a franchise. I think it is all out of order; the franchise was debated in second reading.

MR. CHAIRMAN: No it is not out of order, it is all right.

MR. JANES: No one says a franchise will be given, no one says it has to be given. If the service here on Avalon is a good service, and perhaps it is good in parts, but in parts it is bad and very bad and there is no reason why the Board of Public Utilities, when given power, there is no reason why they should not be able to improve the services and transportation. Supposing St. John's does not want it and Humber and Grand Falls do, they are serving a far greater area and operating out of Grand Falls to the whole of Green Bay and the whole of the West Coast and Corner Brook which is far more than the Avalon. You are going to be lost over here, you fellows, it is just as well to vote for it and have done with it.

MR. FAHEY: Dealing with that franchise, the last speaker made reference to certain claptraps in the bus service. I don't know if the honourable member is aware that before you can get a bus or car licence to carry passengers you must live up to certain regulations which are in existence now: even a private car if more than five years old—this year anyone having a 1942 car has to go and get a certificate from some established garage to say it is all right to run. Now, there are certain regulations for bus services and if there are traps, as referred to, on the road, there are regulations to take care of it and a member of the Government ought to be ashamed to say so when it comes under Public Works by ad-

mitting the fact they are not on the job to allow things like that on the road.

In so far as making a division between Corner Brook, the West Coast and St. John's that is old stuff and other people brought it up here to-day too. When speaking about the franchise I am not concerned more with St. John's than with Avalon, Grand Falls or Corner Brook. It may run the people out up there too if certain people are given a franchise, they have to get off the road, those we call free-lance operators, and when a franchise is given they have to get off the road. It might be playing politics to try and make a division between the country or the Province. Now other Provinces we hear have this Act passed long ago, but we are living in this Province and are interested in what is going ahead in this Province here.

HON. LESLIE R. CURTIS (Attorney General): That is why we are so backward.

MR. FAHEY: My dear man, we were told the other day we eat so much more fish on this Island than any Province on the Mainland. The franchise is issued by the Board which is set up by the Government. I don't see why the Government is so anxious to have this Board to give a franchise. I think it would be good government policy to see those machines are in good condition to take care of passengers, and competition is the life of trade, and if I have capital enough to spend a hundred thousand dollars tomorrow, it is my headache if I lose, and I don't see where it concerns the Government at all, excepting I went in and cut the rate and got the franchise in a round-about way. Then I think the

Government should step in and set up a rate. As far as rates and inspection of machines are concerned the Government should see to it, but as far as franchises are concerned it is no business of the Government.

MR. CURTIS: Mr. Chairman, there are more things than the type of buses and the fares to be considered when considering the question of franchise. Now, there was a letter in the paper recently, where a bus driver dropped a lady passenger half way to St. John's and left her there and she had to find her own way in to St. John's. When a franchise is given there are conditions to the franchise and the bus must travel at regular intervals and must comply with certain standards, must have certain fares and no higher and the public must get service. It is all right to say the thing is well looked after now but can you say a bus leaves at a certain time and if the bus driver wants to stop and have a couple of drinks have you any assurance, that if he has a franchise he has to carry out the terms or lose it.

MR. FAHEY: Do they run on time in the City where they have a franchise?

MR. CURTIS: I know what it was like before we had the present system. There was anything from station wagons to seven passenger cars to buses not fit to drive in.

MR. FAHEY: That was only a make-shift.

MR. CURTIS: Do you think of the people travelling in St. John's and in the outposts?

MR. FAHEY: That was a make-shift. The Golden Arrow Co. had a franchise and gave it up and in the

interim the people went in and serviced the public and then were kicked out. They were prepared to get new buses. As a matter of fact one company had come in and had several more ordered but they did not get the franchise and had to cancel it. When the Golden Arrow gave up those people got in there and gave the service to the public and I think the public appreciated it, but they were kicked out and the franchise given to some other company and I am afraid that will happen to some other people who have spent 20 years building up a business and some big concession will take over a bus service from St. John's to Port aux Basques and our friends from Green Bay will not have to worry then.

DR. POTTLE: The main reason I am rising is to make it abundantly clear that it will be understood in the House and reported in the Press that we are trying to protect civil rights. True it is not the position of the Opposition to be the defender of civil rights and the Government the destroyer but rather the contrary. I think we should be very clear about the two main parties concerned, one, the operators, and two, the public. Now on the side of the operator we are now out to protect him if he is giving good service and not prevent an operator from carrying on, but at the present time there is no protection. We are forgetting or are tending to forget that the people who are served need protection they are not getting under the present set-up. We may have one of two extremes, no regulations whatsoever, that is anarchy, or we may have a dictatorship by one person, that is autocracy, but somewhere in between we have the best system of all, democracy, to get regulations but at the same time not to

make them so dictatorial that people have no rights at all. I think, Sir, we have here a middle course between anarchy, no regulations, or a dictatorship or autocracy, regulations by one party. Now, Sir, I see nothing in this Bill which would hamper anyone from carrying on and even incorporating two or three and obtain a franchise for one area. I will illustrate the example given here about a person making an investment and not being protected: Over and over again, I know, in my own District an operator spends most of his savings setting up a system which is well regulated and because he is apparently doing so well others go in and upset the fares, upset the regulations, upset the schedule where a route can accommodate just so many. The result is that man loses practically all his savings and he appeals to us or to the House to bring in some regulations on this matter. He may not get a franchise but this is an example of what is happening over the countryside. I know of instances in other districts which have not been heard from today. Not that we stoop to small politics but it is a matter of decent preservation. Now, Sir, I wanted to rise to point out and consolidate this point: It is not a question of the Government taking away civil rights and the Opposition defending them to the last ditch. The defense of civil rights is here in this Bill; at the present time there are a good many violations of civil rights in this connection. I should like to draw attention to another point of administration procedure in the Bill. I raise the point now that there is no provision for a time limit for franchises. There is another point in sub-clause (5) which refers to returns, I suggest that we make that a uniform matter, we get

all kinds of information but nothing standardized. What the Board will need is certain information so that it will have standard information about all franchises. We might put that in the interpretation clause, then when we come down to line five repeat the same order so the Board will get uniform returns from all franchise operators.

MR. FAHEY: Now that we have that full stop taken care of.

DR. POTTLE: I don't think there is any point in a remark like that. I spent ten minutes illustrating a point and if there was a full stop at the end that is important sometimes too just the same as a franchise.

MR. FAHEY: If we were to grant a franchise to everyone in the business, there are cases where supposing they have twenty running from Corner Brook to Humbermouth and from the West Side and that area, how could we grant individual franchises? Supposing we have fifty people from Kelligrews in here or twenty buses, how could we grant twenty different franchises? Some of them have to go out of business and the same thing applies all over, Grand Falls, Botwood, Corner Brook, Humbermouth and buses operating from Trepassey and as far as Trepassey South there are one, two, three or a dozen and in some cases up to twenty or thirty buses and you could not grant franchises to them all. It would have to be granted to one of those thirty and the other twenty-nine would go out of business.

Section 5 passed.

MR. CURTIS: I move the Committee rise, report progress, and ask leave to sit again tomorrow.

Motion carried.

MR. SMALLWOOD: Mr. Speaker, with the forbearance of the House we might move on to No. 6 on the Order Paper. Second Reading of a Bill "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts."

Motion carried.

MR. SMALLWOOD: This is a rather lengthy Bill consisting of 46 pages and divided, I think, into three parts and consisting all in all of some 86 sections.

The Bill, however, is not quite as formidable as its size and the number of sections because, in fact, it is more a consolidation than anything else, though there are some new sections in it. I will outline the principal changes in the Bill. Clause 3 is part of Section 4 of Chapter 23 of the Consolidated Statutes, third series, with no change in principle. Clause No. 4 has no counterpart in existence. This is designed to limit by statutes the terms of issue which might be made on the annual vote of the Consolidated Revenue Fund.

Clause 5 has no counterpart in existing legislation based, I think, on the Mainland practice and particularly the British North American Act. We have been following this actually since the opening of this Assembly, though without statutory requirements.

Provisions are made for the Treasury Board to undertake duties subject to the Lieutenant Governor in Council. This is routine work of Civil Servant workers to be employed awaiting the Board's decision to authorize commitments to pay overtime and the freight rates under the Civil Servants' Act and authorized expenditures in

special sub-head divisions where such is covered by countervailing savings.

Part 3 is the Collection and Management of Revenue, general expenditure the counterpart is eleven to nineteen inclusive to be found in section 26 and 28 of chapter 23 of the Consolidated Statutes, second series. Eleven is counterpart of Section 26. Twelve is counterpart of section 19 of the Consolidated Statutes. Clause 13, Section 27 and 14 in section 29 and 15 in section 16, sixteen counterpart section 17, and seventeen as provided in section 28. Clause 18 (1) counterpart, a new provision designed to give statutory sanction for new procedure under the new accounting system. Section 19 is a new provision, the grant for which the House will find self-explanatory.

Part Four has to do with Debt Management and Raising of Loans is counterpart to Sections 5 to 10 of the Consolidated Statutes, third series. The draft Act is submitted by J. P. Thompson dealing with repayment of loans and the payment of interests thereon, renewal or refund of existing obligations which may have the effect of reducing the public debt. Lays down specifically that such refunding operation shall not have the effect of increasing the public debt. In his comments on redrafting, he pointed out where cases may arise where the face value of refunding bonds will exceed the issue to be retired in order that the net proceeds be sufficient to retire the old issue. The Committee consisting of the Controller of Finance, the Auditor General and the Department of the Attorney General, Mr. Newland and the Assistant Deputy Minister of Finance felt there should not be any provisions in the Act authorizing an overall increase in public debt without the specific instiga-

tion of the Lieutenant Governor in Council. The reason is obvious and there is no necessity of explaining. If there is an overall increase in the public debt the House will sanction this increase. I am sure the House appreciates if a debt issue comes due say for a million dollars and the intention is to pay it off out of a new loan, then the amount of the new loan must not normally be higher than the amount of the existing debt and that is partly for this reason: If you issue a debenture issue of say a million dollars at a fixed rate of interest, to get the same yield of money needed to pay off the maturing debt it might be necessary to sell it at a discount and the discount would be such as to yield less, in which case it would become necessary to have the nominal amount of the new debenture actually larger than the amount being required. The Bill provides in that case the Government must come to the House to get the necessary authority. That is part IV, Clause 20 to Clause 33, Debt Management and Raising of Loans.

MR. HIGGINS: Where do you find "Come into the House of Assembly?"

MR. SMALLWOOD: The House will find, in Committee of the Whole, I am merely here explaining the principle of the Bill.

Now part five: Clause 34, Counterpart in Act 5 of 1950. Clause 34 (1) has its counterpart in Section 2 of Act No. 19, of 1949 with no change in principle.

With regard to Clause 35 (3) and (4) there is no counterpart existing in existing statutes. The necessity and grounds for these insertions are I think quite obvious. Clause 36 has

its counterpart in Section 30 of Chapter 23, Consolidated Statutes and Clause 37 in Chapter 37, which was amended by Act 211, 35 but the amendment then necessary ceased to have any grounds for justification on the passing of the Commission form of Government. Clause 37 therefore follows the provision of the original Act sanctioned by Statutes existing for transfer between sub-heads and heads of expenditure to cover inadequate provisions for services, generally known as countervailing savings. Sub-Clause (2) provides for addition of funds by special warrant to cover expenditure in excess of that provided by the Legislature where inadequate provision was made and countervailing savings cannot be found, and paragraph (a) is for expenditure on services not foreseen and for which no provisions have been made by the Legislature. Now before going on it may be useful if I explain that a little more. The basic clause in this whole Bill is, I think, Clause 4 of the Bill which will be found on page 4, in Part I, and reads as follows :

"4. No issue of public monies shall be made out of the Consolidated Revenue Fund except under authority of the Legislature, save that

- (i) issues of public monies received for special purposes or in trust may be made for the express purposes for which the monies were received without further legislative authority than the provisions of this sub-section, subject however to the provisions of any particular statute dealing with such special or trust monies;
- (ii) issues may be made for the service of the public debt by way of interest payments and

the redemption of loans either by way of annual payments into sinking funds or in any other manner;

- (iii) issues may be made in accordance with the provisions of sub-section (10) of Section 21 and of Section 23; and
- (iv) issues may be made in respect of the annual salaries of the Comptroller and of the Auditor General."

These were known as statutory votes. The one dealing with special warrants is on page 19, Clause No. 37, which is actually in two sections. Now, Mr. Speaker, I would like to draw the attention of the House to this fact : Two great principles are laid down and have a very ancient and honourable origin in the British Constitution, a historical one, that all money received by the King shall go into a consolidated revenue fund unless it is otherwise provided by the Legislature. That is the first great principle. All monies received by the King's Ministers on behalf of the King shall go into CRF and there is even a greater principle that all money paid out of that consolidated revenue fund shall be paid out only upon authority of the peoples' representatives, the Legislative representatives of the people. Now, control of the King's purse, which, of course, is administered by his Ministers, in short, the Comptroller of the Treasury which is the modern way of referring to the King's Purse, control by the legislative representatives of the people is one of the greatest principles under the British Flag where democratic, parliamentary government exists, and that must be the rule, at the same time exceptions must be made because in practice what happens is that the King's Min-

isters come before the elected representatives of the people with estimates of what they imagine will be needed for the next twelve months. Estimates are printed, laid before the House, and if the House feels in the majority that they have not been asked for too much they will vote it to His Majesty, to His Ministers to spend on behalf of His Majesty. That is what we call the Public Service Act, to carry on the public services. That is a very good plan but it is quite impossible in any Legislature, in any Government, unless that Legislature is in session the whole year around to vote the exact monies. Even in the United Kingdom it is theoretical in session through the year but there are the long summer holidays and the long vacation in the Fall and a long Easter recess and it has been found impossible, even in the United Kingdom for the Government to come before the elected representatives of the people just once a year with estimates of what it imagines will be required for the next twelve months, given in such detail and with such explanations necessary as to be able to depend absolutely and entirely on that amount of money. For this reason the House may no sooner be prorogued and the members dispersed and gone off to their various homes and businesses than a week after something might crop up which was not foreseen and could not have been foreseen and for which, therefore, the Government had asked the Legislature for no grant, and for which the Legislature approved no appropriation, for which, in short, there has been no money voted by the House. Now, in cases like that, and it is quite easy for the House to imagine cases like that, quite easy, the obvious cases are disaster, floods, fire, famine, there are the more obvious things that may

crop up unexpectedly and for which money is required and which has not been voted and the House is prorogued and the members are scattered and it is not expected to meet again for six months. With that crisis on hand what shall be done in such cases? What is done in here? Every Legislature in the British Commonwealth of Nations beginning with the United Kingdom itself makes provision in the Audit Act for special warrant. In the United Kingdom that special warrant is issued by His Majesty himself, in the British Dominions it is issued by the King's Deputy, the Governor General, and in the Provinces of Canada, that special warrant is issued by His Majesty's Representative, the Lieutenant Governor. That is not all that may happen, other things also may happen and so the proviso is made,

37 (2) (a): "If the subject of the expenditure is one for which the Legislature has made provision but the provision is found to be insufficient, then, upon the report of the Minister that there is insufficient legislative provision and that no countervailing savings are available under other subheads of the Head of Expenditure concerned and of the Minister having charge of the service in question that the necessity is urgent, the Lieutenant-Governor for the issue of the amount estimated to be required, and the amount shall be added to the appropriation under the relevant Head of Expenditure."

Let me remind the House that countervailing savings in one department of the Government may not be used in another department. They can only be used in that same department.



(b) "If the subject of expenditure is one for which no legislative provision has been made, then, upon the report of the Minister that there is no legislative provision and of the Minister having charge of the service in question that in his opinion the necessity is urgent, giving reasons for his opinion, and that if such expenditure is not made grave damage to persons or to property or to the interests of the Crown or the public will occur or excessive additional expense will result from delaying the expenditure until the necessary legislative provision has been made, the Lieutenant-Governor in Council may, on the recommendation in writing of the Board, order that a special warrant be prepared for signature by the Lieutenant-Governor for the issue of the amount estimated to be required, and an additional sub-head shall be set up in the books of the Comptroller against which expenditure on the service shall be charged.

(c) "In every case under paragraphs (a) and (b) the Minute of Council authorizing the special warrant shall quote the special reasons therefor, and a certified copy of the Minutes of Council shall together with certified copies of the reports referred to and recommendations of the Board, be tabled in the House of Assembly within fifteen days from the opening of the next ensuing session in order that the necessary legislative provision may be made."

Now, I think that is clear as daylight. Something happens, the emergency needs to be met and there is no money voted for it or not sufficient money, and there are no countervailing savings available in that de-

partment then the Minister concerned comes to the Cabinet and says, "I've got to have money to do this." If the Cabinet agrees they prepare a special warrant and advise His Honour the Lieutenant-Governor to sign it upon the Treasury for that amount of money.

MR. HIGGINS: You said where the Legislature has made insufficient or no provisions.

MR. SMALLWOOD: (c) deals with that.

Now, Mr. Speaker, this provision for special warrant on the Treasury by His Honour the Lieutenant Governor is on advice of His Ministers and there is nothing new in this procedure. This is from the Consolidated Revenue and Audit Act of Canada passed by the Parliament of Canada, Section 25 (1) "If when Parliament is not in session any accident happens to any public works or building which requires an immediate outlay for repair or renewal or any other occasion arises where an expenditure not foreseen provided for by Parliament is urgently and immediately required for the public good, then upon report of the Minister that there is no parliamentary provision and the advice of the Minister in question that it is necessary and urgent, the Governor in Council may order a special warrant be issued and signed by the Governor in Council to be placed by the Minister to the special account against which the cheques may be issued from time to time in the usual form as required." That is the Parliament of Canada, Consolidated Revenue and Audit Act 25 (1).

MR. RUSSELL: Will the honourable the Premier carry on from there and see if there is anything in that Act similar to (c)?

MR. SMALLWOOD: In reply, the only clause I have copied is the one I have read aloud but the Federal Statutes are in the Library upstairs and any honourable member has access to them and may follow up the clause in question.

In all the Commonwealth Parliaments this provision is made, and further it is made as we do here in our Bill to have these tabled in the House to receive Legislative sanction. A special warrant does not take the place, except temporarily, of the Legislative Grant and the legislative authority must subsequently be sought.

Now the Audit of Public Accounts Act provides in Section 13 (1) (b) :

"If when the Legislature is not in session an accident happens to any public works or building which required a new outlay for repair thereof or any other occasion arises when expenditure not foreseen or provided for by the Legislature is urgently and immediately required for the public good and upon the report of the Treasury" (Treasury is the word there for the Minister of Finance) "that there is no legislative provision therefore, and of the Minister having charge of the service that the necessity is urgent and for the public good, the Lieutenant Governor in Council may order a special warrant to be signed by the Lieutenant Governor."

Out of the British Columbia Public Account Act: Section 24 (3) :

"If when the Legislature is not in session any accident happens to any public works or building which required an immediate outlay for repair or any other occasion arises in which any expenditure not foreseen or provided for by the Legislature is urgently and immediately

required for the public good then, upon the report of the Minister of Finance that there is no legislative authority and the Minister in charge of the service in question says the necessity is urgent, the Lieutenant Governor in Council shall order a special warrant to be prepared to be signed by the Lieutenant Governor for the issue of the amount deemed to be required."

The Treasury Act, Province of Saskatchewan: Section 45 :

"If when the Legislature is not in session an expenditure not foreseen or provided for nor sufficiently provided for is urgently and immediately required for the public good, then upon the report of the Treasury that there is not legislative provision or not sufficient provision therefore, and of the Head of the Department having charge of the service that the necessity is urgent, for an expenditure for the public good, the Lieutenant Governor in Council may order a special warrant to be prepared to be signed by the Lieutenant Governor authorizing the expenditure of the amount estimated to be required."

The Treasury Act, Alberta: But I think, Mr. Speaker, I have read enough to show the House; Alberta, Manitoba, Nova Scotia, New Brunswick etc., also have the same clause. I think I have shown quite adequately that the provision in our Bill is almost identical with those similar or equivalent provisions in the other nine Provinces of Canada and indeed in Canada itself. If recourse were had to the Statutes of the United Kingdom, I think it would be found that the Canadian Legislature in this matter is fashioned after that of the United Kingdom.

Now, Mr. Speaker, I think I had better go on and explain the Bill clause by clause. Clause 38: This clause 38 of our Bill, I think, is in substitution for Section 3 of the Consolidated Statutes, third series, chapter 23, the statutory procedure for the new accounting procedure relating to issue of public funds under the authority of the Legislature and provides for commitment rather than expenditure control and does away with the Government Letter of Credit System.

Now, Mr. Speaker, this again is a most fundamental section of this Bill. We have since we took office been acting upon the advice of Mr. J. C. Thompson, who for some time was our financial advisor, Mr. Thompson being a former Auditor General of the Province of Alberta and is now Senior Partner of a great auditing firm, Peat, Marwick and Mitchell of Montreal. On the advice of Mr. Thompson we introduced a new system, a new principle altogether which has taken us virtually two years to get into actual operation so that it did not come into operation until the first day of this current financial year, namely April 1, 1951. This principle is that the Government who expends the money which it is committed to spend in each given year, always knows what it has spent plus what it is committed to spend. Now, we hold that is the only realistic system of public accounting in public financing. It is useless to say at the end of the fiscal year that our expenditure was "X" amount of dollars if in fact we have committed ourselves to the expenditure of another half million or a million or two million and have done it in that year, although the actual expending of the money may not occur until the year following. To come into the

House following the 31 of March which is the end of the financial year and report to the House our expenditure for the past year was thirty millions when all that the figure represents is the actual cash expended, and there is left out of the accounts an amount of any given sum of money which although it has not actually been spent in that twelve months is actually committed to be spent, is but a repetition of the past methods. We think, we agree, with Mr. Thompson's views expressed to us that the more honest, if the word honest has any place in this matter at all and perhaps it has not, but certainly the more practical, the more realistic accounting procedure is the system of commitment—expenditure and commitment control.

Now it will work this way: In every department of the Government as soon as the estimates are passed and the supply bill enacted by the House, that department knows that for the twelve months it has "X" amount of dollars to spend. Every cent of expenditure of all departments or divisions of the Government before being spent must now under our new system of accounting and commitment control pass through the Central Accounting and Commitment Office so that at any given day or say up to five o'clock the day before we know the amount by which every department or every section of every department is committed up to that time. Now we are very proud of it. We are very proud of having been public—security minded and progressive enough as a Government to have accepted that advice and agree to have it put into effect, and we hold that in all of the Canadian Nation today no Government has a more progressive or more adequate or a

more realistic system of accounting of public funds than we have in effect in Newfoundland today. This clause is to give legislative sanction to a system which we have already introduced as of the first of April, 1951.

Clause 39 gives statutory sanction to the new form of central accounting for issues from the public purse. I cannot allow this opportunity to pass without saying that we are quite proud of our new Central Accounting System. Before we took office, and notwithstanding the clear need there was to do otherwise, all of our predecessors, the Commission of Government and before them various elected governments had the most archaic, the most inefficient system of counting imaginable, practically every department of the Government had its own system of accounting and account books and book-keepers and its own accounting clerks, and its own books and no central accounting and no central control. We have abolished that and have installed the very latest mechanized system of accounting and which the members of the House have already been invited, at any time they care, to drop in and see these machines which seem like wizards in actual operation. There in the Treasury all accounting of Government Revenue and Expenditure are done under the one roof and in one department, and we ask in this Bill for Legislative Sanction for that as well.

Clause 40 continues the method of control system embodied in the Treasury Control Act. The incorporation of this clause in this Bill, of course, will be enacted on repeal of the Treasury Control Act. As has already been pointed out, the main control feature of the Control Act is to continue the present title of Con-

troller of the Treasury with very wide powers of veto of government expenditure programmes without any curtailment of the features felt to be necessary and desirable in the Treasury Control Act of 1932, which has been set aside. It will be observed that control powers are now vested in the Minister of Finance, and the Minister's decision may be appealed before the full Treasury Board or the Executive Council.

Clause 41 gives power to make regulations and here again the principle was embodied in the Treasury Control Act of 1932.

Clause 42, counterpart Section 34; Clause 43, counterpart Section 34 and Clause 44, counterpart in Section 34, Section 7 of Chapter 34. Clause 45 however modifies the existing Act which flatly prohibits the issue of any money to a debtor of the Government. The new clause is more workable and equitable and authorizes the application of countervailing accounts only in cases where the debtor to the Government is in arrears.

Clause 45 has its counterpart in Section 33 (1) (c), (e), and (f), Chapter 23.

Clause 46 is new and is designed to extend statutory authority to issues of public funds on an impressed basis, a practice common to the service for some years but without specific authority.

Clauses 47 and 48 have their counterpart in Sections 79 and 80 of Chapter 23.

Clause 49 is new as it is necessary to have statutory authority for the treatment of bad debts, which should be self-apparent.

Part VI: Public Accounts: Clause 50, Clauses 51, 52, 53, and 54 generally

speaking have their counterparts in Sections 35 to 45 of Chapter 23, third Series. Modifications are designed to extend and introduce and recommend costs made in fairly large measures to dominion revenue and Audit Act.

Clause 56 has its counterpart in Section 25. Clause 57 is new as far as we are concerned coming from the Federal Act, Section 44 (1), if my honourable friends would make note of the clause. Clause 57 (2) is based on a combination of Clause 44 (1) and Chapter 46, and Clause 57 (3) and (4) are based on 27 of 23, and Clause 58 is drawn from the Federal Act 45 (1) and Clause 59 is also drawn from the Federal Act. Clause 60, counterpart 65 based on 48-77 of Chapter 23, third series. Clause 62 is based in part on Section 1 of Chapter 23 and on the Federal Act, Section 47.

Clause 63 is based on the Federal Act, Section 48 (1).

Clause 64, counterpart Section 36, Chapter 23, but new wording based on the Federal Act; Clauses 69 to 78 counterpart Sections 61 to 69 of Chapter 23; Clauses 79, 80 counterpart in Section 70 to 77 and 73 of Chapter 23. Clauses 81 to 84 counterpart Section 74 of Chapter 23, and 81 of Chapter 23.

Clause 85 confers on the Government in Council the normal power of making regulations.

Clause 86 indicates the statutes to be repealed and the extent of such repeal.

It will be noticed the enactment of this Bill will eliminate nine statutes dealing with the auditing of public accounts and treasury control as well as parts of statutes constituting the Department of Finance and Customs.

Mr. Speaker, what we have done is to consolidate the existing legislation in the main and then in particular we have brought in some amendments and some additions to some of these amendments, which are merely changed and improvements we think in wording, but some of them are substantive and are of the utmost importance especially those dealing with special warrant upon the treasury. I do not know what the pleasure of the House is, whether the House would desire, in view of the fact that this is mainly a consolidation, to have an extensive debate on the principle of the Bill, but surely there can be little if any disagreement. Or would they prefer to move the House as rapidly as feasible into Committee of the Whole where it will be dealt with line by line and clause by clause. At all events I am in the hands of the House and I have pleasure in moving second reading of this Bill.

MR. RUSSELL: I hope to go to six o'clock on another Bill to be debated and since I think it would be a help rather than a waste of time and hindrance, I have made two or three notes and I am not going to say anything about this in Committee but it may help in the present stage. Section 4, Mr. Speaker, I believe if the honourable Premier had read on a little further on Section 23, page 13, he would have agreed with me that section 4 is all right as it is. Page 5, Section 4, subsection 3, the third type of money that can be paid out with authority of the Legislature. issues may be made in a word, and with revision of Section 23, now if we look at 23, subsection (1) it appears to have no bearing whatsoever on section 4, but (2) does read:

"The Minister may out of the Con-

solidated Revenue Fund pay, satisfy and discharge any judgment, decree, rule or order of a court in the United Kingdom which, under the provisions of Section 20 of the Colonial Stock Act, 1877, or any amendment thereto, is to be complied with by the Registrar of the inscribed stock of Newfoundland in the United Kingdom."

I think I should point out now to avoid any possible confusion in committee stage, I think Section 23 has to be left in. Then if Section 23 is left in, might we not also add Section 37? In my opinion we should not because if we make amendments of Section 37, in Section 4 it may well mean that money issued under Government warrant does not have to get legislative authority at all, whereas in fact it has to get legislative authority later on and I am very much afraid we would be making a mistake. I believe the financial experts of the Provincial Department would agree with me on that, if Section 23 be amended and Section 37 not amended.

Now, there is one other point, the honourable the Premier quoted from several Acts under various titles. He read the Federal one, the Ontario one and the British Columbia one, and almost word for word the contents were the same as our (b) on page 19. But he did not read anything, except to show that all apply to where no provisions had been made whatsoever. Then if the Minister recommends it is necessary and urgent and there were several specific cases mentioned which all had to be very urgent and for the public good but from those; the Federal, Ontario and British Columbia, we were dealing with cases where no provision had been made at all. Saskatchewan, I think, struck a new note and took

our (a) and (b) together: Where none or insufficient. Notice this, Mr. Speaker, they treated none and insufficient in the same way. Why don't we make it easier here to get a warrant when there has been some provision but not enough for it or none at all? And in closing I agree in principle, of course, and will vote for this Bill's second reading but I am going to ask the Government if it might consider when it comes into Committee without the necessity of someone over here moving an amendment and having a debate to take up a lot of time, look on this point I am making of treating (a) and (b) alike just as Saskatchewan and Alberta do and possibly Ontario or British Columbia and the Federal Government.

Moved and seconded Bill be read a second time.

Carried. Ordered to Committee of the Whole.

MR. SMALLWOOD: Mr. Speaker, I was going to suggest a night session and with a view to getting through as much as possible non-contentious legislation, it might be the wish of the House to go into Committee of the whole on this Bill tonight sometime.

MR. HIGGINS: There is another Act of lesser importance to go ahead too, but I want to look up this Act.

MR. SMALLWOOD: Any sections you would wish to have stand could stand until you were ready.

MR. HIGGINS: Have we a lot of Acts?

MR. SMALLWOOD: I am not too sure we are ready for all the Acts on the Order Paper, I can make sure; if we have a night session we may

run out of business we can do by day. Probably, Mr. Speaker, if my honourable friend is agreeable, we could leave open the question whether we could go into Committee of the Whole on this Bill later today and if we make fair progress by half past eight or nine o'clock we might go into Committee of the Whole on this Bill on the understanding that any clause which they may wish to hold over, might stand over and we could come back to it. In that case, Mr. Speaker, I suggest it be referred to Committee of the Whole later to-night.

Second reading of Bill, "An Act Further to Amend the Public Utilities Act, 1949."

MR. CURTIS: I would like to move second reading of this Bill, Mr. Speaker. I have before me here the Public Utilities Act, 1949, the Act in question. The first amendment suggested is to Section 2 of the Public Utilities Act as amended by adding to paragraph (c) sub-paragraph (6).

This is a new clause.

MR. HIGGINS: Is that the St. John's Municipal Council?

MR. CURTIS: No, it would deal with Public Utilities where they would supply water. I think the area in question is Clarendville where water is supplied by the C.N.R.

Under Section 5, the Department of the Attorney General has to place at the disposal of the Public Utilities Board Counsel from its department. We have found it absolutely impossible to do so last year with the staff at our disposal and we have not a man available and where the need is urgent we can designate some other member of the bar.

Section 14 is the next amendment and it seems to be largely a case of having it rewritten and this is a matter which will be dealt with in Committee.

Section 15 is a nominal amendment and Section 6 strikes out one thousand and substitutes twenty-five thousand and in Section 34. That is the Section which deals with new construction. We found one thousand dollars too small an amount and ask for twenty-five thousand dollars.

Section 7 is an amendment which states that no Public Utilities may issue shares, stocks, bonds etc., except as provided in sub-section 2 on approval of the Board. There are a lot of sub-sections there and the idea is to add another sub-section where application is to be made to the Board. Apparently the thought is to provide for some compensation to the Board for its services.

The last amendment, Mr. Speaker, covers renumbering the section and adding a sub-section to it. The idea is to renumber sub-section (1) and add sub-sections (2) and (3).

MR. HIGGINS: I wonder if you would refer back and give us some explanation of Section 4, "the amount of one thousand dollars or more." Now what public utility is going to earn one thousand dollars?

MR. CURTIS: That is going to be the minimum.

MR. HIGGINS: Is that meant for a big company or a small one. Would there be such a small company?

MR. CURTIS: I think it is meant to take small companies out of the Act altogether.

Bill read a second time. To be referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, we might now go back to number 4 on the Order Paper.

Committee of the Whole on a Bill "An Act to Amend the Restaurant Act, 1929."

Section 1 read and passed.

Section 2 read.

MR. CURTIS: At the present time they open at eight o'clock in the morning and this amendment would permit them to open at 6:00 o'clock instead of 8:00 o'clock.

MR. VARDY: Before that clause is put, a thought has occurred to me. This amendment is dealing with the closing hours and it gives more scope to restaurants which I think is a very desirable thing, but I wonder about Sunday closings; I think it is a most ridiculous situation that a city of the size of St. John's where it is practically impossible for any traveller or visitor to get a meal within the city limits. Now, what I would like to know, Mr. Chairman, is whether it is statutory and compulsory for restaurants to be closed on Sundays.

MR. CURTIS: That is a point I would be glad to give an answer to before third reading. My understanding is there is no law in force at the present time in Newfoundland to close on Sundays. They close because they do not want to be open. I think in the city some restaurants are open.

MR. VARDY: The only place you can get a meal on Sunday is in the main dining room of the Newfoundland Hotel.

MR. CURTIS: Mr. Chairman, I speak subject to correction, but I understand they are closed not because they have to close. The reason

for this amendment here at the present time is the Chief of Police has power to authorize restaurants to remain open after midnight but only on the occasions of special banquets and this gives the authority to give this permission contingent on their behaviour.

MR. SMALLWOOD: It may seem a little thing for the Government to get up and ask questions about, but on the point raised by the honourable member for St. John's West; the Shop Closing Act is designed, I believe, to protect shop workers. What effect will this have on the operations of the Shop Act, viz., these restaurants open after midnight, if they are allowed to remain open?

MR. CURTIS: I think they have their own union.

MR. SMALLWOOD: It is not a matter of unions but statutes. Do not the restaurants come under the Shop Act? I think we had better check.

MR. CURTIS: It is a matter we will check up.

MR. SMALLWOOD: Mr. Chairman, would you be prepared to call it 6:00 o'clock. It is commonly done in other houses, then you can resume the Chair at 8:00 o'clock.

MR. CHAIRMAN: I now declare it six o'clock.

#### NIGHT SESSION

The House met at 8:00 o'clock.

MR. CHAIRMAN: The Committee rises, reports progress, and begs leave to sit again, Mr. Speaker.

Ordered sit again tomorrow.

MR. SMALLWOOD: Mr. Speaker, with regard to number 5, this Bill is



being printed and has not as yet arrived in the Chamber and the same applies to number 7, number 8 and number 9.

On motion these items were deferred.

MR. SMALLWOOD: Might we now go on to number 14, Mr. Speaker.

Second reading of a Bill "An Act to Amend the Education Act, 1927."

MR. SMALLWOOD: Mr. Speaker, I think the honourable Minister of Education is back in the city, but I really do not know if he is back or not. I will be quite honest with the House, I am not familiar with the contents of this Bill but I know the honourable Minister is familiar with it. I move second reading of the Bill. Quite frankly I have not read it and do not know what it is, but I move second reading nevertheless.

Bill read a second time.

MR. SMALLWOOD: It is purely a formal Bill and I wonder if the honourable members opposite would mind if we went into Committee of the Whole on it? It is purely an amending section.

Committee of the Whole on Bill "An Act to Amend the Education Act, 1927."

Sections 1 and 2 read and passed.

The Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, the next Bill is a private Bill which is before the House and we might properly go into it now in the hope that later in the sitting when the honourable Leader of the Opposition is present we might go back to number 6.

Committee of the Whole on Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

MR. CHAIRMAN: All this Bill has been considered and passed as far as Section 6.

Sections 6 to 21 read and passed.

The Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: If it is suitable to my honourable friends opposite, Mr. Speaker, we might now go into Committee of the Whole on number 6, with the clear understanding if there are any sections about which the Opposition are anxious to have further information not available tonight or of which they are unsure and would like to wait for further information, would stand not passed. On that understanding we should pass all the clauses we can. This is a rather long Bill but largely very formal, but admittedly a very important Bill.

Committee of the Whole on Bill "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts."

MR. FAHEY: A point of information, Mr. Speaker, when the Orders of the Day are compiled should we not follow it through? We are jumping all over the place. What is the principle of the thing? What should be the order of business? If the Government has charge of the time table what is the sense of having an Order Paper?

MR. SPEAKER: The Order Paper merely sets out the business of the day.

MR. SMALLWOOD: It is not only that the Government has a majority and can over-ride objections but it is a matter of its having become an established principle that time table is the prerogative of the Government, whether it is because of its liability to out-vote the minority or not, nevertheless, it has become an established principle.

MR. SPEAKER: Motion is I do now leave the Chair.

Sections 1 to 3 read and passed.  
Section 4 read.

MR. SMALLWOOD: Perhaps now, Mr. Chairman, the honourable member for Bonavista South would care to amplify the point he made at second reading on Section 4.

MR. RUSSELL: Mr. Chairman, it is merely I thought that Section 4 was all right as it was and there is no need of any change and there was some talk during the opening address on second reading of whether Section 23 more properly meant Section 37. I thought it did not and I think the honourable Premier when he referred to Section 23 read just as far as the sub-section and that has no bearing on Section 4, but further on, No. 6, does. Sub-section 20 of Section 2 and Section 23 amendment is paragraph 3, Section 4, second line, following the word "have." We do not know unless we turn to page 12 and see what it is all about.

MR. SMALLWOOD: "Any sum or sums raised under sub-section (9) shall be applied to repay, renew or refund the said bonds, debentures, stock or other securities without any further or other appropriation than is provided by this Act."

MR. RUSSELL: That is because it

is received for a certain purpose and that is also covered under Section 4.

MR. SMALLWOOD: The way it is carried out in the House of Commons is usually this: When a Bill involving a grant of money is brought before the House, the Minister concerned says His Excellency the Governor General has been informed of this Bill and recommends it to the House. Presumably he has been informed and presumably he does recommend it.

MR. HIGGINS: Does that take the right of the House to deal with a money Bill?

MR. SMALLWOOD: No.

MR. HIGGINS: The Cabinet is not the House. If the House wants to give a pension to somebody, the Cabinet cannot stop it.

MR. RUSSELL: We have one like that now about to come up.

MR. SMALLWOOD: I doubt very much the validity of the Bill we have now before us in connection with a pension to James Forbes. I think in British institutions the theory and practice is that the issue of new expenditures must come from the Government. I do not think it can come from the House; constitutionally the initiation of expenditure must be from the Government. Now the provision here in No. 5 is another matter; the initiation of expenditure is from the Government at the request of the King, it is the King also who asks for money, His Ministers come to the elected representatives of the people on his behalf and ask them to vote money to Him. That is the principle involved in Clause 5. But I find we are on reasonably safe ground when I say only the Government can initiate expenditure and

this Clause provides that the Government can do it only on advice of the King or the Department.

MR. FOGWILL: It is just a formal procedure.

MR. SMALLWOOD: Yes, but it is preserving the constitution that the King comes to the people's representatives and says: "I need this money." There was a time when He did not do that but merely levied taxation and there was quite a revolution in the British Constitutional Affairs when the people's House interposed between the King and the people and said: "You cannot take the people's Money without our consent." That was the House, the King's Ministers always speak for the King, every time they stand they are speaking for the King. We are the King's Ministers, we are the keepers of the King's purse and all that sort of thing, that is the Constitution and any clause must preserve the constitutional position.

MR. HIGGINS: I do not remember the procedure in England, I think only the Commons can initiate it.

MR. SMALLWOOD: I think it was that way from the start, only the Government can initiate it.

MR. RUSSELL: It is not in order for a private member from any side of the House, to move a recommendation involving a petition? A resolution?

MR. SMALLWOOD: A resolution; there is nothing wrong with private members presenting a petition. There is nothing wrong with that but there is something wrong with a private member presenting anything that would on a vote commit the House to spending money.

MR. RUSSELL: There is some restriction on private members presenting petitions when it involves spending money.

Section 4 passed.

Sections 5 to 10 read and passed.

Section 11 read.

MR. RUSSELL: It is not correct, Mr. Chairman, because in Section 1 it says—

MR. SMALLWOOD: I think it is quite clear: "All public monies shall, save as otherwise provided by statute, be paid to the credit of the Newfoundland Exchequer Account through such officers, banks or persons and in such manner as the Minister appoints and directs. . ." Well all of these may be deemed in the next clause to be the proper officers for the discharge of that duty or service and in 14 there is a reference to inspection of records and in 15 they are required to take a note of allegiance.

MR. RUSSELL: There is something wrong with the reading of that section. It says: "Officers, Banks, etc." The Government certainly would not swear in the officers of the bank.

MR. SMALLWOOD: I think it is quite clear. "All public monies shall, save as otherwise provided by statute, be paid to the credit of the Newfoundland Exchequer Account through such officers, banks or persons and in such manner as the Minister appoints and directs." Well all of these may be deemed in the next clause to be the proper officers for the discharge of that duty or service and in 14 there is a reference to inspection of records and in 15 they are required to take a note of allegiance.

Section 11 passed.

Sections 12 to 21 read and passed.  
Section 22 read.

MR. SMALLWOOD: In Clause 22 the Committee will note there is a line left out. The following is to be inserted at the end of the third line: "Authorized by any Act of the Legislature and the Minister."

MR. RUSSELL: That refers only to guarantees that have been given by the Act of the Legislature.

MR. SMALLWOOD: Yes.

Section 22 passed.  
Sections 23 to 33 read and passed.  
Section 34 read.

DR. POTTLE: I wonder if that ought to be the Lieutenant Governor in Council.

MR. RUSSELL: Later on, he has to be removed by the Lieutenant Governor in Council or the House of Assembly.

MR. SMALLWOOD: The position of Auditor General as an officer of the House is appointed by the Lieutenant Governor in Council and even more so should the Comptroller of the Treasury be similarly appointed.

MR. RUSSELL: The Lieutenant Governor in Council cannot dismiss him.

MR. SMALLWOOD: No, the Auditor General may only be dismissed by order of this House of not fewer than a certain number, the whole House is provided for here. "The Comptroller of the Treasury can only be removed by vote of the House." He is appointed by the Lieutenant Governor in Council; he is a servant of the House appointed by the Lieutenant Governor in Council and a servant of this House may be removed by a vote of this House but seemingly

the Comptroller of the Treasury is not an officer of the House but rather an officer of the Government but seemingly he may be appointed by the vote of the House and he ought to be removed by it.

MR. HIGGINS: What is the law for the Controller General and the Auditor General, I understand it is two-thirds of the vote in both Houses.

MR. SMALLWOOD: We will refer first to the appointment in sub-clause one which is not adopted yet. It is suggested here by the honourable member for Bonavista South that the omission of the words "In Council" is intentional.

MR. HIGGINS: Let us see how they were appointed before, in the old days. It is the Governor in Council every time.

MR. RUSSELL: In last year's Act it was just "The Governor."

MR. SMALLWOOD: Well, Mr. Chairman, this is a very important point. This House has separated the functions of the Comptroller and the Auditor General; always in the past it was the one person, but we have separated the functions and we now have two separate persons fulfilling these functions as they have in Canada but in Britain the Comptroller and the Auditor General is one person. In the Act of 1950 it is provided in the Consolidated Audit Amendment Act, Page 301, Section 24: "The Lieutenant Governor in Council may appoint the Deputy Minister of Finance commissioned under the Great Seal of Newfoundland who shall be called the Comptroller of Finance. The Lieutenant Governor must act on the advice of the Ministers which means Lieutenant Governor in Council, and the Comptroller has to be

removed by vote of the House. The Auditor General is provided for by a vote of one-third of the House.

MR. RUSSELL: It is exactly the same thing with the Auditor General.

MR. SMALLWOOD: The Act of last year provides that the Auditor General will hold office during his good behaviour and is removable by the Lieutenant Governor on address of the House of Assembly, no proportion is named so that it means a majority of the House.

MR. RUSSELL: I wonder if there is any merit in the point the honourable Leader of the Opposition has brought up that there should be a two-thirds majority?

MR. SMALLWOOD: I am inclined to think there is.

MR. RUSSELL: It puts it absolutely free from the party aspect.

MR. SMALLWOOD: It is intended that the Auditor General shall be indeed the servant of the House, not of the Government, and has to stand between the Government and the House, reporting to the House on the actions of the Government. There is quite a famous saying regarding an Auditor General, it may be "Blood-Hound" but I don't think that is right. That he should be removable by a mere majority to me does not seem right. That would mean by the Government. Now the Government may be very annoyed with the Auditor General and I think, in principle, the Auditor General should be protected from the annoyance or anger of the Government and it should require more than a majority of the House to remove him.

MR. HIGGINS: It was both Houses before.

MR. SMALLWOOD: I think two-thirds would be a protection.

MR. CHAIRMAN: The officer under consideration is the Comptroller of the Treasury.

MR. SMALLWOOD: Mr. Chairman is right, that ought not to apply to the Comptroller of the Treasury, he is a civil servant and a servant of the Government and removable by the House. There I think a straight majority should do it.

MR. HIGGINS: The Government has no control over the Comptroller, over the Deputy Minister of Finance yes, but as controller the Government has no control over him.

MR. SMALLWOOD: That was when he was the one person, the Comptroller and Auditor General, but now he is just the Comptroller.

Amendment: In the first line Clause 34:

MR. SMALLWOOD: Mr. Chairman, I beg leave to withdraw that.

Amendment in Clause 34, Sub clause (7), second line the word "and" deleted and a comma inserted after the word "pensions."

Section 34 passed.

Section 35 read.

Amendment in Sub-Clause (1), Clause 35, seventh line, after the word "year," insert "shall elapse and be written off, except that in the case of liabilities incurred during the then existing financial year."

Section 35 passed.

Section 36 read and passed.

Section 37 read.

MR. RUSSELL: What is the meaning of Section (3): Is it in case the Minister gets cranky and won't pay

out the money the Legislature voted. Is that a new one or original?

MR. SMALLWOOD: No the counterpart of that is section 30 of Chapter 23. It is a copy of the original Bill.

Mr. Chairman, this afternoon at second reading the honourable member for Bonavista South drew attention to one clause contained here in this Bill. It is contained in two, although I have informed him that in at least three of the Provinces of Canada one of those two clauses is contained. But there is a point in the first clause not contained in theirs at all, that is a matter of countervailing savings. We have a principle which I believe was introduced by the Commission of Government which enables any given department of the government who have a special expenditure under some subhead and a saving in another subhead to apply the saving in the one to the special expenditure in the other, in the same department. Now, that is a principle which we have followed and for which provision is now made in this Bill and so, therefore, in this clause 37 it is provided for two possibilities. One, if something has to be done for which there is no money because the provision made by the Legislature is found to be insufficient, or two, the money to pay it cannot be found in countervailing savings. Now the fact that there are these two reasons, I think, justifies splitting this into two clauses. It is quite clumsy to try and get these reasons in (a) and (b) hammered together in one clause. That is, I think, the reasons why they are in this form.

MR. HIGGINS: What is the present Act on that point?

MR. SMALLWOOD: There is no

Act, unless this would become an Act, providing for utilization of countervailing savings in any one department for any other purpose in that same department.

MR. HIGGINS: Apart from that what does the present Act say where there are insufficient funds?

MR. SMALLWOOD: Clause 37, Chapter 60 which however was amended by Act 21 of 35. By amendment it is necessary to have any ground for justification on passing of Commission form of Government and Clause 37 there followed the provisions of the original Act. It is sanctioned by Statutes authorizing the transfer of funds between subheads of expenditures to cover inadequate legislative provisions generally known as countervailing savings in one department. In sub-clause 2 there are provisions for additional funds by special warrant to cover eventualities in paragraph (a) in cases where inadequate legislative provisions were made by the legislature and in paragraph (b) for expenditure on services not foreseen and consequently for which no provisions had been made by the House.

MR. HIGGINS: What are the two sections there; where the expenditure is one for which the legislature has made inadequate provisions and the other case where no provisions have been made.

MR. SMALLWOOD: Does the honourable gentleman wish me to quote the section just referred to?

MR. HIGGINS: I want to see how it compares to this here, 1933, Chapter 60, Consolidated Statutes, third series.

MR. SMALLWOOD: Now it does not say a word in Chapter 60 about

when the Legislature is not in session, and any expenditure not foreseen and provided for by the Legislature if urgently and immediately required for the public good, the following provision shall have effect: This clause is insufficient, clause (a) in our present Bill, but this section was amended by No. 35 (21), and I hope my honourable and learned friend the Leader of the Opposition will support me if I put in a Bill for the Government for legal services.

MR. HIGGINS: You are only reading the Act.

MR. SMALLWOOD: What more do lawyers do but read and tell their clients what it says and that is what I am doing now.

MR. RUSSELL: Knowing where to find it is the thing.

MR. SMALLWOOD: I am finding it. This is the sort of thing lawyers try to make very mysterious and become millionaires by doing so.

MR. HIGGINS: You have looked this up many times before through the years, and the Attorney General probably.

MR. SMALLWOOD: Paragraph (b) has already been revised and is subject to an amendment in the next section of this act, section 4. They revised the so-called amendment by deleting after the word "if" at the commencement of the said paragraph the words "When the Legislature is not in session," which is here stricken out in red pencil. Then it reads: "If any expenditure not foreseen and provided for is urgently." There was no Legislature at that time to be in session so that the reason for that disappeared but now that it is back again under the elected form of Government.

MR. HIGGINS: That is one of the things I want left over, I want to read that.

MR. SMALLWOOD: Unfortunately the Attorney General's Department insisted on the word "if" should go before the word "when" in sub-clause 2.

MR. HIGGINS: That is one of the clauses I want left over.

MR. SMALLWOOD: Why did you not say so, that I might be saved all this digging up?

MR. RUSSELL: By letting it lay over we might all do a little thinking about the point on (a) and (b). My point is that both (a) and (b) provide for where a Government can get a special warrant in the case of need for money while the House is not in session for which no provision has been made and then a disastrous fire occurred somewhere, probably, and the Government has to give some immediate relief, or there may be a flood or a famine or a public bridge might fall down which could not be anticipated and I feel all the provisions are contained in (b) and they are very similar to what the honourable Premier read this afternoon from two or three other Provinces. It is just as well, they are going to come in every year and tell us what great work was done under that section which was in the public good and over here it will be a matter of opinion and a pleasant time may be had by all without too much bad feelings. But where the Legislature voted money for a certain purpose and it was all spent and it was found more was needed, then, I am going to say this, I think we should think about it during now and the time it is brought up again. We have here probably the easiest and simplest

legislature in the world whereby the Minister may simply say he needs some more money and it is urgent; he does not have to say even that it is for the public good, if the Minister thinks it is urgent and if the Cabinet recommends it, it is done. And I think that is a little too lenient and when it comes up again we should consider there should be reason other than for the Minister to say he thinks it is urgent in his opinion. He should have to give his reasons that if such an expenditure is not made a grave damage will ensue to persons or property; the interests of the Crown or the Public will suffer from delayed expenditure. But in a case where something had been voted and there was a need for more money, I think that is a little too lenient, there should be a little greater precaution taken and when we come to discuss it again, in the meantime we should try and think of some way to close that gap there that you can drive a ten ton truck through at the moment, that is more lenient than anything read here this afternoon.

Section 38 read.

MR. SMALLWOOD: Mr. Chairman, could we revert to 38 (5)? At the beginning of sub-clause (5) the following words are inserted: "Save as provided in this Act, no."

Section 38 passed.

Section 39 read and passed.

Section 40 read.

MR. FORSEY: In sub-clause (3) does that mean increments for which nothing has been provided for by the Legislature? Insofar as I know they are automatic insofar as they have to be provided for by the Minister.

MR. SMALLWOOD: As far as I can see my honourable friend is right.

Clause 40 (c) says: increases in salary, other than such automatic increases by seniority or on promotion as are provided under any properly authorized scale or scheme and for which funds have been provided by the Legislature. Now there is no such thing as automatic increases; a person may be on a salary providing for increases annually at \$50, \$60 or \$100 a year as the case may be, but these increases are not automatic, they depend upon the recommendations of the Heads of the Departments and although they are provided for through the salaries of the civil servants it does not necessarily mean these increases unless the Head of the Department recommends the increase. I think we should strike out the word Automatic. This whole Bill, of course, originated with a Committee consisting of the Attorney General, the Finance Department, etc., and it might be better to ask them to suggest the change.

MR. HIGGINS: I am concerned with (a). Clause 40: I don't think (a) is quite clear to me. If you turn it around to the affirmative, does that mean the Department may; that it is quite all right to do it if they had the consent of the Minister in writing who may, if he wish, consult the Cabinet. Is it all right then to incur a commitment in connection with any scheme which involves payment from public funds even if it is not in pursuance of the general policy adopted by the Government and even if no provision has been made by the Department. Could it possibly mean that?

MR. SMALLWOOD: There is a Latin quotation to cover that, unfortunately I don't recall it but I used to hear a famous lawyer say it in Ottawa. The fact that you may not do a thing does not necessarily mean that



under other circumstances you may do it, or does it? The fact that you are prohibited from doing it under certain conditions does not necessarily mean that under other circumstances you are permitted to do it.

MR. RUSSELL: I am wondering, in this particular case. Let us read it again.

MR. SMALLWOOD: I will ask the Attorney General's Department to look at it; both this one and (c).

MR. RUSSELL: This involves us in sub-section 1 again which has been deferred.

Clauses 40-41 stand.

Section 42 read.

MR. RUSSELL: Here in 42: The Controller shall see that no payment or commitment for the payment of any public money is made. There are two (a)s.

Section 42 passed.

Section 43 read.

MR. SMALLWOOD: In Clause 43 there seems to me to be something wrong here in (c) "The cost of work plainly provided for under contract, in excess of the amount for which the Government is liable under the contract, even if certified by any engineer or other employee as an extra." It seems to me if the Government enters into a contract with a contractor for performance of certain work and cases arise fairly commonly where the Contractor has some expense certified by the engineer where he has necessarily done more than the contract provided or only what the contract provided but under circumstances beyond his control that drove the cost out of all reasonable proportion, there should be some provision. And under (b) The cost of work for which

the Government did not become responsible before the completion of it, unless the work was devoted to saving the property of the Government in an emergency. That is a sensible proviso of course. The answer is, I suppose, if the Contractor or Tenderers for the Contract are fairly familiar with this clause they know where they stand. Yet it is commonplace throughout the world that the Contractor comes back.

MR. HIGGINS: What happens in those cases where extra work is done?

MR. SMALLWOOD: I think the Government is very apt to look upon the matter with some consideration. They can't do it under this and under its present form it would preclude doing so, if it were adopted.

MR. HIGGINS: We had better look that up.

HON. E. S. SPENCER (Minister of Public Works): I think that clause (a) covers the point to some extent. I would like to cite for the benefit of the Committee, a case in point which bears out the remarks of the honourable the Premier, connected with a contract at the present time for the completion of the two wings at the Mental Hospital where a contract was made in all good faith and while excavating for a foundation they pulled up a sewer wall due to which they found the water cut off in certain sections of the hill farther up. They had to tunnel through underneath that wall and the Contractor had to call the matter to the attention of the inspectors on the job who are hired by the Government for our welfare. The work could not possibly be held up so they had to go ahead and put in an extra wall and a ditch to divert the water outside the wall of the build-

ing. It was entirely outside the ordinary work of the contract and it stood to reason he had to be compensated and under the present Act there must be authority for it. However I authorized the payment for it if it was wrong.

MR. HIGGINS: I think if it was not covered by the contract it was fair and just. I think (a) covers it.

MR. FORSEY: (c) would also cover it because it could not be foreseen in the contract.

MR. SMALLWOOD: No, it cannot be paid under (c) even if certified.

MR. RUSSELL: Let it stand over.

Section 45 read and passed.

MR. HIGGINS: It would not come under 45 would it? No one can foresee all the contingencies that may arise, it cannot be done.

Section 46 read.

MR. RUSSELL: Is that the first time that becomes law? I have been issuing them for fifteen years.

Section 46 passed.

Section 47 read.

MR. RUSSELL: Clause 47: Sub-section (1). Suppose someone was fined \$100 and afterwards found it was remitted, does he lose his \$100?

MR. CURTIS: Yes, they lose it. The informer won't get it unless the fine is collected.

Section 47 passed.

Sections 48 through 54 read and passed.

Section 55 read.

MR. SMALLWOOD: Now, in 55 (3). The Auditor General is paid an

annual salary of eight thousand dollars. I wonder what the Committee would think of putting the Auditor General on a par with the Controller of Finance in the matter of salary.

MR. HIGGINS: We asked that the last time whether we should put each at \$8,000 or each at \$9,000 and I quite agree. He should be, he is a chartered accountant.

MR. SMALLWOOD: And he is an extremely efficient servant of this House and of the Province.

MR. CURTIS: It is just and fair that it should be the same.

Amendment is that the clause be deleted and should become the same as clause 34 (4), that is Comptroller of the Treasury.

MR. SMALLWOOD: Amendment is sub-clause (4) Clause 55: Two-thirds of the members of the House.

MR. HIGGINS: I have never seen his report.

MR. SMALLWOOD: It has never been over-ridden. There has been no such occasion.

MR. HIGGINS: That is the only time he reports to the House?

MR. SMALLWOOD: Yes.

I move committee rise and report progress and ask leave to sit again.

The Committee rose, reported progress, and asked leave to sit again on tomorrow.

On motion the remaining orders of the day were deferred.

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

The House adjourned accordingly.

TUESDAY, June 12, 1951.

The House opens at three of the clock.

#### Presenting Petitions

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I ask leave to present a petition on behalf of the residents of St. Theresa's in the Electoral District of St. George's, Port au Port that some attention be given to the roads in that vicinity, signed by some fifty odd names and I would point out there are about four miles of road which have received no attention within 25 years. The petition goes on to indicate that there are 25 families who have no means of getting a bag of flour without bringing it on their backs. The school children are very often out of school because they can't get through the mud and water on what passed for a road. The people of this area feel it is bad enough, putting it mildly, to have only four miles of road in the first place, and this goes nowhere in particular and has had no attention in a quarter of a century. It is a bit thick, I submit, Mr. Speaker, and the prayer is not at all unreasonable and I refer to the proper department for serious consideration and immediate attention if possible. I ask leave to lay it on the Table of the House and have it referred to the department to which it relates.

Petition received and referred to department concerned.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

HON. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, I give

notice I will on tomorrow introduce a Bill "An Act entitled 'An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951.'"

I give notice I will on tomorrow introduce a Bill "An Act Further to Amend the Welfare of Children Act, 1944."

MR. J. G. HIGGINS (Leader of the Opposition): Mr. Speaker, I give notice that I will on tomorrow ask the honourable the Minister of Public Works:

(1) To state the names in full, former domicile, nationality and salaries of all aliens at present employed in his Department.

(2) To state their qualifications and the work or activities in which they were engaged from 1939 to 1945.

(3) To state the amounts paid for the transportation from their former domiciles to Newfoundland of all the aliens (and their families) now employed in his Department.

To ask the honourable the Minister of Public Works—

(1) To table all correspondence respecting the purchase of steel for which he requested a vote of \$500,000.00.

(2) Was the steel purchased through any agents in Newfoundland, and if so, to state their names.

MR. HIGGINS: To ask the Honourable the Premier—

(1) Did the Government receive any independent financial advice in connection with the Bill regarding the Newfoundland and Labrador Development Corporation.

(2) If so, what is the name of the firm or Company or party?

To ask the Honourable the Premier—

(1) Do the parties mentioned in the Bill, the Newfoundland and Labrador Development Corporation know of the IBEC Report and have they perused it?

(2) If they have why is it not made public?

(3) Who will profit or lose by its not being made public?

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, in reply to questions 113—114, I wish to make the following answer:

How many aliens are employed in the construction of the Cement Mill, Gypsum Plant and their allied projects in Corner Brook?

(1) There are three engineers, a chief engineer at \$6,000 a year.

(2) They are university graduate engineers.

HON. THE PREMIER: To ask leave to introduce a Bill "An Act to Ratify an Agreement made between the Government and Dr. A. Seigheim."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, before you put the motion, I wonder if the House would agree to this: That the Bill be given second reading, I don't mean actual second reading, only that I make the motion to give second reading and in doing so explain the Bill. If the House is then not ready to proceed with the debate it would be adjourned until the House is ready for it. I do this only that the Bill may be explained and any consideration the House would give to it before the debate began would

be at least, in part, based upon the explanation given of the intention and purpose and the achievements expected of the Bill, I ask the House's concurrence in this procedure only so that I may make the explanation which the House will need in this debate it cares to give to the Bill and not at all having in mind any thought about proceeding with the debate today unless the House cares to proceed. I think that would be a matter possibly for my honourable friends across. It is only that I might make an explanation so that they will have the advantage of the information I may be able to give in speaking on my motion that it be read a second time. But the thought is not to have it read a second time until after the House has had all the opportunity in the world to debate the Bill.

MR. JOHN G. HIGGINS (Leader of Opposition): I am quite willing on the assurance of the Premier. I don't want this thing to rush through. There are parties interested in this Bill and there are people who should know all about it. I am quite willing to have the explanation on this distinct assurance.

MR. SPEAKER: The motion is the honourable Premier has leave to introduce second reading of this Bill.

MR. SMALLWOOD: Mr. Speaker, I rise to propose that this Bill be now read a second time and as already explained that is moved by me, not at all with any desire or intention that it be read a second time today, but rather that it be explained today and that debate proceed on it when the House is ready, by which I mean within a reasonable length of time. If the House desires to have three or four days to consider the Bill before actually commencing the debate on

it, that is quite satisfactory to us, and then having begun the debate the House wishes to have a week or two or three or four weeks to debate it, again that would be satisfactory to me.

Now, Sir, when His Honour the Lieutenant Governor opened this House a year ago or more, he said in the Speech from the Throne he used these words, and I quote them exactly: "It is unfortunately the case that much of Newfoundland's natural resources have in the past years, been alienated from the Crown for long periods and for little returns to the Public Treasury. A very large proportion of the Province's public domain lies in private hands which have done little or nothing to turn it to advantage for themselves or the public at large. My Government are giving active thought to the problem of bringing about that desirable result; it will, in due course, be laid before you for your approval. My Government are considering also a problem created in Newfoundland by the fact that very considerable parcels of land are lying idle and unproductive because the title in them lies in persons who have removed themselves from the Province. In many of our towns and settlements we have the most desirable sections of valuable land lying idle for this reason. It is hoped to find a practical solution for this problem to the end that such idle land will be brought eventually into profitable use."

Now, Mr. Speaker, the section of this clause which is relevant to my remarks today, is the section dealing with public lands which have been alienated from the Crown and have remained unproductive, and as the Speech from the Throne said last year, have laid in private hands which have done little or nothing to turn

it to advantage for themselves or the public at large. As the Speech said last year, so the Government today wish to lay great emphasis indeed upon these next sentences in the Speech from the Throne of a year ago namely: "My Government are giving active thought to the problem of bringing such areas into productive use."

Now, Sir, Newfoundland like most Governments in the United States and in Canada went along for a very great number of years attaching little or no value to public domain. All down through those decades the Governments throughout the United States and Canada and Newfoundland were in the habit of deriving most of their revenue by indirect means. That is to say they depended mainly upon their custom and tariff revenues, their customs duties and excise duties to raise the necessary revenue. However, in the course of time, more enlightened thought was given to the subject of taxation and heads of governments throughout the world, including North America, leaned more and more on the principle of raising revenue by direct taxation and less on indirect taxation. From the moment that governments in North America, Provincial and Federal and State began to look to direct taxation, their thoughts turned also to the public domain as a possible source of revenue for the government. Now up to then the practice was throughout North America to ladle out the public domain in huge tracks and acreages and mileages for little or nothing. However, on the Mainland of the United States and of Canada some thirty, forty or fifty years ago that idea came into disrepute and they ceased to regard the public domain, that is to say timber lands,

water powers mineralized areas as something fit only to fling away to a private interest for little or nothing. That thought began nearly half a century ago on the Mainland of this Continent and the practice was abandoned. Not so, however, here in Newfoundland, and we find that here in Newfoundland that it was left to the Commission of Government to begin at least to lean more heavily on direct taxation and less heavily on indirect taxation. As the House is well aware the Commission of Government reduced the rates of duty on many items imported into Newfoundland and at the same time increased direct taxation especially the Income and Corporation Taxation.

I must give the Commission of Government credit also for this, that more than any previous government in Newfoundland's history, they hesitated to ladle out large tracks of public domain for little or nothing. For the first time in Newfoundland's history after 1934, the Government hesitated to dish out, to hand out, to fling out, large tracks of public land almost to anyone who might ask for it. But Newfoundland woke up in this matter very late, very late indeed. So that today, if you take a map of Newfoundland and see the parts of this Island and of Labrador that have been parted with by the Governments, parts that were formerly public domain and now are not, parted with in free simple grants, giving away altogether complete title to them, or else leased them conditionally. The House would be surprised indeed and people of this Province would be more than surprised to know what a large proportion of Newfoundland had been almost literally given away. It was inevitable that this Government coming

into office in Newfoundland in this more enlightened age should be faced by the fact that in the matter of the public domain they are not masters in their own house. The Government of Newfoundland today are not masters in their own House because it finds its predecessors, running back to the 19th century, gave away light-heartedly what is probably the bulk of Newfoundland and Labrador. So that today, the Government are not able, in fact, to do anything whatever about industrializing, the utilization of minerals, water-power, and very large tracks of timber areas of this Province. If private holders of these areas do not choose themselves to develop, no one can compel them to do so. They are on the land either fee simple or on leases.

Now, Sir, this Government objects strenuously and indignantly to the use of the words employed by the honourable and learned Leader of the Opposition just before I began. If there is one we repudiate it is confiscation; it is expropriation; it is forfeitures; it is confiscation. For two years this Government have been in negotiation with various financial and industrial interests across Canada and in the United States, in Great Britain and on the Continent of Europe, seeking to interest them in the development of Newfoundland's resources, natural resources and again in the offices of these people in those places I have been asked if the Government in Newfoundland would confiscate or expropriate these alienated public lands. I recall, last summer attending a dinner given, in fact by bankers, financiers, and industrialists, including some of the very greatest of the United States in those fields; those luncheons and dinners were attended also by the Attor-

ney General and as they asked me what we had in Newfoundland capable of being developed, I had to confess to them that the bulk of Newfoundland was alienated to private interests who were doing nothing whatsoever to develop it and I was asked if it was the intention of the Government to confiscate or expropriate the property and on every occasion without fail my answer was "No." We had no intention of so doing, none whatsoever. I spoke the Government mind in that matter and I speak it today when I say that we repudiate any suggestion whatsoever of confiscation, of expropriation, and I ask my honourable and learned friend the Leader of the Opposition and his party and my honourable friends the Independent members and indeed the whole House, to be fair and to keep an open mind and not jump to conclusions suggested by that word.

Now, Sir, first of all this Bill has nothing whatsoever to do with fee simple land; for example, the Reid Newfoundland Company were paid to build a railway and they were paid in two ways, so much a mile in cash and so much a mile in public domain, public land. The public land that they were paid was fee simple, the ownership of it becoming theirs unconditionally and as a result the Reid Newfoundland Company today owns a very large part of Newfoundland in blocks, alternating blocks, no two of them continuous, I understand, taken up by them and the checker board effect is owned by them fee simple untaxed and held by them unconditionally as long as the grass grows green or water is wet. Forever, for all time, for all eternity. Other people have land fee simple which is their own. This Bill has nothing to

do with such land nothing whatsoever. This Bill has to do only with leased lands. That is leased lands that were leased before the new Crown Lands Act, came into effect, that is to say lands leased before 1931 and furthermore lands leased conditionally and lands leased on two conditions in fact, one that they should develop the areas in question. Now I want to show you the shocking terms of these leases, I have a photostatic copy of them here now, the originals are up in the Department of Natural Resources. Here is one photostatic of one grant, one lease, and if the honourable members have good eye-sight they will see it is a printed document that has handwriting appearing every few lines. One is shocked, as a Newfoundlander desiring the good of Newfoundland, in reading these leases to discover what were the ideas of the Government of those days about development. They could light-heartedly grant for ninety-nine years or longer a thousand square miles of public domain on conditions: one, paying a certain modest rental every year and on conditions they would develop it, but that development turned out to be microscopic development. How does this one go: They have two thousand five hundred square miles and they are required to saw 15,000 feet of lumber every twenty four hours. That happens to be a big one, as it is a rather large production and is not a good example of the point I am making. To be precise, however, the point I make is this, that we refer in this Bill only to land leased before 1931 and in the second place land only that was paying rentals and secondly development. This Bill merely calls on them to develop, that is all it does. Calls on them to live up to

those conditions. They have not lived up to them.

Now, past governments for the past quarter of a century were apparently quite happy in connection with such leases in fact, with the trifling amount they got for rentals, \$2 a square mile, \$2,000 for a thousand square miles a year, one night's poker money for a well to do man. \$2,000 a year rental to the Government and they owned a thousand square miles. But there was no development whatsoever. Now, the heart of this Bill is in the preamble which I will read: If they don't fulfill those conditions after all these years, and some of these were issued back in 1902 and they have never cut as much as a single stick just ignored us: Grand River Pulp and Lumber Company. This has only to do with Labrador, the present owner, Royal Bank of Canada location Grand or Hamilton River. This lease is 187 square miles for fifty years from January 14, 1902. Fortunately that is one that will elapse next year, the Royal Bank of Canada, has it now and have asked the Government for renewal and the Government has told them they had no intention of doing so. No. 2: This again is the Grand Bank Pulp Company, Royal Bank of Canada, time fifty years; 54 square miles. Now further grants to the Grand River Pulp and Lumber Company two square miles for fifty years, 1901. That is only 287 square miles and Goose Bay Airport is built on part of that area. There is one good thing, it automatically reverts to the Crown this year. No. 5, J. Ellis, present owner of Estate of J. Ellis and Company; J. Foote, one hundred square miles; Labrador Pulp and Lumber, Lake Melville, 150 miles, 99 years, 1981; J. K. Hefferton, present owner of his estate, location Lake

Melville, 99 years from the 23rd., November 1923, date of issue, May 10, 1927.

Now there we have over four thousand square miles in Labrador, just in one area of Labrador. Four thousand square miles which are not turning in to the people of the Government of Newfoundland one dollar, except a paltry rental, not a dollar, not a copper, four thousand square miles in that one area alone. Now will we confiscate? We will not! Will we expropriate? We will not. What will we do? We will say to the companies: "Carry out the terms of your lease." If there is a default let it be the default of the companies. Let it be their default. If there is a violation let it be their violation. I hope they will observe the terms of their leases, will give full performance of the terms and conditions under which they were granted these lands.

Now, this Bill applies, however, not only to Labrador, it applies to the whole Province in respect only to timber-land leased under conditions prior to 1931. Mr. Speaker, last night here in this chamber, the Minister of Supply did some figuring while the debate proceeded on another matter, and he figured this: If those concessions whose names I have just read covering that four thousand square miles had lived up to the conditions imposed upon them when they were given these leases with conditions which they accepted when the leases were given had gone ahead with the development which they accepted as conditions of the leases, they would have turned in by now to the Treasury of Newfoundland as royalties at the very most the modest figure of 25c. a thousand feet of lumber. I think the two paper



companies charge \$2 is it not, to saw-mill men who go down there?

MR. HIGGINS: It used to be \$1.25 but I think Bowaters now charge \$2 to Newfoundlanders who move in on their areas to cut logs for their saw mills.

MR. SMALLWOOD: \$2, I speak subject to correction. 25c. a thousand feet and at that rate the Treasury of Newfoundland has lost \$999,000 a million dollars in royalties through non-performance by these companies, of one of the essential conditions of their leases, not to speak of the employment there would have been in logging and saw mills to produce the lumber that they required to produce and never did. Now the Treasury received none of this money, Newfoundlanders have received none of that employment.

Was it by any chance the fault of this House? Can any of these companies point to the House of Assembly and say: "But for you we would have fulfilled the terms"? The answer is they could not. Can they blame the Government? Can they point to the Government and say: "But for you we would have fulfilled the terms of our leases"? No they cannot. Can they turn to anyone in Newfoundland to blame for not living up to their contract, for breaking their contract? No they cannot. Who then is to bear the blame? Obviously those who broke the contracts. Who were they? The concession owners. And we ask the House in this Bill, the Government asks the House in this Bill, to announce to these concession owners that we insist upon their fulfilling the terms of their agreement. We do not come into the House with a Bill with a thoroughly good case to confiscate, we don't come

in and report to the House here that those concessionaires have violated their agreement, we will confiscate, do you agree? We do not do that. We would be well justified if we did but we do not. We have no intention of suggesting it. But we do come and say let us tell those concessionaires we insist that from here on they fulfill their agreement and if they don't they having themselves violated the terms of this agreement, the agreement falls and ceases to be and the position that was before is restored. Thirty or forty years ago our predecessors made a deal with you, gave you a thousand, five thousand or one hundred square miles on conditions you have not kept since they were given to you. Today we say, you have broken your agreement and the status quo is restored. Status quo ante. They should have been told this twenty years ago.

MR. CASHIN: They were told it twenty years ago and the Privy Council said no, back in 1931.

MR. SMALLWOOD: In 1918 the Act was first tried. I know that was the subsequent result but I think 1918 was the first; Honourable Sir William Lloyd brought legislation in along the same lines only theirs was confiscatory legislation, which ours is not. They declared the leases null and void, which we do not and in the Supreme Court that legislation was upheld. It was upheld by the full bench of the Supreme Court on appeal but was not upheld on appeal to a jurisdictional committee of the Privy Council and that having happened no Government thereafter until now has seen fit to do anything about it.

MR. HIGGINS: 1930 was the year of appeal.

MR. SMALLWOOD: Since that event in the jurisdiction committee of the Privy Council no government of Newfoundland has seen fit to do anything about it until now and we ask for wholehearted and unanimous support of the House, regardless of what party one sits on, in this sound and worthy action.

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SMALLWOOD: I move the adjournment of the debate, not for the purpose of speaking again but for the purpose of adjournment.

MR. CASHIN: I can see the point and I agree with the Premier's main remarks. The Bill is merely for Labrador, there is very little in Newfoundland anyhow. But he read out the leases and there were also three hundred square miles to the Dickey people who did start an operation in Labrador some years ago and exported timber and it was the Dickey property that brought around the Labrador Boundary Dispute in 1900, I think, and they ultimately went bankrupt and the Royal Bank or some one took over the property and continued to pay the rental until now. Also the Royal Bank, if my memory serves me right, has a lease on the water power of Musgrave Falls which is for 99 years. Now they have been paying the rental on that three hundred square miles for some years but they sold a portion of it to the Canadian Government to build Goose Bay and I imagine the Royal Bank of Canada has left about 190 or 200 square miles out of the three hundred and undoubtedly they got enough money out of the one hundred square miles to pay any one out-of-pocket expense through the dicker with the Canadian Government when they took it over for

Goose Bay. We then come along down to Hamilton Inlet and go into the river where the Labrador Pulp and Lumber Co. has 150 square miles which is a good area. I talked with parties who surveyed it or somewhere around it in 1938, and it is a well wooded area with probably a million or a million and a half cords of wood on it.

MR. SMALLWOOD: About 12,000,000 cords.

MR. CASHIN: That 12,000,000 cords do not belong to those people they have one hundred square miles, ten thousand acres with about a million cords on it at the most roughly, and then we come along to the one owned by Hefferton. From what I understand about that property, Mr. Speaker, the Government should be sued for taking money under false pretenses. It is not worth talking about nor the timber on that area is not worth taking about. Bowaters surveyed it in 1937 and it was a joke. W. I. Bishop told me the Government should be ashamed to take the rental. They did not give it up because I understand the people who take leases in this country or anywhere else average about ten times as much wood as possible. It was a joke, a man came out here, and took a week to survey it, estimated, looked at one spot and multiplied it and made it eight or seven hundred cords of wood and when it was flown over there is not two million cords of wood in the whole area. Then to come to Ellis. I think that was operated a few years ago by a small company. It is not a difficult place to operate and it was operated for a short time. Then we come further South and find the MacMartin property with one hundred square miles roughly surveyed by surveyors about 40 years ago in a some-

what similar way as the other and the surveyors said there was ten million cords of wood in it, but there was no definite survey on it at all. It is supposed to be a good profitable location. Now those people have lots of money. They are identified with the Labrador Mining Company, so they must have plenty of money, they own 20% of the stock of Hollingers. Their income out of Hollingers is about \$40,000, \$60,000 or \$70,000 a year and is paid for by a trust company in Toronto, whether or not they will get it back or not, I don't know. The Governments of the past were not so bad after all, they tried to get those leases back in 1930-31 and the Privy Council turned us down but the Commission of Government made no effort, in fact, they made an effort to give it away. They gave away the best part of Newfoundland; the bases, the airports and everything else for nothing. Talk about anyone giving things away, why, the Commission of Government gave more away in Newfoundland than all the other Governments in our history.

However, I am going to vote for the principle of that Bill because I feel these properties good or bad should be returned to the country. On the other hand I don't want it returned to be handed over to Wood Gundy or Harriman-Ripley. The government are getting \$2 a square mile. How much money did they get in the last forty or fifty years? At least \$200,000 in rentals. How much has it cost these people if they took the money and compound the interest at 3% over forty years? Roughly a million dollars, making a guess, which those people paid in rentals to Newfoundland directly or indirectly and foundland directly or indirectly and—

**MR. SMALLWOOD:** On the same

basis what would a million dollars royalties amount to?

**MR. CASHIN:** The Government never received any money but the others were paying it out and, why were they granting these concessions? In 1901 or 1902, Dickie was granted these concessions by the Bond Government and they tried to operate it and were stopped by the Quebec Government who put him into bankruptcy. Then came the Labrador Boundary Dispute and our governments, every one since that time has been giving leases on property they had no title to in the Labrador areas at all until 1927, I think it was on that point that these people won their case. They were supposed to erect mills on this property and failed to do so because the property was in dispute until 1927. But they did not start, after 1927, to carry out their contract and as a result the Government took action, and the Privy Council turned us down. Now, as to this, I do not know what the legal situation is but I do as a result the Government took action, and the Privy Council turned us down. Now, as to this, I do not know what the legal situation is but I do not want to see the Government get in another tangle with the Privy Council or the Supreme Court of Canada. All those people belong to the mainland and have more influence with Ottawa; not with the Supreme Court, I refer to Timmins and his crowd etc. They have the money and are the biggest subscribers to the Liberal Party which controls your Government in Newfoundland at the present time. They do control you. You have to cower to them and have ever since you came into office. I do not, I am not in a Cabinet and I do

not want to have anything to do with Ottawa.

MR. SMALLWOOD: Yes, we want a lot more money and we are going to get it sometime.

MR. CASHIN: That is not the point, the Government is forcing those leasers to carry out the contract and they will probably come back and say they will not or will not answer you at all.

MR. SMALLWOOD: The Bill says the lands revert to the Crown.

MR. CASHIN: They hand them back and then you are going to lease them to someone else, some companies who say they are prepared to develop. Now, you might find yourselves involved in a law action right away. If they start operating on a property in dispute the original people like Mac Martin may come along and say "Get out, this is ours," and then you are into another mess.

MR. SMALLWOOD: We are not that soft, we are not leasing any now that are in dispute.

MR. CASHIN: I do not want to see you getting in deep, I hope you do not, but I see it differently. Any lawyer can tell you that they are not going to give up without a fight. For instance they have paid in \$150,000 rentals but have paid no royalties since they have had this property, actually they have no intention of developing but are holding on in the hope some day it might turn out to be good.

MR. RUSSELL: I do not think there is any need for me to keep this on my mind overnight, Sir. The Government knows already of the Bill. I do hope, as my honourable friend on my left, that it will not involve the

Government in any legal difficulties. I want to make this perfectly clear, although I do hope and will do everything I can to encourage it, that these properties come back into possession of the Crown, I still reserve my right to express my own opinion as to what the Government should or should not then do with them after they get them back. Meanwhile I support the Bill entirely in principle and detail and I wish the Government every success with it.

HON. S. J. HEFFERTON (Minister of Education): I move adjournment of the debate.

MR. SMALLWOOD: Before you go on with the Order Paper, I think we should have a recess of ten minutes.

Ten minutes' recess.

Honourable the Acting Minister of Fisheries asks leave to introduce a Bill, "An Act Respecting the Sale and Distribution of Fishery Salt."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Acting Minister of Natural Resources asks leave to introduce a Bill "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickle Mines, Limited."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

Third reading of Bill "An Act Respecting Livestock."

Bill read a third time and passed.

On motion the third reading of Bill "An Act to Amend the Education Act, 1927" was deferred.

Third reading of a Bill "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

Bill read a third time and passed.

Committee of the Whole on Bill "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

MR. CURTIS: I wonder if the House might resolve into Committee now on Section No. 5.

The Committee rose and reported having passed the Bill without amendment.

Report received and adopted. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Amend the Restaurant Acts, 1929,"

MR. CHAIRMAN: This was all passed except the title.

MR. CURTIS: We withheld this Bill yesterday because some honourable member asked if the restaurants were closed on Sunday by reason of any law which compelled them to remain closed. I made enquiries and as far as we are concerned there is no law requiring restaurants to close on Sundays.

MR. HEFFERTON: Is there a law in certain areas where the need might arise? I suggested some time ago there is need for some all-night restaurants.

MR. CURTIS: In reply to the honourable member I can say that the senior officer of the Royal Canadian Mounted Police can, under this Act, give permission to any restau-

rant to remain open all night on any particular night or any night in the year.

MR. RUSSELL: I think what the honourable the junior member for St. John's West has said should be taken note of, since it is a fact that there is no law that prevents restaurants from remaining open on Sundays; it should be as widely known as possible. First, all restaurant owners should know, but above all the public should know as that might induce them to remain open. I have heard people as far away as Victoria, British Columbia, when they heard where I came from Newfoundland say, "Yes, that is the place where you cannot get a meal on Sunday." We have become notorious for it and I think the remarks of the honourable members should be given all publicity possible.

The Committee rose and reported having passed the Bill without amendment. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act Respecting the Public Revenue and Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts."

MR. CHAIRMAN: We have considered as far as 57, page 31.

MR. SMALLWOOD: Mr. Chairman, I wonder if we might return now to page 17, part (5), Section 4, Sub-clause 6: "The Comptroller holds office during good behaviour until he attains the age of sixty-five years but is removable by the Lieutenant-Governor on address of the House of Assembly." Now the wording is identical with the wording of the equivalent clause dealing with the Auditor General which, last night, we amended to read: "On address of

two-thirds of the members of the House of Assembly." Now, I find the Comptroller of Finance is a title given to an officer who fulfills part of the duties formerly fulfilled by an officer bearing the title, "Comptroller and Auditor General," from which we get the familiar initials C. & AG. We have separated the functions of that office so that now the functions are performed by two men, rather than one man as formerly. So that the Comptroller of Finance is in almost exactly, if not exactly, the same class as the Auditor General and is clearly an officer of the House. He is a servant of the House, of the Legislature, as is the Auditor General, he is removable by the Lieutenant Governor on address of the House of Assembly. That makes him a servant of the Legislature in exactly the same way as the Auditor General is a servant of the Legislature. I propose there that we make to this sub-section exactly the same amendment as we did last night to the section dealing with the Auditor General that is sub-section (4) of Clause 55 which the Committee will find on page 30, "But is removable by the Lieutenant Governor on address of two-thirds of the members of the House of Assembly." The effect of my amendment would be to have sub-section 6 of clause 34 read exactly the same except only the word "Comptroller" would appear rather than the word "Auditor General." Now that puts the Comptroller of Finance in exactly the same position as that of the Auditor General. As a matter of fact, Mr. Chairman, I think the Committee will see the justice of that. If there is a just cause for putting the Auditor General beyond the power of the Government to be dismissed by making it two-thirds of the members of the House of Assembly, by the same token and for exactly the same rea-

son, only more so, the Comptroller of Finance should be put beyond the power of a majority of the House to be dismissed and for this reason, whereas the Auditor General lives a more or less exclusive official life, the Comptroller of Finance deals daily himself with all the Departments of the Government and with all the Ministers of the Crown and it is very easy indeed for the Comptroller of Finance under this system to offend Ministers and heads of Departments because we spend most of our time grinding our teeth at this and that over him, and he necessarily has to be tough, and I think it is only fair play and prudent policy, Sir, for a general government to do the right thing to move this amendment, as I have done, on behalf of the Auditor General.

MR. HIGGINS: Mr. Chairman, I must say I agree with this but I was amused last night when the Premier got up and said the Comptroller was a servant of the Government. Last year when this matter came up I said the Comptroller was in a very unfortunate position in the role of Comptroller of the Treasury and Deputy Minister of Finance of the Government and it was dangerous to put such a man in such a position. The Government would not and could not interfere with a servant of the House. Now, last night he was a servant of the Government and I suggested a two-thirds majority but I am very glad they have come to their senses in the matter as he should be protected against a Cabinet rich government just as much as the Auditor General, and he should not feel his position is in jeopardy and I agree with this amendment.

MR. CURTIS: I was wondering where the honourable the Premier

got the idea where two-thirds of the House is necessary to dismiss either the Auditor General or the Comptroller. Surely this House should have power to do it by a majority. In this House in the old days judges and the Auditor General were removable on a majority of the House and as a Government can exercise that right, but why limit it to a party who happens to control two-thirds of the House. I was wondering where the authority for this two-thirds originated, I doubt whether any other Province has it, surely the majority should act.

**MR. CHAIRMAN:** In answer to the Attorney General, it occurs to me that while the Committee may pass this amendment, it will not make much difference because no parliament can in any way limit the power of the majority. This amendment may be passed saying two-thirds, but it may be repealed by parliament by a majority of one and then any official or civil servant may be dismissed.

**MR. CURTIS:** But it is only a joke.

**MR. HIGGINS:** No, this House may be changed any time now.

**MR. SMALLWOOD:** There is an awful lot in the argument of the Attorney General I must admit; after all, it can be thrown out by a majority of one, this Government can be thrown out at any time by a majority of one member of the House, so that there is a lot in what the Attorney General says. That is probably what we might agree when we reflect that not all governments but only Liberal governments got majority and will have a larger majority in the next general assembly, but we are going to be in office only another

23 years, another 22½ to be exact, and I think we might here in this Bill be very generous on the side of this principle of putting the Auditor General and the Comptroller of Finance as officers of the House, very efficient and very important officers of the House beyond a mere majority of the House. Now there is a great principle at stake there, it may be pointed out that in other provinces and in the House of Commons of Canada and the United Kingdom a majority only is required. That may be the case, I do not know, and have not checked on it. Surely, if we were making it two-thirds, we do not expect to have any difficulty with the Auditor General or the Comptroller of Finance as evidenced by the fact that we are the Government who have adopted the principle of central accounting, we are the Government who have accepted and introduced into this House the principle of limited control in public expenditures. We are the Government who have brought in this legislation into the House; we are the Government who I think have shown quite clearly our anxiety to put the Auditor General and the Comptroller of the Treasury in an almost impregnable position, and as such a Government we are least of all likely to have any difficulty with these gentlemen who occupy these positions. I think we are looking far enough into the dim future when the Liberal Government is no longer in power when we make legislation now today for the unlikely event of Toryism raising its head again in this Province and by some fatal and ghastly mistake or some temperamental aberration Toryism be in office again. We might legislate against that, and the Auditor General and the Comptroller of Finance be put beyond that too ugly feature of Toryism. Now

is the time to be Liberal and truly generous, and I hope my honourable colleague the Attorney General will agree with me along that line.

MR. FAHEY: Point of order, are we debating this point or having a full-dress debate on Liberalism?

MR. SMALLWOOD: We are debating.

MR. CHAIRMAN: I think the honourable the Premier was probably wandering a bit.

MR. FOGWILL: This has nothing to do with Toryism or the next campaign.

MR. SMALLWOOD: The honourable gentleman seems to be very touchy about my reference to Toryism. You claim you are not Tories why be touchy now when I talk about Toryism?

MR. CURTIS: How is it going to work, two-thirds of what?

MR. SMALLWOOD: On address of two-thirds of the members of the House of Assembly.

MR. CURTIS: How are you going to work that if the House wants to fire the Attorney General, you say two-thirds of the members of the House of Assembly. It does not function by members but by a motion, by a resolution. Now how are you going to say a resolution of two-thirds and the address is by the House of Assembly? Do you mean to say you have to put in an address and two-thirds have to sign it? I do not like it, particularly as we or any majority can amend the Act, we can repeal the Act.

MR. RUSSELL: Apparently all the members of the Government are not so generous as the Premier. They

should make no laws until they can get together on them.

MR. CURTIS: Well it is not a matter of principle.

Amendment carried.

MR. SMALLWOOD: I think the honourable Leader of the Opposition asked to have Page 19, Clause 37, stand, Mr. Chairman. I wonder if he still wants to have it stand.

MR. HIGGINS: No, I am ready to debate it now.

MR. SMALLWOOD: May I say that these two sub-sections (a) and (b) of 37 are almost identically the same as in the Consolidated Statutes and the Comptroller of Finance tells me that in connection with (a) his impression is that it is identical with that of the United Kingdom. I have already pointed out that (a) is identical with the legislation of the Provinces of Saskatchewan, Alberta, and Manitoba, and maybe others. I don't know, but I do know that (a) except for a matter of countervailing savings is identical with the principle set forth in the legislation of the Province of Saskatchewan, Alberta and Manitoba and not, as far as I am aware, with the Legislation of other Provinces.

Motion 37 (b) be passed.

MR. RUSSELL: Mr. Chairman, I am sorry but I have to delay a few minutes because Section 37, like a great deal else in the Audit Act, can stand all the discussion and explanation that we can give it. It is in four parts and I propose to move an amendment to it in a few minutes time as I consider it is a means whereby a Government can get money to spend for certain purposes even though such money was not voted specifically



for the purpose by the previous Legislature. It is necessary because no Government can possibly anticipate how much money they want for every detail and specific provision. We have to have a Section 37 and as I say this one is in four parts. The last part (c) of 3 I am not going to refer to because it just deals with getting the necessary backing from the Legislature afterwards. But the first three I must refer to very briefly.

Section 37 (1): That provides for what we call countervailing savings and it is like this: In the Department of Natural Resources for example, the Minister has received from the House authority to spend one hundred thousand on timber surveys, he might well find that during two years that the timber survey is completed and that he would like to have more money to carry on, \$20,000 to carry on before the end of the season to buy a diamond drill or some such equipment. Now it is all surveys, all in the common good, all necessary, and he has only spent \$80,000 on the timber survey. Why not transfer that \$20,000 from timber to the Mines survey? That is what we call countervailing savings. That is all right yet it can be carried to excess, but so long as that is administered wisely there is nothing wrong with it, but it can be done only within a Department. If money is being saved down in the Public Welfare Department, the Department of Supply cannot get that money for a project no matter how badly it is needed. That is quite right and proper. For instance the Division of Mines was down in Public Works until a few years ago and they used money they had not spent for mining, for building a bridge. That is all right in general.

Now, the next two are very interesting. They described ways by which the Government may get new money not voted at all by the Legislature. There are two kinds of occasions on which they may get new money and it is explained very carefully by those two sub-sections (a) and (b). On the first occasion the Minister finds that the money for providing lime to farmers, for example, is all gone. Now, ordinarily he could take it from any other vote in the Department where there was saving, countervailing savings, but supposing the money is all gone and they still need money for some project and the House won't be opening yet, for several months and they need the money. There is a way. They can get a special warrant from the Lieutenant Governor in Council and get the money for this purpose. They can get more money for a purpose than was already given for it where it is all spent and they cannot get more from countervailing savings, in any other part of the Department, and in my opinion the path by which they get that money is much too lenient, much too easy in this sub-section.

Now the Minister is likely to be tempted to say it is urgent. If the Assistant Deputy leans and breaks the back of his chair, is that urgent? He asks the Minister of Supply for a new chair, and he says the money is all gone, go out in the other office and get a chair. But the Minister tells him we are not expected to go all over the place looking for furniture, it might happen that the Minister would say it was urgent and would want a warrant for it, the Lieutenant Governor issues a warrant. Now, in my opinion it has to come to the House later on and the duty of the Opposition is not to approve every-

thing that comes in but to question and criticize and ask "why"? The Government reply would be that the Minister thought it was urgent we could think not, the public could think not, but the only all-satisfactory reply is that the Minister thought it was urgent, and the Cabinet agreed. Now, it is just as well to be realistic, when you see the board described in the Act you imagine a board consisting of three or five glum-faced men sitting around a table cold-bloodedly, like judges, handling requests for something urgent dealing with public finance. Actually it is not so, in this Government or any other. These men meet every day with the Minister concerned and probably the Minister himself will be tough or decide if the Comptroller of Finance.

Now, Sir, in the second case where there is no provision made at all, something the Government entirely overlooked, for which they made no provisions; to replace a building which had been burned (I don't want any to be, but if they were) and had to be replaced by a new one and money would be needed for it. Now, Sir, I do not see any difference between a Minister wanting more money for a purpose which he has already been allotted money to spend, or money for an entirely new thing that he did not think about at all, nor the Government did not think about when the estimates appeared before the Legislative Assembly. I am not at all in agreement with what the Premier says about the United Kingdom Act, nor the three quoted; the Federal, Ontario and British Columbia Acts, which have no provisions similar to what we have in (a) at all. I don't know how they get on but they must have some provision for when they over-spend a subhead and can't

get it from countervailing savings. There must be something very like our (b), which specifically mentions public works being destroyed or damaged during the year. Saskatchewan has (a) and (b) in one, and made restrictions like we did in (b). I would like the Government to accept the suggestion that we do the same. I will do it this way, as aware that this (a) was passed in 1931, we have it almost word for word, but I would also remind you that in 1931 we had a man called a Controller, I think and he was here on behalf of all our creditors. Nothing could be done under (a) consequently that changes the picture a little regarding (a). Now, Sir, if in (b) after the word "Made" in line two, add these words, "But in or for which insufficient legislation had been made or for which countervailing savings are not available under sub-section one of this section," then cut out (a) altogether and renumber (c) as (b), the effect would be nothing more or less than this, to make it just as difficult for a Minister to get extra money for a thing that he already had committed and for which he needed more, which might happen to anyone, and could not get countervailing savings, since monies under all other sub-heads were used up. This would make it just as difficult for him to get as if it were entirely a new project like (b). It would have one other effect, then all warrants could be questioned by the Opposition when brought before the House, which would not be told simply that the Minister thought it was urgent. Such questions asked and answered excepting where grave damage had been done to persons or interests of the Crown involved, where additional expenditure is involved, would take a little time but would be in the interest of good debate and

public information. I have a copy written here, Mr. Chairman.

MR. HIGGINS: I second that motion. It is to be noticed in the Consolidated Statutes.

MR. SMALLWOOD: What is the amendment?

MR. RUSSELL: If the subject of the expense is one for which no Legislative Provision is made, that brings in (a); or for which no countervailing savings are obtainable or available, or under section one, that one covers every possible case where a special warrant is issued and make two the same for both.

MR. SMALLWOOD: That is where you have gone wrong, I will show you that.

MR. HIGGINS: Refer to the Consolidated Statutes. (a) is applicable to where Legislature is not in Session and some unforeseen accident occurs such as a building falls down. Now, that does not mean to spend an enormous amount of money and if in 1933 it was changed, it was changed because we were in a very bad position and the Government wanted action immediately and at the same time we did hear the honourable member for Bonavista South remind us there was a watchdog in the form of Sir Percy Thompson to see no money was rashly squandered. Now, this section is dangerous because the House here may pass and give authority for an expenditure of a small amount of money and the Minister when it is allocated feels it is not sufficient. If the House passes a thousand dollars and the Minister says: "I am going to spend twenty thousand," then there is a lot of difference in the two amounts not merely in dollars but one of principle. It would

be just as well to take it and say two hundred thousand. There should be some check here. The Minister, if he feels he has encouragement, can ask this money be allocated and ask the Cabinet to pass it and all the Cabinet has to do is to show the Minutes of Council giving reasons that it was urgent, the same as we were told of the cement factory. Now, I agree that both situations should be the same. What is the difference in spending enormous amounts in addition to what is passed by the House and spending more new amounts in cases where there is no allocation made by the House at all? What is the difference? It is the very same thing. Under this section (a) hundreds of thousands could be spent, it does not say 20% more to be spent or thirty or forty or five hundred percent, or even one hundred percent, just say it was urgent and say I had a plant down here and had to have a surveyor down here and now I am going to keep him down here. The whole idea of this Audit Act is to see that everything is properly done with the money of the Province, looked after carefully, nobody should have any authority to spend money except for some great reason in accordance with the Audit Act. Now, in this case the Controller has no control at all. The watchdogs, the Auditor General and the Comptroller of Finance, have no control, they are free and away from any fear from any government, but they are kept out of this entirely, they have nothing to say about it, they have to do what they are told, they can do nothing at all about it. There is no use in having two watchdogs if they cease to be of any effect, they are made silent and their bite stopped in matters which may involve millions of dollars. This Act will go for future

governments and it is putting the money of the country in the hands of three or four men who will decide for their Departments, not the House. I am therefore going to second that motion.

MR. SMALLWOOD: There is no need of such a motion being seconded, in Committee of the Whole.

Mr. Chairman, the honourable member for Bonavista South argued eloquently on a slightly foolish premise and a complete misapprehension of the basic principle of Parliamentary Government and Public Finance. Indeed not often have I seen as elegant an example of an honourable gentleman displaying his complete failure to grasp the basic principle of Parliamentary Government. I think he will probably be the first in the House to see it when I point it out to him. The first point of all is the fact that (a) and (b) deal with two different kinds of situations. The whole clause sets up a number of positions in either one of which the Government may issue a special warrant on the Treasury on advice of the Lieutenant Governor in Council for the payment of certain sums of money out of the Treasury. First in (a) there are two kinds; one, that the House had provided money but not enough. Two, that no money in countervailing savings is available in the given department. Now following that procedure in that case, or that double-headed case, the Lieutenant Governor issues his Warrant.

Now, we come to (b). This is a case where expenditure is needed to be made, so the Cabinet thinks and the Government thinks, but the Legislature had made no provisions for it at all; none whatsoever. A procedure is provided there whereby the Lieu-

tenant Governor may issue a special warrant on advice of the Government. My honourable friend suggests that the procedure in (b) is more complicated and beset with more restrictions than is the procedure in (a) and he is perfectly right. One needs only to read it to see that it is much more difficult to get a special warrant issued under (b) than it is under (a). But why? Has the honourable gentleman asked himself, why? I doubt it. He ought to be bright enough to see why. In (a) the matter in question had already been before the House and voted on and adopted in principle; and in (b) it has not, it has never come before the House. It is entirely a new matter than (a) on which a vote was taken by the House, a pronouncement had been made on the principle involved and the House agreed that money be voted but it has turned out to be insufficient. This is where the difference in procedure is made and when no vote has been taken in the House and the principle involved has not been approved by the House there is a more complicated procedure required whereas there is a simpler procedure in the case where the matter has been before the House and the principle involved has been voted on and adopted but insufficient money voted. My honourable friend has ignored these basic considerations. I will read the Saskatchewan Act. That is what the honourable friend wants in Newfoundland. Now, I will read the Alberta Act. Now, I will read Manitoba.

But Manitoba, Alberta and Saskatchewan are wrong and we are right. And, as I have already told the Committee, I cannot say the Parliament of Canada or these other Provinces provide for or against these matters. I cannot say, I do not know,

my honourable friend does not know, no one in the House at the moment knows whether or not those other Provinces cover this one point of insufficiently voted or amounts not voted at all. Sir, Manitoba, Alberta and Saskatchewan do and in so doing put in one clause and one procedure for either. We have separated them, we have taken the stand in this Bill, that one case requires a simple procedure. So we are right, we are sound, absolutely so. I can give the Committee an example: Take the case of (b), "If the subject of expenditure is one for which no legislative provision has been made, then, upon the report of the Minister that there is no legislative provision, and of the Minister having charge of the service in question that in his opinion the necessity is urgent, giving reasons for his opinion, and that if such expenditure is not made grave damage to persons or to property or to the interests of the Crown or the public will occur or excessive additional expense will result from delaying the expenditure until the necessary legislative provision has been made, the Lieutenant-Governor in Council may, on the recommendation in writing of the Board, order that a special warrant be prepared for signature by the Lieutenant-Governor for the issue of the amount estimated to be required, and an additional subhead shall be set up in the books of the Comptroller against which expenditures on the services shall be charged."

Now, take a case like this, last year a certain piece of work was done by the Government, money was voted for the expenditure not on a special warrant but a normal expenditure of the Government and the job was completed. Now after that the Government come into the House with esti-

mates for the coming year and no provisions can be made in respect to that job last year because it is complete, but in this year coming something happens and although the hundred thousand were spent on it last year unless twenty thousand is spent on it this year the whole hundred thousand may go down the drain. Now there is a case where no provision has been made and yet if the Government is not authorized to spend that twenty thousand the result mya well be the loss of the one hundred thousand. Yet the House has not voted it, there is no Legislative provision made for that twenty thousand dollars, and obviously the Lieutenant Governor should be able to act on the advice of the Cabinet, and on the advice of the Cabinet should issue a special warrant. But, if it is not provided for and there has been no vote passed in the Legislature then obviously the procedure ought to be more complicated than in the case where it is already voted but not of a sufficient amount.

MR. RUSSELL: Why not apply it to that?

MR. SMALLWOOD: Well, if you persist in not seeing or failing to see it,

MR. HIGGINS: I do not see it either.

MR. SMALLWOOD: I did not say because those Provinces of Canada do it one way and we do it another, they were right, I did not say that; I said in passing that we have adopted the proper procedure and they have adopted the improper procedure.

MR. RUSSELL: I say the opposite.

MR. SMALLWOOD: I know the honourable gentleman is going to

stand by his amendment, he must justify himself as the honourable gentleman always does. I have told the Committee what is wrong with it, if he does not see it is not my fault. I think I made it clear as daylight. If he cares to re-study the difference and ask himself the reason for it, definitely, he cannot help but see, unless he is wilfully trying not to see, he cannot help seeing the sound reason for the difference in the procedures. We cannot accept that amendment.

MR. HIGGINS: I say the idea of principle is all nonsense. I may vote for a Bill in principle allocating one thousand dollars for some expenditure; why then should the Minister or the Cabinet make it ten thousand dollars when probably a large number of the members would have voted against the ten thousand dollars. All we ask is for the same form and if it is right, if it is just and proper that money should be used by the Government then why should they fear the formality, the Comptroller or the Auditor General or anybody else and if the Auditor General or the Comptroller does not think it just and equitable that would end the matter. Someone must be the judge.

MR. SMALLWOOD: Certainly not, except the Legislature.

MR. HIGGINS: They have a right to pass an audit on all amounts, they certainly have that right.

MR. SMALLWOOD: Don't forget the Government are the Government.

MR. HIGGINS: It is immaterial about that, certain formalities have to be undergone, and they are stronger in the second than in the first. I say, the matter of principle is all nonsense. The amount to be spent could be out of all proportions to

that voted by the House. If the Comptroller can control in one case, it must be for the public good. Why not the same thing there?

MR. SMALLWOOD: Can you not see? I will put it in basic English and very simply: Now, it is a Bill of the House but becomes an Act of the Legislature, so that it is a directive of the Legislature to the Government. Right, yes. And the Legislature says to the Government: "You shall spend only the money we vote you to spend, with a couple of exceptions and there are two exceptions, one: Where we voted you money but you wanted to spend a bit more than was voted, and two: Where we did not vote any money at all." Surely it must be obvious that the House's directive to the Government as to what it may or may not do with approval will make a distinction between what the House itself has approved in principle, namely (a) and what is it has not approved at all as in (b) and surely the directive of the House to the Government in (b) affecting matters where the House has not given authority at all than in the case of (a) where the House has directed it be done.

MR. HIGGINS: That may be so in most cases, but I say, cases may arise where the difference may be enormous because the Minister says it is urgent. In most cases it is all right, but in other cases it may not be so obvious and there may arise some extraordinary occasion where they need to spend an enormous amount of money, the Minister might think it is urgent, but if this section is used here, there will be some check on it. That is what I say.

MR. RUSSELL: All the House has done just now when it passed the

estimates is to give the honourable Minister of Public Works, say \$10,000 in different items which add up on the Supply Bill to \$10,000,000 and if he wants \$10,200,000 it is exactly the same to me whether he wants it for something new or for something that was included in the estimates. It affects that total of ten million dollars and I want to get that point across.

MR. SMALLWOOD: That is an excellent point and here are two entirely separate points there.

MR. RUSSELL: When the Minister wants more money, under (a) there now and what I propose putting under (b) for some head of expenditure, what has been voted is all gone, he can get it with the approval of the Board or the Cabinet and come to the House later on. He should give more reason, in my opinion, than that it is urgent. I don't like the Government making it as lenient as possible and depending on the opinion of the Minister and approval of the Board.

MR. SMALLWOOD: The Treasury Board and the Minister of Finance and the Minister concerned and the Cabinet. What is lenient about that?

MR. RUSSELL: What is wrong with having it the same as the other Provinces and I suggest the stricter the better?

MR. SMALLWOOD: There are very severe restrictions now, in my opinion.

MR. RUSSELL: Not in mine and I move the amendment and stick by it.

The amendment is that 37 (b) be amended by inserting, after the word "May be," in line two, the words:

"Or for which insufficient Legislative provision has been made, or for which countervailing savings are not available under sub-section one, of this section."

MR. FAHEY: In rising to support the motion—

MR. SMALLWOOD: Would my honourable friend allow me: There is some suggestion that we have no session tonight as a dozen members of the House are anxious to attend the United Church Conference and strong pressure has been brought to bear not to have a night session. Therefore, I would rise and report progress and ask leave to sit again.

Ordered sit again tomorrow.

MR. SMALLWOOD: I move the remaining orders be deferred and the House at its rising adjourn until tomorrow, Wednesday, at 3 of the clock.

WEDNESDAY, June 13, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

MR. JOHN G. HIGGINS (Leader of the Opposition): Mr. Speaker, I give notice that I will on tomorrow ask the honourable the Minister of Labour to table a statement showing the number of aliens (together with their names, nationalities, professions or trades) at present employed by the contractors for the cement and

gypsum mills at Corner Brook both in the offices and on the works.

HON. J. R. SMALLWOOD (Prime Minister): I would like to say I will have the answers to the questions asked yesterday by the honourable Leader of the Opposition, as quickly as possible, and while on my feet, in answer to number 114:

(1) Did the Government receive any independent financial advice in connection with the Bill regarding the Newfoundland and Labrador Development Corporation?

Answer: The Government did not receive any independent financial advice.

(2) If so, what is the name of the firm or company or party?

Answer: None.

(3) Do the parties mentioned in the Bill, the Newfoundland and Labrador Development Corporation, know of the IBEC Report and have they perused it?

Answer: No.

(4) Who will profit or lose by it not being made public?

Answer: I could not say; possibly speculators.

#### Notice of Motion

Honourable the Acting Minister of Natural Resources to ask leave to introduce a Bill "An Act to Amend the Crown Lands (Mines and Quarries) Act, 1951."

Bill read a first time. Ordered to be read a second time on tomorrow.

Honourable the Minister of Public Welfare to ask leave to introduce a Bill "An Act to Amend the Welfare of Children Act, 1944."

Bill read a first time. Ordered to be read a second time on tomorrow.

#### Orders of the Day

On motion Committee of the Whole on Ways and Means was deferred.

Third reading of Bill "An Act to Amend the Education Act, 1927."

HON. S. J. HEFFERTON (Minister of Education): With the concurrence of the House, I ask that this Bill be recommitted to Committee of the Whole.

Motion carried.

MR. HEFFERTON: I would propose an amendment that the word "overseers" be taken out and the word "superintendent" inserted, they are the chief officers now under the Department. Secondly, the last eight lines should be deleted, after the word "board" and add "other than religious denominations of the Board." The deletion is necessary as there is a redundancy in as much as that under other sections of the Act provisions already made govern those.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Could we have the reading of the clause now as finally amended.

Carried.

The Committee rose and reported having passed the Bill with some amendments.

Ordered read a third time now.

Bill read a third time and passed.

Third reading of Bill "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."



MR. FAHEY: I would like to make an amendment, that the word "now" be stricken out and that the words "that this Bill be read six months hence" be inserted. This is the Bill giving a franchise is it not?

MR. SPEAKER: The motion is that this Bill be now read a third time. The amendment is to the effect that the word "now" be deleted and "six months hence" be there inserted. The amendment will be put in the form: The word "now" do stand part of the question.

Motion carried.

Bill read a third time and passed.  
Third reading of a Bill "An Act to Amend the Restaurant Act."

HON. LESLIE R. CURTIS (Attorney General): Before this Bill is read a third time, I move an amendment in the wording of the Bill. Section 1 of the Restaurant Act, 1949, paragraph 2, should be 1929. I think also in the new Section 3, "the Chief Officer of the Police in St. John's and the Senior Officer." I think that should be "or," Mr. Speaker. I move this be adjusted before the Bill is read a third time.

Carried.

Bill read a third time and passed.

On motion the following two items were deferred.

Committee of the Whole on Bill "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts."

Committee of the Whole on Bill "An Act Further to Amend the Public Utilities Act, 1949."

Second reading of Bill "An Act for Granting to His Majesty Certain Sums

of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service."

MR. SMALLWOOD: The Bill, I think, Mr. Speaker, is largely formal and I wonder if the House would agree to go through the final stages, short only of the Royal Assent.

Carried.

MR. FAHEY: Total amount \$44,900,000. Which is approximately three-quarters of a million in addition to what was voted in Committee as it went through. These were additions added by the various departments. I was just drawing that to the attention of the House.

MR. SMALLWOOD: Not only added; we not only added some amounts as it went through Committee of the Whole, but we subsequently brought in several entirely new items; one a half million dollars for the purchase of steel. That is, of course, a gross amount and the net effect is something more than we know and we have not shown any revenue to counter-balance that in any part of it.

MR. CHAIRMAN: The totals are the same as the resolutions.

Committee reported having passed the Bill without amendment.

Ordered read a third time now.

Bill read a third time and passed.

On motion second reading of Bill "An Act to Amend the Mining Tax Act, 1950" was deferred.

Second reading of a Bill "An Act to Incorporate the Newfoundland Federation of Fishermen."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, in April of this year something happened in Newfoundland that has no precedent in all our long past, and if the consequence should prove to be all that was hoped for in that hour, then the event will loom largely in the years that lie ahead as a marking point when our social economic history took a new direction. Certainly those of us whose sense of history was alive to the potentialities of that hour marked it as a historic moment.

It will be remembered that from bays and coves and harbours all over the province, fishery representatives came and gathered in St. John's and their coming together from all the remote and near-by places was for us a unique phenomenon. After they had come together and after they had consulted amongst themselves for a little while, they determined upon the formation of a Fishermen's Federation. It may perhaps be a matter for some wonder that after some four hundred years of fishing it is only in this day and age we have seen the Fishermen's Federation emerge. In other lands fishermen have found the advantages of federation long before now. But, it must be noted that in this Island there were, until quite recently, there were many obstacles in the way of doing so, and in Newfoundland we have always taken our time about moves in new directions. Until those latter years there was no compelling sense of urgency which stirred us to attempt the new and untried. In Newfoundland we have fished for four hundred and fifty years almost, Sunday and Monday.

Now, I have said those with a sense of history marked that moment of decision to form the federation

as a historic moment and the introduction of this Bill leads largely out of that moment.

The intention of the Bill is obviously to provide legislative sanction for the incorporation of the Newfoundland Federation of Fisheries and since its contents is self-explanatory there will be little need for me to concern myself specifically with the contents at this time. I should like, however, if I may, to avail of this last opportunity I shall have during the present session of this House, to clear up a misunderstanding that appears to be current and concerns the Government Co-operatives and the Fishermen's Federation. Rumor has spread through several sections of the community that the Government's concern with the well-being of the fishermen is evidenced by the education and establishment of the co-operatives and the participation in the creation of the Federation is an outward manifestation of the Government's intention of establishing one big co-operative to embrace and cover the whole fisheries. But every person who understands the fundamentals of the co-operative movement knows that such can only be regarded as gross ignorance as are many of the smoke screens to cover the deficiencies of the authors of such drivel who claim they will be forced into recession of inaction by the threat of restrictive government measures.

Now nothing can be clearer than the statement of the Government's policy in regard to co-operatives that was made during the Budget Speech and I do not intend to concern myself with that again at this time. But today those who cry out with statements of repression and restrictive action and Government control and

pretend indignation are calamity criers who should be treated with the same contempt as the cry of war-mongers leveled at the democracies by Stalin and his satellites. The day has past when rumor is sufficient to set the stage for business relationship. I personally have the highest regard for those businesses. In the main and in point of public interest the fish merchants and exporters are a very vital part of Newfoundland's economy. They always have and always will command a position in keeping with the manner and degree with which they uphold the dignity of individual persons in their dealings. Some of them deserve great credit for the part they have taken down through the years and their contribution made to the development of our fisheries and some of our fishermen. Unfortunately, they are too few in number and the policies in the main have not resulted in business and industry in all parts of the Island operating in the same manner. There are some merchants, some pharisaical merchants who exist only because of the decent standards of the fishermen they supply and such merchants and business agents can survive only under such conditions, and they will find no place in the scheme of things to come when action of the Government and forward enterprise and the fishermen's federation and co-operatives are able to lift the fisheries out of its original category to the full status of the primary industry of this Province, on a level belonging to the second half of the twentieth century. They know the death of the economic slavery of the Newfoundland fishermen means their own demise and oppose such strongly so as to perpetuate their pattern of continuous credit instead of cash payments and just prices.

It has been the purpose of this Government to advise and assist the fishermen in becoming organized in order that there might be established a medium through which all the fishermen of Newfoundland would be represented at the conference table with the Government and independent exporters. In an effort to do so, and find fishermen councillors capable of conferring with both Government and industry, the Federation of Fishermen has been established as that medium. The Newfoundland Federation of Fishermen is an occupational organization. The Federation will not engage in business but it will serve as a forum wherein fishermen may expose their problems and express their thoughts, where they may hold discussions with the trade and the Government, where they can unite to protect their rights and accept their responsibilities. Now it may well be that in view of their problems the fishermen will decide they must organize to export. Should they do so, then it will be an organization distinct and separate from the Federation, and will be on their own initiative. The Government has no intention of forcing the fishermen into co-operatives, but should they do so, the fishermen as an organization may accept from the Government in the way of funds considerations exactly what they could expect if organized in private companies, no more and again no less. I don't imagine that anyone would question that that is fair and just. However, the form of organization on which the fishermen may determine is in the future; what we are concerned with here is the formation of the organization they have already decided upon and in that regard I have every confidence in the Federation and that it will grow in strength and importance as

we move forward in development of our fisheries and, may I add, that it would become the executives of firms engaged in the fisheries if they were to herald this trend as marking the beginning of a new era in management and the operating of our fishing industry. It is my earnest hope that the new era which must come in the fisheries if we are to maintain the industry will be shaped in such measures as it probably should be by the thinking of the fishermen themselves. For centuries the thinking of the fish industry has been done in the city of St. John's, done by the owners and executives of big fishing firms who were supported and confirmed in their policies, and controlled the Government which they elected in national conventions in institutions which incidentally I am quite convinced will be dealt with more generously by history than by those sitting for three years in the National Convention when I heard what was for me the first verdict on the Governments of the past. And as I sat there the thought occurred to me that in those days, Governments consisted of merchants with lawyers and of lawyers with merchants and a change of government amounted to nothing more than Government by tweedle-de-dum instead of by tweedle-de-dee. With the formation of the Fishermen's Organization, a new element has been introduced into our thinking for the fishing industry of the future and we shall have the fishermen's views on all these things which arise in the fishery, and who will say that that is not as it should be; that the fishermen themselves should point the new direction and participate in pointing the new direction that we must take. No longer will our fishermen live unto themselves alone, working out their lonely

life upon their lonely seas. Instead joined in the Federation of all their fellows they can face the future with new certainty, in a position to bring to the development of their own industry the contribution of their enterprise and their genius.

It is not without a feeling of having been privileged in my own time that I move, Mr. Speaker, the second reading of this Bill.

MR. FAHEY: Mr. Speaker, in speaking to the principle of this Bill and looking through it, to me it only means the fishermen adopted their own organization when they had their convention and the honourable Minister in piloting it through did not give any explanation for any of the clauses worthwhile, only to tell us how past governments have acted in this country. Now, I may say for the Minister, he did not wait all this time to find that out, he is not that stupid to wait until now, we all knew all this, years ago, but to me this Bill is nothing more or less than incorporating an association adopted by the fishermen's convention. If it is the desire of the Government to enact legislation, incorporating the Federation of Fishermen I suppose other trade unions or federations will be later on asking the Government to adopt their constitutions in the way of making it law. That is what this Bill does. But as I read this Bill the objects are designated, membership, duty of officers and so on, I can see the appointment of a secretary. I have every respect for the fishermen and in fact wish their organization the best of luck but I don't know if it is necessary for us to adopt in the form of law to make their constitution an Act. It must be law to be carried out by law of the land and must be kept up by the law of the land. That

is all I see in the Act except membership fees. I support the principle of the fishermen's organization and I feel that it is high time that they were organized as well as any other wage earners on this Island but I am doubtful if it is necessary to make it a law or it would be just as applicable to any other organization.

MR. FOGWILL: I want to support the principle of this Bill. I also know the value of organization particularly when an organization is made up of working people organized into a federation like this or a local union affiliated with another larger and parent body somewhere else. Such organization has value amongst the working people. I know very well if the fishermen's organization is such as we have outlined here in this Bill it is something new and I agree with my honourable friend who just spoke when he said I wish them good luck and success in their organization. I do also, but nevertheless, Mr. Speaker, we have had in this country fishermen's organizations before and at one time the fishermen's organization in one section of the Island did have a great growth but unfortunately the good was spoiled because of the fact that politics crept into the organization and thereby it was ruined. I hope no such thing happens to this organization which the fishermen now are proposing to organize amongst them as laid down in this Bill, with the duties of the officers and their constitution and how they will organize themselves, their separate locals all throughout the Island, amendments of constitutions, etc. I wish them the very best of luck and hope they will succeed in what they are doing and I hope their organization when it gets going will be a great help and aid to them.

MR. HIGGINS: I support the Bill very gladly. A federation of fishermen here as I said before is a mere machine for getting together and it does not say everything will turn out rosy and that the dream outlined by the honourable Minister of Fisheries will come true and be realized. I hope this machinery might be the means of bringing good days to the fishermen who are the main workers of this country, but it can only be done by their own efforts, Sir, and I hope now that the Federation will see the product of their good work and their own true, honest efforts as I know they will.

MR. RUSSELL: Of course I support the Bill entirely, Sir, but I wonder in winding up the debate if the honourable Minister will reassure me on just one point once this is passed, supposing the fishermen want to amend their constitution?

MR. VARDY: That is provided for in the Bill.

MR. RUSSELL: They won't have to come back to the House like the Municipal Council?

MR. CURTIS: Look under No. 4 which provides for it and on page one.

MR. RUSSELL: There is a little point puzzling me, and I wonder if someone who is an authority on it would define for me, page 4, Section 3. The Federation shall be non-partisan. Does that refer to Independents I wonder, Mr. Speaker, partisans?

MR. CASHIN: Does it eliminate them from voting?

Bill read a second time. To be referred to Committee of the Whole House on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I had hoped that I might be able today to explain No. 15 on the Order Paper, a Bill "An Act to Ratify an Agreement Made Between the Government and Dr. Arthur Seigheim" and for that purpose I provided myself with maps and other information. What I had hoped to do was merely what I did yesterday in respect of another Bill. Explain it and sit down and when the House is ready to debate it could do so, unfortunately, I learned on arrival here that it has not as yet arrived from the printers. I wonder if it would be the pleasure of the House that, notwithstanding the non arrival of it, I could make the explanation and the debate could be discontinued until the pleasure of the House in the matter could be known? I am thinking especially of the fact that we have other heavy legislation and I am trying before we go ahead with No. 11, to get through as much as possible.

MR. HIGGINS: Will you be long?

MR. SMALLWOOD: About twenty minutes or a half hour.

MR. SPEAKER: The honourable Premier has asked permission to introduce second reading of a Bill "An Act to Ratify an Agreement made Between the Government and Dr. Arthur Seigheim."

On motion items 10 through 14 were deferred.

MR. SMALLWOOD: Mr. Speaker, the six largest companies operating in Newfoundland today are Bowater's, AND Co., Dosco, Buchans Mining Co., and the two mining companies at St. Lawrence. Those six companies last year paid into the Treasury of the Government of the Province by way of taxation and other payments a

certain sum of money. These came from timber royalties, timber rentals, saw-mill licenses, mining licenses, mining royalties and mining rentals and finally, water-power rentals. The grand total paid into the Treasury last year by those companies under those headings was \$855,000. All that the Government of Newfoundland received under all these headings last year from these six largest industrial enterprises was \$855,000. The House will understand the reason for that. The reason being that this Government received no income tax, no corporation tax, no customs duties, as these payments went instead to the Government of Canada. That is all Newfoundland got last year in its public treasury from these six large industrial enterprises.

Now, the Bill whose second reading I am moving is a Bill to set going, to authorize, a new logging project in Labrador that will pay directly into the Treasury of the Provincial Government each year the sum of one million dollars. More than twice as much cash as the six largest industrial enterprises pay presently into the Treasury directly. Now, let me make it clear what I mean by direct payment. I leave out wages paid to employees who in turn spend that money and who in turn buy gasoline and pay gasoline tax, buy a bottle of beer and pay profit on it to the Liquor Board; pay the Social Security Assessment and pay many other forms of indirect contributions which come into the Treasury. These I leave out and I refer only to the actual cash paid directly by the company to the Treasury. When I say that this project will pay into the Treasury one million dollars a year, I mean that it will be paid in cash directly apart from any other indirect amount which

might flow into the Treasury by means of this project.

The project is that a Swiss Company headed by Dr. Seigheim would have the right for ten years from the passing of the agreement, renewable for ten years but with both parties, the Government and the Company having the right with four years' notice to terminate the agreement—to go into Labrador on a part of the ten thousand square miles carefully photographed and surveyed three or four years ago and containing approximately forty million cords of wood, to go into that area, on five hundred square miles of it or something rather less than five hundred square miles and each year cut two hundred thousand cords of wood, pulp wood, at a charge by the Government of \$5 a cord, \$5 U.S. Funds a cord, to the Treasury to the owner of the timber, the owner being the Crown and they are to pay to the Government, to the Treasury, the sum of \$5 per cord of the cords cut. The Company are required to cut two hundred thousand cords, they may not cut less, they may not cut more except that it is not always practicable, feasible to determine exactly what the cut will be. It is provided that what they cut less than two hundred thousand cords in one year shall be made up in the following year so that no two years, no two consecutive years shall pass with their cutting less than four hundred thousand cords and paying the royalty on them.

Now, if they fail to do that, the contract becomes null and void except that the company in failing to cut can avoid having the contract voided by paying the royalty in any case, even if they don't succeed in cutting the wood. Sir, the Company will employ fifteen hundred men in

its operations in Labrador, they will pay the top rates presently available in this Province to the men, to the loggers, to the employees. Will not only welcome the unionization of their employees but will put facilities, normal facilities at the disposal of the woods union organization to expedite unions in organizing the men. The Company will pay out well over one million, closer to two million dollars a year in wages.

Now, Sir, the Company, headed by Dr. Seigheim, has had in Newfoundland and Labrador for the past month a very distinguished engineer of Finland, Professor Chippell, a Finnish citizen who is one of the most experienced and distinguished sylviculturists and forestry experts on the Continent of Europe with great experience in operations in Sweden and in Finland. Professor Chippell is a close and intimate friend, or was, of Dr. Tanner, the brother of the then Premier of Finland. Dr. Tanner is the author of the one book in the world on Labrador, this one authoritative book on Labrador, a copy of which honourable members will find, if they care to, in the Public Library, the Gosling Memorial Library; a book astonishing to most of us who have read it for the richness of the information given in it by Dr. Tanner who spent some years living and travelling in Labrador before the late war and from Dr. Tanner, Professor Chippell learned a great deal about Labrador, its resources, its climate, its geographical conditions and from Dr. Tanner he was able to get all information at first hand for comparison of conditions in Labrador and Northern Finland, and I was personally very pleased indeed to hear from Professor Chippell confirmation of Dr. Tanner's views and his own that logging can

be carried on at least in the Lake Melville area of Labrador as efficiently as in Northern Finland or Northern Sweden. Now, Sir, it may be obvious to this House that logging in Labrador has not in the past or up to now been conspicuously successful. The two more recent projects of logging in Labrador ended in lamentable failure and insolvency.

It is the view of some people, shared by Professor Chippell that one of the main economic reasons for past failures in the logging in Labrador is the difficulty there was and normally is in getting men to go to the centre of the logging and having gotten them there to have them remain, to prevent in short a large turn-over in men, a costly turn-over. With that in mind the Company will establish two separate townships with a view to having men come in there with their families so that the families will have homes, schools, churches and other modern conveniences and comforts sufficient to attract them there in the first place and to hold them there when they come.

One of the very first moves of the Company will be to move bulldozers into these two areas to make clearance for townships, to make blueprints and plans for streets, and the like, which must be approved by the Government, to lay out building lots large enough in each case to hold a comfortable house and a garden, a truck garden, and associated with those settlements these people plan a semi-permanent farming settlement. Now, my honourable and gallant friend the member for Ferryland will doubtlessly get a great kick out of the suggestion of establishing a farm in Labrador, but my honourable friend the member for Labrador

will see nothing amusing in it any more than I do, having been at least once there, and having seen at North West River quite a considerable farm operated by the Grenfell Mission and having flown at least over Mud Lake and having seen the nature of it, I have no doubt whatsoever that what Professor Chippell says is based largely on Dr. Tanner's words that the continental climate is unlike the climate out on the coastline and farming is feasible there. I personally am not in any mood to laugh at that suggestion. At all events that is the place to establish the farm to bring there from farms in Finland and Northern Sweden seeds and plants that have been produced in practically the same kind of climate.

Then the Company, to assist in this process of getting men to settle and not to be migrating wood workers but settle people, plant wood-workers with their families, will bring in a plan of finance which the Government must approve under which the Company will assist men to build homes in these townships.

Another point, Mr. Speaker: This Company will introduce into this area of Labrador the first project in the history of the North American Continent, conducting logging on the most modern, thoroughly scientific principles, forest management, forest control and reforestation and selective cutting according to the very latest approved and time tested information of forestry methods developed in the home of forestry, scientific forestry, namely, the continent of Europe where it has particularly blossomed in Finland and Sweden and so in that area this Company will introduce modern, scientific forestry to the new world. It will be the introduction of it into the Western



Hemisphere and should attract in the course of the next few years Sylviculturists, Professors of Forestry and Forestry Management, Woods Management and experts from the paper companies and logging companies from all over North America. I foresee a veritable track of forestry experts from all over Canada and in the United States into the Lake Melville Area in the course of the next few years to see at first hand the outcome of this novel and indeed unique operation in North America by these Finns and Swedes, the introduction of the modern scientific forestry.

As part of that programme they will introduce in the Lake Melville Area a farm forest or a forest farm whereon the basic principles of scientific forestry will be carried out and demonstrated, at which there will be a school of forestry, a school teaching scientific forestry, forestry management and modern logging practice as developed in Finland and Sweden. At that school, young Newfoundlanders will be trained by the Company at no cost to the Newfoundlanders to be experts in that work so that these young Newfoundlanders will as rapidly as they become proficient replace the hundred or so Swedes and Finns whom the Company would need to bring into the operation to introduce and conduct it according to these modern forestry practices. They must bring in men who know how to operate according to this principle; they cannot get them in Newfoundland, they cannot get them in Canada, they cannot get them in the United States, they cannot get them on the North American Continent, but only in Northern Europe, Norway, no doubt within certain areas, and Finland without a doubt, and so they must

bring practically one hundred Swedes and Finns in of a total of fifteen hundred, they must bring in about a hundred from Europe to take charge of this new type of forestry operation.

In addition, as part of that programme, the Company has offered to endow a chair in Sylviculture and scientific forestry at the Newfoundland Memorial University to pay themselves the cost of a chair at the University, but only for the period of the agreement, at least they bind themselves to that, only for the period of the agreement.

Now, Sir, in passing, and before I add to my observations, I would like to make a point very clear, and then having done so, I would like to make a short comment on that point. The point is this: Out of fifteen hundred men who will be working, fourteen hundred practically will be Newfoundlanders, drawn, we think, mainly, and we certainly hope, mainly, from Labrador itself. And the Company has agreed that the men be drawn from these parts of Labrador or Newfoundland, that the Government will indicate to them, the Government will be allowed to use this project at least in part to rehabilitate families in certain areas where up to now it has been quite impossible for them to make a decent living.

Now, I will repeat to make this quite clear. Fourteen hundred of the fifteen hundred employed will be Newfoundlanders, one hundred workers will be Swedes and Finns. Now, Sir, I give that point freely to all those who say the Government is bringing in hordes and small armies of foreigners and aliens, I give that point freely to opponents of the Government and let them make all they

wish of that point, but I will say this: yesterday there arrived in St. John's, three gentlemen as a party, one an Englishman, living in London, the other two were Germans, but the three constituted one party, dealing with one project who have come to establish a new industry which would start off by employing two hundred persons in a factory here on the East Coast of Newfoundland. They arrived in St. John's yesterday, from Germany and London to be met almost at the instant of their arrival at the Newfoundland Hotel by a letter in one of the Daily Newspapers, an anonymous letter smirking at foreigners and aliens. If these two German gentlemen, and I doubt not that the House will conceive that they are gentlemen—I suppose if the truth were known there must be even Russian gentlemen, somewhere—if these two German gentlemen and this one English gentleman they are accompanied by, having come here to establish an industry to employ two hundred Newfoundlanders, say 190 Newfoundlanders and ten Germans, ten key men, technicians, turned back in disgust because they had come amongst a bunch of yokels, because they have come into a land where once one of the great artists of the world was thrown out of it because he was thought to be a German spy, they go back, then we can thank the anonymous cut-throat who sent that letter to the newspaper yesterday, yes, and thank the newspaper for publishing it and two hundred Newfoundlanders do not get full-time employment, all the year round jobs. But so far as Dr. Seigheim is concerned he has signed an agreement and has gone back to London on his way to Switzerland. If this House ratifies this agreement no matter what letters appear in the press it will go forward. There

are ten other groups of Germans, and Swiss and Belgians coming here from Europe in the next three weeks, they have not come yet, have signed nothing yet so now is the time for the newspapers, now let the cut-throats and anonymous writers have a field day for the next three weeks, see that in every issue there is at least one letter and if the Opposition will help by tabling more questions as to how many aliens are employed, if they help, we may get these ten men here to turn tail and go back and then three thousand Newfoundlanders will go without the jobs which otherwise they would get.

MR. HIGGINS: Mr. Speaker, I rise to a point of order. The Premier said he would be twenty minutes or half an hour on this Bill.

MR. SMALLWOOD: Is the honourable gentleman going to tell me when to speak and what to say? Well the honourable gentleman is wasting his breath.

MR. SPEAKER: The honourable Premier is speaking by leave of the House, there is no set time. He did mention twenty minutes but there is no authority to hold the honourable Premier to that time.

MR. SMALLWOOD: Mr. Speaker, I suggest a recess for ten minutes.

Ten minutes recess.

MR. SMALLWOOD: Mr. Speaker, I will not pursue a point I was making except finally to express the sincere hope that our Newfoundlanders will not descend any more to such letters in the press for the next few weeks, and I hope that, if they do, the public press on reflection will see the sound Newfoundland patriotism of refusing publication to such filth

that can do such damage to Newfoundlanders now out of a job and for whom we are trying to get jobs. Don't make the Government's task any harder. We succeeded in bringing in these men, Dr. Seigheim came last week and has gone, a new group came yesterday, they will be here a few days and another group will arrive tomorrow, another on Monday, and then every few days until there has been eleven in all, each one coming to discuss with us the establishment of new industries. On the 15th there will arrive a very distinguished Swedish industrialist, owner of a paper mill and let us not hear in the press any anti-Swedish propaganda, not if we want industries, want jobs. Are we so big in Newfoundland and so rich and so proud and independent and arrogant that we can do without the jobs and indulge our small-town hatred of anything that smells different from ourselves?

Now, Sir, this Company is going in very largely for mechanized logging, very modern mechanized logging. There are admittedly physical difficulties in logging in Labrador though I know that Mr. Lewin, the General Manager of Bowater's and Mr. Penney the Mill Manager and Mr. Martin the Woods Manager of Bowater's, all agree that if logging is to be successful in Labrador it must be mechanized. Dr. Seigheim and Professor Chippell agree and so they intend to bring in considerable mechanical equipment. The old bucksaw will not be used except there be a man who insists on using the bucksaw. The trees will be felled by power portable saws.

Now, Sir, a Company intends to invest in this project, three million dollars, and I say dollars advisedly.

Switzerland is perhaps the only country in Europe today with free currency, I think they are free from restriction on the convertibility of money in Switzerland; anyway they are investing three million dollars in this project. Now, much of that will be fixed and irremovable expenditure on canals and river improvements; for roads; for hauling booms, buildings and other improvements which by their very nature are fixed and may not be removed. I think the House will agree with me when I point to that fact as very convincing evidence of the seriousness of these people. When they go finally at the end of the first ten or twenty years, or short of the first, when they go they must leave all this behind, a very considerable investment in Labrador that they are not physically able to take away.

I may say also that their shipping is all arranged. They will require sixty ships, not perhaps sixty separate ships but sixty voyages, some ships of course will make more than one voyage.

Now, one other feature to the contract is this; in addition to the two hundred thousand cords that they are permitted and obligated to cut they must also cut at Government direction such other pulp wood as the Government may need. Now I don't mean by that the Government are likely to need pulp wood, but other people may, in which case the Government may direct this company, which is called I think, Labrador Wood Utilization Company or Labrador Timber Utilization Company and with the European, and I might say the American practice of abbreviations they have abbreviated it into LATUCO, they must cut another hundred or two hundred or three or four hundred thousand cords a year at Gov-

ernment directive. The question of the stumpage on wood so cut is a matter not between the Government and LATUCO but between the Government and the customer for the wood, or whom the wood may be cut. They are to cut it at cost plus ten percent. Their books will be open always to inspection of the Government and the Government will know exactly what their costs are and LATUCO are permitted ten percent in the agreement, cost plus a profit for themselves of ten percent. The matter of royalties does not effect them at all. I am speaking now only of what may be directed by the Government for them to cut over and above the two hundred thousand cords.

Now, apart from a million dollars a year coming into our Treasury, apart from an amount getting up towards two million dollars a year to be paid out in labour at the highest prevailing rates, apart from the introduction for the first time into the New World of the most modern European forestry practice, I think the most valuable thing about this Bill is that for the doubting Thomases now on the Mainland of Canada and the Mainland of the United States, it will or it will not establish beyond debate the soundness of large scale logging in Labrador. Now I cannot put too much emphasis on that.

Labrador, Mr. Speaker, it is just as well to face it, Labrador has a bad name today, amongst timber men and pulp and paper manufacturers in North America, it has a bad name for some of the reasons my honourable and gallant friend mentioned in one of his speeches here in this session; the short shipping season, the expense of marine insurance, etc.,

It has a bad name; my honourable friend the member for Labrador does not like to hear that said, he has a loyalty to Labrador and a devotion to it, not too often found in any elected member, rather sentimental, and he does not like a word to be said or printed there that casts any doubt on Labrador. But I say here today, that generally in pulp and paper and timber trades of North America there is a great question mark over-shadowing timber operations in Newfoundland Labrador and the great benefit, I think, of this project is that it will or will not establish the soundness of a large-scale operation in Labrador. Now, I think, because it is going to be done with that almost incredible thoroughness for which Europe is so famous in the world today, Germanic, Tunic, Nordic, whatever you like, that thoroughness, that efficiency for which they are famous will be used to the full advantage to make this logging operation a success and a profitable venture.

Now, let us go on to the shipping which will cost them \$30 a cord from the moment it is put on board the ship in Lake Melville, Labrador, until it arrives at Hamburg or Rotterdam, England or wherever it is going. \$30 a cord, it has to be efficient if they hope to make money out of it. \$5 a cord royalties, which is \$35 right off, then the labour, then the drive, then the loading, the booming and loading, then the capital cost, the interest on the money they have to invest on roads and dams and canals and river improvement and all the rest. But they know the cost in Finland down to the last fraction of a cent, they have been at it all their lives; by it they earn their living, it is not just theories. They are hard-head-

ed businessmen and they say we can make a go of it. But it means the introduction of entirely new methods. Now, if they can prove that they will remove the last lingering doubt of industrialists who wish to build in that same area, a one hundred thousand ton paper mill. We have been conferring with the Company for some months past, the Attorney General and I, with Dr. Valdmanis. We conferred with representatives in New York City when they were there on a visit from Germany via Argentina and on their way to Brazil and one of them was here in St. John's. It was kept out of the paper, and we let no one know about it but I think it is now at the stage where it cannot do any particular harm to have it known that we are negotiating with these people. Some newspaper men on the Mainland, I think it was in Windsor, said he heard of these negotiations with Newfoundland, and I say Newfoundland had better be aware they might build a mill which might employ fifteen hundred men. They had better be aware of anyone who might give such employment, I wish the Devil himself would come and help us. Anything that will help the Newfoundland people so long as they are this side of the Iron Curtain, we can take help wherever we can get it to develop Newfoundland. We have a mandate from Newfoundland voters to do that when we were elected.

MR. FAHEY: By the help from the Mainland.

MR. SMALLWOOD: My honourable friend will have a better opportunity to discuss that when we resume the debate on the Newfoundland and Labrador Corporation Bill. The help from the Mainland of Canada and the United States, I will deal with

when the right moment comes, at the moment we are discussing European. I say we care not where the capital or capitalists or promoters come from so long only as they come from this side of the Iron Curtain. We don't worry who they are from Europe, they are screened by people far more competent than we are or the local press, far more competent than the Opposition, the Government or anyone else in Newfoundland. They are screened in Europe and in Ottawa and any person who arrived here from Europe, arrived only after being screened which sometimes takes days and sometimes takes weeks, but everyone of them, without exception, is most carefully screened and one need not hide a knife under his belt for fear of them. If any old maid in pants is around shuddering lest we be overrun with foreigners and aliens, and if any antediluvians living back in the 16th century want to know what aliens this terrible Government, this dictatorship, here elected by the Newfoundland people with a majority such as Newfoundland had never before seen and will not again till we go back for re-election, they need not worry, we may have much more, give us another month and you will hear something.

MR. FAHEY: Your corporation will be going then.

MR. SMALLWOOD: You will have that amongst other things. I say, Mr. Speaker, that a large logging enterprise in Labrador will do more than merely pay a million dollars into the Newfoundland Treasury and pay about two million in labour. It will do more than that. It will wipe out the blot that is now on Labrador as a result of failure of the Labrador Development Company and the failure of Grieve Brothers, we will wipe

it out, please God, with this great development.

Now, there are just two other points and I don't apologize for introducing them, something that will give work to fifteen hundred Newfoundlanders and a million dollars into the Treasury of Newfoundland. I don't apologize, but I thank the House for allowing me to make this statement but don't apologize for any length of time.

MR. FOGWILL: Will they be employed this year?

MR. SMALLWOOD: I was coming to that. I doubt that there will be fifteen hundred this year, I doubt if it is physically possible. If we get this ratified at once, they will begin, that is the last point I have here.

MR. FAHEY: What of the employment this year, you said if we don't employ them this year we won't get the men.

MR. SMALLWOOD: I did not, but probably by the end of 1952 we might have to bring labour in. Give us a little break, a little break and we may have to import labour, we are trying hard enough, and all we ask for from the honourable gentlemen opposite is less sneers and more cheers. (That is a good slogan, less sneers and more cheers). That might help us to do it.

MR. FAHEY: You have twenty shadows to vote.

MR. COURAGE: Point of order. It is definitely out of order to call members on this side of the House shadows, the honourable gentleman is decidedly out of order.

MR. SMALLWOOD: Besides, if the honourable gentleman could sit

in sometimes he would see what shadows we have amongst us.

HON. E. S. SPENCER (Minister of Public Works): He may get in the Government some day.

MR. RUSSELL: It will never do the Government harm to let the Opposition think.

MR. SMALLWOOD: The honourable gentleman is eating his heart out ever since he left and before this year is over my honourable friend will eat his heart out even more—this Government heading for bankruptcy—he will find out and what a pleasure that will be to me when the honourable gentleman goes around with a face like a walking graveyard, that will be a pleasure to me. I can forgive anything but treachery, I have no place for it, can't stand it. Let a man fight back and if he is better I acknowledge it and if not let him do the same, and not have a man stab me in the back.

MR. RUSSELL: He stabbed you in the back.

MR. SMALLWOOD: Now, Mr. Speaker, there is only one weakness in this whole Bill I can detect and that is the fact that the wood is to be exported. That is a weakness we must all admit.

MR. FAHEY: Giving away raw timber, instead of having it developed into pulp and paper.

MR. SMALLWOOD: That is the weakness in the Bill although I am not forgetting that a year and a half ago, that is not long ago, this Government asked the then Minister of Natural Resources and a very capable businessman in the person of Mr. Steinhauer, one of the largest coal dealers in this Province to go to-

gether to London. I sent a cable to the Secretary of State for Commonwealth Relations, we sent more than one cable to London seeking help from the Government, only a year and a half ago we sent those two men to London. For what? To try and work up a deal that we would barter pit props for British coal. It collapsed because the British Government would not release the coal, because they could sell it for cash and buy the pit props so they thought in Finland and Sweden, but it turned out afterwards they could not. But at the time thought they could get all they wanted for sterling and export the coal and get dollars. So they would not release the coal and we did not sell the pit props and thousands of Newfoundland men did not get jobs. That is only a year and a half ago. Ever so often in our history we have been very glad to get a chance to export raw wood although it is to be regretted right now when we are on the pig's back, when there is a paper trade boom such as the world has never seen since the world began. The lowest rate of pay today is a dollar and twenty-six or a dollar and twenty-seven cents for common, unskilled labour in the two paper mills and from that up to \$2.00 or \$3.00 an hour. The pulp and paper industry is not going to like for the next three or four years the idea of exporting two hundred cords of wood a year and when a Bill is brought in here now to export wood it is mentioned with regret but no one would have regretted it a year and a half ago.

Now, the final point. This is, of course, a map of Labrador. Can the honourable gentlemen see? This is Hamilton Inlet and in here is Lake Melville. This yellow, coloured area

is ten thousand square miles containing practically forty million cords of very high-class pulp wood. The ten thousand square miles were surveyed two or three years ago by the Air Photographic Survey of Toronto. The Government has that report, no one in the House has yet asked us to table it. Recently we have ordered additional copies of it and we would be glad to table it. I refer to the original report on which the IBEC Survey was carried out. Now, if the House, and this side also, will notice the yellow boundary that is the ten thousand square miles. Now these two red boundaries are the areas in question, just under fifteen hundred square miles. One is practically on both banks of Trailers River over which the Attorney General and I flew two or three Sundays ago, right up to the head water of Trailers Point or half way, but not just on the bank, it extends west from the bank of the river and this Northern block goes up on both sides of Grand Lakes. I have played on the desk of my honourable and learned friend the Leader of the Opposition a small school map showing the same two blocks and I hope my honourable friend passes it along to the Independents. I have only the two copies. The area is just under fifteen hundred square miles and the stand of timber on the two blocks is something of the order of eight million cords. Although Professor Chippell, after his investigation there, believes it is nearly nine or ten million cords, yet eight million is our own official Airophotograph survey record for the two blocks.

MR. CASHIN: That confirms Rowater's of 1937.

MR. SMALLWOOD: Now, the House and the Province will very

naturally wonder what effect will be had upon those two stands by cutting from it two hundred thousand cords a year. We are informed, and I must admit very honestly, we don't know, we cannot say if they are right or wrong, but we are informed that two hundred thousand cords, with proper forestry methods applied would represent only the growth, the average growth, that is to say, that the forest would be treated as a park and the forest would be farmed and not mined and there would be no cut in the operating capital at the end of ten years of taking out even two million cords. There would remain the same original number of cords originally there. Now, if that is so the House will appreciate the simply tremendous significance of it because we are told by Bowaters that they have nineteen million cords in Newfoundland and by AND Company that they have eleven million, that is thirty million between them. Last year these two companies cut from this area more than a million cords, more than a million out of thirty million. Let that sink in, let the House ponder the meaning of that. My honourable and gallant friend will remember in the National Convention—he was Chairman, I believe of the Forestry Committee and he had much to do with writing the report—he will remember that Mr. Lewin and other witnesses then appeared before him giving their figures of their holdings and that is what it came to, thirty million cords, perhaps a little over, between thirty and thirty-one millions. These are the figures given the Government in the Department of Natural Resources and last year they cut more than a million cords of a stand of thirty million, one-thirtieth of it. Now, remember in Newfoundland there is no scientific forestry

and it makes one wonder whether there is a depreciation of capital, forest capital going on, one wonders and one is therefore all the more impressed when informed that on a stand of eight million cords, which they contend goes closer to ten million, they can without depleting the capital stock of forest take two hundred thousand cords a year. That is a tremendous fact. Now, making an allowance for the fact that the timber in Labrador is of a slower growth than in Newfoundland, if you can safely cut more than a million, I think it was 1.1 millions last year, for a thirty million stand can you not with equal safety pursue the same technique and cut a million cords from forty? One would think so. The growth is admittedly slower.

MR. HIGGINS: What is the growth in Newfoundland?

MR. SMALLWOOD: That is rather a misleading question, though I know it is not intended to be. It depends, seventy years, but it is highly contentious, industrialists engaged in that business tell me seventy years, but the same company has gone in and cut pulp wood on areas which they logged 48 years ago. So that in fifty years, in that instance, it was reforested.

MR. FOGWILL: Were the trees the same size?

MR. SMALLWOOD: Amply big for pulp wood.

MR. FOGWILL: As big as originally?

MR. SMALLWOOD: I don't know.

MR. HIGGINS: Fifty years is supposed to be the minimum growth.

MR. SMALLWOOD: Depending if it is a completed depleted area. If



you have an area well forested and go in there and log and hack and slash and denude it, probably it would last fifty years but if you go into that same area with scientific forestry, highly scientific cutting, even though the forest be of slow growth, you can on the average take, say two hundred thousand a year from a stand of eight million cords. The Government have no doubt that taking eight million from the forty million cords will leave not only ample timber in that area for the Newfoundland and Labrador Corporation but also ample timber for supplying another mill and not only timber but ample waterways and to serve the need of everyone. In short, if Newfoundland with thirty millions can support two mills, one the biggest on the earth, twelve hundred tons a day, Corner Brook, and the other, one of the biggest in the world, 750 tons a day, that is nineteen hundred and fifty tons a day from thirty million cords, we have grounds to think that forty million cords will support three mills, this two hundred thousand cords area and the two hundred thousand tons for the pulp mill which we expect to see here in Lake Melville and also amply and handsomely support a pulp and paper mill we hope to see in Bay D'Espoir. So that we are not afraid that this cut of two hundred thousand cords will damage our prospect for a pulp and paper mill either in Labrador or in the Island of Newfoundland.

Now, Mr. Speaker, if I have said anything in the heat of argument, and I have, I admit I have, will the House forgive me the things I said in anger. These things have been inside me for weeks and I have to get it off my chest or it will fester and become a running sore. I apologize

for any heat in my words but I honestly, sincerely believe, the Government sincerely believe, the party sincerely believes that all this balances out the good with the evil, the pluses out with the minuses, and there is only one minus, the fact of exporting wood, and there are many pluses, and we confidently commend the Bill to the House and don't ask for debate now. We are ready to begin but unfortunately it has not yet been received and we would have lost this afternoon, which is a half-holiday, but by law we have to do all our printing in the one office and unhappily they had a fire with damages and we are suffering here through nobody's fault, can't blame anybody and so we have not the Bill, Mr. Speaker, I move the second reading and so do with no intention of speaking again. I move the adjournment of the debate unless any honourable gentleman wishes to speak.

MR. CASHIN: Mr. Speaker, I support the principle of this Bill that is to come around here very shortly. I have an idea what is in it because actually I was interested in a matter along the same lines as this Bill indicates and that is the export of wood from Labrador. There are a few, what will I call it, clauses though I have not a Bill to explain yet but why worry about that? Personally, I don't believe that any company is coming in here to pay \$5 a cord export royalty on wood. You have to show me. Now, this area outlined, surveyed by Bowaters, and I spoke of it on many occasions here, in 1937. It was produced for us in the course of the National Convention and it shows considerable wood on that area and there was a proposition from a company in 1940 for the export of wood of the same area and at that

time those interested in the export of pulp wood there indicated a hundred thousand cords and if my memory serves me correctly they were prepared to pay 50c. or \$1 royalty on such wood exported, not to go to any particular place, I do not know where it was to go to, either Europe or North America and it is immaterial where it went. We get \$5 now. I have tried to figure this out at random and it takes between fifty and sixty ship loads to take it out in four months. Now up in that area the season is four and a half months, and it is questionable whether you can do it or not. When making a contract you have to take all those things into consideration. Those who charter ships don't come and ask me or the Premier nor the honourable member for Labrador about how long they can figure on without any doubt. Two weeks is neither here nor there, but I figure four months and that is equal to fifteen ships a month which is considerable loading. Now, those ships will carry roughly over three thousand cords of wood, a six thousand ton ship, and sixty ships is say thirty-five hundred cords, very well, and \$35 a cord freight—nonsense, arrogant nonsense to use the Premier's expression. If a firm or a corporation or a company enters into this kind of an agreement they are not going to pay any \$40 freight, they are going to charter ships and carry coal to the St. Lawrence and on the return voyage bring back the wood. It would take three days to load with modern appliances, two to three days, you have to count on three, you are going to run up against bad weather, you don't get wonderful days all along. Three days to load, ten to twelve days to cross to Europe, a couple of days to unload. That is nineteen days, half a month, reload and come back up the St. Law-

rence and back down to Lake Melville. I don't know what the rates of coal are at the present time and am not prepared to discuss it but I do know, say anyone told you \$20 a ton, I will go \$20. Why up to a few years ago when shipping was up we were not paying anything like \$30, such fairy tales, fairly make me sick. However, I am supporting the principle, because I believe in the possibilities of export business in Labrador. Now if you get \$5 a cord royalty it is just as good as a paper mill as far as the people are concerned. It takes a ton and a half of wood to make a ton of paper which is \$150 a ton, we are not getting anything like that out of it now.

Now, the Premier in his remarks indicated that for the past half century, for a number of years at any rate last year he got at the rate of three or four hundred thousand revenue out of all our natural resources, roughly that was paid into the Provincial Treasury, and half of that came from Bowaters. \$150,000.

MR. SMALLWOOD: We did not get that.

MR. CASHIN: You gave that away when you negotiated the terms.

MR. SMALLWOOD: In lieu of taxes which they are now paying.

MR. CASHIN: The more we go into this thing the more we learn. Bowaters are paying today in Federal Taxes about a million dollars annually out of Newfoundland and the A.N.D. Co., as much if not more. Certainly DOSCO in which Wood Gundy is interested owe the Government so much money, it is immaterial how much they pay, but Bowaters and A.N.D. Co., pay \$3,000,000 a year in the form of income tax and corporation

tax that belong to Newfoundland and we gave away when we went into union with Canada. Now, when we had our own Government, these companies were paying their own taxation roughly one hundred and fifty thousand dollars from Bowaters and the ordinary profit tax by the A.N.D. Company in addition to which we had all the buying power created by those two large companies.

MR. SMALLWOOD: Buchans alone pays 20% of all the revenue of the Newfoundland Government.

MR. CASHIN: I don't know, I have not the exact figures. I put it this way, Buchans and the AND Co., at least paid into the Treasury of Newfoundland when we had our own Government, \$300,000, more than they do now from all three of them and in addition we had the labour giving people the purchasing power to buy goods on which they paid taxation in the form of customs duties who now contribute also to paying customs taxation and sales tax on Canadian goods.

MR. SMALLWOOD: Don't wave your hands, it will be described in the paper—don't do it, it is bad.

MR. CASHIN: I am something like the Premier and don't worry what the papers say about me. However, I would like to support this Bill and I hope it is going to be successful, I might be dubious about the \$5 a cord as it looks too much like a boomer to me and \$30 a cord freight I am doubtful of that, so doubtful of that, Mr. Speaker, that before this Bill is through this House I am going to find out what the freight actually will be, in other words, I will call New York or London tomorrow, some outstanding broker in the shipping business and ask him to

give me a rate on transportation of so many thousand cords of wood from Labrador to Rotterdam either a time charter or a straight freight rate because I am anxious to find that out. I cannot believe it is \$30 a cord and if I am wrong, I am something like the Premier, I will come in and confess it like the Premier, but if I am right, Dr. Sticker or whatever his name is, and I don't know what it is, there are so many strange names these days everyone feels confused, should have come around and told you \$30 a cord to Europe and I suddenly find it is \$15 or \$20, he had better keep out of here.

MR. SMALLWOOD: He told us \$30 U.S. Funds. It does not concern us if it is fifty dollars or one dollar but in passing he figured the freight would be \$30 and I jumped to the conclusion that it meant freight, it may have meant freight and unloading at Rotterdam and via rail to the paper mill somewhere in Europe. I don't know, but that figure is the landed cost at the mill.

MR. CASHIN: We are going to find out, because, Mr. Speaker, a short while ago one of these fly-by-night brokers pretending to have influence with the Government acting for an intermediary came to me and asked me if I were interested in transshipping or handling a hundred thousand or two hundred thousand cords of wood to Europe at a freight rate of \$20 a cord and the party who came to me who incidentally does not know the stern from the bow of a ship offered \$20 a cord. Now, I am trying to add all those things up and if those people are going around here getting information and so on from a beer tavern ships broker, to try and charter ships for two hundred thousand

and cords of wood, well they are crazy.

MR. SMALLWOOD: I know who it is now.

MR. CASHIN: Well, that is the position and when they say \$30 a cord that is making it worse, that is what is making me leery. I think \$5 a cord, personally, and if that crowd mean business, I am going to be honest about it, I don't think they should pay \$5 a cord, I think it is too much, in the Province of Quebec, you pay \$15 roughly and New Brunswick something about the same rate, Crown timber, yes that is what they pay for it. Paper companies will buy the wood on Crown Lands at so much per cord and cut it themselves, that is the same as this.

Now, the point is if these people are prepared to pay \$5 a cord royalty then why bring Legislation before us asking to give it to someone else for 50c. a cord. Now, that does not add up to me or make common sense. If such an outfit is in existence and is prepared to make a deal, I don't care whether he is black or white, German or anything else, I don't care. But what I would like to do is take a few dollars off those Germans, they took a slice off the top of my head and I would like to get the worth of my money out of them. I believe when we get down to brass tacks it looks too bright and I am always nervous of propositions that are too bright, and are built up as wonderful deals, Mr. Speaker, I think I can tell you I have been mixed up in such deals and thought I would become a millionaire overnight. I can understand the Premier standing up and holding forth on it but wait and see, as one bright politician said "wait and see" and see what happened, he got fired out.

Now, you say there are forty million cords of wood on Labrador, there is more on Labrador because you have forgotten the Southern edge which has another five or six million cords. Now if I were in the position of those people tomorrow and a businessman which I presume they are, I would never go to any government to pay five dollars a cord. I will tell you what I would do. Look up your leases, those people holding the Labrador Pulp and Lumber, look at their leases and see the terms.

MR. SMALLWOOD: Don't forget the Act brought in yesterday.

MR. CASHIN: You are just giving them an opportunity to carry out their contract. They can say, well all right then, we will carry out our contract; why take the Mac Martin lease on that map, there is a million and a half cords of wood on that property and they don't pay any \$5 a cord royalty on that wood but so much a thousand, about 12½c. a cord. Sure they can go down and say I'll sell them that at a price and make money because if they come to you and give you \$5 a cord that is a million dollars a year, but that property of Mac Martin's is only 12½c. a cord.

MR. SMALLWOOD: There is more to it than that. It is not that simple.

MR. CASHIN: It is, they pay 12½c. royalty to you if they carry out their contract to put that place in production; 12½c. a cord and two hundred thousand a year would mean how much, \$25,000 a year,

MR. SPENCER: Who is going to give you the permit to export?

MR. SMALLWOOD: Who is going to set the conditions of actual logging, who will set the sizes of trees that may be cut?

MR. CASHIN: That is where we have them.

Now, all they have to do is put in an application and operate that place and cut timber and pay 12½c. a cord and now they must pay you \$5 a cord. I wonder—when you come along in here and tell me that some outfit has come in here and offered to pay \$5 a cord royalties to the Government. Mind you I want them to pay that.

MR. SMALLWOOD: They don't get it.

MR. CASHIN: All right I don't believe they are honest about this five dollars a cord. I believe real business would have gone to an outfit like Mac Martin, Labrador Pulp and Lumber, the property surveyed by Bowaters in 1937 which has probably a million and a half or two million cords on that property and they could get that tomorrow, I bet, for a quarter of a million dollars.

MR. SMALLWOOD: The concessions on the Kenmanu River, the Labrador Pulp and Lumber Company is the same outfit and of all the timber in Sandwich Bay they have only half a mile on each bank of the River running up the shape of the river a half mile back, a million and a half cords, but that site is in the middle of five million cords. I flew over that area and I saw with my own eyes, one continual block, miles of it, one unbroken stand consisting of about thirty million cords, so what is a million and a half. The million and a half this property will control, is on the river and the most important part of it.

MR. CASHIN: You have to cut your timber and pull it through Mac Martin's property to get it into the river.

MR. SMALLWOOD: We cannot be stopped.

MR. CASHIN: You will have more Legislation to introduce then. The thing I am trying to get at is this, I hope it is good, I hope it goes through but the thing is this, it looks too good to me and when a thing looks too good I get suspicious.

MR. SMALLWOOD: Would you be surprised if I said that is the feeling the whole Government got about it.

MR. CASHIN: I don't think \$3,000,000 will involve much more than building homes and I suggest, Mr. Speaker, that my friend, the honourable Minister of Provincial Affairs might induce the Housing Corporation Officials, particularly the ones that built that place inside here, I suggest he go to the Bench of the Supreme Court, if possible, and induce one of the members of the Supreme Court to go down and lay out that townsite for people on Labrador and how much of the \$3,000,000 do you think will be left by that time?

MR. SMALLWOOD: They could put up the rent.

MR. CASHIN: \$3,000,000 is not sufficient capital to open up an operation of that nature on Labrador, establish homes for fifteen hundred people. They would want at least from five to ten millions. Mr. Speaker, up to a few years ago the A.N.D. Co. did not get more than 200,000 cords a year and had set up, at least in the woods operation, \$5,000,000 and I guess Bowaters and A.N.D. have at least twenty millions tied up in paid for equipment, all kinds of equipment. Equipment runs into money.

MR. SMALLWOOD: They have their own equipment in Finland.

MR. CASHIN: They put it down on their books as a certain amount of money, however, Mr. Speaker, when this Bill comes up and after I get some further information on it, particularly on this freight rate, we will be able to go into it in Committee when we see the actual Bill itself and I imagine we will have that Bill here tomorrow afternoon, Mr. Speaker. In the meantime I am prepared to give it sympathetic consideration particularly in view of the fact we are dealing with very simple people aiming to give away \$5 a cord. I am most sympathetic, would do anything for them and in the meantime I will cable New York and find out about the freight rates on pulp wood and return freight rates on coal and see just how hay-wire that outfit is. This may take two or three days, Mr. Speaker, in view of the fact that it is getting up towards six o'clock and there are some other matters to be dealt with.

MR. SMALLWOOD: Don't you think we should have a night session?

MR. CASHIN: Well I adjourn the debate on this matter until tomorrow, I move the adjournment of this debate.

MR. HORWOOD: I second the motion, Mr. Speaker.

MR. SMALLWOOD: Before calling the next order, Mr. Speaker, I would like to ascertain if the honourable members of the Opposition are yet ready to proceed with the debate on the Newfoundland and Labrador Corporation Bill.

MR. HIGGINS: You said you had a couple of members to speak.

MR. SMALLWOOD: I said that, but I also said if my honourable friends were not ready I would not mind going until Wednesday of this week.

MR. SPEAKER: I will remind the honourable Premier when that order is called the honourable member for Bonavista South has the floor.

MR. RUSSELL: I have quite a few things to say on it.

MR. SMALLWOOD: In that case we might probably meet tonight and the honourable member could speak and anyone else on either side, and the Opposition might be ready to go ahead and if not we could adjourn until tomorrow, our objection is only to a long adjournment before beginning the debate. Mr. Speaker, would you be prepared to call it six o'clock?

MR. SPEAKER: With great pleasure.

MR. FAHEY: This is Wednesday.

MR. SPEAKER: The House may only continue sitting after six o'clock with special permission of the House. Is it the pleasure of the House to sit again at 8:00 o'clock tonight?

Ordered sit again at 8:00 o'clock tonight.

MR. SPEAKER: It now being 6:00 o'clock, I leave the Chair until tonight at 8:00 o'clock.

#### NIGHT SESSION

Second reading of Bill "An Act to Incorporate the Newfoundland and Labrador Corporation."

MR. RUSSELL: Mr. Speaker, since it has been about five days ago since I gave the first instalment of my

remarks on this Bill I think the House will pardon me if at the outset—

MR. SMALLWOOD: Mr. Speaker, I am very sorry, I intended to distribute the maps.

MR. RUSSELL: Mr. Speaker, if at the outset I am guilty of a little repetition it is not with the intention of being boring but rather that I feel I have forgotten where I ended up and more than likely the honourable members have forgotten not only that, but everything I said. Now, Sir, in opposing this Bill there is a great difference between opposing the Bill and the Government that introduced the Bill; I do not necessarily oppose the Government but I oppose some measures they bring in and I support others, and when I support their measures, as I have, and receive from them a little sign of outward commendation, as I have, I receive them with pleasure but with equilibrium, and when I oppose other measures and receive the exact opposite of commendation, I receive that also, Sir, with equilibrium. Now, I have supported, and will support, such measures as I agree with, I oppose and must continue to oppose such measures as I do not agree with. I was informed only recently, Sir, that I am playing a part in Government affairs out of all proportion to my desserts. Among the many incentives the Government have for making a success of the affairs of this Province I have lately heard on good authority of a new incentive the one to make me eat my heart out for leaving them when I some day see the great success they have achieved. If that is any added incentive they are welcome to it. And after doing all that and finding I don't play ball with them and are eating my heart out I

hope they will forgive my little criticisms and remember, if it helped them to do a better job I feel quite happy about it.

Now, Sir, I am going to say something a little more upon certain points than I have before. If I had not left the Government when I did, I would have had to leave them now. There are in this Bill several points which I mentioned the other day, some of them rather minor but there is one so important that no matter where I sit in this House whether in the seat of a Minister or in the seat of a private member on either side, I could not agree with its principle, I cannot vote for it. I would vote against it no matter where I was. Therefore since it is a major piece of legislation, I would end up now exactly where I ended up two or three months ago with one exception only, in the meantime I might have drawn a cheque or two but there is no other advantage in the long run. That principle, (and this is the only bit of repetition I will be guilty of) is this: We are here twenty-seven members, each elected member representing ten, fifteen or twenty-five thousand people, to the House of Assembly to be the people's representatives to carry on certain important business in the interest of the people. Of those twenty-seven there were thirteen, one left, the first out of thirteen left and went somewhere and then I left, the second out of thirteen and came over here, now there are eleven who say to the others: "Look by passing this Bill, giving to others custody of the public domain, and it is true we have an agreement only to give over certain part to this corporation in which we, the eleven, will play a part, but also the right to give over a great

deal more, an unlimited amount, actually all there is. Will you, sixteen members please not bother about it any more, give it to us; we will look out for the public domain and for certain funds, probably three million or eight hundred or two million, seven hundred thousand, which we may use to purchase shares in this corporation, and up to another ten million which we may use to buy shares in subsidiaries set up or guarantee bonds for the same. I can't tell you what for, what the costs are, or what they will do with the public domain. But don't you bother with it any more, we, the eleven, will relieve you of all such responsibility for it."

I was not elected with a mandate to do that. The Government was not elected with a mandate to ask me to do it. And if ever a Government were elected with a mandate to do a thing like that, I would not be a member, would not support that Government, and would do what I could to oppose it. But then if it is not elected with such a mandate and did it by a majority vote of the House, at least I would know that people wanted it, the majority of the people, I would still, if I were in the House be in opposition to it but would realize that I was opposing something that the people had wished whether they understood or not what they wanted. So when these eleven say to the rest of us: "Give us that," my reply is no. I am not interested in what attitude any other private member takes. It is something, as far as I am concerned, that each member has to figure out for himself. Now, when those eleven say: "Give it to us," they add, "look who we got with us." Harriman-Ripley, etc., the names are here and have been repeated be-

fore. My reply is, that does not help the case out one bit but only makes it worse. With all due respect to the gentlemen named and Mr. Pippy, Mr. Bowring, Mr. Lewin, the other lawyers in Halifax, two firms, one on St. James Street and another on Wall Street, when they want to have the final say on the disposition of the public domain and funds, let them get elected by the people of Newfoundland, with authority to do it. That is the principle. A principle I cannot agree with and never will. That is why instead of waiting and saying all this in Committee I am saying it now in second reading. I have not a great deal of interest in the Bill in the Committee stage because once I disagree on the principle I don't see much use in patching it up by changing the details.

Now, before I go on to more practical things—I am supposed to be very impractical—I want to say this: To the best of my knowledge it has never been said publicly before, I say it in all sincerity to the Government, that in this world, this imperfect world you can't have everything. If the Government in places like Newfoundland, and the present one which has this driving desire to do something for economic development (I have in mind the clause publicly proclaimed that we must develop or perish, make or break) and we go away to other parts of the world such as New York, Montreal, to try and get industrialists to enter into an agreement with us to pour money in; we can have all that and probably deserve applause of all supporters and even the well wishes sometimes of the ranks of the hostile but we can't have everything, we can't have good banking power.

Now, it appears lately that does not hold so true in dealing with people



but I am afraid it does hold true in dealing with people from the United States and Canada, when they hear that someone down here has said: "We must develop or perish," and get the idea that something has already perished and get the odor of death in their nostrils and gather around not for the kill but for what is left. Some day, Sir, some newspaper man is going to combine his newspaper ability with hypnotism and if ever he gets hypnotized he will tell much of what I have already seen, people taking advantage of the fact that we in our need, and I will admit we are letting them know too much about our need, and giving them the hope for a better bargain than they deserve because I consider this Bill a very poor bargain. Listen to this, imagine this being the preamble to a Bill which is in effect an agreement between Wall Street and the people of Newfoundland: "Whereas it is expedient for the production of the industrial and economic development of the Province of Newfoundland and for the development of its natural resources and the improvement of the standard of living of the people, . ." They are not interested in the standard of living of the people, they are concerned more whether it is convenient to reap a profit down here in Newfoundland or a certain percentage on money down here, then they will come down. But for this to be in a preamble for an agreement, like the story of Little Red Riding Hood and the Wolf—in the 1951 edition. Probably it is the best the Government could get, but as far as I can see it is not very good even after sacrificing the principles I mentioned and particularly the one I repeated, to get no better than this. I say the slogan of "Develop or Perish" is good, but it is possible, unless we

we are going to hear better news from the East and may be we will, but if the dealings we have are as indicated by this Bill, it is possible to develop and perish.

Well, Sir, I hope there will be other speakers. I am going now probably to display a great deal of ignorance because when I come down to the practical things of this Bill I don't know anything about it. I hope other speakers, it has been hinted there are several from the other side, will convince themselves, if they are unable to convince me that it is worth giving up those principles to get material benefits. Whether we are sure of getting them or not does not matter. The House has a right to all the information available to convince us at least the Bill has practical value. I don't care who gives it, as far as I am concerned the two honourable members who have already spoken may speak over and over again so long as we get information. I suggested five days ago we refer this to a select committee, I would like very much to be able to interview people and ask certain questions, I would like to ask, for instance, some industrialists as to just what particular benefit it will be, how it will help them. Apparently the gentlemen we have been talking about very recently in the House, have come and if everything we have heard is right and they live up to expectations which I sincerely hope, it would mean there is no need of having this corporation set up in order to get what appears to be the best bargain any Newfoundland Government ever got. Fortunately, probably, this corporation was not in existence or it might have meant 50c. a cord going from Labrador to Wall Street. I would like to ask industrialists who are presently

carrying on in Newfoundland as to what advantage it would be for them before starting had there been such a corporation.

I have heard that some of the local gentlemen are accepting membership on the board because of the public good it might do, I would like to be on a select committee to ask one of the three gentlemen, or let us say one of the two right here in the city of St. John's, what public good he expects to achieve for Newfoundland by being on the Board. I can tell you his answer, and I don't think I know either one of the gentlemen personally. He would probably say something like this: "O well, you know how it is, I realize and I have watched for two years how interested the Government are in economic development. I admire, whether I agree or not, I admire their activity and they are now setting up this corporation and say it is a great thing. I have not gone in deeply but I am glad to help them if there is anything I can do." Then I would ask him: "What do you think they can do?" And I don't think he could give me any definite answer, if so I would like for him to do it. I don't care who enlightened me or how on certain things but there are certainly a few things I would like to know as I read the Bill and I read it carefully, conscientiously. Two or three members of the House, friends of mine one time, said to me: "I am amazed, you must be putting on an act, surely you must understand it better than that." Well, I don't. And as I read this and that thing in the Bill, of all those corporations that are going to be associated with the Government in it, corporations with all their wealth, their millions, are only prepared to put in

ten percent, I am not going to object to that and won't elaborate, but in the measly amount they put in, let us say one hundred thousand dollars, do they do the same as the chap used to do when he threw a penny over the bridge for luck, tie a string to it first? Why are they so anxious for five years to keep a string tied to their hundred thousand dollars? So that no matter what happens within five years they can always get out. Worse still after probably three and three-quarters or four years in this thing with probably two or three ventures they will probably be quite willing and eager and ready to take their share of the profits but they are not willing to take any part of the losses but maintain the right anytime within five years to get out if the shares are worth more than a dollar or whatever they are worth. If they are worth \$20, \$30 or \$50, though I don't think they will ever get out unless they see an awful disaster ahead. But if they have gone down to fifty cents they will want a dollar a share for five years, the Government is asking them to stand by on the edge of the swimming pool while the Government is in clothes and all. And they stand there with the tip of their big toe in the water testing the temperature. I have come to those conclusions; it is just my opinion, and my opinion is just as good as anyone else's, but give me some concrete reason for it otherwise. I think Wood Gundy and Harriman-Ripley have no more faith in this than I have. They know how to show their faith, they put money in. They are putting no money in this. They put their name in to sell Bonds which the Government will guarantee and they won't sell too much that way either. Because there is a limit to the amount

the Government can guarantee and guarantee properly.

The next thing, I want someone to enlighten me on this; does the House realize that in return for giving away a concession of from four to five thousand square miles of timber and, I agree with my honourable friend on my left, if the company has the right to cull it the fact that they get half the 10,000 square miles in area, means they get half and probably more than half the total amount of timber, at least twenty million cords in return for giving them a full ownership for longer time than our grandchildren will live; twenty million cords and there is only one thing they have to do under this agreement, just one thing. All they have to do is operate a big saw mill. Just look at the section, I am not much concerned with section 8, outlining the areas we are going to give them but with section 9—Concessions—“9. If the Corporation wishes to have timber up to a maximum of one hundred thousand (100,000) cords annually from the area covered by the Agreement entered into on the ninth day of June, 1951, between the Government of Newfoundland and Doctor Arthur Siegheim supplied to it or an assignee for the purpose of its or the assignee's operations in areas in the vicinity of the said area, the Government of Newfoundland shall, if in its opinion the request is reasonable, instruct the said Doctor Arthur Siegheim or his assignee to cut and supply the timber in accordance with the terms of the said Agreement.”

But there are two provisions to section 1 on page 8, down at the bottom, they can have all the Corporation can now use. It does not interest me any more nor anyone else as members of the House, but it does

interest the present members of the Cabinet if ever they become ordinary members, but as twenty-three years' time is a long way to go, it will not interest them then but just this corporation and the latter is borne out by the following clause: “Provided that continuance of said right after the expiry of five (5) years from the day upon which this Act comes into force shall be subject to the condition that the Corporation or its assignees or transferees shall cut or procure for cutting of timber on said concession at an average annual rate, during each and every period of five (5) consecutive calendar years, of not less than one hundred million (100,000,000) board feet.” But one hundred thousand cords, Sir, is just about enough to keep the five hundred ton mill going, if it is a mill, “And shall manufacture or procure the manufacture in the Province of Newfoundland of the timber so cut into lumber or pulp,” It does not have to be pulp, lumber will do, “and if during any such five calendar year period, the average annual quantity of timber cut on said concession and so manufactured shall be less than one hundred million board feet.” That is all they have to do, cut a hundred million board feet a year. That is what it amounts to. It is given in board feet measurements and can be either lumber or pulp wood. Now a bit about pulp wood is provided on the bottom of page 9: “Provided further, that the Corporation or its assignees or transferees shall have the right, at any time and from time to time before December 31st, 1955, to cut not more than one million cords of pulp wood on said concession and to sell it, but not more than fifty thousand cords of such pulp wood shall, except with the approval of

the Lieutenant Governor in Council, be exported from the Province of Newfoundland in any one calendar year."

Now, when they talk about pulpwood, they know all about cords but over in the first proviso they talk about board feet, it must mean the same so it may be all right too but the fact is, as I see it, and I want someone to contradict me, I am not satisfied, I may be crazy, but will some good solid person show me I am wrong? So I say; does the Government, does the House realize that there is nothing necessary for this corporation to do on Labrador apart from what other concessionaires might do but as far as this corporation is concerned there is nothing but a saw mill that will saw a hundred thousand feet a year. Now as far as pulpwood is concerned, they can cut it; do one of two things, to export it, I have a little note here to touch on that but I am going to reserve my frown or smile until I get more details, I don't mind a bit. This afternoon knocked a little bit of wind out of my sails. The famous politician said "wait and see," maybe the sawmill is enough down there for this corporation. But so far, the sum total of the plans for Labrador in this Bill does not say anything else. I can see two industries down there but certainly Wood Gundy or Harriman-Ripley are not prepared to do anything else either directly or through subsidies, but operate a saw mill and export pulp to someone else and they are not allowed to cut a great deal more than they are allowed to export, which means they are going to sell it to someone else. Now if they can't export it, and are going to sell it to someone else are those people to sell to the two existing mills, Bowaters and A.N.D.

Co.? I have heard for a long time that Bowaters has about nineteen million cords of wood. I don't know, I suppose it is true. If they said it was not true and it was, it is their own business. But, Sir Eric Bowater, I am sure of this, in addressing a meeting in New Brunswick last Fall said there that his company, I forget the exact words, but there is no doubt whatsoever that his company had ample stocks of pulpwood available for the whole foreseeable future. Maybe he was talking good business and was a bit optimistic with some business of his own in mind to do regarding timber in New Brunswick. Anyway he was not talking make or break, and I assume he was telling the truth. If so and we are going to sell any of that wood the corporation cuts to either existing mill I disagree with it. I don't think the two paper companies today should be allowed to buy wood off the Labrador unless as part of the programme of expansion in the mills they have already, and a gentleman will be on the Board for whom I have the greatest respect and about whom I have never uttered one word of disparagement and I don't think I will but when it comes up about what pulpwood they are cutting next year through the corporation under this proviso, it is difficult to know how Mr. Lewin is going to cut himself in two, and look out for the business interest of the people of Newfoundland, and at the same time remain what he is, an able business man. Or there is a third possibility, they might sell the pulpwood to a new mill on Labrador. Now I say this, if any company, I don't care where it comes from, is going to operate a mill on Labrador, they would much prefer to have their own concessions, their own wood, and let out their own sub-contracts like these companies do than have to buy wood

from an existing corporation. I would like to be clear on that point as to whether it would or would not. Otherwise the existence of this corporation with an entailing of at least twenty million cords of wood might be a detriment, a hindrance, rather than a help to the existence and operation of a pulp and paper mill. I repeat : Assuming the company that goes there with a paper mill thinks along entirely different lines from the usual, they prefer not to have to go to the Corporation at all but directly to the Government for concessions and agreements. I can not see what help it is to build this wall between the Government, the House and the public to set up this barrier. I can't see what good it is in principle and I am afraid I can see possible harm in actual practice.

MR. SMALLWOOD : Do you mind if I ask a question? Does the honourable gentleman honestly and for a moment think the Corporation is going logging?

MR. RUSSELL : I have no way whatsoever of knowing what the Corporation or its assignees or transferees shall cut.

MR. SMALLWOOD : I think, if I ask the honourable gentleman one thing—

MR. RUSSELL : Will the honourable the Premier remember this: if the Bill had been given the same explanation, down-to-earth factual explanation as another one was given far more recently, or if (and I may be criticized) I had waited until some one told me, I would have spoken only when second reading was to be voted on. I will assume then, will take it for granted, what will happen. If I guess wrong, you will be happy to

criticize me. But if a company goes in to operate a paper mill, then will this Corporation assign certain areas to them?

MR. SMALLWOOD : They might get the mill.

MR. RUSSELL : I do not see how this corporation envisaged here in this Bill can of itself operate a paper mill.

MR. SMALLWOOD : Hear, hear.

MR. RUSSELL : I can not see what the Corporation can contribute materially. In the first instance it is not big enough itself, does not control enough money, and I can't see how any subsidiary can possibly embrace a proposition as big as a paper mill. I would like to know how they are going to do it, but fine if by any chance a paper mill can be started down there without this corporation existing just as a big pulp wood cutting operation, apparently can be started without giving outsiders ten percent in profits. Why for instance give them 50c. a cord, one hundred thousand a year on a deal as large as the one we were discussing this afternoon? Now there was tabled in the House today, I can't refer to it specifically, it has actually not come under discussion yet, but there was tabled in the House today a Bill to ratify an agreement with a company called Falconbridge Nickle. The House is going, I think, to be amazed when it studies the details of that Bill in conjunction with another Bill not yet distributed but on the order paper.

MR. SPEAKER : The honourable member may not anticipate future orders of the day.

MR. RUSSELL : I am going to tell the house that I know enough about a mining company to know that it is

an excellent proposition that they have come and put up to the Government, or were prepared to come and put up. Now I think it is in order, whether or not the Government accepts or not I don't know, but it is a company willing to talk directly with the Government without any corporation, does not want any Government finance, does not want any bonds guaranteed, wants nothing but the opportunity to find enough raw material concentrated in a small enough area to support an industry and if they find enough to give them a reasonable hope of profit they are able to get all the money they need. I am entirely at a loss to see what conceivable use this proposed corporation will be in helping Newfoundland to make any better dicker with any mining company than the Government of Newfoundland is perfectly capable of making and probably has made with Falconbridge. We don't need Mr. Ripley to send Anaconda down to us. I know men from Anaconda Copper, they are eager, have been for three or four months, to get a peep at the map of Photographic survey, I know men from Anaconda Co. who have been in my office, or what was mine, very anxious and interested in what was going on down here and anxious, if there was a reasonable chance of finding anything, to go there and spend any reasonable amount of money for developing and producing.

Another thing I am wondering about, we have not heard anything lately about a cement mill and gypsum mill; the Government is not backward in giving out news when they get it and I am hoping that we will hear something, some good news soon. Will there be any connection between this proposed corporation and these mills? The honourable member for Ferryland

on several occasions advised the Government to sell and get out of the cement business, the whaling, the caplin, the fluorspar, get out of some of them while they can without losing anything. Will the Corporation handle any of these, if so, how? If not, then why not?

On the basis, Sir, of what I have been able to find from this Bill and what I have heard from other addresses on second reading, I have no more faith in its success than Harriman-Ripley has. Worse still I oppose the principle, I don't think I could vote for it even if I saw some real advantage in it because I don't think that there is enough conceivable material advantage to compensate me for giving while a member of the House, and paid for being a member of the House any assistance to enable the House to pass over all the rights and responsibilities of its own to somebody else.

MR. COURAGE: Mr. Speaker, I am not going to make a fighting speech, Sir, although the honourable member shook his fist at me and I shook mine back at him. I am going to make a very short speech. I have not had very long acquaintance with this Bill, I am not a Member of the Cabinet. It was discussed and was explained here by the Premier. But first I must refute the accusations of haste which have been levied by certain people against the Government regarding this Bill. It does not seem to me the Government is in a great deal of a hurry to put this Bill through. It has been more than a week since my honourable friends over there began to talk—although only the day before yesterday newspaper editorials came out and accused the Government of shoving this Bill through in a hurry. I don't see how

they could call that hurry, and I don't see the great difficulty this Bill poses. I am not a lawyer, I am not an economist, but I have no great difficulty in understanding the principle of this Bill. As a matter of fact, sixty per cent of the thirty pages in the Bill is made up of clauses that may be found in the articles of associations of any company. Such things as remunerations of directors, by-laws, audits and penalties, etc. You know, as I see it, the principle of this Bill is very simple and there is nothing new about it. We are setting up here an Act to incorporate the Newfoundland and Labrador Corporation by legislation which brings into being a company, a promotion company, a development company, call it what you like, but as the Premier would say, "some peddlers," people who in the last ten years have promoted companies by raising some twenty-nine thousand billion dollars. I think you can call these "some peddlers". I don't think that we need a specific mandate from the people to set this up. The people gave the Government a mandate; when they sent us to this House, it was on the understanding that the Government was to use every means in their power, every legitimate means, to develop this country. That was one of the platforms of this Government.

Now as I said just now, this is a development company and there is a need for such a company. In the first place how are large companies formed? Supposing some firm, some company, wanted to put a paper mill somewhere in this country, how would they go about it? There are no companies that have enough capital, which have enough savings to enable them to draw from that saving in order to put up another mill. They would have to go out and raise the money in some

way or another and they would have to go to one of the large companies such as Wood Gundy or Harriman-Ripley in order to have such a company help them to raise the capital. That is as I see it. Now these companies, Harriman-Ripley and Wood Gundy, are well known peddlers.

MR. CASHIN: You bet they are.

MR. COURAGE: And they have promoted new companies, they have helped many companies.

MR. CASHIN: And bankrupted them too.

MR. COURAGE: You keep quiet. They have given many companies money to set up new enterprises and industries and to expand them. Now some of my honourable friends see nothing good in such a company. They see the big teeth of the wolf that ate up the grandmother. But I see in this not a detriment but an encouragement and help because by interesting these large financial houses enough to persuade them to come in with the Government, the Government has insured that these companies are going to be interested enough to go all out to help any company which wants to develop in Newfoundland. That is how I see it. We know they are not in it for ten percent, that is chicken feed.

MR. SMALLWOOD: They don't want to do it free.

MR. FAHEY: They are in for free.

MR. COURAGE: If my honourable friends over there will just stop a moment and listen they might learn something. The ten percent is chicken feed, the one hundred thousand dollars is chicken feed. What is that to a company of Harriman-Rip-

ley's type. These companies, these financial houses would have taken a larger share than ten percent but the Government of Newfoundland won't allow it. The Government of Newfoundland must keep ninety percent of the shares of the Corporation in order that the Corporation may be a Crown Corporation. Here is something else. This ten percent is really worth twenty percent because they don't have to pay any taxes. So that this ten percent they are getting in a Crown Corporation is really as good as twenty percent in any other Corporation.

MR. FAHEY: Are they guaranteed ten percent?

MR. COURAGE: No, their interest in this corporation does not come from the ten percent but it comes from the profit they hope to make in promoting and developing companies which will come here.

MR. FOGWILL: They will.

MR. HIGGINS: They will pay taxes.

MR. COURAGE: Sure, nobody has been trying to say they won't, that is beside the point. I did not say they would not, I beg your pardon, I said the ten percent in this corporation was worth twenty percent in any other corporation. That is what I said, and I know what I am saying I am not going to be rudely interrupted either.

Now, this Corporation, in spite of what some people said, or see, or seem to see, is a corporation of the Newfoundland Government and reputable financial firms, leaders in the financial world today and we were very very lucky that those people would come in with the Government.

I think it is a well known fact that we cannot very well set up a one hundred percent Government corporation. That is a well known fact. It would smack too much of socialism. It is not the way things are done anyway. Now there is nothing new in granting land to companies, nothing new in the world about that. The Commission of Government gave away, you might say, some twenty thousand square miles in Labrador and nobody seemed to say anything about it at all.

MR. FAHEY: And helped to give away Newfoundland besides.

MR. COURAGE: Newfoundland was not given away.

MR. SMALLWOOD: Do not pay any attention to a die hard anti-confederate.

MR. COURAGE: My honourable friend gives himself away by such remarks. There is nothing new in that and this Government does not need a mandate in order to set up this corporation. Some people are very concerned, I read in the newspaper, they are very concerned because there was no way, they said, in this Bill whereby this company could be wound up, they searched in vain for a way out. Well, good gracious, you know a company or a corporation or anything else that comes in as a result of legislation can be just as easily repealed by legislation. I do not need to tell you that, you know it, but I wish to stress that point, a corporation such as this can be wound up in the same way as it has been brought in. This corporation is still the creature of the Government and as such the creature of the House, because the House controls the Government. None, Mr. Speaker, are so blind as those who will not see. If members are going to walk out when



questions are being answered can they return and expect us here to go all over it again. My honourable friend, the member for Bonavista South, spoke on page 8 and 9, the clause which says the company must develop or lose its rights; he saw what no one else saw before, that they must produce annually one hundred million board feet or lose their rights and I believe that when he spoke about the setting up of a saw mill, I believe he was joking. It would be really some saw mill, as the former Minister of Natural Resources must know, it would be some saw mill.

MR. RUSSELL: Gigantic, yes.

MR. SMALLWOOD: Where would they get the saw logs to saw a hundred million feet of board; it is not there so they cannot saw a hundred million feet of lumber. It cannot be done.

MR. COURAGE: I do not think the honourable member for one instant thought it could be done. I think he adopted a debater's attitude and I believe it would have been a better speech from over here.

MR. RUSSELL: That is imputing a motive that I was deliberately saying something I did not mean. I was sincere and honest and I will not elaborate on my reason for being sincere and honest, whether or not practicable, that is in the minds of some people intimately concerned about this and whether or not it can be done. It is none of my business but some day I will say more.

MR. SPEAKER: I am quite sure the honourable member for Fortune Bay will accept the honourable member's explanation.

MR. COURAGE: I did not impute insincerity at all. I thought if

he made a speech over here it would be better. That does not mean insincerity. I hope that is clear. I have no wish to disparage the honourable member or any other member of this House. I have not called for a point of order when anybody else would do so. So, Mr. Speaker, we see this company must develop or it will lose its rights. Again now my honourable friend the member for Ferryland is very interested in Bay D'Espoir. I give him credit for it, the same as I have; I happen to be the representative of that area. So is the Government interested in Bay D'Espoir. Now, I do not know whether a paper mill will go there, I would not like to have the people build their hopes up too much on that, but I do believe the future of Bay D'Espoir is assured whether or not the paper mill goes there this year, next year, or in four or five years or not, I can assure the people that I, as a representative of the district, and the Premier and other members of the Government are doing everything possible to bring about that development. I know we have a tremendous undeveloped hydro-electric power; I have heard that we have more hydro-electric power in Bay D'Espoir than can be used today in St. John's, Corner Brook and Grand Falls put together and I believe this will ensure the development of Bay D'Espoir. And there is something else to it that is not generally known, it has beautiful scenery, good harbours, good farmland all around Bay D'Espoir.

MR. CASHIN: And a lovely member.

MR. COURAGE: I thank the honourable member. I will say this much, he does give credit where and when it is due, not like some people.

I think the House might stand a little story. A very well known gentleman one day walked up to the bar of a hotel and said; "Bartender, give me a drink." He took up the drink, smelled it, put it down and said; "This drink stinks." Now what he did not know, he had been eating sandwiches and a piece of limburger cheese was sticking to his mustache, under his nose. When he took the drink up and said "it stinks," the bartender was very irritated when the man walked out in a very offended fashion without paying for his drink. In a little while the man came back and asked the bartender for a whiskey and soda. The bartender replied, "You were in here a little while ago and said our drinks stink." "I was wrong," said the man, "I have just been out and strolled around and the whole world stinks." I will say this for the honourable gentleman, he does not go around with a piece of limburger cheese under his nose. In saying this I do not mean anything disparaging, but it is to his credit that he thinks credit should be given where it is due. In the matter of this Bill certain people have not been fair to the Government nor to the Premier whom I think deserves credit for the energy and efforts made.

I will summarize the points made. I am speaking longer than I had intended. In the first place I do not think it very difficult to understand the principle and in the second place I think it is worthwhile for the Government to be associated with two of the largest financial houses in the world in order that they may take a more personal interest in the development or go all out to interest other companies and to assist them in the promotion of Newfoundland, new industries in Newfoundland. I believe

in such a corporation, and this corporation, remember, is ninety per cent government, so that we are not giving anything away. The Government is merely, in spite of what some honourable members may say or may think, the three independent business men who are on the directorate are people who go there with the knowledge, understanding, that they go there as Newfoundlanders at the request of the Newfoundland Government. Furthermore, there is an easy way out for this House at any time it wants to bring about an ending to this corporation. The other point I made was that this corporation must develop what is given to it or lose its rights and I think that the Premier, instead of being opposed, should be treated fairly in this matter. After all, we have a common purpose here whether in the Opposition or the Government, Independent or whatever we are, a common purpose and that is the welfare of the people of Newfoundland and we should debate this Bill; it is not a Bill that should be boycotted but debated and it should be given serious thought, and, if it is good support it, and if not oppose it. I believe that it is good, other people are entitled to their opinion, or they could improve it, that is a very good point, and the Premier pointed out that it could be improved.

MR. JANES: I want to thank the honourable member, Sir, who has just spoken for being so patient as he has been to try and aid us who are not used to reading this type of legislation to try and help us understand it.

Now, Sir, all through this debate there has been one trend of thought by the members who have opposed it. I do not know whether it is inten-

tional or whether they have been reading something in this Bill that is not there. The thought has been expressed that the Government, in this Bill, is about to give away the remaining part of the public domain in Newfoundland and Labrador. I have read no such thing in this Bill, Sir, I do not see it there. No concessions have been given in this Bill setting up the Newfoundland and Labrador Corporation, no concessions over which the Government has not an over-riding power. Not only does the Government maintain its own rights, but the Government is also the senior partner in this Corporation with the power to veto on every and any project which the Government does not think should go ahead. I do not see, Sir, one bit of difference in what the Government is trying to do so far as the public domain is concerned, I do not see one bit of difference so far as the public property, the public domain of Newfoundland is concerned, it is not changed one bit from what it is now, not one bit, and I do not think anybody could read in that legislation that it is. True, certain rights and concessions have been given for 99 years, but the Government, the senior partner, has the over-riding power in the Corporation, it owns in its own right today, in partnership tomorrow when the Bill is passed. The honourable member for Harbour Main, Sir, brought forward the contention, where he got it from I do not know, but his point was that if this legislation is passed and the Corporation is set up the economy of Newfoundland is going to be crippled. I see nothing in it which is going to cripple the economy of Newfoundland. Would the honourable gentleman tell me what is now happening in areas which the Government is about to pass into the

hand of this Corporation at this moment? Tell me if it is possible for the Corporation to go out and through subsidiaries develop these areas, so that the economy of Newfoundland is being crippled by such development?

Supposing that the corporation only cuts one hundred million feet, Sir, of lumber, if it is possible to do it. That is as much as any two hundred saw-mills in Newfoundland is sawing at this moment, which is employment for at least one thousand men, supposing that only is done or in five years hence it is something that is not being done, and probably will never be done unless this corporation, in partnership with the Government, goes out to do it. No one will ever say James is in favour of Wall Street but I see no other way out of it. If I can see the fishermen of Fogo pick up more money through a paper mill in Bay D'Espoir, I cannot see what is wrong with it. They will never get money at fish, not when selling it at \$10 a quintal. It is nonsense; nonsense that anyone should argue that because a corporation is being set up whereby development is made possible that the economy of Newfoundland is going to be crippled.

MR. FAHEY: A point of order, if you are quoting what I said on the principle now, you are picking out one point of what I said and laying emphasis on that and forget what it started off with.

MR. JANES: You started off by saying it was being given away and ended up by saying we would be crippled.

MR. FAHEY: You will yield? I said we were giving away the rights of this House to legislate in the future to this corporation, to legislate for

the people in the various districts, to legislate for them in this Act.

MR. JANES: Mr. Speaker—

MR. SPEAKER: You yield.

MR. FAHEY: You are taking away that right and the honourable member said that after a man had a drink he said the whole world stank, he must have read that Act and that stinks.

MR. JANES: I covered two points, the first was that the Government domain is not given away, the Act does not say so, I do not read it there. The second one, the economy of Newfoundland is going to be crippled if it comes into being. Sure I covered those two points and said nothing else, I will deal with the other ones later. The honourable member for Ferryland said that if this legislation is passed the possibility for a paper mill becomes less. I still do not see that.

MR. CASHIN: You must be blind, you had better go down to O'Reilly tomorrow.

MR. JANES: I still do not see it. There is nothing in the Act about it. The chance for a paper mill is the same when this is passed as it is now. The requirements for a paper mill as far as I can see are that resources are available, the pulpwood and water power must be available and so geographically situated that it could be used economically. The Act does nothing to change that fact, the second one is that there must be a demand for paper. There is a big demand for paper. The third: Anyone who wants to start a paper mill must be capable of raising the capital to do it. I do not know how they go about that. I have never been able to raise any money for myself, but they

have a way to do it; and the fourth point, I would say the corporation's existence is a further inducement to industry and I think the manufacturers of paper who are already engaged in the manufacture of paper, who are an organization or a monopoly or a cartel, or whatever you like, are able to exercise enough influence upon the Government or corporation in the financial world to start or stop them. This Act can do nothing about the requirements for starting, for the economic requirements to start and be able to operate are the same in principle as whether I can go down on New Gower Street and start another grocery store, exactly the same. There is not a bit of difference in the world.

The honourable member for Bonavista South in his first address to the House, argued and so did another member, that the Government was going to get nothing out of this transaction. How much will we get out of Bowaters?

MR. CASHIN: We gave that away.

MR. JANES: Yes, for a paltry hundred and fifty thousand dollars a year, that is what we get out of it. But the Government will get 90% of the earnings of this corporation. They are the 90% shareholders, and supposing the corporation makes nothing, barely pays its expenses, but supposing it is able to set up subsidiaries with the capital provided or at least raised by the other partners in the corporation, it would still be as much as ever we got out of any venture in Newfoundland, if a thousand or fifteen hundred people in Newfoundland secure employment. By supplying regular jobs, earning regular wages, the taxable capacity of the people would increase. What more returns do the Government want?

MR. FAHEY: It goes to Ottawa.

MR. JANES: It does not go to Ottawa.

MR. SMALLWOOD: And comes back again.

MR. FOGWILL: Very little, not enough of it.

MR. JANES: Supposing they did not do that, are we then capable of building our own hospitals? Only the other day there was a million dollars for Public Health in Newfoundland. Supposing there was another Corner Brook, able to raise \$375,000. How many areas in Newfoundland are capable of doing that? And what has made it possible? The paper mill in Corner Brook, that is what made it possible, not the timber land dormant on the Labrador or the minerals we might have in Green Bay lying dormant. It was active and economic development which did it and if the people can afford to pay for their own doctors, have regular employment, through development have their own nursing stations and hospitals, isn't the Government getting something out of it? It was only a few days ago in this House we passed estimates for a million dollars for able-bodied relief, people are going to be unemployed in Newfoundland and will need assistance and I will say this: they have to get more than \$10.25 for fish or they will want more than four million dollars. Fish is in my blood. The question has been asked, what is the corporation going to do, and the given answer was, nothing. I suppose we know what timber areas in the Labrador we can cede to the corporation, and we are asked in this House what is the corporation going to do and because the Act does not lay down anything specific, they say we are going to do nothing.

MR. FAHEY: What they can do the Government can do.

MR. JANES: A joint endeavour of the Government and capital can do more than the Government can alone. You know that or at least you should. If the Government alone could do what the two together can do we would not have to form the Corporation in Newfoundland today.

MR. SPEAKER: Please address the Chair.

MR. JANES: It is a matter of anticipation, Sir, what the corporation will do, and to say nothing specific is without foundation. The corporation must first be set up, this association must be given its articles of association, must have some capital, must know what resources are to be handed over or temporary concessions and what these resources contain whether there are any there or not before they start. I do not know, they might start mining, they might develop water power, they may develop some subsidiary industries but in this Act to tie them down to what they should do is not conceivable, Sir.

Evolving all around that is the point which has been made, that we are allowing this corporation to have these temporary concessions, that the authority of this House as the House of Assembly has been taken away. It might be more desirable before the Government makes an agreement to bring all the parties in and sit them down there, that probably would be called the democratic way, but it is not the way in which the world operates, it is not the way in which governments operate, not the way in which governments are expected to operate. Negotiations today must be carried on with speed and especially when there is a matter of urgency about them and

who would say it is not a matter of urgency to have economic development in Newfoundland today. This corporation, Sir, at least it is my hope, that vested with power with which we have vested it, with resources which is the capital, this corporation will go out and do the job required and whether the Government, through the Cabinet, ratifies anything that is to be carried out or whether every little agreement must be brought in here to the House and discussed first, is purely a matter of procedure and what the Government is doing in this case is taking the resources which we have and placing them wholesale, the whole of them together, in the hands of the corporation which is committed to development, or they will lose the rights to them. That is in the Act, too, although nobody has mentioned that. The Government is faced with either doing that or distributing our resources piece-meal, handing them out as we have been doing for four hundred years.

My impression, Sir, with regard to this Bill is that we are setting up here not only an organization which can handle our resources more efficiently than the Government, but we are setting up what someone has already called it, a promotion agency. Any large corporation sets up a promotion agency and that is exactly what the government has done, set up a promotion agency in this corporation using as partners, organizations of the financial world, Harriman-Ripley and Wood Gundy. I do not know much about them; they probably are a crowd of stock brokers. but to say that Wood Gundy and the others in this business are a crowd of crooks is just to condemn private enterprise.

MR. FAHEY: You have often told

us all about the robbers in big business, the fish merchants. You told us here quite often.

MR. JANES: It is only lately you are agreeing with it.

MR. SPEAKER: I must remind honourable members the use of the personal pronoun is out of order. Will the honourable members please address the Chair.

MR. JANES: It has been argued that the partners, Ripley and Gundy, stand to lose nothing according to this legislation. That is true but supposing no development takes place in this corporation at all. Why should Harriman-Ripley and Wood Gundy, and any other people who are not going into actual physical development come in and join hands with us, and if at some time or other they want to draw out because there is nothing in it lose the few dollars working capital they put into it? I don't think it is fair to ask them. That concession is only to 1955, they have the right to ask the Government to buy their shares and why up to 1955? It is being imputed that these people are coming in here with all sorts of ideas of ousting the Newfoundland people and Government and taking over the public domain, the water power and timber. To me, Sir, 1955 is a very significant date. Certain powers, certain concessions are vested in the corporation for the time being. How soon are we going to know what is in them, how soon are we going to know what developments can take place? Look at our record. The A.N.D. Co. started in 1906, The International Pulp and Paper Co. or its predecessor around 1925—roughly 20 years later. It took twenty odd years in spite of the A.N.D. development to open the second mill.

MR. CASHIN: Do you know the reason why?

MR. JANES: The lack of demand for paper tied up these resources.

MR. CASHIN: No, nothing of the kind.

MR. JANES: You tell us.

MR. CASHIN: The A.N.D. Company came in 1905, promoted indirectly by the late Harry Crow. The whole of the timber areas were gotten from the Government of Newfoundland—I do not know if they got them for nothing or not, got them and sold them to Northcliffe interest at that time and established a mill at Grand Falls. The mill opened, I think, in 1910 for production. From 1910 to 1923 there was no further development in this country in pulp and paper even though the Reid Newfoundland Company were making extensive efforts, mind you, to promote that mill on the Humber River. Why did they not promote it? This was the reason, Mr. Speaker, when the A.N.D. Company came in and started in 1910 they were controlled entirely and are yet, in a sense, by a group of newspapers in Great Britain who at that time absorbed all the profit by getting cheap newsprint. The result was the A.N.D. Company showed no profit at that time because at that time the profit taxation in Great Britain was little or nothing. However after the war ended in 1918 the profit taxation in Great Britain soared. What was the result then? The A.N.D. Company then showed a profit for the A.N.D. Company out here and not for the paper interests on the other side who were taking them before by getting cheap newsprint which showed the A.N.D. Company as losing money in Newfoundland, but the papers in England were taking

home profits. After that the Reids were able to go into the markets which they did and interested the promoters in developing the Humber area. In addition the British and Newfoundland Governments guaranteed twenty million dollars. So that you can take it from me the A.N.D. Company were primarily responsible for preventing new industries from coming to Newfoundland from 1910 to 1923, by showing false statements, if you like to call it that, of the operations of their company in Newfoundland, and taking the credit in other places.

MR. SPEAKER: I may say if you intend speaking further, we might recess now for ten minutes.

Ten minutes recess.

MR. JANES: Mr. Speaker, when we adjourned, I was speaking on the point that the other shareholders, other than the Government, could withdraw from the Corporation without heavy losses in the process and closely tied with that was the argument that there was nothing specific laid out in the Bill which the Corporation must do. But I would remind the House that the first paper mill came in 1905 and it took 23 years before the second one came and another 23 have passed and the third has not yet come. I believe, Sir, even before 1890 we have had mining development in Green Bay, will some of the members put me correct on this, yet for the last fifty years the amount of development was insignificant and to tie the shareholders down too much in this legislation and say you must do this or something else from the historical point of view would be crazy and they would go home again and I would not blame them.

Now, Sir, in ending up, I want to

take the Bill as it is: I want to run down through the Bill to support every argument that I have used so far. If honourable members will turn to section 8, paragraph (a), some of it was read by the honourable member for Bonavista South, but he did not finish it, Sir, it says: "Said right shall be subject to termination on such date, not earlier than three (3) years after the end of such five calendar year period, as the Lieutenant Governor shall fix by Order-in-Council;" The whole argument in this debate has been that the Government has given away the public domain and it was pretended the Government could not take it back, yet right here in this section at the end of a period they have to put it in operation or if not the Government can take it away from them. Section 8 (b) . . . "except if or to the extent from time to time exempted or relieved in whole or part from so doing by the Lieutenant Governor in Council," with the provisions of the Crown Lands Act, 1951. Extensive exploration rights which they can be relieved of if the Government so desires. Paragraph (c) dealing with development, if water-power, the Government has the right to go in and develop if the Corporation has not commenced development. Now these are some of the rights in this legislation, some of the temporary rights which have been passed over to the Corporation, the timber, minerals and water-power, yet the Government has the over-riding veto to go in and take over. Yet it is said the public domain has been given away, and destroyed. In Section 8, paragraph (2)—that section prevents the transfer of any concessions the Corporation has except by approval of the Government as to what public domain may be given away. There is no

public domain being given away by this legislation as far as I can see, Sir. Section 4, which is the one regarding the other shareholders in the Corporation does not give anything by transfer of shares prior to 1955, only four and a half years away. Have the right to ask us to come in with us on the plans of the Government and lose on that account. Section 17, restricts borrowing powers of the Corporation except by approval of the Lieutenant Governor in Council and gives the legislation power to approve the issue of bonds by the Corporation. The honourable member for Bonavista South indicates though that even if we had been called upon to redeem the ten million dollars of Bowaters and have lost a million dollars, Newfoundland would still have gained. I agree with that but would not the same principle apply here, if we could collect income tax and customs taxes and offset the million dollars? Today we do not collect customs taxation but neither do we have to maintain the services which we would have, had not the Federal Government maintained them.

MR. RUSSELL: They pay in services, the Income Tax Division and Customs Division, but these make money.

MR. JANES: Yes, but the Government spends it to maintain the services in the public interest, but not the breakwaters, bridges, railway and coastal services which are maintained by the Federal Government. Section 9 permits the Government to appoint to the board of directors, people who are not shareholders of the corporation. In other words the Government goes out and finds people public spirited enough and willing, with the necessary financial business background, to act



on the Board of Directors of the corporation, and to do so without being shareholders in the corporation. Section 24, Sir, protects the shareholders in the distribution of shares. I think that protection is so exercised by the Government, I do not think the shares can be distributed or redistributed without the consent of the Government and there is nothing very difficult about that section.

Now, Sir, I am about finished. I see nothing in this legislation about which to worry; I do not see the public domain being given away, but I do see the Government in its policy of economic development going out and with the possibility of being able to raise capital to do the job which has to be done. I see it is possible through the corporation. I do not think the people are losing anything, not one cord of wood, nor one ounce of minerals or one kilowatt of water-power. Every right, every concession given by the passing of this legislation is amply protected by the Government, the Government is still sovereign in every concession going to the corporation. Unless the minerals we have and the timber and water-power are going to be developed, they are no use to us and if we gave them all to Wood Gundy tomorrow and there was no development, how much worse off would we be? Not one iota, Sir, not one iota. I believe something will come out of this, I believe the stage is now being set for economic development which the Government has been trying to bring about and it did not take me any thirty days, Sir, to read this Bill, it did not take me thirty days and I do not think I need challenge the honourable member for Ferryland to explain every section in it tonight, if he wants me to,

MR. SMALLWOOD: I understand that one of the members, if not two, of the Opposition spoke in the debate, and I am not sure it would not be the wish of the House that that honourable member should thereby lose his opportunity to participate fully in the debate. He moved an amendment and thereby spoke and I think this amendment seconded by the honourable the junior member for St. John's East, means he also spoke.

MR. SPEAKER: Not the honourable member.

MR. SMALLWOOD: In that case the motion was not moved, was not seconded. It does not matter, and the honourable member for Harbour Main-Bell Island has a chance to speak. Now, I feel the House would want to have ample opportunity for debate and if, Sir, there is any way that Your Honour can suggest whereby the honourable member would be given ample opportunity to contribute to the debate, I feel, Sir, the House would be enormously happy if this could be arranged.

MR. SPEAKER: The honourable member, as far as the Chair is concerned, has spoken and it is merely a matter for the House to decide.

MR. FAHEY: I used my privilege in speaking already when I moved the amendment for delay of thirty days, and according to the rules of the House, I have lost my chance to speak in the debate except for the few words leading up to the amendment and I have no desire to ask the House to break the rules and I realized that when I moved the amendment. Now, I do not care to speak any more.

MR. FOGWILL: Mr. Speaker, I move the debate be adjourned until tomorrow.

MR. SPEAKER: A motion to adjourn the debate was put and lost, then the honourable member who moved the adjournment would lose his right to speak.

MR. SMALLWOOD: Well, to save that, as leader of the House I will move the adjournment and take the matter out of the hands of the honourable member; I am sure it will carry. In cases like that where members are in doubt of losing a chance to speak, it is better to refer it to me and as leader of the House, I can move the adjournment of the debate and to make the motion doubly sure I move the debate stand adjourned and you second the motion and it will be carried.

Debate adjourned until tomorrow.

MR. SMALLWOOD: Mr. Speaker, we have still an hour. Could we turn to No. 16 on the Order Paper, second reading of a Bill, "An Act relating to Licenses to Cut Timber Issued Prior to January, 1931."

MR. HEFFERTON: Mr. Speaker, when this Bill came up I moved the adjournment of the debate. I have no intention of speaking to any great length on the Bill, it is, in short, a principle with which I feel everybody must be in entire agreement. The importance of public domain which have been given in concession to various companies running back for a period up to fifty years and during this period the conditions attached to the concessions have not been fulfilled or only in part. By reason of non-fulfillment of these conditions I think it is safe to say, Mr. Speaker, that possible development has been prevented and consequently since we have reached a time in our affairs when we feel that there is a possibility of some development taking place, the

original concessionaires are not prepared to accept responsibility which went with their concessions, it is up to this House to amend it in any way they consider to be the best way possible form now, in addition to giving the limited time as mentioned in the various agreements covering these concessions. This Bill goes a little further and extends to them a period of grace, as it were, that period of grace running from now until the end of January, 1952, in which these vested interests have the opportunity, if they so desire, of trying to live up to the obligations which they undertook years ago and conditions which they have not fulfilled up to this time.

If during that period of grace they are unable to fulfill the obligations which they undertook, then I think it is only right that the concessions should automatically lapse and as the Bill says, the lands and rights vested in these lands should revert to the Crown and the Government of the day been given the opportunity of giving further concessions if they so desire or of taking other steps they deem necessary and proper in order to carry out our main purpose on this side of the House and I believe on the other side of the House as well. Our main purpose is the economic rehabilitation of Newfoundland in order that we may be enabled to give to our people better service than we have hitherto been able to envisage.

MR. FOGWILL: Mr. Speaker, I support this Bill because I do feel, too, just as well as the member on the opposite side of this House that concessions given years ago to people coming to this country looking for concessions, perhaps some of them who were prepared to develop and fulfill the conditions of their contract and others perhaps just came in for specu-

lative purposes, just speculators. However, Sir, although being in support of the Bill, I do want to say a word or two about the changed conditions between now, this year 1951, and the years gone by when some of these concessions were made. It was pointed out by the honourable Premier in his opening remarks in respect to this Bill, something about the governments of the past in Newfoundland, and how the governments of the past valued the territory and minerals and timber and other things in or around the territory which was sought by some of these concessions. Mr. Speaker, in those days, territory was not valued as much as it is today, you cannot make any comparison today Sir, between the value of concessions, make any comparisons at all with the value put on them, some say, twenty years ago. I feel sure, Sir, that when it was first discovered, I think forty or fifty years ago, that there were great iron deposits on the Labrador, and I think it is only now the world is beginning to realize that they are so valuable because of what took place since, and the other sources of raw material in the United States and Canada were now being used up. Iron ore is today also very valuable to the United States and other countries because the world needs raw materials and they are more valuable today than they were fifty or even twenty years ago. Now, Mr. Speaker, since some of these concessions were made quite a lot has happened. Labrador, then, and much of Newfoundland was unknown and probably was called a wilderness but there has been a lot of development since and several large industries have gone up in the Island which have proven very valuable to us in the way of setting up communities and giving employment to thousands of people. Other

concessions which have been given have not been developed, probably for various reasons. I know, however, that during the first great war there was a boom on and that for a period of ten years prior to the last war nobody had any money at all to invest in development of any territory. I know we can make no comparison today in so far as territory and timber lands are concerned. Then even the price of eggs was down to 10c. a dozen. The same thing applies when we go back a few hundred years and realize the whole Island was worth \$10, so that there is no comparison between those days and now. And we must realize this too, Mr. Speaker, it was only in 1903 that the United States of America purchased the Louisiana territory from France for fifty million francs at a time when fifty million francs was eleven million and a quarter dollars but that territory today is comprised of ten states, the whole of ten states, 748,000 square miles of territory, 4,161,000 people. So that when anybody in this House, including the Premier, casts any reflections upon the Governments of the past for neglecting their duties, I would like people to realize that people in those days dealt with conditions which faced them. You can go back a little nearer, Mr. Speaker, to 1912, when the United States bought all the territory of Alaska from Russia for \$6,200,000. That territory is comprised of 526,000 square miles, and that is not very long ago and should only go to show this House the value placed on territory in those days. When anybody, Mr. Speaker, talks about the Governments of the past I would like to remind them that I believe, in most things at least, they did the best they could under the circumstances in which they found themselves.

It was just a short while ago, Mr. Speaker, we were told by an honourable gentleman here in this Chamber, how Newfoundland was discovered. He did not say these exact words but in effect to me it meant the Dominion of Canada discovered Newfoundland in 1944 or 1945 or perhaps it might have been re-discovered by Canada. It was only when the Great Dominion found out the value of this Island to them, and the value of our Labrador territory. You realize, Mr. Speaker, in 1914, at the beginning of the first world war, Canada herself was perhaps in much the same position as we were. In that day Canada had very few industries, very few paper mills, very little manufacturing, no motor car industry. They had none of those things which they are endeavouring to develop today to build a first-class nation. They are succeeding to a certain extent, no doubt, but Canada has only come of age in those last few years. I think they are very delighted with themselves to have found a little gem in the mouth of the St. Lawrence which is very desirable to them. Canada, in 1914, Mr. Speaker, was just a big farm, very little else and she has progressed a long way since then. I just want to stress this point once again in supporting the principle of this Bill that these concessionaires or people who hold licenses or timber rights in Newfoundland and Labrador, these people who can, should give some assurance that they are prepared to go ahead and do their best to develop and give this House and the country assurance they are prepared to put up money to go ahead with development of the Labrador concessions they have. I think they should be given an opportunity to do so, a reasonable opportunity, not such a short period as outlined in this Bill, about

five months, and if they do not by the end of this present year fulfill the conditions under which they hold concessions, the Government can take them away. I think that the Government should consider if at any time they think that the concessionaires should lose their concessions, first they should find out whether or not these people are prepared to come forward and put up the capital to develop the territory which they control.

With those few remarks, Mr. Speaker, I conclude in saying that I support the Bill in principle.

MR. HIGGINS: Mr. Speaker, I support in part the principle of the Bill, and in part I do not.

Now in that we term the olden days of Responsible Government—our governments here had very little money to carry on the work of the country, for a long time it went from three to six million dollars and in 1930 was up to ten million dollars. That is the highest they ever had; it went to eleven one year I believe. This country could not afford to carry on any heavy development which cost a half million dollars, which was an enormous amount of money then and might be the amount necessary to balance their budget. Now the result was that they decided to give out timber and mineral leases to private enterprise charging them rentals, making these people give them copies of their surveys so that those people would be agents of the government but independent people in development of the various areas with which they were vested by the Government. Now as a result of that the A.N.D. Company came into existence. The honourable and gallant member for Ferryland told us that the late Harry Crow got certain timber

licenses from the Government but they also had to buy other leases, a license to cut timber, and a lease of surface rights and as a result there came into being the A.N.D. Company. Reids for some time had been trying to develop what is called the Humber areas, but in 1915 it fell through and then very shortly afterwards, one of the biggest financial wizards of Norway, came here and for some reason, that fell through. It was the intention at that time that they would develop water rights on the Humber and by means of the power generated there they would build a big pulp and an aluminum mill. If that had happened we would have had one of the largest aluminum plants in North America, but unfortunately it fell through, but the interests grouped up and built an enormous mill on the Ottawa River which cost \$65,000,000. Now that was all done by private enterprise, and with private capital. Unfortunately the Reids who had spent millions in furthering this development lost everything when the Newfoundland Power and Paper Company went bankrupt.

Now, unfortunately, the Labrador areas have not been developed at all. Leases were given away back in the early 1900's but these leases were of absolutely no effect. We heard the other day that Dickie had built a saw mill near the Muskrat Falls and had started development when the Canada Quebec Co. came in and took the mill and put him into insolvency, and the Royal Bank took the leases and that was the end of him. So that nobody dared start any further development on the Labrador, and in 1913 one of the large companies who owned a large track of land on the Labrador, I do not remember which one it was, sold this property to interests in England

who were going to develop it, and of course the amount paid is immaterial, either one or two million dollars, but they were warned in London that it was Canadian territory and that fell through, that stopped the development of Labrador. However, these people who had the leases of the timber areas still paid the rent, hoping some day the Quebec Border Dispute would be settled and they were willing to spend a lot more money to keep what they had. It was not until 1930 that the Privy Council confirmed us in our ownership of Labrador.

House recessed at 6 o'clock.

#### NIGHT SESSION

MR. HIGGINS: I have an idea they may not; the public don't read those things, these foreign interests, most of them, and whether they are foreign or not we should treat them with respect and decency and honesty and I say I will agree that if this time was extended and we had sufficient time given them to take steps to either carry out the terms of the leases or licenses or if they find they can do nothing about them, I presume they won't pay another rent. They won't pay out three or four thousand dollars a year and some of them have paid rent for forty-five years, some go back to 1902. I think they have been paying the rental. I know one of them. I know it is only a small amount compared with all the money they spend on promotion but I don't think any of them outside the Royal Bank of Canada have made any money at all to compensate for the money they spent in all those years. Suppose a man gives me a lease of a piece of land for 99 years and I agreed that within one month I should build a house on it. He collected the rent

year by year, the house is not built but after that he still keeps on collecting the rental and after twenty years the man comes to me "You have not erected the house" but he lets me carry on, thinks everything is all right. I would say you forfeited your rights, you should have come in after a year or two or before this time and said, "You have not built the house." It might be said it was not equitable to hold that land for twenty years without putting the house on it. But if you go to law you would be given a year more to build the house on it. Now a house can be built in six months but to come in here and say to those people, you must build a pulp mill, a saw mill within six months, well, it is just as well to take the property, they can't do it. The time should be extended, you can't tie up property anywhere in the world, but give sufficient time to carry out the terms, and don't delude yourselves by saying within six months you carry out the terms. I think that is deluding yourselves. I agree with the principle in part but not that, and it goes to the very root of the principle.

MR. SMALLWOOD: I don't know if any other honourable gentleman wishes to speak before I close the debate. I will be very brief. There may be all kinds of good reasons why those various concessionaries failed to carry out the obligations which they knowingly assumed. Back in the early part of the present session they were given notice and I think though there may have been very good reasons for their failing to carry out the great indispensable feature or conditions of their agreements, namely development, yet right up until 1927 there was still some reasonable doubt in the minds of most people as to who owned the Labrador. But in 1927 the mat-

ter was resolved and the Judicial Committee of the Privy Council confirmed Newfoundland's title to the Labrador and set the Boundary. They did not award Labrador to Newfoundland because it was not in their power to do so. They merely confirmed our title and they agreed with out contention as to where the boundary should lie. That settled that question in 1927 which was one of the greatest turning points in Newfoundland history. 1927 is almost a quarter of a century ago and while in that number of years, within that quarter of a century there were years when there were individuals did not and could not carry out their agreements by developing the areas as they had agreed to do, it could not surely be argued that throughout the long period of years in the life of the country—it is a long period, a quarter of a century—they could not have done it.

MR. HIGGINS: Twenty years really because the Government tried to forfeit the leases.

MR. SMALLWOOD: Whatever the Government tried to do or not to do, the one big cause for non-development was removed in 1927, and I make that 24 years.

MR. HIGGINS: Was there not an action in the Privy Council when the Government tried to forfeit the leases?

MR. SMALLWOOD: Yes, that was in 1931, I think; I think they made an effort to make those private companies develop if they really meant business. Now what we doubt is that they meant business, we doubt it. They got those concessions and tried to peddle them and some collected money for options they gave to possible purchasers, but to develop the

areas in question was not even in the minds of the concessionaires; so far as we can judge by the records, they got them for speculation only. Why, Mr. Speaker, I know of a case of two men in this City of St. John's who discovered a parcel of fine timber in Newfoundland, went to the Government of the day and got a grant for that timber and on the following day sold the area to a private party for \$40,000 and pocketed \$20,000 each. It was a fine day's work. One of these two gentlemen is still living. It was quite commonplace in Newfoundland; I say quite commonplace, for some governments at least in the past, to parcel out the land amongst their favourites and sponsors so that they in turn could make a dishonest dollar and many a dishonest dollar was made, many hundreds of dishonest dollars were made. It was an open traffic in the public domain, graft, corruption and mis-practice in office. There were claim jumpers, men who made their money on Crown lands. They would stake the claim and having staked it they had to get it. That was the law and it was a racket. Now insofar as this Government are concerned we have again and again and again in our meetings discussed the question of alienated Crown property belonging to the people once, but now in the hands of private speculators who have no intention of developing, and have asked ourselves what would we do about it. We decided very early in our deliberations that we would not confiscate, we would not expropriate. We felt that morally we would be handsomely justified if we did, we felt that legally we had only to introduce an Act into the House and if the Act were passed, the land in question would be expropriated. But we valued our reputation in the eyes of the American and Canadian and British capi-

talists and financiers to whom we knew we would be going seeking assistance, seeking active participation in the development of Newfoundland and we felt it would sit very ill indeed upon us to go to them bearing a reputation, or facing a reputation that had gone before us of being a Government that did not value its word, that did not hesitate to break agreements, that was not prepared to live up to its part of any agreement into which it entered. So the decision was made, but at the same time we retained lawyers and got their views and we mullied it over and thought it over and discussed it and a year and a half ago or more when this Legislature was opened by His Honour the Lieutenant Governor in a speech from the Throne, that speech proclaimed the clear intimation that it was the Government's intention to bring in here legislation aimed at recovering for the people the people's lands that had been alienated. Here is the Bill now, we have given them a year and a half's notice, we think we have been fair to excess on the side of generosity, we feel that concessionaires owning public lands in Newfoundland have no grounds for complaint even if we were to come in and merely confiscate and still less have they grounds for complaint when, after a year and a half, which is fair warning, we bring in a Bill granting a further period of grace of another six months during which they can, if they will, erect the necessary saw mills. That is all they have to do, run up saw mills and get the men cutting saw logs and fulfill the terms of the agreements, some of them made half a century ago. With some of them we think we have been very fair, very fair and reasonable and I think that the people of Newfoundland will applaud this House for passing this Bill; I think that private capi-

tal on the mainland of this Continent and elsewhere will agree that we have been singularly most forebearing to allow so long to pass without reclaiming these public properties alienated so long and under conditions which the concessionaires have made no effort to carry out. I think if we accomplish this we will not hurt Newfoundland one iota by passing this legislation, and I hope to see it go through with complete unanimity. I move, Mr. Speaker, this Bill be read a second time.

Bill read a second time. To be referred to Committee of the Whole on tomorrow.

On motion the remaining orders of the day were deferred.

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

The House adjourned accordingly.

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THURSDAY, June 14, 1951.

The House opened at three of the clock.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, His Honour the Lieutenant Governor will be in the House a few minutes from now. He is expected to arrive at 3:15 p.m. to give Royal Assent to the Supply Bill, and I think perhaps several other Bills as well. I think, Mr. Speaker, it might be just as well if we did not proceed with any business for the sake of the few minutes left before His Honour arrives.

His Honour the Lieutenant Governor arrived and assented to the following Bills:

An Act to Make Uniform the Law Respecting the Distribution of Estates of Intestates.

An Act Further to Amend the Old Age and Blind Persons Pension Act, 1949.

An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938.

An Act to Grant Certain Powers to Public Utilities.

An Act Further to Amend the Act 5 Edward VII, Chapter 10 Entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony."

An Act Relating to Poultry and Poultry Products.

An Act to Amend the Memorial University (Pensions) Act, 1950.

An Act to Amend the Slum Clearance Act, 1950.

An Act to Amend the Department of Public Works Act, 1950.

MR. SPEAKER: May it further please Your Honour, it is my agreeable duty to present to Your Honour on behalf of His Majesty's dutiful and loyal subjects, a Bill for appropriation of supply for the support of the Public Services, and ask Your Honour's assent thereto.

HIS HONOUR THE LIEUTENANT GOVERNOR: In His Majesty's name I thank his loyal subjects, I accept their benevolence and assent to this Bill.

MR. SPEAKER: For the information of the Honourable House, the Honourable the Lieutenant Governor was pleased to give assent to certain Bills and to receive the appropriation Bill passed in this session.



**Presenting Petitions**

None.

**Presenting Reports of Standing and Select Committees**

None.

**Giving Notice of Motions and Questions**

MR. CASHIN: There is a question there, Mr. Speaker, on the Order Paper, June 13th, addressed to the Premier, relating to the campaign "Buy Newfoundland Products."

MR. SMALLWOOD: I gave the reply yesterday that I am trying to get the answer as quickly as possible and as soon as I get it, I will hand it in.

MR. JOHN G. HIGGINS (Leader of the Opposition): There is a question Number 110.

HON. LESLIE R. CURTIS (Attorney General): I can answer that question, Mr. Speaker.

(1) This Bill was drafted by Mr. Claude Richardson of the law firm of MacMichael, Montgomery, etc., Montreal.

(2) Only law officers of the Crown were consulted.

(3) Mr. Claude Richardson was a member of the Firm engaged in connection with it.

(4) The firm was acting for all the parties.

(5) None that we know of.

(6) The Bill was drafted in Montreal, sent back here again and was revised here before printing.

(7) No lawyers represented the other parties that we are aware of.

**Orders of the Day**

Committee of the Whole on Ways and Means was deferred.

On motion, all items up to Number 8 were deferred.

Second reading of a Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

MR. FOGWILL: Mr. Speaker, I view this Bill with mixed feelings. I did listen to the majority of those honourable members who had spoken to the Bill; I contacted all those who did speak, whom I heard expressing their opinion and viewpoint in respect to this legislation.

First, Mr. Speaker, I would like to say a word on the Preamble. The Preamble itself is something you will find perhaps as a preamble to any resolution concerning the public good or the setting up of an organization fraternal, co-operative or trade union. The preamble sets forth the reason why the organization, or whatever it may be, is formed, or the reason why it was proposed to do such things. Now, in this preamble, Mr. Speaker, the words in the preamble itself are very worthy; the objects set down in the preamble are good. Mostly the preamble concerns the development of the natural resources of Newfoundland and the improvement of standards of living of the people living in this country. Now, it is well known, I think, that it is the concern of this House as well as the concern of everyone that the improvement of the standards of living of our people and the development of our services in Newfoundland is something that all people should make some effort to attain. It is well known, Mr. Speaker, that in this year at least, the need for development is great, the

need for a better standard of living is great. It is known to every member of this House, I believe, of the number of people who are seeking employment, many of them prepared to go away and leave their native shores and go to Greenland or Goose Bay, go to Labrador and to other places, leaving Newfoundland to go outside to seek a living for themselves because the where-with-all to earn a living has not been presented to them here in Newfoundland up to the present date. Now, Mr. Speaker, although the preamble of the Bill looks nice I am opposed to it. The Premier in his opening remarks when he made some explanation in respect to this Bill confined quite a lot of his remarks to the principle that those people concerned with the operation of this Crown Corporation, when it came into effect, particularly he made some remark about Harriman-Ripley and Wood Gundy. I do not know anything about these people only what I have heard about them. They are financiers, no doubt, of note, and have helped in a great way to promote and sell shares and bonds in many things and many development projects in the United States and in Canada, that is what I hear. However, Mr. Speaker, those people to me are just financiers and their interest in this Crown Corporation is only one of profit. These people will sell the shares and sell the bonds but they have no interest in the working people of this country, as it is laid down in the preamble. Corporations such as those, Harriman-Ripley and Wood Gundy and many of the big banks in Canada and the United States and financiers of that sort, they have neither a soul to be condemned nor a backside to be kicked, neither do they give a particu-

lar damn about the working people of this country.

The first page of the Bill, Sir, has set down a list of names of people, some Newfoundlanders, and one or two probably who take it upon themselves to call Newfoundland their native home. Mr. Lewin is a high official at the present time in one of the largest companies in the world. For myself, Sir, if I were entering in any business I would not go to the Government seeking any concessions whatsoever, if one of my competitors were a director of the company with whom I have to confer, Dr. Valdmanis, too, I understand, is a director. He should not be. Dr. Valdmanis is the director of Economic Development or the Director General, and he should stay outside this Corporation, should be the watch dog of the Government on what that Corporation is doing.

MR. SMALLWOOD: If the honourable member would allow me.

MR. FOGWILL: Mr. Speaker, this Bill we have here has no precedent in any House or I do not think it has any precedent in any Assembly of Newfoundland, though there may be precedent elsewhere, may be similar legislation laid down, in other countries, perhaps in England you may find somewhat similar legislation but the present Government over there is a socialist government and they are nationalizing the coal industry and the social government did also nationalize the railways and likewise, I believe, nationalized steel. They did that, I believe, one hundred percent so that in one sense there was similar legislation enacted elsewhere. What is the difference in this, what we have here in the House today, and the legislation laid down the nationalization of the industries,

in England? The difference, Mr. Speaker, is only ten percent. That is what it means to me, ten percent between the difference in nationalization of our national resources of Newfoundland and what was done in England when they nationalized the railways and steel and coal industries.

MR. SMALLWOOD: Our natural resources have always been nationalized.

MR. FOGWILL: Now, Mr. Speaker, the honourable the Attorney General today said, I believe, that this was a simple Bill. Perhaps it is but it does not seem very simple to me. It may seem so to the honourable member for Fogo who, I believe, last evening threw out a challenge to the honourable member for Ferryland, and I think he did say that he did not need thirty days to study it, thirty hours was enough. I think he challenged the honourable member for Ferryland that he could explain to him every clause and section in the Bill, but I do not think he can do so.

MR. CASHIN: He must think the honourable member for Ferryland is simple too.

MR. FOGWILL: Probably the honourable the Attorney General might think so, but some of them who are not simple on the other side of this House do not understand this either, know what it is now or what it will mean in the future. Because, Mr. Speaker, it might mean a lot. Remember the socialized government of England has laid down a pattern of nationalization and the difference between that and what is laid down in this Bill is just ten percent. Ten more percent and we would have one hundred percent nationalization of our industries.

HON. C. H. BALLAM (Minister of Labour): You were not in the House when it was explained.

MR. FOGWILL: I read the paper. Now, this may be, and may not be, a simple Bill. The honourable the Premier explained this as being very simple too. Now, Mr. Speaker, I am not going to talk about that part of the Bill relating to Labrador. I do not know very much about it. I have seen it several times from a ship and that is all my knowledge of the Labrador. But that part of the Bill, Mr. Speaker, which relates to rights which are going to be given to this corporation in respect to mining rights embracing all that area from the eastern point of Fogo Island to a point, I think, in White Bay, taking in all the adjacent islands and in Green Bay and Notre Dame Bay comprising practically all the district of Fogo and all the district of Twillingate and all the district of Green Bay, I wonder what the people in Gander Bay will think when they see this Bill go through; what will they think when they find that for ten years after the enactment of this legislation they will not be allowed to share in any of the territory laid down in the Bill.

MR. SMALLWOOD: They will be.

MR. FOGWILL: I think the corporation alienates one thousand miles of coastline from at least somewhere in that vicinity of ten thousand voters and what are they going to think about legislation of this sort when they will be denied the right for ten years to leave their homes, villages and communities, leave their houses and go out in the country and do a little bit of exploring, will not be allowed to do that for ten years. That right is taken away from them for ten

years and ten years in the life of any young man is quite a lot and I feel many people in the area of Notre Dame Bay will be concerned to know they will not be allowed to go out and explore because exclusive exploration rights are laid down here as the exclusive rights of this corporation. What is more, Mr. Speaker, for a period of ninety-nine years they will not be able to go out into the country at all, in the valleys or over the hills to look for sheep or cows or horses because if they do that they will have to keep their eyes only on the object they seek, their cattle, they dare not look at the ground for fear they might find a piece of mineral because the exclusive mineral rights are alienated from them for ninety-nine years. That is what it means; they dare not go out and pick up a piece of rock showing any trace of mineral. They have not the right, they have to forget it for all their lifetime, they have to forget that and the same thing applies on the South Coast for a distance of about one hundred miles extending from Hare's Ears Point to Terrenceville, all one side of Hermitage and all of Bay D'Espoir, all that territory and all the lands in behind it. The same thing applies to all those people down there and I do not think the people in Milltown and St. Alban's, Rencontre and English Harbour will be so delighted with this Bill as the Premier or the members on the other side of the House.

HON. E. S. SPENCER (Minister of Public Works): I would like to rise to a point of information.

MR. FOGWILL: If it is a point of order, I will yield.

MR. JANES: I think the question was to be a request for information bearing on the debate.

MR. FOGWILL: I have the floor.

MR. JANES: The honourable member, I think, does not wish to yield.

MR. FOGWILL: No, I am not going to yield. I find too often when yielding the floor to someone on the other side of this House that too much time is taken; in fact, sometimes it goes into a speech and I am not going to have that. All of those people living in those areas concerned, Mr. Speaker, will not be allowed to explore in the territory concerned for a period of ten years and the mineral and mining rights in the area concerned will be alienated from them for a period of ninety-nine years as laid down in this Bill. They will be denied the right to go in there to look for minerals of any kind. Mr. Speaker, is there is any necessity for a Bill of this sort or of encouragement to people of the outside who we were told were going to come in with millions of dollars, when certain things took place? The money was supposed to come in here from the Mainland to develop Newfoundland. Up to the present time not a cent, not a sou came in; nothing. So what was the Government to do? Set up a Crown Corporation and put in nine hundred thousand dollars in it and with the advantage of having Harriman-Ripley and Wood Gundy associated with them with one hundred thousand dollars, they together hoped that this will be the bait to bring in some new money. It may and it may not encourage or entice people to come in here with money. I, myself, very much doubt it. I hope they will, but I very much doubt whether any people will come in here with money. If any corporation, Mr. Speaker, came to this House with any sound proposition and some assurance that they were prepared to put in twenty or thirty million in develop-

ment of our natural resources, the Government of Newfoundland would probably agree to guarantee a percentage of their bonds, but under the sections laid down in this Bill I don't think that anyone will come. Under this Bill, Mr. Speaker, the rights of this House are being lost because in many clauses under the bill it is the Lieutenant Governor in Council who will make the decisions and not the House. The Government has the right to guarantee bonds up to ten million dollars. That is wrong. Before the Government guarantees any money up to ten million dollars they should come to this House and have it passed before the guarantee is made.

There is one other point I wish to make, Sir. The Government of Newfoundland is empowered, if and whenever authorized to do so by the Lieutenant Governor in Council at any time and from time to time to make or grant to or vest in the Corporation any other concessions and rights of any kind or nature. Now to me, Mr. Speaker, that principle is altogether wrong. It is also laid down in the Bill that there are certain concessions and if this Bill goes through, the corporation will have these concessions, but other concessions of any other nature comprising any other territory of Newfoundland should not be given to this Corporation on the word of the Lieutenant Governor in Council but they should come back into this House before any other concessions are made.

I wish to say I am opposed to this Bill and I don't think it will do the country any good.

**MR. HIGGINS:** Mr. Speaker, I am not in favour of this Bill because information given us is too generalized, too vague, and it is impossible to judge what it comprehends in this Act.

We know nothing about the principle of the Bill, in other words, the organization being set up under the Bill. What the Prime Minister told us is notable not for what it said but for what it did not say. The Bill has been explained, the deal has been outlined but the question is: what is all this about? What is the company which is to be the custodian of the public money? We are supposed to have all information at our disposal when public money is expended. We know nothing of the policy of this Bill, the policy reiterated by this Bill. All the House knows is that the Corporation is going to be formed with a small capital, in comparison to its vast assets; the Government will hold ten percent of the stakes. Vast timber areas, minerals and extensive water powers are vested in this new corporation. What about it? What will the corporation do? We judge that there may be subsidiary companies formed to which this corporation will transfer all or some of the assets. Well, what after that? What business will they carry on through subsidiary companies and how is the money to be raised in order that their plans may be carried on? When the corporation is formed and valuable assets are transferred to this corporation, what about it? It is not much of a problem forming a company, not much trouble transferring property to a corporation, individual or firm, but when this is done what is the corporation expected to do with this power—who is to make money with this power? Is there a good prospect of making money and how much money? Would the possible amount to be obtained be sufficient to warrant carrying on this work, what seems to me to be speculative work? But the main question to be asked by anyone interested in this Bill is what

work will it do? What work is comprehended?

We know nothing of this corporation. To say it is formed to develop this country is not very enlightening and I may add for the information of this House it is a precedent for a government to give away valuable assets without informing the House of all aspects and angles of the case and in the days of long ago would have brought a formal protest from the Opposition and the press and I say now it is time the press assert its rights and privileges. The other day a reporter was attacked, I saw no account in the paper, and the Daily News was threatened. It is the duty of the press to protect the voice of public opinion and it is time to assert its rights. The press is dead and I am afraid public opinion is dead and I can't see the press come out as it did in the past and take an independent stand particularly when its own rights are infringed. I may say here that as far as the press is concerned there is no such thing as an anonymous letter.

MR. SPEAKER: The honourable member is not speaking to the Bill now.

MR. HIGGINS: Now the IBEC Report, which we on this side have asked for, has not been made public. We have received little information of the cement plant. The Premier promised the member for Harbour Main-Bell Island District he would table information concerning the cement factory in eight weeks. We have not got it. Have we erected an iron curtain? We are told the financiers have never seen the IBEC report. They must have heard of it, no doubt, and we must accept the Premier's statement, but I say those financiers must be very indifferent and half-hearted

in this connection if they don't want to find out everything possible about the national assets of this country. When we ask who will gain, we are told Newfoundland, and who will lose, the speculators. In the words of the honourable member for Fogo, that is nonsense, nonsense.

Now there are certain matters to be discussed at the outset, viz., One: This Bill when it deals with the assets vested in the corporation formed by this Bill. The future of Newfoundland is at stake. That is a very serious matter, a national one, and ought to be very carefully considered. Two: The Newfoundland Government takes ninety percent interest in the Corporation. The company has as directors financiers very well versed and experienced in the business of financial deals in many countries and with many governments with bigger incomes and revenue than ours. Now, can the Government in any respect be called financiers? They have very little knowledge of this kind that the corporation being formed calls for. They are babes in the woods in comparison.

Now we were told some time ago there is a prospect of building another pulp wood mill in Newfoundland and I presume this new corporation will deal with the matter of having this mill erected. Now, of all those Newfoundlanders on the Board of Directors, which one would be interested in erecting a mill? Mr. Lewin is the Managing Director of the biggest pulp and paper mill in the world and has little time to attend to this, and moreover he is a competitor.

What are the profits to be made? Is it worth our while to take a chance on an outside company to take over and expand their own capital? Much

better if there was a failure this company would not lose at all. But it could be said on the other side, why should we not think they would make a profit. That is true but profits will be small if any compared to the losses if those fail. Suppose the paper mill, they have a paper mill in view, fails, we have as an example—Newfoundland Power and Paper which failed and brought down the big financial people of this country—the Reids who were ruined by it. We have the example of the other mill in Grand Falls in the slump of the 30's; there may be another. It is speculative, and profits can only be made by very astute men taking an interest and spending all their time at it.

Now the Premier has said we gave away vast lands. Now I don't intend to discuss that again. It was discussed yesterday. But I know this, if the Government in 1921-22 had taken sufficient interest in the Humber Deal, put money into it to promote it in the same way as this corporation is promoted, it probably would have been a terrific venture for Newfoundland and the company would have lost a fortune. Now the Premier mentioned once or twice in the past that one government advanced ten million dollars to Bowaters, and the honourable member for Bonavista South has told us it is a different matter as a Province and as a Dominion to advance money when we had the excise and customs duties. There is one thing I am sure of: there is more money going out of the country to the Federal authorities than is coming back today.

Now another thing; it has been said that this is a Crown Corporation and there would be no Federal taxation. Now, apart from the fact that Newfoundland is investing a lot of money

to provide employment we must remember that we have received no guarantee from the Federal Government that this form of Crown Corporation would be allowed to stand. Crown Corporations have existed in the past, but if Alberta were to start all oil companies in Crown Corporations do you mean to say the Federal authorities would not make them pay income and corporation taxation? We are at the mercy of the Federal authorities,

Now how much money is to be spent on this venture? The Premier said when talking about the programme of economic surveys that last year a half a million was spent by the Government and they expected this year it would be a quarter of a million. Now that is not a small amount of money for this country. The Government will buy shares in the Corporation and if three million dollars worth are taken up at not less than \$1.00 a share and the Government takes ninety percent of this, in the long run, the Government possesses 2,700,000 shares and under the terms of the Bill; under certain conditions, the capital may be increased and the Government must take ninety percent more of that. Now there is also a ten million dollar guarantee. Suppose it goes ahead full speed for a time and then fails, we lose a million on surveys, lose our capital, the \$2,700,000 and our \$10,000,000 of guaranteed bonds. What is going to happen to the country then? We will have to go out and try to raise a new national loan and I am afraid after that failure it would be very difficult to find any financier to underwrite such a loan.

Now we don't know, and it is a terrible thing in a so-called free country, to say; that we don't know what the Bill comprehends. The Opposi-

tion does not know. We see in the Bill a certain amount of machinery but we don't know what it is to do or how it is to work and I must be forgiven for thinking it is meaningless.

Now let us examine the Bill in order to realize the contents. What do we learn? The authorized capital is \$3,000,000. The office is in St. John's. The object is to carry on the business which in the opinion of the directors should be operated to promote the industries and development of our natural resources and thereby improve the standards of living of the people. They have the power to sell or otherwise deal in any or all of the property rights which it shall at any time and in any way and manner acquire, whether by way of grant from the Government of Newfoundland or otherwise: To purchase or in any way or manner otherwise acquire any property, real or personal and any rights of any kind or nature; lend or advance money to any person, firm or corporation: To invest and deal with any monies of the Corporation: To promote any company or companies: To mortgage all or any part of the property and rights of the Corporation to secure and fulfill any obligation of the Corporation: To draw, make, accept, endorse, discount, execute and issue promissory notes: To carry on any such other trade or business and to do and perform any and all such other acts and things as are calculated, directly or indirectly, to enhance the value or render profitable any of the property.

Now, these are the objects of the Corporation. The Corporation need not start work until one million dollars of shares have been taken up and the Government of Newfoundland have nine hundred thousand shares and outsiders one hundred thousand

and from time to time shares may be issued up to three million dollars.

Now, the Company obtains certain concessions: Timber concessions for 99 years in Lake Melville and adjoining areas. They must in the first five years cut one hundred million feet of timber and manufacture it into lumber or pulp and pay a royalty of 50c. per cord. The Corporation has the right, up to December 31, 1955, to cut not more than 1,000,000 cords of pulpwood on said concession and to sell it, but not more than 50,000 cords of such pulpwood shall, except with the approval of the Lieutenant Governor in Council, be exported from the Province of Newfoundland in any one calendar year. For ten years they obtain the exclusive exploratory rights of two thousand square miles and for 99 years for all minerals not previously alienated by the Governments of Newfoundland and for a term of 99 years all hydro-electric and hydraulic power rights and rights to assign or lease all this property acquired. There is nothing more. That is all mentioned in this Act but there is one thing more, the Government guarantees bonds up to ten million dollars. That is all the information placed before the House and we are asked to pass on the principle of this Bill.

Now let us contemplate some of the sections: Section 6 (a): The power for operation of the Corporation seems to be unlimited and it would enable the Corporation to compete with private enterprise in any activity, exempt from any taxation whatsoever, and private enterprise will be at a disadvantage and could not hope to survive, apart altogether from the taxation standpoint, a state-owned corporation could afford to subjugate private business and create monopolies, and private endeavour and enterprise



would be lowered rather than improved.

Section 6 (b) (ii): "Power to purchase or in any way or manner or otherwise acquire any property, real or personal, and any rights of any kind or nature;" Now what does that mean? Does it not appear to give the corporation powers of expropriation denied private enterprise?

Clause 9: "The Government of Newfoundland is empowered, if and whenever authorized so to do by the Lieutenant Governor in Council, at any time and from time to time to make or grant to or vest in the corporation any other concessions and rights of any kind or nature."

Now this clause gives the Government power to give the corporation any other concession or rights of any kind or nature whatsoever. This is a very far reaching and dangerous process. Nationalization, maybe? If that is not the intention why want to proceed beyond the experimental or development stage in any project, and when it reaches that stage, to be disposed of outside bidders.

In relation to Clause 12: Now this intent should be made mandatory in the Act.

Clause 17 (1): "The Corporation may from time to time, with the approval of the Lieutenant-Governor in Council, under authority of a resolution of the Directors:

(a) borrow money upon the credit of the Corporation;

(b) limit or increase the amount to be borrowed;

(c) issue bonds, debentures or other obligations of the Corporation;

(d) pledge or sell such bonds, debentures or other obligations for such

sums and at such prices as may be deemed expedient;

(e) mortgage, charge or pledge all or any of the real and personal property, present and future, and rights of the Corporation to secure any such bonds, debentures or other obligations or the fulfilment or discharge of any other obligation or liability of the Corporation.

(2) Such powers of the Corporation may be delegated to such officers or directors of the Corporation to such extent and in such manner as shall be set out in a resolution of the directors."

Now, this apparently does not place any restrictions whatsoever upon the actions of the directors who may borrow money subject to the decision of the Cabinet up to ten million dollars under Government guarantee.

Now, by-laws may be enacted by the majority of the directors and may not be made public and are not passed on by the House, but passed on and confirmed by the Cabinet. Directors may pass by-laws to regulate the remuneration of the directors. Such should I think obtain the approval of Parliament but they need only obtain the approval of the Cabinet.

Clause 37 enables or empowers the Lieutenant Governor-in-Council to guarantee unconditionally the payment of the principal and interest and premium, if any, of and on any bonds, debentures or other obligations of either the Corporation or its subsidiaries to the amount of ten million dollars. That is a very onerous burden for Newfoundland to take on. Now, it is noticed in this Corporation Act that the whole business is run by the Cabinet, a minority of the House. It is not the House

that passes on it or says what business or how much money is to be spent. It is done by the Cabinet itself.

There are a lot of other sections which are important and serious to which attention might be drawn. Section 10: "In the event of the Corporation's deciding at any time to proceed with the acquisition, development or carrying out of any project, other than one relating exclusively and pertaining directly to timber or mining." It may be water-power or buying up a cement mill or something like that.

"10 (a): the Government of Newfoundland shall at the time own more than ninety-five per centum (95%) in number of the then outstanding Common Shares of the Corporation, or

(b): that Director of the Corporation who has been elected, as provided in sub-section (2) of Section 31, exclusively by the votes of the holders of a majority of those Common Shares of the Corporation which are not owned by said Government shall have consented thereto by instrument in writing signed by him and delivered to the Corporation." One Director can stop that work.

Now according to Clause 12: If anybody wants to sell the shares, the Government has the first offer and if the Government does not want them, somebody else may buy them, and if there is an increase in the capital of the company the Government has a right to take their share but if the Government happens to be hard up they lose their 90% of the stock.

Attention should also be drawn to Clause 14: "In the event that at any time prior to December 31, 1955, the Government must purchase bonds at

either par value or enhanced value." In other words, if the Company increases in value the Government loses out and if it decreases the Government loses, so in any case it loses.

Section (2) of Clause 17: Such powers of the Corporation may be delegated to such officers or Directors of the Corporation to such extent and in such manner as shall be set out in a resolution of the Directors. So that a resolution of Directors can appoint any director or directors, to carry out full responsibility.

Now, the Directors of the Corporation administer affairs, Section 22. ". . . in all things and may make or cause to be made for the Corporation and description of contract which the Corporation may by law enter into and from time to time may, subject to the provisions of this Act pass by-laws to regulate." In other words the directors can make any contract and conditions under this Act and not even the Cabinet is involved here apparently.

Now if this Act is not satisfactory to the financiers you know well the Government are going to change it and in the interval come to the court to confirm the right. Now the financiers here are not going to let them go, they are going to hold them, and remember the Act may be changed in favour of the financiers to give them a chance to run the company. It is quite easy to change an Act. You know one was changed in the present session. I can't name the Act.

Now with reference to Clause No. 8: I was not going to mention that; that was adequately taken care of by the honourable member for Bonavista South. About the one hundred million feet of lumber and about the fifty thousand cords of pulpwood.

Now, the Premier questioned Mr. Russell's statement about the clause concerning this. If they are not going to make the timber into pulp wood or pulp what do you expect the Company to do, and the Act says either one or the other. Mr. Russell—

MR. SPEAKER: The honourable member for Bonavista South.

MR. HIGGINS: I am always wrong in that. I was always poor in Geography though very good in History. I can tell you the names of all the Speakers up there: Garland, Carson, Shea, Carter, Whiteway, Bennett, Emerson, Winter and so on. I think if we had the photographs of present members with their designations it would be a very good thing.

MR. SPEAKER: The honourable member is not on the debate.

MR. HIGGINS: Now this Company, what about it, what would you expect it to do, export it and make money, a hundred million feet of lumber which is put in the Aot? It is nonsensical. The Premier told the honourable and gallant member for Ferryland there is no remuneration paid. I don't care what the honourable Premier said, it is all nonsense to me; there is provision in the Act for remuneration to be paid to directors and whether the Premier says it is or not, I say it can be and if there is no intention to pay directors it should not be put in the Act.

Now, Mr. Courage did not have any trouble in understanding the Bill. The honourable member for Hermitage and Fortune Bay says he did not have much trouble in understanding the Bill and that 60% of it was taken up with the usual stuff. I say probably 70%; that is not the difficulty. We are told of the formation of com-

panies, anybody can follow that. But is there any intimation as to how it should be run or the subsidiaries? Can you tell me what subsidiaries and companies are to do? So there is no necessity of a mandate from the people. Certainly not to put in all these assets. It is very easy, it has been said to wind them up.

Now, I am going to tell you gentlemen the Attorney General or I would not know how to wind up this Corporation because it is formed by an Act of Parliament. This is a charter, and how to wind up a charter I do not know, and would not be surprised if insolvent it would go under the bankruptcy law of Canada. That is the sixty-four dollar question I would like to ask the Attorney General. We are not used to Crown Corporations or bankruptcy laws. I do not think it would come under the Companies Act of Newfoundland. I don't think it would be wound up in Newfoundland.

If people know the Government here could easily wind up this Corporation then they would hardly put any money in it. It is hardly likely; and another thing, should subsidiaries be formed, who is going to wind up the subsidiaries? In connection with subsidiaries, there is no doubt subsidiaries could be solvent and the holding company insolvent, but the holding company would have a lot of shares in the subsidiary and would have the right to take and sell. What is going to happen to Newfoundland as a Crown Corporation then? It certainly cannot be denied that shareholders, if it were spread abroad that directors could not deal with any shares of subsidiaries the Newfoundland Government own would be greatly dissatisfied and people would not deal with the Corporation. It must

be treated like any other corporation in order to have money invested.

Now, I cannot guess what is going to happen to this Corporation or what it is going to do. I do not know and do not want to venture an opinion. If the Premier denies what I am going to say he should tell what he has up his sleeve. We should know when debating this Bill and before we vote on this Bill. Now, the Premier told us a five hundred ton mill would cost fifty million dollars, therefore, I presume it is the five hundred ton mill which has been contemplated for some time to be erected on the South West Coast of Newfoundland and which is supposed to use wood from the Labrador. Now, this Corporation has a lot of timber and minerals and water-power and this Corporation could sell these to a subsidiary for sixty million dollars, raise twenty million in bonds then the last ten million could be guaranteed by the Newfoundland Government. They may sell at least six million dollars in shares, but if that happened then it would not be a Crown Corporation so it may be that the shares would be smaller but the bonds would be heavier. The shares may be two millions and the Government would take all or ninety percent and the bonds would be high, maybe six or eight million in order to bring it up to eight millions. I don't know but that is the only thing I can imagine.

Now, I can visualize these financiers who are designated in the Bill hoping to get. I presume, a good percentage for underwriting, and will tell about the wonderful land in Newfoundland; timber, wonderful water-power rights, great mineral rights, enough timber to keep a five hundred ton mill in operation for a

life-time. Then the water-power would not alone supply a mill with power but carry on a saw mill too if necessary.

Now moreover, it is quite possible that the cement mill might be sold too, there might be a subsidiary to take over the cement mill. The Premier mentioned one time to the House it cost about six million dollars to erect and they will sell this to a subsidiary through the Corporation or the Government will transfer it to the Corporation and the Corporation will sell it to a subsidiary. But will it be sold for six million dollars, one million in shares and five million bonds to the Newfoundland Government, is that the idea? I don't know. Will the other Government Companies, the hardwood company and the gypsum mill, be done the same with? Is that the prospect? I don't know. I can't tell. We are not told.

Now, we have knowledge of certain business firms coming here and one we are told is ready to cut enormous amounts of timber in Labrador and pay \$5 royalty. A Corporation so big it is ready to build towns and schools and I suppose put up a nursery for wood and something else, I forget what now, and endow a chair at the Memorial College for the length of time the Act is in force and is ready to pay \$5 a cord royalty. That is a big proposition. There is another big mining company, Falconbridge Nickel Mines, Limited, an honourable name, who are ready to develop and spend money. These companies are ready to spend a lot of money in order to find out if there is any ore there and if they find there is not it just won't work out. One company after spending nine million found nothing and walked out. But these companies are here and would like to

explore and have the right to move around, but they are now going to be stifled, they cannot go around, they can do it with the consent of the Corporation but that is a competitive company and they should be dealing with the Government. Falconbridge is willing to come here and is willing to spend a lot of money in this country and has done so already. What about Buchans, it was formed first with one belt of ore and then found more and more, they are exploring all the time to find the ore, then they develop or hold it until the other is gone—will they be stifled too? Does all this put a clamp on private enterprise? These are things of very great importance. There are men ready to come in and spend their own money on exploratory work and don't ask the Government to put any money up and if they fail this Government, this country, does not lose and is no worse off than before they started. What is more, these exploratory companies are supposed to hand in all surveys to the Government, give copies to the Government and if another party wants to come in the Government can show these surveys to them.

Now, like other members here, I am not in agreement with this preamble. Any Bill of any importance which gives puny words of praise and adulation of the good of the people and so on—I was a bit nauseated here last year when the honourable Minister brought in a Bill relating to the fishery; saying "if ever a Bill had a conscience this was one." I thought it meant life insurance of a billion dollars and looked at the cover and found an accident policy of about forty thousand dollars not a billion. It was their own earnings, part of the fishermen's own money and they were

now asking how to spend it. What happened to the Bill, it was dropped; never heard of it lately. I know what happened to the conscience.

Now, the Premier is always optimistic about projects and makes wonderful prophesies. He has great silviculturists coming from Europe and the people are going to learn about horticulture. The United States is one of the great leaders in the field of forestry and there is no doubt of their great knowledge. Now they are coming to teach Newfoundlanders what to do. I hope they will not be like the Icelandic people who came to teach us about the herring. I hope they do it. They were going to teach us where to get the herring.

MR. SMALLWOOD: They could not get herring when they were not there.

MR. HIGGINS: Other people can have an opinion. We must be humble, be humble in the eyes of God that he might exalt us in the time of visitation.

There is a lot of talk about condemnation of foreigners but that is up to the people. We have the history of the last war when Norway was overrun. It is not because Ottawa passed them, it is all right, they thought other people were perfect and they stole the atomic secrets. You can't blame people for this, many people are entitled to their opinions in this country.

Now, this Corporation is authorized by the Cabinet and bodies commissioned by it, to delegate rights to smaller bodies and the Cabinet is spending money either through itself or this Corporation, and the Cabinet instead of the House is acting and its powers are delegated without restraint.

At the present day the House has no control over them, by Act of Parliament it is passing control to the Lieutenant Governor-in-Council. This is enormously contentious legislation whereby the Cabinet may act without application to the House and an enormous amount of money may be spent by the Government and all they have to do in the interval between sessions of the House is to have the Lieutenant Governor issue a warrant. Actually the Government has finally to get confirmation or have the majority of the House confirm it. Often the money is advanced which has nothing to do with the welfare of the country, not being used for developing the natural resources of the country; I said before, the printing press has nothing to do with natural resources of the country. Now in this Bill the House is asked to delegate to the Cabinet or the Corporation, of which the Cabinet forms a part, certain rights, giving these parties absolute power of various natural resources. The House is asked to vote away what it is supposed to look after, preserve and save from harm, public rights and national assets. The welfare of Newfoundland, the future welfare of Newfoundland is wrapped up in this and it is time the public understood the whole matter.

Now, the Premier said he got no independent financial advice. That is a very strange confession. Surely, the Premier dealing with the assets of a small country should have someone to advise him on matters of such vital importance and particularly when such astute financiers are on the other side, and he now asks the House to delegate to him and the Corporation various powers affecting the welfare of this country when they

have had no independent expert advice on the financial side of it.

It has been said in this House that this is the greatest party ever came into this House and the persons who said that did not blush when looking at the great men on the wall above who bore the heat and burden of the day with little money on hand, no forty millions in the surplus. They bore the burden and balanced the budget by careful work, but any party should have sense enough to know their business ability is small, when dealing with financiers such as we have in this Corporation, their ability is small. Fortunately the legal part is looked after. The Justice Department has had good advisors, expert in the matter, and professional men, and we should have had real professional men on this matter. Those on the other side can't be called experts, they don't know anything about it any more than I. I might know the legal angle, but bonds and budgets, frankly, I don't know; we are all amateurs and should have professional advice in the matter of finances.

The Premier drew attention to the rottenness of the days of Responsible Government, of land gifts to claim-jumpers, people who were friends of the Government. Now, I would like to say that a lot of people of those days were better men than he. Look at the pictures up there; men like Bond. There are no men like him today. These men were good, decent, honourable men, he-men, none of them were grafters. We are only amateur gentlemen on the broad highway of Government. There was more graft in one year in one city on the mainland or in the United States than happened in the life-time of politicians in this country. We had a very small public fund very well protected

and considering the small amount of money at the disposal of the statesmen of those days, we have a wonderful lot of national assets built up. How they did it, I don't know. It required competent, capable, honest and conscientious men to build up out of a small revenue hundreds of millions of dollars worth of assets.

Now, the Premier said that even if the devil came he would be welcome if he brought employment. He would welcome anybody who would bring employment, I presume he means less than the devil. However I am told the devil is out looking for souls that may be bought for a price, ever on the watch; the Scripture tells us that. Sure let us sell our souls if we want to, but don't let us sell our country to the devil; let us crucify ourselves but not our country and don't let us sell our country for the sake of temporary labour, for then we become hewers of wood and drawers of water and soon there will be no water and no timber, and don't laugh when I say no water, because if you cut away the timber there will be no water left and that is no paradox.

The Premier also told us this Bill is not State Socialism. It is not, it is saved by ten percent and that is a narrow escape. Now, I must add that in that case it is a corporation state, by 90% it is. Like Fascist Italy; did not take over but it ran everything in Italy, managed the hours of labour, the prices, the number of people to work. The nation and everything in it was made the slave of business though entirely run by private business people. Do away with private enterprise and stifle it by such a corporation. I state it is able to do that because it is in competition with private enterprise.

Now under Section 14, if the other ten percent comes in and says to the Government, "Now, take our ten percent and have one hundred percent." Then it is socialism, why not go out and call them that and change the name of the party.

**MR. SMALLWOOD:** You would like us to do that.

**MR. HIGGINS:** Yes, we are sure to beat you then.

Yesterday you told us you glory in the word Tory. The Tories are Progressive Conservative, decent, honest men and we follow in that direction. We know that these people uphold the practice of our fathers, follow the old customs.

**MR. SMALLWOOD:** It is a pity they did not vote.

**MR. HIGGINS:** You know the good man falls seven times a day and there is always room for the repentant sinner. Quite a number fell away, but they will come back and will be in the army of the Lord again.

Now, I am against this Bill because there is altogether too little information given to us and what is at stake is too heavy and I say the House should refuse to accept it until all the cards are put on the table. Now, it is foolish to say it is easy to understand, easy to follow. The wording is easy to understand. If I were to say I am going to build a cement factory, if I am going to erect it I am going to carry on a business, and I may enlarge that and I am going to do other things also, have subsidiary companies. We understand all this but it does not make us any more enlightened about the mill, the cement factory and other projects.

I would like to have the following questions answered:

- (1) When will the mill be built?
- (2) Where?
- (3) How big will the mill be?
- (4) When will it be finished?
- (5) How much will it cost?
- (6) How will you put up the money?
- (7) What is the likelihood of profit?
- (8) What other projects, what likelihood of other projects?
- (9) How are they to be formed and for what reason?
- (10) How is the money to be obtained?

We need to know the practical outcome of the association, we know nothing without that. If you were to ask a man information about the mill, would you ask those questions of the owner of the mill? They are far more important than the appointment of directors or the rotation of directors, remuneration or the reserve fund or transfer of shares and all other items which are in every organization or company. These are minor things, let the lawyers fix them up, but let the policy about running be done by business men.

Now secondly, I say it is taking from the House all its rights to dictate the future policy of this and place it in the corporation created by this Bill, place it in the hands of the Cabinet, a small body in the House, the right to decisions which should be left to the House itself. It gives the Cabinet the right of spending money not voted by the House. It gives the Cabinet absolute power over assets of the country, the by-laws, the corporation may make by-laws if it wishes

with consent of the Cabinet, which may not be published and confirmed only by the Cabinet and not by the House. It thoroughly does away with entirely the House of Assembly, taking away the right to direct the work of the corporation, deprives the House of its rights of dealing with the assets of the country, all except those alienated heretofore.

Thirdly: All mineral and water-power and mineral and timber and all other assets which the Cabinet desire to put in with the Corporation, and fourthly because it jeopardizes the future of Newfoundland, its solvency, its honest business as a result obtained by private capital to develop without putting the finances of the country in jeopardy. We have other companies willing to come in and do what the Corporation proposes to do.

Fifthly: The profit is small in comparison with the possible losses. It is a speculative business, the profit is small but if there is a failure of the Corporation then we will see how much the country suffers. If these projects fail it will involve in ruin, the solvency and security of Newfoundland and for that reason we dare not and we cannot vote for it. We have no information and on the information we have we should not vote for it, giving the Cabinet all and absolute power over vast sections of this country. Therefore, I do not support the second reading of this Bill.

MR. SMALLWOOD: Mr. Speaker, may I point out that it is the honourable member introducing the Bill who closes the debate. I have no indication any other honourable gentleman wishes to speak, and it was for that reason only I rose.



If I were to attempt to answer all the points made, good, bad and in-different points or relevant points and points less relevant made in this debate, I fear it would keep us here too long to be comfortable. But there are one or two points that call very definitely for some reply. For example, my honourable and gallant friend the member for Ferryland favoured us in his speech with his opinion of Harriman-Ripley and Company and Wood Gundy Company, but more particularly Wood Gundy and Company. He told us that Company had ruined or almost ruined some reputable companies in Canada; paper mill companies, and we would be justified, I think, in inferring from his remarks that the name of Wood Gundy today stinks in the nostrils of the paper mill trade and industry of Canada. I think that would be a fair inference from his remarks.

MR. CASHIN: That is so.

MR. SMALLWOOD: That is a fair enough inference, that their name stinks or that he thinks that it is so.

MR. CASHIN: Both.

MR. SMALLWOOD: It is a fair inference that their name must stink in the nostrils of the paper industry of Canada and also a fact that their name stinks. Now, if that is so why is it a fact known only to my honourable and gallant friend? How has that fact been kept secret, the alleged fact that the name Wood Gundy and Company stinks in the nostrils of the paper manufacturers of Canada? How has it been kept such a dark secret from all but the honourable and gallant member for Ferryland who is aware of it? Because I think I can convince my honourable and gallant friend that he is entirely wrong and not for the first time in

my life will I have convinced him he is wrong and not for the first time in his life will he have been wrong, just like all of us. And I hope my honourable and gallant friend will be like me, when I am shown to be wrong I admit it, and I hope he will do likewise when I proceed now without further delay to show him he is entirely wrong, just as wrong as he ever was in his life before.

First of all let me say that the Government of Canada repeatedly has availed itself of the services of this firm of Wood Gundy; repeatedly I say; not once in the past quarter of a century has the Government of Canada required loans or sold bonds without availing itself of the far-flung services of Wood Gundy and Company. That is rather significant that the Government of Canada in so serious a business as borrowing money, selling its bonds, etc., should deal with a firm whose reputation is so bad. Another very serious fact is that with two exceptions only all of the Provinces of Canada have dealt and deal with Wood Gundy and Company in their public finances. The two exceptions are Newfoundland who has been a province for only two years, and as a Province of Canada Newfoundland has never dealt with Wood Gundy and Company. The other exception is the Province of Prince Edward Island. But the Provinces of Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have all availed themselves of the services which the great financial house of Wood Gundy and Company have been and are able to render. Now that is a striking fact that all the Governments of Canada, Federal and Provincial, with two exceptions, have gladly dealt with this disreput-

able, and/or discredited financial house of Wood Gundy and Company.

MR. CASHIN: Canada also deals with a bunch of bootleggers.

MR. SMALLWOOD: Now that is not the only evidence of course. We find that some of the great firms of Canada, and there are great firms in Canada, that will not be denied, also are glad to avail themselves of the services of this same financial house. Just listen to some of the names of the companies in industry and commerce and finance: Anaconda Steel Corporation; Aluminum Steel Corporation of Canada; Bell Telephone Company of Canada; Diesel Contractors, one of the greatest companies of the world; British American Oil; British Coal and Electric Company; British Coal Packers Limited; British Columbia Packers, probably the largest fishing firm on the whole Pacific Coast; Canada Cement; Canadian Foundries; Canadian Steamships Limited; Canadian Bridges Company; Canadian Car and Foundries; Canadian Pacific Railways; Columbia Celanese, that is the Canadian subsidiary of the Great Celanese Company of America; Dominion Coal; Dominion Factories; Dominion Tar and Chemicals; Imperial Oil; these innocents abroad; Imperial Oil, they are suckers not knowing the disreputable characters of the name of Wood Gundy who rush in where angels fear to tread, and get this disreputable company to do their financing for them; Inter-Provincial Pipe Line, of the Mac-Millan outfit; National Drugs and Chemicals; Ogilvies Flour Mills, more softies; Steel Company of Canada; George Weston Limited, who are no softies, innocents or ignoramuses.

MR. CASHIN: You omitted one, The Canadian Power and Paper Company.

MR. SMALLWOOD: I was leaving it to the last hoping my honourable friend would work in on that one. If he had listened carefully as I read he would have noticed I did not read the names of paper companies. Now I will read them. I waited for that one. The paper companies of Canada who shudder at merely hearing the name of Wood Gundy, knowing them as well as my honourable and gallant friend so well knows them to be, a disreputable crowd of wreckers, out wrecking paper companies, but not the A.N.D. because they were fortunate enough to get out, got out in the nick of time and never again in the world looked at Wood Gundy Company, obviously, after such a scalding as they got. How about the fact that only last year they went to Wood Gundy and got them to do their financing. A short memory perhaps, probably they had forgotten the scalding they got from them. Take up the Financial Times today and all the financial papers and you will see that a new issue of ten million dollars for a great power and paper company and you will find the firm of Wood Gundy are floating that; British Columbia Cellulose, which is attracting a great deal of attention recently; and Canada Pulp and Paper; the Consolidated Paper Corporation, one of the big ones; Elk Falls Company; Great Lakes Paper Company; Howard Smith Paper Mill. Is my honourable and gallant friend beginning feel a little shaky now? I will go on: The Powell River Company; Provincial Paper. Now look at the dates: Consolidated Paper 1947 the last issue made, handled by Wood Gundy British Columbia Cellulose 1948, last issue.

MR. CASHIN: How many more

companies are associated with Wood Gundy?

MR. SMALLWOOD: Ten or fifteen.

MR. CASHIN: It takes the other ten or fifteen to watch them.

MR. SMALLWOOD: The practice is, as my honourable friend must know, when large amounts of money are borrowed the lending of it is handed to one firm as principal and that firm associates itself with a group. Even the great Harriman-Ripley who issued fifty million dollars the other day for the Province of Ontario is associated in the United States with several other bond houses, and in Canada, Wood Gundy associated themselves with several other bond houses. Take up any bond issue in any financial paper and always on top there is one name, the name of the principal, the people who organize the financing, and nearly always, not always but very frequently, the name on the top in Canada is Wood Gundy, the greatest financial house in Canada. I think that is enough said, at least it ought to be enough to show even my honourable and gallant friend, notwithstanding his interesting remarks here the other day, this firm Wood Gundy is a highly reputable financial house in Canada trusted by the Government of Canada and the Governments of the Provinces and the great industries and companies of Canada and the paper manufacturing trade. This Government feels quite safe in dealing with Wood Gundy, feels absolutely safe dealing with them and don't think we are dealing with gangsters, don't think we are dealing with fly-by-nights or people of no consequence. We know we are dealing in Wood Gundy with

the greatest financial house of Canada.

Now as for Harriman-Ripley we cannot say in dealing with them we are dealing with the greatest financial house in the United States but we can say it is with one of the three or four greatest out of hundreds of financial houses in that great nation.

MR. CASHIN: They have committed themselves to nothing in that Act.

MR. SMALLWOOD: We will come to that, whether they have committed themselves or whether we have given everything away, they are going to clean up, they will get all and we will get nothing, that point I will deal with. At the moment we are talking of the fact that the Government of Newfoundland accomplished the remarkable feat of having two of the greatest financial houses of the world become willing openly to associate themselves as partners with this Government. Now that is a remarkable fact, that is a remarkable achievement for this Government. No previous Government in Newfoundland could have been capable of achieving that; no Government unless it would have been the Commission of Government, they might indeed have been able, but no other government in Newfoundland was strong enough or reputable enough or wealthy enough to be able to get two of the greatest financial houses in the world not only to associate themselves with the Government and to do it publicly but to become partners with the Government in some enterprises and that is what this Government has accomplished.

Now, the next point I want to deal with is this: The honourable mem-

ber for Harbour Main-Bell Island, I have forgotten whether he is the junior or senior member for Harbour Main-Bell Island but the gentleman who sits at the back, because my honourable friend who lives on Bell Island is so young looking, I feel he must be the junior, he shakes his head therefore I gather he is the senior member. Well, the honourable the junior member for Harbour Main-Bell Island said, and I took down his words and if I have misquoted him I would be glad if he corrected me: He said, "Mr. Speaker, we are asking members of this House to give away nearly all that is left of Newfoundland to this Corporation." And then again he said; "We are asked to give it away." And again, "We are giving it all away." Now, he was not the only one who said that. Virtually every member on that side used those same words, giving away our natural resources to that Corporation, what is left of the public domain, to that Corporation. Again and again they have shown very clearly that they regarded the Corporation as something separate and distinguished from Newfoundland. Newfoundland is one thing, the Corporation is another, separate and apart with a gulf between them. On the other hand that does not prevent the honourable junior member for St. John's East from telling us this is only ten percent removed from socialism.

Just in passing will he mind if I point out to him a rather remarkable difference between this Corporation and socialistic organizations. He said that in Britain, as he understood it, the socialist government nationalized the railway, the coal mines and steel industry, this Government is nationalizing only 90% so that they

fall short only by ten percent of nationalization. May I point out to him and to the House that there is a rather remarkable difference between what we do in this Bill and what the British Government has done in its legislation? When the British Government nationalized the railway, they nationalized private property, and so with steel and so with coal, they nationalized private property, they expropriated private property by legislation paying certain compensation in doing so. But it was private property they nationalized. Now this Bill does not suggest nationalizing anything, private or public property, we could not do what has already been done. If a man is drunk he is drunk and can be drunk only once. This property envisaged in this Bill is already nationalized and was before we were born. It belongs to the Crown, to the public, to the Government, it is for the people, we are not nationalizing it, it is already nationalized. What we are doing is denationalizing it to the extent of ten percent. I am surprised that my honourable friend did not see that. What has always been nationalized will become in part, precisely ten percent, privately owned property, operated by private enterprise. We can't have it both ways. The honourable gentleman, the junior member for St. John's East tells us it is socialism. The honourable and learned Leader of the Opposition tells us it is fascism.

MR. HIGGINS: You said it was only removed by ten percent.

MR. SMALLWOOD: It was not I, it was the honourable Leader of the Opposition. What I said was that it was a combination of State Socialism and private enterprise. Now can my honourable friends opposite have it

both ways? Which will they choose, they can't have it both ways. They are either right when they say the Legislature is asked to give away this public domain or they are right when they say that this is socialism, it cannot be both. If they would only get together and decide what they do mean.

MR. RUSSELL: It could be both. We can nationalize and give away at the same time. The House is giving away its rights to this Corporation which is—

MR. SMALLWOOD: Now he talks about giving away the public domain, my honourable friend sees the difference, argues that this House is called upon to give away the public domain and at the same time argues this is nationalization. It could not be both. Tell us why it is?

Incidentally I was touched by the gallant effort made by the honourable junior member for St. John's East, his gallant fighting effort on behalf of the fishermen living in Notre Dame Bay and their right to go prospecting. I was touched by the indignation he expressed over the fact that a corporation, he did not say soulless, but that a corporation for ten years is to be given the right to prospect and the only right for ten years to prospect, thus denying the fishermen of Notre Dame Bay the right to go prospecting, saying they can now lock their doors and leave their little homes and go off prospecting, and at that point I was reduced to tears. At that point tears blinded my eyes and I was deluged in sadness at the picture of this tyrannical government invading the rights of the fishermen of Notre Dame Bay to prevent them by law and to have the audacity to come into this House and ask the House to

ratify the law which will prevent these fishermen from going off prospecting in Notre Dame Bay. My honourable friends opposite are reduced to a pitiable plight in opposing this Bill. Now the honourable gentleman treated the House to his opinion as to whether this Bill, if it becomes law and the Corporation is set up under the law, if it will bring any money into the Province. His opinion is that it will not. I have no doubt the House duly noted his opinion, but it is not the opinion of the Government. The Government are not proceeding with this project for fun; they are not proceeding with it merely to waste time. We are proceeding with it as part and parcel of the great drive undertaken more than a year ago to bring about the economic development of this Province as the very preamble to this Bill puts it, to develop the Province and raise the standards of the people's living and this is part and parcel of it and because we think so and because we think the Corporation will be the means of bringing very important capital, new capital into Newfoundland, that is why we are going ahead with it.

Now, Mr. Speaker, my honourable and gallant friend from Ferryland said we give all these concessions named to this Corporation to peddle around the world to make what they can out of it. Now that is literally true. And I agree fully with it, that is exactly why we are creating it, the Corporation, and as a matter of fact although I do not agree that the word "peddlers" is quite the dignified expression that might be used in a more dignified atmosphere, I agree it is the best definition of this Corporation so far projected in the House in my honourable and gallant friend's sentence which I will repeat, except

that I object to the word "give" and the implication of the word "all" and object to the word "peddlers" but those are minor objections: "We give all these concessions to this Corporation to peddle around the world to make what they can by it." Now that is exactly why we are setting up the Corporation. That is a splendid definition.

MR. CASHIN: Tell us about the failure of Valdmanis to promote the paper mill, are those people going to do it when he failed?

MR. SMALLWOOD: That is not so and my honourable and gallant friend would not want me to admit something that is not so. It is not so. The Corporation, Mr. Speaker—let me put it this way; suppose the Government were to come into the House with a Bill to create a wholly owned Crown Corporation, one hundred percent with no private enterprise in it at all, no partners, just the Government, a Crown Corporation. And to that Crown Corporation the legislation suggested that precisely these same areas be ceded under precisely the same conditions, then the only argument to be brought forward in this Chamber which would still have any consistency at all or any validity as an argument is the one brought forward by the honourable member for Bonavista South. If that were the case, if it were wholly owned, a Crown Corporation wholly owned by the Government, then what would we be doing in that case? At the moment those same areas are wholly owned by the Crown, the particular department which has jurisdiction over them is my honourable friend's on the left, his Department of Natural Resources. At this moment anyone interested in going prospecting or logging or into woods

operations would naturally enquire and discover it was the Department of Natural Resources, and he would go and discuss it with the Minister and the Minister would bring it in to the Cabinet and the Cabinet would discuss it and a decision would be taken. That is what happens now. Now, we set up a Crown Corporation wholly owned by the Government, what would then be the difference, can anyone tell me? That wholly owned Crown Corporation then would be merely an extension of the office of the Director General of Economic Development, merely a department or division of the Government. In the broader sense of the word of course, I don't mean parties but a Government organization wholly and solely. Now what advantage would that be?

Now on the other hand if we were to bring in a Bill setting up a Corporation wholly owned by private interest and that Bill proposed to give to that Corporation the same areas named in this Bill, would that not be an absolutely unprecedented thing for the Government to do. Although I remind the House that the Government of Newfoundland gave to one company ten years ago for ten years, twenty thousand square miles in Labrador; The Labrador Mining and Development Company, which expires a year or two from now, twenty thousand miles with the right in that time to make—does the honourable member remember?

Now what does the Crown get out of that? Five percent of their profits, the profits being defined in the Act as being what is left after a great long catalogue of named expenses had been paid and what is left is net profit and the Crown gets five percent. Now, that is the reward from a great area of twenty thousand square miles.

That is what the Commission of Government, a good, clean, honourable government, I don't think anyone doubts it, clean and honest, not democratic but clean and honest and honourable, enacted.

MR. CASHIN: And generous.

MR. SMALLWOOD: Not nearly as generous as governments in the past. Who gave Harry Crow the land he sold to Lord Northcliffe, now the A.N.D. Co? Who gave him that land? God did not do it, some government did it. He made money but how much did the Newfoundland Government make out of it? What did the Newfoundland Government ever make out of any Crown Land in Newfoundland as a direct payment? I pointed out here in introducing another Bill that all that the Newfoundland Treasury got last year as a direct cash payment from Bowers and the A.N.D. Co., Buchans Mining Company and DOSCO and the two mining companies in St. Lawrence was \$355,000 altogether. That is all. That is the way we have been giving away our property, our public domain in the past. This Government does not believe in it. It could very well do what it did with Falconbridge. I will not attempt to anticipate legislation due to come before the House.

That brings me to my honourable friend the member for Bonavista South who expressed words something of this order: I am entirely at a loss to see how a better deal can be made than the Falconbridge Nickel Deal. I will tell him the answer to that. We have surveyed at a cost of some hundred thousand dollars last year an area of five square miles in Notre Dame Bay. That is not a lot of money.

MR. CASHIN: It is a lot of mileage.

MR. RUSSELL: Falconbridge would have done that.

MR. SMALLWOOD: It is a little late in the day to say if we had not made a survey of that area Falconbridge would have done it. Falconbridge came in and because they were the first mining company in the world to show any interest whatsoever in the mining possibilities of Newfoundland since this Government came in, we treated them with rather more than ordinary generosity as will appear when the legislation comes down. If I had my time back I doubt, I may say, I doubt that we would make these concessions but we whittled it down and down and finally they gave up and went home and I said "Never mind, they will be coming back." I was right, they came back, there were gentlemen who did not agree, thought I was making a mistake, thought we were losing Falconbridge. But three weeks later they came back and I met them in my office and I told them quite frankly that this is as far as we will go, and that is what they got. One company, remember a good company, one of many good companies, but one company only of hundreds of dozens but a very large and big one. They got two thousand square miles or rather more. They have to spend \$150,000 or some trifling peanut sum of money, \$150,000 on two thousand square miles, one of the most promising areas in the world perhaps, an area contiguous to Buchans mine. If we had our time back I doubt very much if this Government would do it but it was only because they were the only company in the world with any active display of interest in our mining prospects and we wanted to get the ball rolling. At that time the

thought was born in my own mind that what we needed was a development corporation. That is when the idea was born in my mind. We gave them the two thousand square miles. I say it is not possible for Falconbridge to give that two thousand square miles the kind of thorough prospecting that it needs and we have to get away in Newfoundland from the idea of giving any one mining company vast areas. We have to get away from it. How much better would it be if we had that area to pass over to the Corporation along with the others which we will pass over if this bill becomes law, and have that corporation bring in additional companies to scour the areas which they alone now have the right to survey and pay \$150,000 a year for doing it.

I can give another example of a very fine company on the Mainland of Canada who have a good reputation, very much interested in what may be a very important mineral deposit in the Mealey Mountains of Labrador, and they want to go in and prospect now, would like to be in there today or tomorrow and do a magnetometric survey and not all kind of mineral shows on a magnetometer, some can and some can not. Those you can are in the Mealey Mountains and I understand it is mainly around the edge where the mountain meets and merges into the land. It is thought perhaps that is where the mineral lies. They wanted this area but we wanted to hold on to it and vest it in our own Corporation, our own 90% Crown Corporation so that we could say to them: we are the board, you come to us. I still think that is a lot of land to give Frobisher, for one company to get. Frobisher is an energetic Company apparently willing to spend money and do a real honest to goodness survey,

If Frobisher is not willing to do it then the corporation can bring in another company. We hope that Falconbridge will bring in half a dozen fine American mining companies, each one taking two or three hundred square miles and concentrate on them and spend money on them, do the geophysical and magnetometric survey, the drilling and spend real money, more than the Government can spend. I welcome the idea of this Corporation bringing here Harriman-Ripley and Wood Gundy as partners of Newfoundland, not the Government but Newfoundland partners, "peddlers to us" my honourable friend's term, and as I said when he used it "some peddlers." If we can bring in such peddlers as partners I think they will be able to succeed in bringing large and important American and Canadian houses in at their own expense to do their own prospecting and then having discovered something, deal with the corporation, get their lease from the corporation of what the corporation holds itself on title rights. That is all the Bill does; gives rights, title to rights but not title to land. What the Corporation owns it could sublease to these various corporations at a profit and the profit comes into the Treasury of the Corporation. We own 90% of that profit and the private partners who would have sold the deal, brought in the companies and who had bought their shares and paid the Corporation for them, they get 10% of the profits. Now what is wrong with that? Would you expect them to do it free?

Now as my honourable friend, the Attorney General says, every ten cents the corporation makes, nine cents comes into the Treasury and one cent goes to private partners, every dollar, ninety cents to us and ten cents to



them, for every thousand, nine hundred goes to us and one hundred to them. My honourable and gallant friend said yesterday, but for every dollar you lose they lose ten cents. What does he want, does he seriously think that any private company would come in on any other basis, share the profits, share the losses, share the wealth. That adds up, makes sense, does it not?

Now, my honourable friend made one valid criticism, just one that I thought at least was sound when he said "what will this corporation accomplish, I don't know, we are not told what it will do for Newfoundland, I don't know—the Government does not tell us, I don't know—the Bill does not say." I know you cannot wave your arms, it is only the honourable and gallant member for Ferryland and myself who do the arm waving, it must be the French in us or a bit of English or something, I don't know but we do the arm waving. But except for the arm waving that is what my honourable friend said. "What will the Corporation do, will it put a paper mill there, a mine here, will it put something else there?" I can't say, I say quite honestly I don't know, nobody in the Government knows, we don't know, we can't guarantee, but we can try, Harriman-Ripley can and will try. Put it this way, suppose this Bill is passed on second reading today, on division probably, and goes through committee stage and some changes are made in the clauses, as doubtlessly there will be, and it gets third reading and Royal assent and a meeting is called of the first directors and shareholders and a million dollars is placed in the till. They meet and say, well we are a pretty big outfit with a million dollars in the till, but we have all the land so

we are a big outfit, and a year later they meet, having not met in the interval, hold an annual meeting and find they have made no profit only some expenses, the office, telephone, light, janitor services, stenographers and office management, they spent out some \$25,000 for the year but have no dividend, but it is a wealthy corporation, the Legislature of Newfoundland was naive and foolish enough to make them a wealthy corporation so they meet at their annual meeting and can't declare a dividend, and so annually, year by year there is the usual meeting and an additional \$25,000 or \$30,000 spent but they have not profits, no dividends. Is that why they come in, is that why Wood Gundy comes in? Does anyone think that there is only one way Wood Gundy and Harriman-Ripley can make a copper in dividends? It is the commission they make on any bonds or financing they do for this Corporation. Will Harriman-Ripley and Wood Gundy look at a corporation like this and say, we will go in to this corporation and between us all we will put up a hundred thousand dollars and if we can get a Canadian or New York or any of the numerous companies to go in and start mining, if we can induce them to do that they will pay royalties to the Corporation and we will get our ten percent of the profit of the Corporation and the Government of Newfoundland will get the other ninety percent but we presume these companies in starting mines will need financing and they will come to us for preferred stock or common shares they will to sell.

MR. RUSSELL: That is not any part of the argument.

MR. SMALLWOOD: No, certainly not, but we are justified in presuming that if we bring any company in to

Newfoundland. Harriman-Ripley or an officer of Harriman-Ripley can go into American markets and say: Look have you being paying any attention to Newfoundland? Do you know there are pretty good prospects for minerals down there? Look at that, it is a geological report, or so on, of this area in Notre Dame Bay. Take a look, see what the geologists say. They look it over and say, we should look into this and so they call back again to Harriman-Ripley. Or they don't need to call back, they will be camping on the door step. They are now ready to talk business and they are told: We are able to give you two hundred square miles and the rates are this, thus and so. Now, not Harriman-Ripley but the Corporation sets these rates. So they come in here and prospect and have to spend two or three millions to start a mine and they have to get money from a financing house and I presume that any company brought in by Harriman-Ripley, Wood Gundy, will be financed by bonds and they will make a commission. So the only way to make a dollar out of this Corporation is not the dividends paid out of it, the profits of the Corporation. Now the more money they make the better for Newfoundland. The more money, I say, Harriman-Ripley and Wood Gundy make out of this thing the better for Newfoundland because they cannot make money unless Newfoundland makes money, they are only partners in the Corporation, ten percent partners and the Newfoundland Government are ninety percent partners. They cannot make money without the Government's sharing but the Government makes ninety cents for every dollar. What is wrong with that?

Now, frankly we cannot guarantee results, all we can guarantee is to try hard, Mr. Ripley, who is in the House,

is present here this afternoon, a vice-president of Harriman-Ripley, informs me and the Government that they will try hard to make a genuine effort to interest companies in coming into Newfoundland at their own expense, such as Falconbridge and Frobisher are doing and other companies as well but we have too few of them.

Well, there are a lot of other points but I could talk forever. My honourable friends opposite have no faith in it. They want to see results before the thing is started at all. They want to have guaranteed results. We can't guarantee them but this I will say, we ourselves are going to propose some amendments in committee of the whole. One is to eliminate the clause giving the Lieutenant Governor in Council the right to add to the holdings of the Corporation—that is coming out.

MR. FOGWILL: That is sensible.

MR. SMALLWOOD: Now, there are other changes, one with regard to mining areas that we think we will propose. Maybe our honourable friends opposite have some amendments to propose to improve the situation and without offending Harriman-Ripley and Wood Gundy, so-called peddlers but we don't want to lose our peddlers and anything we can insert in the Bill without jeopardizing the activity and sympathetic friendship and support of these two great houses we are willing to accept, besides that which we propose ourselves. Mr. Speaker, I move second reading of this Bill.

Moved and seconded this Bill be now read a second time.

Division is called.

MR. SPEAKER: The motion is this Bill be now read a second time, those supporting the motion please stand.

Honourable the Premier, Hon. Attorney General, Hon. Ministers Public Welfare, Provincial Affairs, Public Works, Supply, Fisheries and Co-operatives, Hon. Mr. Vardy, Mr. Morgan, Mr. Bulton, Mr. Janes, Mr. Horwood, Mr. Canning, Mr. Courage.

Against: Hon. Leader of the Opposition, Mr. Fogwill, Mr. Jackman, Mr. Fahey, Mr. Russell.

Motion lost 14-5.

Motion is carried. It being now six o'clock I do leave the Chair until 8:00 of the clock.

#### NIGHT SESSION

MR. SPEAKER: At 6:00 o'clock the motion was put that the Bill, "An Act to Incorporate the Newfoundland and Labrador Corporation Limited" be read a second time.

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

Second reading of a Bill "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired, Marine Engineer."

MR. SMALLWOOD: With reference to this Bill and to make the position clear beyond a doubt, this is a money Bill and I think we will make it a Government measure. I think the whole House desires that Mr. Forbes should get his pension and purely for that purpose and to meet the wishes of the House I move it. I don't think I need to say a word about it as I think the House understands the situation and it is the only way to get what is undoubtedly the desire of the House, but which through some technicalities cannot otherwise be gotten. It is the wish of the House Mr. Forbes

gets his pension and I move the second reading.

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

MR. HIGGINS: May I ask one question, Mr. Speaker? I understand that enquiry has been made as to whether there are other people in the same position. I think there were two or three.

MR. SMALLWOOD: They are under consideration, Mr. Speaker, but I don't think the investigation is sufficiently far ahead to enable us to bring legislation in and in any case Mr. Forbes is the only one petition received. I suggest that this Bill be now referred to the Committee stage.

Motion is that this Bill be referred to Committee of the Whole now.

The Committee rose and reported having passed the Bill without amendments. Ordered to be read a third time now.

Read a third time, ordered passed and Title be as on the Order Paper.

MR. SMALLWOOD: Mr. Speaker, I think we are ready, I think the honourable member for Labrador expressed the wish to speak on the Seighiem Bill but he is actually not ready yet consents to go on.

MR. CASHIN: I adjourned the debate. I am going on.

Second reading of a Bill, "An Act to Ratify an Agreement Made Between the Government and Dr. Arthur Seigheim.

MR. CASHIN: Since I adjourned this debate, Mr. Speaker, because we did not have the actual copy of the Bill yesterday afternoon, to see what was into it and this afternoon this Bill

was tabled in the House. While I support the principle of the Bill—I want to see work on the Labrador—but I am rather doubtful when I notice that whatever his name is, incidentally he is not a Swiss but a German, is prepared to pay \$5 a cord royalty on this wood. But there are tails to that \$5 a cord and when the Bill comes into Committee, personally I am going to move that section four comes out altogether. Now, this is not fair particularly when we read Section 2. Well, I think it is impertinence on his part to come alone here and say he is prepared to pay \$5 a cord royalty and then add a clause that if the market prices go down to submit it to arbitration in Germany to determine the market prices.

Now, it was stated here by the Premier yesterday that the freight rates across the Atlantic from Hamilton to Rotterdam is \$30 a cord. I don't believe it, and I have taken it on myself—I don't know if I have here a copy of a message I sent last night or not.

**MR. SMALLWOOD:** It is more important to have your reply.

**MR. CASHIN:** You can't get a reply inside of several days or probably a week or two. There is no shipping firm in the world today prepared to contract to take that wood across for a period of years, or even a year. It will probably be a week or two before I get a reply because I was not in the position to name the financial firm and offer so much a cord. Yes, it will probably take a week to get a reply to that telegram and when they get it they will probably say, Cashin has gone crazy. Here is the position, no wood has been cut on Labrador this year, he is not committed in his agreement

to cut any this year. He is in a sense committed next year but I venture the opinion that he won't be able to cut a cord because Seigheim—my, we will have to get an interpreter in here to teach us foreign languages before very long, we soon won't be able to pronounce our own names we will have become so accustomed to pronouncing foreign names—won't be in a position to ship two hundred thousand cords because, I want to ask you, Mr. Speaker, don't take my word for it, get in touch with Albert Martin and ask him, if you gave him the contract tomorrow, would they be able to cut two hundred thousand cords and ship it this year from that area? He will tell you, no, I predict that. Why? Because before he can cut a cord of wood he must establish camps and it would take all this year to do it. Next year he can bring men in from Labrador and Newfoundland and from the Province of Quebec. If he is going to cut wood it is questionable if he will get men from Newfoundland or not. There are plenty of wood operations in Newfoundland at the present and will be for some time to come, thank God. We would want at least one thousand, not five hundred men because five hundred men cannot cut two hundred thousand cords a year, drive it, haul it, load it and ship it. It is impossible. You want at least three thousand, the more the merrier. Two hundred thousand cords of wood, prior to a few years ago was a big cut for the A.N.D. Company, I presume they cut much more now, probably six hundred thousand and Bowaters six hundred thousand, over a million between the two of them. But he has to establish camps, places to live, stores, etc; that is a year's work in itself.

Now, I am not trying to knock this proposition in any way. I want to see it go ahead, but I am leery of that \$5 a cord. It looks too good. Seigheim knows nothing about wood otherwise he would not try to commit himself to ship two hundred thousand cords next year which is a physical impossibility. Don't take my word for it, go and ask Bowater's who will tell you the same thing unless I am mistaken. Now, Mr. Speaker, I was mixed up in operations such as this about ten years ago and the outfit were only going to ship one hundred thousand cords and it took nearly two years to get ready to ship one hundred thousand cords a year. That is one thing they don't know anything about, this wood business, particularly on this side of the water. They have never operated on this side. It is just the same or worse than if I went to Holland and tried to operate. Nevertheless, I hope they do. But in relation to clause four, when the time comes in Committee, I want to tell the Government, right now, I will move to have it taken out altogether. Now, with regard to the ten percent on the Mainland in the Province of Quebec and in New Brunswick the price of wood has gone up and down but they don't reduce the stumpage to the Federal Government in New Brunswick and Quebec, they made a deal for 75c. a cord and they don't say if the price of wood goes down the stumpage goes down in proportion. These people say \$5 but add a tail and say it cost \$30 transportation. My guess is it would cost \$15 to transport it.

MR. SMALLWOOD: Present wood prices in Finland is \$17.50, F.O.B. to Finish ports; if that goes up by ten percent or more our royalty is affected but I know the honourable

gentleman would be interested in knowing the present price is \$17.50 which is not a tremendously high price and it might go higher.

MR. CASHIN: It might go lower. Let us have a stabilized stumpage price, that is what it amounts to. Let us have two dollars or three dollars or five dollars, but let us have it definite.

MR. SMALLWOOD: It won't go below \$2.50 for many years to come.

MR. CASHIN: I don't know, the world may be upside down, it is half upside down now, no one can tell. A definite stumpage should be incorporated in here. I tell you, Mr. Speaker, right here now, if that crowd are prepared to go ahead and heave money out and are prepared to start operations on two hundred thousand cords, I would say, I am not going to charge you \$5, it is too much.

MR. SMALLWOOD: It might be a sound idea to put in a minimum.

MR. CASHIN: I would charge \$3 whether the price is up or down or whatever price is agreed on but if you have it at \$5 and subject to market prices that is no good for this country. We are selling this wood on the stump as it is cut and we charge \$5 a cord. That is too much. It is not worth it, profiteering in a sense. Now, another point I brought out yesterday which I want to emphasize today. I don't know if the Premier has the leases here of the property held—would you mind letting me have a look at them, Mr. Speaker? The actual leases, the one for the Labrador Pulp and Lumber Company. I have seen it some time ago and read what the lease said. Now under this lease the Labrador Pulp and Lumber Company can cut

timber on the Labrador and pay at the rate of 25c. a thousand feet.

MR. SMALLWOOD: Would my honourable friend allow the Attorney General?

MR. CURTIS: I was just going to say I have had occasion to look at the Bowater agreement of 1926-27, under that agreement if they manufacture more than so many hundred tons of pulp they are permitted to export an additional pulp wood and the royalty starts at a dollar and goes up by fifty cents a cord for every five dollars increase in the price of pulp over \$75 dollars; in other words they used the price of paper for a yardstick and at that time the price was \$75 a ton and every five dollars the price of paper goes up after \$75, they pay an additional 50c.

MR. CASHIN: Have they done that?

MR. CURTIS: They had not exported any, I understand.

MR. CASHIN: The point I am getting at is this. Here is the Labrador Pulp and Lumber Company Limited; they have for argument's sake, a one hundred and fifty thousand miles lease, 99 years lease, well-timbered, probably twenty million cords of timber on that and control the timber on either side because it is questionable if anyone taking this up would be able to use their land for hauling and driving on the river. Now, if these people really meant business they would, instead of paying the Government a million a year for two hundred cords of wood, they would buy that property and I am sure it could be bought for a fair price.

MR. SMALLWOOD: If you knew this legislation was coming up, would you?

MR. CASHIN: Yes, I will tell you why. Right now, Sir, if I were in a position to export two hundred thousand cords of pulpwood and had the necessary money, do you mean to tell me I would go to the Government and pay five dollars a cord when I could get it for one and a half by buying the property for a quarter of a million dollars? That is the position, 25c. a thousand feet. That is their royalty they have to pay the Government under that lease.

MR. CURTIS: They have to saw it.

MR. CASHIN: Not necessarily, pulpwood.

MR. SMALLWOOD: Not pulp, they have to saw it.

MR. CURTIS: They have to manufacture it into saleable lumber or other saleable product.

MR. CASHIN: Now, that covers a multitude of sins. What other saleable products? Would not pitprops? What can you manufacture wood into apart from lumber or pulp? I tried to find that in that lease.

MR. CURTIS: It is provided and their license is upon the specific conditions: It says the company shall commence within one year and complete within two, or three from the date 1951 for the erection of a saw mill at the rate of two hundred feet board measure every twenty-four hours and spend the sum of \$125,000 in erecting and equipping a factory or factories for the manufacture of paper and paper pulp, erected to commence within two years and be completed within five years from the

date that the said Labrador Pulp and Lumber shall take and manufacture into lumber or other saleable products all the timber, every tree cut down.

MR. HIGGINS: You mean two hundred thousand feet per day, that is six million a month, seventy two million a year.

MR. SMALLWOOD: What kicking about one hundred million.

MR. CASHIN: We are getting lost now in figures.

MR. SMALLWOOD: It would not be so simple to make a deal under that lease.

MR. CASHIN: I don't know but I know that the price the Government intends to get to cut it has me flabbergasted and when they come along and tell you the freight rate is \$30 a cord they don't know what they are talking about.

MR. SMALLWOOD: That might be landed at the mill.

MR. CASHIN: \$30 across the Atlantic to Rotterdam is ridiculous.

MR. SMALLWOOD: It could mean putting it to the mill.

MR. CASHIN: In Europe today the rate of pay is nothing compared with our people; our fellows get \$5, and \$6, and \$7, and \$9 a day, it would take that crowd a week to make that. That part is ridiculous to me.

Now, as I said at the outset, I support the principle of the Act but again I say section four of the Act should come out altogether, or a clause inserted to make a minimum stumpage or royalty not less than \$3 or \$3.50 a cord under any circumstances.

MR. SPEAKER: May I remind the honourable member that may be more properly discussed in Committee of the Whole.

MR. CASHIN: I agree with you, Sir, and it will be discussed in Committee of the Whole as well. I want to drive it home before so that there won't be any undue argument. All we have to do is draft a new section and it is done.

Now, in addition to these two hundred thousand cords, these people also agree to cut another couple of thousand cords, they must have unlimited capital. Now, as I see it if this is made law they can come along to you, tomorrow and say, in addition to that two hundred thousand cords, we want another two hundred thousand cords for some one else and you got to cut it or else. That would mean four hundred thousand cords to be cut in one year, and four hundred thousand cords of wood is quite a pile. Then in addition to this two hundred thousand cords this Bill also agrees to cut another couple of hundred thousand cords. They must have unlimited capital. If this Bill becomes law a man can come along today and say: in addition to that we want another two hundred thousand cords for some one else and you have to cut it or else the agreement lapses. That is four hundred thousand cords to be cut in one year. Well, four hundred thousand cords of wood is quite a pile. I imagine stacked up to six feet high, bet it would reach from here to Port-aux-Basques and probably, farther. It is a lot of wood. Now, I don't think any concern, though they may be German, are going to undertake to do that. There is going to come along another business proposition and say we are prepared to cut but not to cut another two hundred thousand cords

for someone else who might be a competitor of ours. They are not going to do it, it is ridiculous.

The other sections of the Act can be gone into as we go into committee. There is very little in it only this, I am afraid in this whole thing we may be making asses of ourselves by discussing the thing at all, that it is going to blow up one of these days. It looks suspicious to me to have people offering.

MR. SMALLWOOD: Not offering, we asked it.

MR. CASHIN: To me it is ridiculous because you are making too much profit, other outfits do not bring in more than \$1.75 at the most.

MR. RUSSELL: It is time for us to get a break.

MR. CASHIN: You are not going to get it.

MR. SMALLWOOD: We are a good Government, a very good Government to drive people out because we ask too high a price.

MR. CASHIN: The position is I don't see \$5 a cord. It shows a lack of sense somewhere.

Then there is one other point the most important of all. "The Government shall use its best endeavour to assist the financier to arrange with the Timber Controller of Canada for the export of the said pulpwood."

What if the Canadian Government should say you can't export that?

MR. SMALLWOOD: They had better agree.

MR. CASHIN: Suppose they don't?

MR. SMALLWOOD: They will find a market for it if they don't.

MR. CASHIN: I say these things should be all cut and dried and the Government of Canada should have agreed. It should be stated here that they are prepared to permit the export of this two hundred thousand cords of wood. Before doing a lot of debating they should have made that arrangement. Have you applied to the Government of Canada to make that arrangement, applied to the Timber Controller of Canada at Ottawa requesting that permission?

MR. SMALLWOOD: Would it not be far sounder procedure to pass it before asking them, when it is the will of the Legislature of Newfoundland that it be done? Now, if it is just the will of the Government and to one approach Canada says no which I do not think will happen. Yet, the best procedure is to bring it into the House and if it goes through unanimously as the wish of the Legislature of Newfoundland it would make it a little more difficult to turn it down, does it not?

MR. CASHIN: That is all very fine but suppose they do say no, what can we do about it? And then the Government undertake to use their best endeavour to permit the importation of machinery and equipment needed for the project. Now here is the position. They are supposed to be all ready to start, according to the Premier. It is not going to start until the people concerned know whether or not any equipment is to come in, and how long is that going to take?

MR. SMALLWOOD: The moment this Bill passes.

MR. CASHIN: Is there any assurance that you will get it in this Bill?

MR. SMALLWOOD: We will get it.



MR. CASHIN: That is all very fine but why dilly dally, I want to see everything on the Table.

MR. SMALLWOOD: If we don't it is all over, that is the end of it.

MR. CASHIN: I feel it should be ironed out now. Ottawa should say whether or not they will give the permit and let the machinery in either duty free or with special concessions on it. In the old days the Government always let in duty free any equipment and machinery to start an industry.

Now, this afternoon emphasis was placed on the fact that we get four hundred thousand dollars out of our other industries, Buchans, the A.N.D. Co., Bowaters, Bell Island, etc., but you forgot to mention, I think, I mentioned it myself yesterday, that Bowaters must have paid a million or a half million to the Federal Government in Corporation and Profit Taxes and the A.N.D. Company just the same. One time Bowaters and the A.N.D. Company would have been paying these taxes in Newfoundland and we lost out in that respect by Union with Canada. It is all very well to say we are getting more money out of the Dominion of Canada than they are getting out of us. But we are not by any means and we are not in a position to debate that question at the present time. But the point I am making is this; when the Premier brought up that statement that we were only getting four hundred thousand dollars out of these various industries last year, it only goes to show me what would have been gotten if we had our own Government.

MR. SMALLWOOD: He is back again.

MR. CASHIN: But that is gone and we have to forget it but everyone

is either a Confederate or anti-Confederate. The Premier and I at every opportunity dig at one another. Died in the wool Anti-Confederate, yes I am, and the Premier is a died in the wool Confederate and I am just as much entitled to my ideas as he is, or to be Anti as he is to be Pro or anyone else. It is done anyhow and history will tell the ultimate result of the whole business. I have no sympathy for Bowaters having to pay a million and a half dollars or whatever it is in profit taxes. I have no sympathy for them whatsoever, but this Provincial Government lost one hundred and fifty thousand dollars they used to get in lieu of taxation. Now they don't get a dollar from Bowaters today. They may pay a couple of dollars a square mile rental on some timber areas and that is about all we get out of it. No stumpage or we don't get any stumpage from the A.N.D. Company and they probably also have some timber areas on which they are paying \$2 a square mile.

Now, coming back to this Bill, I am only too delighted to be able to support the legislation which is going to give employment on Labrador, I, and I use the personal pronoun advisedly, was interested as I said in one of these projects ten or 11 years ago. It is nothing new to me. The Bill here is practically in some ways similar to a proposed agreement which a group I represented tried to negotiate with the Commission of Government in 1939 or 1940 only we were not so optimistic as those people, we would only undertake to cut a hundred thousand cords a year and were only in a position to pay 75c. or \$1 a cord. This makes me suspicious. Who will tell me anyone is prepared to come in here and pay that kind of money and

then turn around and tell the Government even though they are men of business that they will pay \$30 a cord freight. It is ridiculous to begin with and I will produce documents before the House closes that the freight rate is much lower. Now this project should give employment to two or three thousand people and pay them big money, today men average ten dollars a day, that is twenty-five or thirty thousand dollars a day for twenty five days a month, a million dollars a year if they work continuously. Then they have to cut down the wood, haul, drive, boom, load, that is all labour or all money paid to Newfoundland or Labrador people for cutting and doing these things, that is at least \$12 a cord in my opinion, two and a half million in labour in that respect in addition to which you can add three million a year employment to people on the Labrador and people belonging to Newfoundland that might go there if you can get them to go down there.

Now, the Premier pointed out very thoroughly that up to the present the Labrador Timber Areas have had a black eye; every one went down there failed. Dickie who started operations in the early part of this century about 1901-02, or somewhere around there, exported some timber from the bottom of Hamilton Inlet when the Quebec Government came along and closed him down and he went bankrupt. No other operations took place until later, 1930, or somewhere around there and first when the Commission of Government came in, J. O. Williams came to Newfoundland and started exporting considerable pit props. He went broke. The Grieve Brothers went down further North and went broke. Now, it has to be proven, as the Premier very rightly

says, that the Labrador is an economic proposition to produce wood in order to do that we have to have plenty of money and I am so sold on Labrador either for pulp and paper for Newfoundland or export of timber because if timber is allowed to stay without being cut it is going to rot.

How much fallen timber must be on the Labrador. I have not had time to read the aerial survey but I imagine that considerably damaged, rotten and fallen down wood went bad and was damaged by weather and so forth. The longer it is left without being cut and looked after the worse it is going to get. So that this exporting of wood is not so bad after all because when you are exporting some and getting money for it, it is better than leaving it there for someone to manufacture as during the interval it might rot. Therefore, I am not against that kind of proposition. Here right in the Island of Newfoundland, I would be opposed to it; only in extraordinary circumstances would I be prepared to support legislation to allow raw timber to be exported from the Island of Newfoundland. But I would be prepared to pay a certain amount of money, if in the Government, to try and prove that the Labrador timber operations can be prosecuted and operated successfully, would be prepared to subsidize it because it would pay in the long run to give subsidies for a year or two.

Now here we have a man coming in and offering \$5. I would be prepared to give it to him free for a couple of years to see how it will work out, provided these people knew the business because if we gave it to him free he could save that money to put back into the operation and build it up and prove to the outside world, to people interested in the purchase

of timber that it is a paying proposition even though it is down near the North Pole. That is what the financial world thinks about the Labrador, but I would say you can get it out for four months of the year and probably for six months on the Southern Labrador. Williams shipped wood out in December and that can be done even yet. One thing they should have made an effort to try and get someone to operate the Southern part of Labrador, that place can be operated and has several million cords of wood there all belonging to the Crown at the present time except what is owned by the Newfoundland Labrador Company. There are approximately five to six thousand square miles of possible timber land in that area in the Southern part of Sandwich Bay.

MR. SMALLWOOD: There are a million cords in Sandwich Bay.

MR. CASHIN: Is that the aerial survey? That is the survey, I take it, where people went down and had a look.

MR. SMALLWOOD: Aerial in Hamilton Inlet, in Sandwich Bay it is not aerial.

MR. CASHIN: Now, Mr. Speaker, I am supporting that Bill in principle, and the Premier is seeing it my way for once in his life and is prepared to inject a minimum price in section 4. And I give the bill, the principle of the Bill my very hearty support, I hope it succeeds but I do think the Government before they made any agreement with these people, and I am not saying this for political reasons, that they should have contacted Ottawa and make sure they would be prepared to give a permit to export and all that and if Ottawa would be

prepared to let them bring in equipment and machinery for the operation of that proposition duty free. I say duty free because they are taking a chance in going in there. If they have the money they should make a success of it and I wish them every success and I hope that my pessimism in connection with it is just a dream and my pessimism in connection with this \$5 which they are supposed to get, I hope that also is a dream and that my statement with respect to the \$30 a cord freight is also a dream, because if I were a shipping broker I would be delighted tomorrow to try and charter a few ships at the rate of \$20 a cord for transportation across the Atlantic, any shipping broker would be tickled pink to get that, a broker would make money. So, Mr. Speaker, again I say I support the principle of this Act, I wish it every success and I hope my pessimism is all wet.

MR. HORWOOD: Mr. Speaker, about two weeks ago I made a good resolution that no matter the occasion, for the remainder of this session I would not delay the business of this House even one second by opening my mouth on any subject whatever, as we are all agreed that this session has lasted long enough and I know personally when any member stands up to make a speech no matter how interesting I begrudge the time which is added to the length of this already too long session.

However this Act is a matter which affects my own district very vitally and is a matter in which I have been so vitally and so keenly interested, the development of Labrador, a matter in which I have had such abundant faith for some time, and now I feel that my resolution must go the way of a good many other good resolutions and I cannot permit this opportunity to

pass without expressing myself at least briefly, and very briefly, in support of this Bill.

Now, like the honourable and gallant member for Ferryland, I am much more at home attacking something than defending something. Unfortunately tonight I have nothing to attack, the papers tomorrow won't be able to come out with headlines saying Horwood attacks merchants or called NAFEL crooked or some company has broken an agreement. They won't be able to report I said any nasty things about the architects or even that I called anybody stupid or the scum of the earth.

MR. HIGGINS: The penitent sinner we were talking about today.

MR. HORWOOD: Tonight, Sir, I have two things to which to refer: First of all Lake Melville itself, that great northern garden, that great paradise of wood and water power and good soil, so richly endowed by Almighty God with most of the things which tend to make any region great. And second, what little I know about it and that is not very much, the principle of scientific forestry. That new and all too recently applied principle which does so much to keep a nation or a region great.

About three years ago, Sir, an editor of a local paper here said to me: "Harold, I hear you are going to Labrador today. What on earth do you want to go down there for?" And I said in reply: "Well, amongst other reasons because I am convinced that Labrador has in front of it a greater future than any other part of this Province." It was not a Province then, so I said, "this country." As time has gone by, Sir, during these three years that belief of mine has been expanded by my personal observations in Lab-

rador, what I have seen and noted, and also by the course of events. My faith in Labrador's future is stronger today than it was then. I believe it can be at the present time explained as the faith of Dr. Harry Paddon, a very great man who devoted his life to the people of Labrador, spent the major part of his life amongst the people of Lake Melville, serving them and trying to make their lot in life easier, their shocking conditions better. He believed that Lake Melville was destined to become one of the great regions of North America. He lived in obscurity and comparative poverty and held that faith until his death, and unfortunately he died before Goose was constructed, and I regret that he could not have seen at least a beginning of the realization of that faith he held for thirty years.

Now, Sir, tonight is not the first time I have stood here in this House and listed some of the natural endowments of Lake Melville and I hope honourable members won't be too impatient with me if I am a bit repetitious in mentioning some of the natural endowments which make Lake Melville, in my belief, one of the great regions of North America. To begin with it has one of the great water-ways in North America, next to the St. Lawrence River, the largest and greatest inland water-way on the East seaboard of Canada extending nearly two hundred miles from Hamilton on the Coast to the Head of Grand Lake, the whole of that distance being navigable. That two hundred miles of water is teeming with fish of the most delectable variety, with salt water and fresh water fish. Not only the Atlantic Salmon, the finest species in the world, but the bottom of Lake Melville itself, recorded by biological surveys, is encrusted with scallop, very

large variety with a seven to ten inch shell, an especially marketable, valuable product. It has several species of trout which grow to enormous sizes which would make any Newfoundland angler's eyes pop out and he would not believe it until he was actually down there and ate them as I have done. It has a very large variety of fish and one of the possible industries in Lake Melville area and other of the large lakes of Labrador—one possible industry is a big commercial fresh water fishery.

Lake Melville itself is the largest lake in Canada, and next to it is Lake Michikamau larger than any other lake East of the Great Lakes. The Lake Melville region which includes, in my nomenclature at least, the Hamilton River watershed has immense resources of hydro-electric power, Muskrat Falls has a hydro-electric potentiality of nearly a million horse power. The Grand Falls further up the Hamilton River has a much larger potentiality and with certain engineering projects carried out the total production of hydro-electric power would be over a million horse power, three times as much as Boulder Dam, that could be developed at a tiny fraction of normal hydro-electric developments.

Lake Melville is also blessed with an area of especially rich soil. Those members who know anything about agriculture will know what I mean by river bottom soil, four, five and six feet deep of loam without a single stone or pebble, nothing to be done except to take the trees off and clear the stumps and you have areas of potential agriculture development down there that could supply all the people in Lake Melville and conceivably could even supply Goose Bay

itself with fresh vegetables and with dairy products.

Now the Premier mentioned the other day that this company who are moving in there are going to bring in seed from Northern Finland and that may be a very good idea to bring in northern produced seed. But it so happens that Lake Melville is not nearly as cold as Northern Finland and it happens that on a small scale they have agriculture there now which is quite successful without any particular strain of seed but the normal type of plants that grow successfully in Newfoundland, and I have seen with my own eyes growing in Lake Melville every type of vegetable that grows successfully in Newfoundland and I venture to say here and now that in that area everything that can be grown in Newfoundland can be grown there, and some things that can not be grown in Newfoundland ripen there, with a possible exception of fruit. No one has attempted yet to develop fruit trees.

Now conceding the fact that it is several hundred miles north of this area, it might be wondered why that is so. The reason for it actually is quite simple. It lies in the remarkably fine climate of the Lake Melville area. Lake Melville, although it has adequate rainfall for agricultural purposes, has far less rainfall than any other part of Newfoundland, more fine weather, less fog. It has on the average about two or three days fog per year. Sometimes the whole Spring, Summer and Fall passes without a single day's fog at the head of Lake Melville. Last year I think there were two days and the amount of rainfall at Goose Bay is twenty-seven to twenty-eight and a half inches a year, evenly distributed throughout the year ap-

proximately the same each month of the twelve.

MR. HIGGINS: That includes snow?

MR. HORWOOD: That includes snow. It is evenly distributed month by month throughout the year and that is less rainfall than any part of Newfoundland, any part of Eastern Canada other than Labrador, less than anywhere on the whole eastern seaboard of the North American Continent and anywhere on the whole West Coast of North America except only Southern California and Alaska. But still, as I stated, adequate rainfall for agricultural purposes. More rain falls there than in some of the great inland agricultural areas of North America, and this rainfall makes it a more pleasant place to live and an easier place to work, obliterating the suggestion the honourable and gallant member for Ferryland raised when he said there would be one day out of every three with bad weather loading conditions. It does this for agriculture, gives an intensive growing season, a short but extensive warm summer, with, incidentally, far more sun and daylight per day than farther south. It has a continental type of climate, a climate which gets cold, dry weather and warm dry summers. The temperature at the head of Lake Melville is colder during the winter than in St. John's but not as cold as Winnipeg, about the same as Ottawa in the winter time. In summer it is warmer than here in St. John's. The mean temperature for the month of July at Goose is 60.4 degrees. I believe the mean temperature here at St. John's is 58. something for July. It is warmer in summer and colder in winter, peculiar and also unique in the world, an area of continental climate situated at tidewater. That happens though

inland a hundred and fifty miles from the sea in the inland waterways along tidewater in the Lake Melville and adjacent interior waters.

Now Lake Melville has in addition to good climate, good soil and water ways, and incidentally, speaking of climate I must reiterate this point. The ice-bound conditions of the Labrador have been exaggerated beyond belief, you could sail there this year in the month of April and last year in the month of December and if it were possible for Williams to export wood in December from Alexis River it can be possible from Lake Melville, as it does not freeze up as soon as Alexis River freezes up.

In addition to its other features which lends themselves to the process of economic development in that area, it has one feature that particularly pertains to it, immense timber resources. Timber resources in Lake Melville have been quoted here as in the vicinity of forty million cords for that particular ten thousand square miles block. There are of course other timber resources in the area and there is a lake just north of Lake Melville and with a common outlet which has a large and very fine stand of timber. But there is one thing in connection with this stand of timber which has not been emphasised so far in this debate, that is the extreme density and availability of the wood in that region. It occurs in a density per square mile, per acre, rarely found anywhere and I don't believe it is found at all in the Island of Newfoundland. There for example on the bank of a certain river, as the honourable and gallant member for Ferryland has said an area of half a million cords to which a lease was issued to some company or other on the bank of that river on the West Bank, one block ten miles

west and 10 miles north and south along the bank of the river which contains 920,000 cords of timber, nearly a million cords in one ten square mile area. Another, immediately adjoining has over eight hundred thousand cords of timber. I quote those merely as an example and there are other blocks where timber is almost equally dense. The availability of timber in the Lake Melville area will immensely cheapen the cost of operations.

The quality of the soil there and the terrain is imminently suitable to timber operations. It is, generally speaking, an area of mineralized rock covered with a thin layer of soil and this in turn covered very lavishly by a layer of dried moss lending itself admirably to timber operations, not only winter but year-around operations.

The rivers and streams have a comparatively constant flow of water. There is no such thing as floods or drought. This also lends to all year round driving operations. Some of them will require a certain amount of engineering, some will require deepening of the channel, a process very commonly used in Finland where just the center is dug out making a track on which timber is floated down, some may require damming operation, but generally speaking the waterways lend themselves admirably to year-around timber operations.

Now, Mr. Speaker, it has been said in this House that the United States is the most progressive or greatest forestry country in the world and has the greatest experts in forestry or something to that effect. Nothing in the world could be further from the truth than to suggest that the United States is one of the most progressive countries in forestry. What little the Un-

ited States knows or applied in the realm of scientific forestry has only been within the last few years, since the beginning of the second world war. It was only then they began to realize they were ruining their forests and destroying their natural resources and only then they rushed to Europe looking for timber experts and brought them over to teach them Sylviculture, scientific forestry and to teach them how to save what little they had left. That is the true history of forestry in the United States. There has been no country more famous for simply tearing out the soil and the ground and the natural products of the land and wasting them and doing nothing about conserving and replacing. The home, the original home of scientific forestry is in Northern Europe. It was first applied on a large scale in Scandinavia and particularly Finland and Sweden. There, trees are not treated as something to be just cut off the land and dragged out and made use of in whatever way most suitable to the particular operation and operator who is working there at the time. They are not treated as something you chop but something you farm. The idea, the concept of farming the forests grew up and was there first applied on a large scale, applied in the sense that an operator went in to the forests and started an intricate forest industry, cutting the best of the trees for saw logs, and those not suitable are used for pulp and the tops of those trees that were used for saw logs they use for pulp and they use all the by-products of the sawing industry and pulp industry and paper industry in the manufacture of various products. They took the hardwood trees and used the best of them for veneer and on the second best ones for manufacture into furniture, stock and so on, and those for stock are manufactured into various ar-

ticles. That whole conception grew up in Scandinavia and they developed there rung for rung their know-how of scientific forestry. Now we could not do better than to go to Scandinavia to teach us, and the rest of North America, how to apply the principles of scientific forestry.

Now, I have heard quite effectively scientific forestry confused with selective cutting. Selective cutting is only one aspect of scientific forestry and one only, although admittedly scientific cutting is good, but there is a lot more to scientific forestry than selective cutting. I had the great pleasure a few weeks ago of sitting down here in the City of St. John's and spending one whole afternoon with Professor Shipel, the agent, the representative of Dr. Seigheim himself. He is the man who went to Lake Melville and conducted the on-the-spot survey about that agreement signed between the Government of Newfoundland and Dr. Seigheim. I had the pleasure of sitting down with that eminently civilized, eminently informed gentleman, spending a morning with him talking about the principles of scientific forestry, forest management, and conducting well managed scientific forest operations. I was deeply impressed by his wide knowledge, his evidently wide experience, and the number and varieties of his interests, not in the mere matter of cutting down trees and making a dollar. I was impressed by the fact that agriculture is a subject in which he is extremely well versed, a subject which is an avocation, and I was happy and impressed by the fact he wanted to build modern townsites in the Lake Melville area of Labrador; he spoke of cutting up blocks of land into sections and producing farms out of them, giving each of the workers his own house probably prefabricated,

properly constructed, put in water, sewerage systems, that he should give the workers in that area something to live for beyond merely making a dollar, and one of the most important things, give each of them a home of his own and a piece of land of his own on which to rear his own vegetables and help him improve his standard of living. One of the things he told me about was forest management and silviculture. When you cut down a tree and cut off the limbs and take the timber and leave the area for forty or fifty years, then like A.N.D. Company, when you go back to it you have your second growth, but the area never produces, no matter how long it is left, the same quality of timber that it produced originally because of the fact that on second growth unless it is left for centuries, the spruces, black and white, are crowded out by balsam and fir and you get a large quantity of balsam, fir and a very small quantity of spruce in the second growth in the area. One of the things he tells me he means to do in the area is a scientific process of timber, forest management, cutting out the fir and leaving for breeding stock the very best of the spruce, leaving the spruce trees to stand helps the process of natural selection, helps nature to reseed the cut-over area with a stock to which you can come back in thirty or forty or fifty years from now and get just as good or possibly better timber than originally cut from the virgin forest.

Now, Mr. Speaker, yesterday a local gentleman who carries on as a professional journalist, not a reporter, but a genuine and really professional journalist of which we find too few in Newfoundland, approached me and asked what particular good I thought that Bill would do for Labrador, and



just off the cuff, I had not thought about it, I said two things: One, it would accomplish centralization of the population and, secondly, might very well lead to future expansion of industrial development in Lake Melville area, aside from the particular good of putting dollars immediately into the pockets of the people there. Centralization of the population, and the possibility of new industries, may result from wood cutting operations in Lake Melville by a firm which knows its business, not a fly-by-night outfit which went broke for lack of capital and did such stupid things as damming the river and trusting the ice would not come down and take the dam and sweep the whole thing out to sea. But this operator knows his business and is going to make a success of it, will restore the once fair name and remove the blot from the name of Labrador as an area suitable for economic development, and will encourage the things which I mentioned heretofore, the establishment of a pulp and paper mill in Lake Melville.

I am as convinced, after having read the report on Bay D'Espoir region as I was before, that Lake Melville is an ideally suited place for a pulp and paper industry. I firmly believe such industry will follow, almost inevitably, the establishment of this large wood cutting operation in the area. I feel also that a number of other industries, which I won't mention, will also follow, the development of large hydro-electric power will follow.

The other good I feel it will do most of all is for the people in the centralization to some extent of the present isolation. I have previously stated that the population of Labrador today is somewhere over six thousand people, living along an area of

over fifteen hundred miles of coast line, in one hundred and fifteen settlements. Now I don't know what the average number is in each of these one hundred and fifteen settlements, I was never good at mental arithmetic, but it does not work out to very many per settlement. Of one area in particular, it is said, Sir Wilfred Grenfell used the very descriptive phrase "The Land that God Gave Cain." That phrase, I think, was coined by Jacques Cartier, adopted and made famous by Sir Wilfred Grenfell in his references to that hopeless, poverty stricken stretch of coast where the people lived in little settlements often built on the bare rock, no grass, no moss, not even trees for miles, and where they existed solely on the results of what they could get from the products of the fisheries only. People who live in a type of poverty, a degree of poverty, a quality of poverty which most Newfoundlanders are completely unable to visualize—go to the slums of St. John's and some of the great cities of Canada or visit the ordinary poor family in the outports and you will not find anything like the type of poverty or living conditions as are to be found on the Central Labrador Coast. Now it does not do me any good to say this. Just as Newfoundlanders dislike or used to dislike having people coming from the Mainland and the United States and going back and saying that St. John's had slums, bad buildings and all sorts of things wrong with it, so the people of Central Labrador will not like for me to say they are living in conditions of indescribable poverty and squalor, but I don't care and I am going to say it and keep on saying it until something is done about it. Some of them are living in houses without floors except the bare ground, some in

houses with holes through the walls you could put your hand through and I have slept in a house where I would wake up in the morning in winter with snow about that depth on the bed—it was driven by the drift in through the wall, and I don't want any of that quoted in the press in case any of the gentlemen of the press are tempted to do so, I prefer they would not. But that is the second great thing that this organization can do for Labrador, help to relieve some of that terrible poverty which is the result of isolation, scattered population, living this miserable type of existence which they can procure from a few weeks' fishing in summer.

Now, I want to say one more thing. That is that I am firmly convinced that the development of Lake Melville, the economic development is inevitable. I have said it before and I say it again: "The trend of civilization is now moving north." For many centuries it moved westward, moved from central and Western Asia to the shores of the Mediterranean into Western Europe and up and across the Atlantic to where the centre of civilization today is in centre of the American Continent, across the great continent of America until it could move no farther Westward, and the northward march has just begun, it is the last great frontier of the world. As the centre of civilization moves north, and it is moving north now toward Canada and into Canada and that is why Canada is bound inevitably to become one of the greatest of the great nations of the world. The only direction in which Canada can extend is northward, through Canada into Northern Canada goes the march of civilization farther and farther north, then that popular fable which is based on a popular fallacy, that stupid miscon-

ception about the ice-bound condition of the Labrador, this fairy tale that it is inhabited by a few thousand Eskimos crawling in and out of snow igloos, and polar bears drifting by on cakes of ice and seals and whitecoats all over the place. That fairy tale will inevitably be concluded and killed, please God, and killed quickly as it is purely a fairy tale. The Northland, the Canadian Northland, of which Labrador is one of the warmest and most southermost parts, is a land of great promise and great potentialities. A famous man wrote a book one time, "The Friendly North," which attempted to explode the idea, that old superstition, that had developed in the people's minds that the Arctic regions were northern wastelands where nothing could be grown and nothing live. That fable was encouraged and cultivated in the minds of the general public by explorers who went down there and did not have too uncomfortable a time of it but who came back and described the Arctic as a horrible gigantic expanse of ice and snow and even told how they had survived, how they had taken their lives in their hands to explore and Stephenson set foot in the Arctic Ocean among other places in an effort to explode that popular fallacy formerly developed by charlatans. The development of Labrador is inevitable as tomorrow's dawn, as daylight follows night, consequently it must come to Lake Melville which by natural endowment will become one of the centres of civilization of North America, and probably the greatest economic centre of this Province. I am completely convinced of that. It will come within the next ten years, fifty years or the next century but just as the great lakes area inevitably, because of natural endowment became great, so the Lake Milville area inevitably,

because of natural endowment of Lake Melville area, become great.

I am extremely pleased and happy, my heart is full of delight when I realize that this Government of which I am a supporter, this particular Government is to be the instrument for promoting that development, is to help along the development which will come whether we help it or not. But we may hasten it by a few years by our judicious action. I am particularly pleased to see our Premier for whom I have the highest respect and regard making his place in history more secure, not that it is not, surely, but adding as it were another laurel to his crown of fame by being the instigator and initiator of this development of that vast and potentially rich area the Lake Melville section of Labrador.

MR. RUSSELL: Mr. Speaker, I rise to give my unqualified support to the principle of this Bill and, believe it or not, I am genuinely pleased over what I consider the possibilities inherent in the Bill as a good bargain.

The principle is, Sir, whether or not this House should agree with the idea of exporting unmanufactured timber, pulpwood, from Labrador to Europe or elsewhere. Now two hundred thousand cords a year, Sir, is the increment on about some million cords, and in my opinion nearer one than ten the figure we have on increments where an area replaces itself in forty, fifty or sixty years. The figures we have, if they err at all, err on the side of exaggerating the length of time it will take timber to replace itself. After all we can get those figures generally from the paper companies who if they give any information at all are not likely to exaggerate and thereby let us get an exaggerated opinion of the value of the limits

they have. Personally I think that two hundred thousand cords, especially when it is scientifically farmed will not affect to any appreciable extent the quantity of timber on the Labrador and probably will improve rather than deplete it particularly pulpwood, Sir, because the cutting of railway ties is the most wasteful way of handling wood we know of, apart from setting fire to it, yet the cutting of pulpwood can be least wasteful.

There are things about the Bill which maybe the least said about them the better for our own sakes. The Bill is a good Bill. There are certain things in it we better not look into too closely and certain things we better not talk too much about or we might wake up and find it is all a dream, I hardly know how to put it but there are things here that can be improved yet I hesitate to suggest improvement, Sir, because without them I still support the Bill. But in order to save time when we do go into Committee, I am going to mention one or two sections that I think are important sections; Sections No. 2 and No. 8. If the Government can do what they like to do about that, it is not their fault if by any means the scheme fails, and it may, through the break-down on either one or both sections. It would be a tragedy which the Government would feel keenly just as we would. These are the two sections, Mr. Speaker, where our government undertakes to do its best to encourage the export and all the importations of machinery. If it can be done the most we can do is to wish the Government every success in any effort they may make, and I am sure they will make every effort to see that section two and eighteen are carried out successfully.

In section four I have another point to mention which I will pass to the Government to think over when we come into committee. I don't like the idea, and I am sure no one else when he comes to study it will like the idea of our revenue in Newfoundland depending on the Baltic Freight Rates. That is so in section No. 4. If f.o.b. were there instead of c.i.f. it would not be so. There may be some way, and the Government anyway has assured us already that they will give special attention to section No. 4. While this might be dealt with in the committee stage, I particularly call attention to the implications of subsection (2), that c.i.f.

There is a vagueness about two or three sections in the latter part of the Bill regarding all sorts of things the financiers undertake to do. There is no specified time in which they have to do it. Well if we can get a specified time, say he is obligated in say two, three or five years, all right, let us try and get it, if not I am not going to stress the point in committee because even without that I think that the Bill is a good Bill, the principle is sound, and it may well lead to better things. I hope it does and I sincerely hope that none of the things I see that might happen to interfere in any way with this development will happen. I wish the Government every success on it and I would like to add if you see any peculiarity about the distance between the top of my face and the bottom at the moment it is no indication whatsoever of my inward feelings.

MR. FAHEY: In speaking to the principle of this Bill I am supporting it for two obvious reasons; first of all it has been indicated in this House that the Government, or the people of this Province, will collect a sub-

stantial revenue by way of \$5 per cord for the wood. The second reason why I support the Bill is due to the fact that it will give a certain amount, I may say great amount, of labour, as we have been told in this House to the extent of twenty-five hundred workers. I feel, being somewhat connected with labour in the past that this is more or less in the line of what I think and am connected with.

But there are one or two things that strike me as we go along through this Bill, and that is this: The Premier has mentioned in his remarks in introducing this Bill that these people, Dr. Seigheim and Professor Shippell, perhaps I should add shepherd, because we get a lot of shepherds in this country now and then and understand there are a lot in the vicinity of Whitbourne and I might inform the House that these sheep had to be taken from Whitbourne and have been brought into the District which I represent, in order to give them grazing ground, and what happened in that district applies to many other districts as far as grass is concerned and we are pleased to help out the Government in its sheep raising project.

MR. SMALLWOOD: We are putting all sorts of industries in the honourable gentleman's District, sheep raising and everything.

MR. FAHEY: The only thing is we don't get the work for the men of the district—they are mostly from other districts.

MR. COURAGE: You are supposed to be speaking on the Labrador?

MR. FAHEY: I am not, I am in Harbour Main-Bell Island but most of the people working on projects come from the Labrador and from Fortune Bay too, don't forget that. I

hope the honourable member makes a motion of that.

MR. SMALLWOOD: We are all Newfoundlanders and we all belong to this great Province which is a part of the Great Dominion of Canada, so let us forget the jocose side of it and go on with this Bill before the House, with the principle of it.

MR. FAHEY: However, I think with this Bill giving the right to export raw material as we would put it, or pulp wood to supply mills on the other side of the ocean, from a labour point of view it does not assist us so much as it does those who purchase it. There was a time when pulpwood was exported from this country when we could say with a clear conscience that we got the labour from the stumpage areas. That is to say all the work in cutting this wood and bringing it to the ships for export was done by Newfoundland labour and at least we got that much from pulpwood exported. But even at that there was a certain resentment in Newfoundland and there is today, even though a part of the district which I have the privilege to represent, feel they should not export that iron ore to be used up in the steel mills and give work to people there. They contend the raw material comes from the earth in Bell Island and we should have the right to manufacture it into steel in this Province and export it to the markets of the world. Others use the argument that in order to produce one ton of steel we must bring in five tons of coal. But I am like Mr. Ripley, Believe it or Not, I think we have the raw material and therefore we should say to the markets of the world that if you want this raw material you should come in and be prepared to manufacture it and make the products

and supply them to the markets of the world. Now, to me those same thoughts come back again in connection with pulpwood. In the past, from the labour point of view we only got the barely necessary labour to cut this timber and export it to supply the paper mills that have been established in Europe, and we contended for a number of years that was not right. If those paper mills on the other side of the Atlantic needed this wood so badly then we should put in iron bound clauses in the agreement to say if they needed it that badly to come in and manufacture it.

Now, the implementation of this Act will give a certain amount of employment up to the extent of fifteen hundred Newfoundlanders. We appreciate that now and perhaps we will appreciate it a year or so from now a lot more than at the present time, but nevertheless, if the markets of the world are so hungry and need this pulpwood so much I think it is a grand opportunity, a wonderful opportunity to say to those European Countries across the sea that they should come in here and manufacture it. Now, that is so much for the general labour aspect.

Now we are told, Mr. Speaker, by the Premier that this company intends to bring in mechanized methods. Now, what does that mean? That means these bulldozers and saws are portable electric or gasoline engines that would generate electricity to supply the saws to cut the trees. In other words labour that we used to get years ago, that we kicked so much about when we only got the bare labour to cut the raw timber and export it, we don't even get that much because of the fact that they use mechanized equipment, which is going

to move in on this job and where perhaps one hundred were employed in the past, with this modern machinery cutting the trees it would be necessary probably only to employ ten in the future. Now, it is all very fine for the Government to say we get \$5 a cord royalty on this wood when we export it. I appreciate that, it is good for the treasury. I think all the honourable members here appreciate that but take it from the labour point of view if in the past we only got one-fifth of the value through labour, now we are going to move in mechanized machinery, buck-saws or whatever you might call them, supplied by a current coming in overhead or by gasoline for modern equipment that generates electricity to cut off these trees. I presume therefore that the labour would not be a fraction of what we got in the past.

Now, I ask the Government to consider this very carefully and when the Premier made his statement that now is the time the world needs this pulpwood to supply these paper mills; well, if that is a fact, now is the time for us to ask those companies to come in here and produce the material into the finished product, what we have here. In the past we have been accused of having various governments who gave away too many concessions and so much so that as a Province today our country gets very little, only the labour producing this raw material where people make paper, pulp or wood out of it. But the finished product was made in other countries and they got the benefit of it. I think this time we might pause and look around and see that is not all we get. The royalty is very fine but in addition to that, we should look at the labour value and not be giving away our assets in

various ways. We should sit up and take notice of that.

Now, the Premier stated in his introduction to the Bill that the Government must approve of all this company will take out of Newfoundland. I would ask this question, what about this corporation that the House has been asked to consider recently; if this Act is passed, I don't see why the House would be asked to consider this because in this Act, this corporation is given the right to give out any section of Newfoundland whether mineral, watersheds, power rights or timber rights.

MR. SMALLWOOD: Mr. Speaker, the honourable member has already spoken on that Bill, on the Act the honourable member just referred to the Newfoundland Labrador Corporation.

MR. FAHEY: I appreciate the point of the Premier, that I would not have the right to speak on it again because of the fact that I spoke in making the motion, but I am not referring to that Act now, I am only saying that right here in introducing this Act the Premier said that it would be on the Government's approval. I feel, Mr. Speaker, that if this Act dealing with the Corporation goes through, it won't require the Government's approval, but only the approval of this Corporation. In my opinion, as far as this Act is concerned, it gives away our rights and we should reserve these rights to create labour to put them into a finished product. The Premier also spoke about three men who arrived in this city only a short while ago and he hoped there would be no more propaganda as far as newspapers are concerned; it may have some effect. Mr. Speaker, that is a joke because to

my mind, from this side of the House, we can talk as long and as much as we wish, but when it comes to the final vote it is going through whether we like it or not. That happens to be the picture and some of those members who have a grin on their faces should realize too that they are only shadows, then they might not have a grin on their faces any longer.

I am now coming to the honourable Minister of Welfare. The honourable Premier, Mr. Speaker, yesterday on introducing this Bill said we would have scientific people, some from Sweden and some from Norway to come over here to plant trees, show us how to grow them and eventually have people come down, he says, from the Mainland and the United States to take note of how those trees should grow. Well now, that is very nice, I appreciate that and I am glad to see Newfoundland is going to take a lead away from the Mainland and is going to show them something because of the fact we eat more fish we must have more brains and we are going to show them. However, it appears to me that in the forty-eight states of the United States they have so many thousands dealing with the various aspects of agriculture, whatever branch of it you may want to go into, wheat growing, dairy farming, or otherwise, and after all the colleges they have set up they have to come to Newfoundland after those people have come from the other side, and come up here and learn to grow trees. These people could not go over to these countries to see what is going on but have to wait for ten or twenty years to come to Newfoundland and see what is going on. I would like to believe the Premier on that but I am a little doubtful and to be honest, I can't

agree. But I would like to ask the Premier right now if those colleges in Ontario and Alberta and right to the West Coast and right through from New England out to that great bridge that goes across there in San Francisco, can't produce men with knowledge how to take care of trees. That is where the honourable Minister of Public Welfare comes in, if they can't find out how to take care of trees and grow them, they should come down and take a lesson from the honourable Minister, the member for Carbonear-Bay de Verde and go down and see the trees he planted in his district in the last two years and learn something about trees, and they don't have to come from Norway or Sweden or any other place, because in my opinion, we had more trees planted in that district in the last two years than has been planted in Sweden or Norway in the last twenty years, believe it or not, Ripley.

He seems to have had an influence over the Ex-Minister of Natural Resources, so much so that when I tried to get half a dozen to plant on Brigus Barrens it could not be done, but the honourable Minister of Public Welfare who happens to be the member for Carbonear-Bay de Verde had more trees planted in that district than Europe, including Norway, and all the other countries, did in the last twenty years, so instead of having all those people I suggest they come over here and go to Carbonear to learn how to plant trees. I would suggest to the honourable member that the member for Carbonear-Bay de Verde show them how to plant trees.

MR. COURAGE: Or put him in the Chair for Sylviculture.

MR. FAHEY: I believe our school teacher is only joking.

Now I agree, Mr. Speaker, with the Bill in principle, but I must say this that there are certain clauses in the Bill with which I cannot agree. In the final analysis the export of this pulpwood and the fact that it will give employment is appreciated on this side of the House as well as that side. I think we all welcome that but the fact in the final analysis is that in the past we gave away certain amounts of what we call Crown or raw timber for the labour of export and in thirty or forty years there is replacement, does not concern me but what does concern me is this; how much labour can we give? The Government is concerned on the other hand that they are getting \$5 a cord on this wood which would probably add up to a million dollars a year. That is very good from the Government's point of view and I agree looking at it from a revenue point of view, but it just happens I am looking at it from the labour angle. We only get the chance to cut the wood for export and not to put it into a finished product. In other words with this new machinery that will come in there will be less labour than in the past per cord and for that reason I am a bit doubtful, but I agree with the Bill in principle, due to the fact that it will give employment and a certain amount of revenue to the country.

MR. HIGGINS: Mr. Speaker, the Premier in his usual manner found fault with the Opposition saying the other day that there was not a decent debate put up by the Opposition. I feel, like the honourable member for Labrador—I don't want to speak when unnecessary, Sir, there has been too many long speeches from the other

side, otherwise the House would have been closed long ago. Now the honourable member for Labrador spoke so well of the Lake Melville that I felt we should fold our tents like the Arabs and steal away to Lake Melville. We must perhaps allow some latitude when he said the centre of our civilization is moving North. "For I dip into the future, far as the human eye can see, see the visions of the world and all the wonders that will be." I do hope something will come to Labrador—they have had a very hard time, that the land will become bright as the story and the land that was Cain's at last bring glory. I will rush from Newfoundland if there is such wonderful fishing down on the North West River. Unfortunately I would be seasick but I'd go for such big fish as I hear the lake trout down in some parts of Labrador ponds grow as big as twenty and twenty-five pounds, I heard they have summer days so warm that really you become credulous because after all Labrador is not so far down North—about in the same latitude as the Southern part of Scotland or the city of Paris.

MR. SMALLWOOD: If the honourable member will allow me: Goose Bay and Liverpool are exactly the same latitude.

MR. HIGGINS: Well, I was about fifty miles out, that is all.

If Lake Melville is the best part of Labrador and has a very good climate and I am not going to debate about the sylviculture at all. I accept what the honourable member told us there were some wonderful forests and I admit there ought to be a limit on the cutting which should be done selectively without careless destruction. That the trees are five times



the size of Newfoundland and nothing but rich soil everywhere. I admit all that. But there are a large number of very fine men in the United States who know the forests in the United States. But now I am ready to welcome Dr. Seigheim; any man is welcome who pays \$5 a cord for wood and builds a town and puts up a modern town, as it says here, and everything else. I am ready to welcome him. If I were to go up to Canada and meet a man who came out and said, "Do you come from Newfoundland? Is there anybody investing money down there? I have twenty-five millions to invest." I would say, "My dear man, we will meet you with flags." This case is the same; I would welcome him, I am afraid the scheme won't come true, I hope they succeed, I hope that Dr. Seigheim succeeds in this. It is wonderful to get \$5 a cord for wood and have people down there employed. Employment in the woods I am told is very good and particularly where timber is thick and easily cut and men are paid by the cord, but I wonder if the honourable Premier forgot one thing when giving us the picture and left out what I thought an important section No. 13, "As soon as it has been established that it is a reasonable and economic proposition the financier will carry out the erection and financing of a paper and cellulose plant at Bay D'Espoir."

Now I trust for the sake of the member for Labrador that this will not be the most important thing and Dr. Seigheim decide Bay D'Espoir is a better place after all, Labrador is entitled to something. I just wonder why the Premier left that out. It is a most important item. But no matter what he is going to do if he pays \$5 a cord, cuts two hundred thousand

acres a year for ten years and builds a town and, yes, endow a chair of Sylviculture at the Memorial College. But I am afraid some things are subject to the permission of the timber controller of Canada and since at our request he is not bound to give this permission, there might be a war or a lot of things, and this dream may be shattered. I give the Bill my blessing and pray nothing will happen to prevent him carrying it out so we may have good work and fair employment.

MR. JANES: I am not going to speak.

MR. SPEAKER: Does the honourable member wish to speak to the Bill.

MR. JANES: I merely want to make a point, there was a point raised by the honourable member for Harbour Main-Bell Island and I am not quite sure how the press or the radio might take it. It was his argument that in view of the fact that the company going into Labrador might be using mechanized equipment and on that basis there will be less people employed. I want to tell him, Sir, that if there are any physical wrecks in Newfoundland it is lumbermen over fifty-five. I know of no other class of workers in this country nor anywhere else who suffer as much as our lumbermen after they pass the age of fifty-five. There are such men in the woods today and the cutting of wood calls for tremendous physical effort and hard work. Most of our people, I don't know what statistics the Department of Welfare might have on it, but in my opinion, no small number today receiving dependent's allowances are lumbermen who have worn themselves out. And if this Government going into Labrador can bring in mechanized equipment and

make the cutting of wood and the lumber industry less arduous than it is it will be to the benefit of the Province. I see no justification in this mechanized age to have men going out and exerting themselves to the point where they grow old and become absolute physical wrecks just because of it.

MR. SMALLWOOD : Mr. Speaker, if no other honourable gentleman wishes to speak, I will very briefly close the case for the Bill.

My honourable friend, the Leader of the Opposition touched very briefly on the matter of debate in this Chamber. I have in the past two or three days enjoyed myself in this House as I have not done since I came in here as an elected member because for the first time since this General Assembly was elected two and a half years ago we have had a debate that has had body to it. We have had issues of first class importance that elicited speeches that were worth hearing and I think the past two or three days have been a credit to this House.

Now, I would like to say a word in particular about the speech of the honourable member for Labrador. I feel less free to express my mind about it because of the sentiments he expressed in the closing part of his speech; leaving that aside, however, I think I can say that it was one of the finest speeches I have ever heard, delivered quite extemporaneously in such language, picturesque and colourful. It was packed tight full of fascinating information and threw light on that great Lake Melville area which I felt quite sure was entirely new to the most of us in this Chamber. I hope that before Hansard is printed a year or more from now it may be possible to get a transcript of the hon-

ourable gentleman's speech so that it may be possible for the newspapers to publish it. I can well imagine the Department of Education putting it in booklet form and circulating it to the schools in Newfoundland, I can well imagine the Department of Economic Development printing it as a pamphlet form and circulating it amongst industrialists, bankers and capitalists across North America and in Europe as a description of the area. I am sure that the House listened with the greatest interest to the honourable gentleman's speech.

Now, Mr. Speaker, as to the Bill itself there cannot surely be much left to say. The matter has been thoroughly well debated, in great good humour by all the parties and members on all sides of the House who seem to be in agreement that it is a fine deal. If it is called off now, and that is one point I would like to say just this last year the Minister of Public Welfare and I accompanied by the then Minister of Finance, the present Senator Quinton and Dr. Valdmanis travelled by car the entire length of Western Germany from South to North and we travelled through many miles of forest because the highway, or some parts of it, ran through the centre of some of the state forests of Germany, unfenced. We got out more than once and travelled through the trees a quarter of a mile or more and it was a highly impressive sight such as I had never seen before, which none of us with the exception of Dr. Valdmanis had ever seen before. It was not a forest, it was a vast park and I was informed that every individual tree in that forest in Germany is numbered which is entered in a book and its life history is recorded and there is no tree there can be cut except upon

instructions and by number so that the number is recorded in the register. The limbs of the tree are required to be removed, not even twigs are permitted to be left lying on the ground so that as we walked through that forest it reminded you in a way of a great cathedral, the trees are well spaced, there is lots of sunlight and these trees grow very straight and very tall and with very few limbs until well toward the top and so you can picture walking through such a forest with rays of sunlight slanting down through the trees. Now I think that is scientific forestry. As a matter of fact I think Germany is the original home of scientific forestry, I believe it was the great Bismark, the Iron Chancellor, who introduced it as one of the means of preparing Germany for war, a war measure to make Germany more self-supporting in timber.

I believe that under similar circumstances the honourable member for Ferryland would be right, namely to go into Labrador, Lake Melville, and get to the point where we could cut and export, and do all the physical things required to export two hundred thousand cords of wood a year. It would take two or three years with those Finns and Swedes and their mechanized methods of cutting and their great efficiency. If there is any way to do it, this is it and it will be done by these men, very effectively. The more I live the more I learn and the more respect I come to have for European thoroughness and efficiency. I think here in the New World it has been altogether too easy to get things and to do things. Nature has been very prolific in North America and on the other hand Nature has been quite niggardly in Europe and the millions of people who live there have had to

be frugal and careful and efficient. They have to make things go further. They have to do with less. While the people of North America have slipped into profligate ways because there seems to be no particular reason to be economic and frugal and prudent, the people of Europe learned the trick of efficiency, making a little go a long way, of learning to do a lot with a little. That is the background of European economy. Coupled to that is the well known thoroughness of North Western and North Eastern Europe. I think of countries such as Switzerland, Belgium, Holland and Denmark, Sweden, Finland, Latvia and Estonia, that kind of efficiency and thoroughness with general European background of needing to make a little go a long way. I think the introduction of that into this continent, into our part of this continent, to Lake Melville gives promise of efficient results that could not reasonably otherwise be expected to follow. I confidently expect to see it. I have met Dr. Scigheim more than once. He and another European gentleman entertained us at dinner one night in an European City, I forget which it was. I have heard about him from various people. He is one of the greater timber men in Europe, a man of great wealth, who, if it is any interest to the House, lives in a castle, which is well known, a man of wealth and great background in the timber business and he is all that the honourable member for Labrador said, civilized, distinguished, who possesses a tremendous knowledge. If that combination of German, Swedish and Finnish know-how and drive can be of benefit to Newfoundland, I think it would be shortsighted for Newfoundland to fail to take advantage of it.

On the air last night on the National

News Bulletin I heard of a new drive on the part of the mining interests of Canada to bring in Belgians, Dutch, Estonians, Latvians, etc., into Canada. But there is great difficulty about it because the Australians and New Zealanders have gotten in there ahead of them and have taken thousands of these people from those countries. Since the war ended there has been a drive on in the British Colonies and other parts of the world to get the best of these Germans, Belgians, Latvians, Swedes and Finns by businessmen and capitalists.

I don't think Newfoundland should consider herself too big and independent and too proud to share in that rush, if by so doing our own people can be served. If we could bring in ten Germans with the result that ninety Newfoundlanders would get new jobs, would we stop? Where would the House or the people of this Province want to stop? If Newfoundlanders were to get ninety jobs for every ten we bring in, where would we stop? At a hundred? five hundred? a thousand? fifteen hundred? Would we stop at five thousand?

MR. RUSSELL: You are running up against that labour shortage.

MR. SMALLWOOD: Until we reach the labour shortage of the honourable member for Harbour-Main-Bell Island.

Although we on this side of the House have some doubts this deal is all too good to be true, it is a magnificent deal if it comes off, a million dollars a year into the Treasury and fifteen hundred Newfoundlanders at least assured of a chance to earn a good living. It is almost too good to be true. We can only keep our fingers crossed and hope for the best and go along with those people

and wish them the best of luck and success, and try to do everything in our power to help make it a success.

Now, Mr. Speaker, I conclude as I began, although I can't find the words to express what I feel about this Bill and about the quality of the debate of the last two or three days. I think back to some of the past debates in this House, debates I have heard in this Chamber as far back as thirty years ago, and I feel we are beginning at last to get back some of that greatness of debate. I don't think any member should apologize for speaking the full length of time permitted under the rules of the House, two hours.

MR. FAHEY: You mentioned thirty years ago. I don't think —

MR. SMALLWOOD: I am fifty.

MR. FAHEY: You are not like the women, they keep their arguments light and their age dark.

MR. SMALLWOOD: I started coming to this Chamber at fourteen years of age. I was living at the time as a boarder at Bishop Feild College and I could not wait for school to get out to dart up here and sit in the balcony and listen to Sir Robert Band. I was an active politician. I was an active politician and journalist busily defending the fishery regulations by pen and voice and travelled for Sir William Coaker along the South West Coast holding meetings defending the fishery regulations. For thirty years I have followed up debates and I am very pleased and delighted.

MR. SPEAKER: The honourable Premier is out of order.

MR. SMALLWOOD: Yes, Mr. Speaker, I am fully aware of the time and won't go on beyond the time.

Again I say in closing how pleased I am and I know the House was impressed by the brilliant and colourful speech of the honourable member for Labrador.

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

Read a second time; ordered referred to committee of the whole on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move the remaining orders of the day be deferred, and that the House at its rising adjourn until tomorrow Friday at 3:00 of the clock.

The House adjourned accordingly.

FRIDAY, June 15, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises."

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill "An Act to Amend the Summary Jurisdiction Act, 1950."

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker,

I give notice that I will on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Crown Lands Act, 1950."

MR. FOGWILL: Mr. Speaker, I give notice I will on tomorrow ask the honourable Minister of Supply, how many pounds of ham and bacon were supplied to the various public institutions in St. John's for the months of January, February, March, April and May, information to include the name of the supplier for each month, the brands, and the price per pound. Also, who has the order for the supply of ham and bacon for the month of June, at what price per pound?

MR. J. G. HIGGINS (Leader of the Opposition): Mr. Speaker, I do not think question No. 115 was answered yesterday.

HON. C. H. BALLAM (Minister of Labour): Mr. Speaker, I think, I answered part of it the previous day and mentioned that those men were hired out here on those jobs. But I mentioned yesterday these contractors have certain people working, on key jobs, and when the job is completed they will be returned to their own country. They are not on a pensionable basis but are on contract rates, hired by the contractors doing the job. This is quite customary and the common practice.

MR. HIGGINS: That is not an answer to my question.

MR. SMALLWOOD: I can inform the House the question is not going to be answered.

#### Orders of the Day

MR. SMALLWOOD: Mr. Speaker, before you call order No. 2, may I say that there are three important

amendments we propose to make, one of which has already been announced eliminating altogether the clause giving the Government additional land not specified in the Bill. I forget the number of the clause. The other is to revise completely the chief clause on mining leases, and bring it into one hundred percent conformity with the new mining Act not yet brought in. The third is really to remedy a rather stupid verbal error contained in the clause which says the Government, with permission of the Lieutenant Governor in Council, may guarantee bonds up to ten million dollars. Obviously the word "Legislature" belongs where the word "Governor in Council" occurs.

Committee of the Whole on Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

MR. CASHIN: Before the section is passed I would like the Premier to explain if these people mentioned here, Pippy, Bowring, and Lewin, are Government Directors.

MR. SMALLWOOD: These gentlemen have been invited by me as leader of the Government to serve on the board at least for the first year because that is all that these names mean. The names, that is, of the directors of the corporation until the first annual meeting at which the directors will be elected. I understand that is customary on incorporation of a new company and I have asked these gentlemen to serve on the board without remuneration. Now when the first annual meeting of the corporation is held obviously the shareholders, in proportion to the shares they hold, will elect the directors suitable to them, except that it is provided further on in the Act

that the representatives of the minority group shall be entitled to one director. Now, I may say the honourable the Attorney General is piloting the Bill. I don't mind having questions directed to me also and I shall always answer them if it is in the public interest to do so. I was referring not to this particular matter but to questions of recent vintage.

MR. CASHIN: The point is, Mr. Chairman, that there is no section in this Act as far as I have read, no particular clause saying how the number shall be so, not less than nine, not more than fifteen. Now these three gentlemen are, as I understand it, the government directors, but there is nothing here to confirm that, and I object frankly to Mr. Lewin being a director on the ground that no man can serve two masters. He is working for Bowaters and their interests may be apart from this. The gentleman may be the best man in the world, and it is not fair to him, and not fair to the company he represents, the biggest mill in the world and under this Act there may be a possibility of another in Newfoundland or Labrador, and I don't think it is fair to either Mr. Lewin or the Government that he should be there to express an opinion on it. With all due respect to Mr. Lewin's qualifications and everything else, I think it is placing him in an embarrassing position and I think the Government should have left him out.

MR. SMALLWOOD: Does the honourable gentleman consider the implications of this question? Supposing the people most interested in establishment of the third paper mill in Newfoundland were Bowaters?

MR. CASHIN: That is doubly

the reason why he should not be here.

MR. SMALLWOOD: If that should happen to be the case it is doubly the reason why he should be there.

MR. CASHIN: For Bowaters interests.

MR. SMALLWOOD: It is hard to separate the interests of Bowaters and the interests of Newfoundland. Is it not desirable that Bowaters has so big a stake in Newfoundland, so great that it is virtually impossible to separate them, virtually impossible, I was going to say with the exception of the C.N.R., probably with that exception, it is the largest single industry or employer in Newfoundland. Their stake in this Province is tremendous. They are now a hundred million dollar enterprise and if Bowaters themselves should hope to be the ones to put up a third paper mill in Newfoundland it would be very likely—now I don't want to go any further than that—well, the honourable gentleman accepted this, that these are the directors only until the first annual meeting and at that annual meeting the major shareholders will have a completely free hand to elect all of the directors except one, the one which is provided for in the agreement as a representative of the minority. Now, that is a picture so long as they hold not more than the ten per cent of these shares. All other directors are such as the majority stockholders determine to have. That is the normal position but at first the directors would be as named in the Act but only until the first annual meeting. I hesitate to say anything that when published would appear to commit anyone but we are most anxious, the whole House, and no one more than the honourable

and gallant member himself to have a third paper mill in Newfoundland, so is Mr. Lewin. We have had countless conversations and discussions on it and he has turned his books and all information on it wide open to us for data and has a special report prepared by his company both in New York and Corner Brook and he has come here several times so to discuss the matter with me in very frank discussions. We have had long distance telephones and I am not committing anyone to anything when I say it is just a report on the facts. But I honestly think in the interest of the paper industry in Newfoundland two things are necessary, one the Corporation, and two it is very desirable to have that one man more perhaps than any one, with the exception of my honourable friend, Mr. Harriman, if we want to have a third paper mill in Newfoundland. He is a pretty obvious man to invite on the board and his acceptance of it can be taken, to say the very least, as an action of good will on his part. I think it is inconceivable that a gentleman who is Vice-President and General Manager of Bowaters of Newfoundland would accept office on the Board of this Corporation with any purpose or motive in the world other than to be of benefit to Newfoundland. I don't think there is any doubt about that. Honestly if my honourable and gallant friend will read between the lines then I think he will agree it is a smart thing to have Mr. Lewin who can bring to that Corporation and the meetings of the board tremendous first hand information about paper mill production costs in Newfoundland. Not only the costs but the background of these costs, the variations, the reasons for these costs, problems involved in the knowledge of the engineering

and practical problems involved in the production of paper and pulp in Newfoundland. Now, who can be more help to be able to give real dependable information than Mr. Lewin. Now, Mr. Grouchy, I am sorry to say is not well at the moment, I believe he is away on vacation and is not at all a well man, so that Mr. Lewin is the one man to bring to this Corporation this amount of intimate knowledge of the paper mill industry in this Province.

MR. RUSSELL: Was Mr. Grouchy invited to be on the board?

MR. SMALLWOOD: To begin with he was away and it would be a mere courtesy to invite him when we know he could not accept. Mr. Grouchy had to refuse us but he would have been equally willing, and both of them for obvious reasons would be interested in this set-up for procuring development. For obvious reasons it would have been good to have both of these gentlemen but not being able to get both we got one.

Now, I know the honourable and gallant member for Ferryland has this matter of a third paper mill in his heart. I know he talked about it in the National Convention and there is no man in this House today more interested in seeing a third paper mill. A third paper mill in Newfoundland has a tremendous attraction for our people, for all of us. It would be a great labour-giving industry and I know that now there is to be a Corporation he will want it to succeed. I am sure everyone in the House knows that, we all want it to succeed and we want to see the right directors on it.

MR. FAHEY: With respect to the suggestion that anything said in this House ought not to be publicly

recorded, published widely, far be it from me but I have surmised that Mr. Lewin has discussed the possibility of a third paper mill there, here, and in New York. That all can be recorded, I think.

MR. SMALLWOOD: Yes.

MR. CASHIN: I appreciate the Premier's reply but I still have to look back at what happened before Corner Brook was built. I started to explain here the other night how in the A.N.D. Company the present owners in England showed the A.N.D. Company as losing money in order that no one else would try to come over here as they would be hit right between the eyes with the fact that the A.N.D. Company is losing money. That was shown on the records at that time and helped to block a mill in Newfoundland for twelve to fifteen years, until the British income tax rose to such heights that the A.N.D. Company in Great Britain allowed them to show their gains over here instead of over there and thus avoid the high taxation, as at that time for a short period there was no profit taxation in Newfoundland. From 1924 to 1928, I think they abolished the income tax in 1924 and it fell to me to bring in a renewal of it when I came into office.

Now for that reason, in view of what happened thirty years ago, I feel it would be an embarrassing position in which to place a representative of the A.N.D. Company or Bowaters. It would not be fair to them. What would happen is this, for argument's sake, these two men were on the board and the hopes for the mill did not materialize, there is nothing to clear them of being accused of using their best efforts to block a third mill, nothing will clear them whether



they blocked it or not. Now, I said a man cannot serve two masters. I believe they might be interested in a third mill and if so it would be an error for the Government and Bowaters to have a representative in this Corporation, I don't think it is right for Bowaters or A.N.D. Company to be on that Board. This is a new Corporation and one of its purposes is to bring about the development of Labrador wood with a mill on the Labrador or in Bay D'Espoir. These financial geniuses that are here, Harriman Ripley, and Wood Gundy, don't need Bowaters and the A.N.D. Company to find the money. They found money before and I think they have access to all the data the Government has and various other reports, the water-power on the South Coast, the water-power in Labrador and it is a case now, even in the last night's paper, it was stated that newsprint is going up, the price is going up, the Americans are raising it and I think the Federal Government in Ottawa, yesterday or this morning, authorized the increase in price, and it was pointed out by one honourable gentleman there that no new mills were being erected; during the past number of years some have been extended and others revised but there has been no new units constructed in Canada since the early thirties and then we all know what happened to the paper industry. However, there is a big demand, and the costs are going to be high. I pointed out the other day the difficulty of getting steel for construction of that plant, these are all matters to be taken into consideration and if we can find people who are interested in it, it would be a wonderful thing for Newfoundland. But I feel again that two directors, either Bowaters or A.N.D. Company will

not create confidence as far as these persons will be concerned. They may know everything about the paper industry but the ordinary man is going to say that Bowaters have their fingers in the pie. I have not said anything disparaging against any of them in these few remarks.

MR. SMALLWOOD: Talking about this incredible demand for paper such as the world has never seen before, almost beyond belief, the terrific markets for newsprint paper, the trouble is that the costs of building a mill, a newsprint paper mill are staggering running anywhere from eighty million to one hundred thousand a ton of the capacity of that mill. Now the remarkable thing is that it is sometimes more profitable to have a pulp mill making craft or ordinary pulp which is just a case of taking wood and grinding it into pulp. There is most profit, I am informed, in any kind of sulphate craft paper, and we are aware of all the various uses to which it is put, paper boxes, linings for gypsum plaster, you know how that is made—two sheets of paper are run through a great machine with liquid plaster then through the molder which presses it thin to the exact thickness and hardness and that paper or board is used to line more wooded boxes but all paper cartons, cardboard cartons. Think of the hundreds of thousands of cases coming in to Newfoundland packed in paper containers, milk and all kinds of can goods are packed in paper cartons but they are all made from wood. Now take wood and turn it into newsprint or into those cardboard cartons and the difference of it is you make more money out of the latter than from newsprint. That is why there are no new newsprint mills being built but other paper mills are. My honourable friend did

not read in the paper today that for the last number of years there were no newsprint mills built in Canada. There were no pulp mills built but there were a dozen to produce craft and birch sulphite of all kinds except newsprint. If they have to spend the money they naturally turn the wood into the most profitable article and newsprint is not that today although the price has gone so terrifically high.

MR. RUSSELL: As the Premier pointed out just now, the principle of the Corporation has been settled and it is the desire of everyone only to make such comments in committee as will help to make the Corporation a success. I have just this to say on it. As my honourable friend the member for Ferryland has pointed out, it is entirely up to the Government. If the Government feels there is a third party interested in the paper mill assuming, we have to assume yet, that there will be a third party approaching the Corporation, does the Government feel sure that this company won't be discouraged by coming across their greatest competitors sitting as members on the board. I take it the Government is taking that into account.

MR. CURTIS: Are they really competitors?

MR. RUSSELL: At the moment it appears to be one big happy family but in fifteen or ten years time it may not be. But anyway that is not my worry. But I ask if the Government feels confident it won't interfere in any way or discourage a third party coming into the country. There is another thing and I can't ask the newspaper not to take this but shall make it as cryptic as I can: Bowaters did not even start a second paper mill.

One way of starting a mill it to build it, another is to buy it, take it over from someone else and they build it and help to make a good success of it, that is the cheaper way to get it, and that is the Government's business, I have no objections.

MR. CURTIS: There are one or two changes. I think the Premier ought to be a member of that directorate. I think the first line of Clause 2 ought to start: Honourable J. R. Smallwood, Premier for the time being of Newfoundland. The same as in section (I) clause 3, the only thing being if you do that then in clause 3 it says the person named in section two of this Act shall be these directors. If you say in two "the directors" you more or less suggest they are the only directors, so I think it is better to have this Honourable J. R. Smallwood, Premier of Newfoundland as first on the list of paragraph 2.

MR. SMALLWOOD: It was suggested I be chairman for life but I declined, I feel it ought to be the Premier for the time being, although I expect to be here for the next twenty-four years. Still I might die or something like that may happen.

MR. RUSSELL: If you make this succeed we will make you honourable chairman for life, that is a promise.

MR. SMALLWOOD: It takes two to make a bargain. I have to accept, you see. I think the Honourable Chairman should be the Premier of Newfoundland. That is why I insisted on that change.

MR. CASHIN: Is there any clause going to be inserted to say so and so are Government Directors.

MR. CURTIS: No, that will be dealt with when it comes to the election of officers. The Government has

nine hundred thousand shares and will have control.

MR. CASHIN: There is no indication here that those gentlemen are government directors.

MR. CURTIS: That is indicated in the Act. As long as we have the veto it is not important, you will find all through the Bill veto clauses giving the Lieutenant Governor in Council so much rights.

MR. CASHIN: The point is when we made the Humber Deal where we guaranteed twenty million dollars, it said the Government were entitled to have two directors on the board and the Bank of England one and the British Government one.

MR. CURTIS: That matter may be considered when we come to that clause later.

MR. CASHIN: At the present time we are appointing them directors not government directors.

MR. SMALLWOOD: The Premier is first on the list in clause two.

Motion carried.

MR. FAHEY: Mr. Chairman, I would like to draw the attention of the Attorney General where at any time any vacancy may occur from time to time the board has the right to go ahead and elect other members of the board. Well, there may come a time when members of the Newfoundland Government may die or resign as the case may be and the remaining directors may elect other directors and we could be left with no representative on the Board as this clause is read at the present time.

MR. CURTIS: That is possible but most improbable, as my honourable friend the Leader of the Opposition

knows on a board like this when one man dies and his place has to be filled it is very good practice to fill the vacancy from someone representative of the people whom the retired director represented.

MR. FAHEY: I don't see the sense of it. Even when we try to assist the Government from this side of the House, it reminds me of the other day when I draw attention to another matter and they did not accept it but left it alone and is still wrong. But on this Committee now we have the same thing. The honourable member for Ferryland also brought up a point dealing with—when he asked the question in this particular clause dealing with the Newfoundland Government Representatives on the Board. But under this clause if it is possible that the remaining members of the Board can elect whom they like from this part of the world, then it is possible, nobody can tell me it is not possible that we can be left without any representative of the Newfoundland Government. We have a clause somewhere else saying the Government of Newfoundland must have two or more directors on the Board, but this clause here can leave us at some time with no directors.

MR. HIGGINS: I think the Government ought to look after all eventualities at the present moment. If the ceiling happened to fall down and all the Government members were killed then we would find ourselves with only foreign representatives. When the Directors are all going on one plane and if that plane were lost, which is possible, I would suggest then that the directors go in separate planes so that at least one shall survive.

MR. CURTIS: Would my honour-

able friend seriously suggest that. It might be remembered that all the minority interests have the right to elect just one director, that is all they are entitled to and the Newfoundland Government by virtue of its preponderating voting power put in all the rest. That comes under the clause dealing with elections. So I think we may safely leave that.

Clauses 1, 2 and 3 passed and carried.

MR. HIGGINS: I don't see the words senior shareholders, but it is used over towards the end.

MR. CASHIN: I think, Mr. Chairman, with all due respect that we should take out the words "Thereby improve the standard of living" I think that is superfluous and looks too begging on our part.

MR. SMALLWOOD: That is actually the purpose of the Corporation. That is the one thing that separates this corporation from all other corporations and we cannot take out this very thing that tells what it is principally organized to do.

MR. CASHIN: It does not get you anywhere. You will never see it in the articles of incorporation.

MR. CURTIS: All other corporations are incorporated to make money.

MR. CASHIN: This one means to lose it.

MR. HIGGINS: The honourable member for Ferryland took those words from my mouth. I think the phrase to improve the standards of living of the people should be taken out. We should not include the welfare of the people like an advertisement.

Clauses 4 and 5 passed and carried.

MR. HIGGINS: This clause takes away from private enterprise, it is altogether too broad. Under 6 (a) and there is a second one under (b) (ii) to purchase or in any way or manner to otherwise acquire any property real or personal and any rights of any kind or nature. Personally, I don't like this at all. I claim it is very broad, taking in all business whatsoever.

MR. CURTIS: I hesitate, Mr. Chairman, to agree to any amendment of this clause, it was drawn by a firm of solicitors. Unless the honourable member insists I prefer to let it stand, certainly for the present. We just took it as we got it, Mr. Chairman.

Section 6 read and passed.

MR. FAHEY: They have a nice one in number 7 too.

MR. HIGGINS: Does that mean interest on one half?

MR. CURTIS: No, the principal is still there.

MR. CASHIN: Clause 7, Sub-section (2): The sum of five hundred thousand dollars shall be and become paid-in surplus and only the remainder shall be capital of the Corporation. Now, I take it the five hundred thousand dollars would be set aside from the invested sum as security, what are they going to do with that five hundred thousand dollars now?

MR. CURTIS: I think the position is this. The company starts the business and will have a million dollars from the point of view of the balance sheet and five hundred thousand dollars as surplus. But from the point of view of using either capital or surplus, it depends entirely on what section it comes under, both amounts

come under assets of the corporation and are liable to be used by the Corporation for the purpose of its business. The idea of the surplus in the early stages is good for exploration for mineral development or anything, all the capital is still intact. It is purely a book-keeping procedure. The position is it is a non-par share company, the value of the shares are really the value of the assets divided by the number of shares. The idea of just taking so much as surplus is purely a book-keeping procedure for the sake of the balance sheet.

MR. HIGGINS: That is contrary to Newfoundland Corporation law.

MR. CURTIS: We have allowed it, now of course this section allowed nothing for shares which we have been asked to do by several companies.

MR. CASHIN: Now the Newfoundland Government puts in ninety-nine thousand dollars. That includes the surplus.

MR. CURTIS: That surplus means this is split.

MR. CASHIN: In other words it is to be jacked up another million dollars and what the House passed yesterday should be six million.

MR. CURTIS: Except that this is not an expenditure, purely an investment.

MR. CASHIN: No, but it should be in supply.

Mr. Chairman, before that clause is passed I want to be quite clear on it. We heard yesterday the Government has to bring in a supplementary supply to cover this nine hundred thousand dollars?

MR. SMALLWOOD: This is a new Bill.

MR. CASHIN: In other words, point I am trying to get at, your total expenditure including capital and everything now will be practically forty-five instead of forty-four millions because you are investing nine hundred thousand in this and it is not included in the estimates. Consequently the supply Bill yesterday should be—

MR. SMALLWOOD: We could not include that Bill in the previous list already passed by the Legislature.

MR. CASHIN: This gives you authority to buy the shares if put through.

MR. SMALLWOOD: It does not give any money.

MR. CASHIN: It says the Government are allowed to invest nine hundred thousand dollars.

MR. SMALLWOOD: The honourable and gallant member may be right.

MR. CASHIN: I am never wrong.

MR. SMALLWOOD: I could give an answer to that which could lead to bloodshed. It is better to follow the formal procedure and bring in the supply Bill.

MR. CASHIN: I just brought it up to know whether you were awake.

Section 7 passed.

Section 8 read.

MR. CURTIS: I wonder if we might stop there. There are several little alterations on page nine, the manufacture of lumber cut on said concession. There are two amendments: On the third line page nine, after the word "Concession" add the words: "Or the manufacture of lumber cut on said concessions."

MR. CASHIN: Mr. Chairman, on page 9, I notice the stumpage is 50c. a cord.

MR. CURTIS: Page 9, line 12, after the word "contingency or," insert the word "Delay."

MR. CASHIN: On page 9 it says: you have to pay stumpage, 50c. a cord. How is it they have to pay only fifty cents a cord here and five dollars in the other outfit. If you collect five dollars what are you going to do about it?

MR. SMALLWOOD: The fifty cents is taxation that goes into the Treasury of the Corporation. In making a deal by actual operating companies we will obviously not give that concession. The operating company will pay this stumpage of fifty cents to the Government directly into the Treasury but also pay more, probably much more than that to the Corporation.

MR. RUSSELL: Is there any possibility of upping that to a dollar?

MR. CURTIS: The only question is do we charge a stumpage to paper companies? We have not in the past, have we?

MR. RUSSELL: I would like to see the Government make that as high as they reasonably can.

MR. CURTIS: It is 25c. a thousand feet now.

MR. CASHIN: The Corporation might charge \$5.00 to some outfit or outside concern of which 90% would come to you and 10% to the other people. Well now why should not one hundred percent go to the Government?

MR. SMALLWOOD: The Government only owns 90% of the shares.

MR. CASHIN: They are making a deal with the Government through a Corporation though the Government has 90% control. Now they are getting \$5.00 from another Company for another separate deal.

MR. SMALLWOOD: No, from them the Government gets 50c., but in the one last night \$5.00. That is for wood to be exported.

MR. CASHIN: There is a provision over here where—

MR. SMALLWOOD: Fifty thousand cords, \$5.00 a cord, half a million a year. If Bowaters want to export, which they very well might, they pay a quarter of a million which they don't pay now and should have under the old agreement.

MR. CASHIN: I think you can't make fish of one and flesh of another. The other company has to pay \$5.00 unless it is reconsidered later on which goes to prove my point. 50c. a cord is a very reasonable charge. I hope that you can get it. The point I am trying to make is this: Here you are charging this Corporation, the Government 50c. a cord and Seigheim is going to pay \$5.00 a cord. Now it is not fair to Dr. Seigheim or Dr. someone else who will have to pay \$5.00 a cord.

MR. SMALLWOOD: It is a different situation altogether.

MR. CASHIN: It is not, it is the same situation. You are paying 50c. a cord and this Corporation may sell to someone else and Dr. Seigheim or some other has to pay \$5.00 a cord and that company is going to cut two hundred thousand cords and the Corporation would make \$4.50 a cord, that would be eight hundred thousand dollars a year profit of which

ten percent goes to someone else, looking at it from the ten percent angle. We will assume that Seigheim does not go down and develop at all and you say okay give us \$5 a cord and you, the Corporation, gives the Government 50c. and the Corporation gets \$4.50, a net profit of eight hundred thousand dollars. These other people put in one hundred thousand dollars initial capital and made a profit of 90% in the first year operations. Pretty good business.

MR. SMALLWOOD: Pretty good imagining.

MR. CURTIS: In other areas.

MR. CASHIN: Here is the position, there are very few Seigheims, I am afraid and the thing is this Corporation are getting this from the Government for 50c. a cord and Seigheim has to pay \$5.00 because the Government owns 90% of the other, but forget about the 10% the other people own.

MR. SMALLWOOD: The honourable member is now beginning to glimpse what we realized from the beginning in our negotiations with Harriman-Ripley and Wood Gundy, namely, that they will really put their monies into getting enterprises going because it will pay them to do it. That is what I mean when I say—

MR. CASHIN: Did they have nothing to do with Seigheim?

MR. SMALLWOOD: No, nothing.

MR. CASHIN: You got him on your own?

MR. SMALLWOOD: You will see an amendment proposed by us a little further on requiring the Government at the request of the Corporation to require Seigheim to cut up to one

hundred thousand cords a year for the Corporation apart from the two hundred thousand.

MR. CASHIN: They will cut two hundred thousand for themselves and one hundred thousand for the Corporation.

MR. SMALLWOOD: In our agreement with Seigheim, Seigheim is required to cut wood at the direction of the Government on his area, over and above the two hundred thousand cords which he must cut. Now we are going to suggest an amendment to the Bill presently, a little further along to this effect: That the Corporation may request the Government to request Seigheim to cut for the Corporation up to one hundred thousand cords a year but cutting it for the Government, or for the Government's agent which will be this Corporation. Now the Government may require Seigheim to cut even more than that because in the Seigheim agreement he undertakes to cut over and above the two hundred thousand any wood the Government may direct him to do so. Now if the Corporation asks the Government to require him to do so, Seigheim must cut a hundred thousand cords for the Corporation and to cut other wood for someone else if the Government should so direct him. The payments on that wood are a matter entirely for the Government to determine from time to time. That is the profit Seigheim would make cutting at cost plus; what the Government would get as a stumpage is a matter for the Government to determine when the occasion arises and it is not limited to fifty cents. Now it would be childish to expect that a firm such as Harriman-Ripley and Wood Gundy and Company would come into this partnership no matter how much we

credited them with decency and a normal desire to get into a creative and constructive enterprise. It would be childish to expect them to go in without making a dollar.

MR. CASHIN: I know that but not 90%.

MR. SMALLWOOD: If they have the incentive and are in a position to make a dollar, it is common sense to expect that they will throw themselves boots and all into the drive to procure that economic development. Now is not that exactly what we want and if they make money out of it we must not complain, for every cent we make nine cents, for every dollar we make nine, so we must not complain we must be happy if they make money because that means we are making nine times as much as they make. It is our Province, it is our timber our water-power.

MR. CASHIN: You will have possibly fifty million dollars in it, they have one hundred thousand dollars.

MR. SMALLWOOD: Let us thank God that he gave to the people of Newfoundland the assets we start with together with a few dollars that Harriman-Ripley comes in with, with fewer dollars but with something far more vital to Newfoundland today than just dollars, far more vital. We don't need the one hundred thousand dollars, if we are putting in nine hundred thousand dollars it would be just as easy for us to put in the additional one hundred thousand and make it a million. Then it would be wholly owned. It is not the one hundred thousand dollars but it is the name of Harriman-Ripley and Wood Gundy's name and their ability and the connections and their know-how in getting others to come

in and start enterprises. That is worth money, worth their getting a profit especially when we get nine times the profit they get. It is not perfect, far from perfect but it is not a bad deal.

MR. CASHIN: But can't the Premier appreciate this point, we can't make fish of one and flies of another. Seigheim is paying \$5.00 a cord. If they are paying \$5.00 a cord why can't this Corporation pay just as much, if you can get \$5.00 from Seigheim and only 50c. from Harriman-Ripley and Wood Gundy they are not worth talking about.

MR. SMALLWOOD: It is quite a different thing to get for exporting and cutting raw wood and getting a mill. It is altogether another matter.

MR. CASHIN: Here is the position also with Seigheim. We are trying to draft into the Seigheim Bill, he is supposed to cut one hundred thousand board feet a year and in the next paragraph here now, Seigheim may have to cut a hundred thousand cords for this Corporation. I am going to be quite honest. I don't think he can do it and carry out his contract. I know I am out of order, Mr. Chairman, but I can't see how he can do it in 1952.

MR. SMALLWOOD: It may take until 1953.

MR. CASHIN: At least, and into 1954 to bring it up to that production.

MR. SMALLWOOD: We won't ask him to.

MR. CASHIN: I say he won't be able to do it next year.

MR. CURTIS: We want the five dollar wood first.



MR. SMALLWOOD: What we want in point of fact is a mill.

MR. CASHIN: What are we talking about here?

MR. RUSSELL: I have a few remarks I wish to make on section (a). After that I don't think I am going to make any more comments on the Bill. As the House knows perfectly well, if I had my way, wherever it is conceivably possible to eliminate the phrase "Lieutenant Governor in Council" without nullifying the whole set up, I would have it changed to "Legislature." There are times when if we change it to Legislature it would spoil the whole Bill, and it would therefore be out of order even to mention it. We have already had two or three changes made and I would like to see some more every place possible without changing it. On top of page 8, in the fourth line, "Subject to the approval of the Lieutenant Governor in Council." I have no objection to it whatsoever there because the House is given certain specific rights which are outlined in detail, so that I see no objection. But when it comes down to the bottom of the page in the second last line, it is a more serious matter. If you examine that proviso, already discussed at some length in the debate. Let us examine it, it is worse than the first time I studied it: Here we are giving into the hands of a corporation, and I don't care if it is one hundred percent government, we are giving into the hands of the Corporation, and it may be one hundred percent government owned in thirty days or at any time within the next five years, we are giving into the hands of this Corporation, the timber limits of four to five thousand square miles. I said on another occasion, they don't have to do a thing with

it, for I believe ten years at least. Supposing the Corporation sits on it. I don't think they are as likely to sit on it as some of the leasers sit.

MR. CURTIS: With the Premier on the Board, do you think they are going to sit on it?

MR. RUSSELL: The Premier may be on the Board for a while.

MR. CURTIS: They are not going to let anyone sit on them, don't worry.

MR. RUSSELL: I don't want to give him the right, I don't think he would want the right but a mandate, instructions from the House not to sit, that is what I want to give him. The Premier is not immortal; anyone might be Premier before the three years are up. For instance you cannot interfere with this Corporation for five years providing the continuance of that right after five years shall be subject to the conditions that they or their assignees or transferees shall cut not less than one hundred million board feet and shall manufacture or procure the manufacture in Newfoundland of the timber so cut into lumber or pulp, and that, if, during any such five calendar year period, the average annual quantity of timber cut on said concession and so manufactured shall be less than one hundred million board feet, said right shall be subject to termination on such date, not earlier than three years after the end of such five calendar year period. It may be ten, twelve, thirteen, and it may be fifteen, sixteen, seventeen or twenty years before the end which the Lieutenant-Governor may fix by order in Council. Now, let us assume that after a period of thirteen years the Government wonder if they are going to

make that crowd do something or get off that claim. I think certainly by the time that period was up and surely by fourteen or fifteen years it would undoubtedly be time for the Legislature to begin to have some say but by that time they still have no such say. Surely by that time it would not hurt the Bill or the Corporation one bit for some power of the Legislature to be introduced there at the end of that section.

MR. SMALLWOOD: What would you suggest?

MR. RUSSELL: I don't know, to say the Legislature shall fix, would not make it read very sensibly, but I do believe that it will be time then to have this aired in the House.

MR. CURTIS: The Legislature could instruct the Lieutenant Governor in Council.

MR. RUSSELL: Well, Sir, I am not going to waste time, but I earnestly appeal to the Government that every time they can change "Lieutenant Governor in Council" to Legislature, I hope they do it, and I do feel that particularly at the bottom of that page there should be some provisions by the Legislature without being in a position of moving a vote of censure against the Government they should be able to do it.

MR. CASHIN: In connection with that particular paragraph, it now comes to light after closer study that under this paragraph four or five thousand square miles of probably the best timber areas of Labrador are tied up in this Corporation owned ninety percent by the Government and ten percent by the people whom the Government have identified with them and in whom they place a lot of confidence. They don't have to

do anything in connection with this property for ten years, and it is peculiar that a hundred million board feet is mentioned here, as the Premier remarked there is no possible chance of saw mills being erected to cut a hundred million feet of lumber a year. Is it not possible to give those people an option on this thing for five years, five years is plenty? We have been criticizing other people with leases on the timber areas in Newfoundland and Labrador for not carrying out their contract, not building the mills specified. Now here we are in a somewhat similar position. We are giving this Corporation full control of four or five thousand square miles and they have not to do a thing with it. We don't know what is going to happen, don't know if an effort is to be made or if it may not be made. Bowaters may not want a mill but in four or five years from now someone else may want it and it is tied up here. Now, further on in this Act it is pointed out, on page 12, I think, at any time after five years the right is reserved to the Government to develop a pulp and paper mill on this particular area just the same as the right to the water-power.

MR. SMALLWOOD: The Government has that under this Act from the very start; because we are the Corporation.

MR. CASHIN: I know, but as you pointed out very rightly before, you have those people identified with you.

MR. SMALLWOOD: If there are others interested we can get them as members of the Corporation as well as merely members of the Government.

MR. CASHIN: They are not going out to do it.

MR. SMALLWOOD: I agree to put the word Legislature here, I agree to that. That is practical.

MR. CURTIS: I don't think it is prudent because the Lieutenant Governor in Council functions twelve months and the Legislature only functions for three.

MR. SMALLWOOD: On that point I am going to make a statement a little later on in prorogation. It seems to me, the world being what it is and conditions what they are, and the Government is anxious to procure development and the Audit Act being what it is we are either going to have to keep the House in continuous session or eliminate the Audit Act to allow us to do things, the Act presently does not allow us to develop. To me the result might well be we may have to adjourn the House up to the day before the new session and then prorogue and on the following day open a new session so that the House is in continuous session to be called together by the Speaker on very short notice because we have ten industrial projects, the first of which we have agreed on today up to a point where it has to come before the Cabinet. There will be nine others and if the House is closed we have to hold them up until the House meets again next year, next January or February. So I think the thing to do is keep the House in continuous session for which action the reason of the Attorney General is quite adequate, otherwise the only way to do it, and we are all agreeable is to substitute the word "Legislature" as we have in the back of our minds and have a year round session of the Legislature for the next year or two while we are putting on this drive for economic development, so that if we have to come in the House,

can do so at short notice, but to follow normal procedure and prorogue the House would mean we would have to wait until a year later which would be pretty awful.

MR. RUSSELL: I will probably be shot, but I would much prefer to see it in continuous session than to see the House lose any of its rights.

MR. SMALLWOOD: I think my honourable friend must profit somehow by his championship of the rights of the House. I have tried to fathom what possible benefit there would be in that. I somehow do not think it is going to set the Province aflame exactly. It is not what I would choose as a great issue on which to make a public career. But one can keep the search going for issues, I have heard of issues in search of a politician but a politician in search of an issue is an exciting spectacle. However, the honourable gentleman has one point here in his crusade for the rights of the House, substitute "Legislature" for "Lieutenant Governor in Council."

MR. RUSSELL: The Premier will say about five hundred words and only come to the point in the last five. If it makes him feel happy I will say I have no issue as far as I am concerned, not an issue, and I don't care if it sets anyone aflame, it is a principle I believe in. I don't care who else does or who votes for it. I am arguing for a principle and let that go on the record by all means, it makes me happy.

MR. CHAIRMAN: The amendment is to strike out the words "As the Lieutenant Governor shall fix by Order-in-Council" and substitute "As the Legislature may determine."

MR. CURTIS: I wonder if I might have section (b) stand. The Premier suggested this afternoon we might modify that and my Department is drafting a new sub-section (b) so that we could probably go on to (c) and have (b) stand over.

MR. HIGGINS: Mr. Chairman, this section gives expropriation rights to the Corporation because it gives them the right to transfer any of the assets to any person or corporation whatsoever subject to any conditions the Cabinet may lay down. It does not say the Government shall have control of these firms or Corporations. These may be subsidiaries or the Corporation may hand over all assets in return for shares. It gives absolute control to do whatever the Cabinet or the Corporation wishes with these properties set out in the Act. They have the rights to transfer them to anybody at all without any exceptions and these bodies may carry on without any control by the Government.

MR. SMALLWOOD: I can't see how it can be otherwise. Admittedly the Corporation itself is not going to start enterprises and own and operate them. That is not the function of the Corporation. The function of the Corporation, dominated always by the Government, owned and controlled by the Government, is to procure economic development. That is the reason why the Corporation is created. Now to that Corporation the Legislature is asked to cede certain rights which it itself cannot exercise because that is not its function, it has not the capital, men or know-how but that Corporation in turn will contact firms that have the capital, have the know-how, have the means and such rights as the Corporation has; it may sell or transfer by some arrangement and that arrangement of course

will vary from deal to deal, from project to project and company to company, but that it should have the right to make these separate and various deals for economic development is undeniable if you have it at all. If not let us abolish the Corporation and let every individual deal come before the House and be debated.

MR. FAHEY: That is the right way.

MR. SMALLWOOD: Yes, but definitely not if we want development. We want it. I think we all agree we want development. What we need is this Corporation organized, financed, all the year around even when the House is scattered to all the four winds.

MR. FAHEY: Where is the Department of Economic Development?

MR. SMALLWOOD: That is the Government, and the Corporation is the Government. What we are asking in the Bill is for the Corporation to have the right by having the Legislature say so. They have not the right except the Legislature gives it to them. If the House is not in session the Government is functioning but the Government, unless the right is given them by the Legislature, do not possess it. Now the Legislature can give these rights either to the Government or the Corporation, but it is necessary to give them to someone, otherwise they cannot be exercised. If we were thinking of only one project a year, yes, it is all right. For example the great Humber Deal was one project and could await negotiations until they got the "i's" dotted and the "T's" crossed and everything read and open the House and put it through.

MR. FAHEY: We had two last year without this Corporation.

MR. SMALLWOOD: Yes, and what has that got to do with it. That was a matter of the Government going out itself and building a thing and coming to the House for ratification. But here is a case entirely different, we have no company of whose existence we know of, don't know who they might be or what they are going to do. Suppose we have a dozen projects in the next nine months, are you going to hold them all up until the House meets next year?

MR. FAHEY: The House can open if necessary.

MR. SMALLWOOD: Call the House together all through that time every four or five weeks.

MR. FAHEY: If you call it once a month it would be twelve times a year. If you wish to, yes, for the benefit of the people.

MR. SMALLWOOD: It would be much more practical for the Legislature to say we give these areas to the Corporation for them to develop.

MR. FAHEY: That takes away the rights of the House. Once the House gives that right, they lose their rights in future.

MR. SMALLWOOD: No. The House may come in next year and repeal that Act. The House never gives up its rights. The House is sovereign.

MR. CURTIS: I think, Mr. Chairman, some of my honourable friends opposite are too impressed with what they think is the magnitude of these concessions. I would like to tell them that some years ago we gave

the Labrador Iron Ore Company in Labrador, twenty thousand square miles to practically do what they liked to do with it. We gave the Water Power to Muskrat Falls for \$30 a year for 99 years.

MR. FAHEY: Two wrongs don't make a right.

MR. CURTIS: The day before we came in office in 1949 the Commission of Government gave six thousand two hundred and fifty square miles of property in Newfoundland to Buchans.

MR. FAHEY: It is a wonder they did not give it all away.

MR. CURTIS: So I think they are too much impressed by the magnitude of this thing. The concessions are not nearly as high as we think. We are giving them away, it is true, but we are giving them away to ourselves with the Lieutenant Governor in Council as a perpetual watch dog over everything.

MR. FOGWILL: That is the trouble, we are giving it to the Cabinet.

MR. CURTIS: But the Cabinet is there to organize everything that is done. In other words there is a double check, a check by the Corporation and a check by the Lieutenant Governor in Council. I don't see how my honourable friends can seriously say we are not protected in every way.

MR. FAHEY: I appreciate, Mr. Chairman, the explanation given by the honourable the Attorney General, but nevertheless you must admit that this Act asks the House to give this Corporation nine hundred thousand dollars, for a start, of public funds and

as mentioned in the Act we give the right to this Corporation to raise a bond issue subject to legislative ratification. Now, I contend a project the Government deals with is not a two by four thing which happens every day. It is not like selling a package in a grocery store, or someone selling a suit of clothes. But this involves millions and we are giving the rights to water-power, minerals and mining rights. These are not things that happen every week or every day. These are things of which there may be a half dozen in the course of the year and it takes some time to negotiate them and I presume that one agreement is like another and finally the Government would have two agreements that they would want ratified. Then if the House is not open and they cannot wait for the regular time we must lose them due to the fact that we open in February and the first session of the House opened in July and did not close until December and this year it is running into four months, it probably averages three months open, so for any time in the nine months it is necessary and here may be two or three contracts ready for development. I think it is essential that the House if prorogued should be called together again to pass this legislation. If the House is prorogued it is only a matter of calling it together for a week or two to take care of that necessary legislation. I think the Attorney General, though I appreciate his remarks, has ignored the fact, and the House here is not carried away by the magnitude of the Act but we are asked to pass legislation to give this Corporation the right to legislate for Newfoundland, we were not elected to give away that right and if anything comes

up so fast as that, we are not going to have twenty-five in the next year.

MR. SMALLWOOD: You might be surprised.

MR. FAHEY: If that is so and it is so essential to have development, keep the House going all the time. It is worth it. It seems to me there may be a nigger in the wood-pile somewhere in this Act. If it is essential to have twenty-five or even fifty new developments in the next year it is worth it to the people of the Province to keep us here all the time I say, even if it takes extra pay to pay some of the members for the extra time in the House, if it is so essential and we have so many contracts. I do not agree for one moment with handing over the rights of the Legislature to this Corporation, that we are elected to take care of by the people and not to give away. I think we should hold on to that and we should not give it away and I do think any member has a right to vote with a clear conscience on all legislation and not have this Corporation take care of the business of the House of Assembly. The people elected us to the Legislature to hold on to their rights and we should do so until the people will tell us otherwise.

MR. SMALLWOOD: The House of Assembly as far back as Bond and Whiteway gave away some tens of thousands of square miles. We are not giving one inch away, we are holding on tight to ninety percent, holding it in the hands of the Government and we are selling ten percent while past Legislatures of the Government gave away scores of thousands of square miles for nothing, gave away a couple of hundred thousands of hydro-electric energy for one pepper corn, even one pepper corn a year,

and I have been hunting high and low for the pepper corn, as I want to put it in the museum and I can't find it. Now, you are complaining because we ask the Legislature to vote to the Government what the Government already has.

MR. FAHEY: If they did wrong in the past should we continue it?

MR. SMALLWOOD: We are not doing wrong. But we are doing right to try and get development, right and efficiently, we have time against us not with us. It is a fight against time. There may be a bloody world war within six months. We must get development quickly. That is what the people expect, development and not talk and sermons about it, and they trust the Government and look to them for development and don't split hairs about it. Now, I am not by that implying that the House of Assembly is a mere formality or that it lacks in playing its part. The power of the House is seen in the fact that without the sanction of the House this Bill is not worth the paper it is written on. But what the House does in passing it is to create an efficient instrument to get good quick efficient development. There is nothing wrong with that. We have even agreed there that in some of the vital parts of the Bill the word "Legislature" be inserted instead of "Lieutenant-Governor-in-Council" and the guarantee of large sums of money up to ten million dollars can be done only on the authority of the House and other things to maintain the authority of the House we have done. We have amended the Bill according to the suggested amendment. With that in mind my main point is this: The Legislature gives authority to a corporation, it is a Crown Corporation up to ninety per cent and it took the Cabinet itself

more than a month to look upon the Corporation as something different and apart, we are one thing and the Corporation is another. It took us more than a month to get it in our minds that this Corporation is the people of Newfoundland.

MR. FAHEY: And the Government are the agents of the people of Newfoundland, what else are we?

MR. SMALLWOOD: Does the honourable gentleman doubt it? That is why we are but here, the agents of the people of Newfoundland and we are trying to act like that and we are asking the House for authority for us, our corporation, which the House creates, we are asking the House to give the Corporation the means to work fast and efficiently for the people of Newfoundland to bring about development.

MR. FAHEY: Does the honourable the Premier mean to tell me that the Government and the Department of Economic Development can't work efficiently and fast as this Corporation. Well, I fail to see it. The sun may be too hot on this side or something, I don't know. As I see it the Department of Economic Development may not have the staff to take care of it but that can be arranged through the Cabinet or otherwise. But the Department of Economic Development and the Government itself can bring about those issues just as fast and efficiently as any corporation can, as I see it and there is no reason whatsoever for the Corporation. In the final analysis we are asked to give away ten percent of the property the Government already owns.

MR. SMALLWOOD: Let me give the Committee an example: Last night after the House closed at eleven

o'clock some of us had a meeting which ended at three this morning. It is a commonplace thing with us, this happens quite frequently, we work long hours. At that meeting there was present the vice-president of the great firm of Harriman-Ripley. We were discussing the possibilities of a paper mill in the Labrador. Now, one of the very great drawbacks to a mill in Labrador is the short shipping season to which the honourable and gallant member for Ferryland drew spectacular attention. He pointed out quite rightly that the marine insurance companies really are the ones who determine the length of the shipping season because the shipping can go down there any year not later than the insurance companies will permit or will give insurance for. That is the great drawback, the shortness of the shipping season. That involves building gigantic storage warehouses, in Labrador, gigantic warehouse facilities, and the members of the Committee have seen the gigantic paper sheds of Bowaters at Corner Brook which are designed to store paper for maybe a couple of months. Now, if we have to build warehouses in Labrador to store paper for eight months not only do you have to spend a tremendous sum of money to build them but have two other things arising from that fact: One, is the very great capital cost of them; two, paper is just like woman's clothes in one respect, the styles change, the dimensions change.

MR. FOGWILL: Mr. Chairman, what section are we on?

MR. SMALLWOOD: The same section as the honourable member for Bell Island is discussing. The newspaper varies in size, in the number of pages they publish and the size of the rolls of newsprint paper, varies according to the number of pages a paper

may publish in one day to another. Therefore no newspaper places an order for newsprint paper for more than a month or so at a time because the size of the rolls vary, the length and the number of endings in a roll of paper varies, therefore a newspaper mill cannot make eight or nine months' supply and store it because it is not possible to anticipate the size and dimensions of the roll they will be able to sell. Now, ask A.N.D. or Bowaters and they will tell you quite frankly they will have to change their length of rolls to specifications laid down by customers. Now this is a very serious obstacle. Here is a suggestion he mentioned last night, a rather startling one. Fly the paper out from the Labrador in huge transport planes that would take fifty or sixty tons. I don't know how much but they have a huge tonnage. I know when at Goosc two or three weeks ago we had pointed out to us a gigantic plane of which the whole nose falls down and a ramp comes out and truck after truck roll into the belly of the plane. They have huge planes now that carry three hundred men. Now, he spoke of having these gigantic planes to fly the paper out from Labrador, Lake Melville to somewhere on the South East Coast of Labrador which is open eight months of the year.

MR. HIGGINS: I can't see what this had to do with section 2.

MR. SMALLWOOD: If the honourable gentleman does not want the information—I thought perhaps he would like to have it.

MR. FOGWILL: It is not a case of not wanting the information but on several occasions, quite a number of occasions the Opposition has been confined strictly to the clause under



consideration. I enjoy listening to the honourable Premier, but we have been brought back to the question under discussion and if members of the Government wander off we want the same rights. I want to say to the Chairman that the honourable gentleman is out of order. The other night when we were on a section (c) the honourable Chairman said, you are out of order.

MR. CHAIRMAN: We are not, we are on subsections (a), (b) and (c) of 8. Sub-section (a) has not yet been put and as Chairman of the Committee I have allowed wide latitude in Committee when I have asked at any time anyone on any side of the House to be relative to the clause under consideration. This is a very wide clause and no doubt the honourable the Premier was leading up to some point. In fairness to myself as Chairman of the Committee I must challenge the statement that I have not allowed a wide latitude in debate.

MR. FAHEY: I agree, Mr. Chairman, it calls for wide debate, covering a wide area.

MR. SMALLWOOD: I have only two other points to make. As a matter of fact the members of the committee may remember in the past few days reading in the paper of a project started somewhere in the United States to pulverize coal and blow it through pipe lines a very considerable distance. Now the committee may not be as familiar with another project in the United States to move coal a very great distance through pipe lines by reducing the coal to a lump of a certain maximum size and with force of water move the coal by water through pipe lines for hundreds of miles. Now, does that, or does it not, open the possibilities of pipe line from Lake Mel-

ville out to the Southern Shore of Labrador piping the pulp out. I am told by the Vice President of Harriman-Ripley in this meeting early this morning that there is a paper mill somewhere on the Atlantic Coast of the United States which operates on the basis of pulp manufactured on the Pacific Coast of the United States and shipped down through the Panama Canal in tankers and brought to the mill on the Atlantic Coast. It has, of course, to be pumped in and out of the tankers and evaporated and the water taken out.

MR. HIGGINS: But they have pipes to bring pulp from Bishop's Falls to Grand Falls.

MR. SMALLWOOD: Yes, and they have done it for a great number of years. Unfortunately they had to abandon it for two reasons: first, the pipe itself is quite old and is likely to burst at any time and is not any longer dependable, but chiefly because of strong economic reasons in delivery since they speeded up their paper machines in the mill at Grand Falls. The temperature of the pulp arriving at the mill by pipe line from Bishop's Falls is considerably lower than the temperature of the pulp being used to make paper, consequently the greater speed of the machine through which the pulp is running will not allow this cooler pulp arriving by pipe line to mix. They therefore had to heat it and it has made it uneconomic. But that you can pipe pulp twelve miles has been demonstrated and it has been abandoned, not due to the fact it is impractical to pipe it but because of the fact the pipe line needs to be replaced and it would not pay because they cannot mix it with the hotter pulp actually running through the machine at Grand Falls. Now, Harriman-Ripley had stated that

there are three possibilities that must be explored, the economy, the possibility of flying the newsprint out in those giant transport planes and thereby eliminating the need to store it for eight or nine months of the year at tremendous cost in Lake Melville, and secondly, the idea of a pipe line pumping the pulp a distance of two or three hundred miles. If you can pump oil practically from Alberta to the lake head in Ontario where it is then picked up by giant oil tankers, can we not by the same token pump pulp from Lake Melville down to a more open port of the Labrador Coast where it would be picked up by tankers and delivered to paper mills say in Bay D'Espoir and so on?

Now, I am going to make a confession to the Committee. I don't know what clause the Committee is on, I do not remember, I don't know what page. All I know is the honourable member for Harbour Main-Bell Island raised a point which seemed to give me a chance to pass on to the Committee some information that I thought would be of some value in our thinking about this Bill.

MR. FAHEY: I raised the point there that I could not see why the Government could not carry on and promote a paper mill and negotiate as well as this Corporation, and the Premier gave us a lengthy discussion. He started off, Sir, by telling us the reason why the Government could not promote as well as the Corporation and he went on to explore the Labrador area. I don't know if this Corporation can lengthen the season in Labrador but the Government has not the power to do it. Then he went on to show us how some oil stations in some parts of the world had pipe lines. I still think my original question to the Premier is not answered.

That the Government can promote this paper mill, minerals or water power that we have to develop and our other resources through the Department of Economic Development and get it ratified by the House just as well and more efficiently and just as fast, in my opinion, as by passing them over to this Corporation. I still stick to that point. I have not been convinced yet; he did not convince me that this Corporation would lengthen the season on the Labrador. One of the reasons was that the season is too short but he did not show me how to lengthen it.

MR. SMALLWOOD: I remember now what my other point was.

MR. CHAIRMAN: May I remind the members of the Committee we are discussing Clause 8, (a) and (c) and also sub-clause 2. Clause 8 (b) was allowed to stand. As I pointed out before, I have allowed the widest latitude of debate of which full advantage has been taken.

MR. SMALLWOOD: It was sub-clause 2 which gave rise to the remarks of the honourable member for Harbour Main-Bell Island to which I stood up to reply. The point is this, now that he has rephrased his question. This corporation in partnership with firms such as Harriman-Ripley and Company will be in a far better position to deal with problems such as a paper mill in Labrador than the Government unaided will be able to do and by way of example I cited this conversation which took place. They know the problems of a paper mill in Labrador, the problems raised by the short shipping season, etc., and they have been thinking along the line of flying the paper out in giant airplanes or to have a pipe line pumping the pulp out to the southern shore of

Labrador that would be open for many months more than is the Lake Melville area.

MR. FAHEY: What distance would the pipe line have to run?

MR. SMALLWOOD: A distance of about two hundred miles. They run oil pipe lines for a distance of ten or fifteen hundred miles. Two hundred miles is no great distance and the cost of a pipe line compared with the cost of the great warehouses which would be necessary to store the paper which would be terrific, with the cost of maintenance. The cost of the pipe line in comparison with the warehouse would be small. That may be the answer. If you can manufacture paper on the East Coast of the United States from pulp pumped to the Pacific Coast, on board tankers run down the Pacific Coast and through the Panama Canal to a paper mill on the Atlantic Coast, why can't we do the same thing in Labrador?

MR. FAHEY: It would seem to me cheaper to fly it out if you could get the giant transports.

MR. SMALLWOOD: We saw a few at Goose, tremendous giant transports. It would be a short run for flying boxcars. First we thought of flying it to the railway from Lake Melville and then run it by rail down to Seven Islands to be shipped by boat from there, but it seems even more sensible to fly it direct to Seven Islands, then we question whether or not there was a seaport somewhere along the coast between Seven Islands and the entrance to Lake Melville open longer in the year than is the port of Seven Islands and in such case fly it there and have it picked up by boat. These are practical problems and economical which financiers like Harriman-Ripley who, if they are not themselves

able to cope with them are able to get firms who can and that is one of the great advantages in associating with a firm which has wide experience and connections with all the great firms of the Mainland and the United States of America.

MR. CHAIRMAN: This clause with the exception of paragraph (3) sub-clause 1, passed.

MR. HIGGINS: My argument is we cannot give back to the Government what belongs to the Government. I say in this Bill the Cabinet has authority to transfer all these assets to all and any corporation they wish which gives them control of the country. The point is we as the House of Assembly lost all control.

The House adjourned until 8:00 of the clock this evening.

#### NIGHT SESSION

Committee of the Whole on Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," page 13, clause 9.

MR. CURTIS: Clause 9 is to come out, Mr. Chairman, and I might read to the Committee the draft we have to take its place. If the honourable members will refer to the Seigheim Bill, this is the new No. 9, Mr. Chairman, instead of the present No. 9.

The draft proposes that "If the Corporation wishes to have timber up to a maximum of one hundred thousand cords annually, from the area covered by the agreement entered into on the ninth day of June 1951, between the Government of Newfoundland and Dr. Arthur Seigheim supplied to it or an assignee for the purpose of its or the assignees operations in areas in the vicinity of the said area, the

Government of Newfoundland shall, if in its opinion the request is reasonable, instruct the said Dr. Arthur Seigheim or his assignee to cut and supply the timber in accordance with the terms of the said Agreement."

Now, if the honourable members will refer to the aforesaid Bill they will see there under Section 5 of the said Bill, "If the Government wishes at any time to have timber from the area supplied to any other party the financier shall cut and supply the timber required.

(2) The financier agrees to deliver timber to such party at a price equal to the cost of felling, floating and other costs including capital costs (for all of which itemized statements will be presented) plus ten per cent (10%) of the costs maintained above and ten per cent (10%) of the royalty (if any) payable by such party to the Government."

The suggestion now is that the old Section No. 9 be replaced with this section whereby the Government will undertake, if the request is reasonable, one hundred thousand cords. It was necessary to restrict it to one hundred thousand cords, otherwise the contractors may take advantage of this.

Amendment is that clause nine be deleted and the draft above inserted as the new clause nine.

MR. HIGGINS: Who is to decide whether it is reasonable or not.

MR. CURTIS: The Lieutenant Governor-in-Council.

MR. SMALLWOOD: Mr. Chairman, I would like to express the wish that the honourable and gallant member for Ferryland try to be on time while this Bill and the one referring to LATUCO are being discussed so

that at any time any honourable member is in doubt as to the names printed here, we can appeal to the honourable member to put us straight on the pronunciation.

Clause 9 carried.

Clause 10 read and passed.

Clause 11 read.

MR. HIGGINS: Mr. Chairman, would the Government consider the cement mill exempt from that? It would not pertain to that, would it? Clause 11 (2) the words "any person in whose name" to be inserted between the words "means" at the end of the fifth line and the word "any" at the beginning of the sixth line.

MR. SMALLWOOD: I do not know how members feel about it but I feel in this particular instance we should have additional sessional pay, I think a suggestion of three thousand dollars to each member, up to three thousand dollars, I do not think anyone would mind.

MR. CASHIN: This is a very pleasant subject but out of order.

MR. HIGGINS: "The receipts of shareholders in whose name it is registered." Is that the trust as registered, I suppose three and four may be read together? The present shareholders are also to be offered new shares in the same position. Supposing somebody does not accept, what happens then?

MR. SMALLWOOD: Then the rest of the section applies.

MR. RUSSELL: There is no way under this whereby the Government could end up with less than ninety percent.

MR. SMALLWOOD: Unless they choose.

MR. HIGGINS: What is that in for?

MR. SMALLWOOD: That is the proviso for the first five years of the life of the corporation. The minority shareholders may require the Government to buy their shares. The reason is that this whole partnership is, in these modern times, at least in North America, quite a unique partnership of private enterprise with a Government in a Corporation. It is particularly striking and unusual when the private interest partners are a couple of large bankers and strange as it may sound to the Committee, these firms look upon themselves in the financial world as being far more important than is the Government or than the Government can possibly be. They look upon themselves as a world-wide organization, especially Harriman-Ripley, whereas the Government of Newfoundland, is merely the government of one of the provinces of Canada, and by no means the largest and richest of these provinces. No matter how anxious they may be to come and collaborate and how anxious they are to make the corporation a success and anxious to work along with the government, they have nevertheless agreed with considerable foreboding (perhaps that is the word) to enter into an agreement with a government as partners in a corporation because they are businessmen, financiers, not politicians, and they look upon governments in much the same way as most business houses look upon governments. They wonder what a government will do. Now, for example, they know that a government is subject to a legislature, that the whole Bill can be repealed at any session of the House, and unlike an agreement with another private company they naturally and inevitably wonder what the

story is going to be, how they are going to get on. They are more or less at the mercy of the major shareholders. Supposing the government got cock-eyed ideas about this corporation and began to turn it into, for example, political instrument or one of a political party. Here would be this firm, world known, tied hand and foot with a government whose antics they did not like. So, therefore, the whole idea is inserted as we here in this Chamber are so intent upon protecting Newfoundland interests in this corporation and so determined that these so termed city slickers—and we being the small town boys—they the city slickers—we are determined that this great Wall Street firm is not going to walk off owning Newfoundland and all the rest of it. We are so intent on that perhaps we fail to put ourselves in their place and see it as they see it. They are in a position they have never been in before, actual active partnership with a government for the first time in their lives. Now, in the United States, business in general takes a very dim view of governments in general. Mr. Ripley put it this way at a dinner he gave us in the course of our conversations: "You may pity the poor businessman today, if he makes money a congressional committee is set up to investigate and he has to defend himself for making money. If he does not he is brought up to explain why he does not. He is damned if he does and if he does not." They take a dim view indeed of governments and never know what they will do next. They feel harassed and hounded by governments, continually being investigated by the Senate or the House of Representatives or some one or other. Right now there is a big investigation going on in the United States into the public financial business of the United States in which

many hundreds of banking houses are engaged, which is in fact a monopoly of eighteen of the largest banking firms and I think it is Judge Medina who held the Communist trials who is conducting that enquiry and Mr. Ripley himself spent, I think, eighteen hours in the witness box as a witness being grilled and examined by the Attorney General of the United States and his representatives on those accusations levied against eighteen of the great bond houses of America. In general they take a very dim view indeed of governments.

Now they say, we go into this as minority partners, we believe that your government are going to treat us decently, we believe we are going to get a square deal from you. You are not going to bludgeon us or drug us, because you are the majority, into all kinds of schemes that we would not wish to be associated with. We would like during the time while this thing is in the experimental stages to have the right to sell out and also we make this point very insistently that we are assuring that our partners will never be able to sell one share without our approval. They said, well if we insist on selling them you will have to agree during that experimental period to buy our shares from us and that experimental period is fixed at five years. That is the explanation.

MR. HIGGINS: I can understand that the Government should have the option of buying the shares at a sum not less than one dollar, that is the amount paid, or higher, but if they are worth more than a dollar, will the government say, you go out and sell them, we don't want to pay that price?

MR. SMALLWOOD: We must have the right to choose our companies.

MR. HIGGINS: I say you would have the right to buy at the enhanced value but if you did not want to buy they could sell at the enhanced value. They pay a dollar for them. That is the amount paid out of their pockets, but if they want to sell you have to pay the enhanced value, why not go outside?

MR. SMALLWOOD: We say, no we won't purchase, if we decide not to buy and then they can sell to anyone else. But this is not like other cases. This is a corporation to which is ceded by the House those Crown Areas and the owners of these minority shares are our partners, represented by the directors, we are willing to do that with Harriman-Ripley and Wood Gundy.

MR. HIGGINS: But you can increase the shares to three million and still you each have to buy proportionately, and they can sell.

MR. CURTIS: No, they must offer all to the Government first. If we say, no.

MR. HIGGINS: Why not the same thing here.

MR. CURTIS: I think the position is really a guarantee by the Government that they get back.

MR. HIGGINS: You cannot offer less than a dollar but supposing they are worth a dollar and fifty cents and you do not want to buy and you say you can sell in the open market in one case and not in the other. There are two lots of shares to be issued. You have an option to purchase. You are propositioned. You can say, no, and other shareholders have a right to buy. There is no doubt you should pay a dollar, and if they said, we paid a dollar, here buy us out, and you say

no, not at any enhanced value, all right, you go into the open market and get your enhanced value.

MR. SMALLWOOD: We could but the honourable gentleman's point might have been better taken with a depreciated value.

MR. HIGGINS: I am not saying that.

MR. SMALLWOOD: We have to pay a dollar even if they have depreciated in value, if they had an enhanced value who would mind buying them? But if they say we paid a dollar for shares and they have become a washout or failure and we want you to buy our shares at what we paid for them which would occur only if the two parties could not get on together, private interest and the Government. If the experiment does not work and we cannot see eye-to-eye, we are at cross-purposes and things go from bad to worse; they say, all right buy us out, we have had enough. Then we have to buy them out at not less than they paid. Now if the shares are enhanced we do not mind buying them out at the enhanced value as the shares are worth that but if they have depreciated we are losing, we are paying a hundred thousand dollars for shares worth less than that, and we have a loss.

Section 11 passed. Sections 12 and 13 read and passed. Section 14 and 15 read.

MR. RUSSELL: That is the purpose of the two sections combined, 14 and 15. No. 14 has the sales value and the next one describes what is the sales value. They make sure they will not lose any money by getting out.

Section 14 and 15 passed. Section 16 read.

MR. HIGGINS: Yes, they must not get less than a dollar. On page 18, line 5, after the word "paragraph" insert "or in the event of his receipt of earlier notice from said Government that it will not purchase such common shares, forthwith upon receipt of such notification notify the transferer and all the other holders, except said Government of Common Shares of the Corporation that the transferer wishes to transfer such common shares . . ."

Now, I presume it is understood the Government is allowed to sell shares. I do not follow exactly. Mr. Chairman, the holders of those shares offered for sale must be offered first to the Government and after that, if the Government turns them down, they are to be offered to shareholders and this section determines how that fraction may be resold. Now, I presume they are meant to be a semi-private company, none are to be accepted except those approved by the Lieutenant Governor-in-Council. Now, suppose the Government has less than ninety percent.

MR. SMALLWOOD: It ceases to be a Crown Corporation.

MR. HIGGINS: Supposing one of the companies goes burst and it has a whole block of shares.

MR. CURTIS: If so, the company is bought out by the other companies.

MR. HIGGINS: That has not to have the consent of the Government. You might have outsiders in then, that is the only case.

Section 16 passed.

Section 17 read.

MR. HIGGINS: Was it the intention to change that or not? Was it Clause 17 or 37 which was to be changed?

Section 17 passed.

Section 18 to 22 read and passed.

MR. HIGGINS: Should not those by-laws be tabled here in the House so many days after the opening? Should they not be made public?

MR. SMALLWOOD: I don't see why not.

MR. HIGGINS: You cannot draw any contract without the consent of the Lieutenant Governor-in-Council.

MR. RUSSELL: The point about that: First it would appear by inference that the Lieutenant Governor-in-Council does not intend to exercise any interference over the board in making contracts as provided in Section 24, it states specifically. I do not see anything wrong with that. If every time the board meets it has to wait for approval of the Lieutenant Governor in Council especially when the Government has a majority of shareholders anyway action is delayed, but Section 24 also holds another veto on the minority, I did not notice before. If there is any change in capital structure it apparently has to be ratified by the Lieutenant Governor in Council.

Sections 23 to 35 read and passed.

Section 35 read.

MR. HIGGINS: Is there any need to keep those balance sheets private? Should not that be tabled in the House?

MR. CURTIS: I think that information should all come to the House. It is just a case of knowing where to put it in.

Section 36 passed.

Section 37 read.

MR. CURTIS: In Section 37: "Lieutenant Governor in Council" to

be deleted and "Legislature" to be inserted. I think as the honourable the Premier said we are going to take out that whole proviso under Section 37. It is a matter for the Legislature anyway, I move the proviso be eliminated and the words "Lieutenant Governor in Council" be eliminated and the word "Legislature" be inserted. In Section 38 (2) that the word "voting" be inserted after the word "carrying" in the third line.

Sections 37 and 38 read and passed.

MR. CHAIRMAN: Sections 40 and 41 are deleted. The Bill has been passed except for one paragraph allowed to stand, as was the Preamble and the title.

MR. CURTIS: I have the draft, Mr. Chairman, and I would like to read it to the House, but I do not think we ought to adopt it until it has been typed in detail.

At the bottom of page 10, continued on page 11 part of page 12. It is a long clause. The proposal is, Mr. Chairman, that we go back to section 8 on page 7; this is just changing it around, the old section said "The Corporation is hereby granted. . ." It is the suggestion of the Department that should read: "They are granted to and vested in. . ." And paragraph (a) will stay as it is and paragraph (b) will be altered. Now if you will notice, looking at the original, about the said exclusive exploration rights for ten years from the day upon which this Act comes into force. We feel, Mr. Chairman, that this clause should be amended and have it drafted to this effect "the exclusive right to explore, develop, produce, extract and remove all minerals, both metallic and non-metallic, in the areas described in sub-para-



graphs (i), (ii) and (iii) of this section and on the expiration of such period of ten years or within six months thereafter the exclusive right for a period of fifty years and subject to such terms and conditions as the Lieutenant Governor in Council may prescribe to explore, develop, produce, extract and remove all minerals, both metallic and non-metallic, on, in or under every tract of land, which is a square of forty acres or less contained within such areas, upon which the Corporation has done work which, if the tract was staked out as a mining claim under The Crown Lands (Mines and Quarries) Act, 1951, would be counted as sufficient work to enable the Corporation to obtain a development licence under that Act."

And it is proposed by my Department to renumber the clauses on page 13 to sub-section (3) and have a new sub-section (2): "All parts of the areas described in paragraph (b) of sub-section (1) on which sufficient work has not been done by the Corporation on the expiration of the period of ten years referred to in that paragraph to entitle it to an exclusive right for fifty years, as set out in that paragraph, shall revert to the Crown and be thenceforth dealt with as Crown Lands upon which there is no encumbrance."

In other words, they have to do so much work, otherwise it would revert to the Crown. I suggest we rise, report progress, and in the meantime have the copies circulated.

MR. RUSSELL: I would like to suggest just this one thought to the Government. Since I have been trying to do my best to improve rather than defeat section (b) it has brought this to my mind. Exclusive mineral

rights to be given to the Corporation for ten years. That would be enough and too long for an operating company and I wonder if limiting that to ten years is not a little difficult. Supposing an area did not interest any subsidiary company for nine years, well after ten years they would not have the power to transfer their exclusive rights to the subsidiary or some interested company for more than one year. Don't you think that is tying their hands a little that way?

MR. SMALLWOOD: I do not think that is so. At the end of nine years, if they have a company ready to go in, it could go in under the Mining Act. They know that, under the provisions of the Crown Lands Act with which my honourable friend is probably familiar. It has not yet come before the House but it is on the Order Paper and I think it will be ready on Monday. Under the terms of that Act, when it becomes an Act, certain rights are established for a person meeting certain conditions and if at the end of a certain period of years the conditions can be met, the rights can be transferred.

MR. RUSSELL: It is the Crown then rather than the Corporation.

MR. SMALLWOOD: Even the Corporation is contingent upon performance.

MR. RUSSELL: They only have it for ten years.

MR. SMALLWOOD: But they can give in the ten years any area and if the Corporation at the end of nine years does not succeed in getting someone in to look at the interests. It is not the nine or ten years but to get people in to look at them that is important. But if even at the end of nine years they get a company in,

that company can take steps to obtain what rights they need.

MR. HIGGINS: In other words they make the agreement with the Government? The Corporation will give it to them for one year and the Lieutenant Governor in Council will guarantee after that to carry on.

MR. CURTIS: Or they might even amend the Act.

MR. SMALLWOOD: Of course the big thing about this amendment is at the end of ten years any of the mining rights, any of the rights to the areas allegedly containing minerals now given to the Corporation will revert to the Crown unless exploration is developed or production is underway. In other words, any part of the whole of the area now ceded to the Corporation not under active exploration or development reverts to the Crown which is, I think, as it should be and it puts a sense of urgency into the Corporation. They have ten years with rights and at the end of that time these rights revert to the Crown. That is the big thing. Then again we do get rights at the end of ten years or any time for fifty years rather than ninety-nine.

MR. CURTIS: I move the Committee rise, report progress and beg leave to sit again tomorrow.

The Committee rose, reported having made some progress and asked leave to sit again. Ordered to sit again tomorrow.

Committee of the Whole on Bill "An Act to Approve and Give Statutory Effect to An Agreement Between the Government and Doctor Arthur Seigheim."

Sections 1 and 2 read and passed.

Section 3 read.

MR. CURTIS: Before turning over the page on the fifth line it should read "dated the ninth day of June" not the eleventh.

MR. HIGGINS: Mr. Chairman, I think the honourable member for Ferryland said \$5 was too much. I notice now it is U.S. Currency which means \$5.30. That is frightful, disgraceful, worse than ever now, pure robbery.

MR. CURTIS: I move the Committee rise, report progress and ask leave to sit again.

MR. RUSSELL: You will note on page 10, the word "royalty" is meaningless. I think it should be "licence fees." We will have to amend that in the Act, we cannot amend the Agreement.

The Committee rose, reported progress and asked leave to sit again. Ordered to sit again tomorrow.

Committee of the Whole on Bill "An Act Relating to Licenses to cut Timber Issued Prior to January, 1931."

Section 1 read and passed.

Section 2 read.

MR. HIGGINS: I would like to move an amendment in that if any holder of a claim can show any bona fide effort within six months that he intends or shows he wants to carry out the terms or conditions of his license should be granted further time. In other words the position is that if he wants to start work and cannot finalize it by the 31st of December but has spent some money on it, a further extension should be given.

MR. RUSSELL: I do not think

that, Mr. Chairman. After all, it is all right to say it has been a year and a half since the first warning, but we cannot assume they read the Speech from the Throne and if they did then I have no mercy on them whatsoever. If they have not done so and do not intend to do so then it might wake them up and if a company convinced the Government that they really intend to do something between now and the end of December but could not quite make the grade and qualify, maybe there is no need of an amendment.

**MR. SMALLWOOD:** Mr. Chairman, there is merit in the suggestion but I am afraid we cannot accept the amendment. If, as the honourable member says, a reputable company comes to us and convinces us that they do genuinely intend to develop then they will be doing exactly what we want them to do and doing the thing for which the Bill is being enacted. But, I can't agree that they have not had ample notice. First of all, ever since the award of opinion expressed by the Judicial Committee of the Privy Council, ever since 1931, a lifetime, they have had, and they have done nothing. Now, in addition to that they had particular notice from the Legislature of Newfoundland in the Speech from the Throne delivered more than a year and a half ago. Now they read that Speech all right, there is no question about it. Some of these holders are here living in St. John's and those who do not, all are represented here and are well aware of what was in the Speech from the Throne last year, well aware, yet they have done nothing about it. They have done nothing about it for twenty-four years, practically a quarter of a century and now that we are

giving them another six months' grace on top of that quarter of a century, on top of the particular notice a year and a half ago, that six months should be ample. We want these areas developed, we want someone to develop them. If they go ahead now and keep the bargain they made with Newfoundland long years ago, before some of the members of this House present tonight were born, if they keep it, all right, we are delighted. If they do not, let the areas revert to the Crown. With all the sympathy in the world with the view expressed we cannot accept the amendment. That again throws the whole thing into uncertainty and time is pressing now. It is a fight against time to get development going.

**MR. CHAIRMAN:** The amendment is that "if any holder of any timber licenses shall show any bona fide effort to carry out the terms of licenses before December 1931, that further extension shall be granted."

**MR. SMALLWOOD:** The Act itself suggests, if by that date if they give bona fide evidence of their intention to do so that there be an extension.

**HON. JAMES J. SPRATT** (Minister of Provincial Affairs): Intention is not enough. A man may have an intention to do a thing but it must be specific. If I were the holder, I could come in and say it was my intention—in fact having the intention is what has kept this thing going on so many years and a thing not worth doing right is not worth doing at all. I don't believe there should be any amendment. I watched down through the period all the time the licenses giving away our heritage and we are now trying to get it back and some

kind and sympathetic people are still saying, give them another chance. I have a kindly feeling for everyone but I don't agree with this.

Motion lost.

Clause carried.

Sections 3 and 4 read and passed.

The Committee rose and reported having passed the Bill without amendment.

Ordered to be read a third time on tomorrow.

Second reading of Bill "An Act to Amend the Mining Tax Act, 1950."

MR. SMALLWOOD: Mr. Speaker, this Bill is made necessary by two things; 1, the expiration of the contract that existed between DOSCO and the Government more than a year ago; and secondly, the tax rental agreement which exists between the Government of Canada and the Government of Newfoundland.

Now the ideal idea is that Bell Island Iron Ore should pay into the Treasury of Newfoundland a royalty of ten cents a ton on the tonnage up to a million tons and thereafter a royalty of six cents a ton. The production of Bell Island will shortly run to two and a half million tons or perhaps even more a year and the total revenue that would flow to the Treasury will be an amount of two hundred and twenty thousand dollars plus some other small amounts which they pay under some other legislation. I think an amount of ten thousand dollars or some very small figure for the support of local roads. Now, under the tax rental agreement we may not impose a straight sum or royalty upon the minerals produced and instead we are supposed to im-

pose a taxation on the profits of the mining companies. We have no intention nor desire to change that but in the case of DOSCO we want to collect this ten cents a ton on the first million tons and six cents on all tonnage above that figure and we cannot do it as a straight royalty. We are not permitted to do it under the tax rental agreement. So what we do here in this Bill is provide that they shall pay us a percentage of profits but an amount which shall not in any case be more than ten cents per ton on the first million and eight cents on the rest. It is blind-folding the devil in the dark but we are obliged by the situation to do it. It will affect only this one company although it is a tax of general application. Now there is nothing underhanded whatsoever about it because what we do, we do with the knowledge of the company concerned and the Federal Authorities. What we do there is proper and honest and will raise no unpleasant consequences.

We have further agreed to recommend to the Government for submission to the House a contract of fifteen years duration during the lifetime of which we will not impose higher rates of taxation than the amount in the figures contained in this Bill. We have no alternative, this is the only way we can do it and it affects only one company really because up to the moment only one company is producing iron ore and it affects DOSCO only and does so with knowledge and consent of the company and the knowledge and consent of the relevant Federal Authorities in Ottawa.

I move second reading of this Bill.

Bill read a second time. Ordered

referred to Committee of a Whole on tomorrow.

MR. SMALLWOOD: I do not know if it is on order—there is a very important point I might have mentioned. If it is all right and the honourable members say to go ahead—

MR. SPEAKER: If leave of the House is given.

Leave given.

MR. SMALLWOOD: The Bill is retroactive. We have not yet collected any revenue from DOSCO in respect of last year. The contract under which they paid taxes expired on the 31st May, 1949, and for the calendar year of 1950, there was no taxation legislation in Newfoundland under which we could collect the two hundred and fifty thousand dollars. Pardon me, there was legislature, but it was the regulation governing percentage taxation on profits of mining companies. Under that we had the right to collect but actually we were not able because there was such a tangle there between the Wabana Iron Ore and Dominion Steel, that it would take some of the greatest corporation lawyers to untangle it. At any rate we did not collect a dollar from DOSCO in respect of last year's production and the present Act is retroactive to last year to the 1st of January as we want that two hundred and fifty thousand dollars; and the House may recall that in the estimates on the revenue side for the Department of Natural Resources we show for the current year a prospective income from that company of over half a million dollars under that heading.

MR. RUSSELL: I am quite sure you wondered how we figured on

getting that. And we added another one hundred and fifty or seventy on account of last year's production which this Bill enables us to collect and DOSCO fully expects to pay. Frankly, Mr. Speaker, under the five percent tax on mining profits it would be a pretty heinous mess if we expected to get revenue from DOSCO, it would require a royal commission supported by accountants and auditors to untangle that. This is the only way to do it.

Ordered referred to Committee of the Whole on tomorrow.

MR. SMALLWOOD: I think, Mr. Speaker, it is a little late to go into further business. There are only a few minutes left and I think perhaps we have done enough work.

DR. POTTLE: May I direct the attention of the House to No. 14 on the Order Paper which should read "An Act Relating to Mines and Quarries."

MR. CURTIS: Mr. Speaker, item 11 is wrongly worded. Second reading of a Bill "An Act Further to Amend the Act 26 Victoria Act 5 entitled "The Harbour Grace Water Company."

HON. WILLIAM KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I beg leave to place upon the table of the House the Annual Report of the Fisheries Loan Board and Co-operative Loan Board of Newfoundland for the period ending March 31, 1951."

MR. SMALLWOOD: I move remaining orders deferred, and the House at its rising do adjourn until tomorrow, Saturday, at three of the clock.

The House adjourned accordingly.

SATURDAY, June 16, 1951.

The House opened at three of the clock.

**Presenting Petitions**

None.

**Presenting Reports of Standing and Select Committees**

None.

MR. JOHN G. HIGGINS (Leader of the Opposition): We were told by the end of May we would be through. It is now the 16th of June and we are still going on. I would like to know how many more Bills we have to come in. I know the Government has the right to decide but they have no right to delude us and we have been deluded.

HON. J. R. SMALLWOOD (Prime Minister): Speaking very literally I would say some thirty or forty. But those we have no hope whatsoever of bringing before the House at this time. I think, however, there are one or two—I do not remember if notice of them has been given or whether they have appeared on the Order Paper, but there is one of very great importance almost exactly similar to the Falconbridge one, dealing with an area in the Labrador. Now, that is in the hands of the printers and we are hoping to have it here on Monday. I do not think that will give rise to any particular delay. If we have a good afternoon today and a good day on Monday and Tuesday, it may be possible to prorogue on Wednesday and if not Wednesday, on Thursday or Friday, but I think it will be in the coming week.

MR. HIGGINS: What about the Crown Lands Act?

MR. SMALLWOOD: It is not the whole Crown Lands Act, it is only the part dealing with mines.

MR. RUSSELL: The Committee will consolidate it anyway.

MR. SMALLWOOD: This is not formal, as my honourable friends know, but I think we could at least aim at Wednesday. Frankly, I am not too hopeful but if not on Wednesday, perhaps a day or two later in the coming week and with hard work and giving every measure due consideration I think it will still be possible to prorogue around the middle of this coming week. At least we can aim at it.

**Giving Notice of Motions and Questions**

HON. P. S. FORSEY (Minister of Supply): Mr. Speaker, the answer to question number 116 is being prepared.

**Orders of the Day**

MR. SMALLWOOD: Mr. Speaker, I think we might defer this Committee of the Whole on Ways and Means. The honourable the Attorney General will be here in a few minutes and we might go on to it then.

Third reading of Bill "An Act Relating to Licences to Cut Timber Issued Prior to January, 1931."

Bill read a third time and passed.

Committee of the Whole on Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Doctor Arthur Seigheim."

MR. CHAIRMAN: This Bill has been all read except the preamble.

MR. RUSSELL: There is one point. I take it, Mr. Chairman, that the whole agreement is open for discussion. It has been all read but is still open, I presume.

Section 2 passed.

Sections 3 to 8 read and passed.

MR. FOGWILL: On page 7, Mr. Chairman, No. 9, would the honourable Minister explain what is meant by standard rate of wages and whether they are the standard rates established by agreement on the Island.

MR. SMALLWOOD: The standard rates are those in this Province.

MR. FOGWILL: It does not say that, just says standard rate of wages.

MR. SMALLWOOD: That can only mean, in the Province in woods labour there is only one rate set by the Woods Labour Union and the paper companies and employees.

MR. SMALLWOOD: But provision is made for unionization and facilities for unionization, and the payment of standard rates can have only one interpretation. The standard set by the Woods Labour Board and they have jurisdiction in this Province.

MR. FOGWILL: Why does it not say this?

MR. SMALLWOOD: That is all right, but the unfortunate position is now that Dr. Seigheim, after signing the agreement, flew to London to spend a few days, and from there on to Switzerland and on to Germany, and it is not at all possible unilaterally to change the agreement because it has been signed and in view of the fact that the standard of wages in the Woods Labour code can only mean one thing, the rate set by the Woods Labour Board, there would not seem to be any real need to do that. In any case the House can at any time, by another Act, make the operations of this Company subject to the awards of the Woods Labour Board. It is not

a thing which is incapable of being remedied in another way if the need arose to do it.

MR. FOGWILL: Then the honourable Premier assures the Committee that the standard rate is the rate set by the Woods Labour Board.

MR. SMALLWOOD: Indeed I am quite sure and not only that, I am sure if there is any variation between the rates paid, by the Labrador operation and the operations in the Island of Newfoundland, it will be a variation in favour of the men. It will be more than standard rate, not less, if there is any variation.

MR. FOGWILL: Mr. Chairman, there is one other point on that section. You will promote and foster formation of unions, that is labour, I take it.

MR. SMALLWOOD: They want that, they are accustomed to it. If my honourable friend will allow me. For many years past, much longer than companies in Newfoundland have been required to deal with unions, this company nearly half a century, I would say, dealt with employees through collective bargaining. They are sensitive about the fact that they are foreigners and they want goodwill and the greatest possible degree of friendliness between their men and ours and they want these men to organize themselves and they will pay the very top wages; at least I am as much interested in that aspect as my honourable friend is, as I think he would agree. There is no doubt whatever about the situation. This company will at least match the best that any company in this Province is doing at the present day.

Section 9 to 21 read and passed.

MR. HIGGINS: Did the Prime Minister give a hint when he passed the remark that this is already signed?

MR. SMALLWOOD: I said it cannot be changed unilaterally. No agreement can. It cannot be changed unilaterally in the absence of Dr. Seigheim. That is, on any important matter.

MR. RUSSELL: On the other hand, Mr. Chairman, the Committee does not have to approve section 2. If section 2 is approved it means the agreement is approved as it is. If it is approved with amendments it means the Committee is given certain authority to go ahead with the mandate to get him to agree to make the changes and come back to us again. The whole thing hangs on section 2. There are two clauses to which I want to make reference.

Clause No. 14 is the first one. I think on second reading the Government appreciated the point made by the honourable member for Ferryland, and I made a comment on that myself. That is the \$5 which may decrease or increase, dependent on the world prices. Now, world prices are subject to conditions over which we have no control and conditions a long way away from us, independent of what is going on in our part of the world and I think the Government would be willing to set a minimum of \$5 at the most and \$2.50 at the least.

MR. SMALLWOOD: Suppose I take this action. I talked with Dr. Valdmanis in the hotel dining room where we had lunch. I might step out and sound him out. I think we have the right, of course, to insist upon it but I don't know if we want to.

MR. RUSSELL: I have another point: Section —

MR. CHAIRMAN: I think it might be better if I were to call the Clauses.

MR. RUSSELL: If you wish, Section 2 is passed.

MR. CHAIRMAN: You are still discussing Section 2.

MR. RUSSELL: The other point is Section 13 of the agreement: "As soon as it has been established that it is a reasonable and economic proposition the financier will carry out the erection and financing of a paper and cellulose plant at Bay D'Espoir.

Now, honestly from the beginning I have not seen what that means, what is the implication. Let us suppose Dr. Seigheim's operation is successful and during the course of the first year of operation, suppose we are in retrospect all delighted. There is no one who knows now. I say if he makes a success of this, he is the man rather than any other I would like to see operate a mill in Bay D'Espoir. But does that mean he automatically goes ahead and if there is to be a mill will he have the first chance? It does not say so here.

MR. CURTIS: There is no penalty.

MR. RUSSELL: I don't see the value of that section at all and since it is restrictive on Dr. Seigheim I believe he would be willing to have it cut out. It is not a privilege but a restriction and I see no implication and in the mind of someone like myself it has no value.

MR. CURTIS: But it does no harm.

MR. HIGGINS: It might do harm to the effect of raising bonds and that here he is tied down to have to erect a mill and—



MR. RUSSELL: I ask you if in a year from now some one came here to the Corporation with a proposition to start a mill in Bay D'Espoir. Shall we have to say, well we don't know, this Section 13 says Dr. Seigheim got to have the first chance?

MR. SMALLWOOD: No, in my view he would not take too much notice of that because I don't take too much notice of it. It is so vague, lacking in time limit and penalty that it does not do any harm to leave it there. Leaving Dr. Seigheim with the feeling that he is obligated to pursue the matter won't do Newfoundland any harm but I would not base the hope of a paper mill in Bay D'Espoir on that clause. I would prefer to have something more substantial than that. On the other hand if he pursues the matter it is all to the good and can't possibly be a monopoly as there is lots of room for two mills or twenty mills as far as physical space and enough hydro-electric power for at least eight paper mills.

MR. FOWELL: What size mills?

MR. SMALLWOOD: The best part of three hundred thousand in that whole watershed. The best part of three hundred thousand horsepower which can be laid down for less than half a cent. We have now our first primary report which arrived the other day from the Power Corporation of Canada, and it can be delivered at tide-water for less than five mills a kilowatt hour so that there can be no harm done by this clause if it never accomplishes any good.

MR. RUSSELL: One other thing. I will say this carefully and if I am in error, ask the Premier to stop me. This is not just confining Dr. Seig-

heim—if he wants a paper mill in Bay D'Espoir would we still have a chance of having one in Lake Melville?

HON. LESLIE R. CURTIS (Attorney General): This does not commit us at all. If he sees a chance there is no objection on our part.

MR. HIGGINS: But as far as he is concerned I think it is important if he is giving \$5 a cord and as soon as he can establish that it is a reasonable and economic proposition. Suppose you interested capital in a mill in Bay D'Espoir and got surveys and reports and everything pertinent and if you turn to him and say, we will erect a mill, poor old Seigheim will suffer on account of it. It is only a hope but it is there and if ever anyone agreed to erect a mill and you have all the reports and—

MR. SMALLWOOD: In the opinion of Dr. Valdmanis there is not even the slightest objection to fixing a minimum of \$2.50 a cord U.S. Funds. As pointed out, the world prices would have to fall in half what it is at present which is a very unlikely eventuality. So that we might insert there but in any case not less than \$2.50 U.S. Funds per cord.

I don't think we should delete the mill clause. If Dr. Seigheim wishes to do so we should not take away the obligation he feels to pursue and as there is no time limit it cannot do any harm. Personally, I don't take it too seriously and I would prefer to base my hopes for a paper mill in Bay D'Espoir on something far more substantial than that clause. But it can't do any harm and it might be better for Newfoundland to have Dr. Seigheim feel himself to be under an obligation to pursue the matter. If he gets together the information and makes a thorough survey and

finds the thing is feasible it does not stop anyone else from doing the same thing and it can't do Newfoundland any harm whatsoever that I can see.

MR. RUSSELL: To specify Bay D'Espoir looks like a preference—you are perfectly welcome to stop me if I am wrong and I don't want to get on forbidden ground, I wonder, the honourable member for Ferryland notwithstanding, if there are not some advantages in a five hundred ton mill at Lake Melville rather than at Bay D'Espoir?

MR. SMALLWOOD: Now, I have subsequent information.

MR. RUSSELL: That may or may not overcome those obstacles.

MR. SMALLWOOD: We would start one anywhere if it were a project that we could approve.

MR. RUSSELL: If there is not one specifically at Bay D'Espoir or no one else is barred because of that, then this clause is of no value.

MR. SMALLWOOD: There is value in having Dr. Seigheim under some obligation to pursue the matter.

MR. RUSSELL: I hope he gets one over there yet and makes some money to reimburse himself.

MR. CURTIS: We are going to put in a clause to put the minimum price of wood at \$2.50 U.S. Funds. We will leave the \$5 in and add a minimum. Now, Mr. Chairman, the way to amend an agreement when it has been signed is by putting an amendment into the Bill itself and that would involve a little drafting so that I would move the Committee rise, report progress and ask leave to sit again.

MR. HIGGINS: How do they get that Baltic price?

MR. SMALLWOOD: There is a world federation of timber interests near Hamburg.

MR. HIGGINS: A European federation separate from this side?

MR. SMALLWOOD: The greatest sources of pulpwood to supply the world are Finnish and the price is the Finnish price.

MR. HIGGINS: Why is it set in Hamburg?

MR. SMALLWOOD: That is so that foreign bodies can always refer to them and cable them what is the price and they cable right back. It is not a matter of authority. It is a matter of knowing.

MR. HIGGINS: They are recommended as authorities and they are accepted as authorities but you do not have to accept their opinion but call in the authorities.

MR. SMALLWOOD: That is exactly the position.

MR. CURTIS: If everybody is satisfied that is the only amendment required, I move the Committee rise and ask leave to sit again.

The Committee rose and asked leave to sit again presently.

Carried.

Committee of the Whole on Bill "An Act to Amend the Mining Tax Act, 1950."

Section 1 read and passed.

Section 2 read.

MR. CURTIS: They want us to treat it as a short ton but we are not saying so here. Amended paragraph (a) Sub-clause 2, the words "hundred and fifty thousand" be deleted and the word "million" inserted in its place.

Section 2 passed.

Sections 3 to 7 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of a Whole on Bill "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts."

MR. CHAIRMAN: At the time the Committee rose there was an amendment before the Committee. The amendment to clause 37.

MR. SMALLWOOD: There were three points, Mr. Chairman, still to be decided. One was an amendment moved by the honourable member for Bonavista South, and the other two are sections providing for the removal of the Auditor General and secondly of the Comptroller of the Treasury by an address of the House of Assembly to His Honour the Lieutenant Governor. Now I moved an amendment to the section as it stood in the printed Bill, making it read, on the removal of the Auditor General, on an address of the majority of the members of the House of Assembly and I propose also moving an amendment to the section providing for the Comptroller of the Treasury, by the same means, to make it read two-thirds or something of that order. I wish now to reverse that position so that the end result would be the given clause as printed in the Bill and make it in each case removable by vote of the House of Assembly, in other words we would revert to the original position proposed in the Bill. These are, so far as I recall, the only outstanding points in this Bill: first the amendment moved by the honourable member for Bonavista South

which, as I said, we cannot accept, and these clauses dealing with the removal by address of the House of Assembly of, first, the Auditor General and secondly the Comptroller of Finance.

MR. RUSSELL: Before we get down to anything specific, was section 40 allowed to stand over? I believe I expressed a doubt about the meaning of forty.

MR. CHAIRMAN: Yes, and also clause 67. I would suggest we begin on the honourable member for Bonavista South's amendment to Section 40 and also Section 67.

MR. FAHEY: When last in Committee the honourable member for Bonavista South had an amendment on No. 37. I was about to speak at that time and was asked to yield because of the time being so near 6:00 o'clock. I presume now, Mr. Chairman, we are dealing with section 37 and the amendment?

MR. CHAIRMAN: The honourable member is speaking to the amendment. Would it be agreeable to the honourable member if I were to read the amendment, and then he can speak to it.

Reads amendment. Moved that this amendment be passed.

MR. FAHEY: Mr. Chairman, in rising to support that amendment, as I see it, in order to get money to continue a job; say there is a certain amount of money voted and the money has run out, the hundred thousand dollars for the project is, as the case may be, it is harder not to get ten thousand dollars to finish that job than under (b) probably get a million for a new project. The honourable member's amendment is

so worded as to make (b) more in line with (a) and that is why I rise to support it. That is as I see it—the backbone of the thing. It is more difficult to get funds to finish a job than it would be to get a million or a half million to start a new thing never heard of, under that clause.

Now another thing which the amendment deals with is that it will bring it more in line with other Provinces. We are told here on many occasions that we are so backward and the Attorney General in dealing with another Bill the other day when I made the remark that we were not worrying about the kind of franchise in Prince Edward Island or Nova Scotia or anywhere else, but we were dealing with Newfoundland, remarked: "That is why we are so backward." Now, here is an amendment to bring the Bill into line with the other Provinces and this is the first time, or first occasion the Premier intimated that this is more suitable for us than a uniform one as in four or five of the other Provinces. I am not quite sure the Premier said they were wrong but he intimated they were wrong and that this Act is more suitable for us. Now, we are told one day when a franchise is before the House we should support it because of the fact that other Provinces did so some years ago, but we were asked then to conform with that Act so that we would be more in line with the other Provinces and we were told that is why we are so far behind. Now in reverse to that the Government advocates a different policy. I think it is time for the Government to make up its mind as to whether it is going to follow the pattern of the other Provinces or follow it one day when it suits them

and then another day say these Provinces are all out of line and put in an Act more applicable to Newfoundland. Now, I have very little more to say but I rise now, Mr. Chairman, to support the amendment before the Chair to bring this Act more in line with other Provinces that have Acts similar to this.

HON. JAMES J. SPRATT (Minister of Provincial Affairs): I don't like the argument advanced by the honourable member that we should act in conformity with other Provinces, I don't think that is a very sound suggestion and would justify fundamental opposition to the Act now under consideration. This Act under section (b) simply gives the Government the right in an emergency and surely that is necessary, if an emergency arose and parliament were closed do you think it would be wise to have this condition of affairs prevail that it would be necessary in case of an emergency to call parliament together before an expenditure could be entered into. Personally, I think that the Opposition is really not justified in its criticism of this particular proposition.

MR. HIGGINS: Mr. Speaker, I do not think the honourable Minister understood the argument of my honourable colleague. He said all along we have been told we should pass Acts in conformity with the other Provinces and he asked why it has not been done in this case? Now, I say the argument of the Prime Minister is purely on a technical point and has no substance in it at all. We are asking to have the public funds protected in connection with spending, whether provisions had been made by the House or not it is the same thing, protection of public money, and I don't see what differ-

ence it makes in any case, the same amount will be spent and a larger amount than provided for is just as bad as spending money that no provision had been made for at all. Therefore, I say the defense of the Prime Minister is purely technical.

**MR. SPRATT:** It may be a matter of life and death and matters a lot to people who die.

**MR. HIGGINS:** Supposing the building falls down here, it is a sudden emergency and comes under (b) and that is a bad emergency. Suppose it fell down and you were caught in it.

**MR. SMALLWOOD:** I have no doubt the honourable member for Bonavista South in his amendment is endeavouring to protect the principle of retaining in the hands of the Legislature control over public funds but the amendment as made destroys the very thing which it ought to do. I am surprised he does not see himself that it leaves it wide open, his amendment leaves it wide open and would make countervailing savings available for everything. That is exactly the effect of the amendment. It would be to make countervailing savings in any department of Government available for any of the purposes of the section and that is not as it reads today at all but that is how it would read and operate if his amendment were carried. If the Committee will look at the section (a) and (b) they will see that countervailing savings may be used in one of these two sections but not in both, and the effect of the amendment would be to use it for both and for that and various other reasons stated we cannot accept the amendment.

**MR. RUSSELL:** I hope that the Government have given genuine thought to at least the meaning and

importance of the amendment I proposed. Statements have been made in the last few minutes which made me doubt whether or not they understand what I am trying to get at. The honourable the Minister of Provincial Affairs referred to the fact that we were interfering with (b). We are not interfering in the least. We accept (b) just as it is but would add something to it that would not affect in the least what is there but would add other things. (a) Allows for certain things to be done in certain cases, we leave them alone and say that other things be done described above in (a). Let them be done the same way as under (b). The honourable Premier suggests that it would throw everything open to countervailing savings. They are described in an entirely different sub-section than my amendment which would affect only sub-section 2; if the subject for expenditure is one for which no legislative provision has been made or insufficient provision has been made, that is how (a) reads; or for which countervailing savings are not available under (1) which would not affect countervailing savings one bit but just bring what is already done under Section 1. In fact the whole purpose of what I suggest, humbly and with the best of intentions, was this: that the sections we have already passed, the fundamental finance on the preceding page wherein the Legislature vote certain totals called heads of expenditures and appropriate amounts appropriated by the Legislature shall be referred to as heads of expenditure of such departments and may be divided into sub-heads. All we do in the amendment is this: we vote certain heads thirteen or fourteen heads all in the Supply Bill to be passed. The other day when we voted a head of expenditure we did not want the Lieutenant Gov-

error to increase that head of expenditure under certain conditions, we wanted the conditions to be the same for new services or for existing ones. That is their own business, they know what they want to do with the money. But we say, do not increase that head of expenditure, if you have to do it, by all means get a special warrant to do it. But to me, as I said the other day, when we give a certain department five million dollars to spend and they say during the year: we want five million one hundred thousand, an extra one hundred thousand, it is practically the same to the House that Section 35 of the Audit Act already passed were added to that head of expenditure, to increase that head of expenditure, increase some provision already there or think up an entirely new one which would probably come under that heading. We only ask that the two categories be treated the same way. I don't know if it is a safeguard but would inform and certainly would be more consistent. That does not affect me, if we are consistent with the mainland or not. But we would be and I do hope the Government at least understands the purpose of the amendment.

Amendment put. Division.

Favour—Leader of the Opposition, Mr. Fogwill, Mr. Fahey, Mr. Russell.

Against—The Premier, Attorney General, Minister of Provincial Affairs, Minister of Education, Minister of Public Works, Minister of Supply, Minister of Labour, Minister of Fisheries and Co-operatives, Hon. Mr. Vardy, Mr. Morgan, Mr. Button, Mr. Janes and Mr. Drover.

MR. SMALLWOOD: Now, Mr. Chairman, there is an important amendment I wish to move in this same Section 37. Sub-section 2. In

view of the fact that we now have in mind the thought of having the House either adjourned or prorogued for a short period in such a way that the House can be called together at reasonable short notice or to have the House adjourn with a view to having it called together quickly with reasonable notice, in view of that fact, we see the need in this Clause in this Section to provide against having to call the House together merely for some eventuality pictured in either (a) or (b) and therefore I move that Section 2 read as follows: "If when the Legislature is not in session, or when the House of Assembly has stood adjourned for more than thirty days, any expenditure in excess of that provided for by the Legislature is urgently and immediately required for the public good the following provisions shall have effect.

(a) If the subject of the expenditure is one for which the Legislature has made provision but the provision is found to be insufficient, then, upon the report of the Minister that there is insufficient legislative provision and that no countervailing savings are available under other subheads of the Head of Expenditure concerned and of the minister having charge of the service in question that the necessity is urgent, the Lieutenant-Governor in Council may, on the recommendation in writing of the Board, order that a special warrant be prepared for signature by the Lieutenant-Governor for the issue of the amount estimated to be required, and the amount shall be added to the appropriation under the relevant Head of Expenditure.

(b) If the subject of expenditure is one for which no legislative provision has been made, then, upon the report of the Minister that there is no legislative provision and of the minister

having charge of the service in question that in his opinion the necessity is urgent, giving reasons for his opinion, and that if such expenditure is not made grave damage to persons or to property or to the interests of the Crown or the public will occur or excessive additional expense will result from delaying the expenditure until the necessary legislative provision has been made, the Lieutenant-Governor-in-Council may, on the recommendation in writing of the Board, order that a special warrant be prepared for signature by the Lieutenant-Governor for the issue of the amount estimated to be required, and an additional subhead shall be set up in the books of the Comptroller against which expenditures on the service shall be charged.

(c) In every case under paragraphs (a) and (b) the Minute of Council authorizing the special warrant shall quote the special reasons therefor, and a certified copy of the Minutes of Council shall together with certified copies of the reports referred to and recommendations of the Board, be tabled in the House of Assembly within fifteen days from the opening of the next ensuing session in order that the necessary legislative provision may be made."

MR. CURTIS: It is understood from what the honourable the Premier said that Clause 34 (6) stay as is and Clause 55 (2) stay as is. Clause 55, page 30, same amendment stay as is.

MR. RUSSELL: I am sorry to hang up the Committee. That one looked queer to me but since then I have been satisfied.

MR. HIGGINS: Section 43 (c) was kept open.

MR. CHAIRMAN: Clause 41 was

allowed to stand because it concerned Clause 40, it is now passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

MR. SPEAKER: The honourable the Premier asks leave to introduce a Bill "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises."

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

MR. SMALLWOOD: Mr. Speaker, could we have second reading or the explanation so that the House will know what it is about.

MR. HIGGINS: So as it is not rushed.

MR. SMALLWOOD: There has been no rush on any Bill, there has not been and there will not be any, not even an attempt. Mr. Speaker, this Bill is for the purpose of giving the Government authority to sell the cement and gypsum mills, the property of Newfoundland, and the Government cannot sell them without authority. This is preliminary, Mr. Speaker, it is not official until it is proposed from the Chair.

MR. SPEAKER: It is by leave of the House. When I put a motion and hear no negatives, I assume the members are agreed.

MR. SMALLWOOD: Mr. Speaker, I am grateful of course to the House particularly to my honourable friend the Leader of the Opposition for not denying second reading of the Bill.

The purpose of the Bill is to give the Government authority to dispose of industries. The first important

clause says that the Government has—by this Act shall be deemed to have had the power to establish independent enterprises and mentions where enterprises may operate alone or in conjunction with any other person or corporation. Section 4 says moneys required for the establishment, acquisition or operation of an industrial enterprise shall be paid out of monies voted by the Legislature. The next one says the Lieutenant-Governor has power to sell, lease or otherwise dispose of, on such terms as he thinks fit, his interest in any industrial enterprise held by him under this Act. And finally monies acquired by the Lieutenant Governor-in-Council shall be paid into the Consolidated Revenue Fund. That is the whole outline of the Bill.

Moved this Bill be now read a second time.

MR. SPEAKER: Now, let me inform the honourable members the honourable Premier asked leave to read this Bill a second time. It is now competent for any honourable member to move the adjournment or if he wishes to speak or adjourn the debate.

MR. HIGGINS: I adjourn the debate, Mr. Speaker.

MR. SPEAKER: Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Summary Jurisdiction Act, 1950."

Motion is the Bill is now read a first time.

Read a first time.

MR. CURTIS: I would ask the permission of the House, Mr. Speaker, that this Bill be now read a second time. Not so that the House would accept the principle of the Bill. As

a matter of fact I don't know what the principle is. It seems to be a Bill designed to allow the court to deal with conditions of release of accused in certain circumstances when it is considered unfair that certain offenders should suffer imprisonment. If the House would give second reading I think we could follow better in committee. It is not a Bill of any importance and is just brought in so as to bring our legislation in keeping with Federal Legislation on this subject and makes it applicable to cases of summary jurisdiction. I would recommend the second reading but would not hesitate to consent to adjournment.

MR. HIGGINS: If the honourable Minister would explain the Act to us, I would not mind, but when I see an Act retroactive it is one thing that is not done at all. It comes in force August 1, 1950. I wonder if that is a typographical error. This Act may be all right, I would rather help a prisoner than hurt him. But I think it is better to get that information.

MR. RUSSELL: It shows how long the Bill has been lying up.

MR. SPEAKER: The motion is the Bill be now read a second time. Does the honourable Leader of the Opposition wish to adjourn the debate?

MR. HIGGINS: I adjourn the debate, Mr. Speaker.

MR. SPEAKER: The honourable the Acting Minister of Natural Resources asks leave to introduce a Bill, "An Act Further to Amend the Crown Lands Act, 1930."

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

Committee of the Whole on Bill "An Act to Further Amend the Public Utilities Act, 1949."



Section 1 to 8 read and passed.

The Committee rose and reported having passed the Bill without amendments.

Ordered read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Incorporate the Newfoundland Federation of Fishermen."

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): If the Committee would agree I think the constitution could be called by number.

MR. CHAIRMAN: It is agreeable to the Committee that the constitution be taken as read.

Sections 1 to 4 read and passed.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

MR. FORSEY: I was going to suggest—on a previous day I proposed second reading of a Bill to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils. That Bill has been rather hurriedly prepared with a consequent very serious omission. I ask therefore that the Bill be withdrawn and an amended Bill with the specific amount of guarantees substituted.

MR. SPEAKER: The honourable Minister informs us that the first distribution of this Bill "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils be withdrawn, the corrected copies have been distributed.

MR. RUSSELL: Mr. Speaker, I have the floor. I already have the

first copy which has been withdrawn. I think it should be more than withdrawn, it should be taken and ripped up and thrown in the furnace and forgotten. I will never refer to it again only on strong provocation. This Bill, as far as I can see, is a very fine Bill, I am in favour of it in principle, since in principle I am in favour of giving assistance to Town Councils. I think the first town council was organized probably at Windsor and I was very much interested. I was living at Grand Falls at the time and was very much interested in the move the people were making on their own behalf. My only regret, Sir, is that on this list on the second page, or schedule, the town of Bonavista is not there. There are two or three rural councils in the district which I represent.

I have just one or two brief comments to make. The guarantee of bonds is probably the finest way in which the Government can help those town councils because it is probably the simplest way not involving the outright transfer of any hard cash or outright discussion with some hard-headed banker regarding whether or not they would accept the Government's guarantee for a loan. The guarantee of bonds is probably the easier way for the Government to help town councils and therein lies the danger. The Government, if not careful, can pledge or spend the same money two or three times over and leave us in the position where we might be very proud of our small national provincial debt \$11 per head but where we would be accumulating without noticing a tremendous contingent debt. That is a danger of which I am sure the Government is well aware and not one of these bond issues should be guaranteed unless it

meets the requirements that should attend on every wise loan. Now, from my experience with credit unions and I am an authority on that subject, in this Province I have learned that in making a loan or guaranteeing a loan or bond the same principle applies to guaranteeing loans and guaranteeing bonds in making a loan not purely for commercial purposes not caring if you get the money back or if you get twice as much out of the property. But referring to loans not for commercial purposes but for social uplift the supreme test, Sir, is this, that the borrower should be able to repay the loan and be better off after he has it repaid than he was before he got it. Therefore, Sir, though I approve of the principle entirely I do hope that when the Committee stage comes the honourable Minister will be able to inform us of the purpose for each of these bond issues and I hope that in each case the purpose will be for something which will improve the community and at the same time give the council an opportunity to raise revenue. Unless it is revenue raising and at the same time tending towards community betterment the issue should be discouraged and in no such cases should a government guarantee it.

Now, I am going to say something else, a most unusual statement and will then sit down. I am not praising up the Minister of Supply, Sir, he is no particular friend of mine, on good authority I understand the contrary if anything might be the case. But amongst the things this Government is doing a little better at least than the Commission of Government ever did, is in my opinion the administration of Town Councils. There used to be a director of local governments, a full-time job, which to-

day the Deputy Minister of Supply has assumed in addition to his regular duties as Deputy Minister and he is by no means the least busy of the deputy ministers which is no reflection on any of them and there is no reason why they should be less busy, but in addition, I understand, he is voluntarily taking on this other task and doing the job for the same pay. That should be noted by the House and the Committee. I think in that phase of the Department of Supply which has to do with Town Councils the Deputy Minister and his superior are probably handling the whole matter in a realistic, hard-headed manner. I repeat again, Sir, I hope they will get around to paying some attention to the district of which I am the member. As a matter of fact the last time the Town Council was defeated in Bonavista by popular vote, therefore, it may be politically unwise to say what I am going to say, my greatest regret is that they are not included here in the schedule as a town council applying to the Government for a guarantee of some bond issue and getting it, only if it were for some purpose to bring some badly needed programme of improvement to the community and at the same time a chance to collect enough revenue to lay aside a sinking fund to pay interest due on it so that the Government might never have to pay a cent and afterwards have the community end up better off than it started. There will be no time wasted in Committee if the honourable Minister is able to give information as to each bond issue.

MR. HIGGINS: I think it is a good thing for the Government to help out municipalities but it is dangerous unless well managed. The member for Bonavista South has

told us that the guarantee of bonds is a very insidious practice, something like a man who thinks he has paid his debt when he has given a note and does not realize that three months later he has to meet it, but here it is some years, a generation.

MR. SMALLWOOD: You can get a renewal.

MR. HIGGINS: You have to wait twenty years. That means the Government is building up contingent liability and if they want to raise a new loan the financiers will find contingent liability amounting to an Act of legislature of this date and unless each municipality or town council meets its payments they may have a very expensive baby on their hands. Now, there is \$160,000 given to Springdale and South Brook. That is a large amount of money.

MR. SMALLWOOD: It is a fast growing place.

MR. HIGGINS: We should look at every phase when giving a mortgage or bond, if there is a prospect of collecting enough to pay off interest that is not sufficient. The Government should see that some of these bonds should be paid off in five or ten years or a sinking fund provided or the Council give some money to the Government to hold so that after a given number of years they would be paid off and in twenty years not find the town owed the Government \$150,000 at Springdale but that it has been paid off. If this system is adopted and the town councils go burst the treasury then pays it. It is all right if it means the town council has improved the community and paid off the bond but if they have the improvement without paying off the bonds they are in the same position

as when they started. Now, if they default it is impossible for the Government to get the money and the town is in a bad condition and it is hard to sell property. I hope the Minister will assure us in Committee and give us what security we have, and whether there is a sinking fund and an attempt made at the end of twenty years to pay. Secondly, he might tell us why there is a difference in the amounts granted, Grand Bank \$200,000, and Lewisporte \$120,000, Lewisporte is prosperous too, and why Belleoram has only \$10,000. I don't know. Corner Brook East \$10,000. I trust we can get this information so that there will be no delay. But there is one thing I do hope, at the end of twenty years that the money will be paid off whether by annual payments or a sinking fund is created whereby it is paid off at the end of twenty years. If at the end of ten years they have paid nothing, it is safe to presume nothing will be paid off at the end of twenty years.

MR. MORGAN: In supporting the principle of this Bill I should like first of all to clarify the remarks made by the honourable member for Bonavista South. He stated that the principle of the Bill was to help out town councils. I think the principle goes a little deeper than that in that it encourages self-help. The undertaking of the projects envisaged in most of these guarantees would be, I say, absolutely impossible were it not for some similar assistance. In giving these guarantees we are certainly encouraging town councils to help themselves. I should like also to put the honourable Leader of the Opposition at ease with regard to the reason for which Springdale, which happens to be in the District of Green Bay, is getting the amount of

\$160,000. Probably if he had taken Grand Bank, the honourable Minister of Supply would be on to him. The population of the town of Springdale has increased from something like 945 in 1945 to 1,700 in 1950. I say that is an increased population by one hundred percent in the last five years. That is due to the fact that Bowaters has quite a large woods operation there cutting last year in the vicinity of sixty thousand cords of pulp wood. There was in addition some four million board feet of lumber cut there each year. The town being a wooden structure, the danger of fire is very great and the purpose of the guarantee is to provide a water supply for the town.

MR. DROVER: I rise, Sir, to support the Bill for the following reason. I believe that where we have town councils in the Province it is a first step towards a better government for the whole of Newfoundland. Where we have a people interested enough to band themselves together and manage their own affairs locally, if we had more of them all over Newfoundland then we should not have any fear of the outcome of electing a wise and sound government.

Secondly, I believe that it is the duty of the elected Government to support these town councils. In the District of White Bay we pride ourselves on having three and two years ago I helped to organize one at Englee. They have done a fine job and I believe that if the people of Bonavista South and other towns of Bonavista to which the honourable member for Bonavista South made reference to a moment ago, had they taken the initiative in the town of Bonavista as they did in the place in which I live they would find

themselves having a place worthwhile and a better town like you find in different places in the Province where there are town councils at the present time. I have much pleasure in supporting the Bill.

Bill read a second time. Ordered referred to Committee of the Whole now.

Committee of the Whole on Bill, "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils."

Section 1 and 2 read and passed.  
Section 3 read.

MR. HIGGINS: I presume that will be read with the schedule.

MR. FORSEY: I am prepared to give all the information. I think these percentages will have to be deleted because we may sell some of these bonds and some might go as high as four and others vary between three and four.

MR. HIGGINS: Why not put in not exceeding four percent or something like that?

MR. CASHIN: Yes, how are they going to sell these bonds?

MR. CURTIS: Ten years, I think.

MR. SMALLWOOD: Mr. Chairman, the honourable and gallant member for Ferryland has raised a very important question. I hold that bonds guaranteed as to interest and principal by the Government are tantamount to Government Bonds. They are tantamount and the credit standing of the Government of Newfoundland is involved in the rate change and the discount rate of these bonds of private parties or corporations for

Town Councils that are guaranteed as to principal and interest by the Government. Now a very large question is raised here by this Bill, if it were a question only of guaranteeing principal and interest of bonds envisaged in this Bill it would be an important question but it is much more important because of the fact that it is the only way which the Government now has, apart from the giving of cash, to give assistance to industry or to establish or expand, by means of guaranteed bonds—the Committee is aware of the fact that under directive of the Bank of Canada the chartered banks are not now permitted to make loans for a period of more than one year. That means the procedure followed up to now in assisting industries to expand, particularly the fishing industry, is lost to us since that directive of the Bank of Canada. So as I say, we must either do so in future with actual cash out of the surplus or else guarantee the bonds of the town council, fish companies, industrial companies or other individuals or organizations whom we desire to assist in the process of developing Newfoundland. Now as a matter of fact, it is quite likely in connection with these nine or ten new industries to be developed by parties from Europe about which I spoke here a few days ago, the Government will be requested to give financial assistance up to a point in each case with a view to going perhaps as far as to match in investment dollar for dollar. That is to say, if a European firm comes here willing to establish a new industry employing a hundred or two hundred or four, five or six hundred persons each and that firm has no dollars and no way of getting dollars but has the whole of the machinery and know-how and lacks only the dollars, it may, indeed it will get down to a case of

the government assisting them to establish here. Now, that can be done, as I say, only by cash disbursements from the surplus or else the guaranteeing of bonds. It looks as though the whole thing might run to a sum of six or seven million dollars when we count eight hundred thousand dollars here for these various town councils and certain modern fish plants or projects that are in the blue print stage and in hand and these industrial developments which I just spoke of. Now, if that is to be done and the credit standing of Newfoundland amply protected in the rates of discount and interest then clearly some sound procedure must be devised. The Committee may be aware of the recent development in the bond market. In recent weeks a very marked rise has taken place in the bond market. The City of Winnipeg, for example, floated an issue quite recently in the United States, I think they were able to sell bonds at a discount of 7.3. I know that is not good, it is very bad and an interest rate of three and a half percent. So that would yield very much higher rates than three and a half percent. In short the City of Winnipeg would be paying three and a half percent on \$100 for which they received \$93. Now, the City of Halifax quite recently floated a bond issue, again I forget the exact issue, in the United States. The rate of interest was four percent but the discount was quite high. Now, the Province of Ontario just floated a bond issue of fifty million dollars on behalf of hydro-electric of Ontario, one of the most successful publicly owned bodies in this whole world with regard to their credit. Their bonds were floated by Harriman-Ripley in the United States and Wood Gundy Co. in Canada and the rate was much worse than the Province of Ontario had

been expecting. The market is so bad that to attempt at least to iron out the local jam that had come in public housing the Canadian Government quite recently were obliged to raise the interest rates on central housing and mortgage to five and a half percent because they were not able to sell bonds no matter how attractive, how appealing or how sound a proposition, they can't sell if the purchasers are in a position to buy bonds at a higher rate of interest and larger rate of discount. It is a matter of supply and demand. They will buy the bonds that yield the greatest returns provided in the first place the bonds being bought are safe and sound.

The whole question that my honourable and gallant friend asked the Minister of Supply—how to go about floating those bonds—is a question it is not possible to answer without at the same time taking into account far more than just the bonds envisaged in this Bill, the whole position of the Province has to be considered and the need of the Province to guarantee bonds for this and other purposes has to be taken into account. So I may say the Government, including the Minister of Supply, who is a member of the Government have taken that matter into careful consideration and with the advice of our treasury and of other people both here and elsewhere we must and will arrive at a sound procedure under which we can safely guarantee these bonds.

Now, all the Bill does is to ask the House to give the Government authority to do so and it is the first duty of the Government to safeguard the public standing or rating of its bonds, credit standing in the world in general.

Now, we are starting off in a magnificent position, magnificent. No

Province in Canada stands in so fine a position in that regard as we do with a public debt of only \$11 a head compared with the next lowest of all Canada, the Province of Quebec, with \$80, and compared with the highest in Canada, New Brunswick, getting up to \$300 a head. An exceptionally attractive position. So much so that at least half a dozen bond houses have come down here especially to call on me to plead with us to place some of our bonds business with them. To which my answer always has been: you have come on a wasted mission, we are not in the market, we can lend you some money if necessary. And I hope we will be in that position for a while to come. Anyway, I was purposely laying the foundation for establishing the fact that we are not begging, we are sitting on top of the world with a public debt scarcely more than the City of St. John's.

MR. FOGWILL: A stick of dynamite.

MR. SMALLWOOD: Far from it. The public debt of the City of St. John's is almost as large as of Newfoundland. It is almost unbelievable and against that we ended the year with a surplus of nine hundred odd thousand and have budgeted for a surplus of eight hundred thousand and we have in the pot some twenty millions in cash and we have estimated for the end of this year one million net cash together with the value of the cement plant and the gypsum and birch mill. So that we are in a very attractive position. But to translate that into a sound and prudent scheme of financing these bonds is a matter calling for very careful, very careful and prudent organization on our part and I am sure the Committee would not expect us to discuss the ins and outs of that. It would be shirt-sleeve

diplomacy with a vengeance. When it is in the interest of protecting the Provincial credit—open discussion in the elected House is never done. I say an open discussion of the intricacy of the actual mechanics—

MR. CASHIN: You are teasing and leading us on.

MR. SMALLWOOD: I was trying for something more intricate than that. It is not very complicated to call on bond houses to submit tenders. There is a much better way than that to go about it, a far better way.

MR. CASHIN: We could sell to them if they are worth anything.

MR. SMALLWOOD: That depends on the rate of discount.

MR. CASHIN: I claim they should go more.

MR. SMALLWOOD: And get a rate of interest three and a half per cent, less than that, and two months ago, and we would have gotten three per cent. The last issue of the Government of Canada, two point five, which was about two and a half months ago. The last issue of Saskatchewan was 3.20 and virtually no discount but the Province of Saskatchewan will be the last province for some time to come to get that very fine rate, just immediately after that the bond market abruptly jumped but where Saskatchewan got 3.20 we ought to have gotten two and five-eighths or six-eighths or something of that order and no discount on the face value. But I have said those things only to assure my honourable friend, the Leader of the Opposition, and the former Minister of Finance that at least we are not just bungling into it but giving it very careful and prudent consideration and they can feel a little

easier in their minds we are not rushing into it like a bull in a china shop or like Alice in Wonderland or Little Red Riding Hood, amongst the wolves of the financial world but we are very much awake to our duties and our position and our opportunities in this matter.

MR. CASHIN: In connection with this matter, we have had this speech, now I may say a few words too. When you advertise bonds as all Governments do, you must also produce a statement, an audited statement, of your affairs. Now, none of these companies, at all, at the present time are worth speaking about but the Government in Newfoundland guarantees the principal and interest. Now, I might say right here, in my view, taking it for what it is worth, this eight hundred and fifteen dollars here should be sold locally at par, not go to any bond houses at all.

MR. FORSEY: They are all committed at present.

MR. CASHIN: In other words some house has agreed to buy all at par.

MR. FORSEY: That is right.

MR. CASHIN: And is going to sell to the public undoubtedly to make a cut out of it.

MR. VARDY: It would be most unusual if they did not buy at par and sell at a premium.

MR. CASHIN: Now, I have no objection to this Act. I am just trying to get at this. \$10,000 is issued to the Town of Corner Brook East for five years. Bonds are very seldom issued for five years. No Government to my knowledge issues bonds for five years. There are no bonds issued for less

than ten or probably twenty and in some cases twenty-five and Corner Brook is merely \$10,000 for five years. Now, I take it sinking funds are established on these bonds, they can't be established yet the issue is not sold. I remember in the supply estimates a sum of \$150,000 voted for special grants for two councils; ever since they were instituted by the Commission of Government they have been giving out ten, fifteen, and twenty thousand, some town councils got as high as \$35,000 in one year. I added up what Grand Bank has gotten in free grants from the government since they have been a town council and it runs to one hundred and fifty thousand in addition to a ten thousand dollar loan they finished paying off last year. But out of that one hundred and five we took out fifty we are not going to give out as special grants and put it aside to set up a sinking fund in the Department of Finance to pay half the interest and half the sinking fund. Take Corner Brook East, the servicing of that loan will be \$2,350 and we will set aside \$1,175 as our share of service, and the Town Council of Corner Brook will pay us \$1,175. As a matter of fact they have already paid it for this particular loan here for \$10,000 was one we gave them last year, but once the bonds are sold this particular \$10,000 will revert to the treasury and that applies also to Lewisporte to the tune of \$30,000, we already loaned them the money and advanced them the cash last year, and also Belleoram, that \$10,000 was a loan last year so that when the bonds are sold, \$50,000 will come into the revenue this year. Reference was made to Springdale, 1,700 people, and they are borrowing \$160,000 and their interest and sinking fund will be roughly thirteen or fourteen thousand dollars a year. That is practically \$10

a head for every person down there they have to find this year to pay cash in interest and sinking fund, every man, woman and child has to pay \$9 each in interest and sinking fund.

MR. SPENCER: If they have other means of income.

MR. CASHIN: They will pay indirectly, yes.

MR. FORSEY: In the case of Springdale this \$160,000 is required to put in a water system and in Grand Bank it is for a water system. We had a chap away last year, Healey, taking instruction in tax structure for municipalities and he has been to Grand Bank and just about doubled the taxation and the poll tax there is raised from \$3 to \$5 which gave him a couple of thousand dollars increase in the case of Grand Bank. The total revenue to the council when they have a water system installed will be about \$25,000 paid by roughly six hundred families, nearly three thousand people.

MR. CASHIN: Returning to the Bond issue, you have practically made arrangements to sell this issue?

MR. FORSEY: There will be no difficulty in disposal of them. The two companies there have notified the Springdale Town Council, they are taking \$10,000 each at 3%.

MR. HIGGINS: On one point, I did not get what the Premier said about the prosperity of the country. If that were the case the result would be to reduce taxation. Put it down at 4%, that is the only way to settle that.

MR. FORSEY: I would say not exceeding 4%.

MR. HIGGINS: I am glad you have no doubt about raising the



money. To my mind there is going to be difficulty about raising money on long term. At the present day there is so much inflation people don't want to tie up money for a long time, a man may have a thousand dollars today but in twenty years time it is not worth it.

Moved Clause 3 amended by inserting the words "not exceeding 4%."

MR. HIGGINS: I don't see any arrangements made about paying off the sinking fund on this amount.

Section 4 read and passed.

MR. FORSEY: All those town councils listed here, apart from Corner Brook East which is a special thing, will not get any more special grants from the Government. That is final and the only help given them is to set up a sinking fund and pay up to one half probably. In the case of Grand Bank, we won't have to pay anything. For instance, if it costs \$12,000 in Springdale to service that loan we will set aside six thousand dollars for Springdale and they will raise the other six. That is the total contribution of the Government to Springdale from now on and they will get no more special grants.

MR. HIGGINS: You don't give them the money?

MR. FORSEY: We leave it with the Department of Finance as a sinking fund. If Springdale did not have this water system we would be giving them at least ten thousand dollars this year.

MR. HIGGINS: How does Belleoram carry on with only \$10,000?

MR. FORSEY: Belleoram got from the Commission of Government fifteen thousand and twenty-five thousand, a total of thirty-five thousand, and we

loaned them ten on which they paid the interest. As a matter of fact since we came into office we have loaned to town councils \$145,000 and have now outstanding \$85,000; no council has defaulted on principal or interest. I am wrong, one town council defaulted on interest, that is Placentia, due to the fact it split up in two and it had a water system but they have made arrangements with others to pay back what they should for water supplied for them.

MR. FAHEY: There one town council supplies the water to the other two.

MR. FORSEY: They got the loan in the first instance when Jersey Side and Freshwater were a part of their town council. There are no town councils behind in principal or interest.

The Committee rose and reported having passed the Bill with some amendments. Ordered read a third time on tomorrow.

Second reading of Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation."

MR. CURTIS: Mr. Speaker, I beg to move second reading of this Bill. As the House knows the Government is very anxious to develop certain areas with potential resources which are fully vested and explored. Now, we have other areas such as Parsons Pond on the West Coast which may contain oil, and it is the intention of the Government to have an extensive examination into those areas. We find however, Mr. Speaker, that we cannot find out the present owners of these properties, we don't know them, they were granted some years ago to the Newfoundland Oil

Co., and certain others to the Newfoundland Petroleum Limited, all companies registered in London.

MR. HIGGINS: Who is the individual living out there who built the camp in Hawks Bay?

MR. CURTIS: As far as we can enquire we don't know who owns them. They were ultimately, I think, all vested in The General Oil Field Limited, originally I think Newfoundland Oil Fields Limited. As far as we can make out from our investigations, when the Newfoundland Oil Fields or General Oil Fields went into liquidation all the assets were sold for \$60 or £60 to some party over in Britain, in the British Oil. So there is a serious gap and we felt that it is time that something were done to reclaim these areas and get them producing if they are capable of production. We did not want to have them vested in the Government, we feel that a private organization or a semi-private one such as this new Corporation proposes to establish might succeed in getting these areas explored and developed when we could not. So we are asking the House to pass this Act which will vest the title in the Newfoundland Labrador Corporation. I might say here that the Bill as it is at the moment will not be acceptable to the Government as it vests the fee simple in this new corporation. Even though we are the Corporation we do not think the fee simple should be vested in us. We propose to ask the House in Committee to amend the section so that this Corporation has only the same interest in these areas as they have now or will have in other areas for development. In other words, ten years prospective rights with certain mineral rights the details of which will be better known to the House

when the revised clause will have been read in Committee. I move the second reading and express the hope that as a result of this Bill some of these areas will be developed.

MR. HIGGINS: I don't exactly know how to take this. I don't know enough about the parliamentary procedure on the point. But when the Attorney General is talking about the Labrador Corporation it is not yet in existence, Sir, I hope it is a big bouncing boy or pretty girl, but it is not in existence as yet and how can we convey property to a person not in existence, we cannot do it, it cannot be done. Until such time as the Corporation suddenly blossoms out into a girl or boy, a man or an old man, the whole thing is dead. Now, what effect it has on this I don't know. If we pass the Bill before the Newfoundland Labrador Bill we will have a Bill passed granting privileges to a corporation not in existence.

MR. CURTIS: The essential thing is the date.

MR. HIGGINS: We hope the other one goes through first otherwise we will be out of luck. Now, I am telling you I don't know enough about that point, I have never looked it up but I presume it is not born until the assent is given and then I presume that steps will be taken to see that there will be development. Is the Company an hour old when this comes in, that is the question?

MR. CURTIS: It is a good point raised.

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

Second reading of Bill "An Act Re-

specting the Sale and Distribution of Fishery Salt."

MR. KEOUGH: The intention of this Bill is to provide enabling authority under which recommendations can be made by the Lieutenant Governor in Council requiring that fishery salt sold in Newfoundland be sold by weight instead of by measure and prohibiting or otherwise controlling the mixing of fishery salt of different origin. The current practice in Newfoundland at present is for salt to be sold by the hogshead, that is by measure, but salt of different origin has different weights there being a variation, I understand, of 3.2 to four hogsheads a ton depending on whether the salt is mineral or saline and there is a variation in these categories. The fairest basis for sale is thought to be by weight relating to retail price rather than cost price, instead of the straight weight per hogshead presently taken.

The thought behind prohibiting the mixing of fishery salt is to improve quality when a fisherman works with salt of a single origin and consistency he knows the capacity of the salt and how much to give fish but where he has to work with a quantity of mixed salt varying in quality and capacity he is at a considerable disadvantage. He may give too much or too little and in either case an inferior production results.

I would draw attention to the fact that what is sought is enabling authority as outlined and I understand that representatives of the salt distributors and fishermen have expressed their views that legislation to control the sale and distribution of salt in the manner envisioned here is desirable. I should add that while the Government cannot in any measure forego its right to make regula-

tions in the public interest nevertheless before any legislation or regulations are made in implementing this legislation representatives of the salt distributors and the fishermen have been consulted as to what these regulations should contain. I think that covers the points of the Bill and I move second reading.

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

MR. SMALLWOOD: I move the remaining orders of the day be deferred and that the House at its rising adjourn until tomorrow, Monday at 3:00 of the clock.

The House adjourned accordingly.

MONDAY, June 18th, 1951.

The House opened at three of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motion and Questions

MR. CASHIN: Mr. Speaker, on June 13th, I asked a question in respect to the Buy Newfoundland Campaign and have received no reply.

MR. SPEAKER: Question No. 112, Order Paper of June 13th.

HON. JOSEPH R. SMALLWOOD (Prime Minister): Mr. Speaker, I have the answer here but it is not exactly what the honourable gentleman asked for so I am sending it back. It is quite a long thing and I am sending it back

to have it put in the form that the honourable gentleman asked for and I will have it tomorrow.

MR. CASHIN: Whatever the answer is I might as well have it.

MR. SMALLWOOD: I am afraid I do not see it that way.

MR. CASHIN: Why, is there something in the reply that won't bear the light of day?

MR. SMALLWOOD: I object to that comment. The honourable gentleman has no right to make such a suggestion. I have told the House it is not in the form requested and he will have to wait for the answer as we are to give it to him not as he wants it.

MR. CASHIN: In reply to the honourable Premier, I know that matter is not one for debate but I think or take it we are not going to get a reply, that is the position.

MR. SPEAKER: Order.

MR. J. G. HIGGINS (Leader of the Opposition): I asked a question regarding that matter three months ago and have received no answer as yet.

MR. SPEAKER: That was automatically ruled out because there is no question that can be made twice in the same session.

#### Orders of the Day

Third reading of Bill, "An Act to Amend the Mining Tax Act, 1950."

HON. LESLIE R. CURTIS (Attorney General): I ask that this order be recommitted.

Motion carried.

MR. CURTIS: Mr. Chairman, the change we would make in this Bill is

this: Sub-section two refers to taxation on iron ore; in the original text it said on the first one hundred and fifty tons of ore and when the Bill was in committee it should have been changed to one million five hundred thousand tons, so I move that amendment.

MR. CASHIN: What is the position now, 10c. a ton or a million and a half and eight cents on everything over that?

MR. CURTIS: Yes.

Paragraph (a) sub-clause 2 amended. The error arose because the taxation on a million and a half would be \$150,000. It was just a misprint. The Ex-Minister of Natural Resources drew my attention to it.

The Committee rose and reported having passed the Bill with some amendments.

Report received and adopted. Bill ordered to be read a third time on tomorrow.

Third reading of Bill "An Act Respecting Public Revenue, the Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts."

Bill read a third time and passed.

Third reading of Bill "An Act Further to Amend the Public Utilities Act, 1949" was deferred.

Third reading of Bill "An Act to Incorporate the Newfoundland Federation of Fishermen."

Bill read a third time and passed.

Third reading of Bill "An Act to Authorize the Guarantee of Payment of Bonds Issued by Certain Town Councils."

Bill read a third time and passed.

MR. CURTIS: Before we proceed to No. 7, Mr. Speaker, there were two Bills passed which require nominal amendment. One, the "Law Societies' Act," and the other "An Act Respecting Liability in Actions for Damages for Negligence where More than One Party is at Fault." I move that the third readings be rescinded and these Bills be recommitted.

Motion carried.

Committee of a Whole on Bill "An Act Further to Amend the Law Society Act."

MR. CURTIS: I would ask the House if it would refer to Section 2 of the Act. Mr. Chairman, when we passed this Act it was in April and we had in mind then that Law Students at Dalhousie would be able to prepare their law papers and get before the law society before June. However, the students are not able to take advantage of this section, therefore, I move the words "twelve months in June" be stricken out and the words "eighteen months" be substituted. Change the word "twelve" in the second line to "eighteen." In paragraph (k) the words three be stricken out and twelve months be substituted therefor.

Passed.

Committee of the Whole "An Act Respecting Liability in Actions for Damages for Negligence Where More than One Party is at Fault."

MR. CURTIS: The honourable Leader of the Opposition has called to my attention the fact there is no clause in this Act regarding any cause of action existing when this Act came into effect. This may produce some difficulty in actions not paid but may

have been started before this Act came into effect. I therefore move (a) Nothing in this Act affects any cause of Action Existing when this Act came into effect.

Motion carried.

The Committee rose and reported having passed the Bills with some amendments. Ordered read a third time. Read a third time and ordered passed and title be as on the Order Paper.

MR. CURTIS: I move the House into Committee of the Whole on the next four Bills items 7, 8, 9 and 10, on the Order Paper.

Committee of the Whole: A Bill "An Act to Approve and Give Statutory Effect to An Agreement Between the Government and Doctor Arthur Seigheim."

A Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation."

A Bill "An Act Respecting the Sale and Distribution of Fishery Salt."

A Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

MR. CHAIRMAN: The Doctor Seigheim Bill has been read but so far only Clause 1 has been passed; we were discussing Clause 2 on the last day.

MR. CURTIS: It will be remembered, Mr. Chairman, when this House had this Bill before it I think the honourable member for Bonavista South suggested there should be a floor price on pulp wood exported, or it was the honourable member for Ferryland who suggested that we

should have a floor minimum as safeguard in case the market in Europe should be uncertain. Therefore I suggest in Clause 3 of the main Act, sub-clause 1 of Clause 4 of the said agreement shall be read as if there were added there to the words "But in no event shall the royalty payable be less than \$2.50 U.S. Currency for each cord." That is a new section as we cannot amend a contract that has been signed, we can only amend it by putting a section into the Act which is a new section 3 of the Act.

MR. SMALLWOOD: On that amendment, I may say that on Friday when I asked Dr. Valdmanis' opinion of what Dr. Seigheim's reaction would be to that suggestion, he answered that he felt Dr. Seigheim would agree. I, therefore, made the suggestion here in committee. Dr. Valdmanis at my suggestion cabled Dr. Scigheim telling him the desire of the House of Assembly to insert that minimum amount to which he cabled back his reply saying that he felt that a hard bargain had been driven by Newfoundland, which meant in this particular case by Dr. Valdmanis, but that while he agreed to this change he felt that if there were other substantial changes he would have to reconsider the whole thing.

MR. CASHIN: I believe he will be reconsidering it anyhow.

MR. SMALLWOOD: The honourable gentleman is, of course, completely and absolutely entitled to his belief as is for that matter the Committee, but I think the contrary, and time will tell which of us is right. Minor amendments or changes Dr. Seigheim would not mind but this is the only substantial change to which he agrees and he does agree to the insertion of this minimum. He in-

quired in his cable if it has passed through the House, because he wants to begin at once to move in to these areas of Labrador and start operations within the next week or two as quickly as he can get equipment in there and temporary accommodations in the way of tents, as they cannot go in on the bare ground and must have something to live in.

MR. CASHIN: Everything is fixed now except the passing of the Bill.

MR. SMALLWOOD: When it is passed and has Royal Assent we will cable and tell him all is clear as far as we can clear it, and the rest is up to him.

MR. CASHIN: What if the Canadian Government will not consent?

MR. SMALLWOOD: I do not anticipate anything there. As soon as the Bill is passed I will telephone Ottawa and get the green light, but I anticipate no difficulty whatsoever. The Province of New Brunswick is exporting a considerable quantity of wood from year to year and I do not anticipate even in the nature of newsprint—while it is true quite recently the Government of Canada have taken authority to control the disposition of newsprint paper they are not exercising that control let alone raw wood.

MR. CASHIN: Raw wood is very essential and my point is this, we will have to get a ten year contract for the export of wood.

MR. SMALLWOOD: We will try but I cannot guarantee a ten year permit from the Timber Controller. Suppose a war broke out and timber became not timber but green gold, certainly then the control of timber will be carried out.

MR. CASHIN: You will have to get that agreement from the Federal Government for as much of the ten years as you can.

MR. SMALLWOOD: That would not be very satisfactory.

MR. HIGGINS: That would be anticipated, that would be part of the contract. It says subject to the permission of the Timber Controller of Canada, says so in section 7.

MR. HORWOOD: I would like to ask the Premier whether Dr. Seigheim was approached in the matter of the change in schedule of this Act.

MR. CURTIS: I have an amendment here but I have not discussed it with him. I do not think we need to.

MR. SMALLWOOD: Is it the amendment in regard to the settlement of North West River? We cannot give him the right to cut the trees in the middle of the settlement of North West River and a margin of about two and a half miles around.

MR. RUSSELL: You will want to leave plenty of trees as there is going to be a town there yet.

MR. CURTIS: Now, Mr. Chairman, I would like to propose an amendment in section 4 of the Act. The side note will be "Amendment to Lot No. 1 of Schedule." There is a new section 4 in the Act:

4. Lot No. 1 contained in the Schedule to the said Agreement shall be read as if

(a) the words "sixty-five" were substituted for the word "seventy" in line 16 thereof; and

(b) the words "Montagnaid Point thence turning and running in a gen-

eral southwesterly direction five miles more or less to a point on the East side of Grand Lake at its outlet into Little Lake, thence across the said outlet of Grand Lake in a general southwesterly direction to the point on the western side of the outlet, thence along the shore of Little Lake and North West River in a general southeasterly direction, a distance of three miles more or less, to the point of beginning" were substituted for the words "the southernmost point of North West River; thence crossing the outlet of Grand Lake;" and

(c) the word "Nineteen" was substituted for the word "twenty-five" in line nineteen thereof."

MR. HIGGINS: What about Goose Airport?

MR. CURTIS: That is not in it at all.

MR. RUSSELL: That would be about fifteen square miles.

MR. HORWOOD: It is much less than that, it comes out to a point, it is a triangle, about six miles.

Motion carried.

MR. RUSSELL: What are you going to do with Clause 15, subsection (b)?

MR. CURTIS: I move we refer to section 15, Mr. Chairman. This shall be read as if the words "licence fee" were substituted for the word "royalty."

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the

Newfoundland and Labrador Corporation."

MR. CURTIS: When this Bill came up for second reading, Mr. Chairman, the House was given to understand that the fee simple in this land would not pass to the Corporation and consequently when we come to section 2, I will move that all of section 2 be stricken out, Mr. Chairman, and the following substituted "The rights that any of the companies mentioned in the schedule to this Act or any other company or persons had or has in the land described in the grants set out in the said schedule are completely and wholly extinguished."

Motion carried.

MR. CURTIS: I will then move a new section No. 3. "The Newfoundland and Labrador Corporation Limited is by this Act granted the same rights in the lands mentioned in Section 2 as are granted to it in the lands described in paragraph (b) of Section 8 of The Newfoundland and Labrador Corporation Limited Act, 1951." In other words they are getting just a limited title for ten years and leases for fifty years.

Motion carried.

MR. CURTIS: I move a new clause 4, Mr. Chairman. "This Act shall come into force on the date to be fixed by proclamation of the Lieutenant Governor in Council."

Motion carried.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act Respecting the Sale and Distribution of Fishery Salt."

Sections 1 to 5 read and passed.

Committee rose and reported having passed the Bill without amendments. Ordered to be read a third time on tomorrow.

Committee of the Whole on Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

MR. CURTIS: Mr. Chairman, we held up paragraph (b) because we wanted to check up on the wording. At the bottom of page 9 and continuing on to pages 10 to 11. The new clause (b), Mr. Chairman, will read: "For a period of ten years from the date upon which this Act comes into force, the exclusive right to explore, develop, produce, extract and remove all minerals, both metallic and non-metallic, in the areas described in sub-paragraphs (i) and (ii) and (iii) of this paragraph, and on the expiration of such period of ten years or within six months thereafter the exclusive right for a period of fifty years and subject to such terms and conditions as the Lieutenant Governor in Council may prescribe to explore, develop, produce extract and remove all minerals both metallic and non-metallic, on, in or under every tract of land . . . ." The amendment is that the first part of (b) be deleted and the amendment as read be inserted as the first part of (b) down to (i).

MR. RUSSELL: Am I correct in interpreting that as meaning that the small-time prospector will not be allowed to hunt around on these areas any more, the sole right to explore belongs to the Corporation, I gather, is that right?

MR. CURTIS: I think that is it in effect.



MR. RUSSELL: A few days ago in another section of the Bill the honourable the junior member for St. John's East aroused some good-natured ribbing from the House and I do not think he was taken seriously enough. I would like to say here in passing, if this is out of order the Chairman may check me, but in fairness to those who oppose this Bill it is an entirely unfortunate impression which has been given to the newspapers that the Committee themselves understand that those of us who opposed the Bill on second reading would not, obviously, keep on with the same objection in Committee. If this means the end of small operations in those areas, I think we ought to remember his remarks as we pass and realize what the honourable member for St. John's East said is not quite so funny after all. There are men down in that area who have prospecting in their blood, the Wells, the Simms, as a matter of fact an old fisherman Ingraham found the Rambler. I admit he did not do much with it, but he probably did his best and if this does mean—as I say I am not going to raise any objections but not because I am reconciled, yet I say it is a thing to be deplored that in some parts of the potential mineral areas of Newfoundland the little prospector is no longer seen amongst us, R. I. P.

MR. SMALLWOOD: Mr. Chairman, I am afraid I cannot share the honourable gentleman's tears. If Newfoundland is noted in the field of mining for one thing it is the fact that we have no prospectors. We have not any, not one prospector in this Island today, not even one. And if Newfoundland has to depend for mineral development for Newfoundland prospectors we will be here in

the year three thousand and fifty-one and still talking about our mineral resources.

MR. RUSSELL: I agree.

MR. SMALLWOOD: If there is going to be prospecting done it has to be done in these days according to the most modern and most scientific methods. The day of the fellow with the pick poking around at the rocks is gone. Gone forever. Where in the world today when the prospector even the sourdough in Ontario and Quebec who gets grub stakes by some company or wealthy man he has to be equipped with knowledge and instruments that would make the old-time prospector's eyes pop in astonishment. We have not in Newfoundland today one such prospector and the only way we are going to get any mineral development is by means of airborne magnetometers, an exceedingly expensive process and by other methods of prospecting geologically, it is absolutely ridiculous to oppose this Bill on those grounds of protecting those who no longer exist in this case. Two years ago a man, a native, I believe of Witless Bay or somewhere on the Southern Shore, came back to Newfoundland from the Province of Ontario where for thirty years he was prospecting, and he was sent back here by the man who had been grubstaking him to do some prospecting. An account appeared in the press and that was the one and only prospector in Newfoundland in that year doing any prospecting and since then there has not been even one. He was served by aircraft and it is the last word surely in futility in opposition to suggest that this Bill ought not to be passed because it sets up a corporation whose aim and purpose is to bring into the search for

minerals in Newfoundland the latest science that great corporation can afford to employ, and that it is a matter of regret to see this Bill come in and such corporation turned loose in the search for minerals because it mean R.I.P. to individual prospectors who do not even exist anymore. No, Mr. Chairman, I, for one, as I look back as far as I can remember and that is thirty-five years anyhow, have been quite familiar with the mining promoters of Newfoundland. These chaps who discover a hole in the ground and sometimes not even a hole, and then paddle around for one million dollars, the cool round sum of one million dollars net tidy and impressive, it is always a cool million he is going to get for some alleged mine, and what ever came of such mining efforts in Newfoundland? Could those men lift rocks covered with heavy over-burden of four, five or six and ten feet? We have to abandon the idea of prospectors picking and poking at rocks and minerals. In a land such as Newfoundland where you cannot get over the bulk of the area except on foot or by aircraft as you can do in other parts of the world. Again the crying need is for extensive aircraft prospecting and it is to bring into Newfoundland the type of companies with the kind of resources to enable them to carry out that kind of prospecting that this Bill is set up. I have heard some arguments used against this Bill but that takes it, this stupid argument that it is goodbye to non-existent prospectors, that is the limit.

MR. CURTIS: I move now that the present clause 2 on page 13 be renumbered three and a new clause two, be inserted. "All parts of the areas described in paragraph (b) of sub-section (1) on which sufficient

work has not been done by the Corporation on the expiration of the period of ten years referred to in that paragraph to entitle it to an exclusive right for fifty years as set out in that paragraph shall revert to the Crown and be thenceforth dealt with as Crown Lands upon which there is no encumbrance." In other words it has exclusive right to explore for ten years and then gets fifty years' lease and if they do not qualify the remaining areas revert to the Crown.

Carried.

MR. CURTIS: Now, my honourable friend the Leader of the Opposition suggested that when this Bill was going through we should modify the clause there dealing with the directors having the right to do certain things. I think it refers to 22, I think the honourable member suggested the majority of the directors. Now, I would refer him to the Section which we just renumbered on page 13. I think in view of the fact that the Lieutenant Governor-in-Council has to consent there is no need to amend Clause 22. Here it definitely says that if any contract dealing with lease, etc.—I think the clause is just subsidiary indicating how they will do it. I suggest that it stand as it is.

We have drafted an amendment to Section 34, a new clause which reads this way:

- "34 (1) The Directors shall submit
- (a) to the shareholders at every annual meeting, and
  - (b) to the Minister of Economic Development within ten days after each annual meeting.
    - (i) a balance sheet, made up to date not more than

four (4) months before such meeting;

- (ii) a general statement of profit and loss for the financial period ending upon the date of the balance sheet;
- (iii) a statement of surplus showing separate accounts for capital surplus, paid-up surplus and earned surplus respectively and the changes which shall have been made or occurred for any reason in such accounts respectively in or in respect of such financial period;
- (iv) the report of the auditors, and
- (v) such further information respecting the financial position of the Corporation as the by-laws of the Corporation require.

(2) The Minister shall present the balance sheet, statements, report, and information to the House of Assembly within fifteen days after he receives them if the House is then in session and if not in session then within fifteen days of the opening of the next ensuing session"

Now, I was just wondering, as this House has a very substantial investment in this Company, I wonder if the Company should be compelled to give a balance sheet and statement of profits and loss report. I think we would be entitled to that.

Motion carried.

The Committee rose and reported having passed the Bill with some amendments. Ordered to be read a third time on tomorrow.

MR. SMALLWOOD: I think we might go on to No. 11 on the Order Paper.

Second reading of Bill "A Bill 'An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises'."

MR. SPEAKER: Second reading has been moved and the Leader of the Opposition moved the adjournment.

MR. HIGGINS: I have no objection, Mr. Speaker, to the Government having businesses they want to sell. I have no objection but not to give them carte blanche authority to go ahead and start other business out of money voted by the Legislature. It is quite possible the Government would say, this has been voted in principle and we can go ahead. This is giving them the right to establish enterprises here in Newfoundland. That is the principle here to go ahead and establish enterprises and also to sell. If they name the business we are quite willing to agree in principle. They have certain business now they would like to sell, we don't want them to be tied up and I won't stand in the way, but I cannot agree with putting in the hands of the Cabinet practically the right to do things the House itself should do.

MR. CURTIS: I think, Mr. Speaker, the real object of Section 2 is to authorize what has been done. True, it is worded in the present tense but I don't think it is even the intention of the Government to establish any new industries but this is to authorize what has been done. The Lieutenant-Governor-in-Council by this Act has and shall be deemed to have power to establish—the real object of the Bill is contained in Clause 2 and I might say I gave instructions to have this

Bill prepared with a view to be empowered to deal with our present industries.

MR. HIGGINS: I am quite willing to accept this assurance that it is to deal with enterprises already started.

MR. RUSSELL: May I ask a question of the Attorney General?

MR. SMALLWOOD: If there is no other speaker, I would like to say in reply to the honourable Leader of the Opposition we don't need this Bill to authorize any industry and furthermore we are going to go right on starting them by exactly the same procedure as those three. We feel we have a mandate for them and feel that when we come back for verification and when we don't get it we will fail and go out of office and we would fight an election on the strength of it. We don't necessarily need this Bill, we will go right on starting, by the same procedure already adopted, that is what we are here for.

Bill read a second time. House gives leave to have referred to Committee of the Whole now.

Sections 1 to 4 read and passed.

MR. RUSSELL: Mr. Chairman, I supported this Bill on second reading but even then I assumed there would be an amendment on Clause 4. I wonder if the Attorney General would give us his opinion, I supported the Bill wholeheartedly, but when it says paid out of money voted by the Legislature I take it that means voted for that specific purpose.

MR. CURTIS: Or generally for the establishment of industries.

MR. RUSSELL: There is no need to amend it. This money is required for establishment of enterprises by the

Lieutenant Governor-in-Council and shall be paid out of money voted by the Legislature. I take it for that purpose whether it is done, afterwards ratified or in advance. To me that is the meaning.

MR. CURTIS: Yes.

Sections 5 and 6 read and passed.

The Committee rose and reported having passed the Bill without amendments. Ordered to be read a third time on tomorrow.

HON. DR. H. L. POTTLE (Minister of Public Welfare): Mr. Speaker, may I have your permission before the next order to introduce a motion? I give notice I will on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Government to enter into An Agreement with Fro-bisher Limited."

MR. CURTIS: I give notice I will on tomorrow introduce a Bill, "An Act to Amend the District Courts Act, 1939."

MR. SMALLWOOD: I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Relating to Public Records, and An Act Relating to Elections."

MR. HIGGINS: I am reminded of the story of the Irishman leaving to go some place and he stopped a half dozen times and was told each time that it was half a mile away, so that he could never get there; apparently it is good to be holding our own. We are not able to close the House but at least we are holding our own. I think though we ought to pay respect to the unfortunate members of the Justice Department, they are so few and have to draft so many Acts in so short a time. These individuals should have the gratitude of the

House, no extra pay, but at least gratitude of the House for carrying on such long hours in spite of the fact that their producing the Acts brought before us is going to hold the House open a long time. I would like to express a special note of thanks and I hope the Honourable Speaker will pass on the word. In doing this I feel I am expressing the opinion of everyone in the House, we should be very, very thankful.

Second reading of Bill, "An Act to Amend the Summary Jurisdiction Act, 1950."

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

MR. HIGGINS: I don't know if I am exactly in favour of this Bill, Mr. Speaker, there are certain things in it I don't like.

In the case where a man is sick or old it is all right to allow the magistrate to dismiss the accused. It is a serious thing, old people, reprobrates may commit an offence for instance on young children and should not be loose and that is not good enough. I can understand in the case of certain offenses that do not amount to robbery but on the spur of the moment a young fellow takes something. Then I say he should not be sent to jail, but a vicious young fellow who commits an offense should not be given the benefit of this Act. If a person who commits an offense that is not serious, it is all right that he should be let off with a suspended sentence, it is all right where the charge is trifling, but if the offence were a second time I would not allow any man to dismiss it or let him off with a suspended sentence where a person is guilty of serious offense.

Take for instance in the United States a man may be paroled for murder, after ten years he is let out and he commits murder again. An old man who commits a grievous offense like an offence against women and is not reprimanded because of his mental condition, that has happened in two or three cases and I know of a couple of cases where such a man was let loose and again committed the same crime. If you could depend on every judge, but to give carte blanche authority to a judge or magistrate to dismiss a charge involving a heinous offense because of age or ill-health, is a serious position. Now, perhaps, the Attorney General would agree to put in, an offense not a heinous offense.

MR. RUSSELL: That would be beyond the summary jurisdiction.

MR. HIGGINS: In the summary jurisdiction the magistrate deals with attempted rape and grievous bodily assault.

MR. CURTIS: I don't want to close the debate, I can only speak once, unless some other member wishes to speak, I would like, Mr. Speaker, to say in the first place this Act does not involve any change in Government policy, it is a departmental Act, brought in to cure a defect found in our summary jurisdiction Act. Under our law prior to Confederation there was provision for imprisonment in our court, and suspended sentence. However in revising this Act something was left out by oversight and we are asking that it be put back and I can assure my honourable friend that while I am in the Department of Justice there will be no mercy. It is not our policy to allow any magistrate any more discretion.

MR. HIGGINS: Suppose a magistrate does, can you force it?

MR. CURTIS: No, but we can fire the magistrate and if we find magistrates abusing their powers they won't be magistrates very long. These powers only give the court their right of suspended sentence and probation and are putting the position exactly back where it was. This is an exact copy of the law before confederation, not altered or amended but is just bringing our own legislation on the date and an omission was made in the Summary Jurisdiction Act of 1950.

MR. HIGGINS: I don't think it should be in the old Act, that is not logical to dismiss an offense because the offender is old or sick. That is not very logical to say an offense is proved and leave the court without conviction.

MR. CURTIS: If my honourable friend will allow the matter to go through second reading, I will definitely have the second checked up and make sure. My honourable friend knows that when drafting a Bill like this it sometimes pays to give a lot of latitude but not have the courts take advantage of that latitude.

MR. HIGGINS: May I say this much, it may be a good thing in trivial cases to have that right, there may be a charge against a young fellow and for the rest of his life he can never leave the country because of a very trivial offense.

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

Second reading: "An Act Further to Amend the Crown Lands Act, 1930."

MR. CURTIS: I might say, Mr. Speaker, that the honourable the Premier is to introduce that Bill.

MR. SMALLWOOD: Mr. Speaker, this is a short and fairly simple Bill. I think the House will admit it requires very little explanation. It provides that the Lieutenant Governor in Council in the absence of specific Legislation may make a grant of Crown Land for agricultural purposes and particularly for the purpose of raising livestock or cultivating fruit. Then in the second place it provides for the setting up of a board of examiners consisting of two representatives of the Department and two other persons not connected with the Department whose duty it will be to examine applications for appointment as surveyor and issue certificates to them on evidence of competence and to remove them in case they prove unsatisfactory or incompetent. Then it is provided that any such leases or grants issued under this part of the Act, minerals, limestone, granite, slate, marble, gypsum, marl, clay, sand, gravel, all building stone, coal, oil, natural gas and salt shall be reserved to the Crown. Then there is another section with regard to the same thing stating that no employees of the Department shall be entitled to receive any grants, leases or licence or hold any land in that way either alone or with another and it provides also that in all leases and licences issued under this Act a strip of Crown Land not less than thirty-three feet wide around and adjoining all lakes and ponds and along each bank of all rivers and shall be reserved. Now, there is another section dealing with the timber reservations providing that holders of timber leases cannot cut on Crown Lands. It is really a very simple Bill and I think lacking in any contentious feature.

Mr. Speaker, I move the Bill be now read a second time.

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

DR. POTTLE: I would suggest we not have second reading of item No. 15 on the Order Paper.

Second reading of Bill "An Act Relating to Mines and Quarries."

DR. POTTLE: I would like to move second reading of this Bill. Mr. Speaker, this Bill is, in fact, in its entirety, based on part five of the Crown Lands Act of 1930, and that section of the Crown Lands Act of 1930, namely part five by means of which mining claims and grants have been acquired over the last twenty years, was based on the statute, respecting mining.

Now, in outlining the principle underlying the Act and in our own previous Act I may state that the permit holder staked a mining claim and then proceeded over a period of five years to meet the main requirements of the Act, and that was to do an amount which was a minimum amount of two hundred days work on each forty acres of the claim and providing they did that satisfactorily was entitled then to apply for and get a fee simple grant which gave him all title to the Crown Land, timber, minerals, water-power then up to a limit of several hundred horsepower. Furthermore this grant was for all time and there was no provision in our previous statute whereby the land so acquired would revert to the Crown should the claim holder fail to develop what he acquired from the Government through a fee simple grant. I need not then, Sir, refer to the arguments here, and it is not in order for me to do so to indicate how adverse this practice has been

and how great a disadvantage it has been to the interest of Newfoundland whereby Crown Lands should become so alienated without benefit to the Province. There was no way under such a Statute then for these lands so alienated to come back into government ownership.

Now, by contrast, the Bill before us makes it somewhat more difficult for a prospector or mining company to obtain title to a property which may be developed into a mine, although I am advised that such provision as shown by experience in other parts of Canada and other countries of the world where similar legislation is enacted is not so onerous as to prejudice genuine exploration and development. This is the first feature of this proposed Bill and the second will prevent a long time holding of inactive land.

Now, in my next remark, I may probably make my point more clearly understood if I indicated that acquiring of land for development or mining purposes there is first the staking of mining claims; secondly, when the work has developed up to a point where there seems to be justification for going on to the next stage a development licence is issued and if further progress is indicated finally a mining licence is granted.

Now, in more detail, a permit holder may stake any number of forty acre claims under this Bill and within a period of three years must do a minimum of one hundred and fifty days work on each claim and at any time within that period may apply for a development licence which can be issued to cover up to six mining claims. This development licence gives him title for a period of one year for which he pays at the

time the licence is issued \$10 plus 50c. an acre for the services covered by the licence. Along with this rental he is required to do twenty-five days work a year for every forty acre lot and at the end of the licence period if his property is not sufficiently developed, it may be assumed that he can go on to further exploration up to the point of the mining licence. He may apply for a renewal of the development licence for another year and go on until the stage of exploration or development reaches the point where it may be assumed that a mine might be brought into production. When that point is reached then the permit holder may apply for a mining licence, the third phase indicated, and this is issued for the sum of \$25 per acre and when the mining licence is issued then he must within two years spend the sum of not less than \$10 an acre in two years. If by that time he has brought a mine into production he may continue to hold it for a period of twenty-five years and a rental of \$10 per acre, per year. That rental is remitted to him if production is maintained or a mine of two hundred tons a year is produced. Now, \$10 per acre rental a year may look trifling. But the point is when a holder brings a mine into production we must consider that the condition under which he operates the mine and the success that we have in operating our mines, are affected by conditions which apply to similar work elsewhere and it is not to Newfoundland's advantage to charge a higher rate than is charged elsewhere for similar services. It is favourable for us not to make our minimum charges too high.

Now, the effect of this legislation is two-fold. The more important one

is that payments called for and work required are sufficiently heavy to discourage long term holders of potentially valuable mining land, and secondly and probably less important is that it is, from the point of view of long term mining development, a very small revenue producer to the Government from issues of licences. The main thing is that every incentive is in the Act to enable a holder of a licence to speed up his development of his holding.

The remaining sections of the Bill, Sir, deal with coal, oil, natural gas development which are mainly relative to the Act which this Bill seeks to amend. I move the second reading of this Bill, Sir.

Bill read a second time, ordered to be read a third time on tomorrow.

MR. SMALLWOOD: I have no intention, Mr. Speaker, of delaying the House, but I cannot see the motion for second reading put through without saying at least a word along the line of expressing pride in the foresight of the Government as a whole in bringing once again before the House something which ought, long ago, to have been done and which in fact was not done. We have, in three sessions of this House, since we have been here, brought in almost countless pieces of legislation to remedy the neglect and failure of past governments, and more particularly the failure of the Commission of Government because in that regard I hold that no government of the past had quite the opportunity of the Commission of Government to bring in and remedy all measures as they operated without fear of the electorate and had no House of Assembly to remedy and redress weaknesses that existed in our system. The powers of the Commission



were greater than any elected government in Newfoundland could possibly hope to have and so therefore in each of the sessions of this General Assembly we have brought here a rather staggering number of pieces of legislation similar to the one just moved by the honourable Minister of Public Welfare.

Now, Sir, in no field in Newfoundland that I can name is there such need for modern up-to-date legislation as in the field of the public domain, in the field of natural resources of Newfoundland. This Government are deeply impressed by the importance of the public domain. Unlike former governments, most former governments in Newfoundland, we attach the utmost importance to public domain, we regard the natural resources of Newfoundland as a gift from the Great Almighty for the people living in Newfoundland and we regard it as the duty of the Government whoever they may be, elected, appointed or howsoever they come into office, it is their duty so to hold the public domain and natural resources of all the people so as to bring to all the people the maximum advantages possible.

Now, in the past there was neither head nor tail to Government policy in dealing with the natural resources; to bring order out of that kind of chaos has entailed on the Ministers of the Crown and the permanent heads and sub-heads of the various departments of the Crown an enormous amount of work. This Bill, for example, which my honourable friend moved second reading just now, is really only a small matter of a much larger Bill, it is not much more than a fractional part of a general consolidation and revision of the Crown

Lands Act. We are getting that done but due to the enormous pressure of work in this long session it has not been feasible to bring the full Act before the House. It has become imperative that we bring this section in for enactment because of the fact that other legislation is tied closely in with this particular Bill and I cite as an example of that; the Newfoundland and Labrador Corporation Bill which has been finally passed through this House, in which the concession made to that Crown Corporation in respect of mineral areas or areas which we suspect of being mineralized are ceded to the Corporation under the terms of this section of the Crown Lands Act. Indeed up to this moment, up to the passing of this Bill, every individual person or company could come to Newfoundland with a view to engaging in a piece of prospecting or developing or exploration in the mineral field has not know where he stood, not been able to study any documents that would tell him quite clearly what his rights were and what obligations he would need to assume if he engaged in prospecting development or mining activities in this Province. Now, in that regard we are quite clear cut, quite definite and quite categorical so that by merely reading it was possible for a man interested in mining activities to know exactly where he stood. When this Bill is passed, as we hope it will be, all people coming to Newfoundland and many who will not come themselves but will merely send for copies of this legislation, will be in the position of knowing exactly where they stand if they decide to come here to Newfoundland. Now, Mr. Speaker, I suggest to the House, in view of the great interest shown in the mineral possibilities of Newfoundland, and in

view further of the greatly increased interest in the Crown Corporation for exploring our mineral possibilities, this Act has become a pure necessity and it is regretted that it has been possible to bring the Bill in only at this stage of the session. What my honourable and learned friend the Leader of the Opposition has said about the vast volume of work that has fallen to the law officers of the Crown in the Department of the Attorney General is all too true, and the end is not even in sight because a large number of other Bills ought to have come in and I am afraid there just is not time for them.

I think when the House reads this Bill they will agree that it is a constructive and prudent and sound piece of legislation in the interest of development here in Newfoundland and I would hope that the House devote the whole of this evening to the Committee, the night session beginning at eight o'clock, to close scrutiny of the Bill in Committee of the Whole if that is the pleasure of the House.

MR. RUSSELL: I know the Bill very well, Sir, and I concur wholeheartedly with the remarks which have been made regarding it by the honourable the Acting Minister of Natural Resources. I am so anxious to see it get through all stages that I am not going to repeat any of the things already said for fear I might delay even for a minute but have only to add this that the abolition of the old system and the taking on of this new one here will, but increase the incentive to development. It is indeed one of the most progressive pieces of legislation that has been brought before this House since I

have been in it. I will do everything I can to speed it.

Bill read a second time, ordered to Committee of the Whole at a later hour today.

Second reading of Bill "An Act to Authorize the Government to Enter into an Agreement with Falconbridge Nickel Mines, Limited."

DR. POTTLE: Mr. Speaker, this Bill is related to a previous Bill which has just passed second reading, and namely, the Mines and Quarries Act, in that it is an extension in one respect and meets the requirements of the Act in all other respects.

Clause one indicates the Government shall forthwith withdraw from the operation of the Act. Before I go on to indicate what that withdrawing means, I might say this agreement represents the result of a long series of negotiations extending over Nickel Mines Limited. When these negotiations began the Government was anxious to bring such substantial mining interest to bear upon the development of mining resources of the Province and of all the group interested, the Falconbridge Nickel Mines seemed to be the only one willing to undertake a substantial programme of development in this Province over a considerable period of time. In the original negotiations Falconbridge requested terms and conditions similar to those which were agreed upon between the Commission of Government and Buchans Mining Company Limited extending over a period of ten years. The Government, however, could not agree to giving the Falconbridge people opportunity to explore for as long as five years, but eventually compressed

the areas of such exploration into a three year period.

Now, I come back to Clause No. 1 of the agreement. "The Government shall forthwith withdraw from the operation of the Crown Lands (Mines and Quarries) Act, 1951, and subject to Clause 15 of this agreement reserve from the operation of the said Act for a period of three years." Now what is the meaning of the withdrawing? It needs just a little explanation. It means that instead of going from the stage of exploration, doing the detail assessment work of each group of four and spending time and money on the various surveys and groups of blocks, allows the Company to hold one large area for a period of time. This agreement in that respect surely is somewhat liberal and precedes recent negotiations and plans of the Government for dealing with the programme of development of Crown Lands as has been dealt with in previous Bills. Now the continuation of Clause 1 delineates the boundaries of the territory they are to explore and includes certain fee simple grants also claims No. 10, and 11 and 17 at Pilley's Island, these I understand were explored by Frobisher and that Company requested an area of two miles for the protection of their own undertaking.

Now, Clause 2 is an important Clause. In the area there are private lands and Falconbridge wishes to extend their exploration in the immediate vicinity of these areas. They may stake and when they do they come under the Crown Lands Act, 1950. The effect of this if exercised, operates to reduce the area of Crown Lands and the amount they are required to expend for production. They will have to increase their overall expenditure in the area.

Now, Clause 3 has to do with giving the company exploration rights and all of the accessories to help in the process of development such as geological and geophysical and all other normal concomitant of development.

Now, Clause 4 denotes the payments Falconbridge is required to make, namely, \$150,000 over three years and not less than \$25,000 in any one year. I am given to understand that on the basis of having begun negotiations with the Government the company is actively interested in a number of private properties and is at present actively engaged in exploring three of them. Last year they spent \$87,000 in Newfoundland and this year are probably spending considerably in excess of that amount and eight parties are now on the way to Newfoundland to intensify the company's enterprise here and these parties will be, for the most part, engaged in enabling the company to carry out its obligations under the agreement.

I believe from here on the agreement follows standard lines followed in cases such as this. For instance under Section No. 5 the Government is giving the Company every reasonable opportunity to inspect the field work so that the Government domain there is protected and on the other hand, at the request of the Government, the Company shall furnish to the Government systematic regular reports.

Then in Clause 8, as I indicated just now, the Company should be allowed to select any area during the life of this agreement of not less than one square miles in area but not exceeding forty square miles altogether. Now, I made reference during the earlier part of this afternoon to the development licences existing in Clause 8. Now,

that license under this agreement is renewable for a term of one year up to a maximum of five years. Now, that requirement is more rigid, the provisional renewal under the Crown Lands Act or Bill of 1951 just passed second reading. There is in that Bill no limit to the number of times the licence may be renewed.

Clause 9 indicates a future development of licences in all stages. Now, the Company may, at any time during the year life of the undertaking, apply for a mining licence.

Clause 10, the Government gives the Company the right to develop water power necessary for the carrying on of the operation, but there is a proviso that the giving of this right will not prevent the Government from carrying on any other legitimate enterprise of its own. This proviso protects the public or any other third party from tying up of water power that might be developed for other purposes.

Now, Clause 11 is redundant, having to do with companies having the right without payment to extract certain samples and in Clause 12 agrees to grant the company necessary and sufficient Crown Lands.

Under Clause 13, if it desires private lines for transmission lines and so on shall be granted that concession, etc., to the end of the agreement. I believe the remaining clauses are concerned with matters which I have covered. I therefore move second reading of the Bill.

MR. HIGGINS: Is this near the Rambler Area, do you know?

MR. SMALLWOOD: Mr. Speaker, once again I do not want to keep the House very long but I would like to say a word about this Falconbridge

deal. I will say here in the House that if we had our time back we would not be giving to the Falconbridge Nickel Mines Company the concession that we propose to give them in this Bill and I add that not at all because we have taken on a sudden dislike to Falconbridge, far from it, because Falconbridge is one of the finest operating mine companies in all of Canada and we are very happy indeed to have them in here and we expect good things from them in the way of mining development. It is not at all because of any prejudice against the company but our regret arises from the fact that we have agreed to give them so very large a slice of what we believe to be highly valuable areas in Newfoundland, an area for more than two thousand square miles, and that two thousand square miles and more forms part of the area of five thousand square miles which we had surveyed last year by magnetometer, at a cost of more than \$200,000. Now, Sir, the two thousand square miles is too much to give even in the way this Bill gives which is not giving at all but it is tying up too much for one company in the world today. If that same area were divided on the same terms and conditions amongst half a dozen, the result for Newfoundland would admittedly, I think, be a much better thing than the result can possibly be in this particular deal. Falconbridge, without the shadow of a doubt, will go in on those two thousand square miles and more and will conduct an honest and intensive survey. As the honourable minister has said some eight survey parties are on the way to Newfoundland but it stands to reason even so large and important and progressive a firm as Falconbridge with all the resources they expend, will not be in a position to survey so thoroughly and spend so much money

as half a dozen firms would spend on the same area if that area were divided into as many sections.

However, at the time that Falconbridge made their application in the first place they were in all the world the only company of which we had any knowledge who were showing any interest whatever in the mining possibilities of Newfoundland, apart, of course, from the Buchans Mining Company, to whom the Commission of Government gave much the same type of concession, indeed more concessions, more generous, for a longer period, over a greater area of more, I think, than five thousand square miles in the central portion of Newfoundland running roughly south from Buchans and east down to the salt water of the south west coast. Apart from Buchans and the concessions they had already, Falconbridge Nickel were the only firm displaying any definite interest in the mining possibilities of Newfoundland. Even at that the Government did not fall all over them and accede to their original request, indeed protracted negotiations were carried out and at one point the Government just refused point-blank what the Company asked, with the result the negotiators of the Company left Newfoundland rather angrily, I think, and went back to their headquarters in Toronto. But I felt personally that they would be back and indeed they were in two or three weeks later when the President of the Company came back to Newfoundland and negotiations were resumed with the result the present concessions which are less generous to them than those they wanted were agreed to by the Government. Now, we have given them our word put forward to them as pledged and we ask the House to back us in the concessions we have given as set forth

in this present Bill. I must say again, however, that I have a feeling of regret that so large an area of very promising territory from the mineral standpoint has been disposed of to one company even so fine a company as Falconbridge Nickel Mines. I have a feeling that if this had not been finalized and the public faith not pledged to them we could now get into that same area four or five or six or seven other mining companies some of them being about the same size and some not quite so large and the returns of course to Newfoundland in that case would have been quicker because more parties would have been working and perhaps we might get three or four or five mines opening where as in the present deal we are not likely to get as many as that into actual production.

However, that is not a word against Falconbridge, and I hope it will be understood that I have not a thing to say against that very fine Canadian Mining firm with world-wide ramifications including Sweden where they have smelters and activities that make them one of the outstanding firms of Canada, indeed of the whole world.

I support the second reading.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I feel that I cannot let this opportunity go by without a word or two in connection with it as I rise to support the mover of the Bill, the honourable the Acting Minister of Natural Resources and the Premier who stated most of the facts concerning the Bill. It is due to my personal knowledge of the area concerned that I rise to have just a few remarks. I realize the time is very short and I am not going to adjourn the debate but if the House

permits me to speak for a few moments I shall be happy.

MR. SPEAKER: The honourable member has two hours.

MR. SPENCER: I happen to have been born in the town of Pilley's Island where at the present time there is very considerable doings in this connection which is now being brought to light. My knowledge of it is due to the fact my father was one of the miners there and later acquired the position of underground captain or manager whatever he called it. My older brother who is still alive was one of the last operators to operate a drill in the famous old mine in Pilley's Island. It is part of almost our life's dream and I am very happy on behalf of the people I know who are still living in the area I came from, to know that prospects are now very bright as to the possibility of future development of this mining area, namely Pilley's Island. The honourable Premier may be troubled with the area assigned to this very fine and well known, reputable company of Falconbridge Nickel Mines and amongst others in the Government we were not too happy about the large area, but that has been reduced down to some extent and with the knowledge we have of this great company we hope they will not rest on their oars when they get in there and will find a fine body of ore underlying Pilley's Island and not rest alone on that and operate it. But the clauses in this agreement will prevent that; they will not hold it long if they attempt to do it so we hope they will thoroughly investigate the possibility of that great mineralized area which we, the Government of Newfoundland are about to give them the opportunity and rights to prospect and investigate. There are many still living, miners who worked

in the old mine there and know something about it. I was privileged to go back there in 1919, some thirty-two years ago as a young man and spend some time with the late S. Lawton, one time manager and who came back as a representative of a company in New York who owned the property at that time and still do, I believe. Mr. Lawton at that time did some drilling, etc., and produced results which were unknown before and I am lead to believe, from the grapevine, it has still fairly recently shown sufficient proof to justify his faith in the matter.

Mr. Speaker, merely on behalf of the people from home—I can name Notre Dame Bay area as such, I have pleasure that this Bill indicates the possibility of development there. I feel without prolonging the debate, I had to make some comment, I am happy on behalf of my people in the Notre Dame Bay area.

Bill read a second time, ordered referred to a Committee of the Whole House, at a later hour this day.

MR. SPEAKER: It being now six o'clock I now leave the Chair until eight of the clock.

#### NIGHT SESSION

Second reading of Bill, "An Act to Amend the Welfare of Children Act, 1944."

MR. SMALLWOOD: Mr. Speaker, in the absence, temporarily, of the honourable the Minister of Welfare, I ask to have that order deferred. I know that the Minister is ready for it and the same thing applies to No. 17 on the Order Paper, the honourable Minister of Supply is ready, I believe, with that Bill. I think, Mr. Speaker, the biggest task we have remaining

form the standpoint of time is that big Bill, Mines and Quarries, and I think we might profitably spend as much of the evening as necessary in Committee of the Whole House on that Bill and the House being agreeable, I move the House into Committee of the Whole on that Bill.

Committee of the Whole on Bill "An Act Relating to Mines and Quarries."

Sections 1 to 14 read and passed.

MR. RUSSELL: Mr. Chairman, did I understand the honourable minister to state on second reading that there is no limit to the number of years to which a licence may be held provided the fees were paid? It was once five years, now here I believe it can be kept as long as the holder wishes provided he pays.

Sections 15 to 87 read and passed.

MR. CURTIS: I move the committee rise, report progress and ask leave to sit again tomorrow.

Motion carried.

Second reading of Bill "An Act to Amend the Welfare of Children Act, 1944."

DR. POTTLE: Mr. Speaker, I would like to present this Bill for second reading. The Bill contains a number of relatively disconnected items concerning amendments considered necessary as a result of future operations of the Welfare of Children Act, 1944. This is the second series of amendments in as much as seven years. The clauses here for consideration, Sir, have no necessary connection one with the other, only that they fall under the general pattern of child protection.

Now, the first had to do with Section 25 of the original Act. As it

stands now it is so diffused, so hard to interpret, so loosely worded that the magistrates ordinarily find it hard to get a conviction under this section which has to do with contributing to neglect of children by adults. So it is proposed that this section be cleared or pruned as it were and the proposal is as contained under Section 25 amended which repeats a good deal of the wording of the original Clause 25 and omits a number of points.

Now, the next Clause to be amended, Sir, is 92. In the original it says "The alleged father." This has to do with affiliation proceedings. The alleged father when brought before the magistrate under summons may, unless the complaint is dismissed, be required to enter into a bond in a sum not exceeding one thousand dollars. It is proposed that that amount be lowered to \$750 because thereby it is hoped that it would be easier to obtain bonds, and by making it \$750 we make the financial position of bondsman the same as the putative father under sub-section (1).

Now, looking at 101, the next section to be amended. This clause outlines the kind of expenses that may be ordered to be paid by a putative father judged to be the father of a child born out of wedlock. Here we propose that in order to insure some further protection for the child we should make provision for the mother concerned to be able to secure counsel and we do that by repealing paragraph (b) of sub-section 1 and substitute for it that paragraph which says "may order the cost of all proceedings taken under part of this Act including a counsel fee not exceeding blank dollars" which we might discuss in committee. Now, in detail, if she wins the case the cost will be upon the putative father, if not the department

would pay the cost not exceeding forty or fifty dollars. What we have done is to insure the mother will have her case fully heard and be equally represented in the court period. Now, we amend 101 to make uniform the practice regarding reasonable expenses to be paid in addition to the \$750 ordered to be paid ordinarily. Different magistrates at the present time order differently and this amendment is to provide uniformity. Now, Section 102 is the next section proposed to be amended. At the present time when a putative father has a court order made against him in Newfoundland and goes outside the Province, we can not enforce payment. Now, part (1) of this amendment or sub-clause (1) of this amendment provides for a bondsman but in some cases it is not possible to get the bondsmen and so that provides for such specific cases. The magistrate may in any case, where the Director of Child Welfare gives consent in writing accept the cognizance of the father for a sum not less than \$750 with security as referred to in that sub-section so as to give flexibility, if you will, or enable the Director where the original coverage of a bondsman should not necessarily be carried out.

Now, Section 129 in the original Act says: "Every payment ordered by a magistrate in accordance with provisions," this has to do with payment required out of affiliation cases in the main and every payment ordered by magistrate shall be made to the Director and while that is the law we have been practically violating it for the last few years by setting up a regional office in Corner Brook. We suggest now to validate that practice by making it possible for any other officer designated by the Minister to receive payment and as separate wel-

fare centers from St. John's will become more necessary to give legal status to these officers in Corner Brook, Bell Island. Section 129 takes into consideration the evolution of the Department since the Act was first drafted.

Now, there is a further amendment to Section 136, having to do with adoption of children. As I recall the original section was amended in 1948 which provided that when a mother gave her consent to adoption of a child she named in the interim the Director of Child Welfare as the legal parent of the child. That was to assure a sound working welfare principle and to insure that at no time in the child's life should he be without a parent. When the mother signed there is a gap, the mother gives her parenthood away, then who becomes the parent until the child is legally adopted when it then continues upon the adoption parents who would be the legal parent by the adoption for all practical purposes? There is one difficulty in the number of children going out of Newfoundland for adoption to other provinces or out of other provinces into Newfoundland; when people go away and get a child from the mainland we need to have a working arrangement where they recognize our institution and we recognize theirs from here. The amendment here enables the court to give recognition to consents which are given up there and have no counterpart here. In other words, it will make adoptions easier in Newfoundland which have already begun on the mainland through recognized child welfare agencies. That is another very sound child welfare protection, otherwise the court here is inclined to hold up proceedings and it becomes vexatious to people who want to adopt children and do not



wish in the last stages to have anything deter them when they have made up their mind that they need children and have taken papers to secure children.

Altogether these are amendments to facilitate the legislation to protect children and I believe they will achieve that. I move second reading of this Bill.

MR. RUSSELL: The honourable the Minister made it very clear that it will facilitate the operation of legislation but whether or not it will facilitate the handling of those cases in the best interest of the general public is something of which I am not quite clear with respect to two points only.

Instead of leaving it for Committee, it may affect the whole principle of the Bill therefore I had better bring them in now.

The honourable Minister may be able to reassure us—I have in mind at the bottom of page 2, Section 4 of the said Act. The putative father may, say instead of signing a bond for ten or fifteen years, may be able to satisfy the obligation by paying the expenses and a specific sum of not less than \$750. Once he had to sign a bond and had an order made on him requiring him to do this instead of asking to pay \$750. If he is to be able to clear himself of all obligation by paying cash down to cover expenses of lying-in and then \$750 to be paid in full or over a period of not less than three years. It may be a serious thing. I may say I have had much practical experience on those cases as I think I handled more per year while I was in that business than anybody else. A magistrate may give consent thereto in

writing. This is a case of a judge writing to the director and asking in effect, I have this fellow on hand, he will sign a bond, anything to keep out of jail. I cannot get a bondsman, a rascal, good for nothing scallywag, so what is likely to happen, he goes to jail for six months; that won't help anybody, won't pay the bills to support the child so what about taking his own bond, it is not going to be any good, it will keep him out of jail, he is not worth the expense of sending home to St. John's so with the consent of the director, I accept just the recognition of the father for a sum not less than \$750. If we ever find him with some money we can collect on it probably, but from then on there is no security to fall back on and either the director of the Child Welfare or the guardians of the child or the magistrate or someone will have an exciting time for the next twelve or fifteen years trying to get annual payments and if they can't do it the public in general has to pay, or if he goes to Seven Islands or anywhere else out of our jurisdiction we have the working agreement, otherwise he gets out of it and the taxpayer supports his child. Now, that is how it looks to me. It is no doubt making the law easier to administer but is it doing the thing we really want it to do?

MR. HIGGINS: There is always the difficulty of the individual who has nothing and never wants to have anything—that sort of man who has not any property real or personal, no security present or future and no hope here or hereafter. Now, in dealing with that sort of man what can you do? I have seen cases where they are sent to jail for six months and I contend when they get out they should be sent back but the

authorities are tired of having them in jail. I think the only thing to do is express my sympathy to the director.

MR. SMALLWOOD: Like the man with no pride of ancestry or hope of posterity.

MR. HIGGINS: No, he can get that unfortunately.

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

MR. SMALLWOOD: Before you call the next order, Mr. Speaker, I give notice I will on tomorrow introduce resolutions to be submitted to Committee of the Whole House in relation to granting of additional supplies to His Majesty. May I suggest we now go on to Committee of the Whole on the Falconbridge Nickel Mines Bill.

Committee of the Whole on Bill "An Act to Authorize the Government to Enter into an Agreement with Falconbridge Nickel Mines, Limited."

Sections 1 to 3 read and passed.

Section 1 of Schedule read.

MR. RUSSELL: The first section brings the whole agreement under review, am I correct? The reason why I asked the question now is that I am not sure whether the original Mines and Quarries Act is limited in time apparently to the period during which a party may hold the development licence here in this agreement. That is a period of five years, is that rather unusual in a special agreement?

MR. SMALLWOOD: There were reasons for it, quite obviously on these two thousand odd square miles.

MR. RUSSELL: Of course even then they are getting a privilege because under the original Act, they can only get six claims at a time. They got extra privileges in some ways and it is not quite as good in other ways.

MR. SMALLWOOD: May I enquire if the memory of the Minister is sufficiently clear to be able to tell the Committee just what is the effect of the extension made in respect of mining claims No. 10, 12 and 17? I suppose that is at Pilley's Island. My recollection was that we agreed to give them only the claims they had secured from the owners of the property plus a margin of Crown Land surrounding that estate. Do I read here correctly that it is two miles surrounding the estate?

DR. POTTLE: Yes, that is given to them in order to protect them in their work, but only two miles. It does not include the whole of Pilley's Island.

MR. SMALLWOOD: It releases the rest of Pilley's Island for others.

MR. RUSSELL: I am wondering whether we are not laying up trouble for the Attorney General to recommend this. Is it a fact the title of the Mines and Quarries Bill was changed on the Order Paper the other day? If that is so, we will have to handle not only this here but incidentally Section (1) of the Mines and Quarries Act.

DR. POTTLE: The correct title is the Crown Lands (Mines and Quarries) Act, 1951. In Section 8 the words "Prescribed hereunder in the 7th line shall be inserted in place of the words "Set forth" which shall be deleted. Clause 12, page 9, line three, the words "To prevent"

are deleted and the words "Of preventing" inserted. Clause 15, line 6, the word "may" is deleted and the word "shall" is inserted.

The Committee rose and reported progress and asked leave to sit again. Ordered sit again tomorrow.

DR. POTTLE: I wonder, Mr. Chairman, if the House would be ready to receive "An Act Further to Amend the Welfare of Children Act, 1944," in Committee?

MR. SPEAKER: There is a rule which says when a day is named for Committee of the Whole, no other day may be fixed. If it is the pleasure of the House the rule may be rescinded at the request of the honourable Minister.

MR. HIGGINS: I suggest we adjourn and meet tomorrow, it is rather late.

MR. SMALLWOOD: I have a suggestion that we meet at 11:00 a.m. tomorrow and sit until 1:00 p.m.

MR. HIGGINS: We could meet at 11:00 o'clock. I cannot be here in the morning though.

MR. SMALLWOOD: If we do so meet and my honourable friends think we should not pass some Act until their leader was here, we would be very glad to hold it over until later. I move the remaining orders be deferred and that the House at its rising adjourn until tomorrow, Tuesday, at 11:00 a.m. of the clock.

TUESDAY, June 19, 1951.

#### MORNING SESSION

The House opened at 11 of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. JOSEPH R. SMALLWOOD (Prime Minister): Mr. Speaker, in connection with a question asked by my honourable and gallant friend yesterday, it is being typed and will be here today, but I doubt if they know up in the Finance Department that the sessions begins at 11 o'clock. We will have it down this afternoon, I have no doubt.

#### Orders of the Day

MR. SMALLWOOD asks leave to introduce a Bill "An Act Relating to Public Records."

Bill read a first time. Ordered to be read a second time on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I doubt whether the Bill has arrived. It is one about which the honourable Leader of the Opposition is quite familiar and I wonder if the House will give permission to give second reading, not to adopt but merely to explain it, and have second reading given later in the day or perhaps tomorrow.

Permission granted.

MR. SMALLWOOD: Mr. Speaker, this is a Bill to create a committee of six or eight or ten citizens, unpaid and consisting of gentlemen who have much more than ordinary interest in the public records of Newfoundland and which exclusively functions for the purpose of preserving historical

articles a great number of which are outside of Newfoundland and a few of which are within the Province. The idea is that they seek to lay their hands upon the historical souvenirs of Newfoundland with a view of making a collection of them. Now, they will have no fund, they are merely to trace those documents and to recommend to the Government which if any of them should be purchased for which purpose we have in the estimates a quite modest amount this year, and we hope each year to have a small amount not all of which may be spent but down through the years to come there will always be, we hope, a small amount of money, out of which purchase can be made of historic documents, old account books, maps, charts, pictures, prints and things of that character which ought to be gathered altogether and put either in the museum or the public library. Now, the honourable Leader of the Opposition has consented to serve on that committee, not as Leader of the Opposition but as a Newfoundlander who has been interested in collecting Terranovan records. Another member, Mr. R. S. Furlong, who has been active in the Historic Society, and Mr. N. C. Crewe, an especially well-known collector of old records. I think we are also to have as a member Mr. Arch Munn who is a veteran member of the Historic Society, and perhaps the Minister of Education. However, the committee will consist of well-known Newfoundlanders and will be a non-political body of private citizens interested in this work. Mr. Leo English is also a member.

That is the purpose of the committee, unpaid, in an honorary capacity really, to search out these things and advise the Government whether any of them should be pur-

chased and the actual purchase is to be left to the decision of the Government from time to time.

I move second reading now with a view not to the motion being put but just to get it started and if no honourable member wishes to speak I will move the adjournment of the debate and it can come up again later in the day.

MR. SPEAKER: The motion is this Bill be read a second time. If some honourable gentleman will move the adjournment of the debate.

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

The Premier asks leave to introduce a Bill "An Act Respecting Elections."

Bill read a first time; the Honourable the Premier asks leave to have this Bill read a second time presently.

Honourable the Attorney General asks leave to introduce a Bill, "An Act to Amend the Districts Courts Act, 1949."

Bill read a first time.

HON. LESLIE R. CURTIS (Attorney General): In view of the fact that the honourable and learned Leader of the Opposition is not here, Mr. Speaker, I propose to ask the second reading of this Bill be given later in the day.

Honourable the Acting Minister of Natural Resources asks leave to introduce a Bill "An Act to Authorize the Government to enter into an agreement with Frobisher Limited."

Bill read a first time.

HON. DR. H. L. POTTLE (Minister of Public Welfare): I wonder, Mr. Speaker, whether it is possible to

have the second reading to this Bill at a later hour today?

Leave granted.

MR. SMALLWOOD: Mr. Speaker, would you prefer the next order as that ought to come after third reading of No. 7 on the Order Paper "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

It might be deferred temporarily. Ordered deferred to a later hour this day.

MR. FOGWILL: Before we enter on the Orders of the Day, Mr. Speaker, there is a question on the Order Paper of June 16, No. 116, addressed to the Honourable Minister of Supply. I think he promised he would have it yesterday or today.

HON. P. S. FORSEY (Minister of Supply): I will have it ready this afternoon, I think, Mr. Speaker.

MR. SMALLWOOD: I move that No. 11 be stricken from the Order Paper, Mr. Speaker, ("Committee of the Whole on Ways and Means"). We are completely finished with this order.

Third reading of Bill "An Act to Amend the Mining Tax Act, 1950."

Bill read a third time and passed.

Third reading of Bill "An Act to Amend Further the Public Utilities Act, 1949."

MR. CURTIS: I move, Mr. Speaker, that Bill be recommitted. There are one or two nominal changes to be made.

Motion carried.

MR. CURTIS: Section 4 refers to "rate base." All the way through the section, the Board has asked to strike

the word "base" out in the second line and in the eleventh line and in the thirteenth line and in the fourth line of the next section. Those are the only amendments, Mr. Chairman, and I move the word "base" be stricken out in four places.

The Committee rose and reported having passed the Bill with some amendments.

Bill ordered read a third time now. Read a third time and passed.

Third reading of Bill "An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Doctor Arthur Seigheim."

Bill read a third time and passed.

Third reading of Bill "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation."

Bill read a third time and passed.

Third reading of Bill, "An Act Respecting the Sale and Distribution of Fishery Salt."

Bill read a third time and passed.

Third reading of Bill, "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

Bill read a third time and passed.

Third reading of Bill, "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises."

Bill read a third time and passed.

MR. SMALLWOOD: Now, Mr. Speaker, might we at this time revert to the five notices of motion? We could go on to No. 5.

MR. SPEAKER: Honourable the Premier moves the House into Committee of the Whole to consider the

certain resolutions in Relation to the Granting of Additional Supplies to His Majesty.

MR. SMALLWOOD: Mr. Chairman, the Committee is aware of the fact that provision is made in the Newfoundland and Labrador Corporation Bill for the purchase of one million shares of the Corporation's authorized capital and that nine hundred thousand of these are to be purchased by the Government and remaining one hundred thousand being purchased by a group of private interests. The Bill itself having been passed, short of the Royal Assent, it now becomes necessary to authorize the Government to draw upon the public funds in the amount necessary to make the purchase of these nine hundred authorized shares for which reason a Bill is to be introduced if these resolutions pass voting the sum of nine hundred thousand dollars, on account of this year's vote.

MR. FAHEY: Mr. Chairman, that is asked for now, under the heading of Economic Development. But I presume that when this nine hundred thousand is voted it is really to go to the Corporation in the Bill passed a few days ago.

MR. SMALLWOOD: Yes.

MR. FAHEY: It is a sort of asset thrown in by the Government to buy up the shares and private interests buy up ten percent. It is asked for now under Economic Development.

MR. SMALLWOOD: The Department of Economic Development, that means that it is the Department who pays it out. It has to be voted to some Department and the Department chosen was Economic Development. It might have been some other Department, it might have

been the Department of Natural Resources or Finance, but as the whole purpose of the Corporation is Economic Development it was decided to put the vote under the Department of Economic Development.

Motion carried.

The Committee rose and reported having agreed to certain resolutions and recommended that a Bill be brought in to give effect to same.

First reading of such resolutions to be read on tomorrow.

MR. SPEAKER: The honourable Minister of Finance asks leave to introduce a Bill based on these resolutions.

Bill read a first time. Ordered to be read a second time now.

Bill read a second time. Ordered to be refererd to a Committee of a Whole House now.

MR. CURTIS: Mr. Chairman, I move this Bill be taken and read. There is one amendment, that No. 2 be stricken out in the fifth line and No. 1 substituted in its place.

The Committee rose and reported having passed the Bill with some amendments. Ordered read a third time now.

Bill read a third time and passed.

Committee of the Whole on Bill "An Act to Amend the Summary Jurisdiction Act, 1951."

Section 1 read and passed.

Section 2 read.

MR. CURTIS: I would like to say for the information of the honourable Minister of Welfare and others that this Act only applies to Provin-

cial offences and does not apply to any offences on the criminal code. Therefore it only applies to local statutes such as drunkenness and highway traffic, excluding drunken driving, so that this Act deals purely with our local offences created by our local statutes.

MR. FOGWILL: Larceny comes under the Federal Code.

MR. CURTIS: Yes, and pledges come under the Provincial Act.

DR. POTTLE: With reference to pledges, I wonder how effective these pledges are?

MR. CURTIS: Well, the whole effect of this section is to enable the court judge really to remand the accused and put him under bond and if he violates the terms of the bond can bring him up for sentence. It is really postponing the sentence pending his good behaviour. This is a copy of the English Statutes enforced in Newfoundland from time immortal and is just a restatement of the existing laws.

DR. POTTLE: Referring to intoxication, when a person is drunk in public and makes himself a nuisance he becomes liable but if an accident occurs on account of it, we go through all kinds of effort to get evidence under this section. Otherwise, if he is proven drunk, these are extenuating circumstances and lawyers are hired to prove the man was drunk. Now, when he is proven to be drunk and he should be let off, I do not think that is a very happy reflection on society, on civilization, that we employ all the services of the law to make such an anomaly. I notice it is not the principle employed here, I have never been involved myself and cannot think of

first-hand experience but I consider it a strange matter.

Section 2 passed. Section 3 read.

MR. FAHEY: The first day of the Act, 1950. That takes us back ten months. Can the honourable the Attorney General explain? In other words this Act when passed is retroactive ten months, I do not see why that should be and I think the Attorney General should explain to the Committee.

MR. CURTIS: It is really not serious. That was the date the Act came in force and the date from which the Courts have acted on it. The effect really was that the magistrates in good faith did do so, many did not realize the law had been changed and gave probation to offenders. By dating it back we protect them by this for what they did in good faith. It is not really serious.

Section 3 passed.

The Committee rose and reported having passed the Bill without amendments. Ordered to be read a third time now.

Bill read a third time and passed.

Committee of the Whole on Bill "An Act Further to Amend the Crown Lands Act, 1930."

Sections 1 to 16 read and passed.

The Committee rose and reported having passed the Bill without amendments. Ordered to be read a third time now.

Bill read a third time and passed.

Committee of the Whole on Bill "An Act to Authorize the Government to Enter into an Agreement with Falconbridge Nickel Mines Limited."

Sections 2 and 3 of agreement read and passed.

DR. POTTLE: Mr. Chairman, there is one amendment I would suggest in clause three of the agreement. In the fourth line AND should be OR.

Sections 4 to 18 of agreement were read and passed.

The Committee rose and reported having passed the Bill with some amendments.

Ordered read a third time now.

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

Committee of the Whole on Bill "An Act Further to Amend the Welfare of Children Act, 1944."

DR. POTTLE: There are some amendments, Mr. Chairman; Section 25 (1) line 6, the word "exposes" should be "Exposed." I have an amendment of more substance to suggest in the last line of the clause, having provided for it we failed to take steps to have the provision inserted. I suggest the last line be deleted and substitute therefor the words "Administer by the Department" for the assistance of needy persons. In Section 101 (d), I suggest the word "fifty dollars" should be inserted. Mr. Chairman, this clause was commented on critically yesterday by the honourable member for Bonavista South in which he indicated that we should be a bit more rigid in enforcing that orders by bonds may be enforced. If he would read Section 102, he would see that such bond is provided for and if the former does not, certainly this one provides such. Furthermore the latitude in sub-clause two is defensible as in some cases the Com-

mittee finds it impossible to secure bonds where the man himself may be in sanatorium, etc. These amendments are made here with the advice of magistrates in St. John's who have more experience than probably all the other courts in Newfoundland together, and with the advice of the Attorney General's Department.

For the purpose of further clarity I suggest in Section 101 (d) the words "Which shall be paid over to the Director for counsel for the complainant."

Sections 1 to 7 read and passed.

The Committee rose and reported having passed the matters to them referred with some amendments.

MR. SPEAKER: The honourable Minister asks leave to have this Bill now read a third time.

Read a third time, ordered passed and title be as on the Order Paper.

Committee of the Whole on Bill "An Act Relating to Mines and Quarries."

Section 15:

DR. POTTLE: Mr. Chairman, there were certain clauses allowed to stand. Amendment, line two, cross out "Therein and after" and to insert "Thereunder." Then in page 3, line 3, sub-clause 7, delete the word "to" insert "with."

On page 9, there is an omission at the end of the paragraph "Approved by the Minister."

I wonder if we could by-pass 40 for the time being and go on to 57. I (c), the extra line following the word "letters" should be stricken out of it. Delete the words following "Letters." There seems to be a



necessity to insert another word to make what is there clear on page 30, Section 40, sub-clause (I). No we will let that clause go as it is.

Clause 71, page 47, to be amended by the substitution of a new clause. "Subject to this Act every mining lease."

The Committee rose and reported having passed the Bill with some amendments.

Ordered read a third time now.

MR. SMALLWOOD: Mr. Speaker, would you call it 1:00 o'clock?

MR. SPEAKER: It being now 1:00 o'clock, I leave the Chair until this afternoon at 3:00 of the clock.

#### AFTERNOON SESSION

The House opened at 3 of the clock.

##### Presenting Petitions

None.

##### Presenting Reports of Standing and Select Committees

None.

##### Giving Notice of Motions and Questions

MR. FOGWILL: Mr. Speaker, before we continue with the regular business of the House there is a question of privilege I want to bring up at this time. We have been here quite a long time in this session and we have had quite a number of night sessions and in regard to the lighting of the Chamber of which I will speak. I know over here the front benches on this side find it rather difficult in the evening to adequately see what is going on when different Bills are going through. I am drawing this

to the attention of the Premier at this time and may be between now and the next session something should be done to light the Chamber. I notice several members have difficulty as well as myself.

MR. SMALLWOOD: I must say the point raised by the honourable gentleman is well taken. The lighting in this Chamber is antique, antediluvian and I think it is also causing considerable strain on the eyes, especially at night. I will undertake to bring it to the attention of the Honourable Minister of Public Works with a view to see what can be done in the interim to improve the situation. Another matter along the same lines is acoustics. I often stand in the door here when I want a smoke and I might as well be a quarter of a mile away. I am quite sure that most of the strangers present in the chamber hear very little of what is said, and I am told by the honourable members at the far end of the Chamber they find it difficult to hear speeches as far away as here. Something maybe could be done to improve the acoustics. I will bring the matter to the attention of the Public Works and see what can be done.

MR. HIGGINS: I asked a question about steel, there was \$500,000 voted for.

MR. SMALLWOOD: The honourable member for Public Works is not present for the moment. I know he has the answer prepared and no doubt has them with him and will table them when he gets here.

Item 14 on the Order Paper: Second Reading of the Bill: "An Act to Amend the District Courts Act, 1949."

MR. CURTIS: I beg, Mr. Speaker, to move the second reading of this

Bill. As the honourable members know, it provides simply for appeals and hearing of appeals. Appeals lie in the jurisdiction of a magistrate and the Judge of the District Court in that area, the object of this new section is to provide for hearing of such appeals, and to authorize their being taken before the District Court.

Section 4 of this Bill provides that when there is no judge of a District Court the appeal may be made direct as at present from a magistrate to the Supreme Court. Under the present position now if an appeal is taken from the magistrate to the Supreme Court the court has held that under the present legislation such appeal must be held by a cassation of judges. The effect of this amendment is to permit an appeal from magistrates to be heard by one judge and not necessarily two. The effect of this Mr. Speaker, is when the court is on circuit the circuit court will be able to hear appeals from the magistrates whereas now if there is an appeal from the magistrate it must stand over and be heard in St. John's.

Sub-section 2 which deals with this aspect of the matter provides that on the appointment of district court judges, sub-section (a) ceases to have effect and cases then pending before the Supreme Court go to the District Court for trial in appeals that do not involve any serious implications. This follows out the desire of the Government, and I think of the Province, so that I beg to move the second reading.

Bill read a second time. The honourable Minister asks leave to have this Bill Committee of the Whole House now.

Ordered to go into Committee of the Whole now.

Section 1 to 4 read and passed.

The Committee rose and reported having passed the Bill without amendments. Bill read a third time, ordered passed and title be received and adopted as on the Order Paper.

MR. SMALLWOOD: I have prepared second reading of the Public Records Bill in the absence of the printed Bill which the House was agreeable to do and I take it now that the Bill has been received and the matter did in time open for discussion. I have hoped that the honourable the learned Leader of the Opposition might care to speak a word on the matter of the Bill as I know that is a matter in which for some years past, he has shown considerable interest and while I would suggest nothing that would prolong the business of the House, I hope he may be able to say a few words on it.

MR. SPEAKER: The motion now before the House is that this Bill: "An Act Relating to Public Records" be now read a second time.

MR. HIGGINS: Mr. Speaker, I had not seen the Act. I did not know it was to be brought into this session but knew it would be brought in, in some session. It has been brought about by the efforts of Mr. Crewe who interested himself enough to write a little article about the necessity of preserving the historic records of this country, documentary and otherwise, and I think it is an unfortunate thing that our records have been scattered. I have in my possession now a book I have held for thirty years locked up. I found it around one of the court houses here torn up, and I took it and I intended to give it to somebody able to take care of it. I was going to give it

to the Public Library but I did not know who would run it eventually. But I have that to hold for an occasion like this. It is a pity so many of our public records have been destroyed by fire and other things. There are lots of records lying around with no attention from anybody. There must be records in the various courts around the island of very great importance. It is fortunate that a man like Judge Prowse interested himself in the history of Newfoundland and he had access to documents now gone beyond existence and we only have them in a secondary form. The history of this country has never been looked into properly, even the Norsemen. There is a tradition that St. Brendan landed here one time in a Northern part, he had journeyed from Ireland to Iceland and Greenland and then from there on to Labrador. Some historian of the distant future may claim that is so. Now we had a lot of commotion when the Scotchmen took the Stone of Scone, but maybe the Irish were more entitled to it. It was in Ireland for seven or eight hundred years and the Kings of Ireland were crowned on it at the time when Tara was the capital of the Kingdom of Ireland. It was in danger of destruction when the Danes came and was sent to Scotland and then down to England. Now we know the historians of the future can never follow the history of this country as it has never been written but this is a good thing, a wonderful thing and I support it. It should have been done a long time ago. We are now trying to save the last of the documentary records and trying to prevent anyone from taking them out of this country. I compliment the Government at least on this wonderful Bill and I pay tribute to them for having brought it forward. At the same time Mr. Crewe was the

one who started the ball rolling. I am sure everyone on this side of the House is going to support this.

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

The Committee rose and reported having passed the Bill without amendments.

Read a third time, ordered passed and title to be as on the Order Paper.

A Bill "An Act to Authorize the Government to enter into an Agreement with Frobisher Limited."

Leave was granted earlier this day for the motion on second reading.

DR. POTTLE: Mr. Speaker, I ask to move the second reading of this Bill and "An Act to Authorize the Government to enter into an Agreement with Frobisher Limited."

By way of background, I might indicate to the House, last year Frobisher Limited, under agreement with the Government, spent something in the way of forty-five thousand dollars in a programme of general exploration in Eastern Labrador. Part of the programme undertaken by this Company consisted of photographic work which was done in an area of some five thousand miles on the Upper Nauskaupe River Area and copies of the photographs are lodged with the Department of Natural Resources and form part of the permanent library of the Government. In addition to that the Company paid considerable sums for information acquired by other exploration work done the year before. As a result of the exploration of this Company in the region referred the company decided to concentrate there more intensively on that specific area in Labrador. One on the Western part of the Grand Lake

Kasheshibaw, I have a map here, if any honourable member wishes to consult it, showing the areas in question. The other area is on the south side of the Lake Melville. This may be seen in a more comprehensive form from this map on which the areas are marked (a) on this map and part of the areas marked (b) South Lake Melville showing thirty-six hundred odd miles and be about twenty-seven miles in this area. This second area south of Lake Melville is selected chiefly for further reconnaissance and geological survey by Newfoundland, 1949. Geological information of interest in this respect is that there is a striking similarity between the geology of that area and Lake Alikonak area near St. Pierre on the North Shore of the St. Lawrence and Quebec noted for large deposit of magnetite of recent discovery. There are fairly good reasons to assume that there are accumulations of similar minerals to be found in the area applied for by Frobisher and the company is already committed to a contract for a detailed air-borne magnetometric survey similar to one on which the Government overtook in Notre Dame Bay in 1950 to determine, we hope, the existence of this mineral. By way of further ratification it might be indicated through no specific knowledge of my own that titanium and compounds of titanium, inasmuch as they are new and very precious metals, are becoming very important in the whole gamut of metal production. They have rare potentialities as regard value and uses to which they may be put. Titanium Oxide is the right for weight, I am advised, probably the strongest metal known being much higher than steel or aluminum.

Now, the outline of the agreement follows very closely an agreement the

House is already familiar with. The areas are given under Clause 1 and because they are concessions applicable to this company is reserved from the conditions of the Crown Land Mines and Quarries Act in some respect but in certain other respects not, most of it, in fact, conforms to that Act. The company is required under that statute to spend not less than one hundred and fifty thousand in operations per year of not less than three years and in any one year require to spend thirty thousand dollars. The development licence indicated in Clause 7, makes available to the Company an area not in aggregate to exceed fifty square miles. The other clauses are formal or may be considered formal clauses from the point of view of such an agreement. Apart, as I say, from the special clauses, one which indicates that it is exception in certain clauses, or respects from the Crown Land Mines and Quarries Act, the agreement is in conformity in all other respects. I would move, Sir, second reading of this Bill.

MR. SMALLWOOD: I again do not wish to delay the House unduly, but I would like to say a word about this concession. One of the leading mining companies in all of the Canadian nation is the Ventures Limited group, two of the best known members of that group are Frobisher Nickel Mines Limited and Frobisher Limited, but they are two only of these companies making in the aggregate Ventures Limited. Now Frobisher Limited is in particular the exploration arm of the Ventures Company. Falconbridge Nickel Mines has also quite recently gone into the field of exploration although principally a producing company and Frobisher Limited are still the main exploration branch of Ventures Limited, a group of mining

companies. Now, Frobisher Limited are themselves identified either as sole owners or part owners of some six or seven extremely important mines in various parts of Canada and various parts of the world. The principal one, owned wholly or partly by Frobisher is Giant Yellow Knife, one of the best known names in the whole mining field in Canada. Then another company, they either own wholly or partly, is the United Kenoun, and the third one is the Konnemera in Southern Rhodesia. A fourth company is the Kelimbe in South Africa. Then there is another mining company whose name is extremely well known in Canada, Kulmet in the Province of Quebec.

Still another is Mediterranean Mines in Greece. I would say that in connection with the Kelimbe Mining Company in South Africa, Frobisher Limited are closely connected with the famous mines in Spain, I believe in Spain. There are a number of others as well but these alone indicate, I think, the extremely important nature and dimensions of this company known as Frobisher Limited. They derive their funds for exploration chiefly from the profits made by these companies, I have just named. Falconbridge Nickel Mines Limited and a number of other companies operating within the Ventures Limited Group and as Frobisher Limited are still by far the most important exploration branch of it and of all these other companies on which they draw for funds to conduct exploration, the House will see the very fine position in which Frobisher Limited find themselves from the standpoint of active and energetic, and I may say, scientific exploration of mining propositions in various parts of the world and so it is this

well connected and highly experienced company that is now moving actively into the exploration of certain areas of Labrador as laid down in this present Bill. As the honourable Acting Minister of Natural Resources has said one of the most promising, indeed one of the most exciting of these areas is on the South East corner of Lake Melville in the Mealy Mountains. If there is titanium in these then Newfoundland has some thing and indeed Frobisher Limited already have got some little indication of a discovery of titanium in economic quantities and the very exciting new mineral found on the North Shore of Quebec where that new mineral is now actively being developed. The House will recall the tragedy of a year or so ago of a plane disaster, when a plane was blown up and of which the perpetrator has since paid with his life in the Province of Quebec. In that same plane at the time of the explosion were several of the high officers of a large copper mining company of New Jersey in the United States on the way to visit the titanium property on the North Shore of Quebec and anyone who follows the mining world today is well aware that the titanium mines of Northern Quebec are ranked and regarded as amongst the most exciting mineral finds of recent years. So that the House will not find any difficulty appreciating the tremendous importance of the fact, if it should turn out to be a fact that in the Mealy Mountains of Labrador titanium is believed or suspected to exist in workable quantities. At all events Frobisher from their exploration this year and perhaps next year should establish the yes or no to that great question.

Now, Mr. Speaker, the company re-

quested originally for almost double the area which this Bill proposed to give them in the Mealy Mountains district of Labrador, in the vicinity of Lake Melville. One half of the area the company wanted, overlapped into the area which we have now given to the Newfoundland and Labrador Corporation. We declined to give them that half and we have agreed to give them, subject to ratification, by the House, the Eastern half of the area for which they have applied, the Western half has gone, as I say, to the Newfoundland and Labrador Corporation. Now, that means Frobisher would formally and naturally apply to the Newfoundland Labrador Corporation for rights in the Western half of the Mealy Mountain section, if anything is found in the Eastern half that section now belonging to the Newfoundland and Labrador Corporation then obviously should result in considerable more profit accruing to the Treasury of Newfoundland than we could hope to receive if the development of the Eastern half which this Bill proposes to give to Frobisher Limited. It may turn out that it is Frobisher Limited who will conduct the active exploration over the Eastern section by arrangement with the Newfoundland and Labrador Corporation.

This is the second of the Ventures Group with which this House has been asked to deal in this present session, indeed in recent days, Falconbridge Nickel Mines, Limited, within Newfoundland and Frobisher within Labrador and I think the House can congratulate itself and the Government can, and Newfoundland can feel quite pleased that these two great, progressive companies have expressed this active interest in the

mining possibilities of Newfoundland.

Mr. Speaker, when all that we have done in this House in this session is added up, it may yet turn out that the biggest of all are the two deals made with Falconbridge Nickel Mines Limited and Frobisher Limited. At least we all wish them the greatest possible success and hope they prosecute their surveys now with great energy and great efficiency and that they will lead to mineral discovery and actual development of great and important new mines to strengthen the economy of the Province of Newfoundland.

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

Sections 1 to 3 read and passed.

DR. POTTLE: Area A and Area B stand.

MR. JACKMAN: It says here: "In the event of the Company failing in any year to submit any account—" What is this company, Mr. Chairman, is it a private company, is it a holding corporation or exploration company or operating company? Yet to my knowledge, I think this company here is an exploration company and the holding company Ventures, in turn Falconbridge is held by Ventures. Now, my point or reasons for raising this is this appears to me to be a sort of monopoly or combine and I would not like to see our little Government in Newfoundland compromised anyway. The Federal Government in Ottawa is getting after combines and monopolies and if, as I say, this is a monopoly, Frobisher controlled by Ventures and in turn Falconbridge controlled by Ventures it seems to me the whole thing is a cartel or mon-

opoly or combine and combines today are being prosecuted in Canada by the Federal Government and police and we could be embarrassed later on if we happened to get caught up that way. I just mention that because that is the situation.

**MR. SMALLWOOD:** Mr. Chairman, I would agree one hundred percent with the honourable member myself if there were a combine or a monopoly. It is just about beyond human capacity today to imagine a mining combine or a mining monopoly. It is inconceivable. This is not a monopoly. It could not be a monopoly, there is nothing monopolistic about it. It cannot be a monopoly, if the word means anything at all, it means a man or group or company have sole and exclusive control over a certain product which they hold and exercise for fixing prices beyond their real value. Now, it does not do that and consequently it is not a monopoly. In what sense can Frobisher or Falconbridge or Ventures Limited be a monopoly? What can they monopolize? Nothing. Now, it is true they are a large company but we must not fear too much because of their largeness or bigness, if it were so we would not have DOSCO operating on Bell Island, and they are probably the highest of all the world's mining companies with a vast ramification of associated companies. Take Buchans, it is owned by the Anglo-Newfoundland Development Co. and they have formed a subsidiary known as the Terra Nova Properties Limited and have the control of the Buchans Mining Production. Terra Nova Properties Limited ended an agreement with a big smelting and refinery whereby another company, the Buchans Mining Company is set up and the Buchans Mining Company is

owned as to fifty-one percent by an American Smelting and Refinery and as to 49 percent, Terra Nova Properties Limited operating a mine in a series of ramifications. Does that make it anything objectionable, does it make for monopoly? The answer of course obviously not. We are not a bit afraid of Buchans because of the largest mining companies in the world is operating it through a subsidiary, nor Bowaters, though it is the world's second largest paper producing firm with mills all over the world, we are not afraid of Bowaters or the Anglo-Newfoundland Development Company though they are controlled in turn by another large company. Mere size ought not to frighten us. My honourable friend's fears, I can assure him, quite sincerely, are groundless and there is nothing monopolistic whatsoever about this Bill. True the company is big, but he need not be afraid of mere bigness—even so in Newfoundland it is not as big as the Legislature or the Government of Newfoundland. When it is operating in Newfoundland we have the last word here in this Chamber. We can pass a law tomorrow if we wish to do it and Frobisher would have to do as we say. We could pass a law abolishing Bowaters but they could not pass a law abolishing this Legislature. We have the last word with all companies operating in Newfoundland. Now, I am referring only to power or authority, using it is another matter altogether. No one is mad enough even to think of that.

**MR. JACKMAN:** My point, Mr. Speaker, was this, to point out that while we are not saying here now that this is going to be a monopoly but Falconbridge and Frobisher are

owned by Ventures which is a holding company and—

MR. SMALLWOOD: It is more than a holding company, they are an operating company operating at least half a dozen mines.

MR. JACKMAN: Their main business is a holding company. I know you know more about it than I but the point is this: here is a monopoly in this respect that it is going to shut out outside companies and competition.

MR. SMALLWOOD: For how many years?

MR. JACKMAN: Five years I think or three years. Anyway I see a nigger in the wood-pile though I cannot properly explain it, maybe next time I will.

MR. HORWOOD: I may assist the honourable member to clear this point. We are not giving the company in fact anything they cannot get without the Act at the present time. Any individual can go in and stake mining claims and that means one thing, nobody else can go in there and explore that area. Now it would be quite simple for Frobisher to go down to Labrador as a prospector and stake all the claims he wants to on the area. The only reason why he cannot do so is this Act giving them exactly the same rights as they could get by staking claims so as to save the expense involved in staking and sending parties in for that period and they can take the same money and spend it on actual exploration. That is what it means by the Crown Lands Act. This Act gives the same right as they would get staking claims but saves the expense. Now, if they went down and staked claims on that area it is just as much a

monopoly as any monopoly arising under this section. Any prospector holds a monopoly on the particular claim he has staked.

MR. HIGGINS: That I presume means general application to all mining companies. Now, I wonder if the honourable Minister is taking into account the objection of the honourable member for Bonavista South, raised in connection with the words: "Crown Lands (Mines and Quarries) Act, 1951." I understand he said—

DR. POTTLE: That has been dealt with, Sir, obviously a change is necessary in the seventh line from the top on page five. Delete the whole of line seven and insert "Along 530 5' North Latitude to its '.

The Committee rose and reported having passed the Bill with some amendments.

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

Bill read a second time, "An Act Respecting Lists of Electors for Election in the year 1951."

MR. SMALLWOOD: Mr. Speaker, I move the second reading on a Bill "An Act Respecting Lists of Electors for Election in the Year 1951." This Bill has been made necessary by the Terms of Union. Clause 15 of the Terms of Union reads as follows: "Until the Legislature of the Province of Newfoundland otherwise provides, the List of Electors prepared pursuant to the List of Electors Act 19—shall be deemed to be the List of Electors etc.—"

It was under this term of the Terms of Union the general election was fought and had to be fought and



that term makes necessary the present Bill which is one that enable the Lieutenant Governor in Council to authorize the Minister of Provincial Affairs to cause a new list of electors to be taken for each electoral district where any election is to be held and to prescribe for them forms to be used for the taking of voters lists and making regulations provided for the revision of such lists. It provides also that if the Lieutenant Governor in Council does not authorize the taking of a new list of electors the list of electors prepared pursuant to the Act of 1949 shall be deemed to be the list of electors for the purpose of any election, subject to provision of the Election Act, 1913, respecting supplementary lists of electors. So that under this Bill, if it becomes law, one a new list can be ordered by the Lieutenant Governor in Council and carried out by the Minister of Provincial Affairs or, two, the existing list could be made to suffice and provisions of the 1913 Act with regards to supplementary lists come into effect. That is to say those on the list would be entitled to vote also and those not on the list would be entitled to vote by having their names entered on the supplementary list. It simply provides for amending the Election Act. We did formerly intend to bring before the House more elaborate changes for the Election Act, but due to the lateness of the session we have contented ourselves with this one indispensable amendment to the existing Election Act.

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

Sections 1 and 2 read and passed.

MR. FOGWILL: On that section now there may be elections held in

1951. At the present time there is a district without a member. I wonder if the Chairman or whoever is piloting this Bill, would give us any indication of the tentative date of an election that might be held this year.

MR. SMALLWOOD: I am afraid I cannot do as requested.

Section 2 passed.

Sections 3 and 4 read and passed.

The Committee rose and reported having passed the Bill without amendments.

Second reading of Bill "An Act to Further Amend the Act 26 Victoria Chapter 5, entitled 'An Act to Incorporate the Harbour Grace Water Company.'"

MR. FORSEY: Mr. Speaker, this Bill seeks to empower the Lieutenant Governor in Council to transfer to the Harbour Grace Town Council the assets and systems of the Harbour Grace Water Company. The Harbour Grace Town Council is anxious to take over the Harbour Grace Water Company for the following reasons:

In order to develop certain building sites which they acquired, the water main had to be laid in these new sites and the Water Company is unwilling to take on any work and consequently the central sections of the town have not been developed. Also the Company's appraisement is completely out of line with present day values and under the provisions of the Council Act the Council used the basis for appraisal of property and their revenue is very low, if absorbed by the Council it would make a new appraisal on present day values and thus increase their revenue without increasing the rating.

I might say the Water Company approves in principle the resolutions to have the Company absorbed by the Town Council. The financial position of the Harbour Grace Water Company is good. As of December, 1950, the Company has a cash reserve of some \$25,000. The Company is incorporated under Act 26, Victoria Chapter 5, and amendments thereto. Present authorized capital stock is \$75,000, six thousand of which is taken up by the Newfoundland Government, twenty-five thousand, in the Savings Bank, and Private Shareholders \$44,000.

The Newfoundland Government has already approved in principle the transferring of its shares to the Harbour Grace Town Council. The Harbour Grace Town Council proposes to raise a bond issue of \$50,000 to buy out the private shareholders and the Town Council has been given assurance by private shareholders that they will exchange the four percent interest bonds they presently hold for the four percent debentures to be issued by the Town Council when the Water Company is passed over to the Town Council. I move second reading of this Bill.

MR. HIGGINS: Mr. Speaker, I just want to ask a question. The honourable Minister says the Savings Bank has \$6,000 invested in the Harbour Grace Water Company.

MR. FORSEY: Yes.

MR. HIGGINS: Is that an old loan?

MR. FORSEY: The Savings Bank has debentures guaranteed by the Government.

MR. HIGGINS: Is that an old loan?

MR. FORSEY: Yes, an old loan.

MR. HIGGINS: I was wondering because the general savings bank loans are guaranteed by the Government and it is very strange they invested money in other companies because if that company goes broke there is nothing left. I thought they were all called in. However that is immaterial now.

MR. FORSEY: They are presently held by the Newfoundland Savings Bank and incidentally only on one occasion had the Government been called upon to make good guarantees in the case of Harbour Grace.

MR. HIGGINS: I mean the Government Savings Bank guaranteed by the Newfoundland Government; they should have no money in companies, guaranteed by the Newfoundland Government.

MR. CURTIS: That is ridiculous. They lent Burin some money some years ago on government money and it was all paid off but it was lent by the Savings Bank and guaranteed by the Government.

MR. HIGGINS: They should not have bond debentures guaranteed by the Newfoundland Government. The Newfoundland Government guarantees the Savings Bank and the Government Savings Bank should protect themselves otherwise, that is a principle. They found some years ago they had only a thousand dollars in Newfoundland Government debentures and I understand then it was recommended they turn them in.

MR. SMALLWOOD: That applies to any bonds they own issued by any Government or guaranteed by any Government. If the value of the bonds they have become uncertain it is common sense for them or any other bond

holders of any such bonds to sell them.

MR. HIGGINS: But they have a double guarantee, the Newfoundland Government guarantees and the Canadian Government guarantees our debentures.

MR. CURTIS: The Government guarantees the borrower but there is a party in between known as the Savings Bank and I don't think there is any relation between the two.

MR. HIGGINS: It is the deposits you are looking after.

MR. CURTIS: The deposits the Government guarantee.

MR. HIGGINS: That is why I asked. I don't think any debentures have been taken in recent years guaranteed by the Government.

MR. FORSEY: Now being paid off.

MR. SPEAKER: I must point out—that though this is a very important matter it is not a question to take place on second reading.

Bill read a second time. Ordered referred to Committee of the Whole now.

Section 1 to 16 read and passed.

Section 17 read.

MR. FORSEY: In 17—(16), there is a line left out which is to be inserted between the ninth and tenth lines—“pany—exercise all of the rights held by the company.”

Move that this Bill with the exception of sub-clause (6) be passed.

The Committee rose, reported progress, and asked leave to sit again presently.

MR. SMALLWOOD: I move we

recommit the Bill, “An Act Further to Amend the Crown Lands Act, 1930.”

MR. CURTIS: Mr. Chairman, the honourable Leader of the Opposition was not present in the Chamber when we dealt with this Bill and so the Committee was deprived of the advantage of his advice.

Since then, in conversation with me the honourable and learned gentleman invited attention to clause 16: “In all grants leased and licenced under this Act and a strip of Crown Land not less than 33 feet wide around and adjoining all lakes and ponds and along the banks of all rivers shall be reserved . . .” As he pointed out members of the committee will have no difficulty in agreeing with it. The only question is as to how much more than 33 feet the committee might care to make it. Now I suggest 66 feet, doubling it, and if that is satisfactory to my honourable and learned friend I would move an amendment that the words 33 feet be stricken out and 66 feet be submitted therefor.

MR. HIGGINS: I was going to say it is a very strange thing that 33 feet have been kept in there. When our first parliament passed this Act I think they were people imbued with ideas of liberty. Now, in recent years it has been recognized that this strip of land not much more than six feet in some cases has been the means of preserving the banks of rivers because while this is reserved no timber should be allowed to be cut off that. You will notice our rivers very often have high banks and after a time the rivers wash it away, particularly when the timber has been cut, all the banks wash away and you will find that in some the whole width was washed away. I have found and fought for

the farmers here and there, right, but unfortunately our farmers never think about erosion. That is the history of this side of the world where soil erosion has been caused by pioneers who cut away all the timber and the rivers dried up and the lakes and everything else, and the farms suffered. Now, the rivers are meant for everybody, for fishermen, salmon fishing, and are meant for timber companies who have a right to drive logs down to the sea.

MR. SMALLWOOD: Also I suggest courting couples strolling on the banks.

MR. HIGGINS: That is very important too. That is natural, not wild life but natural. Now, you will notice in a heavy rain storm a terrific flood runs down quickly and washes away the soils and it is all over in a minute but when a river has no trees around its banks there is a heavy flood and the banks are washed away, but if you see a river with heavy timber around the banks it takes four, five or six days to go down to normal and the trees preserve the water. Now, to have 33 feet of trees is a little help but 66 feet will be a better one, five hundred feet would be a wonderful help or even a hundred, yes, or even sixty-six feet.

MR. SMALLWOOD: It is enough. You will find the soil is damp for days after rain but if there are no trees there the soil is dry. The river banks are well protected by timber also they hold the water and make a passageway for pulp but if the timber is taken away there is no passage.

MR. HIGGINS: I think 66 feet is small enough and no timber should be allowed to be cut off that. I know my friend the member for Port de Grave is a farmer, and he knows the farmers destroyed millions of acres of

soil on this side of the world. I understand in Saskatchewan for some years they have been trying to get the timber on most farms. In droves of timber it becomes more important when it interferes with the rights of posterity and any farmer who cuts down to the bank of a river is a potential destroyer and steps must be taken to see that no timber should be allowed to be cut down and I say I would not mind seeing an Act passed making this applicable to all leases or grants heretofore given.

MR. SMALLWOOD: It is an unusual pleasure for me and a most unexpected one to hear my honourable learned friend uphold the rights of the public against the rights of private enterprise and private property. It is the first time I have heard him do it, since this House assembled. I agree with him a hundred percent, and a hundred and one percent if that were possible, but it was unique and a most interesting occasion when my honourable and learned friend, the great champion of private enterprise and private property, held forth with conviction in favour of the public interest versus that of private property.

MR. HIGGINS: I have been twenty or twenty-five years fighting that, Sir.

MR. SMALLWOOD: Well, every great thing is accomplished by some one man with patience and the sole and unquenchable desire for justice and it is a lucky thing for Newfoundland to have one citizen who sees the need and who harps continuously on the need for conservation and against the destruction brought about by indiscriminate cutting of timber. I think he is one hundred percent right. My honorable friend the member for Port de Grave is a professional farmer, one of thousands of these

in Newfoundland and I don't think the farmers in Newfoundland can have laid at their doors the accusation, truthfully laid at the doors of the farmers such as the wheat growers of the mid-west and prairie provinces. I think perhaps what my honourable friend and colleague from Port de Grave is concerned with most is access of cattle to rivers. I don't think he is holding the right of farmers to go and cut trees off the river bank but the right of farmers' cattle and livestock to get to water, which is a right my honourable friend would not deny him.

MR. HIGGINS: They have just as much right as I have to go to the river.

MR. SMALLWOOD: That is a most generous admission, I would not go quite that far. But my honourable friend the member for Port de Grave is better able to state his own views on that any one else could hope to do for him.

MR. SPRATT: Mr. Chairman, I suppose I will get a chance to say a few words now. I am very pleased to know we have such a Bill before us today. Now, the honourable Leader of the Opposition made a statement that he was very much concerned over the right of ways and I am not wrong, Sir, I can prove it. There was never a right of way of 33 feet around any lake, it was only a thought that came into the people's mind. It would never be found in the Crown Lands Department, Sir, I have searched for it for more than half a century, before you were born, I went into it quite a bit. We have ample proof here today in the Municipality of St. John's, Waterford River, Rennie's Mill River, Quidi Vidi Lake, where the owners own to the water's

edge. That is a statement now, and I make these few remarks with the hope that when this Bill is passed to rectify the situation that the people will be informed that they can, they have a right to walk around any lake and no other than the public can claim it within a radius of thirty-three or sixty-six feet. Now, that is not the case. I have been turned off land myself and have not been allowed to cross it to go to a river. Whether my few remarks casts any reflection on previous speakers I do not know, but if you are going to pass a law and leave it there it will never be carried out because the statement I made is perfectly correct. You cannot go around the Waterford Bridge River today unless you go down in some places and get in the water. It is owned by the private land owners to the water's edge in the West End of St. John's and go along Waterford Bridge Road and the fences are built and concrete walls and that is so, if it is against the law or whatever it is. I have it from some of the best informed gentlemen in this country, public men and some of them lawyers and they never could find any such thing.

MR. HIGGINS: Go up to the law library and ask for the Acts of 1933.

MR. SMALLWOOD: There were Acts that took away rights existing before the House and in 1933, my honourable friend is right, took away since 1933.

MR. HIGGINS: Virginia Waters, Murray's Pond and I think two other ponds are the only places where rights were given by the Crown. Another thing, when Reid got all the land they forgot to withdraw a passage of 33 feet, but granted entirely all the land, banks of rivers and everything

else, and when they found their mistake and Reid wanted to get right of way for lumber, they wanted to put in that on all lakes and river territory granted to Reids the public have passage way of sixty feet.

MR. SPRATT: What about the people with rights already?

MR. HIGGINS: Why should they think they cannot do it now in this Act?

MR. MAKINSON: It is very interesting to me to hear the remarks of the honourable Leader of the Opposition. However, he is poorly informed on two or three points. One is when he quoted that certain water rights were granted in Newfoundland, he quoted that Virginia Waters, Murray's Pond, I think, and one other place, he forgot the oldest, or if not, the second oldest grant in the Island which happens to be the place where I live now, Makinson, by Governor Cochran. They have had water rights on it but my grandfather's father never enforced it and held entirely for us. The right of way has been given, however, when timber has been floated. My grandfather, a hot-headed Englishman, decided to establish his claim when Horwood had his lumber mill down in Clark's Beach; it was a regular custom for so many logs to be thrown on the bank when floating through. So, in regard to my honourable member for St. John's West, wherein can leased areas he reclaimed by the Government, I suppose they could by certain Acts, but I do not know what government is going to go against the community and reclaim them, I know, I would certainly put up a fight if such an Act went through and I am sure there are others. Besides, I think it would be

a Federal matter to consider because the rivers, I understand, in Newfoundland, are controlled by the Federal Government in regard to fishery, etc.

However, I think a matter of thirty-three feet, I maintain is just as good for preserving the banks of a river and keeping back the flow of water as would be sixty-six feet. Now, I admit that in the past, timber cutters have gone in on their concessions and cut right up to the river bank and in many cases the root system has been broken up and the stumps and all deteriorate and the banks wash away. However, even ten feet of growing timber will retain a bank and I will maintain if this timber is not cut periodically it will deteriorate and on its own accord fall down across the river, block the river and be worse than if it were cut systematically and will divert the river, causing overflow unto the other parts and do more damage than cutting systematically. However, the honourable Leader of the Opposition agrees if I told him that a limit was made in regard to the size of trees cut, and I can tell him now that on parts of it where the timber has been cut to the river bank, the river bank has not been touched and I am sure if a strip of sixty-six feet were then taken out of these fertile valleys on either side of which the honourable Mr. Gardiner told us that here we should develop our agriculture in Newfoundland, develop and concentrate on the fertile valleys; there is not much left of the fertile valley.

There may be valleys in this Island that can be developed with regard to agriculture, I am not speaking entirely from a timber concession point of view, but of valleys that can be developed, if sixty-six feet be taken

away from each river bank and find we cannot encroach on the river any closer than sixty-six feet I am afraid that some of our little valleys will not be developed very well and there are a lot of them on this Island now. Another thing; now just what constitutes a river? I know of many clearings of land with little rivers running down to the main brook and it is absolutely essential that they have part of these streams for their livestock and they cultivate up to the shores of these rivers. Now, in making an amendment of sixty-six feet, I think we should be very careful to have down that the Government should not rush into this thing rashly until giving it far more thought than they have here today, even by a separate committee set up to study it and I am sure between now and the beginning of next session there is not going to be any great loss in regard to water ways and streams during that time.

The honourable member for St. John's West mentioned that there has been no grants giving rights up to the shore of the lake. That is not absolutely right. I have seen many grants recently that went back as far as 1923 whereby a 33 foot strip has been reserved to the public. Now the Leader of the Opposition may be entirely right, but before an amendment of that nature is made I ask this House to give serious thought to it.

MR. SMALLWOOD: Mr. Chairman, the fact of the matter is we hope to conclude our business of this Session before six o'clock today with a view to adjourning until Friday for prorogation at 3:00 of the clock and to call a new session of the House reasonably soon thereafter. In the light of that fact I wonder if the

honourable Leader of the Opposition might not agree with the suggestion of the honourable member for Port de Grave, that is to say, that a select committee be appointed, and on that I would certainly hope both honourable gentlemen would be willing to serve, to look at the matter in some detail with a view to bringing a recommendation before the House, I think the House would accept and embody in the present Bill. Suppose that in the light of that suggestion we withdraw the amendment and let it stand for a few weeks when an amendment might be brought in at the next session, in which case I propose to withdraw my amendment.

Amendment withdrawn.

The Committee rose and reported having passed the Bill without amendment.

MR. SMALLWOOD: I was going to move the third reading of the Bill with a view to having the Bill adopted and given the Royal Assent on Friday, but in the meantime a select committee be appointed to study the section and report back at the next session.

MR. SPEAKER: My suggestion is that you make the motion before third reading.

MR. SMALLWOOD: I make that motion, Mr. Speaker.

MR. SPEAKER: This Bill is referred to a select committee, to report at the next session of the House. This will give the committee authority to sit on that section of the Bill and compels them to report to the House at the next session. Bill is now read a third time. Ordered passed and title be as on the Order Paper.

That is the last item on the Order Paper.

MR. FORSEY: I would like to recommit to Committee the Bill, "An Act to Incorporate the Harbour Grace Water Company," Mr. Speaker.

The amendment is that the following words be inserted, in the first place the word "Company" should be completed in line seven, and "exercise all of the rights held by the Company" inserted.

The Committee rose and reported having passed the Bill with some amendments.

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

MR. SMALLWOOD: Mr. Speaker, I rise to move the adjournment and I would like to say that it is our hope that His Honour the Lieutenant Governor will attend here on Friday at 3:00 of the clock to prorogue the House and I would urge that the House meet at 2:30 on Friday so that in case of the Attorney General's Department or any other Minister detecting some slight error in legislation given third reading in the last day or two, attention might be drawn to it in the half hour between 2:30 and 3:00 o'clock so that such error might be rectified before His Honour the Lieutenant Governor arrives for prorogation.

I move the House at its rising adjourn until tomorrow, Friday at 2:30 of the clock.

MR. FAHEY: Do not the rules of the House call for 3:00 o'clock and the House would have to give consent to meet at 2:30 o'clock?

MR. SMALLWOOD: The point is

well taken and the honourable member may vote against it.

MR. SPEAKER: We can suspend the clock rules and it is then up to the Chair whether the privileges of the House are being interfered with by taking this motion. It is the opinion of the Chair that the privileges have not been interfered with.

Motion carried.

MR. SPEAKER: Before leaving the Chair, I would like to inform the House that Mr. Flynn, our Janitor, after coming to work today suffered a paralytic stroke.

FRIDAY, June 22, 1951.

The House opened at 2:30 of the clock.

#### Presenting Petitions

None.

#### Presenting Reports of Standing and Select Committees

None.

#### Giving Notice of Motions and Questions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I move we dispense with reading of the Minutes.

HON. LESLIE R. CURTIS (Attorney General): Mr. Speaker, earlier in the session we passed a Bill "An Act to Amend the Education Teachers' Pension Act, 1950." It appears now a slight amendment is necessary in the Bill and I move therefore that the third reading be rescinded and that the Bill be recommitted.

Motion carried.



Committee of the Whole on Bill "An Act to Amend the Teachers' Pensions Act, 1950."

Amendment passed.

The Committee rose and reported having passed the Bill with some amendment. Ordered to be read a third time now.

Bill read a third time and passed.

MR. SMALLWOOD: Mr. Speaker, His Honour the Lieutenant Governor is due, as the House knows, to arrive at 3:00 of the clock. It is now only a quarter of three and I think we have completed our program of legislation and the House finds itself at the moment with quite literally nothing to do except to sit and await the arrival of His Honour the Lieutenant Governor.

MR. SPEAKER: I might give the honourable members something to occupy their minds. I would like to see all members and their wives in the adjoining room after the formalities have been completed.

MR. J. G. HIGGINS (Leader of the Opposition): I think there will be absolute unanimity in accepting that motion.

MR. FAHEY: We have a few minutes to spare, would that give the Opposition opportunity to tell the Government what we think of them?

MR. SMALLWOOD: We would be charmed to hear what the honourable Opposition really thinks of us.

SERGEANT-AT-ARMS: Mr. Speaker, I have the honour to inform you the honourable Judges of the Supreme Court have just arrived.

Mr. Speaker, I have the honour to inform you His Honour the Lieutenant Governor has arrived.

MR. SPEAKER: Please escort His Honour into the Chamber.

His Honour the Lieutenant Governor entered the Chamber and took the Chair of the Speaker.

MR. SPEAKER: May it please Your Honour, the General Assembly of this Province has in session passed certain Bills to which in their name and on their behalf I now respectfully request Your Honour's assent.

The Clerk read the following Bills:

An Act to Amend the St. John's Housing Corporation Act, 1944.

An Act to Amend the Co-operative Development Loan Act, 1949.

An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor-General in Council of Lands Acquired for Such Purpose.

An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947.

An Act Further to Amend the Local Government Act, 1949.

An Act Respecting Elections in Municipalities.

An Act Respecting Civil Defence.

An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled "Of the St. John's Fire Department."

An Act Respecting Liability in Actions for Damages for Negligence where more than One Party is at Fault.

An Act Relating to Wild Life.

An Act to Repeal Certain Newfoundland Statutes.

An Act Further to Amend the Workmen's Compensation Act, 1950.

An Act to Provide for the Establishment of Family Courts.

An Act to Make Provision for the Granting of Loans to Certain Companies and the United Church Board of Education for St. John's.

An Act to Amend the Labour Relations Act, 1950.

An Act to Amend Certain Newfoundland Statutes.

An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof and of Certain Other Purposes.

An Act Further to Amend the Law Society Act.

An Act to Create and to Provide for the Operation and Control of a Fund to Meet in Whole or Part the Cost of Replacement of Government Property Destroyed by Fire or Other Destructive Hazard.

An Act Respecting Lists of Electors for Elections in the Year 1951.

An Act to Amend the Trade Union Act, 1950.

An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer.

An Act to Amend the Alcoholic Liquors Act, 1949.

An Act to Amend the Restaurant Acts, 1929.

An Act Further to Amend the Public Utilities Act, 1949.

An Act Respecting the Sale and Distribution of Fishery Salt.

An Act Relating to Public Records.

An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland.

An Act to Incorporate the Newfoundland Federation of Fishermen.

An Act Further to Amend the Education Act, 1927.

An Act to Amend the Education (Teachers' Pensions) Act, 1950.

An Act Further to Amend the Welfare of Children Act, 1944.

An Act to Amend the District Courts Act, 1949.

An Act to Amend the Summary Jurisdiction Act, 1950.

An Act Further to Amend the Chapter 127 of the Consolidated Statutes (Third Series) entitled "Of Companies."

An Act to Amend the Act 26 Victoria, Chapter 5, entitled "An Act to Incorporate the Harbour Grace Water Company."

An Act to Authorize the Payment of Bonds Issued by Certain Town Councils.

An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook.

An Act to Amend the Mining Tax Act, 1950.

An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises.

An Act Relating to Licences to Cut Timber Issued Prior to January, 1931.

An Act Respecting Livestock.

An Act Further to Amend the Co-operative Societies Act, 1939.

An Act Respecting the Safety of Workmen in Mines.

An Act Further to Amend the Crown Lands Act, 1930.

An Act Relating to Mines and Quarries.

An Act to Incorporate the Newfoundland and Labrador Corporation Limited.

An Act to Vest the Lands Comprised in Cetrain Fee Simple Grants in the Newfoundland Labrador Corporation.

An Act to Authorize the Government to Enter into an Agreement with Frobisher Limited.

An Act to Authorize the Government to Enter into an Agreement with Falconbridge Nickel Mines Limited.

An Act to Approve and Give Statutory Effect to An Agreement Between the Government and Doctor Arthur Seigheim.

An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation.

An Act Respecting Automobile Insurance.

An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes.

An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts.

An Act Further to Amend the Land Development Act, 1944.

An Act Respecting Proof of Death of Members of His Majesty's Military, Naval, and Air Forces.

HIS HONOUR THE LIEUTENANT GOVERNOR: In His Majesty's name I assent to these Bills.

MR. SPEAKER: It is my agreeable duty on behalf of His Majesty's dutiful and Loyal Subjects, His faithful Commons in Newfoundland to present to Your Honour a Bill for the appropriation of Supply granted in the present session.

The Clerk read the following Bill:

An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ended and Thirty-first Day of March, One Thousand Nine Hundred and Fifty-One and for Other Purposes Relating to the Public Service.

HIS HONOUR THE LIEUTENANT GOVERNOR: In His Majesty's name I thank His Loyal Subjects, I accept their benevolence and assent to this Bill.

His Honour was then pleased to make the following speech:

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

In common with all of his subjects we rejoice that the recent disturbing reports concerning the health of His Majesty the King appear to have been considerably exaggerated. While His Majesty is undoubtedly experiencing the strain imposed by his heavy responsibilities and unceasing activities, as well as the aftermath of the heavy burden borne during the War years, the anxiety which these reports might otherwise have

caused has been allayed by the announcement that the Royal Visit to Australia is planned to take place early in the coming year.

In releasing you from your duties I wish to thank you for the careful attention you have given during the past three months to the many and important measures that my Ministers have laid before you. You have been asked to give, and have given, consideration to matters affecting every phase of provincial responsibility.

In the field of labour you have passed very necessary legislation concerning apprentices, and made certain necessary amendments to the Workmen's Compensation Act.

In educational matters you have encouraged our teachers by providing them with Statutory Membership in an Association of their own, by increasing the school leaving age to fifteen years and by otherwise amending existing legislation. For the public welfare you have approved the establishment of Family Courts and in other ways taken steps to increase the effectiveness of this important Department.

Further provision has been made for the housing of our people, and now for the first time we are witnessing the condemnation and demolition on a large scale of houses in St. John's which are definitely below recognized standards for habitation.

You have assisted the fisheries and our fishermen by guaranteeing substantial loans to fishery firms in an effort to assist in the production and marketing of more fresh fish; and by organizing the fishermen into a live Province-wide Association.

In the field of Local Government much has been accomplished. Sub-

stantial encouragement and assistance is being given town councils through the medium of Government guaranteed bond issues, and by the passing of a Standard Election Act democratic control of such councils is now assured. The adoption of water and sewerage legislation for the Corner Brook area will place these very important services in the hands of the residents themselves.

You have made ample provision for an ever expanding Health and Public Welfare Service and substantial grants will be available for roads and bridges.

But it is in the field of economic development that this session of your Assembly will have created a record. Funds have been provided to complete the birch, cement and gypsum mills. Authorization has been given my Ministers to arrange for such disposition of these industries as may be in the public interest; and I can assure you that my Ministers are deeply conscious of their responsibilities in these matters.

The creation of the Newfoundland and Labrador Corporation Limited provides an original method of dealing with our latent natural resources. In the past large tracts of land containing valuable timber stands and mineral deposits have been leased or granted to individuals, some of whom evidently had no intention to develop the areas by their own efforts but rather hoped to be able to speculate by resale at a profit to such parties as might be desirous of bringing the areas into production. The holding of these areas for substantial options and unreasonable prices has in the past deterred industrial development.

The adoption of the Bill, An Act Respecting Timber Licences issued prior to January 1st, 1931, will, it is expected, either produce development in these areas by the licences or else make these holdings available for early development.

It is anticipated that the inclusion in this Crown Corporation of a minority interest representation of wealthy and powerful New York and Mainland financial interests will afford a new approach and impetus to the development of our natural resources. Under this scheme a major portion of profits derived will accrue to the Government.

An Agreement has been made by my Government and ratified by you, whereby the development on a large scale of our resources in Labrador will be immediately proceeded with. Although this Agreement provides for the limited exportation of raw timber for a period of ten years, the operations of the Corporation are so designed as to harvest the wood and not to denude the area. The Royalty provided and the provisions of this Agreement calling for the settlement of certain areas and the introduction of the most modern and improved methods of silviculture are such as amply to justify this departure from the determination of my Ministers not normally to permit the exportation of raw materials when these can be profitably manufactured in the Province. The location of this proposed experiment and the conditions of the Agreement entered into are such as not to interfere with the further development of our resources in the Lake Melville area of Labrador.

The authority given my Ministers to negotiate Agreements with Falcon-

bridge Nickel Mines, Limited, and Frobisher, Limited, will enable my Government to call for the expenditure by these Companies of some three hundred thousand dollars during the next three years exploring certain promising areas in Newfoundland and Labrador. The fact that Falconbridge Nickel Mines, Limited, has at considerable expense secured options on well known mining locations in the Notre Dame Bay area would indicate their serious determination to explore thoroughly the concessions they have sought. It is to be hoped that the efforts of both Companies will be crowned with success.

The Royal Commission appointed to investigate the prices paid to fishermen for fish produced in 1951, and the profits made on the exportation of this fish, is expected to submit its report within the next few weeks. It may become necessary to have legislation to deal with the matter of prices paid to fishermen for 1950 fish, and there may be other important matters requiring your early attention. For these reasons a special session of the House of Assembly may have to be called within the next few weeks. In that event members of this Honourable House will of course be given due notice.

I thank you for the ample provision you have made for the public service. I am confident that the amounts voted will be expended wisely and economically and in the best interests of the Province, and that under the guidance of Divine Providence the well being and security of the people of this Province will be strengthened.

I regard the visiting of the outlying places of the Province as one

of the most important and useful functions of the Representative of His Majesty the King.

During the summer and autumn of last year, together with my wife, I visited a number of places along the railway line and in Bonavista and Notre Dame Bays as far north as Exploits.

During the month of July next I have planned an extended tour of the more Northerly portions of the Province, my first port of call being Fortune Harbour. Thence I shall proceed North as far as Hebron on the Labrador, returning through the Strait of Belle Isle along the North West Coast of the Island to Corner Brook.

In all, this tour will include visits

to some thirty-five places in Newfoundland and Labrador.

Such a comprehensive tour could not have been arranged without the assistance of the Flag Officer, Atlantic Coast, who has kindly placed at my disposal, for this purpose, one of His Majesty's Canadian Ships.

For this co-operation I am deeply grateful.

I thank you for your arduous and devoted services as legislators and trust that, until you are called to meet again, you will enjoy a well earned vacation.

MR. SPEAKER: His Honour the Lieutenant Governor has been pleased to prorogue this 29th General Assembly in Newfoundland until the third day of July, 1951.



Journal and Proceedings  
of the Third Session  
Twenty - Ninth General Assembly  
of Newfoundland

Begun and holden at St. John's in the Province of Newfoundland on Wednesday, the eleventh day of March, Anno Domino, Nineteen Hundred and fifty-one, being in the Fifteenth year of the Reign of His Majesty our Sovereign Lord George, by the Grace of God, of Great Britain, Ireland, and the British Dominions beyond the Seas, King, Defender of the Faith.

**P R O C L A M A T I O N**

BY HIS HONOUR Sir Leonard Cecil Outerbridge,  
Knight Bachelor, Commander of the Most  
Excellent Order of the British Empire, Com-  
panion of the Distinguished Service Order,  
Colonel in the Army, Lieutenant-Governor of  
Newfoundland.

WHEREAS, the General Assembly stands prorogued :

AND WHEREAS, I think fit to summon the said General Assembly to meet on Wednesday, the Seventh Day of March next;

I do, therefore, by this my Proclamation summon the said General Assembly to meet for the despatch of business, on Wednesday, the Seventh day of March, next as aforesaid, of which all persons concerned are hereby required to take due notice and govern themselves accordingly.

GIVEN under my Hand and Seal at Government House,  
St. John's, this 19th, day of February, A.D., 1951.

By His Honour's Command,

JAMES J. SPRATT,

Minister of Provincial Affairs.



WEDNESDAY, March 7th, 1951.

His Honour having fixed the hour at which he proposed to open the present Session of the Legislature at three of the clock in the afternoon of this Wednesday, the seventh day of March instant, the Members of the House of Assembly met in the Assembly Room at three of the clock in the afternoon, when Mr. Speaker took the Chair.

At three of the clock the Sergeant-at-Arms announced that His Honour the Lieutenant Governor and party had arrived.

His Honour the Lieutenant Governor and party entered the Assembly Chamber preceded by the Sergeant-at-Arms.

Mr. Speaker left the Chair.

His Honour the Lieutenant Governor took the Chair.

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

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

It gives me great pleasure to welcome you to this Third Session of the Twenty-ninth General Assembly of the Province of Newfoundland.

Since we last met, Newfoundland, together with the rest of the Commonwealth and Empire, rejoiced at the birth of a daughter, Princess Anne, to Her Royal Highness the Princess Elizabeth and the Duke of Edinburgh. On behalf of the Government and people of Newfoundland I despatched a telegram of congratulations which received gracious and grateful acknowledgement from Their Royal Highnesses.

During the past year the Governments of Canada and the Provinces have met in conference to devise an amending procedure for the British North America Act, and two further Federal-Provincial Conferences were held for the purpose of considering relations between the Provinces and the Government of Canada in fiscal matters, including a means of providing a universal Old Age Pension. Satisfactory progress was made regarding the latter and my Government will do all in its power to cooperate in speedily bringing about this desirable end.

You are called to your legislative duties this year at a time when momentous events are taking place. Menaced by the threat of war, the democratic world is rapidly devoting a fast-swelling proportion of its economic resources to rearmament. Many types of goods essential to the ordinary industrial enterprises of the world at peace become increasingly difficult, if not impossible, to secure for such purposes, as they are diverted to the strengthening of our defences against possible totalitarian aggression. Far-reaching changes in our mode of life seem to be inescapable, and it would be idle to suppose that Newfoundland can be immune to most of the dislocations and shortages that these changes will bring.

My Ministers are gravely concerned to note the possible effect of the worsening prospects of world peace upon their programme of economic development. They have redoubled their efforts to procure the establishment of certain new industries; and the expansion of others, in case world conditions deteriorate to an extent which might prevent, or at least reduce greatly, for some years, the accomplishment of that economic de-

velopment to which they had set their hands. Since you last met, my Ministers have sought my guarantee of a number of loans to Newfoundland fishing and industrial companies, to speed expansion of these enterprises. Details of these guarantees will be laid before you, and your approval of them will be sought. My Ministers have also entered into contracts of the construction of a Cement Mill, a gypsum-plaster and plaster-wallboard plant and a plant to manufacture birch flooring, veneer, plywood and plywood doors. Insofar as it is prudent, and in the public interest to acquaint you with the financial details of these contracts, they will be laid before you at the present session.

My Government have for some months been conducting negotiations for the establishment of a Newfoundland Corporation designed to procure important development of the Province's Natural Resources. If these negotiations should be successful, my Government would join with a very large and important financial organization in the United States of America to form this Corporation, to the end that a partnership of public and private capital would more quickly result in considerable economic development of the Province. These negotiations are nearing their end, and my Ministers hope to lay the full details before you in due course.

As you are aware, the Power Corporation of Canada was retained by my Government to conduct careful field surveys of certain watersheds on part of the South Coast of Newfoundland. With the exception of certain drilling of dam-sites, canal-sites, and power-houses cities, which will be conducted as soon as weather conditions permit this year, the survey has been completed, and the Corpor-

ation's report on the hydro-electric potential, together with estimates of the cost of developing it, are expected to be in the hands of my Government before the end of the present session. In the meanwhile a competent local hydro-electric engineer has been engaged to conduct a field survey, and to estimate costs of development, of certain watersheds on the East Coast of Newfoundland.

In 1950 an air-borne magnetometer survey was made of the geological nature of some 5,000 square miles on the North East Coast of the Island. While the complete map and report of the survey will not be in my Government's possession for another few weeks, considerable satisfaction, I feel sure, will be derived from the fact that preliminary data gathered by the survey, indicated the presence of some interesting magnetic anomalies of the type sought in such a survey. My Ministers propose to have a similar survey made this year of another area of the Province. Rarely, if ever, in the history of this Continent was there such interest and activity in the search for base minerals, as there is throughout North America at the present time, and considerable regret may justly be felt over the fact that more energetic geological survey work by the best means available was not conducted here in the past. My Government are intent upon doing everything practically possible to speed the work of survey and to interest mining companies in the mineral possibilities of this Province. Already two important Canadian mining Companies have entered Newfoundland, and others are known to have become interested.

An important economic survey was conducted in Newfoundland and Labrador in 1950, by Mr. Nelson Rocke-

feller's Company, IBEC Technical Services Corporation. This survey centered chiefly upon the economic feasibility of another pulp and paper mill based primarily upon the use of pulpwood to be garnered in Labrador. The report, which has been received, within recent days, is divided into two sections; one of them on the practicability of a mill in Labrador, the other on that of a mill in Bay D'Espoir, on the South Coast of Newfoundland. My Ministers are now giving close study to these reports, and are making all possible endeavour to procure the establishment of at least one additional pulp and paper mill in this Province. Various negotiations for the establishment of such a mill are being carried on with important organizations in North America and in Europe, and I feel sure that you will hope that this development will not be made impossible by the present world situation.

I know that you must have taken much satisfaction from the very successful result of the action taken by my Ministers to bring Railway Freight Rates into line with what they believe were envisaged in the Terms of Union. The favourable judgment given to my Government's suit will save several millions of dollars a year in freight charges.

The situation in the fisheries continues too be cause for considerable concern amongst my Ministers, as it must to all our people. Since Newfoundland became a Province of Canada, responsibility for public administration of the fisheries is no longer borne by the Government of Newfoundland alone, but is shared therefor taken from the fact that the two Governments have united in an effort to establish an over-all policy for the fisheries of Newfoundland. This

effort is being made particularly through the recently appointed Fisheries Development Committee under the Chairmanship of the Chief Justice of the Supreme Court of Newfoundland, and with representatives of the two Governments and of the fishermen on mercantile community comprising its membership. Both Governments have pledged their unstinted support to this Committee, and are collaborating closely through it. In the meanwhile my Ministers take satisfaction from the fact that they have been able to secure the services of Mr. Clive Planta as Deputy Minister of Fisheries.

Arising out of a public statement made by the Prime Minister, in behalf of the Government of Newfoundland in May last, my Government have appointed a Commissioner under the Public Enquiries Act to conduct an investigation into the prices paid to the fishermen for salt-dried codfish which they produced in 1950, and into the profits made on the sale of that fish in the markets. The Government of Canada have initiated an enquiry into the prices paid to fishermen, pursuant to a public statement made by the Minister of Fisheries of Canada in October last. Considerable useful information, it is to be hoped, will be elicited by these enquiries.

My Government have taken the initiative in inviting the fishermen to organize themselves into a strong, Province-wide occupational body with a view to enabling them to make their collective voice heard in all matters concerning the fisheries. You will be requested to vote funds to pay the cost of bringing representatives of the fishermen to St. John's to attend a conference at which the question of

forming such an organization will be explored.

It is the view of the Government that, important though general economic development must be, no lasting prosperity is possible in this Province so long as the fisheries fail to give a fair living to all those engaged in them.

Since you last met my Ministers have availed themselves of the authority which you vested in them to appoint the Fisheries Development Loan Board, the Industrial Development Loan Board, and the Co-operative Development Loan Board. All of these Boards are under the chairmanship of Mr. James Baxter, a commercial banker of great experience, and their membership is made up of men of wide experience in the commercial and public life of this Province, some unavoidable delay was experienced in appointing the Boards; but the useful work is expected of them in the period ahead.

Considerable progress has been made during the past year in Municipal Government. Eight Town Councils have been established during that time, and three other Town Councils are in process of being established. When these have begun to function there will be thirty-one Town Councils in Newfoundland. More and more Committees are realizing the great value of this type of Municipal Organization and the indications are that the number of Town Councils will continue steadily to increase.

Since the last session of your Honourable House, my Government have conducted a "Buy Newfoundland Campaign" designed to encourage our people to patronize home industry, by purchasing more of the products of our fisheries, farms and factories.

This campaign, which is being continued, has met with encouraging success throughout the Province.

My Government attach much importance to vocational training, and you will be asked to vote a considerable sum of money with which to match an amount available from the Government of Canada for the construction of a modern new building to house these activities. My Government hope to be able to establish, in this same building, an efficient School of Navigation and a School of Fisheries.

A substantial programme of legislation will be laid before you in this session, including an amendment to the Alcoholic Liquors Act designed to provide for Local Option in our communities and for limiting the sale of hard liquor.

I will later request you to vote Supply to His Majesty.

Since your last session there has been a notable improvement in conditions in some of our greatest industrial enterprises. Only a year ago the Grand Falls Paper Mill was operating on a part-time basis only, while the sulphite pulp mills at both Grand Falls and Corner Brook were not operating at all. The Mines at Bell Island were all but closed down. Unemployment was widespread. Today quote a different picture is to be seen.

Both sulphite pulp mills are operating at capacity, and both of the paper mills are working full-time. They have more orders for pulp and paper than they can fill. The 1950-1951 pulpwood logging season has seen the largest cut in Newfoundland's history, amounting for the first time to a million cords. The future

of this industry is bright with promise. So, too, is that of the mines of Bell Island, Buchans and St. Lawrence and at the Limestone Quarry at Aguatuna. Large sums of fresh capital are being invested in the mines at Bell Island, and their productive capacity is being increased from one and a half million to two and a half million tons a year. Demand for the base metals mined at Buchans was never so brisk, while the Fluorspar mines at St. Lawrence are being kept exceedingly busy in an effort to meet the demand for their products. Both mines at St. Lawrence are spending a considerable sum of money to one of the two companies operating there.

Very large new installations and extensions are to be begun on various defence works in this Province this year, and thousands of men will probably find profitable employment therein.

Altogether, therefore, my Ministers believe that 1951 will prove to be an exceptionally prosperous year for a large number of our people, and the beginning of a relatively long period of expanding earning power for the population in general.

Mr. Speaker and Members of the Honourable House of Assembly, I have full confidence that you will discharge faithfully your duties and responsibilities in the best interests of all our people.

May Divine Providence bless your labours and make them fruitful.

His Honour was then pleased to retire.

Mr. Speaker resumed the Chair.

Honourable the Attorney General asked leave to introduce a Bill entitled "An Act Respecting the Taking

of Oaths by Officers in the Armed Forces."

On motion of Honourable the Attorney General the said Bill was then read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Speaker then stated that for greater accuracy, he had obtained a copy of the Speech made by His Honour the Lieutenant Governor, which the Clerk then read at the table.

It was moved by Mr. Horwood and seconded by Mr. Janes that an Address of Thanks be presented to His Honour the Lieutenant Governor in reply to the gracious Speech with which he had been pleased to open the present Session of the Legislature and that a Select Committee be appointed to draft such an Address in reply.

It was ordered accordingly and the following gentlemen were appointed to such Committees:

Mr. Horwood.

Mr. Janes.

Mr. Fahey.

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to Amend the Life Insurance Act, 1933."

A Bill "An Act to Amend the Insurance Premium Tax, 1950."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill "An Act to facilitate the Enforcement of Maintenance Orders."

A Bill "An Act to Amend the Agreement for Policing the Province Act, 1949."

Honourable the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce the following Bills :

A Bill "An Act to Amend the Non-enclature Board Act, 1938."

A Bill "An Act to Amend the Chapter 76 of the Consolidated Statutes (Third Series) entitled 'Of the Marine Permanent Disasters Fund.'"

A Bill "An Act further to Amend the Shops Act, 1949."

Mr. Fogwill gave notice of Questions.

Mr. Higgins gave notice of Questions.

It was moved and seconded that when the House rises it adjourn until Monday, March 12th, at three of the clock.

The House then adjourned accordingly.

—

MONDAY, March 12th, 1951.

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

Petitions presented by :

Honourable the Minister of Natural Resources from Bunyan's Cove, re Road.

Honourable the Minister of Labour, on behalf of Mr. Speaker, from Belburns, Re menage of dogs.

Honourable the Minister of Public Welfare from Red Head Cove, Re Road.

Honourable Mr. Vardy, from the settlement of Black Head Road, Re Road.

Mr. Button from New Chelsea, Re Cottage Hospital.

Mr. Cashin from Renewes, Re Road.

Honourable the Premier tabled Public Accounts of the Province of Newfoundland for the Year ended 31st, March 1950, and report of the Auditor General thereon.

Honourable the Minister of Provincial Affairs tabled a report of the St. John's Housing Corporation, 1944 to 1950.

Honourable the Minister of Natural Resources tabled the following documents :

Amendment of the Wild Life (Salmon and Trout) Regulations, 1948.

Regulation under the Wild Life Act, 1947, prohibiting the taking of Beaver in a certain section of Labrador.

Regulations under the Vegetable (Grading) Act, 1950.

The Saw Mills (Licensing) Regulations, 1950.

Proclamation made under sub-section (1) of Section 2 of the Dog Act, 1938.

Copy of Agreement made between Honourable the Minister of Natural Resources and Chester Dawe, Re Birch Industry.

Copy of Indenture of Mortgage, Re Mink Farms and a List of persons to whom Loans have been granted for Improvement of Fur Farms under Minute of Council 686/50.

Honourable the Minister of Public Welfare tabled the following documents :

Statement of Distribution of Statutory Payments made by Department of Public Welfare for February, 1951.

Annual Report of the Director of Child Welfare and of the Judge of the St. John's Court.

Mr. Horwood, on behalf of the Select Committee appointed to draft a reply to His Honour's Speech, presented the report of the Select Committee as follows :

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

May it please Your Honour :

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

(Sgd.) H. HORWOOD,  
R. J. FAHEY,  
GORDON W. JANES.

Assembly Room,  
March 12th, A.D., 1951.

On motion of Honourable the Premier the debate on the Address in Reply was deferred until Wednesday, March 14th.

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Survivorship."

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Life

Insurance Act, 1933," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Insurance Premium (Tax) Act, 1950," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Agreement for Policing the Province Act, 1949," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Facilitate the Enforcement of Maintenance Orders" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the Nomenclature Board Act, 1938" was introduced and read a first time it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled 'Of the Permanent Marine Disasters Fund" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend the Shops Act, 1940," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Taking of Oaths by Officers in the Armed Forces" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Taking of Oaths by Officers in the Armed Forces."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Tuesday, at three of the clock.

The House then adjourned accordingly.

TUESDAY, March 13th, 1951.

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

Honourable the Minister of Public Works tabled Regulations, Re Prohibition of Dumping.

Petitions were presented by:

Mr. Morgan from the North Side of District of Green Bay, Re Road.

Mr. Courage from St. Alban's, Re Doctor's Residence.

Mr. Drover from Roddickton and Englee, Re Road.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Interpretation of Statutes."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Statutes."

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Survivorship" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Higgins gave notice of Questions.

Mr. Fahey gave notice of Questions.



Mr. Fogwill gave notice of Questions.

Pursuant to order and on motion of Honourable the Attorney General the Bill entitled "An Act Respecting the Taking of Oaths by Officers in the Armed Forces" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Life Insurance Act, 1933" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Insurance Premium (Tax) Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Agreement for Policing the Province Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act to Facilitate the Enforcement of Maintenance Orders" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Pro-

vincial Affairs, the Bill entitled "An Act to Amend the Nomenclature Board Act, 1938" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled 'Of the Permanent Marine Disasters Fund'" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs the Bill entitled "An Act Further to Amend the Shop's Act, 1940" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, March 14th, 1951.

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

Honourable the Premier tabled "First Annual Report of the Board of Commissioners of Public Utilities for the year ending December 31st, 1950."

Petitions were presented by:

Honourable the Minister of Education, supported by Mr. Button, from Random Island, Re Bridge.

Mr. Drover, supported by Honourable the Premier, from Coachman's Cove, Re Road.

Mr. Miller from Fair Haven, Re Road.

Honourable the Minister of Labour, on behalf of Mr. Speaker, supported by Honourable the Minister of Public Works, from Trout River, Re Road.

Mr. Higgins gave notice of Question.

Mr. Fogwill gave notice of Question.

Honourable the Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Safety of Workmen in Mines."

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Interpretation of Statutes" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Statutes" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

The Address in Reply was debated and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Life Insurance Act, 1943."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Agreement for Policing the Province Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Facilitate the Enforcement of Maintenance Orders."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Nomenclature Board Act, 1938."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) entitled 'Of the Permanent Marine Disasters Fund.'"

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Shops Act, 1940."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On notice this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Survivorship" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, March 15th, 1951.

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

A Petition was presented by Mr. Horwood, from Battle Harbour, Re Cold Storage Plant.

Mr. Higgins gave notice of Question.

Pursuant to notice and on motion of Honourable the Minister of Natural Resources, the Bill entitled "An Act Respecting the Safety of Workmen in Mines" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the Address in Reply was continued.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

On motion the debate on the Address in Reply was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Life Insurance Act, 1943" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Agreement for Policing the Prov-

ince Act, 1949" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Insurance Premium (Tax) Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act to Facilitate the Enforcement of Maintenance Orders," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the Nomenclature Board Act, 1938," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series)" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Friday, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 16th, 1951.

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

A Petition was presented by Mr. Button, from Sunnyside and Centre Cove, Re Bridge.

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Honourable the Premier, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Industrial Development Loan Act."

Honourable the Minister of Fisheries and Co-operatives gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Fisheries Loan Act."

Honourable the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to Local Government."

Honourable the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Regulate the Development of Local Areas."

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill en-

titled "An Act to Amend the Workmen's Compensation Act."

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Boiler and Pressure Vessel Act, 1949."

Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Memorial University Act, 1949."

Honourable the Minister of Fisheries and Co-operatives tabled a copy of the Agreement between Andrews Labrador Fisheries Limited and Honourable the Minister of Fisheries and Co-operatives.

The debate on the Address in Reply was continued.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

On motion the debate on the Address in Reply was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend the Shops Act, 1940" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill, as amended, be read a third time.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Interpretation of Statutes," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Statutes," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

Honourable the Premier gave notice that he would on tomorrow move the House into Committee of the Whole to consider certain Resolutions in relation to the Grant of Supply to His Majesty.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, March 27th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, March 27th, 1951.

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

Honourable the Premier informed the House that the Minister of Natural Resources, Mr. Russell, had resigned his office.

Petitions were presented by:

Mr. Morgan from the North Side of Green Bay, Re Fresh Fish Filletting Plant.

Honourable the Minister of Public Welfare from Small Point, B.D.V., Re Bridge.

Mr. Higgins gave notice of Question.

Mr. Fogwill gave notice of Question.

Mr. Miller gave notice of Question.

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1948."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Act No. 41 of 1938, entitled 'An Act for Confirmation of an Agreement between the Government and the Labrador Mining Exploration Company Limited.'"

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area.

Honourable the Minister of Education gave notice that he would on

tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Education (Departmental) Act, 1949."

Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the School Attendance Act, 1942."

Mr. Speaker made a statement Re Freedom of Speech in Debate.

Honourable the Premier informed the House that he had received the following communication from His Honour the Lieutenant Governor, which he then read as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1951-52, a vote, on account, of \$8,203,000 calculated on the basis of roughly one-fourth of the total vote for the year 1950-51 to meet essential public services, be provided by the Provincial Legislature.

(Sgd) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

MARCH 27, 1951.

Pursuant to notice and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Grant of Supply to His Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions granting Supply to His Majesty, and recommended that a Bill be introduced to give effect to the same.

The said Resolution being read a first time and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Honourable the Premier the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Industrial Development Loan Act," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill en-

titled "An Act to Amend the Fisheries Loan Act," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Supply, the Bill entitled "An Act Relating to Local Government," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Regulate the Development of Local Areas" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Labour the Bill entitled "An Act to Amend the Workmen's Compensation Act 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Labour the Bill entitled "An Act to Amend the Boiler and Pressure Vessels Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the Memorial University Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the Address in Reply was continued and on motion was deferred for further debate on tomorrow.

On motion and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

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WEDNESDAY, March 28, 1951.

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

Honourable the Premier made a statement, Re Fish Plants.

Petitions were presented by:

Honourable the Minister of Health, from Harbour Grace, Re Pavement.

Mr. Morgan from New Bay, Re Road.

Honourable the Minister of Fisheries and Co-operatives tabled:

Regulations made by Fisheries Loan Board.

Regulations made by Co-operatives Development Loan Board.

Mr. Fogwill gave notice of Question.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1948," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Act No. 14 of 1938 entitled "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.



Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Departmental) Act, 1939" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the School Attendance Act, 1942," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

The debate on the Address in Reply was continued and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949", was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the

Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes relating to the Public Service," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Workmen's Compensation Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, March 29th, 1951.

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

Mr. Russell made a statement in clarification of his speech made on the debate on the Address in Reply.

A Petition was presented by Mr. Drover, supported by Honourable the

Premier, from Great Harbour Deep,  
Re Three Mile Limit.

Mr. Fahey gave notice of Question.

Mr. Fogwill gave notice of Question.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-Two and for Other Purposes Relating to the Public Service."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Premier, and with unanimous consent, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

The debate on the Address in Reply was continued and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Workmen's Compensation Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time presently.

On motion of Honourable the Minister of Labour, and with unanimous consent, the Bill entitled "An Act to Amend the Workmen's Compensation Act, 1950" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Further to Amend the Act No. 41 of 1938, entitled 'An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited,'" was read a sec-

ond time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 30th, 1951.

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

Mr. Higgins gave notice of Question.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Survivorship."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Com-

mittee of the Whole to consider the Bill entitled "An Act Respecting the Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

The Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour the Lieutenant Governor entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Lieutenant Governor took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of this Province has at its present Session passed a certain Bill, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the Bill entitled "An Act to Amend the Workmen's Compensation Act, 1950."

His Honour the Lieutenant Governor then said "In His Majesty's name I assent to this Bill."

Whereupon Mr. Speaker addressed His Honour, as follows:

It is my agreeable duty on behalf of His Majesty's dutiful and loyal subjects, his faithful Commons in Newfoundland, to present to Your Honour a Bill for the appropriation of Supply granted in the present Session, for the support of Public Service and to request Your Honour's assent thereto.

Whereupon the Clerk read the Bill entitled:

"An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March, One Thousand Nine Hundred and Fifty-Two and for Other Purposes Relating to the Public Service."

His Honour then said, "In His Majesty's name I thank His loyal subjects, I accept their benevolence, and assent to this Bill."

His Honour the Lieutenant Governor left the Assembly Chamber.

Mr. Speaker resumed the Chair.

The debate on the Address in Reply was continued and on motion was deferred for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 9th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 9th, 1951.

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

Honourable the Attorney General presented a Petition from the Industrial and Cost Accountants of the Province, Re Incorporation.

The following were appointed a Select Committee to consider the said Petition:

Honourable the Attorney General.

Honourable the Leader of the Opposition.

Honourable Mr. Vardy.

Mr. Janes.

Mr. Fahey.

Honourable the Attorney General presented a Petition from the Architects of the Province, Re Incorporation.

The following were appointed a Select Committee to consider the said Petitions:

Honourable the Attorney General.

Honourable the Minister of Public Welfare.

Mr. Horwood.

Honourable the Leader of the Opposition.

Mr. Fogwill.

A Petition was presented by Honourable the Minister of Supply on behalf of Mr. Speaker, from Port Saunders, Re Menace of Dogs.

Honourable the Minister of Labour presented a Petition from Humber, Re Shop Act.

The following gentlemen were appointed a Select Committee to consider the said Petitions:

Honourable the Minister of Labour.

Honourable the Minister of Provincial Affairs.

Honourable the Minister of Public Works.

Mr. Miller.

Mr. Russell.

Mr. Fogwill gave notice of Questions.

On motion the debate on the Address in Reply was deferred until tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Survivorship" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Act No. 41 of 1938," entitled "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had

passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Interpretation of Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act Relating to Local Government" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Regulate the Development of Local Areas" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 10, 1951.

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

A Petition was presented by Mr. Courage from Fortune Bay Re Protection of Herring Fishery.

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Remove Doubts as to the coming into force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951."

Honourable the Attorney General, on behalf of Honourable the Minister of Education, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Incorporate the Newfoundland Teachers' Association."

Honourable the Attorney General, on behalf of Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Vocational Education in Newfoundland."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to make Uniform the Law Respecting the Distribution of the Estates of Intestates."

Mr. Higgins gave notice of Question.

Mr. Russell rose to a point of privilege Re an Editorial published in the St. John's "Evening Telegram" of April 9th.

Mr. Russell tabled a copy of the said "Evening Telegram."

The debate on the Address in Reply was continued and on motion was de-

ferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Act 41 of 1938, entitled "An Act for the Confirmation of an Agreement between the Government and the Labrador Mining and Exploration Company Limited" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister for Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Local Government."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Regulate the Development of Local Areas."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion Honourable the Minister of Labour the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Boiler and Pressure Vessel Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill en-

titled "An Act to Amend the Industrial Development Loan Act" was read a second time and it was ordered that it be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Amend the Fisheries Loan Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion of Honourable the Minister of Labour, the Second Reading of the Bill "An Act to Amend the Workmen's Compensation Act, 1948" was deleted from the Order Paper.

On motion the Remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, April 11, 1951.

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

A Petition was presented by Honourable the Minister of Public Welfare from settlements between Burnt Point and Grate's Cove Re Road.

Mr. Horwood gave notice that he would on tomorrow ask leave to introduce Resolutions to request the Parliament of Canada that steps be taken to relax the Provisions of the Migratory Birds Convention Act so as to prevent undue hardship to the fish-

ing population of Newfoundland and Labrador.

Mr. Fogwill gave notice of Questions.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Remove Doubts as to the coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Incorporate the Newfoundland Teachers' Association" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act Respecting Vocational Education in Newfoundland" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to make Uniform the Law Respecting the Distribution of the Estates of Intestates" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the Address in Reply was continued.

The House recessed for ten minutes.

On motion the debate on the Address in Reply was deferred for further debate on tomorrow.



Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act Relating to Local Government" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour the Bill entitled "An Act to Regulate the Development of Local Areas" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Interpretation of Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had made progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, April 12, 1951.

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

On behalf of the Committee appointed to revise the Rules of the House, the Honourable the Attorney General tabled a copy of Revised Rules.

On motion it was ordered that the said Revised Rules be considered by a Committee of the Whole House.

Pursuant to notice, Mr. Horwood moved an introduction of Resolutions to request the Parliament of Canada that steps were to be taken to relax the Provisions of the Migratory Birds Convention Act so as to prevent un-

due hardship to the fishing population of Newfoundland and Labrador.

The said motion was debated and on motion was deferred for further debate on tomorrow.

The debate on the address in Reply was continued.

The House recessed for ten minutes.

On motion the debate on the Address in Reply was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Interpretation of Statutes" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 13, 1951.

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

Honourable the Minister of Labour tabled the following:

"Report of Newfoundland Labour Relations Board for the Year 1950."

"Report of Minimum Wage Board established under the Minimum Wage Act, 1950."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to rescind the third reading of the Bill "An Act Respecting the Statutes" and to recommit the said Bill.

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce the Bill entitled "An Act Respecting Apprenticeship."

Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Education (Teachers' Pensions) Act, 1950."

Honourable the Attorney General presented the Report of the Select Committee on the Petition of the Industrial and Cost Accountants of Newfoundland as follows:

The Select Committee appointed to consider the Petition begs to report as follows:

1. That the Rules of this House with respect to Private Bills have been complied with.
2. Your Committee recommends the introduction of a Bill as prayed by the Petitioners.

(Sgd.) LESLIE R. CURTIS.  
OLIVER L. VARDY.  
GORDON W. JANES.  
R. J. FAHEY.  
J. G. HIGGINS.

Dated at St. John's  
this 12th day of April, 1951.

Mr. Higgins gave notice of Question.

The debate on the Address in Reply was continued.

The House recessed for ten minutes.

The debate on the Address in Reply was continued and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Industrial Development Loan Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received

and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Fisheries Loan Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Departmental) Act, 1939" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the School Attendance Act, 1942" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act

Further to Amend the Memorial University Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Remove Doubts as to the coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Incorporate the Newfoundland Teachers' Association" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Respecting Vocational Education in Newfoundland" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

Honourable the Minister of Fisheries and Co-operatives tabled "Report on Operations of Caraqueet Dragger Charlotte I."

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 16, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 16, 1951.

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

Petitions were presented by:

Mr. Courage from English Harbour West, Re Road.

Honourable Mr. Vardy, supported by Honourable the Minister of Provincial Affairs and Honourable the Minister of Public Works, from Portugal Cove, re Menace of Dogs.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Proof of Death of His Majesty's Military, Naval, or Air Forces."

Honourable the Attorney General, presented the report of the Select Committee appointed to consider the Petition of the Architects of the Province as follows:

The Select Committee appointed to consider the Petition begs to report as follows:

1. That the Rules of this House with respect to Private Bills have been complied with.

2. Your Committee recommends the introduction of a Bill as prayed by the Petitioners.

(Sgd.) Leslie R. Curtis,  
H. L. Pottle,  
H. Horwood,  
Frank D. Fogwill,  
John D. Higgins.

Dated at St. John's, this  
12th day of April, 1951.

On motion this report was received and adopted.

Mr. Higgins gave notice of Question.

Pursuant to notice and on motion of Honourable the Attorney General the Third Reading of the Bill "An Act Respecting the Statutes" was rescinded and the said Bill was recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time presently.

Pursuant to order, and on motion of Honourable the Attorney General the Bill entitled "An Act Respecting the Statutes" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Respecting Apprenticeship" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Education (Teachers' Pensions) Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the Address in Reply was continued.

On motion the report of the Select Committee appointed to draft a Reply to the Opening Speech of His Honour the Lieutenant Governor, was adopted.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting the Distribution of Electricity in the Corner Brook Area" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Industrial Development Loan Act, 1949" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Amend the Fisheries Loan Act, 1949" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the School Attendance Act, 1942."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered

the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the School Attendance Act, 1942."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the following Bills:

"An Act Further to Amend the Memorial University Act, 1949."

"An Act to Remove Doubts as to the coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951."

"An Act to Incorporate the Newfoundland Teachers' Association."

"An Act Respecting Vocational Education in Newfoundland."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee,

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bills without amendment.

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 17, 1951.

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

Honourable the Premier gave notice that he would on tomorrow move the House into a Committee of the Whole to consider certain Resolutions in relation to the Grant of Supply to His Majesty.

Mr. Higgins gave notice of Question.

Mr. Fogwill gave notice of Question.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Proof of Death of Members of His Majesty's Naval or Air Forces" was introduced and read a first time and

it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the Education (Departmental) Act, 1939" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the School Attendance Act, 1942" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Further to Amend the Memorial University Act, 1949," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Remove Doubts as to the Date of the Coming into Force of the Workmen's Compensation Act, 1950 and the Workmen's Compensation (Amendment) Act, 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Educa-

tion, the Bill entitled "An Act to Incorporate the Newfoundland Teachers' Association" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act Respecting Vocational Education in Newfoundland" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Mr. Horwood, "Resolutions to request the Government of Canada that steps be taken to relax the Provisions of the Migratory Birds' Convention Act so as to Prevent undue hardship to the fishing population of Newfoundland and Labrador" were debated and adopted unanimously.

The House recessed for ten minutes.

Mr. Speaker resumed the Chair.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to make Uniform the Law Respecting the Distribution of the Estates of Intestates" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Respecting Apprenticeship" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education,

the Bill entitled "An Act to Amend the Education (Teachers' Pensions) Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Wednesday, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, April 18, 1951.

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

Petitions were presented by :

Honourable the Premier from Newtown and Pinchard's Island, Re Road.

Mr. Jackman from Lance Cove, Re Wharf.

Honourable the Premier tabled :

Accounts of the St. John's Municipal Council for the Year Ended December 31, 1949, together with the Report of the Auditor General thereon.

Honourable the Premier informed the House that he had received the following communication from His Honour the Lieutenant Governor, which he then read as follows :

The Honourable the Minister of Finance :

The Lieutenant Governor of the Province of Newfoundland transmits estimates of sums required for the public services of the Province for the year ending March 31, 1951,

as Supplementary Supply, and in accordance with the provisions of the British North America Act of 1867, as amended, he recommends these estimates to the House of Assembly.

(Sgd.) LEONARD OUTERBRIDGE,  
Lieutenant Governor.

April 18, 1951.

Pursuant to notice and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Grant of Supplementary Supply to His Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave of sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to make Uniform the Law Respecting the Distribution of the Estate of Intestates."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made



some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Apprenticeship."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Education (Teachers' Pensions) Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Proof of Death of Members of His Majesty's Military, Naval or Air Forces" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 19, 1951.

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

Mr. Speaker informed the House that His Honour the Lieutenant Governor would be pleased to receive the Address in Reply, presently.

Accordingly, Mr. Speaker and the Members of House proceeded to Government House and being returned to the Assembly Chamber, Mr. Speaker informed the House that His Honour had received the Address of Thanks, and had been pleased to reply thereto as follows:

Mr. Speaker and Gentlemen of the Honourable House of Assembly:

I thank you for Your Address in Reply to the Speech with which your present session was opened.

Mr. Speaker announced that while at Government House, His Honour the Lieutenant Governor, in His Majesty's name, had assented to the Bill entitled "An Act Further to Amend the Act for the Confirmation of An Agreement between the Government and Labrador Mining and Exploration Company Limited."

Honourable the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949."

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Respecting Apprenticeship" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Education (Teachers' Pensions) Act, 1950" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Grant of Supplementary Supply to His Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions granting Supplementary Supply.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Honourable the Premier, the Bill entitled "An Act Granting to His 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-one, and for Other Purposes Relating to the Public Service" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Honourable the Premier, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Honourable the Premier, the Bill

entitled "An Act Granting to His 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-one, and for Other Purposes Relating to the Public Service" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Proof of Death of Members of His Majesty's Military, Naval or Air Forces."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Proof of Death of Members of His Majesty's Military, Naval or Air Forces" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday, April 30th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 30, 1951.

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

Petitions were presented by:

Honourable the Minister of Education from Burgoyne's Cove, re Road.

Honourable the Minister of Education from Kerley's Harbour, re Road.

Honourable the Minister of Public Welfare from Carbonear, re Road.

Mr. Russell from Canning's Cove, re Road.

Honourable the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

An Act to Amend the Housing Corporation Act, 1944.

An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950.

An Act to Amend the Exploits Valley (Closing Hours) Shop Act, 1938.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

An Act to Grant Certain Powers to Public Utilities.

An Act Further to Amend the Law Society Act.

An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony."

Honourable the Attorney General, on behalf of the Minister of Supply, gave notice that he would on tomorrow ask leave to introduce the following Bills entitled :

An Act Further to Amend the Local Government Act, 1949.

An Act Respecting Elections in Municipalities.

Honourable the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce the following Bills entitled :

The Poultry and Poultry Products Act, 1951.

An Act to Provide for the Establishment of Family Courts.

Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled :

An Act to Amend the Memorial University (Pensions Act), 1950.

Honourable the Minister of Fisheries and Co-operatives gave notice that he would on tomorrow ask leave to introduce the following Bills :

An Act Further to Amend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947.

An Act to Amend the Co-operative Development Loan Act, 1949.

An Act to Amend the Co-operative Societies Act, 1939.

Honourable the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled :

An Act to Amend the Department of Public Works Act, 1950.

Honourable the Premier tabled "Director's Report—Buy Newfoundland Campaign—July 1950-March 1951."

Pursuant to notice and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Old Age and Blind Pensions Act, 1949" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Make Uniform the Law Respecting the Distribution of the Estates of Intestates."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the Bill be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 1, 1951.

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

Mr. Speaker gave a ruling re a matter of Privilege raised by Mr. Russell regarding an article printed in the St. John's Sunday Herald of May 6th.

The Clerk read the said article to the House.

Mr. Russell moved that the Speakers' ruling be not sustained.

Accordingly, Mr. Speaker put the the question, "Shall the ruling of the Chair be sustained?" Whereupon the House divided and there appeared in its favour; Hon. the Premier, Hon. the Minister of Provincial Affairs, Hon. the Minister of Labour, Hon. the Minister of Education, Hon. the Minister of Public Works, Hon. the Minister of Supply, Hon. the Minister of Fisheries and Co-operatives, Hon. the Attorney General, Hon. the Minister of Public Welfare, Hon. the Minister of Health, Hon. Mr. Vardy, Mr. Morgan, Mr. Mackinson, Mr. Button, Mr. Janes, Mr. Horwood—(16); and against it: Mr. Russell, Hon. the Leader of the Opposition, Mr. Fogwill, Mr. Jackman, Mr. Fahey, Mr. Miller—(6); so it passed in the affirmative.

Hon. the Premier, on behalf of the Deputy Speaker, Mr. Courage presented a Petition from Fortune Bay, re Protection of Herring Fishery.

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce the following Bills entitled:

An Act Relating to Wild Life.

An Act to Provide for the Acquisition of Lands for the purpose of National Parks and for the Transfer to

the Governor-General-in-Council of Lands acquired for such Purposes.

Mr. Higgins gave notice of question.

Pursuant to notice and on motion of Honourable the Minister of Provincial Affairs, the following Bills were introduced and read a first time and ordered to be read a second time on tomorrow.

An Act to Amend the St. John's Housing Corporation Act, 1944.

An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950.

An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938.

Pursuant to notice and on motion of Honourable the Attorney General the following Bills were introduced and read a first time and ordered to be read a second time on tomorrow.

An Act to Grant Certain Powers to Public Utilities.

An Act Further to Amend the Law Society Act.

An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled An Act to Encourage the Manufacture of Pulp and Paper in this Colony.

Pursuant to notice and on motion of Honourable the Minister of Supply, the following Bills were introduced and ordered to be read a first time on tomorrow.

An Act Further to Amend the Local Government Act, 1949.

An Act Respecting Elections in Municipalities.

Pursuant to notice and on motion of Honourable the Acting Minister of

Natural Resources, the Bill entitled "The Poultry and Poultry Products Act, 1951" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled, "An Act to Provide for the Establishment of Family Courts" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Education the Bill entitled "An Act to Amend the Memorial University (Pensions) Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Public Works, the Bill entitled "An Act to Amend the Department of Public Works Act, 1950" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the following Bills were introduced and read a first time and ordered to be read a second time on tomorrow.

An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947.

An Act to Amend the Co-operative Development Loan Act, 1949.

An Act to Amend the Co-operative Societies Act, 1939.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to make Uniform the Law Respecting the Distribution of the Estates of Intestates" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Respecting the Safety of Workmen in Mines" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of the Honourable the Minister of Public Welfare, the Bill entitled "An Act to Amend the Old Age and Blind Persons' Pension Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Order of the Day was deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 2, 1951.

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

Petitions were presented by:

Hon. the Minister of Fisheries and Co-operatives from Heatherton, Re electric Service.

Mr. Drover from Wild Cove, Re Snowmobile Trail.

Hon. the Minister of Public Welfare from Spout Cove, Re Removal of Sand from Beach.

Hon. the Acting Minister of Natural Resources tabled "Survey of Industrial Possibilities of Newfoundland Hardwoods," by T. S. Moffat.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Relating to Wild Life" was introduced and read a first time, and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources the Bill entitled "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor-General-in-Council of Lands acquired for such Purpose" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider Revised Rules of the House.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that

the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Amend the Local Government Act, 1949" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act Respecting Elections in Municipalities" was read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Thursday, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, May 3, 1951.

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

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Revised Rules of the House.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made

some progress, and asked leave to sit again on tomorrow.

On motion this report was received and it was ordered that the said Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Safety of Workmen in Mines."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Friday, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, May 4, 1951.

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

A Petition was presented by Honourable the Minister of Fisheries and

Co-operatives, on behalf of Mr. Speaker, from Rocky Harbour, re Road.

On motion of Honourable the Attorney General, the following Bills were read a first time and ordered to be read a second time on tomorrow.

An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland.

An Act to Incorporate the Newfoundland Association of Architects and to Regulate the use of Architect Designations in Newfoundland.

Pursuant to order and on motion of Honourable the Attorney General, the House Resolved itself into Committee of the Whole to consider the Revised Rules of the House.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee, reported that they had considered the matter to them referred, and made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Safety of Workmen in Mines."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.



Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered that matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, May 7th, at three of the clock.

The House then adjourned accordingly.

MONDAY, May 7, 1951.

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

The Deputy Speaker, Mr. Courage, rose to a point of Privilege regarding a letter published in the St. John's Daily News of May 3rd.

Mr. Courage tabled a copy of the said newspaper.

On motion the following gentlemen were appointed a Select Committee to consider the Question of Breach of Privilege:

Hon. the Attorney General.  
 Hon. the Minister of Public Works.  
 Hon. the Minister of Education.  
 Mr. Canning.  
 Hon. Leader of the Opposition.  
 Mr. Fogwill.  
 Mr. Cashin.

Honourable the Premier made a statement Re Employment of New-

foundland in Labrador and tabled a document relating thereto.

Honourable the Attorney General tabled a statement by the Prime Minister of Canada on the Newfoundland Leased Bases Agreement.

Honourable the Premier gave notice that he would on Wednesday move the House into Committee of the Whole on Supply and Committee of the Whole on Ways and Means.

A Petition was presented by Honourable the Minister of Education from Elliston Re Cold Storage Plant.

Mr. Cashin gave notice of Question.

Mr. Russell gave notice of Question.

Mr. Speaker read a communication from the Secretary of State of Canada acknowledging receipt of Resolutions adopted unanimously by the House Re the Migratory Birds' Convention Act and stating that discussions have been entered into with the Government of the United States to ascertain if the terms of the said Act may be relaxed.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Revised Rules of the House.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and recommended the said Rules of the House with some amendment.

On motion this report was received and adopted and it was ordered that the Report of the Committee be considered by the House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the House resolved into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the St. John's Housing Corporation Act, 1944" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the Slum Clearance and Development of Housing Accommodation Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938" was read a second time and it was ordered that the said Bill be referred to a Com-

mittee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General the Bill entitled "An Act to Grant Certain Powers to Public Utilities" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Law Society Act," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

Pursuant to order and on motion of Honourable the Attorney General the Bill entitled "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "Poultry and Poultry Products Act, 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Memorial University (Pensions) Act, 1950" was read a second time and it was ordered that the

said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Works, the Bill entitled "An Act to Amend the Department of Public Works Act, 1950" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland" was read a second time and it was ordered that the said Bill be referred to a Select Committee consisting of the following gentlemen:

Honourable the Attorney General.  
Honourable the Minister of Public Welfare.

Mr. Horwood.  
Mr. Fogwill.  
Mr. Russell.

On motion, the previous order to refer the Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938" to a Committee of the Whole House on tomorrow.

On motion of Honourable the Minister of Provincial Affairs, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

On motion the previous order to refer the Bill entitled "An Act to Grant certain Powers to Public Utilities" to a Committee of the Whole House on tomorrow was rescinded.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a second time on tomorrow.

On motion, the previous order to refer the Bill entitled "An Act to Amend the Law Society Act" to a Committee of the Whole House on tomorrow, was rescinded.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

On motion, the previous order to refer the Bill entitled "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled 'An Act to Encourage the Manufacture of Pulp and Paper in this Colony'" to a Committee of the Whole House on tomorrow, was rescinded.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 8, 1951.

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

A Petition was presented by Honourable Mr. Vardy from Mr. James Forbes, Marine Engineer (Retired) Re Pension.

The following gentlemen were appointed a Select Committee to consider the said Petition :

Honourable Mr. Vardy.  
Mr. Canning.  
Mr. Morgan.  
Mr. Miller.  
Mr. Drover.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949" was read a third time and passed, and it was ordered that the said Bill, be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Grant Certain Powers to Public Utilities" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and

that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Act 5, Edward VII, Chapter 10, entitled "An Act to Encourage the Manufacture of Pulp and Paper in this Colony" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

It was moved by Honourable the Premier, and carried unanimously, that the Report of the Committee of the Whole on the Revised Rules of the House be adopted and that Standing Order 115 be added thereby the existing Rules and bringing the Revised Rules into effect forthwith.

The following members were present when the aforesaid motion was carried unanimously:

Honourable the Premier, Honourable the Attorney General, Honourable the Minister of Public Welfare, Honourable the Minister of Health, Honourable the Minister of Provincial Affairs, Honourable the Minister of Labour, Honourable the Minister of Education, Honourable the Minister of Public Works, Honourable the Minister of Supply, Honourable the Minister of Fisheries and Co-operatives, Honourable Mr. Vardy, Mr. Morgan, Mr. Button, Mr. Janes, Mr. Horwood, Mr. Courage, Mr. Canning, Honourable the Leader of the Opposition, Mr. Fogwill, Mr. Jackman, Mr. Miller, Mr. Cashin, Mr. Drover, Mr. Russell.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole

to consider the Bill entitled "An Act to Amend the St. John's Housing Corporation Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Slum Clearance Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion of Honourable the Attorney General, it was ordered that the Bill entitled "An Act Further to Amend the Law Society Act" be re-committed.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill, be read a third time presently.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Law Society Act" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Poultry and Poultry Products."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Education, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Memorial University (Pensions) Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again presently.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Department of Public Works Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Department of Public Works Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 9, 1951.

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

Honourable the Minister of Finance informed the House that he had received a communication from His Honour the Lieutenant Governor.

Mr. Speaker read the said communication as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, transmit Estimates of Sums required for the Public Service of the Province for the year ending 31st March, 1952, 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.

May 9th, 1951.

Pursuant to notice and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that that the Committee have leave to sit again on tomorrow.

Pursuant to notice, Honourable the Minister of Finance moved that the House resolve itself into a Committee of the Whole to consider Ways and

Means for raising the Supply to be granted to His Majesty.

On motion that the Speaker leave the Chair and that the House resolve into a Committee of the Whole on Ways and Means, Honourable the Minister of Finance delivered the Budget Speech.

On motion of Honourable the Leader of the Opposition the debate on the Budget Speech was adjourned until tomorrow.

Honourable the Minister of Fisheries and Co-operatives tabled "Tenth Annual Report of Co-operative Societies in Newfoundland, 1949."

Honourable the Acting Minister of Natural Resources tabled a Memorandum on Fur Farming.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

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THURSDAY, May 10, 1951.

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

On motion that the Speaker leave the Chair and the House resolve itself into a Committee of the Whole on Ways and Means it was moved in amendment by Mr. Russell and seconded by Mr. Fogwill:

That in the original motion—all the words after "that" be deleted and the following be substituted:

"It is the will of this House that the Government of Newfoundland commence negotiations immediately with the Government of Canada with a view to having Term 29 of the Terms of Union implemented at the earliest possible date."

The said amendment was debated.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

The debate on the said amendment was continued and on motion was deferred for further debate on tomorrow.

On motion the Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, May 11, 1951.

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

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

The debate on the amendment to the motion that the Speaker leave the Chair and that the House resolve itself into a Committee of the Whole on Ways and Means, and concluded.



Whereupon the House divided and there appeared in favour of the amendment: Hon. the Leader of the Opposition, Mr. Fogwill, Mr. Miller, Mr. Cashin, Mr. Russell, (5); and against it, Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Public Works, Hon. the Minister of Health, Hon. the Minister of Supply, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Provincial Affairs, Hon. the Minister of Public Works, Hon. Mr. Vardy, Mr. Courage, Mr. Canning, Mr. Horwood, Mr. Janes, Mr. Button, Mr. Makinson, Mr. Drover, (16); so it passed in the negative and was ordered accordingly.

On motion the debate on the Budget Speech was deferred until tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

Mr. Speaker resumed the Chair.

His Honour the Lieutenant Governor entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Lieutenant Governor took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of this Province has

at its Present Session passed certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills entitled:

An Act Respecting the Interpretation of Statutes.

An Act Respecting the Statutes.

An Act to Amend the Life Insurance Act, 1943.

An Act to Amend the Insurance Act, Premium (Tax) 1950.

An Act to Amend the Agreement for Policing the Province Act, 1949.

An Act to Facilitate the Enforcement of Maintenance Orders.

An Act to Amend the Nomenclature Board Act, 1938.

An Act Further to Amend Chapter 76 of the Consolidated Statutes (Third Series) Entitled "Of the Permanent Marine Disasters' Fund."

An Act Further to Amend the Shops Act, 1940.

An Act Respecting Survivorship.

An Act to Amend the Accident Insurance Companies (Licensing) Act, 1939.

An Act to Amend the Boiler and Pressure Vessel Act, 1949.

An Act Relating to the Development of Local Areas.

An Act Relating to Local Government.

An Act Respecting the Distribution of Electricity in the Corner Brook Area.

An Act Further to Amend the Newfoundland Corporation Income Tax Act, 1949.

An Act Respecting the Taking of Oaths by Officers in the Armed Forces.

An Act to Amend the Industrial Development Loan Act, 1949.

An Act to Amend the Fisheries Loan Act, 1949.

An Act Further to Amend the Memorial University Act, 1949.

An Act Respecting Vocational Education in Newfoundland.

An Act to Remove Doubts as to the Date of Coming into Force of the Workmen's Compensation Act, 1950, and the Workmen's Compensation (Amendment) Act, 1951.

An Act to Incorporate the Newfoundland Teachers' Association.

An Act Further to Amend the School Attendance Act, 1942.

An Act Further to Amend the Education (Departmental) Act, 1939.

An Act Respecting Apprenticeship.

His Honour the Lieutenant Governor then said, "In His Majesty's name I assent to these Bills."

His Honour the Lieutenant Governor left the Assembly Chamber.

Mr. Courage resumed the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that

the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Relating to Poultry Products, and Poultry," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Memorial University (Pensions) Act, 1950", was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Works, the Bill entitled "An Act to Amend the Department of Public Works Act, 1950" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the St. John's Housing Corporation Act, 1944."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Slum Clearance Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill, as amended, be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Amend the Co-operative Development Loan Act, 1949" was read a second time and it was

ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Amend the Local Government Act, 1949" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act Respecting Elections in Municipalities" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Relating to Wild Life" was read a second time and it was ordered the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of the Honourable Acting Minister of Natural Resources, the Bill entitled "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor-General in Council of Lands acquired for such Purposes" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The second reading of the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the use of Architect Designations in Newfoundland" was debated and on motion

was deferred for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, May 14, 1951, at three of the clock.

The House then adjourned accordingly.

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MONDAY, May 14, 1951.

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

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Safety of Workmen in Mines."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Extend the Operations of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Co-operative Development Loan Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Local Government Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Elections in Municipalities."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

The House recessed until eight of the clock.

Mr. Courage resumed the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor General in Council of Lands Acquired for Such Purpose."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, May 15, 1951.

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

A Petition was presented by Mr. Drover, from Westport, Re Snowmobile Trail.

Honourable the Premier tabled "First Annual Report of Industrial Development Loan Board of Newfoundland for the Period Ended March 31, 1951."

The debate on the Budget Speech was continued and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

The House recessed until eight of the clock.

Mr. Courage resumed the Chair of Committee.

Mr. Speaker left the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 16, 1951.

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

The debate on the Budget was continued and on motion was adjourned for further debate on tomorrow.

On motion the Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 17, 1951.

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

Honourable the Minister of Provincial Affairs presented a Petition from the St. John's Municipal Council, Re Enactment of Legislation.

The following gentlemen were appointed a Select Committee to ascertain if the Rules of the House have been complied with:

Honourable the Attorney General.

Honourable the Minister of Provincial Affairs.

Honourable Mr. Vardy.

Honourable the Leader of the Opposition.

Mr. Fahey.

Honourable Mr. Vardy presented the report of the Select Committee appointed to consider the Petition of Mr. James Forbes, Marine Engineer (Retired), as follows:

1. That the Petitioner be granted a Pension in accordance with the Pension he would have received had his service with any one branch of the Government of Newfoundland been continuous for his entire period of service, and that such Pension be retroactive to January 30, 1949, the date of his retirement.
2. That a Bill be introduced to give effect to the Prayer of the Petition.

(Sgd.) OLIVER L. VARDY.

S. DROVER

L. J. MILLER.

P. J. CANNING.

A. B. MORGAN.

Dated at St. John's,  
this 17th., day of  
May, A.D., 1951.

On motion this report was adopted.

Honourable the Minister of Finance gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Create and Provide for the Operation and control of a Fund to meet in Whole or in Part the Cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard."

The debate on the Budget Speech was concluded and on motion it was ordered that the House resolve itself into a Committee of the Whole on Ways and Means.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 18, 1951.

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

Pursuant to notice and on motion of Honourable the Minister of Finance, the Bill entitled "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred,, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the St. John's Housing Corporation Act, 1944" was read a third time, with some verbal amendment, and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act to Provide for the Establishment of Family Courts" was read a second time and it was ordered that the said Bill

be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, May 21st, at three of the clock.

The House then adjourned accordingly.

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MONDAY, May 21, 1951.

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

A Petition was presented by Honourable the Minister of Health from Harbour Grace, re Amendment Shop Closing Act.

Honourable the Minister of Provincial Affairs presented the report of the Select Committee appointed to consider the Petition of the St. John's Municipal Council, as follows:

The Select Committee to consider the Petition of the St. John's Council praying that a Bill be passed to amend the Provisions of the St. John's Municipal Act, to report that it has examined the Petition and finds that the Rules have been complied with and recommends that the Bill as presented, be introduced and read a first time.

(Sgd.) JAMES J. SPRATT.

Dated at St. John's,  
this 21st day of May, 1951.

Whereupon the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof and for Certain Other Purposes," was introduced and read a



first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Provincial Affairs, the Bill entitled "An Act to Amend the Slum Clearance Act, 1950" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled

"An Act to Amend the Co-operative Development Loan Act, 1945" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act to Provide for the Acquisition of Lands for the Purposes of National Parks and for the Transfer to the Governor-General-in-Council of Lands Acquired for Such Purpose," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Amend the Local Government Act, 1949", was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Elections in Municipalities."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Wild Life."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Establishment of Family Courts."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies,'" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the Cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The debate on the motion that the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects and to Regulate the Use of Architect Designations in Newfoundland," be read a second time, was continued.

It was moved in amendment by Mr. Horwood and seconded by Honourable the Minister of Supply that the said Bill be read a second time six months hence.

Whereupon the House divided and there appeared in favour of the Amendment.

Hon. the Minister of Supply, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Public Works, Mr. Horwood, Mr. Morgan, Mr. Buiton, Mr. Drover, Mr. Courage, (8); and against it, Hon. the Attorney General, Hon. the Minister of Provincial Affairs, Hon. the Minister of Labour, Hon. the Minister of Education,

Hon. the Leader of the Opposition, Mr. Fogwill, (6); so it passed in the affirmative and was ordered accordingly.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, May 22, 1951.

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

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence where more than One Party is at Fault."

Honourable the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to the Use and Operation of Vehicles on Highways and Other Purposes."

Honourable the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Automobile Insurance."

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Labour Relations Act, 1950."

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act Respect-

ing Elections in Municipalities" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Relating to Wild Life," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Establishment of Family Courts."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies.'"

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the cost of Replacement of Government Property Destroyed or Damaged by Fire or Other Destructive Hazard."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Safety of Workmen in Mines."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of the Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Amend the Co-operative Societies Act, 1939" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion of Honourable the Minister of Public Works, and with unanimous consent, the Bill entitled "An Act Relating to the use and Operation of Motor Vehicles on Highways and for Other Purposes," was read and introduced a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion of Honourable the Minister of Public Works, and unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Wednesday afternoon, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 23, 1951.

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

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence where more than one Party is at Fault," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Labour Relations Act, 1951, was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Public Works, the Bill entitled "An Act Respecting Automobile Insurance," was introduced and read a first time and

it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, on behalf of Honourable the Minister of Public Welfare, the Bill entitled "An Act to Provide for the Establishment of Family Courts," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend Chapter 127 of the Consolidated Statutes (Third Series) and entitled 'Of Companies,'" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Finance, the Bill entitled "An Act to Provide for the Operation and Control of a Fund to meet in Whole or Part the cost of Replacement of Government Property Destroyed by Fire or Other Destructive Hazard," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, on behalf of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Respecting the Safety of Workmen in Mines," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and

that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Co-operative Societies Act, 1939."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that

the said Bill be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, May 28, at three of the clock.

The House then adjourned accordingly.

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MONDAY, May 28, 1951.

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

Honourable the Minister of Public Welfare tabled a statement on the recent Dominion-Provincial Conference relating to Old Age Security.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Further Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department.'"

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Repeal Certain Newfoundland Statutes."

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to make Provision for the Granting of Loans to certain Companies."

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Land Development Act, 1944."

Honourable the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Lieutenant Governor in Council to Guarantee Payment of Bonds issued by Town Councils."

Honourable the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

Honourable the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Department of Public Works (Amendment) Act, 1951."

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Relative to the Use and Operation of Vehicles on Highways and for Other Purposes," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Amend the Co-operative Societies Act, 1939," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence where more than one Party is at Fault," was read a second time and it was ordered that the said Bill

be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Automobile Insurance," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, May 29, 1951.

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

Honourable the Attorney General, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Further Amend the Alcoholic Liquors Act, 1949."

Honourable the Attorney General, gave notice that he would on tomorrow ask leave to introduce a Bill "An Act Respecting Civil Defence."

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Repeal certain Newfoundland Statutes," was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Honourable the Attorney General, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider

the Bill entitled "An Act to Repeal certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department,'" was read and introduced a first time and it was ordered that the said Bill be read a second time presently.

On motion of Honourable the Attorney General, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to make Provision for the Granting of Loans to certain Companies" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Further to Amend the Land Development Act, 1944" was intro-



duced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Authorize the Lieutenant Governor-in-Council to Guarantee Payment of Bonds Issued by Town Councils," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Automobile Insurance."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Labour Relations Act, 1950", was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Minister of Labour, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

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WEDNESDAY, May 30, 1951.

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

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend certain Newfoundland Statutes."

Pursuant to notice and on motion of Honourable the Attorney General the Bill entitled "An Act Further to Amend the Alcoholic Liquors Act, 1949," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the

Bill entitled "An Act Respecting Civil Defence" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Automobile Insurance" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Labour Relations Act, 1950," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department'."

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, on behalf of the Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Further to Amend the Land Development Act, 1944," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the said Bill.

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to make Provision for the Granting of Loans to Certain Companies," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The second reading of the Bill "An Act to Amend the St. John's Municipal Act, 1921, and Acts in amendment thereof and for Certain Other Purposes," was debated and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

And it being six of the clock, Wednesday afternoon, the House adjourned until tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

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#### THURSDAY, May 31, 1951.

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

Honourable the Minister of Supply made statement re a letter published in the St. John's Evening Telegram of May 30th.

Honourable the Premier made a statement re the said letter.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Public Utilities Act, 1949."

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Livestock."

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill "An Act Further to Amend the Workmen's Compensation Act, 1959."

Honourable the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill "An Act to Amend the Trade Union Act, 1950."

Mr. Fogwill gave notice of Question.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend Certain Newfoundland Statutes," was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Honourable the Attorney General, and with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the Bills entitled "An Act to Amend Certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled 'Of the St. John's Fire Department'," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Further to Amend the Land Development Act, 1944," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof and for Certain Other Purposes," was read a second time.

On motion of Honourable the Attorney General, seconded by Mr. Russell, Standing Order 66 was suspended and the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the Bill entitled "An Act Further to Amend the Alcoholic Liquors Act, 1949," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Friday, at three of the clock.

The House then adjourned accordingly.

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FRIDAY, June 1, 1951.

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

A Petition was presented by Honourable the Minister of Fisheries and Co-operatives from Heatherton, Re Telephone Service.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Trade Union Act, 1950," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1950," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Respecting Livestock," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Repeal Certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General,

the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Minister of Supply and with unanimous consent, the House resolved itself into a Committee of the Whole on the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that

the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Civil Defence," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes."

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Alcoholic Liquors Act, 1949."

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, June 5, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, June 5, 1951.

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

Resolutions were presented by Honourable the Minister of Supply from the Town Council of Grand Bank, Re a Road.

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

Honourable the Attorney General, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Restaurant Act, 1929."

Honourable the Attorney General, gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Provide for the

Regulation of Motor Vehicles used in the Transportation of Persons for Compensation."

The Rt. Honourable James Gardiner, Minister of Agriculture, addressed the Assembly.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence when more than One Party is at Fault."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the St. John's Municipal Council Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had

passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

On motion of Honourable the Attorney General, the order to read the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes," a third time on tomorrow was rescinded and it was ordered that the said Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Alcoholic Liquors Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had

passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Civil Defence."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The second reading of the Bill entitled "An Act to Authorize the Lieutenant-Governor-in-Council to Guarantee Payment of Bonds issued by Town Councils", was debated and on motion was deferred for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Wednesday, at three of the clock.

The House then adjourned accordingly.

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#### WEDNESDAY, June 6, 1951.

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

Honourable Mr. Vardy presented a Petition from Kilbride, re Hydrant.

Honourable the Premier made a statement re Fish Prices.

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Public Revenue, the Raising of Loans authorized by the Legislature, and the Auditing of Public Accounts."

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Mining Tax Act, 1950."

Honourable the Minister of Fisheries and Co-operatives gave notice that he would on tomorrow ask leave



to introduce a Bill entitled "An Act to Incorporate the Newfoundland Federation of Fishermen."

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited," was introduced and read a first time.

Honourable the Premier moved the second reading of the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

The debate on the said motion was adjourned until tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Restaurant Acts, 1929," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence when more than One Party is at Fault," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Incorporate

ate the Water and Sewerage Corporation of Greater Corner Brook," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Respecting Civil Defence," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Trade Union Act, 1950," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1950," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion of Honourable the Attorney General, it was ordered that the Bill entitled "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland," which had previously been referred to a Select Committee, be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn un-

til tomorrow afternoon, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, June 7, 1951.

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

A Petition was presented by Honourable the Minister of Provincial Affairs from St. John's re Assessment for Pavement of Water Street.

The following gentlemen were appointed a Select Committee to consider the said Petition:

Hon. the Attorney General,  
 Hon. the Minister of Provincial Affairs,  
 Hon. Mr. Vardy,  
 Hon. the Leader of the Opposition,  
 Mr. Fahey.

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer."

Honourable the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Education Act, 1927."

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Mining Tax Act, 1950," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Incorporate the Newfoundland Federation of Fishermen," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had added \$100.00 to Head of Expenditure XV of the Bill entitled "An Act for Granting to His 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-one, and for Other Purposes, Relating to the Public Service."

On motion this report was received and adopted.

On motion of Honourable the Premier, the third reading of the Bill entitled "An Act for Granting to His 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-one, and for Other Purposes Relating to the Public Service," was rescinded and it was ordered that the said Bill be recommitted.

On motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Premier, the Bill entitled "An Act for Granting to His 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-one, and for Other Purposes Relating to the Public Service," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Labour, the House resolved itself into a Committee of the Whole to consider the Bills entitled "An Act to Amend the Trade Union Act, 1950," and "An Act Further to Amend the Workmen's Compensation Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the Bill entitled "An Act to Amend the Trade Union Act, 1950," without amendment, and the Bill entitled "An Act Further to Amend the Workmen's Compensation Act, 1950," with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be severally read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill en-

titled "An Act to Repeal Certain Newfoundland Statutes."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, on behalf of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Respecting Livestock," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The debate on the motion to read a second time the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation, Limited," was continued.

It was moved in amendment by Mr. Fahey and seconded by Mr. Higgins that the said Bill be read a second time one month hence.

Whereupon the House divided and there appeared in favour of the amendment: Hon. the Leader of the Opposition, Mr. Fogwill, Mr. Cashin, Mr. Russell, (4); and against it: Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Public Welfare, Hon. the Minister of Provincial Affairs, Hon. the Minister of Labour, Hon. the Minister of Education, Hon. the Minister of Public Works, Hon.

the Minister of Supply, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Health, Hon. Mr. Vardy, Mr. Morgan, Mr. Makinson, Mr. Horwood, Mr. Courage, Mr. Canning, Mr. Button, Mr. Janes, Mr. Drover (19); so it passed in the negative and was ordered accordingly.

The debate on the motion to read the said Bill a second time was continued and on motion was deferred for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Restaurant Acts, 1929," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

And it being eleven of the clock, the House adjourned until tomorrow afternoon, Friday, at three of the clock.

FRIDAY, June 8, 1951.

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

Honourable the Minister of Public Welfare tabled "The Annual Report of the Department of Public Welfare for the Year ended 31 March, 1951."

Honourable the Minister of Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Harbour Grace Water Company Act."

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Edu-

cation, the Bill entitled "An Act to Amend the Education Act, 1927," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again presently.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again presently.

On motion of Honourable the Premier, the Bill entitled "An Act to make Provision for the Granting of Loans to Certain Companies," was recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to make Provision for the Granting of Loans to Certain Companies, and the United Church Board of Education for St. John's," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment Thereof and for Certain Other Purposes," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Further to Amend the Alcoholic Liquors Act, 1949," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Amend the Trade Union Act 1950," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Labour, the Bill entitled "An Act to Further Amend the Workmen's Compensation Act, 1950," was read a third time and passed and it was ordered

that the said Bill be printed being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Repeal Certain Newfoundland Statutes," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed Certain Resolutions Granting Supply to His Majesty, and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first time, and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

Whereupon, on motion of Honourable the Minister of Finance, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Services for the Financial Year Ending the Thirty-first day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes re-

lating to the Public Service," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The debate on the second reading of the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, June 11, at three of the clock.

The House then adjourned accordingly.

MONDAY, June 11, 1951.

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

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Ratify an Agreement made between the Government and Dr Arthur Seigheim."

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to Licences to Cut Timber Issued Prior to January, 1951."

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Government to enter into an Agreement made with Falconbridge Nickel Mines, Limited."

Honourable the Minister of Fisheries and Co-operatives gave notice

that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting the Sale and Distribution of Fishery Salt."

Pursuant to notice and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Amend the Harbour Grace Water Company Act," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Higgins gave notice of Question.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to continue the Bill entitled "An Act Respecting Livestock."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the said Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House at a later hour in the day.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Restaurant Acts, 1929."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

The House recessed until eight of the clock.

Mr. Courage resumed the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Premier, on behalf of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Education Act, 1927," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole presently.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the said Bill.



Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting the Public Revenue, the Raising of Loans authorized by the Legislature, and the Auditing of Public Accounts."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Tuesday, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, June 12, 1951.

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

A Petition was presented by Honourable the Minister of Fisheries and Co-operatives from St. Teresa's re Road.

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "The Crown Lands (Mines and Quarries) Act, 1951."

Honourable the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Further Amend the Welfare of Children Act, 1944."

Mr. Cashin gave notice of Question.

Mr. Higgins gave notice of Question.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Ratify the Agreement made between the Government and Dr. Arthur Seigheim," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Relating to Licences to cut Timber issued Prior to January, 1931," was introduced and read a first time.

The second reading of the said Bill was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to notice and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Respecting the Sale and Distribution of Fishery Salt," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickel Mines, Limited," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Respecting the Livestock," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and

that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation.

An Act to Amend the Restaurant Acts, 1929.

An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature and the Auditing of Public Accounts.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation."

On motion this report was received and adopted and it was ordered that the said Bill be severally read a third time on tomorrow.

The Chairman from the said Committee further reported that they had considered the Bill entitled "An Act Respecting the Public Revenue the Passing of Loans Authorized by the Legislature and the Auditing of Public Accounts, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Wednesday, at three of the clock.

The House then adjourned accordingly.

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#### WEDNESDAY, June 13, 1951.

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

Mr. Higgins gave notice of Question.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources the Bill entitled "An Act Further to Amend the Crown Lands (Mines and Quarries) Act, 1951," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Welfare of Children Acts, 1944," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion of Honourable the Minister of Education, it was ordered that the Bill entitled "An Act to Amend the Education Act, 1927," be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Honourable the Minister of Education, the Bill entitled "An Act to Amend the Education Act, 1927," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

On the motion of Honourable the Attorney General, that the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles, Used in the Transportation of Persons for Compensation," be read a third time, it was moved and in amendment by Mr. Fahey, seconded by Mr. Fogwill, that the said Bill be read a third time six months hence.

On the Vote being taken, the Amendment was lost and it was ordered accordingly.

Whereupon, the Bill entitled "An Act to Provide for the Regulation of Motor Vehicles Used in the Trans-

portation of Persons for Compensation," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Restaurant Acts, 1929," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two and for Other Purposes Relating to the Public Service," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that

the said Bill be read a third time presently.

On motion of Honourable the Premier, and with unanimous consent, the Bill entitled "An Act For Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two, and for Other Purposes relating to the Public Service," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Incorporate the Newfoundland Federation of Fishermen," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The second reading of the Bill entitled "An Act to Ratify an Agreement made Between the Government and Dr. Arthur Seigheim," was debated and on motion was adjourned for further debate on tomorrow.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

The debate on the second reading of the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill

entitled "An Act Relating to Licences to Cut Timber Issued Prior to January, 1931," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow, Thursday, at three of the clock.

The House then adjourned accordingly.

THURSDAY, June 14, 1951.

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

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

His Honour the Lieutenant-Governor entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Lieutenant-Governor took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General-Assembly of this Province has at its Present Session passed certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills, entitled:

An Act to Make Uniform the Law Respecting the Distribution of Estates of Intestates.

An Act Further to Amend the Old Age and Blind Persons' Pension Act, 1949.

An Act Further to Amend the Exploits Valley (Closing Hours) Shop Act, 1938.

An Act to Grant Certain Powers Utilities.

An Act Further to Amend the Act 5 Edward VII, Chapter 10 Entitled An Act to Encourage the Manufacture of Pulp and Paper in this Colony.

An Act Relating to Poultry and Poultry Products.

An Act to Amend the Department of Public Works Act, 1950.

An Act to Amend the Memorial University (Pensions) Act, 1950.

An Act to Amend the Slum Clearance Act, 1950.

His Honour the Lieutenant-Governor then said "In His Majesty's name I assent to these Bills."

Whereupon, Mr. Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of His Majesty's dutiful and loyal subjects, His faithful Commons in Newfoundland, to present to Your Honour a Bill for the Appropriation of Supply granted in the Present Session.

His Honour then said "In His Majesty's name I thank His Loyal Subjects, I accept their benevolence, and assent to this Bill."

His Honour the Lieutenant-Governor left the Assembly Chamber.

Mr. Speaker resumed the Chair.

On the motion of Honourable the Premier that the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," be read a second time, the House divided and there appeared in favour of the motion: Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Public Welfare, Hon. the Minister of Provincial Affairs, Hon. the Minister of Public Works, Hon. the Minister of Supply, Hon. the Minister of Fisheries and Co-operatives, Hon. Mr. Vardy, Mr. Morgan, Mr. Button, Mr. Janes, Mr. Horwood, Mr. Canning, Mr. Courage, (14); and against it, Hon. the Leader of the Opposition, Mr. Fogwill, Mr. Jackman, Mr. Fahey, Mr. Russell, (5); so it passed in the affirmative and was ordered accordingly.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Premier, and with unanimous consent, the Bill entitled "An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Dr. Arthur Seigheim," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

And it being eleven of the clock, the House adjourned until tomorrow afternoon, Friday, at three of the clock.

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FRIDAY, June 15, 1951.

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

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Summary Jurisdiction Act, 1950."

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Crown Lands Act, 1930."

Honourable the Minister of Fisheries and Co-operatives tabled the "First Annual Report of Co-operative Development Loan Board of Newfoundland for the Period ended March 31st, 1951," and "First Annual Report of Fisheries Development Loan Board of Newfoundland for the Period ended March 31st, 1951."

Mr. Fogwill gave notice of Question.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

The House recessed until eight of the clock.

Mr. Courage resumed the Chair.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and give Statutory Effect to an Agreement between the Government and Doctor Arthur Seigheim."

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Licences to Cut Timber Issued Prior to January, 1931."

Mr. Speaker left the Chair.

Mr. Morgan took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had

passed the said Bill without amendment.

On motion this report was adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Mining Tax Act, 1950," was read a second time and it was ordered that the said Bill be referred into a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, Saturday, at three of the clock.

The House then adjourned accordingly.

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SATURDAY, June 16, 1951.

The House met at half past two of the clock in the afternoon, pursuant to adjournment.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises" was introduced and read a first time.

On motion of Honourable the Premier, the second reading of the said Bill was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Summary Jurisdiction Act," was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Further to Amend the Crown Lands Act, 1930," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Relating to Licences to cut Timber Issued Prior to January, 1951," was read a third time and passed and it was ordered that the said Bill be printed being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Mining Tax Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement between the Government and Doctor Arthur Seigheim."



Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting Public Revenue, the Raising of Loans authorized by the Legislature, and the Auditing of Public Accounts."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Newfoundland Federation of Fishermen."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Authorize the Guarantee of Payment of Bonds Issued by Certain Town Councils" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Minister of Supply, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Respecting the Sale and Distribution of Fishery Salt" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, June 18th, at three of the clock.

The House then adjourned accordingly.

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MONDAY, June 18, 1951.

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

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to Public Records."

Honourable the Premier gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Respecting Elections."

Honourable the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the District Courts Act, 1944."

Honourable the Acting Minister of Natural Resources gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Authorize the Government to enter into an Agreement with Frobisher Limited."

Honourable the Premier gave notice that he would on tomorrow move the House into Committee of the Whole to consider Resolutions Relating to the Grant of Additional Supply to His Majesty.

On motion of Honourable the Attorney General, it was ordered that the Bill entitled "An Act to Amend the Mining Tax Act 1950" be recommended.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Respecting Public Revenue, the Raising of Loans authorized by the Legislature and the Auditing of Public Accounts" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act to Incorporate the Newfoundland Federation of Fishermen" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Authorize the Guarantee of Payment of Bonds issued by Certain Town Councils" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Honourable the Attorney General the third reading of the Bill entitled "An Act to Amend the Law Society Act" and the third reading of the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence where More Than One Party is at Fault" was rescinded and it was ordered that the said Bills be re-committed.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bills be read a third time presently.

On motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Law Society Act" and the Bill entitled "An Act Respecting Liability in Actions for Damages for Negligence where more than One Party is at Fault," were severally read a third time and passed and it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills entitled:

An Act to Approve and Give Statutory Effect to an Agreement between the Government and Doctor Arthur Seigheim.

An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation.

An Act Respecting the Sale of Fishery Salt.

An Act to Incorporate the Newfoundland and Labrador Corporation.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred and had passed the following Bills with some amendment.

An Act to Approve and Give Statutory Effect to an Agreement Between the Government and Doctor Arthur Seigheim.

An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation.

An Act to Incorporate the Newfoundland and Labrador Corporation.

On motion this report was received and adopted and it was ordered that the said Bills be severally read a third time on tomorrow.

The Chairman from the said Committee further reported that they had passed the Bill entitled "An Act Respecting the Sale and Distribution of Fishery Salt," without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Summary Jurisdiction Act, 1950," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Crown Lands Act, 1930," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources the Bill entitled "An Act to Authorize the Government to enter into an agreement with Falconbridge Nickel Mines, Limited," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House at a later hour in the day.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act Relating to Mines and Quarries," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House at a later hour in the day.

The House recessed until eight of the clock.

Mr. Speaker resumed the Chair.

On motion of Honourable the Acting Minister of Natural Resources, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Mines and Quarries."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickel Mines, Limited,"

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow morning, at eleven of the clock.

The House then adjourned accordingly.

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TUESDAY, June 19, 1951.

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

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act Relating to Public Records," was introduced and read a first time.

The second reading of the said Bill was debated and on motion was deferred for further debate at a later hour in the day.

Pursuant to notice and on motion of Honourable the Premier, the Bill entitled "An Act Respecting Elections," was introduced and read a first time and it was ordered that the said Bill be read a second time at a later hour of the day.

Pursuant to notice and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the District Courts Act, 1949," was introduced and read a first time and it was ordered that the said Bill be

read a second time at a later hour in the day.

Pursuant to notice and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Frobisher Limited," was introduced and read a first time and it was ordered that the said Bill be read a second time at a later hour in the day.

On motion of Honourable the Premier, it was ordered that the "Order of the Day" Committee of the Whole on Ways and Means be deleted from the Order Paper.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Amend the Mining Tax Act, 1950," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

On motion of Honourable the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949," was recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Attorney General, and with unanimous

consent, the Bill entitled "An Act Further to Amend the Public Utilities Act, 1949," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Approve and give Statutory Effect to an Agreement between the Government and Doctor Arthur Seigheim," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Vest Lands Comprised in Certain Fee Simple Grants in the Newfoundland and Labrador Corporation," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Fisheries and Co-operatives, the Bill entitled "An Act Respecting the Sale and Distribution of Fishery Salt," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Incorporate the Newfoundland and Labrador Corporation Limited," was read a third time and passed and it was ordered that the said Bill be printed,

being entitled as above, and that it be submitted to the Lieutenant Governor, for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to notice and on motion of Honourable the Minister of Finance, the House resolved itself into a Committee of the Whole to consider the certain Resolutions in Relation to the Grant of additional Supply to His Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the Certain Resolutions Granting Additional Supply to His Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

Whereupon, on motion of Honourable the Minister of Finance, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and

Fifty-two, and for Other Purposes, Relating to the Public Service," was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion of Honourable the Minister of Finance, with unanimous consent, the said Bill was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Minister of Finance, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Minister of Finance, and with unanimous consent, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-two, and for Other Purposes Relating to the Public Service," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Summary Jurisdiction Act, 1950."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Attorney General, and with unanimous consent, the Bill entitled "An Act to Amend the Summary Jurisdiction Act, 1950," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Crown Lands Act, 1930."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had

passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Acting Minister of Natural Resources and with unanimous consent, the Bill entitled "An Act Further to Amend the Crown Lands Act, 1930," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickel Mines, Limited."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Acting Minister of Natural Resources and with unanimous consent, the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Falconbridge Nickel Mines,



Limited," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Public Welfare, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Minister of Public Welfare, and with unanimous consent, the Bill entitled "An Act Further to Amend the Welfare of Children Act, 1944," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Mines and Quarries."

Mr. Speaker left the Chair.

Mr. Chairman took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Acting Minister of Natural Resources and with unanimous consent, the Bill entitled "An Act Relating to Mines and Quarries," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

The House recessed until three of the clock.

Mr. Speaker resumed the Chair.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Relating to Public Records," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Premier, and with unanimous consent, the Bill entitled "An Act Relating to Public Records was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Premier, the Bill entitled "An Act Respecting Lists of Electors for Elections in the Year 1951" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Premier, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Premier, and with unanimous consent, the Bill entitled "An Act Respecting Lists

of Electors for Elections in the Year 1951" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the District Courts Act, 1949," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Attorney General, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Attorney General, and with unanimous consent, the Bill entitled "An Act to Amend the District Courts Act, 1949," was read a third time and passed, and it was ordered that the said Bill be printed being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Acting Minister of Natural Resources, the Bill entitled

"An Act to Authorize the Government to enter into an Agreement with Frobisher Limited," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Acting Minister of Natural Resources, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Acting Minister of Natural Resources and with unanimous consent, the Bill entitled "An Act to Authorize the Government to enter into an Agreement with Frobisher Limited," was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to order and on motion of Honourable the Minister of Supply, the Bill entitled "An Act to Amend the Act 26, Vic. Cap 5, entitled "An Act to Incorporate the Harbour Grace Water Company," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

On motion of Honourable the Minister of Supply and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again at a later hour in the day.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again at a later hour in the day.

On motion of Honourable the Premier, the third reading of the Bill entitled "An Act Further to Amend the Crown Lands Act, 1930," was rescinded and it was ordered that the Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently and that a Select Committee be appointed to consider the sub-section 186B of the Section 15 of the said Bill.

On motion of Honourable the Premier, and with unanimous consent, the

said Bill entitled "An Act Further to Amend the Crown Lands Act, 1930," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

On motion of Honourable the Minister of Supply, and with unanimous consent, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Incorporate the Harbour Grace Water Company."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill with some amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

On motion of Honourable the Minister of Supply, and with unanimous consent, the Bill entitled "An Act to Amend the Act 26, Vic. Chapter 5 entitled 'An Act to Incorporate the Harbour Grace Water Company,'" was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

It was moved and seconded that when the House rises, it adjourn until Friday afternoon, June 22nd, at half past two of the clock.

The House then adjourned accordingly.

FRIDAY, June 22nd, 1951.

The House met at half past two of the clock in the afternoon, pursuant to adjournment.

On motion it was ordered that the reading of the Minutes be dispensed with.

On motion of Honourable the Attorney General, the third reading of the Bill entitled "An Act to Amend the Education (Teachers-Pensions) Act, 1950," was rescinded and it was ordered that the said Bill be recommitted.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Honourable the Attorney General, the Bill entitled "An Act to Amend the Education (Teachers-Pensions) Act, 1950," was read a third time and passed, and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

His Honour the Lieutenant-Governor entered the Assembly Chamber preceded by the Sergeant-at-Arms.

His Honour the Lieutenant-Governor took the Chair,

Mr. Speaker addressed His Honour as follows:

May it please Your Honour,

The General Assembly of this Province has at its Present Session passed Certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills entitled:

An Act to Amend the St. John's Housing Corporation Act, 1944.

An Act to Amend the Co-operative Development Act, 1949.

An Act to Provide for the Acquisition of Lands for the Purpose of National Parks and for the Transfer to the Governor-General-in-Council of Lands Acquired for Such Purpose.

An Act Further to Extend the Operation of the Shipbuilding (Bounties) Amendment Act, 1945, and of the Shipbuilding (Bounties) Amendment Act, 1947.

An Act Further to Amend the Local Government Act, 1949.

An Act Respecting Elections in Municipalities.

An Act Respecting Civil Defence.

An Act Further to Amend Chapter 61 of the Consolidated Statutes of Newfoundland (Third Series) entitled "Of the St. John's Fire Department."

An Act Respecting Liability in Actions for Damages for Negligence where more than One Party is at Fault.

An Act Relating to Wild Life.

An Act to Repeal Certain Newfoundland Statutes.

An Act Further to Amend the Workmen's Compensation Act, 1950.

An Act to Provide for the Establishment of Family Courts.

An Act to Make Provision for the Granting of Loans to Certain Companies and the United Church Board of Education for St. John's.

An Act to Amend the Labour Relations Act, 1950.

An Act to Amend Certain Newfoundland Statutes.

An Act to Amend the St. John's Municipal Act, 1921, and Acts in Amendment thereof and of Certain Other Purposes.

An Act Further to Amend the Law Society Act.

An Act to Create and to Provide for the Operation and Control of a Fund to meet in Whole or Part the Cost of Replacement of Government Property Destroyed by Fire or Other Destructive Hazard.

An Act Respecting Lists of Electors for Elections in the Year 1951.

An Act to Amend the Trade Union Act, 1950.

An Act to Provide for the Payment of a Superannuation Allowance to James Forbes, Retired Marine Engineer.

An Act Further to Amend the Alcoholic Liquors Act, 1949.

An Act to Amend the Restaurant Acts, 1929.

An Act Further to Amend the Public Utilities Act, 1949.

An Act Respecting the Sale and Distribution of Fishery Salt.

An Act Relating to Public Records.

An Act to Incorporate the Society of Industrial and Cost Accountants of Newfoundland.

An Act to Incorporate the Newfoundland Federation of Fishermen.

An Act Further to Amend the Education Act, 1927.

An Act to Amend the Education (Teachers' Pension) Act, 1950.

An Act Further to Amend the Welfare of Children Act, 1944.

An Act to Amend the District Courts Act, 1949.

An Act to Amend the Summary Jurisdiction Act, 1950.

An Act Further to Amend the Chapter 127 of the Consolidated Statutes (Third Series) entitled "Of Companies."

An Act to Amend the Act 26 Vic. Cap 5, Entitled "An Act to Incorporate the Harbour Grace Water Company."

An Act to Authorize the Payment of Bonds Issued by Certain Town Councils.

An Act to Incorporate the Water and Sewerage Corporation of Greater Corner Brook.

An Act to Amend the Mining Tax Act, 1950.

An Act to Authorize the Government to Establish and Dispose of Industrial Enterprises.

An Act Relating to Licences to Cut Timber Issued Prior to January, 1931.

An Act Respecting Livestock.

An Act Further to Amend the Co-operative Societies Act, 1939.

An Act Respecting the Safety of Workmen in Mines.

An Act Further to Amend the Crown Lands Act, 1930.

An Act Relating to Mines and Quarries.

An Act to Incorporate the Newfoundland and Labrador Corporation Limited.

An Act to Vest the Lands Comprised in Certain Fee Simple Grants in the Newfoundland Labrador Corporation.

An Act to Authorize the Government to Enter into an Agreement with Falconbridge Nickel Mines Limited.

An Act to Authorize the Government to Enter into an Agreement with Frobisher Limited.

An Act to Approve and Give Statutory Effect to An Agreement Between the Government and Doctor Arthur Seigheim.

An Act to Provide for the Regulation of Motor Vehicles Used in the Transportation of Persons for Compensation.

An Act Respecting Automobile Insurance.

An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes.

An Act Relating to the Use and Operation of Vehicles on Highways and for Other Purposes.

An Act Respecting the Public Revenue, the Raising of Loans Authorized by the Legislature, and the Auditing of Public Accounts.

An Act Further to Amend the Land Development Act, 1944.

An Act Respecting Proof of Death of Members of His Majesty's Military, Naval, and Air Forces.

His Honour the Lieutenant Governor then said "In His Majesty's name I assent to these Bills."

Whereupon, Mr. Speaker addressed His Honour as follows :

It is my agreeable duty on behalf of His Majesty's dutiful and Loyal Subjects, His faithful Commons in Newfoundland to present to Your Honour a Bill for the appropriation of Supply granted in the Present Session.

Whereupon the Clerk read the following Bills entitled :

An Act for Granting to His Majesty Certain Sums of money for Defraying Certain Expenses of the Public Service for the Financial Year Ended the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-one and for Other Purposes Relating to the Public Service.

His Honour then said "In His Majesty's name I thank His Loyal Subjects, I accept their benevolence, and assent to this Bill."

His Honour was then pleased to make the following Speech :

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

In common with all his subjects we rejoice that the recent disturbing reports concerning the health of His Majesty the King, appear to have been considerably exaggerated. While His Majesty is undoubtedly experiencing

the strain imposed by his heavy responsibilities and unceasing activities, as well as the aftermath of the heavy burden borne during the War Years, the anxiety which these reports might otherwise have caused has been allayed by the announcement that the Royal Visit to Australia is planned to take place early in the coming year.

In releasing you from your duties I wish to thank you for the careful attention you have given during the past three months to the many and important measures that my Ministers laid before you. You have been asked to give, and have given consideration to matters affecting every phase of provincial responsibility.

In the field of labour you have passed very necessary legislation concerning apprentices, and made certain necessary Amendments to the Workmen's Compensation Act.

In Educational matters you have encouraged our Teachers by providing them with Statutory Membership in an Association of their own, by increasing the school leaving age of fifteen years and by otherwise amending existing legislation. For the Public Welfare you have approved the establishment of Family Courts and in other ways, taken steps to increase the effectiveness of this important Development.

Further provision has been made for the housing of our people, and now for the first time we are witnessing the condemnation and demolition on a large scale of houses in St. John's which are definitely below recognized standards for habitation.

You have assisted the fisheries and our fishermen by guaranteeing substantial loans to fishery firms in an

effort to assist in the production and marketing of more fresh fish; and by organizing the fishermen into a live Province-wide Association.

In the field of Local Government much has been accomplished. Substantial encouragement and assistance is being given town councils through the medium of Government guaranteed bond issues and by the passing of a Standard Election Act, democratic control of such councils is now assured. The adoption of water and sewerage legislation for the Corner Brook area will place these very important services in the hands of the residents themselves.

You have made ample provision for an ever expanding Health and Public Welfare Service and substantial grants will be available for roads and bridges.

But it is in the field of economic development that this session of your Assembly will have created a record. Funds have been provided to complete the birch, cement and gypsum mills. Authorization has been given my Ministers to arrange for such disposition of these industries as may be in the public interest; and I can assure you that my Ministers are deeply conscious of their responsibility in these matters.

The creation of the Newfoundland and Labrador Corporation Limited provides an original method of dealing with our latent natural resources. In the past large tracts of land containing valuable timber stands, and mineral deposits have been leased or granted to individuals, some of whom evidently had no intention to develop the areas by their own efforts but rather hoped to be able to speculate by resale at a profit to such parties as might be desirous of bringing the

areas into production. The holding of these areas for substantial options and unreasonable prices has in the past deterred industrial development.

The adoption of the Bill, An Act Respecting Timber Licences issued prior to January 1, 1931, will, it is expected, either produce development in these areas by the licences or else make these holdings available for early development.

It is anticipated that the inclusion in this Crown Corporation of a minority interest representation of wealthy and powerful New York and Mainland financial interests will afford a new approach and impetus to the development of our natural resources. Under this scheme a major portion of profits derived will accrue to the Government.

An Agreement has been made by my Government and ratified by you, whereby the development on a large scale of our resources in Labrador will be immediately proceeded with. Although this Agreement provides for the limited exportation of raw timber plans are so designed as to harvest the wood and not to denude the area. The royalty provided and the provisions of this Agreement calling for the settlement for certain areas and the introduction of the most modern and improved methods of the sylviculture are such as amply to justify this departure from the determination of my Ministers not normally to permit the exportation of raw materials when these can be profitable, manufactured in the Province. The Agreement entered into are such as not to interfere with the further development of our resources in the Lake Melville area of Labrador.

The authority given my Ministers to negotiate Agreements with Falcon-



bridge Nickel Mines, Limited and Frobisher Limited, will enable my Government to call for the expenditure by these next three years exploring certain promising areas in Newfoundland and Labrador. The fact that Falconbridge Nickel Mines Limited, had at considerable expense secured options on well known mining locations in the Notre Dame Bay area would indicate their serious determination to explore thoroughly the concessions they had sought.

It is to be hoped that the efforts of the both Companies will be crowned with success.

The Royal Commission appointed to investigate the prices paid to fishermen for fish produced in 1951, and the profits made on the exportation of this fish, is expected to submit its report within the next few weeks. It may become necessary to have legislation to deal with the matter of prices paid to fishermen for 1950 fish, and there may be other important matters requiring your early attention. For these reasons a special session of the House of Assembly may have to be called within the next few weeks. In that event Members of this Honourable House will of course be given due notice.

I thank you for the ample provision you have made for the public service. I am confident that the amounts voted will be expended wisely and economically and in the best interests of the Province, and that under the guidance of Divine Providence, the well being and security of the people of this Province will be strengthened.

I regard the visiting of the outlying places of the Province as one of the most important and useful func-

tions of the Representatives of His Majesty the King.

During the Summer and Autumn of last year, together with my wife, I visited a number of places along the railway line and in Bonavista and Notre Dame Bay as far north as Exploits.

During the month of July next, I have planned an extended tour of the more Northerly portions of the Province, my first port of call being Fortune Harbour. Thence, I shall proceed North as far as Hebron on the Labrador, returning through the Strait of Belle Isle along the North West Coast of the Island to Corner Brook.

In all, this tour will include visits to some thirty-five places in Newfoundland and Labrador.

Such a comprehensive tour could not have been arranged without the assistance of the Flag Officer, Atlantic Coast, who has kindly placed at my disposal, for this purpose, one of His Majesty's Canadian Ships.

For this co-operation I am deeply grateful.

I thank you for your arduous and devoted services as legislators and trust that, until you are called to meet again, you will enjoy a well earned vacation.

His Honour the Lieutenant Governor left the Assembly Chamber preceded by the Sergeant-at-Arms.

Mr. Speaker then said:

It is the will and pleasure of His Honour the Lieutenant Governor that this General Assembly be prorogued until Tuesday, the third day of July to be then here held.

Hon. Reginald F. Sparkes, Speaker

List of Members, with Political Affiliations

Note: L.—Liberal; P.C.—Progressive Conservative; Ind.—Independent.

		Districts
Ballam, Hon. C. H.	L.	Humber
Button, Maxwell	L.	Trinity South
Canning, Patrick	L.	Placentia West
Cashin, Peter J.	Ind.	Ferryland
Chalker, Hon. James R.	L.	Harbour Grace
Courage, John R.	L.	Fortune-Hermitage
Curtis, Hon. Leslie R.	L.	Twillingate
Drover, Samuel	L.	White Bay
Fahey, R. J.	P.C.	Harbour Main-Bell Island
Fogwill, Frank	P.C.	St. John's East
Forsey, Hon. Phillip S.	L.	Burin
Hefferton, Hon. S. J.	L.	Trinity North
Higgins, John G.	P.C.	St. John's East
Horwood, Harold	L.	Labrador
Jackman, D. I.	P.C.	Harbour Main-Bell Island
Janes, Gordon W.	L.	Fogo
Keough, Hon. William J.	L.	St. George's-Port au Port
Makinson, George	L.	Port de Grave
Miller, Leonard	P.C.	Placentia-St. Mary's
Morgan, Baxter	L.	Green Bay
Pottle, Hon. H. L.	L.	Carbonear-Bay de Verde
Quinton, Hon. H. W.	L.	Burgeo & La Poile
Russell, Hon. Edward *	L.	Bonavista South
Smallwood, Hon. J. R.	L.	Bonavista North
Sparkes, Reginald F.	L.	St. Barbe
Spencer, Hon. E. S.	L.	Grand Falls
Spratt, Hon. James J.	L.	St. John's West
Vardy, Hon. O. L.	L.	St. John's West

\* Resigned from Cabinet during session and sat as an Independent.