

August, 1948 (see minute 30)<sup>†</sup> and in consultation with officials of that Department.

CLAUSE 5 (10) OF GREY BOOK

61. In discussing this clause, the position regarding the numerous small "fishermen's wharves," launchways etc., throughout the Island was considered. It was assumed, in view of Clause 8 (4) of the Grey Book, that the Government of Canada would be responsible for the maintenance etc., of the services but it was agreed that the matter should be taken up with Ottawa for clarification.

CLAUSE 5 (11) OF GREY BOOK

62. With regard to this particular clause, the Chairman felt that if the Canadian Government could be persuaded to build a number of marine hospitals in Newfoundland it would take considerable pressure off Cottage Hospitals.

63. The Chairman also pointed out that, at present, the Newfoundland Government pays no Customs duties on medical supplies and equipment imported direct for governmental use. Under Confederation, on the other hand, the Provincial Government will be required to pay duties on all such supplies imported from countries other than Canada and this may well entail considerable expenditures by the Government. Mr. Crosbie considered that that was an additional reason why the Canadian Government should agree to increase the transitional grant as already discussed. (see Minute 39).

CLAUSE 5 (12) OF GREY BOOK

64. Mr. Smallwood recommended that the delegation should endeavour to obtain an understanding from the Canadian Government that when the Broadcasting Corporation of Newfoundland is taken over by C.B.C. it will not, for obvious reasons, be used for the premature "Canadianization" of the people of Newfoundland but that, on the contrary, it will be permitted to retain its essentially Newfoundland character. This recommendation was noted.

65. The Chairman enquired whether the Newfoundland Government, after Confederation, would be required to pay C.B.C. for time over the local stations for Governmental programmes such as those now broadcast through B.C.N. This question will be taken up by the delegation in Ottawa and, if necessary, an effort made to obtain special concessions for Newfoundland in this respect.

66. The Chairman also drew attention to the fact that when the original loan was made by the Newfoundland Government to the Broadcasting Corporation it was stipulated that, from any profits made by the Corporation, a sinking fund was to be established. When this fund reached a certain figure, any surplus over and above that figure was to be repaid to the Government. The fund has long since exceeded the limit originally set but the Government has permitted the Corporation to retain the surplus in order to enable it to expand its system. He felt that there was justification for the Newfoundland Government to request repayment of this money, in accordance with the terms of the original Agreement, after the Corporation has been absorbed by the C.B.C. The Chairman agreed to obtain a statement regarding this fund from the Secretary for Finance.

CLAUSE 5 (13) OF GREY BOOK

67. No comment.