

*Grants to Newfoundland*

original of section 118 of the British North America Act stated that Ontario would be adequately compensated by \$68,000 a year, Quebec by \$70,000, Nova Scotia by \$60,000 and New Brunswick by \$50,000. But in the intervening years there have been many changes in this regard. Those payments, at the time they entered into the pact of confederation were believed to be in existence in perpetuity. But in the light of events and in the light of economic development changes became necessary. We look forward to a period from the beginning of the term provided by this bill, namely five years, in which we allow for the amount which we believe will attain the objective of article 29; and then assure, at the end of that period, a review in the light of the economic development and the social changes which may take place in the interval, and which I am sure will take place in the interval because of the resource development which is taking place in Newfoundland and elsewhere in this country.

All I want to say is this in conclusion. No matter what is the amount that is fixed, it is natural that more will be asked for. After the report came out that \$8 million was recommended, the premier of Newfoundland called on me and said that he wanted an additional \$15 million a year in treasury grants instead of the \$8 million recommended by the royal commission.

I simply say this, Mr. Speaker. I know it will arouse feelings, because after all when the act of union was entered into, the words of Mr. St. Laurent apparently were not distributed in the new province of Newfoundland in an underlined or emphasized manner. An interpretation was given, a political interpretation if I may say so, holding out hopes which those who uttered them knew could not be fulfilled. I say to the hon. member for Bonavista-Twillingate that I am sure that at no time did he make clear to the people of Newfoundland the meaning of the agreement that was entered into under the act of union. I am sure he did not make clear to the people of Newfoundland the interpretation placed thereon by Mr. St. Laurent. I am sure, in that expansive way, which is not peculiar to him, he led the people there to believe that something would be obtained which the agreement entered into did not contain.

There has been a wonderful spirit of Damon and Pythias between the hon. member for Bonavista-Twillingate and the premier of Newfoundland. I do not want to put them on the record, but even one as modest as the hon. gentleman would feel just a slight feeling of emotion, or even bashfulness, were I to read some of the views expressed by the

[Mr. Diefenbaker.]

premier of Newfoundland during successive campaigns, and also some of the words of the hon. gentleman spoken of the premier of Newfoundland. However, there is one expression I cannot refrain from referring to. On April 1, 1959, I think it was—

**Mr. Pickersgill:** It was March 31.

**Mr. Diefenbaker:** I am sorry, I am a day out. On March 31, 1959 the hon. gentleman stated of the premier of Newfoundland that he had served under two prime ministers of Canada, but he said, "I can tell you this; nobody has ever equalled the premier of Newfoundland."

**Mr. Pickersgill:** No, that is not what I said.

**Mr. Pearson:** Of course that is not true.

**Mr. Pickersgill:** I am sure the Prime Minister (Mr. Diefenbaker) would not want to misquote what I said. What I said was that I had served under two very distinguished prime ministers and I had known a lot of other very distinguished politicians, but I had only known one political genius, and I do not take that back.

**Mr. Diefenbaker:** The actual words were better than my interpretation, Mr. Speaker. The hon. gentleman's memory is perfect. "I have served under two Canadian prime ministers, but I have known in my life time only one political genius." I can hardly understand the next reference with Mr. St. Laurent still with us, and he will be, I hope, for many years to come, when the hon. gentleman finally ended up his speech of adulation by saying that the premier of Newfoundland was the greatest Canadian of all time.

**Mr. Pickersgill:** Now the Prime Minister knows that is not true.

**Mr. Diefenbaker:** I am quoting from the press report.

**Mr. Pickersgill:** The Prime Minister is not quoting, he is reading from a document. I wrote a letter to the *Ottawa Journal* about this very report, and I also wrote one to the *Toronto Telegram*; as far as I know they are the only two papers where this story appeared. What I said was that he was one of the greatest Canadians of our time, and I added that in my opinion Louis St. Laurent was the greatest Canadian of our time.

**Mr. Diefenbaker:** Mr. Speaker, I was not quoting from the *Ottawa Journal*. I am quoting from a report by one who was there at the meeting, I understand, Miss Judith Robinson, in which she has, in quotation marks:

—Mr. Pickersgill said . . . "the greatest Canadian of our time."