

Grants to Newfoundland

between Canada, on the one hand, and the province on the other, are going to be governed in the period following April 1, 1962.

I am not going to delay the house by repeating the point which I made yesterday. It seems to me to be one of fundamental importance in this matter that outside the constitutional subsidies which are payable to the provinces, including the province of Newfoundland, there is nothing contained in any binding statute—I put it yesterday, nothing in black and white—that governs the fiscal relations between the dominion, on the one hand, and the provinces or any of them on the other, after March 31, 1962. Therefore, in proposing a review which will take account of any special circumstances of Newfoundland in her financial position after March 31, 1962 we are, in my respectful submission, giving what was sought by Newfoundland on the occasions which I have mentioned.

It is indeed going beyond the terms of the article of union and it is in my submission to this house proceeding in a way that is an expression of the desire of all Canadians and of this Canadian parliament to be just and fair in its treatment of Newfoundlanders having regard to the warmth of welcome that Canada extended to Newfoundland when it became the tenth province in 1949. Therefore this present recital puts the parliament of Canada on record in a manner which is perhaps without direct precedent but it is put forward in this form to give assurance to all reasonable persons in Newfoundland that any special circumstances affecting the province of Newfoundland will be taken into account in determining the fiscal relations between Canada and Newfoundland after March 31, 1962.

The bill proposes that the treasury of this country be bound to pay to Newfoundland every cent that was recommended by the royal commission up to the 31st day of March, 1962.

Mr. Pickersgill: And then the constitution goes out the window.

Mr. Fleming (Eglinton): That is to be read along with this accompanying assurance to be found in this recital:

Whereas in the course of such review any special circumstances relating to the financial position of the province of Newfoundland after the 31st day of March, 1962, would be taken into consideration;

Therefore if this house chooses to adopt this bill the house will be putting itself on record on those terms; and in my respectful submission, Mr. Speaker, nobody who approaches this matter in a reasonable light

[Mr. Fleming (Eglinton).]

could expect the parliament of Canada to go further under the circumstances. The next recital proceeds as follows:

Whereas pursuant to the recommendations made by the royal commission established in fulfilment of the obligation of the government of Canada under the said term 29, it is now desirable to enact a measure to provide for additional grants to the province of Newfoundland.

Then follow the operative provisions of the bill and provision is there made for payment to Newfoundland of all of the sums which were recommended by the royal commission up to the 31st day of March, 1962.

Mr. Speaker, yesterday something was made or, as perhaps I should more accurately say, something was attempted to be made in argument that the word "thereafter" appearing in the final paragraph of the report of the royal commission means forever and forever thereafter. In my respectful submission, Mr. Speaker, that is an interpretation which that language will not bear, even in the most strained interpretation. The fact is that the royal commission, faced with the strong argument from counsel for the province of Newfoundland urging review, would have proposed a review at a named date if they had felt that they had the power to do so. But unfortunately for that purpose, the terms in article 29, as drafted, whether those who were in the federal government in those days and the government of Newfoundland in those days were responsible for it, do not take into account all the difficulties or burdens that were cast upon the shoulders of a royal commission in asking that royal commission to project into the future, however far they might attempt to do so, recommendations of a financial nature based upon evidence of what had occurred up to that time.

I am perfectly satisfied that if those who drew article 29 had had the foresight to enlarge that term to include within the ambit of the reference to the royal commission the power to make a recommendation with regard to a future review, this royal commission would have followed that course. They would have named some particular period and said, "That is as far as we can see ahead and at that date we wish that there should be some further review". But article 29 did not make any such provision. The royal commission therefore felt itself circumscribed and therefore it used this word "thereafter" knowing perfectly well that the competent counsel for the province of Newfoundland had said to it in his submission, "These payments are not being asked for indefinitely" because they were dealing with a period which was expected to be of limited duration.