

*The Address—Mr. W. J. Browne*

the per capita debt of Canada was \$50 per head. Newfoundland's debt was \$15,000,000, or \$75 per head. The government of Mackenzie Bowell refused pointblank to accept any further responsibility because of the fear of repercussions in the other provinces of Canada.

On April 16, 1895, he wrote to the Earl of Aberdeen as follows:

Referring to our conversation of yesterday afternoon, I enclose herewith a memorandum showing the financial aspect of our negotiations with the Newfoundland delegates, from which Your Excellency will learn the difficulties that lie in the way of our acceding to the full request of the representatives of that colony. If these figures and explanations are not sufficiently clear and elaborate, kindly let me know, and I will furnish any other that Your Excellency may require.

His idea was that Great Britain should assume the debt of \$5,000,000. It was because of this that negotiations fell through.

After the referendum had been taken in 1948 and the people had by a majority endorsed the policy of confederation, a delegation was sent to Canada. This delegation was in a position, because those who opposed confederation in Newfoundland had shown it beyond any shadow of doubt, to say that the terms proposed by the Right Hon. W. L. Mackenzie King were insufficient. The terms were then improved, but have we been given a permanent grant to make allowance for the difference in the per capita debt of the two countries? What is the per capita debt of Canada today? Is anyone in this house in a position to tell me? Is it \$1,000 or \$1,400? The per capita debt of Newfoundland last year was \$200. The per capita debt of Canada was seven times as great. Does that not mean that the people of Newfoundland have now taken upon their shoulders this tremendous burden of Canadian debt? The per capita debt of Newfoundland is not now \$200 but \$1,400.

I doubt very much whether, under those terms, the people will be able to continue. They have been given an increased transitional allowance. I made a calculation of the amount of revenue which was left to Newfoundland after income taxes were taken away, after customs duties and excise taxes were removed. According to the figures supplied by the black book published by the dominion government, about \$1,000,000 remains to Newfoundland. Of course, we were given a grant of \$6,000,000 instead of the income tax, but that only brings Newfoundland's revenue up to \$7,000,000.

The cost of operating public works alone over the last ten years has been about \$10 million a year, public health between \$6 million and \$7 million a year, and education in the neighbourhood of \$5 million a year. What

we shall find now is that the poor deluded people of Newfoundland will be told that they must find other sources of revenue. In the various districts, in Placentia and St. Mary's, and in the districts that my hon. friends from Newfoundland represent, the people will be told, "You cannot get this money to spend on education now. We have not got it to give you. You will have to find it yourself. You must do what is done in the other provinces of Canada where fifty per cent of the money for education, health and welfare, and public works comes from the people directly through direct taxation." We have not been accustomed to that form of direct taxation. It is only those people whose salaries are in the higher brackets, men who pay income tax, who have been accustomed to direct taxation. The majority of our people on small incomes have been accustomed to contribute to the revenue in an indirect manner.

I told my constituents that I would ask some spokesman from the government side to explain the principle upon which the financial terms of the agreement were settled. We come here now—at any rate, I do—to seek justice and an amelioration of these terms. If our leader had been elected at the head of a party in the majority, I believe we would have had a good chance, if we could put forward a just case, for the amelioration of these terms. It may be asked what our attitude will be. I am sure hon. members must be curious to know what will be the attitude of those of us who fought hard against confederation, who were opposed to confederation in principle, or who were opposed to the means by which it was brought about, or who were opposed to the terms which were inadequate. Having given careful thought to this important matter, I should like to say that we accept the fact of confederation and that, in the interests of peace, harmony and unity, we shall work for the welfare and benefit of the country as a whole. But, Mr. Speaker, we shall always look for and expect just treatment on the part of the government.

I now wish to refer especially to two matters mentioned in the speech from the throne. The first is the trans-Canada highway. As you know, Mr. Speaker, for various reasons our country is sparsely populated and our people are interested mainly in the fisheries which surround that island, with its thousands of miles of inlets and bays. The interior of the country is hardly developed. Nevertheless, we have built over twenty-five hundred miles of roads. It is true that not all of them are first-class roads. Most of them are far from second-class. But we have the beginning of a trans-insular highway. Less than two hundred miles of roads remain to be built to link up the east and the west. If