

Grants to Newfoundland

development and we are prepared to assist provinces in carrying out their functions where we agree that is necessary and when parliament approves. We are prepared to consider on their merits major projects which will contribute to national development and which are beyond the capacities of any of the provinces.

Has that not been carried out in New Brunswick and in Saskatchewan? It will be carried out in other provinces as well.

Mr. Speaker: Does the house agree to give the hon. member additional time?

Some hon. Members: Agreed.

Mr. Browne (St. John's West): Thank you, Mr. Speaker, and thank you, my hon. friends.

The Prime Minister went on to say:

Now may I turn for a moment to the subject of fiscal relations in particular. As I view the situation, the first problem we have to consider is the need for some special recognition of the situation of the Atlantic provinces. There is, of course, a royal commission considering the particular problem of Newfoundland in accordance with the undertaking in the terms of union, so I shall not endeavour to express opinions upon Newfoundland's position pending receipt of the recommendations of the commission.

My hon. friend quoted this. I continue:

I believe that we all recognize, however, that the Atlantic provinces as a group are confronted with greater difficulties in public finance than the rest of the nation, if they are to maintain the sort of provincial and municipal services that Canadians generally expect.

Are these the words of a man who is unfair or untrue to the interests of Newfoundland or of any province in Canada? I say no. Those are words expressing the thoughts of a man who is really ambitious to see that all parts of Canada shall have equal opportunities to progress. The Prime Minister went on to say:

My colleagues and I are prepared to recommend to parliament some form of special assistance to the governments of the Atlantic provinces. I ask you to consider—

I repeat, "I ask you to consider"—you, meaning the group of premiers. I continue:

I ask you to consider what the total amount should be and how best it can be divided, for it must not be forgotten that this assistance will be provided by all the people of Canada.

We know what happened. They recommended \$100 million for the Atlantic provinces and Newfoundland was to receive \$30 million of that. My friend the hon. member for Bonavista-Twillingate knows that that sum will go into every harbour, cove, town and settlement in his dear district of Bonavista-Twillingate as much as it will go into mine.

Not only Atlantic grants totalling \$30 million in four years are to be considered, but there is also the Atlantic power act. I should like to ask what happened to the

request of the premier of Newfoundland concerning the building of a transmission line from Bay d'Espoir? We agreed to do that at a cost of \$10 million. What happened? We have not heard about it since we told the premier about it.

When that \$30 million was voted for Newfoundland we received letters of thanks from the parliaments of New Brunswick and Nova Scotia but no one heard a sound from Newfoundland. Did anyone hear what the premier had to say about it? No, he just tucked it in his pocket and never said a word of thanks. The first sign of any gratitude came from the hon. member for Bonavista-Twillingate yesterday when he said he approved of it.

Mr. Pickersgill: I said so on the bill, too.

Mr. Browne (St. John's West): That was the first indication we had of any gratitude. This money was really a godsend to Newfoundland. I do not know how the province would have got along without it.

Mr. Pickersgill: I agree.

Mr. Browne (St. John's West): In 1958-59 Newfoundland is to have a surplus of \$12 million and in 1959-60 a surplus of \$4 million, as a result of what is being paid. I am sure the present Minister of Finance of the federal government would like to have even that small surplus.

The Leader of the Opposition said that the problem was complicated. If the problem is complicated the report of the commission is extremely complicated. I do not know how many hon. members have read this report but it certainly is a difficult report. I found it exceedingly difficult to understand. If they read it thoroughly they will recognize that what the government is doing represents a very much better means of solving the financial problems of Newfoundland than was provided for under term 29.

The hon. member for Burin-Burgeo said that this bill postpones a final settlement indefinitely and he is right. There can never be any final settlement to the relationship between the federal government and the provinces. The original subsidies were given to the provinces in 1867 and thereafter have been changed ten times. It is reasonable to conclude that this parliament is not attempting to write finis to financial aid to Newfoundland. I should like to compliment the hon. member for Assiniboia for his very reasonable speech. I really expected he would support this measure from the way he spoke.

The bill provides for a review of fiscal relations between Newfoundland and Canada before March 31, 1962. The special circumstances of Newfoundland will be considered.

[Mr. Browne (St. John's West).]