

The Address—Mr. Higgins

are already beginning to feel what our United States friends call a recession. I should like to point out to you also that this debit balance has been incurred at a time of the year when we have comparatively little in the way of relief payments to make. In today's press I noticed an item to the effect that the price of liquor in Newfoundland has been increased by 50 cents a bottle. It is terrible. I trust some of my friends who buy a liquor known as "screech", who formerly paid \$2.50 for their bottle of "screech", when they come to pay \$3 for it—

An hon. Member: They will screech.

Mr. Higgins: Screech is quite right.

Now, Mr. Speaker, deficits of this size may seem very small to you who are accustomed to dealing in large sums. I would imagine that a deficit of \$5 million is merely chicken feed to many of the provinces up here. I can assure you, however, that a \$5 million deficit for the province of Newfoundland—if that is what it amounts to and I sincerely hope it does not—is something frightening.

During the negotiations with the second delegation from Newfoundland in 1948 a memorandum was issued by the government in which it was stated that an effort would be made to make the amount of surplus sterling held by Newfoundland available to Newfoundland in dollars within one year after the date of union. This was money that had been on deposit in England and, so far as we were concerned, was blocked sterling. We were rather doubtful of obtaining it. Quite recently I was informed that the government of Canada has made this blocked sterling available to the province. I sincerely hope that is true, because we shall certainly need all the money we can get this year to enable us to carry on and handle our unemployment problem. Only today I was informed that the United States bases in Newfoundland have paid off 600 people. Those 600 people are now on the list of unemployed. Again, the number may seem small to hon. members but it is by no means small to us.

I should like you to understand that, as a result of confederation, our secondary industries have been hit very hard. It is problematical whether our clothing factories, our breweries, foundries, tobacco factory, paint factory and the rope manufacturing plant will be able to withstand the competition from the mainland. If that happens, Mr. Speaker, it will have serious repercussions not only in the districts represented by the hon. member for St. John's West (Mr. Browne) and myself, but in the entire country. I hope that, in accordance with the terms of the agreement, some form of assistance will be rendered to the secondary industries by some government

intervention. I do not know how it can be done, but if it can be done it will be a wonderful thing for industry. Now, Mr. Speaker and hon. members, do not for a minute think that we Newfoundlanders are coming to you with our hat in our hand begging you for assistance. That is not so. I merely wish to point out to you that at some future date the federal government will be faced with the problem of making additional grants available to Newfoundland, so that she will be able to maintain her place as a member in equal standing with the other provinces of this great dominion. By the terms of confederation we have given to Canada full value, and in the future still greater value will be obtained from the assets we have turned over. I may add that I am not at all unmindful of the splendid services that have come to Newfoundland and of the cost of those services to Canada. But bearing all that in mind, I still say that we have given good value and will continue to do so.

For the benefit of some hon. members who may not be fully aware of what Newfoundland turned over to Canada in real property, I am just going to go through the list quickly for you so that you will have a slight idea of what you obtained for your money and what you will continue to get. First, there is the Newfoundland railway, including rights of way, wharves, dry docks and other real property, rolling stock, equipment, ships, and other property. That means that the whole railway system together with all our ships have been turned over to the federal government. A great many jokes have been made about our railway, many funny stories have been told about it and many funny verses have been sung; but I can assure hon. members that, as far as we in Newfoundland are concerned, our railway system is still first-class. At the time of our pre-confederation talks that item alone was valued by the officials of the railway at \$70 million. You have also obtained—and I may say that this is not an auction sale; I am merely repeating the things we have sold—the Newfoundland airport at Gander, including buildings and equipment, together with any other property used for the operation of the airport; the Newfoundland hotel; public harbours, wharves, breakwaters and aids to navigation; bait depots and the motor vessel *Malakoff*; military and naval property, stores and equipment; public dredges; the public telecommunication system, including rights of way, land lines, cables, telephones, radio stations; real and personal property of the Broadcasting Corporation of Newfoundland; and customs houses and post offices. In actual property value, all that represents an extremely large sum of money. It has been