

Grants to Newfoundland

Mr. Pickersgill: No, I think I would prefer to continue, for the reason that I should prefer to have my own 40 minutes. If I am allowed a little extension of time I shall be glad to answer the hon. gentleman.

The Prime Minister quoted something from the *St. John's Telegram* of 1958, but if he would read the *St. John's Telegram* since March, 1959 he would find it impossible to discover any similar articles anywhere; I do not think he would find many of them agreeable any more than, I am sure, he found agreeable reading what the premier of Newfoundland had to say about what some articles in the press today described as the peace move which was made yesterday. "Peace move" is a very curious way to describe it.

The Prime Minister indulged in his usual rhetoric about the Tory party living up to the spirit of confederation—the usual words, idle words, with which these things begin—and then he went on to pervert, and that is the only term I can apply to it, the words of Mr. St. Laurent about term 29. I should like to read some of page 289 of *Hansard* for February 7, 1949 which was carefully left out by the Prime Minister and by the Minister of Finance (Mr. Fleming).

Mr. Diefenbaker: It was quoted yesterday, twice.

Mr. Pickersgill: Not this part:

This section of the Canadian economy generally described as the maritimes was felt to be the one which would be most nearly comparable to the situation which would be apt to develop in Newfoundland. It was felt that for a transitional term the government of Newfoundland had to be provided with sufficient funds to establish and develop services comparable to those available to the people of the maritime region, and that it had to be able to do so without imposing upon the people of Newfoundland a burden of taxation heavier than that prevailing in the maritime region.

Then he went on—

After long negotiations it proved possible, I think, to arrive at the scheme which is set out in the terms of union, and which is apt to achieve that result.

In other words, what Mr. St. Laurent said about this was that it could be expected that these transitional grants would enable Newfoundland to bring her situation up to the maritime level, which she has not, in fact, done. And then he went on to say:

Human foresight, however, is never as good as hindsight.

The Prime Minister did not quote that, for obvious reasons.

It was also provided that within eight years from the coming into force of the terms of union a commission would be set up to examine the situation anew, and to report as to whether or not the terms provided are working satisfactorily and are

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sufficient to bring about the object of equalizing the lot of the people of the new province with that of the people of the older provinces.

Anyone who reads this report will see that that has certainly not been achieved, and the commissioners did not suggest or hint that it would be achieved soon. In fact, they made it perfectly clear that it would not be achieved by 1962, the cut-off date. But what is going to be much harder for people to take than anything else, and for Mr. St. Laurent, himself, is the perversion of these words:

There is no undertaking to implement any terms of recommendation that may be made at that time by a royal commission.

By itself, taken out of its context, this has one significance, but read with the following words, what does it mean?

It was felt by the Newfoundland delegation, and by the representatives of the Canadian government, that this was something that was being entered into in a spirit of fairness on both sides, and that it was not necessary to make binding stipulations about what would happen with respect to the report of a royal commission.

Why? Because it was expected that men of honour would be dealing with the question on both sides, and that the terms of union, like those of the British North America Act, would not be interpreted by police court quibbling.

When the Prime Minister was serving under another leader his party took a very different view of this matter, and I should just like to remind hon. members of the view taken by Mr. Drew when he was leader of the party. I have here an extract from the *St. John's Telegram* of January 15, 1953 which is headed: "Drew—Deserve Better Terms" which reads as follows:

The first national party leader to react to E. J. Russell's proposal that Newfoundland "give all seven federal seats to the party which will commit itself most deeply to a revision and a betterment of the financial terms of union", was Hon. George Drew.

He wired Gordon Higgins, Q.C., M.P. for St. John's East, last night that he believes Newfoundland is entitled to much better terms than those now existing.

I should just like to read the telegram, the text of which was given in full. It was addressed to Mr. Gordon Higgins, St. John's, Newfoundland.

Replying your question regarding 1949 statement revision financial terms with Newfoundland you may confirm this without hesitation. I believe Newfoundland is entitled to much better terms than those now existing. As you are also aware I believe the rights of the province should be much more firmly established than they are now.

That was the pledge on which the hon. gentleman who is now a member of the government sought the suffrages of the electors unsuccessfully in that election. That was