

The Address—Mr. McGrath

between North Sydney, Nova Scotia and Argentia, Newfoundland, and to provide for the construction of the necessary vessel and docks.

Members of the house generally, apart from those hon. gentlemen who come from Newfoundland, are not fully aware of just exactly what this means to my province. Because of our insular position we are practically cut off from any direct communication with the mainland of Canada, except for the services provided by Trans-Canada Air Lines and to a limited extent by the C.N.R. As a consequence of this fact, Newfoundland has not been able to participate in the current boom in the tourist industry in Canada, particularly in eastern Canada. With the construction of this new vessel, for which provision has been made in the estimates for the fiscal year 1962-63, at an estimated cost of \$12 million, Newfoundland for the first time will be able to build up a tourist industry which will be of no insignificant consequence to the economy of my province.

In this regard may I say that I was rather surprised, during the course of the remarks of my friend the hon. member for Burin-Burgeo, to note his reference to this matter. As found at page 162 of *Hansard* at the conclusion of his remarks, in reply to a question by the hon. member for Queens-Lunenburg (Mr. Crouse) the hon. member stated:

In reply to my hon. friend's question, when it does materialize it will provide an extra day or two employment for the people in that area who are now working only two or three days a week.

I submit, Mr. Speaker, that my hon. friend did not give his answer very much thought. Otherwise he would not have answered as he did. I am sure that on reflection he will agree that this service will mean, in terms of real value to the eastern part of Newfoundland, a substantial tourist industry and all the things that go with it, such as tourist accommodation and the real cash that tourists bring into an area.

When my hon. friend answered the question of the hon. member for Queens-Lunenburg in the way he did I feel that he did so without thinking, or else that he was motivated by what I suspect to be narrow political partisan motives. I can put no other construction on what he said. The people of eastern Newfoundland, and particularly the people of my constituency, will not forget the fact that it was this government that inaugurated this service. I hope that not too much time will elapse before this vessel is completed and is in service between eastern Newfoundland and the mainland of Canada.

At the appropriate time I hope to have more to say on this matter. At the present

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time a controversy is under way in my constituency as to where the Newfoundland terminus for the new ferry service should be located. There is prevalent a school of thought in the Department of Transport which holds that the Newfoundland terminus should be located at Argentia. However, in my constituency there is an equally vocal group, which includes the municipal council of the city of St. John's and other important bodies, which is of the opinion that the Newfoundland terminus should be located at the harbour of St. John's.

I should also like to refer briefly to another matter of tremendous importance to the province of Newfoundland. I refer to the second report of what is known as the MacPherson commission, the royal commission on transportation. Among other things the report deals with a problem that has been a deterrent to Newfoundland's economic well-being for many years, and it has captured in a most imaginative way the real crux of the problems associated with the economy of Newfoundland. Commencing at page 263 of the second report of the MacPherson commission there is a section dealing with the special problems of Newfoundland, and I quote from that page as follows:

Because of its geographical position and stage of economic development, it has peculiar transportation needs unlike the other settled parts of Canada.

I should like to quote from the latter part of the section of the report dealing with Newfoundland's special problems, in which the commissioners summarize their recommendations and conclusions and advocate special assistance to the province of Newfoundland in the construction of a network of roads to facilitate the flow of goods and ease of communication, thus helping to stabilize the economy. I quote from the last paragraph, and I do so because it summarizes much more adequately than I ever could the real needs of Newfoundland with respect to transportation and its importance to the economy of Canada's newest province and, indeed, eastern Canada generally; because the economy of Newfoundland certainly has a bearing on the Atlantic region as a whole and we are in fact their most important customer. The last paragraph on page 272 reads as follows:

A highway network of the size necessary is beyond the present resources of Canadians in Newfoundland. The situation calls for assistance by the federal government and there are enough precedents for such a program. Public works to stimulate the economy of a province or an area have been a continuing part of national policy in Canada.

The report continues:

For example, assistance in constructing power plants and irrigation systems as well as transportation facilities in all parts of Canada can be cited.