

Joey Smallwood



When Newfoundland voted to join Canada in 1949, Joey Smallwood became a Father of Confederation fifty years after the other Fathers were dead. He was elected the first premier and re-elected five times, serving until 1971. Now vigorous and busy at eighty, he believes Newfoundland's economic prospects are the best in 500 years, that the oil field off the southeast coast is "the greatest in the world, next to Mexico's" and that the province he nurtured is entering a new era of general prosperity.

He speaks of the benefits of Confederation in a boisterous, young man's voice: "We're better off in transportation, airports, highways, in education, in public health and in just about every aspect of life."

He has great faith in the future of the fishing industry and is not concerned that the province's claim to the Grand Banks is still not recognized by the federal government.

"The fisheries are Canadian, but the people doing much of the fishing and processing are and will be Newfoundlanders. There are four billion people in the world and a continuing need for

protein to feed them. Most of the people in the world can't afford beef or pork. We can provide fish in abundance."

Homestead

The family home of Joey Smallwood, Russwood Ranch, 5,500 acres, is the largest farm in Newfoundland. Five hundred acres are under cultivation, five thousand are rough pasturage. The Smallwoods have raised pigs, mink, cattle, sheep, poultry and pheasants.

Come-by-Chance

One project with which Joey Smallwood is closely identified was built in the early 1970s but never became a profitable operation. It is a town and an oil refinery with an appropriate and very Newfoundlandish name, Come-by-Chance. At the moment the refinery lies idle and the gamble does not appear to have paid off, but there is still a long-shot chance that it will.

The stakes at the beginning were, in theory, \$30 million from the provincial government and some \$90 million from John Shaheen of New York and his friends. The plan was to build an oil refinery that would convert a poor village of fifty-six tired frame houses into a prosperous industrial centre with power stations, plants and mills. Mr. Shaheen had made a fortune selling coin-in-the-slot insurance at airports and then diversified into oil. Together he and Smallwood worked out a complicated plan involving a provincial crown corporation that would not pay federal income taxes. Shaheen, the principal fundraiser, would have a fifteen-year option to buy the whole operation for \$2,000.

The option and other aspects of the deal were greatly criticized by other politicians, and many people complained that Shaheen could hardly fail to make millions. Smallwood replied that the benefits to Newfoundland would greatly outweigh the benefits to Mr. Shaheen. In fact, there were few benefits to be balanced. The refinery never made a profit and went bankrupt in 1976, with a total debt estimated at \$600 million. The government-owned Petro-Canada oil company recently acquired an option to buy the facility from the British banks which are its principal creditors and is studying the possibility of an economically sound revival.



Come-by-Chance has lain idle since 1976, but there is now a possibility that it will be rehabilitated.

The engraving, opposite, shows the distress caused by the expulsion of the Acadians in 1755.