

Newfoundland

population. That would be the condition in Newfoundland.

It seems to me that if the telephone and telegraph lines are placed under the Canadian National Railways in certain areas of the country, we would be inflicting a further burden upon the railways. Surely when we took over the railways we inflicted burden enough upon them, to a point where they have found it difficult to make a decent showing.

Mr. Chevrier: From surveys which the Canadian National Railways have made through their subsidiary, the Canadian National Telegraphs, it would appear that it would be much less costly to the government if those three services were operated through one agency, rather than to divide the service as between the government on the one hand and the Canadian National Telegraphs on the other.

Mr. Coldwell: You would have to pay some subsidy to the Canadian National Railways. When we have before us the story of deficits of the Canadian National Railways we always hear arguments; and I do not think we should knowingly and willingly do something to increase that deficit, or to raise arguments of the description we heard before the war.

Mr. Knowles: The Canadian Pacific is not asking for this privilege.

Mr. MacNicol: I have one question to ask with respect to paragraph (d), "civil aviation, including Gander airport". Gander is a most excellent airport. Daily—indeed several times each day—people meet at that point from all parts of the world. It is rapidly becoming one of the great airports of the world. I should like to ask about the position with respect to Goose Bay in Labrador.

Mr. St. Laurent: Goose Bay in Labrador is already a Canadian airport.

Mr. Fraser: Torbay is also a Canadian airport.

Mr. St. Laurent: Yes.

Mr. Fraser: What about the United States base at Argentina?

Mr. St. Laurent: Argentina is one of the three bases covered by the leases entered into between the governments of the United Kingdom and the United States, and which we must respect as made unless and until we can get some variation in those leases through negotiation with the government of the United States.

Mr. Fraser: I was wondering if in the event of fog our aircraft would be allowed to use the airport at Argentina, or take off from that point?

[Mr. Coldwell.]

Mr. St. Laurent: Only in cases of emergency. They are not allowed to make regular use of that field; but under the agreement there would be permission for emergency landing or take-off purposes.

Mr. Fraser: Would they be able to refuel, too? When I was over there we had difficulty getting enough fuel for our aircraft.

Mr. St. Laurent: It would be only on occasions when emergency landings would be necessary that the use would be permissible.

Mr. Jackman: Arising out of the question asked by the hon. member for Rosetown-Biggan, may I ask if the railway in Newfoundland will be acquired by the Canadian National, or will it be merely operated by the Canadian National as an agent for the Canadian government? In that event it would be in the same position as the Hudson Bay Railway and would not be included in the accounts of the Canadian National.

Mr. Chevrier: The railway will become the property of the government of Canada, and will be operated by the Canadian National as agent for the government, in the same way as applies to the Intercolonial.

Mr. Jackman: In other words any deficit or profits arising from the operation of the Newfoundland railway will not enter directly or indirectly into the accounts of the Canadian National.

Mr. Chevrier: That is a matter of accounting.

Mr. Jackman: No, it is a matter of operation.

Mr. Chevrier: I do not know what proposal the Canadian National will bring forward. However, the Intercolonial is now an integral part of the Canadian National, whereas the Hudson Bay Railway is not. A separate item is put in the estimates to cover the Hudson Bay Railway.

Mr. Jackman: The government has not yet made up its mind.

Mr. Chevrier: I would presume from what I have said already the position would be that the Newfoundland railway would be integrated with the Canadian National system.

Mr. Smith (Calgary West): I have only one suggestion to make, and that is that the government should do nothing which could possibly give us a telephone system such as they have in England.

Section 31 (b) and (c) agreed to.