

the expenditure on such things as our hospitals and legitimate poor, but he may have in mind the imposition of such taxes as hospital taxes to make up the deficiency and thus continue the present social services our people are getting through our present form of government.

Mr. Smallwood Point of order...

Mr. Chairman I am making a ruling — I want to repeat again now, that when a member is occupying the floor, no other member may rise in any circumstances unless he is rising to a point of privilege or point of order.

Mr. Cashin If you go into a restaurant in Montreal and buy a meal which costs over 35 cents, you pay 5% hospital tax on it. Mr. Smallwood might have something like that in mind. If so, he should have injected it in his own budget and tell us where he is going to get that money.

Now we come to the Department of Natural Resources, which we find has an annual ordinary expenditure for the present fiscal year of \$3,646,700. To begin with, Mr. Smallwood wipes out any relief to be given to the people of Labrador, shown in these estimates as amounting to \$10,000 annually. I wonder what the Rev. Mr. Burry thinks of this, particularly in view of the fact that even though only \$10,000 is voted in the estimates this year for such relief, we find that because of the stupid policy of the Commission government and the Dominions Office, it will cost the treasury in the vicinity of \$50,000. The extra relief was brought about because the United Kingdom government refused to permit the Labrador Development Company to transfer from England some \$200,000 for the purpose of continuing its woods operations on the southern end of Labrador.

Mr. Chairman You are out of order. What has that got to do with the terms?

Mr. Cashin In the estimates there was \$10,000 outlined for relief. That has been lopped off. I let no man kick me around.

We find that Mr. Smallwood eliminates nearly \$40,000 in connection with the development of handicrafts; that he cuts out over \$300,000 in connection with the development of our fisheries; and that other important surveys, as well as financial help for rural development have been eliminated. He ends up by estimating that the Department of Natural Resources should be administered at a cost of roughly \$1.75 million

annually, whilst in our Economic Report we estimated an expenditure of \$2.5 million annually on ordinary account, as well as an additional \$1 million from our anticipated surplus for the purpose of encouragement and development of fisheries, particularly the fresh fish industry. In all, under the Economic Report plan the sum of \$3.5 million was outlined as against \$1.75 million under Mr. Smallwood's proposal.

Mr. Smallwood Is this the budget?

Mr. Cashin I wrote two budgets. I was helped to write the first one, and what little I know Sir Patrick T. McGrath taught me. If you call this a budget, then I say this committee should rise, because it is not a budget. A budget outlines expenditures and revenues and explains them. This explains nothing.

But we must take into consideration at this time that if we unite with Canada, we must agree not to use any of our funds for the development of any of our products that may in any way compete with similar Canadian products. Therefore we see that it is proposed to save substantial sums of money in the administration of the Department of Natural Resources, but on the other hand we must realise that if we adopt such a course, our products of the sea and forests must be made to suffer for the sake of similar products in Canada.

Now let us review the Department of Public Works. Under the estimates of expenditure for the fiscal year 1947-48, the total expenditures are estimated to cost, together with \$900,000 recoverable advances, approximately \$8.7 million. Mr. Smallwood, after apportioning \$2,358,000 of this amount to be taken care of by the federal government, proceeds to lop off another \$4 million which was voted during the present fiscal year under the heading of Reconstruction. He tells us that there will be no new roads built, although in another breath he said that he strongly favours the development of the tourist traffic, which we all must admit is dependent upon the expansion of our road system. Then he also cuts out \$1.5 million for the expansion of hospitals and other buildings, many of which are now under construction and which must be finished. Whilst he leaves the staff of the Geological Division intact, he cuts out \$45,000 which was used for field work during the present year.