

Then there would be no need of the steamers being jammed in the ice in December. I am sure that Mr. Ashbourne and Mr. Watton will support me on this very worthy and urgent road project. By this road will travel lumbermen, fishermen, farmers, and tourists....

Mr. Smallwood Mr. Chairman, I listened with very great interest indeed to what Major Cashin had to say, and nothing would give me more pleasure than to be in a position at this moment to take up in discussion some of the matters he discussed. I am positively itching to discuss the matters touched on by Major Cashin. Perhaps the opportunity will come my way to do that before the Convention ends. Unfortunately, however, I have a duty this afternoon that I must perform, namely to deal briefly with this supplementary report on the operation of Gander airport.... Now, Mr. Chairman, when the original report on Gander was brought in, I said as plainly as I could — well, perhaps I did not exactly say, but I certainly hinted very broadly — that in my opinion the people and Government of Newfoundland would not have to pay a dollar of the losses that would be run up in operating Gander. I was the only one, I believe, who did say that, because I had information, gathered at Gander and here, that led me strongly to believe it.... Now today we have a little more knowledge about it, given to the Committee by Mr. Neill, the Commissioner for Public Utilities, who is the final boss, in Newfoundland at any rate, over Gander.

I am convinced that this interview that we had with Mr. Neill is very strong evidence that my original contention was correct. Major Cashin put this question to Mr. Neill. Major Cashin said, "The government agreed to operate, knowing there was going to be a loss, primarily for the purpose of helping these air companies?" Mr. Neill said, "I go with you except to say that we never contemplated there would be a loss on the Newfoundland exchequer". Then Major Cashin said to him, "You must have some reason for that?", and Mr. Neill replied, "Yes". Then Major Cashin said, with a question mark in his voice, "Great Britain half-indicated they would pay the deficit?", and Mr. Neill said, "Well, in brief words, we have put up the case to them and they have not yet finalised it" (page 3 of the report). Major Cashin said again, "Why should New-

foundland be burdened with this expenditure of \$750,000," and Mr. Neill replied, "I am hoping we will rectify that." I said to him, "When you did it (that is, took over Gander), did you have any knowledge or belief that Newfoundland would not have to pay that operating deficit on Gander?", and he replied, "We always put up the position that we would require assistance for the operation of Gander." I said, "To whom?", and he said, "To the British government." Major Cashin said, "They did not say 'yes' or 'no' they would pay this deficit?", and he said "Not yet." I said to him, "Is this the position: you took over the operation of Gander, believing there would be a deficit in its operation, and hoping only that the British government might help Newfoundland in paying the deficit?" He said, "I would not go so far as to say that. We have placed the position before the British government, stating that we expect assistance in the operation of Gander." I asked him, "When did you put that before them?", and he said, "Several times." I said, "When was the earliest time? Did you put it to them before you decided to take over the airport?", and he replied, "I think it was always known." It was an understood thing between the Commission of Government and the British government that if Newfoundland were to take over the operation of Gander, and if there was to be a loss ... each year that Britain, or PICAQ,¹ or someone would have to pay it, but not Newfoundland.

It is important, extremely important, to know where we stand on Gander. I won't go so far as to say that we now know definitely, beyond all doubt, that the loss in running Gander will not have to come out of our pockets; we do not know definitely and finally, and we will not know it until the government here gets a final official reply from the British government, but we are going to get it....

The last thing I have in mind is to defend the Commission of Government. Except for the first year they were in the country, I have always been against them.... At the same time, if they have a word of credit coming to them I see no reason why I should refuse to give them that word of credit. If I had thought when I piloted the Gander report through this Convention just before Christmas, that the Commission of Government

¹Provisional International Civil Aviation Organisation.