

*Newfoundland*

traffic; and if Newfoundland is to get all her imports from us it will make the position that much worse.

The question I want to ask the Prime Minister is this. When seven members are elected and six gentlemen are appointed to the other place from Newfoundland, will the pass on the railways in Canada also be good on the boat from Newfoundland to North Sydney, where they hit the Canadian National railways? If it is not, it should be. I am informed that in many ridings where a boat has to be used the pass on the railway is not good on the boat; and I think that is something which should be given consideration.

I hope the Minister of Transport now is able to tell us when he expects that engineering report on the improvement of transportation facilities in and around the strait of Canso might be available, because it is tied in very definitely with section 32.

**Mr. Chevrier:** I am sorry I was not here when the junior member for Halifax began his remarks, but from what he said afterward I gathered he was interested in the transportation facilities in that area, and I think mainland of Cape Breton and Newfoundland but also in the whole area extending from the strait of Canso to North Sydney. The hon. member for Cape Breton South also interjected some remarks to which perhaps I should reply.

I had not expected, and I am sure the committee did not interpret, section 32 of the terms of union with Newfoundland to be a section upon which something should be said about Canso. However, I am quite prepared at this time to tell my hon. friends, particularly the junior member for Halifax, who dealt with it at the beginning of his remarks, that it is rather difficult to deal with a matter which is still in the hands of a board of engineers. I am sure the hon. member for Cape Breton South is most anxious to draw me out. I would not think the junior member for Halifax would want to do that; but much as I would like to be drawn out I can only repeat what I said before, which is that the board of engineers is still studying the project. There are four methods of transportation across the straits: the tunnel, the bridge, the causeway and improved facilities. In the last conversation I had with the board of engineers they indicated to me that they could come to no conclusion as to which of these methods of transportation would be most suitable and most practicable having regard to all the circumstances, but that before they could carefully consider the question of a bridge they would have to get authorization to put a test pier down in the strait in order to get certain data. The con-

[Mr. Gillis.]

versations I had with the board indicated that a report would be forthcoming along those lines. That report has not yet been forthcoming, and when it is I can assure the committee it will be dealt with as rapidly as possible.

Another point raised by the junior member for Halifax was in connection with the transportation facilities not only to and from the I can deal with this rather quickly. The preliminary survey made by the officers of the Canadian National Railways indicated that after union there would be a considerable increase in transportation to and from Newfoundland. The report indicated an increase of thirty per cent for coastal steamships, a thirty per cent increase in rail traffic, and a twenty-five per cent increase in traffic across Cabot strait; and, as has been brought out already, I think it will be necessary to improve the facilities at North Sydney. That is being given careful consideration at the moment, and when the matter has been brought to a definite position it will be possible for me to take it up with my colleagues. Beyond that I am afraid I can say no more at this time.

At six o'clock the committee took recess.

#### AFTER RECESS

The committee resumed at eight o'clock.

**The Deputy Chairman:** When the committee rose at six o'clock, I believe they were dealing with section 32. Shall the section carry?

Section agreed to.

Sections 33 to 36 inclusive agreed to.

On section 37—*Natural resources.*

**Mr. MacNicol:** I should like to know if the water powers on the Humber, the Gander and the Exploits rivers have been allocated to any company producing power; and if so, do they belong to the province or to private interests?

**Mr. St. Laurent:** All the natural resources of the territory included in the island, and that part of the Labrador coast which forms part of Newfoundland, remain with the provincial government.

**Mr. MacNicol:** Is the Prime Minister able to tell us whether any arrangements have been made in reference to the development of Grand Falls on the Hamilton river in Labrador? It is about 100 or 150 miles east of where the iron is being developed. At the time the bill was passing through the house,