

terms of confederation are the regular, the normal terms of confederation. These are what the other provinces get. These are the things which are laid down in the British North America Act, Canada's constitution. Sir, what else could they be? Canada has only one constitution and so far as financial terms are concerned, that is what binds all parties to confederation.

We hear a lot in this debate about going up to Ottawa and negotiating better terms. The man who put forth that argument about negotiating showed plainly that he just doesn't understand. He doesn't even begin to understand confederation. Such a man probably has in his mind a picture of confederation something like this — of a couple of shrewd bargainers meeting and haggling and dickering and bargaining, each trying to get the best of the bargain — each trying to get the better of the other. And somehow, for such a man it seems likely that an elected government would get better terms. But nothing, nothing could be further from the truth. Whoever the Canadian government are, and whoever it is that they may be dealing with, the Canadian government is tied hand and foot in this matter. They cannot go outside the British North America Act or outside of any special regional financial arrangement made with a group of provinces. And even any such regional arrangement must have its basis in the BNA Act. That's the hard fact that knocks on the head the idea of an elected government going up there and negotiating better terms. To start with, it's not a matter of negotiating at all. It's a simple matter of going up there and ascertaining, learning, finding out what the terms are. In the second place, the Government of Canada are bound by the constitution of Canada known as the British North America Act. So, when Mr. Harrington complains about our not having been offered special terms, he put his finger right on it. We had not been offered special terms because no Government of Canada can offer special terms. And that's why all this talk about an elected government going up there and getting better terms is completely beside the mark. It's off the track altogether. Here are the terms, and on the financial side, as the Prime Minister tells us in his letter, they go as far as Canada can go under the circumstances. What circumstances? The circumstances that I have just mentioned. They are bound by precedent,

bound by what is done for other provinces. They'd soon hear from the other provinces if Newfoundland were offered special financial terms that they hadn't been offered themselves. In 1864 we were not offered special terms; in 1895 we were not offered special terms; although on both occasions an elected government went up there seeking better terms, or special terms, terms better than any other provinces had been given. We've already had two elected governments that went to Ottawa looking for terms. And what did they get? The same terms as the other provinces. And now we're told if we'll send an elected government up there, that elected government will get better terms. That's the final, the unanswerable answer to those who tell us that an elected government would get better terms: the fact that already two elected Newfoundland governments have gone to Ottawa and neither government got them. If, instead of the Ottawa delegation that went from this Convention, members of a government had gone up to Ottawa, the terms they'd have brought back to Newfoundland would be what? They would be exactly these terms that we have before us today. I thank Mr. Harrington for bringing this matter to our attention.

Now Mr. Harrington told us that old age pensions were introduced into Canada in 1927, which he says was years after old age pensions were introduced here in Newfoundland. I'm sorry, but Mr. Harrington is all astray there, all astray. Old age pensions were introduced into Canada 20 or 25 years before 1927. What happened in 1927 was merely this, that the federal government began to pay part of the costs of old age pensions. Up to 1927 each provincial government paid its own old age pensions. The federal government paid nothing towards the costs. The trouble with that arrangement was that the richer provinces could and did pay bigger old age pensions than the other provinces could afford to pay. So in 1927 the federal government stepped in with a plan to pay part of the amount. What they did was to pay half the cost of old age pensions, leaving it to the provincial governments to pay the other half. Then around 1934 the federal government stepped up its contribution and began to pay three-quarters of the full amount. The full amount was then \$25 a month. Last summer the Canadian government raised the pen-