

what is called a Harbour Commission.

Mr. Smallwood Harbour Board.

Mr. Cashin They own the docks and they charge fees for the docking, so much a ton for docking, so much for space, so much for freight, etc. The first thing we would find is that Harvey and Company's premises, Furness Withy, all Water Street premises would be taken over by the Harbour Board. Mind you, there is something to it. I have been trying to think this thing out for some time — whether a harbour board would be better to handle the freight in this city. Because today there are only two or three places where you can land stuff. They have a combine. I submit that it is an idea that might be constructively thought out. I believe that if we became united with Canada efforts would be made to establish a harbour board where shipping comes in — St. John's, Corner Brook, etc., and it would be a corporation run on its own.

The next thing on the list is military property. Does that include the bases in Argentia? I do not think it does. It does cover St. John's West, and Bay Bulls. Public dredges — we have only one which is 35 years old. Customs House, post offices, all these public buildings, in my opinion, if we had to start all new, including the railway and the whole works, you could not replace them under \$110 million or \$120 million.

Mr. Higgins It is more than that.

Mr. Cashin It is being taken over for \$62.5 million.

Mr. Chairman I do not think the question of the value to be placed on them is important if you are satisfied with the Economic Report, where they evaluated the assets of the country; you could fix your values on that. If you are not satisfied with that report, you have to find some other means to arrive at it.

Mr. Smallwood I appreciate what Major Cashin has said. I would like to say something about the National Harbours Board. I feel as he does, that something ought to be done about the harbour of St. John's to put it in a position of efficient service to the trade and public of the country. It is only a hope that the National Harbours Board of Canada would take over St. John's harbour and make it one of the modern, efficient harbours on the North Atlantic seaboard of America. I hope they would make Corner Brook a national harbour. We raised the matter. We tabled a question on

that in Ottawa. The National Harbours Board administers, I think, 16 harbours in Canada.... The Canadian Government has spent ... many millions of dollars on the vast terminals, elaborate piers etc. in the port of Halifax. I hope the National Harbours Board would take over the port of St. John's. That is not something to fear; it is something to welcome. Let us say these services in clause 8 would be taken over by the Government of Canada. An earlier clause says they would take over and operate all these services and pay the costs of operating them. If they take them over and pay the cost of running them, naturally they have to own them. That is the usual practice. If the provincial government operates certain services on its own, then that government owns those things; if the federal government operates such services, they own them. If they take over the Railway, the ownership is in their own hands, in the name of the federal government. Same thing with Gander. But if they are worth \$2 million or \$120 million, does that mean that Canada is getting that value? If they take the Railway over and it is worth \$73 million, is it \$73 million better off?.... Is Newfoundland \$1-2 million better off because as a province it has not to pay the operating loss on the Railway in the future as we have done since 1920 or 1923? I am sure Major Cashin will appreciate these points. All right, they are worth \$120 million, from the standpoint of running them at a loss. One of the worries we have had is the loss on Gander airport; as a province, that loss will not have to come out of the provincial treasury.

Mr. Higgins I asked a question; I do not know if I am going to get an answer.

Mr. Smallwood When Mr. Higgins tells me what kind of value he wants — if he wants purchase cost, resale cost or value or replacement value, I will give him the answer.

Mr. Higgins Do you agree, in the event of confederation, if we did not have the services as outlined in clause 8, they would have to be provided by the federal government?

Mr. Smallwood Yes. Wait now! Not all. Railways, yes.

Mr. Higgins What is the value of the railway if we did not have it, and the federal government had to build one?

Mr. Smallwood They would have to provide a railway. They did that in British Columbia. They