

look at this mysterious proposal, this personal Smallwood plan for the proposed administration of the affairs of Newfoundland as a province of Canada. It is not a budget in the strict sense of the word. This thing does not contain any explanations of the various items of revenue and expenditures in its few and scattered pages and guesswork estimates.

When Mr. Smallwood went in to hysterics in his feeble effort to tear to pieces the Economic Report, he ridiculed the Finance Committee for its attempt to introduce a document which forecast the future of Newfoundland for a period of three years. He now has the impudence to come into this chamber and introduce a concocted document based on practically nothing, but he tells us, and he tells the people of Newfoundland, he is making his forecast, not for three years mind you, but for a period of eight years. He practically tells the world, as Mr. Reddy so aptly put it, that he alone, Joseph R. Smallwood, is the only individual in this Newfoundland of ours who should be permitted, and who is capable of producing such a forecast. He tells us, so to speak, that he is infallible, and that the people of the country, north, south, east and west, must recognise in the delegate from Bonavista Centre the only individual in the country who knows what will happen within any given period.

Mr. Smallwood Pretty clever, what?

Mr. Cashin Mr. Smallwood has stressed the infallibility of Canadian experts. He now evidently has taken upon himself the role of astrologer or fortune teller for the people of Newfoundland.

Now Mr. Chairman, Mr. Smallwood himself has admitted that the forecasts which the Ottawa delegation, of which he was secretary, gave to the Canadian government with regard to the revenues and expenditures of a Newfoundland provincial government were incorrect, and in view of that fact he has taken upon himself to present a corrected estimate on his own. In the Black Book, Volume 2, is to be found the estimates of expenditures of Newfoundland as a province of Canada. These amount to \$14.4 million. Today the estimates of expenditure

presented by Mr. Smallwood for the administration of the province of Newfoundland come to approximately \$15.5 million, or \$1 million more per annum than contained in the Black Book. This deficiency was made up by the fact that the Ottawa delegation forgot to include in their expenditures approximately \$500,000 in interest and sinking fund on our local debt, as well as an additional \$100,000 for civil pensions.

If we peruse these estimates what do we find? We find that at least 1,200 civil servants will be laid off from work, but Mr. Smallwood tells us that once we become a province these people who have been dispensed with provincially will be employed in other departments of the federal government established in Newfoundland. In fact, he went so far as to say that an additional 1,000 people would be required to administer the affairs of the Canadian federal government. This to my mind was a wild and incorrect statement, and there is no evidence contained in any of the documents to show that this will occur. Rather do I hazard the opinion, my personal opinion, that many hundreds of our civil servants would be put on the unemployed list. In the estimates for Public Health and Welfare as contained in the Black Book we are told by the Ottawa delegation that an amount of \$4,767,000 will be sufficient. However, Mr. Smallwood has increased this by another half million dollars.

Now let us survey the various departments which would have to be financed by the province of Newfoundland should our people decide that Newfoundland would unite with Canada. What do we find? We find that the following departments would be those over which the control of expenditure would come within the scope of the province: Education, Justice, Natural Resources, Public Works, Public Health and Welfare, the Liquor Control, Home Affairs and provincial treasury. All these departments, according to Mr. Smallwood, would involve an annual expenditure of approximately \$15.5 million. Let us see what these departments are disbursing now in comparison to Mr. Smallwood's estimate....

[The committee rose and reported progress and the Convention adjourned]

January 8, 1948

Mr. Penney On a question of privilege, I would like to say something in regard to an attack which

was made on me at the last session that I was able to attend in December, 1947. On Tuesday after-