

year, or \$1 million over the deficit....

**Mr. Smallwood** I think that I will unbutton a little. Here's the position: Newfoundland is under Commission of Government, therefore Newfoundland is under the Parliament of Great Britain and the government of Great Britain, and the Dominions Office of Great Britain, and will so remain so long as we have Commission government. We are virtually a branch of the British government. Now the British government has a tremendous stake in post-war civil aviation. Civil aviation is becoming as important in world trade as the merchant marine used to be before the war. If Britain is to have her place in the sun commercially speaking in the world, she must have a great part to play in civil aviation. One of the biggest trumps that Britain had was virtually control over Gander. We here in Newfoundland look at Gander as our airport — we Newfoundlanders who say that Gander should be made to fit into the scheme of things in such a way as to be the greatest possible benefit to Newfoundland. But you could not expect the British government to look at Gander in that light at all. If I were in the government of Great Britain, as Minister of Civil Aviation, I would have on the wall in my office a great map of the world, and I would have drawn on the map in red lines the British airways and air routes, and show on that map the airports that Britain controlled, and could look at it and say, "Here is what we have; these are our bargaining weapons in dealing with the Americans", and amongst them I would place Gander.

As a Newfoundlander I would look at it in an entirely different light. Great Britain, God knows, needed some weapons to fight the Americans in civil aviation. Before the war ended the Americans had thousands of planes ready to fly, and tens of thousands of personnel ready to fly them, millions of money. The American policy was for each nation to be on its own, act unilaterally, grab all the airways and air traffic of the world, and if America had been able to do that now, in 1947 she would dominate the airways of the world. Britain, on the other hand, had no planes, not even yet has she got her new models ready to fly. If America had been able to go ahead on her own today Britain would be out of the picture, but Britain is not out of the picture, and one of the reasons is that Britain virtually control-

led Gander, because they could say to America, "Look here, you think you can do as you like, charge as little as you like, etc., but you can't because you can't use Gander without our consent, neither can you use that other big airport in Africa, or the one in India; and if you want to use them you are going to play ball with us, or agree to our policy of multilateral action, agreeing on policy and all doing the same thing. That's what you have to agree to or you won't have the use of the airports that we control." That was a perfectly reasonable attitude for Britain to take, thinking of her own interests. If I had been prime minister of Newfoundland and if the British government had come to me and said, "Look here, Smallwood, you have an airport at Gander, and it is very important to us that we should control that airport. We are on the broad of our back, we have been blitzed and beaten to pieces, and the Americans have been untouched, and if we don't do something about it inside a year the Americans will own all the airports of the world, will you help us? Will you let us control Gander so that we can use it for a bargaining weapon in talking with the Americans?" I would say, "How?", and they would say, "If we don't allow them to use it that finishes them for the North Atlantic air routes." I would say, "Well, I hate to say 'no' to you, but what is it going to cost us?" They would say, "Well, we can't ask \$300 per landing, because if we do that the Americans are going to demand \$300 for our planes crossing the Pacific." I would say, "But if you are only going to charge \$85 a plane we will lose \$1 million a year. We are willing to help you, sure, but what does Newfoundland get out of it?" Now if they said, "Look, we will employ all Newfoundlanders out there, and let you have the general running of the airport, and we will foot the bills", I would say, "OK, take it with my blessing." Now that's the rock bottom position. Gander has been used up to now not for the interest of Newfoundland, but for the interest of Great Britain. I am not saying a word against that, but I don't want it to cost Newfoundland anything. We need every dollar we can lay our hands on in the next 20 years. We can't afford to pay the loss of Gander. If Britain will pay it, and all Newfoundlanders are employed out there (including those American airlines, and they are employing men that are not Newfoundlanders),