

people of Newfoundland and of greater benefit to the employees than now....

Mr. Butt Is not that covered on page 68 of the Black Book?

Mr. Smallwood Not exactly covered. Here is the bond, the Grey Book. This is the offer of Canada.

Mr. Butt Is not this a memorandum prepared by some members of the Canadian civil service?

Mr. Smallwood It is.

Mr. Butt It reads, "It would not be contemplated that at least at the outset any substantial increase in service would be instituted, since the present service appears to be reasonably adequate."

Mr. Smallwood That is not, as Mr. Miller, pointed out, in the bond; that is the expert opinion of the railway experts.... It is not an undertaking, as Mr. Miller points out.

Mr. Butt It gives an indication of the minds of the people with whom you had to deal: "the present service appears to be reasonably adequate."

Mr. Smallwood Yes.

Mr. Butt That is their mind.

Mr. Bailey A very strong point, to my mind — I did not want to bring it up, but Mr. Miller brought it forward. For 40 years I have travelled, now and again, between North Sydney and Truro. If we are going to have that class of railroad under confederation, I do not think it is going to suit us.... The people up there have been fighting to get a bridge across the Gut of Canso since 1910. Anyone who has travelled over that railway, especially if you are coming east, would think there are square wheels under the track. I will not say anything about the cars. It is apparent that it is worse today than it was back in 1911 and 1912. If that is the type of railroad we are going to get, I think we should hold on to the one we have. It is not going to be good enough. I am sure there was nothing in this country that was worse.... We have the Grey Book and the Black Books and other books, but there is no guarantee. I would like to see their John Hancocks there before I marked my "x" for confederation. I have been doubtful about this all the time. Since Mr. Miller brought it up, I would bring it to the attention of the members here.

Mr. Smallwood I have travelled on the railway line to which Mr. Bailey refers, quite recently —

a couple or three months before, going to Ottawa. The whole delegation travelled across Newfoundland. Having crossed the Gulf and landed at North Sydney we were all awake to watch that railway. We left 8 o'clock in the morning. We were travelling in the day. Everyone was watching the railway, sizing it up, getting the feel of it. I, for one, will say now that the worst railway across Canada is that railway, but it is better than our cross-country railway.

Mr. Bailey No.

Mr. Smallwood That is your opinion. The best way is for all of us to travel over the railway and see for ourselves. Every man can then make up his own mind. Now, let Captain Bailey go a little bit further, let him go down and take a look at the kind of service the Government of Canada is providing for tiny Prince Edward Island, 2,000 square miles in size, with a population of 95,000.... When that Island joined the union as a province, the terms contained a clause saying the Government of Canada would maintain a ferry service between the mainland and Prince Edward Island. I wonder if Captain Bailey has any knowledge of the monumental sum of money that the Government of Canada has spent to keep that promise. In 1917 the Government of Canada spent \$1 million to build a ferryboat to connect that province. In 1927 they built another one which cost \$2 million. Remember, our *Caribou*¹ cost \$500,000 in 1925.... In 1947 the Government of Canada spent \$5 million to provide a new ferry and in addition they spent \$6 million to improve the terminals at each end of her run.... In addition to that, they found when they took over Prince Edward Island, that they had a narrow gauge railway. They took over that railway. What did they do to that railway? They made it a broad gauge. I remember the first time I ever visited Prince Edward Island, the broad gauge railway ran only half-way across the Island, up to Charlottetown; then the rest of the distance was narrow gauge. The Government of Canada spent \$11 million in that little province in 1947. They have no political influence, they count very little...

Mr. Fogwill Point of order. I think we should confine our remarks to the report, not to what happened to Prince Edward Island.

Mr. Smallwood It is not a good point of order. But in order to save time, I will pass that.

¹The S.S. *Caribou* operated between Port-aux-Basques and North Sydney. It was torpedoed in 1942.