

again over a three page memorandum on the situation I thought we might finish it now, if that is satisfactory to Mr. Smallwood.

Mr. Chairman Yes, certainly.

Mr. Higgins This particular memo was prepared while we were in Ottawa, and submitted to Mr. Mansur at the time, and he agreed to it basically — the position of the housing acts.

Mr. Smallwood I think maybe Mr. Higgins would not mind if I pointed out that it was Mr. Higgins himself who raised this question. Mr. Mansur, the head of the Central Mortgage and Housing Corporation, I think it is called, could only tell us what happens and what can be done under the existing arrangements in Canada, and if these existing arrangements do not cover our Newfoundland situation in the matter of housing, then it would become a matter for the minister himself; that is the Right Honourable C.D. Howe, the minister in charge of that department. Mr. Higgins raised the matter with Mr. Howe himself, and my recollection is that Mr. Howe said he had no doubt that something could be worked out to cover the Newfoundland situation from the standpoint of housing, but that that would be a matter for the future. It was not something that he could very well do until and unless Newfoundland became a province.

Mr. Chairman Yes, well, if you don't mind Mr. Smallwood, if there are any remarks that you wish to address based upon what Mr. Higgins has to say, I think it would be time to make them later. At the moment I am interested in what Mr. Higgins has to say.

[Mr. Higgins read a summary of Canadian housing acts, and information about the committee]

Mr. Higgins Now with reference to the few remarks that Mr. Smallwood made, I was principally interested in the St. John's Housing Corporation, and the possibility of obtaining further loans under the set-up of their Housing Association up there, and Mr. Mansur and Mr. Howe explained that under the present set-up it would be impossible to obtain financing for the St. John's Housing Corporation. But at the last plenary session Mr. Howe informally told us that it was possible that some legislation would be provided whereby loans could be made for the St. John's Housing Corporation to continue its operations.

Now I want to go a little further, not on the

Housing Corporation, but just to bring matters up to date, so that we won't have to go back over them again. When we were discussing the paragraph 5, the Newfoundland Railway, I believe a question was asked as to whether the present employees of the Railway would be retained. And I believe the answer was that they would be retained.... As you know the committee dealing with transportation consisted of Mr. Ballam, Mr. Smallwood and myself, and we met with the committee set up by the Canadian government, consisting of Mr. Fairweather of the CNR and some other officials. As a result of that meeting, and the facts we gave them, the report made by the Vice-President and those associated with him was given to each member of our committee.... Look for Appendix 7 (Black Book, Volume 2), and you will see a preliminary statement of what would be involved in the integration of the Newfoundland railway and steamship system with the Canadian railway system.... This particular part of the report was not included in the Black Book: "It is not anticipated that the re-arrangement of the organisation and other duties of the administrative personnel would result in demotions or dismissals, although no assurance should be given on that point, since it would be necessary to have discretionary power to deal with situations as they might arise".... Now you have there: "It is noted that the staff of the railway at the present time numbers 2,990, and of the steamers 761, a total of 3,751" ... but this is not included: "This looks to be an undue number in relation to the size of the operation, but only a careful, detailed study would reveal whether or not the staff would likely be decreased under Canadian National administration"....

Now that is all on that, but before I finish I want to get it all over and done with, and there was a debate yesterday on the advantages that would accrue to Prince Edward Island under confederation.

Mr. Smallwood No, sir.

Mr. Chairman There were some questions asked, I believe, by Mr. Bailey.

Mr. Bailey I think there was quite a bit yesterday.

Mr. Smallwood Not on the advantages or otherwise accruing to Prince Edward Island. There was some discussion of the ferry service.

Mr. Chairman There was a discussion in a