

is this. From province to province the actual payments made will depend upon the age grouping of the population. If you compare our age grouping with that of any other province, and because we have a higher birth rate than any part of North America perhaps, you will find that we have a larger proportion of our population in the low age groupings.

Mr. Butt I'm coming to that, Mr. Smallwood. I'll take the first point — it's hardly a sufficient period on which to make an average.... It seems sufficient to say for practical purposes that the average amount paid in Nova Scotia is around \$1 million a month or \$12 million a year. In Newfoundland it ought to be six, make it seven. There's the difference of \$1 million. That throws some doubt upon this probable estimate of expenditures, Mr. Chairman.

Let's turn now to the old age pensions. Remember now the population of Nova Scotia is just double that of Newfoundland. I found that the contributions for 1945 would be \$2,879,000 — half of that should be \$1,400,000 for Newfoundland. The figure given in the possible estimate of expenditure is \$2 million for Newfoundland, \$2 to \$2.6 million. Now, when Mr. Smallwood talks about the age group, it may be quite true that we have more children in Newfoundland then they have in Nova Scotia proportionately. It is also therefore true that we have more old people in Newfoundland, on the basis of this estimate. Now if one is right the other can't be right, as I see it. To borrow a phrase from you, sir, I'm driven to the conclusion that we must be a very hardy people to produce more old aged people than they do in Nova Scotia, or that this estimate is wrong, and that it isn't true, as we heard some years ago, that the people of Newfoundland died before they reached the age of 40. I cannot accept the probable expenditure without a greater amount of study than I am capable of giving it....¹

It was designed relatively lately in the world to take care of a better distribution in highly industrialised countries. We in Newfoundland have not reached that stage yet, and consequently when you read in the Black Book the things to which unemployment insurance does not apply, you will find that from Newfoundland's point of

view, we will get practically no benefits out of it....² It must be remembered that ... one-fifth must be paid by the federal government, two-fifths by the employer, and two-fifths by the employee himself. If you apply the whole scheme to Newfoundland, taking into consideration the fact that we are not yet a highly industrialised country, you will find that it is not something upon which we ought to have based the question of political union with another country.

Now we come to the sick mariners' fund.... It is shown in the Black Book that the expenditure *per capita* boiled down to \$3 per seaman treated. It is specifically pointed out that it is not a health scheme, in spite of the fact that we have heard a lot of loose talk about the building of sanatoria in this country under that scheme.... The whole scheme is now being applied to Newfoundland in a different form, and will be further applied if and when we get cottage hospitals and more facilities. You will find that if a man gets taken ill or has an accident on a ship and he puts into port, then he is treated, put into hospital if necessary and the funds to pay are found, by himself if he can afford it, or by his employer; or if he cannot afford to pay anything, by the government. Sir, that scheme is actually in effect at the present time.

For the moment, I am going to pass over clauses 4 and 5, which refer to things which Canada would take over, and pass on to our debts. This creates one of the greatest intellectual difficulties that I found in this book. In fact, if it weren't serious, I would just slap it down and be amused. "Canada will assume and provide for the servicing and retirement of the 3% stock issue guaranteed by the United Kingdom government." I ask you to listen closely. "This, in the opinion of the Canadian government, represents a fair estimate of the amount of debt incurred for purposes which would presumably have been the responsibility of the Government of Canada, had Newfoundland been a province when the debt was incurred." On page 253 of the Amulree Report is a list of the items upon which the \$100 million debt that was incurred in this country was spent. It starts with \$34 million for railways, it has \$13 million for war purposes, it goes on to highroads and other roads, and it goes all the way down through the picture till it comes to deficits

¹Gap in the recording.

²Gap in the recording.