

foot that bill. I would say in connection with this report that I feel anything but happy. If you look at the Gander section you will see "the decision of the Government to take over the operation of Gander is to us incomprehensible." You will note that Mr. Neill was asked why the government made that decision cold-bloodedly, knowing it was going to cost \$500,000 to \$1 million loss merely to operate it; not counting the million for buying the installations; not counting the \$300,000 for converting buildings to civilian use.

Mr. Fudge I did not ask for that information.

Mr. Smallwood I know. I was going to deal with it, if you have no objection. In addition to another \$300,000 to buy still further equipment — that is \$1,600,000 on capital account since the war ended — on top of that to lose up to \$1 million a year; frankly I do not believe that the Newfoundland government decided that in cold blood — to saddle the people of this country with a loss of \$1 million a year. At the last session one of the gentlemen proposed that the privilege should be accorded members of this Convention, that they should have the right that former Houses of Assembly had, not to be sued in court for anything said on the floor of the House. We have not that right — I wish we had.

Mr. Higgins Why does not Mr. Smallwood go ahead and take a chance.

Mr. Chairman I would like to remind Mr. Smallwood that indulging in personalities is not permitted here.

Mr. Smallwood I do not intend to indulge in personalities with anyone, but Mr. Neill said categorically it was the first he heard of it. It was suggested to him that the proposition that the Newfoundland government operate Gander, even at a loss, was made to the Newfoundland government by the British; and he said it was the first he heard of it. When it was suggested to him that the British government was, in fact, footing the bills and paying the operating losses, he said it was the first he heard of it. I say this, that I am very sorry we have not that privilege which former Houses of Assembly had.... Cast your mind back to a year ago. The war was just about over, and the United States with a vast aircraft industry was ready to hurl a vast armada of passenger planes in the air, ready to seize control of the air traffic of the world. Great Britain was not ready; we had no aircraft; she is not ready yet.

This is now December, 1946. If one year ago the United States had enough planes ready to capture the air traffic of the air, there was only one thing that could stop that. That was Gander. Because the United States airlines must have Gander.... By being able to land at Gander, an aircraft does not have to carry fuel load from New York. The landing fees are \$85 each way, \$170 a trip.... \$170 comes to the government for the privilege of saving them what? Thousands of dollars. There is the blunder that has been made. It was given to me this spring on absolutely high-class authority (I wish I could mention the name), that it would pay them to pay anything up to \$1,000 per return flight rather than not have the use of Gander. Let's work that down. That means that control over Gander was the great trump someone had up his sleeve when dealing with the Americans.... I say this deliberately, if Great Britain paid out \$5 million cold cash to the Government of Newfoundland in return for giving Britain control over Gander, it would be money well spent — a bargain which Britain would be getting. There is the scandal. I find it not only incomprehensible, but beyond my power to believe. Now we find Mr. Neill said he had just recently, just a matter of days before, written a letter to the British government stating that, in his opinion, it was unthinkable that Newfoundland should be saddled with the operating losses of Gander. He had not gotten an answer. He was asked, "How long ago did you send it?" "Recently", he said; and he added, "I made it a strong letter." He still has not gotten an answer.... If they have saddled this country with a \$1 million operating loss for the convenience of wealthy foreign airlines who operate up into millions a year — I find it unbelievable — I do not believe it happened. If it did happen, instead of waiting for this Convention to end sometime next year, before waiting for that, we ought to fire out the government who did it, if they did. I am remembering I have no privilege — remembering it vividly. I find it impossible to believe that we are saddled with it. Out in Gander they have a trade union with 900 members; another trade union with 100 members — 1000 Newfoundlanders. They cannot live — the cost of living is prohibitive. They got 10% increases, and since then the cost of living has eaten it up. Why? What is the game? Is it they cannot give more wages because we are saddled