

Mr. Smallwood Newfoundland owns Labrador. What Labrador does Newfoundland own? The Labrador defined by the Judicial Committee of the Privy Council in 1927. There is another part of Labrador on the other side of that boundary, which does not belong to Newfoundland. This clause 2 says if Newfoundland becomes a province, the Newfoundland part will still be Newfoundland-Labrador.... The boundary laid down in 1927 ... can be changed only with our consent.... That boundary can never be changed, except with the consent of the legislature of Newfoundland. If the legislature should be foolish enough to do what they tried to do a few years ago, try to sell for a paltry \$10 million, if the legislature wanted to sell it; if they wanted to change the boundary; they could allow the Parliament to do it. It is up to the legislature. No one else can do it.

Mr. Hollett That is a very good point which Mr. Smallwood raises. He says the boundary is all right; it is Newfoundland-Labrador, but it can be changed with the consent of the Newfoundland legislature — the provincial legislature.

Mr. Smallwood It can be changed now, without confederation. The government can sell it.

Mr. Hollett That is what your provincial government is going to do when we strike hard times. Canada will come across and say, "Look here, you are in a bad state. Let us see now, can we make a deal over Labrador? We will take that strip off. We will give you a loan to carry you on." That is their intention.

Mr. Smallwood Did they tell you that?

Mr. Hollett They told you a lot of stuff. You do not have to be told that.

Mr. Penney In connection with what Mr. Smallwood says about Labrador, the Prime Minister of Quebec, Mr. Duplessis, thinks very different from that. The Province of Quebec controls the government of Ottawa.

Mr. Chairman That is not quite so. The Province of Ontario and the Province of Quebec supply the majority members to the Parliament of Canada.

Mr. Smallwood Let us deal with that. Everyone knows that Quebec would like to have Labrador. We all know that.

Mr. Penney She is going to have it, she says.

Mr. Smallwood Mr. Duplessis says more than his prayers. We know the Government of Quebec

and we know that Mr. Duplessis wants Labrador. He is the Premier of Quebec. He is one of the nine provincial premiers. That one premier would like to have Labrador.

Mr. Penney Will you tell me who has the most control in the government of Ottawa?

Mr. Smallwood Certainly. I am not trying to dodge it. We all know the Government of Quebec would like to have Labrador. So what? They were never satisfied to lose it, but did by the law case that was fought out in 1927 between Newfoundland and whom? Between Newfoundland and Quebec? No! Between the Government of Newfoundland and the Government of Canada. Not the Government of Quebec. Where should the boundary lie between Newfoundland and Canada down in Labrador? That was the question submitted to the Privy Council.... Quebec was trying hard. They had a lawyer sitting in the court with what they call a watching brief. Now, will any member of the delegation who was present in Ottawa ... substantiate what I am saying when I say this: that ... Mr. St. Laurent told us as categorically, as plainly, as certainly and as finally as words could make it, that the Government of Canada accepted the award of the Privy Council, and what in the name of goodness else could they do? Is the Government of Canada not going to accept the award, the decision, the judgement, the verdict of the Privy Council? Of course they accept it, and they can do no other. Now I come to your question. We know Quebec wants Labrador. They were disgusted because they lost it.... But, you say, Quebec controls the Government of Canada. Let us deal with that. First of all, I bring you back to section 3 of the BNA Act. Mr. Penney knows the difference between government and Parliament: "The Parliament may, with the consent of any province, increase, diminish...." *With the consent!* The Parliament, not the government. The Parliament includes the Liberal party (who happen to have a majority in the government); the Conservative party, the Social Credit party and the CCF. Four political parties make up the Parliament. The Parliament, not the government could change the boundary, and Parliament could do it only with the consent of the Province of Newfoundland. That means that Mr. Duplessis, if he should live long enough and still be premier, when he is an old man, he may still be roaring and bawling that he wants