

NEWFOUNDLAND Parliamentary Debates

The following extracts from the debates in the House of Commons on the Newfoundland Money Resolutions and on the Newfoundland Bill contain the more important references to the land question which were made in the discussions.

(7th December, 1933)

Mr WILLIAM LUNN (Labour): If things were taken in hand, if a tax upon undeveloped land was imposed, as it ought to be, if the resources of the country were used by the people and the proceeds went to the people instead of to a new body of plunderers similar to those that they have had for a generation, I believe there would be a possibility of reorganization in Newfoundland and that the position could be restored.

Mr. MORGAN JONES (Labour): It was an example of plain and unashamed Imperialistic exploitation, and nothing more. Land was given away; 5,000 acres of land were given to the contractor for every mile of railway he completed, and the result was that he finished up with over 2,000,000 acres of land to his own credit and in his own possession. Land has been given away until now there is scarcely any land available for the Government anywhere inside the three miles limit all round the coast.

(12th December)

Sir EDWARD GRIGG (Conservative): One reads in the report of the commission that the land is not put to any good use, but it may once again be made useful for development. The commission suggest that the land should be taxed by an undeveloped land tax, and that it should revert to the Crown in six months, if the tax is not paid. I have no objection to that. Undeveloped land taxes are a very great stimulus, and they have been so in many parts of the Empire.

Col. WEDGWOOD (Independent): The Commission point out that most of the land has been alienated, that it has been bought up by syndicates and companies, of which we hear so much, and by speculators, and that it is lying idle and undeveloped. The whole country has passed into the hands of private persons who cannot use it. This admirably Conservative and sensible Commission reports as follows:

"We recommend, therefore, that all unworked land, however held, should bear an annual tax of so much per acre, and that in the event of the tax being in arrears and unpaid for six months the licence or lease should be cancelled, or in cases where land is held in fee simple that the land should revert to the Crown."

The proposal includes land situated in Newfoundland and Labrador. For different reasons from those which moved the hon. Member for Altrincham, that seems to me to be an admirable suggestion. Seventy per cent of the revenues of Newfoundland comes from import duties—a perfect heaven for tariff reformers—and only 30 per cent comes from indirect taxation or any other source. Here is a chance to get a little direct taxation out of the speculators and people who have grabbed the lands of Newfoundland. Then you will find that that land will come back into the hands of the State, or else that the tax, when paid, will induce the gentlemen who have speculated in the land to get out and allow somebody to use the land which they have hitherto monopolized. The principle applies in this country as well as in that. I ask the right hon. Gentleman, the Secretary of State for the Dominions, what he is going to do about it.

D. R. GRENFELL (Labour): We find that, owing to a bad political system, wrong principles in industry, and faulty administration in the economic life of that country, the land has been very largely alienated. For example, take the 5,000 acres of land that were given for each mile of railway completed by railway contractors. That went on in repeated contracts, the Clause being actually duplicated in one or two cases, until we find that well over 4,000,000 acres of land have been alienated from the Government of Newfoundland and have passed into the control of railway and other contractors. Greed and graft and corruption were responsible for that. The

politicians had to be bought with money in order to transfer the land to the ownership of these private people and private companies. It will be found, also, that, of the 42,000 square miles which is the total area of the Island, no less than 25,000 square miles is covered with forest—a very valuable natural resource. There are geographical and trade considerations which determine the value of standing timber, but if not to-day, or to-morrow, at some time those 25,000 square miles of forest will be a very valuable asset in Newfoundland. We find, however, that, of the 25,000 square miles of timber, 15,000 square miles are either owned by or leased or let to private individuals and concessionaires. That is most scandalous; there is no parallel for it in any part of the world favoured by civilized government.

(18th December)

Colonel WEDGWOOD: In the Report of the Royal Commission there is a distinct recommendation that there should be taxation of land values in Newfoundland in order that the land may come into the hands of the State and may then be used for development purposes. I shall have absolutely no use for this new Government if they do not take that elementary precaution of getting back for the State land which has been, not sold, but given away to all these concession companies. It is of immense importance to us that those commissioners, not only the men there, but those from this country, should be men not interested in any way in land development companies or in companies out there. I put that question earlier in the Debate. If you have vested interests enthroned on that Commission, you will never get your tax on land values in Newfoundland, you will never get the land of Newfoundland back for the people of this country or of Newfoundland, and you will never get the opportunity of settling people in that country and developing the property on commercial lines. That is an important detail, because it affects any chance of making a success of this new venture of ours in governing a colony across the sea.

Mr. MALCOLM MACDONALD (Under-Secretary for Dominion Affairs): My right hon. and gallant Friend the Member for Newcastle-under-Lyme wanted to know about the taxation of land values in Newfoundland. The right hon. and gallant Gentleman has no doubt studied the report, and he will recognize that some very powerful arguments were put forward in it in favour of that form of taxation. That is a matter for the new Government to consider, and it is impossible for us to prejudge the issue. We have to leave that to the Governor and the commissioners, and I have no doubt that the sections of the report dealing with it will not completely escape their notice. With regard to the right hon. and gallant Gentleman's specific question as to whether we were going to put on to the commission anybody who is interested in land development companies, so that vested interests might entrench in the Government, the answer is that we shall not put in as a commissioner anyone who is connected with land development companies in Newfoundland.