

that is what Britain is today — she is the sick patient of this world. It will take her many years to pull through, and she is going to need all kinds of help to do it even then.

And that is why, Mr. Chairman, Britain's offer to Newfoundland is such a gallant one — one of the most pathetically gallant offers this world has ever seen. It is an offer to share her poverty with us, with Newfoundland. As long as the old mother country has a crust of bread she offers to share it with us. Let us reverence her for it. In 1934 she took over financial responsibility for Newfoundland. She said if we gave up responsible government, and came under Commission government, she'd come to our rescue. Britain was better off then than we were. It was a little better than a crust of bread that she offered to share with us then in 1934. That was six years before the war broke out. Today she is letting rich India, Burma, rich Palestine go, she is giving up her vital control of Greece to the United States. She is cutting some of her terrible losses, but out of her poverty offers to continue to be responsible for Newfoundland if we should decide to hold on to Commission government.

Mr. Chairman, I wonder what Britain's private thoughts are about this matter. Is she privately hoping that Newfoundland will not take her up on that offer? Does Britain make us this offer out of a sense of honour?.... Does she make it in the hope that we here in Newfoundland know enough about Britain's own terrible plight not to take her up on it?

Now, Mr. Chairman, I'd like to take a look, a close look, at what, this magnanimous, this gallant offer of Britain really boils down to. Suppose we Newfoundlanders in the referendum vote to go on under Commission government. Just what will that mean? Just what help would it mean to us from the mother country? We've got two things to judge by. We have the period from 1934 to 1940, when we desperately needed help from Britain, when she was much better off than she is today. What did Britain give us then?.... Out of her taxes Britain paid over to us certain modest amounts, just barely enough to keep our people alive, hardly that. The Commission of Government between 1934 and 1940 was always hard-up, always short of money. They couldn't do this and they couldn't do that. Our public services were starved. It was only after 1940 that they

really began to spend money and then they were getting it from us Newfoundlanders. In fairness to their own taxpayers, the British government could only hand money over to us in dribs and drabs, in very small amounts between 1934 and 1940. That is the first thing we have to judge by. The other thing is Britain's own condition now and for years to come.

Now, judging by these facts, what help would Britain give us in future, if we did vote for Commission government? Suppose hard times fell upon us, another depression, just what financial help could we expect from the mother country? Here is how it works. In the fall of the year the Commissioner for Finance sends around to ... all the departments; he says we are going to make up a budget, you let me know what your department will need, and let me have it as soon as you can. The departments send back estimates, and from those estimates the Commissioner makes up his budget. He says for the year beginning April 1, I am going to spend say \$15 million; the only revenue I can collect is \$13 million. I am going to have a deficit of \$2 million. What does he do next? He sends his budget to the Dominions Office, hands it over to the accountants of the Treasury.... If they approve that budget they are going to have to pony up \$2 million. What do they do? They cut down the expenditure. They say to the Commission, "We will allow you a deficit of \$1 million or \$500,000, that is what we are prepared to pay." When the Commissioner for Finance was before the committee some time ago, we asked him how the British government exercised control over the Commission of Government and he said, "They control our budget." If we go on under Commission of Government, what can we expect in 1948 or 1958?

I am driven to the conclusion that this offer that the United Kingdom government has made us, this offer to go on being responsible for our country if we really do decide to hold on to Commission government — I am driven to believe that any help we would get would be on the smallest possible scale, just bare token payments each year. Dole would be the lowest possible scale, our public services would be starved. The Commission government would always be short of money. The only money they would have would be what taxes we might be able to pay