

We are prolonging the whole Convention, deliberately prolonging it. It is about time we got down and did some work. When we started, we made mistakes. I am here today steering this through the committee; we should not be doing it, it is a report, not a piece of legislation. It is a waste of time, right from the beginning. When reports are made in this assembly, I take it these reports are solid. One report came in here, there were discrepancies in it and we have not heard anything about it since; hundreds of thousands lost to the government, dishonesty in some department. We were given a document to say "keep it mum" that is what it amounts to. There was supposed to be an inquiry. They are experts with the lime brush, covering up someone. I do not need to be covered up. Now as far as I am concerned, I think I have made it clear to Mr. MacDonald the situation with regard to the \$35 million. I think I made it clear to the Convention. Is there any gentleman not clear on it?

**Mr. Smallwood** I am one.

**Mr. Cashin** I knew you would be.

**Mr. Chairman** I want to repeat, these figures have been investigated by the Steering Committee.

**Mr. Smallwood** Not the surplus.

**Mr. Chairman** The investigation revealed the figures to be correct; I ruled on it and I stand behind it.

**Mr. Cashin** If there is going to be any skullduggery started here...

**Mr. Chairman** We are not going to have any skullduggery.

**Mr. Smallwood** The chairman of the Finance Committee is explaining to Mr. MacDonald why there is a difference of \$6 or 7 million in the figure in the Economic Report showing what our surplus is supposed to be, and another figure which he has just read from the *Evening Telegram* showing what the surplus is supposed to be. In explaining the difference in our surplus, he says, towards the end, he hopes everyone clearly understands it.

**Mr. Cashin** I rise to a point of order. I pointed out that the local surplus was \$28 million, approximately. During that period we borrowed \$7 or \$8 million which has to be added on to the cash surplus. That makes \$35 million. Now I am going to get you some more money. The Auditor General's Report, 1945-46 — Savings Bank

surplus not included — \$800,000; if we add statement of the Liquor Department, another half million; statement from Great Britain on Gander, add half million. You will find from the Department of Public Health and Welfare that Great Britain owes us, on account of pensions we have been paying on her behalf, probably \$500,000. Add all that, that is \$38 million or \$39 million. Take from that \$3.2 million to redeem stocks coming due in 1950 or 1952, and which we were told yesterday the Canadian government is going to take by cutting out the word "not". Take that off, and the difference either on one side or the other would be very small. And the excuse given, Mr. Chairman, was that they were being sent over to England. They were not being sent over to England. They were taken from our surplus every year and this money was thrown in the heap, and the Finance Department gave us the figures of \$34 million on December 31 1946, and we have had a surplus of \$3.5 million ever since.

**Mr. Smallwood** That's a rather long point of order. I still don't know what the point of order is. The comment I want to make is this: the Economic Report makes a very simple and a very plain statement, namely, that our surplus is \$35 million. There is no other explanation given. We'll forget for the moment what the *Evening Telegram* said on Saturday last. As a citizen of Newfoundland, and as a member of this Convention, I made it my business to walk into the Department of Finance, suspecting, as I did, that \$35 million was not a correct statement of the surplus. I asked them if they would tell me what, in their belief, *in their belief*, is the surplus of the Government of Newfoundland. They said yes, they would tell me. I don't mind saying I saw Mr. Marshall, the Secretary for Finance, and here's what they told me: that as at March 31 last, March 31, 1947....

**Mr. Hollett** I rise to a point of order. We have here an official document as to the surplus, given to the Finance Committee by the Finance Department. First hand information. Are we going to have to sit here and listen to third rate information?

**Mr. Chairman** I am glad you raised the point.... As far as I am concerned, I am not remotely impressed by any conversations which take place between any members outside this Convention, with people who don't belong to the Convention