

dodge, a red herring, something put out to try and turn people from confederation. I think, sir, speaking to that point, a reply was received from our own government here by one of our own members who addressed a question as to what would happen to that clause, and our own government has replied that that clause would stand. I am right.

Major Cashin referred to the government Savings Bank, who would own it under confederation, what will the interest rate be and who will control it? Well, sir, who owns and controls it now? Who sets the interest rate now? The Government of Newfoundland. And they will go right on owning and controlling it, and setting the interest rates payable. Confederation will make no difference whatsoever to the Newfoundland Savings Bank, so the depositors don't need to pay any attention whatever to Major Cashin's advice to withdraw their money from it. Once before Major Cashin talked about the Newfoundland Savings Bank, and the governors of the bank had to come out with a denial to prevent a rush on it. **Mr. Chairman** Now, Mr. Smallwood, just deal with Major Cashin's remarks.

Mr. Smallwood All right, sir, I will say merely this, that our depositors in the Savings Bank do not need to fear confederation. It will not affect the Newfoundland Savings Bank whatsoever.

Now Major Cashin, in referring to Canada's great old age pension scheme, and her pensions to the blind, says, in the first place, that the old age pensions are paid only to paupers, and second that before they can get the pension they must turn their property over to the government. Well, he is completely wrong on both points. The old age pension is not given only to paupers, but it is provided that a person may have his own private income of \$240 a year, and still get the full pension of \$30 a month, or \$360 a year. A married couple can have a private income of \$360 a year between them and still get the full pension of \$720 a year between them, and even if a person has more than \$240 a year of private income he can still get the pension. If he has \$10 a year more than the \$240 allowed, it only means taking the \$10 off the amount of the pension. He is allowed a total of \$600 a year altogether, putting the pension and his private income together.... As for having to turn their property over to the government before getting the old age pension, that

simply is not true. Let me see if I can make this matter very simple, so that everyone in Newfoundland will understand. Let us suppose some old age pensioner dies, leaving his widow behind (I mean under confederation), and he has a little property. The property falls to this widow, and she goes on getting her old age pension of \$30 a month as long as she lives. Then she dies. What happens to the property then? It can be left to anyone in the family or out of the family, anyone the pensioner wishes to leave it to, if the property is worth \$2,000 or less. And remember this: the value is not what that property would be worth in St. John's, or Grand Falls, or Corner Brook, but right in the settlement where it is. That means that nine properties out of ten would fetch less than \$2,000 cash. Maybe one out of ten might fetch over \$2,000 cash. If the property is worth over \$2,000, what happens to it when the pensioner dies? Well, if some relative or anybody else has contributed regularly to the pensioner's support the property can fall to him or her, and he would have a good right to it, or she would. It may be a grandson, son or nephew, or anyone else, who had contributed to the support of the pensioner for the last three years of the pensioner's life. But suppose that nobody has helped out the older person for those three years, and suppose it is worth over \$2,000 net in that settlement, what happens then? The government steps in and gets back what it had paid out in pension before the pensioner's death. So if a man has an old father and mother getting \$30 a month each in old age pension, and if the old people have property which would fetch over \$2,000 cash in that settlement if sold, and he wants to come in for the property he knows what to do. All he has to do is to contribute regularly and reasonably towards the support of his old father and mother, and then if the property is worth over \$2,000 it will fall to him, and as I said, if the property is worth \$2,000 or less then the pensioner can leave it to anyone he likes, though of course under the law he must leave it to his widow if she is a pensioner as well, and as every member in this Convention knows just as well as I do, it's got to be a pretty good property in most parts of this country to be worth over \$2,000 net.

Now, Major Cashin does not think very much of experts. These Canadian government estimates of what they would collect from us in