

\$20 million? It's over \$500,000 a year, and that's to be reduced as I see it by over \$200,000 a year. If that is so, Mr. Chairman, I want to know it; and the depositors ought to be told it. The Ottawa delegation ought to be able to tell us that, but they're not. Because there's nothing in the Black Books or the Grey Book to tell them about it. Evidently the matter was not taken up in Ottawa.

Mr. Smallwood Yes, it was.

Mr. Cashin Well, why isn't it here? If it was taken up, what is the reply to it?

Mr. Smallwood I'll say when I get to reply.

Mr. Cashin Tell us now. I want an answer to that question.

Mr. Smallwood I'll tell you now if you like. If we become a province of Canada, the Newfoundland Savings Bank, which is owned and operated by the Newfoundland government, since 1832 without a break, will still be owned and operated by the Newfoundland government. What interest rates they pay is purely the business of the Newfoundland government, and confederation or no confederation, the New-

foundland Savings Bank goes on without any change.

Mr. Cashin Mr. Chairman, in reply to Mr. Smallwood, all I've got to say is that that it's not in any of these terms. I want that from some official source besides Mr. Smallwood. If that was told them in Ottawa, it should have been included in one of these 25 cent books. I haven't seen it in any of the secret documents. If I don't know officially tomorrow, I'm going to bring the matter to the attention of the country. We're not taking Mr. Smallwood's word for that, he wouldn't take mine. Furthermore, he hasn't even told us about the Bank of Canada.

Mr. Smallwood I don't know it.

Mr. Cashin You should know it. If I don't know about it tomorrow I'm going to tell it....

Mr. Chairman The motion is that order one on the order dated for today be deferred. Is the Convention ready for question? All in favour say "aye", contrary minded "nay". The motion is carried. Mr. Smallwood...

Report of the Ottawa Delegation Proposed Arrangements for the Entry of Newfoundland into Confederation Committee of the Whole

Mr. Higgins Mr. Chairman, if I might intervene for a moment.... I was referring yesterday to a motion introduced by Mr. Jackman some time in the early part of our proceedings,¹ to the fact that when this Convention had almost unanimously turned it down, I had been approached by people asking where I got the right to do such things. I generally refused, and said that a number of other members had also been censured by various people. At that time Mr. Smallwood interrupted and said nobody had spoken to him on the matter. That's the statement as well as I recollect it. Nobody had spoken to him. Now either Mr. Smallwood has lost his memory or else he's not telling the truth, because I was informed by a gentleman today that he had spoken to Mr. Smallwood, and had asked him what was the meaning of it, and that gentleman's name is Mr. Walter Dillon, who's a very prominent taxi-man of this town. It's merely for the purpose of the record, sir, that I intervene in this matter.

Mr. Smallwood Mr. Chairman, Mr. Higgins, if he has to believe Mr. Walter Dillon or believe me,

has his choice of believing which of us he prefers. To put the matter straight, I did not say that no one had approached me. What Mr. Higgins suggested is pure waste of breath.

Mr. Higgins You did say it.

Mr. SmallwoodDon't ask me what I said, when you already told me what I said. I say I did not say it. If you want to know what I did say, go and find out.

Mr. Chairman I think it's time to put an end to this, gentlemen.... Mr. Butt you have the floor.

Mr. Butt Yesterday, Mr. Chairman, I was enumerating some of the things which I consider of great importance, which Newfoundland, under the terms of confederation as given to us here, would have to give up. I did digress for a moment to say a word on the sales tax. I did that, sir, because I feel that there is a lot of misunderstanding on the point. Mr. Smallwood touched on it yesterday to a certain extent. For example, there's such a thing as a retail sales tax, which means that if you go and buy an article costing \$1 in a store and the tax is 2%, the two cents is tacked on to

¹The motion was to send a delegation to Washington. Above, p.473.