

Mr. Smallwood But how has the government for 13 years, and before that for 90 years, how have they been estimating the proportion of the total wealth of the country or anything else accounted for by taxation?

Mr. Wild There has been a great deal of groping in the dark. These are some of the difficulties of finding national wealth or production. These things can be done, but you will have to increase your civil service personnel. If the Convention wants any further information on that question the Commission can't give you the information. I would not like to give you any suggestion one way or the other.

Mr. Smallwood Why was it that during the war when the railway was so badly in need of new rolling stock, etc., and the Americans needed railway service so badly that, instead of giving money under Lend Lease, instead of giving us the money, they merely loaned us the money with which to purchase new rolling stock, and which we have to repay? This poverty stricken country has to borrow money for them.

Mr. Wild There is a long story to that. We got big freights from them. The Americans wanted to spend \$5 million immediately. We were hoping to get something for nothing, and we tried to do so. The one thing we would not touch was Lend Lease. The Americans wanted us to take \$5 million on that Lease. They said they never met anyone before who refused to take money. We got the interest down; we got the terms improved; we got 2.5%. We just took the amount required to finance the particular scheme which we agreed to. There were a lot of freight cars. We did less than they wanted us to do. At that time we had had a surplus.

Mr. Higgins Did they pay for the lands expropriated, or did the United Kingdom pay?

Mr. Wild We paid it in the first instance, but we got it back. The United Kingdom paid all the money.

Mr. Higgins I am referring to the compensation.

Mr. Wild Yes, the Higgins tribunal.¹ We advanced the compensation money out of our funds; generally speaking it came out of the surplus. We have since got it back, including the

costs of the arbitration. All compensation monies for the bases have been paid by the United Kingdom. That is another thing you might remember that the United Kingdom paid.

Mr. Higgins How much did it amount to?

Mr. Wild I could not say exactly — two or three millions, or more. You could get the exact figures from the department.

Mr. Smallwood It was not part of the 'destroyer deal'; the government agreed with the United Kingdom to let the Americans come in and build the bases on land which the Americans did not buy?

Mr. Wild At that time we thought the Americans were going to buy.

Mr. Smallwood Apart from the labour — they were short of labour themselves — and they had to have the bases, they, of necessity employed our men — they imported everything duty free, what did we get out of it?

Mr. Wild Would you, as a level-headed businessman advocate closing these bases when they are giving so much employment? I was not here at that time, but the state of the war was such that I believe that if you had a free vote in Newfoundland, Newfoundlanders would have agreed.

Mr. Job Do you not think the Commission of Government might have made a reservation saying that although it was no time to discuss recompense for these bases, the time may come when we might take it up. I think we are entitled to special consideration.

Mr. Smallwood If they did that when President Roosevelt was in the chair, what would they do now with a draper for a president?

Mr. Wild At the time the agreement was that the Americans should pay.

Mr. Higgins Does the same thing apply to Canada?

Mr. Wild All compensation for Canadian bases was paid for by Canada.

Mr. Job I move the adjournment and at the same time I propose a vote of thanks to Mr. Wild for coming here today. During his stay here, first as Auditor General and later as Commissioner for Finance, he has come to understand our position

¹The Commission of Government appointed Judge William J. Higgins of the Newfoundland Supreme Court as Chairman of a Board of Arbitration to settle land claims in areas where the American armed forces wished to build bases. For further information see Peter Neary, *Newfoundland in the North Atlantic World, 1929-1949* (Kingston and Montreal, 1988) p. 141.