

Newfoundland from the people who had money to invest, money made during the war, in order to pay off sterling debt. It was not spent. It was a conversion operation. That was a sound thing to do. In fact it has been suggested to me quite recently that we should go much further than that, and use our surplus to pay off external debt. It is required either for reconstruction development or to meet the needs of a rainy day. If we use the whole of that money now to pay off sterling loans or other loans — the only ones we have to pay off — and depression hits us, or is required to go ahead with reconstruction development, we should have to borrow again. Why pay off 3% loans when, if the country went out to borrow, we would have to pay more than 3%? It is extremely doubtful if Newfoundland could go into the open market and borrow at 3% to a large extent. If we wanted a limited loan we would get 3%, but if we wanted more than \$5-6 million we would have to go to Canada. Our experience in that regard, as far as Newfoundland is concerned, has been disappointing. Some of the work of the local branches of the savings committee was, I regret to say, disappointing.

**Mr. Cashin** You did not want the money — the idea was to avoid inflation?

**Mr. Wild** The first loan — 1940, 6 year loan — went to balance the budget. I do think, if we put a loan out we would get \$2 or 3 million, but for a larger amount we would probably have trouble. If we went to Canada to raise it, the investors would want a higher rate of interest. We did, in addition to using the proceeds of that small loan — the first \$1.5 million and the other about \$2 million — we used that money to pay off our sterling indebtedness and in addition we used some of our revenue; we dipped into the surplus also.

**Mr. Chairman** Thank you, Mr. Wild.

**Mr. Ashbourne** I should like for Mr. Wild to elaborate about the international trade discussion, as regards discussions that have been under way for some time.

**Mr. Wild** The discussions were inaugurated by the United States who last December issued an invitation to the United Nations generally to discuss establishment of an international trade organisation. That organisation covers a very wide ground — banking matters, trade practices and the whole set-up, as well as the question of tariffs,

the point on which we are most interested. It was suggested having a preliminary meeting and then there was some delay; some nations were not ready; then the Americans wanted to get the Congressional situation out of the way; and generally it was the political situation which slowed things. The timetable is now drawn up. The first meeting of the members of the Commonwealth and the dominions, and, of course, the colonies, will be held in London. The preliminary meeting is not to discuss detailed tariffs but arrangement of trade agreements such as banking, subsidies and matters of that kind; to determine their general attitude to matters which were a subject of a white paper. If members are interested in seeing that white paper, I think we could get a copy. The first meeting will just be a preliminary. The second meeting follows immediately and is being attended by the bigger nations. It is an international affair. Then the delegates go home and wait until January 1; the date tentatively set.... All international discussions will be held in London. The Newfoundland delegation has not yet been decided. Had I been staying here, I should have gone myself; actually the Chairman of the Board of Customs, Mr. Howell, is going and also Mr. Raymond Gushue. I am hoping that when they come back they will be able to throw light on the general questions as they will affect us. The tariff questions will be of most interest. We have invited major manufacturing concerns in Newfoundland to submit their views. We were asked over six months ago to indicate what tariff concessions we would like from the United States. That is what would interest us most. We have had the benefit of the Board of Trade, the Fisheries Board and the paper companies. I have a list of the requests we want to make against other countries and dominions; they in turn will send us a list of what they want from us. We sent another circular to different associations and manufacturing concerns. There is a committee of the Board of Trade sitting with Mr. Howell to get this question settled. I do not think we could do more than that. We have not only to decide what benefits we want from them but what we are prepared to give and not prepared to give.

**Mr. Job** Are they going to bargain only in the way of tariff concessions or will they try to make up a case for special consideration or special