

General's report there?

**Mr. Smallwood** The net debt is \$13 billion and the per capita debt is \$1,100. They have got nearly \$5 billion in assets.

**Mr. Cashin** What are the assets?

**Mr. Smallwood** I have not got the list here.

**Mr. Cashin** Well, I am going to tell you some of them. Loans that they will never get returned, to Europe, etc. Billions of dollars they have allowed for relief in Europe — charity if you like, and they have put them down as an asset, and they won't get half of them. No. The per capita debt is \$1,492.89, and their provincial debt is \$149.06, and the municipal debt is \$77.29 per head. Add these three together and you have nearly \$1,800 per head in Canada. Now let's have a look at ourselves, and I am going to use the Canadian figures. I am not using mine, because I have been accused of faking mine. Now we have to go and get some of these experts up there to make up ours. No, according to their figures, not Cashin's, our per capita debt is \$212.94 per head, and our St. John's city debt is \$44.94, say \$45.00, that means a total debt for Newfoundland, including the City of St. John's, of approximately \$260 per head.

**Mr. Smallwood** Would you add in the contingent debt?

**Mr. Cashin** I am coming to that too, Mister. You just keep quiet now, I know my stuff on this contingency debt. We had our security for this contingency, and I know what Mr. Smallwood is driving at — Bowaters; Harbour Grace water-works a few thousand dollars; Placentia, and a few more, but Bowaters is the outstanding one, and I see now it is less than \$7 million. Now our own debt is \$260 a head, taking in our municipality of St. John's. Theirs, with their provincial and — no, we will figure that they haven't any provincial debt, or any municipal debt; they have \$1,492 net debt, we will call it, and take \$260 from that and it leaves us what? A \$1,230 difference between the two. Now someone take it down if you like, and multiply 320,000 people by \$1,200, and you will find a \$380 million-odd difference. Now what is happening? Here is the basis of a proposal that Newfoundland would enter union with Canada, figuring that we owe \$260 a head, or whatever it is. We say, "All right, we are a wealthy people now, we are prepared to take upon ourselves a further

liability. We will wipe out ours and take on a liability of \$1,492." But that's not the whole story. A few weeks ago the Dominion of Canada went to the United States to borrow money. We went one time too, to Canada, and were turned down. They went to the USA to borrow some money not long ago, and they got \$300 million, and they were looking for \$700 million. If, Mr. Chairman, Newfoundland got its just deserts and entered union with Canada on an equal basis, that \$300 million that they borrowed from the United States belongs to the Newfoundland people, because it is the difference, between their per capita debt and our per capita debt. You might also say it was on our credit that they were able to raise that \$300 million, because they were not able to raise all they wanted on their own. Now with respect to this contingent liability, I think we have them here — anyhow, I remember them. Our contingent liabilities are something over \$7 million. What are the contingent liabilities of Canada? I can't count them.

**Mr. Smallwood** \$5 billion.

**Mr. Cashin** Some difference. Multiply that by 320,000, and the other by \$12 billion and see what you get. Everything is against us confederating with Canada. Mr. Chairman, I have every sympathy for the Ottawa delegation in one sense, although I criticise them for not coming here with full particulars. I have every sympathy with Mr. Smallwood trying to drive this thing through the House here with such poor information at his disposal, because he has not got any. The Government of Canada gave them no financial information.

**Mr. Smallwood** Don't pity me too much, because we have a lot of information yet.

**Mr. Cashin** Well, you had better come out with it in connection with the financial business.

**Mr. Smallwood** We will do that when the debate starts.

**Mr. Cashin** When the debate on it starts! As far as I am concerned I am prepared to go ahead with the debate on the financial position now, if you can answer the questions. As a matter of fact we will give the question and see if you can answer it. Can Mr. Smallwood give me and this country a statement of the Bank of Canada and its gold reserve?

**Mr. Smallwood** No.

**Mr. Cashin** No, you cannot. Very well. The