

Now, of course, it is no good in our looking in the Grey Book or the Black Books for this information. But there are other places we can look, fortunately, and what we see there is not so good. For instance, we find that in 1931 Newfoundland had to go off the gold standard in order to save the Canadian chartered banks from bankruptcy. We know that Newfoundland depositors in these banks lost some \$20 million through the raising of the price of gold in 1933, and that the central bank of Canada made this large profit at the expense of Newfoundland depositors. We know that during World War Two, the same Bank of Canada had the advantage of having the use of hundreds of millions of American dollars spent in this country, and though the people of Newfoundland made nothing, it is estimated that the Bank of Canada made upwards of \$150 million from such sources. We know that this same Canada is at this very moment sending an SOS to Uncle Sam for financial help, and that the Canadian people are being forced to take the first steps on the hard road of austerity, that road which the people of Great Britain have travelled so long. Is it any wonder then, that in view of these things we fail to be able to see Canada as a land of milk and honey, which Mr. Smallwood so enthusiastically described and to which he wants us to come? Is it strange that we feel like asking such questions now, as what is the exact financial position of the central bank of Canada? What is the total of Bank of Canada notes now in circulation? What amount of gold is in reserve as security against this paper currency? In short, we want to know, and I say we are entitled to know, what is the actual financial position of this country that wants us to go into partnership. We want to know and we must know if Canada today is a solvent country. Is she financially sound? And we also want to know before we consider union with Canada, what would become of the \$110 million in our local Canadian banks? What would happen to the Newfoundland Savings Bank and to the money of our Newfoundland

depositors in these banks and in Canadian bonds? Incidentally, speaking of Canadian bonds, when I took up the morning paper today, the first thing I saw was that Canadian bonds had slumped a couple percent. Canada's financial position might not be so hot.

These are vital questions, Mr. Chairman. They should be known to this Convention, to the country and to the Newfoundland people. They represent the very basis of this whole discussion. But we do not know them. They are not to be found in either the Grey Book or the Black Books. I have asked these questions in this Convention, but as yet I have received no reply. Yesterday I received an evasive answer, deliberately evasive. Mr. Smallwood has not told us. No member of the Ottawa delegation has told us anything about them. To all appearances, Mr. Chairman, the Ottawa delegation has absolutely failed in its duty, in not getting this information for us while in Canada. Do they think, does anybody think, that we Newfoundlanders are going to allow ourselves to be dragged into this sort of a transaction and buy a pig in a bag?

At the present time Canada is all out trying to bank itself to the future on the Marshall Plan. If the Plan does go through, it will mean expenditures by the United States for \$6-7 billion worth of goods a year for European countries, and some of these purchases will be made in Canada and will be paid for in American funds to Canada. If the Plan does not go through, none of us knows what might happen.

Now, Mr. Chairman, in moving the adjournment of the debate, I might say with regard to this broadcasting — I want to make it known, as far as having the debate broadcast or not, a lot of people want to hear themselves over the radio. I am not one of those. What talking I have done, I have not gotten it gratis from the Newfoundland Commission of Government over the radio.

[The committee rose and reported progress, and the Convention adjourned]

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Mr. Fudge I give notice that I will on tomorrow ask the Commissioner for Natural Resources if during the past six months he has received an offer for the purchase of Labrador for a sum of

\$150 million. If so, to table a copy of such offer for the information of the Convention and to further advise the Convention if any negotiations are now taking place regarding such offer.