

January 26, 1948

Mr. Cashin Eventually we have been successful in eliciting from the Canadian government after a period of over three weeks a reply in connection to my questions on the Newfoundland Savings Bank. Again I will read the question:

1. I give notice that I will on tomorrow ask the Commissioner for Finance and/or the Commission of Government that, in the event of Newfoundland's becoming a province of Canada, what would happen to the deposits now laying in the Newfoundland Savings Bank?

2. Would the Newfoundland Savings Bank continue as at present and would the depositors continue to receive the same rate of interest on their deposits as they now receive?

The Canadian government in their generosity sees fit to send us the following reply:

1. Monies on deposit in the Newfoundland Savings Bank at the time of union would remain the property of the depositor.

2. While Parliament has legislative jurisdiction over banks and banking, inclusive of savings banks, there is no federal statute pur-

porting to affect provincial government savings institutions and the Province of Ontario has for a great many years operated a savings bank similar to that of Newfoundland without any interference by the federal authorities.

That is not a reply to my question. My question was, "Would the Newfoundland Savings Bank continue as at present and would the depositors receive the same rate of interest as they receive now?" Therefore that question is not answered yet, and this Convention is drawing to a close. I can put only one construction on it — they are not going to receive the same rate of interest. I know they will say the Province of Newfoundland will have to look after it, but will the depositors receive 2.7% interest which they are receiving today? There has been no reply. And there is not a statement that it will continue, even.

Mr. Penney Mr. Chairman, I never expected to live long enough to see a bunch of Newfoundlanders trying to barter away...

Mr. Smallwood Point of order. What business is now before the House? Is he rising to a point of order or moving a resolution or what?

Motion to Place Confederation with Canada on the Referendum Ballot

Mr. Chairman The motion before the Chair is, "Be it resolved that the National Convention desires to recommend to His Majesty's Government in the United Kingdom that the following form of government be placed before the people of Newfoundland in the forthcoming national referendum, namely, confederation with Canada upon the basis submitted to the National Convention on November 6, 1947, by the Prime Minister of Canada. I take it you are speaking to the motion?"

Mr. Penney Yes, sir. I was going to say when interrupted, that I never expected to live long enough to see a bunch of Newfoundlanders trying to barter away their country under such a bare-faced pretence...

Mr. Smallwood Mr. Penney has already in the first sentence imputed dishonourable motives to those of us who believe in confederation. Do I have to stand for that?

Mr. Chairman I do not think you ought to say that. They may be bartering away their country;

but I do not think you ought to say "under bare-faced pretence".

Mr. Penney I never expected to live long enough to see a bunch of Newfoundlanders trying to barter away their country, but lo and behold, that very thing is on us now. It is not my intention to delay the work of this Convention in its final stages with a long-winded address, no more than I have done heretofore. Rather, I prefer to let it die in peace. There are, however, a few remarks I would like to make in regard to forms of government and the confederation issue in particular, and in doing so I will confine myself chiefly to an aspect of the confederation proposition that to my way of thinking at any rate, has not been sufficiently stressed, and is one of the key points to the question.

First of all, however, may I take you back to October and November 1946, when the confederation issue was first raised through a motion suddenly thrust upon this assembly to send a delegation to Ottawa to seek terms of union. That