

**Mr. Smallwood** You are wrong then.

**Mr. Hollett** And if he did, he did not get any satisfaction.

**Mr. Smallwood** I did.

**Mr. Hollett** Well, in that case there must be something wrong with the Finance Department, because they have made a ruling that they will not answer any questions from this Convention unless it comes through the proper channels. I wonder therefore why Mr. Smallwood has the privilege of going to the Finance Department and getting the information. He can go to his little friend who helped him make up the budget,<sup>1</sup> and he probably did. Anyway I discover that he and his budgetmakers were \$123,000 short in 1947-48, 1949-50, and \$40,000-odd short for 1951-52. That was the first thing that should have gone into that budget. That was left out, and as I go through it I find there were many other things left out, many other things not accurate there; but having found that first error I studied it very carefully, because I was indeed surprised.

Now Mr. Chairman, first I have a reply to one of the first things stated in this House, one given in connection with the statement made by Premier Duplessis, wherein he stated that formal notice had been given to the Commission of Government that he was not satisfied, and did not intend to remain satisfied with the judgement of the Privy Council, 1927, relative to the Labrador. I am just in receipt of a reply to that question which was tabled here from the government.

December 5, 1947.

Dear Sir:

In reply to question asked by Mr. M.M. Hollett, M.A., as to whether the Premier of Quebec had served formal notice upon the Government of Newfoundland that the Province of Quebec does not consider that the judgement of the Privy Council in 1927 relative to the boundary between Quebec Labrador and Newfoundland Labrador is the final settlement of this issue, I am directed to inform you that no such formal notice has been received by the Commission of Government.

Yours faithfully,  
W.J. Carew  
Secretary.

So up to December 5, 1947, Mr. Duplessis had

not made good his statement.

Then I have another reply to a question which I made on the December 2, and this one is so important that I will read you the notice of question first:

I give notice that I will on tomorrow ask His Excellency the Governor of Newfoundland to seek clarification from the Government of the United Kingdom for the benefit of this Convention on the following point:

That is to say, that whereas under the Lease Bases Agreement 1941 it was stipulated that upon the resumption by Newfoundland of the constitutional status held by it prior to the 16 February, 1934, the contracting parties to said Agreement would be the Government of the United States of America and the Government of Newfoundland.

Now therefore, what would be the position should Newfoundland enter into confederation with Canada?

Would the contracting parties under said Agreement be the Government of the United States of America and the provincial government of Newfoundland, or otherwise, and if otherwise, to inform this Convention as to the real position which will exist.

And to that question this is the reply signed by Mr. Carew, Secretary of the Commission of Government. I take it that the Commission had made inquiry from the Commonwealth Relations Office, otherwise they would not have replied to it.

Dear Sir:

With regard to the question submitted by Mr. Hollett on December 2, the reply is as follows:

It is assumed that the question is based on the text of notes exchanged between Mr. Churchill and Mr. Winant at the time of the signature of the Leased Bases Agreement of 1941 (Cmd. 6259). It was then agreed between the United Kingdom and United States governments that "upon resumption by Newfoundland of the constitutional status held by it prior to February 16, 1934, the words "the Government of the United Kingdom wherever they occur in relation to a provision applicable to Newfoundland in

<sup>1</sup>Probably a reference to Mr. Nimshi Crewe.