

ruling, I'm not for one moment questioning the right of the Convention to raise the question of taxation as and when it likes all through this debate on these terms. But if that is to be done, where will we be when we arrive at the point in our debate where taxation is to be discussed? There is a point in this document where taxation will be gone into. But if all we're going to hear when family allowances, old age pensions, pensions for the blind, unemployment insurance, sick mariners' benefits for merchant seamen and fishermen, and every point that's raised here, is taxation, while it may be perfectly legal and perfectly parliamentary, I do suggest it is going to cover a vast range of ground and take a tremendous amount of time.

Mr. Chairman I accept that position Mr. Smallwood, but I'll remind you that I'm absolutely helpless on the matter. If in connection with this proposed arrangement, the question of taxation is raised, that is touching the ability of persons to pay, then obviously I think out of necessity I must rule that the remarks are in order....

Mr. Smallwood I would suggest, Mr. Chairman, to the gentlemen of the Convention it might help us to get along a bit quicker if they reserve discussion of taxation till the time when the matter comes up. They will not find me slow or unwilling to discuss taxation in Canada, and the Canadian taxation that would apply to Newfoundland and I don't think they will find me entirely ignorant of the subject. I think on the contrary they may discover that I've given the matter some study. I didn't spend three months in Ottawa exactly doing nothing. So with your permission sir....

Mr. Chairman I quite agree that a considerable time may be saved if members could note the various questions that they want to make on various items, then ask them when we've got through this document. Instead of making a series of speeches, perhaps they could cover all the points they had in mind by perhaps one speech or two speeches as the case may be. Otherwise it may very well be, as I previously said, that instead of completing the business of this Convention and getting through by Christmas, we may be here till Judgement morning.

Mr. Smallwood Now sir, on section 4, clause 4 of the document, sub-section 2: old age pensions

and pensions for the blind.

Mr. Butt Excuse me one second. It's not my intention to interrupt you Mr. Smallwood, but I think that it might be relevant to point out that \$250 million annually spent on baby bonuses or family allowances, represents a 60% increase over the normal expenditure of the Government of Canada in 1939. I don't think that's a question of taxation, but it might be relevant to point that out. It represents for Canada in ordinary expenditure on government account an increase of 60%.

Mr. Vardy Mr. Chairman, on Friday Mr. Smallwood stated that the population of Canada is around 12,500,000. They get \$250 million in baby bonuses, we'll call them for the time being, that works out around \$20 per head. So on the same basis I presume that Newfoundland would have about the same proportion of children under 16 years of age as they would have in Canada. It's not a matter of being critical at all, it's just to keep the record straight because our people were listening in, and I've been asked already on the street how we arrived at these figures. We say our population is around 320,000, approximately. Therefore we would get around \$6,400,000. Now the chairman of the Ottawa committee reported it to be in the vicinity of \$8,200,000 and in another statement he said around \$750,000 a month, which would work out around \$9 million, which is one-third over the approximate amount I take it we would get, admitting that we have 117,000 children.... Of course, I don't know what the Chairman feels about that, I find it difficult to see how we can evade talking forms of government when we're debating a form of government in itself. I'm wondering what position our Chairman is going to be in when we touch a rather delicate point.

Mr. Chairman I'd like to put you straight on that question now. The procedure under which this report was to be debated was not a matter for the Chairman at all. It was a question of procedure which was decided by the Convention itself when the motion to resolve the Convention into a committee of the whole was adopted. As far as I'm concerned the manner in which any document coming before the Chair is to be discussed, or the procedure to be employed in the discussion of any document, is one for the Convention. I would like to point out, Mr. Vardy, I quite realise