

cost of living does not appear to be correct. It would appear that for the same standard of living of a middle-income group, the weekly expenditure for cost of living is \$5 higher in the States but wages are \$20 higher per week there than in Canada. The reasons given for the difference in the wage scale is that business firms in Canada cannot afford to pay the same wages as paid in the United States. This argument, however, should not apply to the pulp and paper industry in which the Canadians believe they lead the world. In this industry, the average hourly earnings of pulp and paper workers in Canada is 85 cents and in the United States \$1.43. The real reason however, for this difference in wages is not in industry, but in the Canadian people themselves, because of what they pay their citizens in Canadian schools, colleges and the civil service.

Canadian agricultural research should lead the world, because of the necessity for such research in farming a land which requires it so much. It should be, as a writer puts it, "a mecca for agricultural scientists". Yet at the experimental farm at Ottawa, of which Mr. Smallwood has talked so much, a man was employed who started at 35 cents per hour. After eight years, one of which he took off to get his master's degree, he was getting \$1,800 per year. He had a chance then from the United States to earn a salary while working for his Ph.D. He said that, "After the successful completion of two year's study I was informed that the highest salary I could expect on return to Canada was \$1,800."

With respect to teachers. One young man has stated:

In Canada there are about 12 provincial normal schools as well as a few universities which train teachers. I wrote to each asking if they had any faculty openings. Only two offered any hope. One, a normal school, listed a beginner's salary of \$1,800. The other, a university, offered an assistantship at \$1,500. In the United States there are over 100 teachers' colleges and normal schools. Innumerable universities also train teachers. I wrote only a few, but I was offered a position in a state teachers' college at \$3,600.

And so on down the line; but I am sure the facts are known to you. I would, however, recommend you to an article by Mr. Blair Fraser, the Ottawa editor of *Maclean's Magazine*, dated October

1947, and entitled "Why Canadians Leave Home".

And now, permit me to refer to the famous matter of taxes — particularly property taxes on which Mr. Smallwood has been harping so much. He has told you that this is a provincial matter and therefore in the event of union you will never have property tax imposed in Newfoundland. This is absolute nonsense, as Mr. Smallwood well knows. How many provinces of Canada have property taxes and why are they imposed? Let Mr. Smallwood answer, if he likes. Would they be imposed in Newfoundland in the event of union? Of course they would, by the provincial parliament. They would have to be if the country is to continue to keep up the necessary services and to make the necessary improvements.

As a province, Newfoundland would lose her main sources of revenue, yet some of our costliest services would be left to be kept up — our public health and welfare, our education and our roads. Who would provide the money for the roads in the outports? Canada will not. With the amount left to the provincial parliament they cannot, except with extra taxes. The provincial parliament, instead of collecting these taxes directly may avoid it by forming town councils. However, if it is done, it will necessitate increased taxation. And what is the logical way this taxation will be imposed? The logical way and one of the ways it is done in Canada is by property taxes. All those taxes which Mr. Smallwood has been crying out would not be imposed by the federal government in the event of union will of necessity have to be imposed in Newfoundland whether it be by the provincial government or by town councils which will have to be formed. They will have to be imposed or the provincial government will not be able to carry on.

Now let me revert to our so-called iniquitous taxation system here at present. Our customs duties: well, whether it is high or low, it is being collected solely by Newfoundland and is being spent in Newfoundland. I would submit that the monies being collected by our customs duties are being used in a great measure to provide services for the not so well-to-do people in our country. They help pay the cost of public health and welfare, which is to a large extent helping our less-privileged people, in providing hospitalisation and other public health services, in pensions and relief, etc. The chief recipients of our public