

federation then he would have under responsible or the present form of government. The personal income tax in Canada is being reduced each year since the war. A single man earning \$750 in Newfoundland pays no income tax. But on spending that money, he pays at least 15% duty on his goods — that is \$112, plus the profits on that duty, 20%, which is \$22 or a total of \$134 extra. In union with Canada, he pays only 8% on approximately half his items. That is around \$30 sales tax compared with \$135 under responsible or Commission form of government. In other words, that young lad would save at least \$105 under union with Canada.

Take the retail prices in Canada. The tax on a fur coat from Canada was mentioned the other day. We'll say a fur coat in Canada cost around \$150. An importing agent in Newfoundland first pays \$55 duty which is \$82.50, and with a 20% profit to the importer, the total duty and profit on that coat is \$99. The coat costs the purchaser a total of \$249. Under union with Canada, you would have to pay no duty whatever on that coat. Take an alarm clock — and by the way, we're thinking of the fishermen fishing 20 hours a day out of 24 off Cape St. John, and the man using the bucksaw in the woods down in Bishop Brook all day, working long hours and having only a few hours to rest, who might need an alarm clock. If he wishes to buy one from Canada, and it cost him \$3.50 in Eaton's catalogue, he pays 60% duty on that \$3.50, which amounts to \$2.10, and on that \$2.10 the importer has his profit, making a total \$2.50 ... and that makes the alarm clock cost \$6. Under union with Canada, he pays only the sales tax of 8%, which is 30 cents, making the total cost \$3.80. Therefore, under union with Canada the poor fisherman or the lumberman will get his clock \$2.20 cheaper. Now we'll come to shoes. The shoes on my feet cost in Canada \$7. The duty on those shoes is 40%, which is \$2.80. And to the importer who has his profit of 20%, we must pay the total \$3.35, so the shoes will cost me \$10.35. Under union with Canada, the 8% sales tax would cost 50 cents, so the shoes would cost not over \$7.56. Therefore, my shoes would be \$2.80 cheaper under union with Canada than they cost today. We'll take a suit of overalls, say they cost \$5 in Canada, plus the duty of 40% coming into Newfoundland, which means there's \$2 duty, 20% profit on that \$2 is a total of \$2.50

which gives a total cost of \$7.40 for the suit of overalls. Under union with Canada you'll get them with only a sales tax of 8%, and the same overalls would be \$2 cheaper. Major Cashin mentioned playing cards, I think he said there were two jokers in a pack. If so, Mr. Chairman, there are three at the present time. Two in the pack and one in the Newfoundland customs, 60% duty. If, for instance, a champion player of 45's wants a pack of good cards, and decides to pay \$2 for them in Canada, on that pack of cards he pays \$1.20 duty and 25 cents profit on the duty, a total of \$1.45, making the total for the cards \$3.25. Under union with Canada he would save that duty of 60% and pay 25 cents tax per pack. He would then have the cards for \$2.25 and save \$1.20, which would give a good player a chance to reach the jackpot. Even a bottle of Milk of Magnesia can be purchased 25 cents cheaper in Montreal than in St. John's, so if a man has a hangover after drinking, he can get a straightener in Canada cheaper than he can in Newfoundland.

Pickled beef and pork in barrels. It was stated here that under confederation pickled beef and pork imported from the United States would cost under sales tax, \$369,000. This figure must be wrong. The total number of barrels imported from the United States last year was approximately 34,144, and at the present rate today, \$4 a barrel, this would be \$136,488. We also imported 26,223 barrels from Canada, being 8,000 barrels less than from the States. Having consulted with three Canadian packing firms in this country, they state that they can sell pickled beef and pork in Canada considerably cheaper than they can import it from the States. In the magazine *Maritime Merchant* there are three pages giving prices of food, and only in three instances can I see any reference to sales tax, on bacon, shortening (but not on pure lard) and barrelled beef.

Some have taken the total of our imports from Canada for the fiscal year which ended in March, approximately \$43 million, putting them in the categories of sales, excise and luxury to get the total we would pay — forgetting that in Canada there are thousands of items which are not taxed. Railway travel tax — to base the Canadian government 15% travel tax on the number of tickets sold by our railway, to get the figure for this tax, cannot be correct. In Canada, the first