

Premier's Office
 Prince Edward Island
 November 13, 1947.

Mr. J. R. Smallwood
 National Convention
 Colonial Building
 St. John's, Newfoundland.

Dear Mr. Smallwood,

The following information is forwarded as requested in your inquiry of October 27:

(a) Provincial revenue from taxation on land and other real estate.

April 1, 1946 — March 31, 1947 . . . \$86,495.27

April 1, 1945 — March 31, 1946 . . . 91,034.46

(b) Rate of such taxation: 40¢ per \$100 valuation.

(c) Proportion "property" taxation bears to the whole provincial revenue

April 1, 1946 — March 31, 1947 . . . 2.1%

April 1, 1945 — March 31, 1946 . . . 3%

Any further information that you require with reference to this province will be promptly forwarded upon request.

Very truly yours,
 J. Walter Jones,
 Premier.

PS After current fiscal year, land and road taxes will be removed if government re-elected.

J.W.J.

And since that his government has been re-elected, and the last little bit of land taxation in Prince Edward Island will be gone for the next two or three years.

I also wrote the Premier of New Brunswick, and he said he was having the information prepared for me, but so far it has not been sent. Now let's look at Nova Scotia, with a population of 620,000, just about double the population of Newfoundland, and what do they collect? The Government of Nova Scotia collects less than \$100,000 out of a total of \$22,500,000, less than half a cent out of every dollar of taxes they collect in Nova Scotia. So if we become a province, and we have our provincial government, number one, no property tax from the Government of Canada. Number two, no property tax from the Government of Newfoundland, unless the Government of Newfoundland itself on its own free will should want to put on a property tax, and if they should decide to do it, which is very unlikely, as I can't imagine any government getting elected

in Newfoundland if they put on a property tax, unless it would be one on the absentee landlords. If I had to do it, it would go right on top of that land that's owned by absentee landlords who live in England, or the States, or Canada. I certainly would put a tax on that, but except for that I can't imagine a Newfoundland government for one moment even considering putting a tax on property in this island, but if they did, and if they followed the example of Nova Scotia, what would they collect? \$50,000 a year, if they followed Nova Scotia. We, with half the population of Nova Scotia, would collect \$50,000 a year. That is the great argument that the anti-confederates have up their sleeve to bamboozle the people of this country.

Mr. Bailey I rise to a point of order, Mr. Chairman. While Mr. Smallwood is on this tax question will he please tell us how the people of Nova Scotia pay \$9 million in taxes on this?

Mr. Chairman That is not a point of order.

Mr. Fudge I rise to a point of order. Why is it that he himself, who is the recognised Chairman, has given the ruling?

Mr. Smallwood Not always recognised.

Mr. Chairman My position in the matter is that Mr. Bailey had a question for Mr. Smallwood. I had no means of compelling Mr. Smallwood to answer the question, but I do feel that if he is piloting this measure that he should bend over backwards in his efforts to answer all questions addressed to him, which after all is the responsibility he assumed when he undertook to pilot this bill through the House.

Mr. Smallwood Yes. Well sir, at the moment I am addressing the House on an important matter, and one of very deep and very intense interest to the people of Newfoundland, as I know from a recent visit across the island. I am addressing myself to a point about which there has been a considerable amount of misunderstanding, and even to this moment there is a considerable amount of misunderstanding, and this is the point: if we go into confederation and become a province, and have our own House of Assembly, will that provincial government be forced to put a property tax on the Newfoundland people? And the answer is, "No, it will not", and furthermore, if anyone asks is it likely that they will do it even if they are not forced to do it, the answer is, "No, it is not likely. Not any legislature elected by the