

government under present Canadian taxation rates under:

(a) Personal income tax (b) corporate income tax and (c) succession duties?

Answer (to second part):

In Annex IV of "Proposed Arrangements for the Entry of Newfoundland into Confederation", are set out the estimates of additional federal revenues from personal income tax, corporate income tax, and succession duties, that would probably arise as a result of the inclusion of Newfoundland within Canada in a full year at the rates of tax exacted in the 1947 federal budget on the assumption of a continuation of present levels of economic activity in Newfoundland.

The amounts are as follows:

Personal income tax	\$ 3,200,000
Corporate income tax (including withholding tax)	7,500,000
Succession duties	320,000

Questions 2, 3 and 4:

Give a statement showing the customs duties collected on goods imported from the USA, Great Britain, Canada and other countries for the year 1946-47. In the event of union with Canada, what would be the duties collected on the same quantities of goods and value imported from the USA, Great Britain and other countries under the Canadian tariff as it at present exists, for the year mentioned above?

Give a statement showing the amount of taxes collected on liquors imported from Great Britain, Canada and the USA, as well as other countries, for the year 1946-47. In the event of union with Canada, what would be the duties collected by the federal government of Canada under the Canadian rate of duty as now existing?

Give a statement showing the total amount of taxes collected on tobaccos, cigarettes and cigars imported from the United States, Great Britain and Canada and other countries for the fiscal year 1946-47. In the event of union with Canada, what would be the duties collected by the federal government of Canada for similar quantities under the Canadian rate of duties as now existing?

Answer (to second part of each question):

One of the basic assumptions underlying the Canadian estimate of additional federal revenue to be derived from customs duties as a result of the inclusion of Newfoundland within Canada, is that goods imported into Newfoundland from Canada would be free of duty under confederation and that a diversion of Newfoundland trade would take place from other countries to Canada as a result of the disappearance of the tariff barriers between Canada and Newfoundland. This being the case it would be impossible to compare figures showing customs duties collected in Newfoundland during the fiscal year 1946-47, and estimates of duties collected after confederation. Both quantities and values of goods imported are expected to change.

An estimate of the addition to federal revenue from customs duties and import taxes as a result of the entry of Newfoundland into confederation are set out in Annex IV of "Proposed Arrangements for the Entry of Newfoundland into Confederation." The estimate is as follows: Customs duties and import taxes: \$ 2,000,000

Questions 5 and 7:

What were the total excise taxes collected by the Department of Customs under the different headings for the fiscal year 1946-47 and, in the event of union with Canada, what would be the total amount of similar taxes collected under the present Canadian excise rates?

In the event of union with Canada and in the event of Canada supplying from its own manufacturing plants all our liquor requirements, what would be the total excise tax collected by the federal government of Canada annually?

Answer (to second part of each question):

It would be misleading to compare estimates of increases in collections of Canadian excise taxes as a result of the inclusion of Newfoundland within Canada with collections of excise taxes in Newfoundland by the Newfoundland government, since, in addition to excise taxes, the federal government levies excise duties on liquor and tobacco. Estimates of additions to federal revenue from excise taxes and excise