

of what they would collect from the people of Newfoundland, and that they suggested that another estimate be gotten locally from Mr. Allen, Tax Assessor and from possibly Mr. Howell, Secretary of Customs, at least in respect to income tax and customs tax, under confederation — to get the estimate of what the Newfoundland people would give the government of Canada under that heading. That was my understanding.

**Mr. Chairman** The position in which the Chair finds itself is, if at the time, because necessary information is not available to members at this time in order to pursue the matter, or if, as Mr. Hickman says, we have been going along all evening in a maze because certain other supplementary information has not been forthcoming; then whether it deals with the federal aspect of the thing or the provincial aspect of the thing, it is my duty to sympathetically consider and give every attention to the unenviable position in which members might find themselves.

**Mr. Hollett** Might I suggest that it be brought before the Steering Committee?

**Mr. Cashin** In connection with this whole federal revenue set-up here, let me point out again that personal income tax, corporation tax and succession tax amounts to only \$11 million; and as I pointed out earlier this evening, it should be much more if we go into confederation. The people who computed this could not have been particularly well informed on the Newfoundland situation. Our own Assessor of Taxes or his assistant, or some of his chiefs, would know more about it than anyone in Ottawa. They could give us only an estimate, a fairly conservative estimate of what would be collected by the federal government of Canada if we went into confederation. With regard to customs duty, I cannot agree with the figure, because if they based their estimates of liquor taxes and which they put down at \$400,000; last year \$1,674,000 was collected. That is \$1 million out. In the case of tobacco taxes which they put down as \$500,000, last year it was \$2.5 million. If the customs are out in proportion to tobacco and liquor taxes, you can see my point, what I am trying to drive at. They are just guessed at by those people in Ottawa from whatever information was given them. Then turn over the other page of the book and look at the federal expenditure. The point I am getting at, the federal

expenditures, for instance, tax agreement is what goes to the province; old age pensions, that goes to the province. Family allowances, that is from the federal government and has nothing to do with the province. "Other departmental expenditures \$9,400,000" — we certainly ought to know under what departmental heads it is going to be spent. I have had a little experience in this financial business. I should know what I am talking about in connection with this. I want to get it over quickly; I was never particularly agreeable to having this Convention at all, as everyone knows. I feel the suggestion by Mr. Hollett is right; it should come before the Steering Committee and should get down to closer grips and see if we can work out places to get the proper information for the Convention as a whole. I suggest the committee rise.

**Mr. Smallwood** I am agreeable to have the committee rise. I would say this; my motion will be made as plainly as words can make it. I am personally anxious that this Convention finish before Christmas. I am sick and tired of it.

**Mr. Higgins** I thought you loved every minute of it.

**Mr. Smallwood** Now, I want to get out at something else. I am fed up with it. I want to finish before Christmas. We will never do it if we do not use up every hour and every minute. I am prepared to go ahead. I am satisfied with the estimates of the Canadian government as to what revenue they will collect. I am equally satisfied with what they will spend. I do not think anyone in Newfoundland will tell us one word better than they estimate what they will spend. I estimate around \$35 million or \$36 million a year. Their own estimate of what they will collect is \$20 million. I am satisfied with that. I am prepared to go on.

**Mr. Chairman** I can say what I expect to spend; but what I expect to collect over the next year might be something entirely different. I know what I can do with the money I have in hand. I can see what I have in hand. But as to what can be collected over a given period, that might be something entirely different.

**Mr. Smallwood** I am prepared to go ahead. The less delay, the better I will be pleased.

**Mr. Hollett** Could Mr. Smallwood or any member of the Convention tell me how much personal income tax was collected in this country last