

now if my memory serves me right again, there is \$87,000 on telegrams, which is not provincial but federal revenue, but I am asking for contradiction, or to be corrected if necessary, and if I live till tomorrow morning I will know.... Furs. We talked about furs yesterday. Co-incidentally, Mr. Chairman, a party handed me this clipping this morning. We are talking furs now, and this comes from Ottawa, January 3. "Canada today faces an austerity area much greater than that in England..."

**Mr. Smallwood** Point of order. I have barrels of clippings from magazines which I would like to quote and if Major Cashin is permitted to do so I will claim the same right.

**Mr. Chairman** You need not quote it, Major Cashin.

**Mr. Cashin** All right. Mr. Starkes asked me yesterday what the duty on furs was now. Restrictions have been placed on furs coming in from the United States and Canada, and would it be information for him to know that there was \$10.5 million worth of fur imported into Canada last year from the United States?

**Mr. Higgins** What is the tax?

**Mr. Cashin** 10-15% I think. Now in addition to that there is a special 25% excise tax on the list. These taxes are paid on the wholesale prices, so that the consumer pays not only the 8%, but the profits that the wholesaler and retailer adds to the cost of the goods. The provinces of Saskatchewan and Quebec have a provincial sales tax. Now there is another tax, in addition to the 8%. For example, in Montreal the purchase of a suit of clothes involves 8% federal tax, and 4% provincial tax, and the purchase of a fisherman's net — I have been in this house and heard it all over the country: "Lines and twines should be free", and they are, in this country, but in Canada it involves 8% and 4% tax.... We were going to have no taxes; it would make you sick!

Now another matter was brought to my attention since I left this chamber yesterday afternoon, and I am not permitted to read the document, so I will give it to you to the best of my knowledge. When I was talking in connection with the balance of our surplus, I referred to the fact that if the government has disbursed sterling because of the sale of codfish this year, they would have \$4 million or \$5 million left. I had the privilege of a drive down to Bonavista, and I must say it is

beautiful country, the people are wonderful, and along the way I find squid hanging up to dry. Squid are sold to the Chinese market, and these people were led to believe that the squid would be bought from them, but the Chinese buyers were unable to find the necessary dollars to do so. The point I want to make is this: if we have got to go into business to convert sterling to buy codfish, those people are just as much entitled to be able to sell their squid, and the government should convert the Chinese money into dollars. But they did not, and there are instances in that section of the country today where people are very badly off, and I just bring that matter up this afternoon, not that it means much in the confederation issue. But I think it should be drawn to the attention of the country and the government, that if they are going to slap our money right and left to help out one industry, they have got to do it for the others.

There is a special War Revenue Act also in effect in Canada — excise duty on playing cards and wines. Now in this country we all play cards, or a lot of us do. I am an expert. I think Mr. Hickman and Mr. Crosbie will acknowledge that I am one of the expert forty-fives players in Newfoundland....

This morning I took up the *Daily News* and read the statement made by Mr. Abbott, the Finance Minister of Canada, and I read that Canada has, at the present time, an adverse balance of nearly \$9 million, and they anticipate that soon it will be \$1 billion. What does it mean? I pointed out yesterday that this \$300 million, that they got as a part loan from the United States the other day, will have to be applied to that, and the balance of that money has to be found in gold, or else they have to restrict their trade with the United States, and they are doing that and slapping embargoes on all kinds of goods to come in from the United States, and here's the country we are asked to go into partnership with. In other words, tomorrow, if we want into confederation with Canada, my friend Mr. Starkes would not be permitted to import a fur coat from the United States, because they put on legislation a few days ago to stop it.

When I finished yesterday afternoon, I think I mentioned the various departments of government that would come under provincial administration, and I repeat them: Education,