

almost \$25 per family in new taxation, just in the province. What kind of taxation? Mr. Hollett read a list of what kind of taxes it can be raised from. It is all in the Black Books, pages 149 to 153, five pages of the kinds of taxes that can be levied, either by the federal or the provincial governments. The province, if it signs the tax agreement, loses income and corporation taxes and succession duties. These are the big ones. The province is then left with real and personal property, the gasoline tax and fuel oil tax. Besides the federal excise on tobacco, the province can levy a tobacco tax also. Then there can be a retail sales tax in the province, plus the federal sales tax of 8%. Then the amusement taxes on movies, shows of any kind, plays, concerts, dances, athletic competitions and so on. That brings us to (i) on the list; then there is (j) and that has almost as many "Other Taxes", as it is called, as the foregoing put together. Amongst these can be placed the luxury taxes, or excise taxes, but I won't read them all.

Clause 8 is very much the same as clause 5. Canada takes over the assets of Newfoundland freely and without consideration of any kind in way of reimbursement.

The next clause I want to comment on briefly is clause 9 dealing with our accumulated financial surplus. Section 3 of this clause reads:

No part of the surplus shall be used to subsidise production or sale of Newfoundland products in unfair competition with similar products of other provinces, it being understood that this proviso does not preclude assistance to industry by such means as developmental loans on reasonable conditions or by ordinary provincial administrative services.

Now, in the debate before Christmas, when Mr. Hickman drew our attention to this restriction, Mr. Smallwood observed in all seriousness that it was a pure piece of politics and not to be taken seriously. Now that struck me so forcibly that I made a note of it. If the Canadian government, in a matter as serious as this for Newfoundland, can be said to be playing politics in even one section of one clause of this Grey Book, then is it not open to wider implication that the whole Grey Book is a pure piece of politics, or impure, depending on your point of view?

The next clause to which I want to draw to your attention is clause 15:

Representation of the Province of Newfoundland in the Senate and House of Commons of Canada will be in accordance with the British North America Acts, 1867 to 1946, as amended from time to time. Under the existing provisions, while the number of senators to which each province is entitled is fixed, the number of members of the House of Commons is determined from time to time on the basis of population, but in any case is not to be less than the number of senators to which the province is entitled. Under these provisions, the Province of Newfoundland will be represented by six members in the Senate and, on the basis of its present population, by seven members in the House of Commons.

Now, Mr. Chairman, I well remember the night session at which this particular clause was read and explained. The House was in a good humour for a change, and there was a lot of joking and fun generally about this representation, and who were going to be or could be senators and so on. Now, sir, I did not find that discussion in the least bit funny, when I considered that Newfoundland as the tenth and last province would be represented in the Dominion parliament by seven members out of 265, and in the Senate by six members out of 96. I confess it did seem like a joke, but the kind where the other fellow has the laugh. Why, we could not be much worse off if we had no representation. How far would we get? How often would our voice be heard? To bolster the position, pro-confederates cite a possible union of Maritime Provinces. It will never come in our lifetime, probably never come, as long as Québec and Ontario look upon such a union as a possible threat to their sway.

And now, Mr. Chairman, the last clause that I wish to refer to before a general summing up, clause 19:

Education: The legislature of the Province of Newfoundland will have exclusive authority to make laws in relation to education within the province, provided that:

The legislature will not have authority to make laws prejudicially affecting any right or privilege with respect to denominational or separate schools which any class of persons has by law in Newfoundland at the date of union, but the legislature may authorize