

still fly the Union Jack. We have our own flag, the pink, white and green, in Newfoundland, and should we become a province that flag will still fly in Newfoundland as well as the Union Jack. It has for over 100 years.

Mr. Hickman solemnly assures us that he is not an anticonfederate. Well, he certainly did not go very far out of his way to praise confederation very much. He says the governments of two provinces have not yet accepted the tax agreement. That is true. But the governments of seven provinces have accepted. Mr. Hickman tells us that in 1946 one-third of Canada's revenue was raised from indirect taxes. That may be true. I will not vouch for one-third. In Newfoundland far over half the revenue was raised by indirect taxes. Quite a difference.

There are only two points in Mr. Crosbie's speech to which I will refer. He says there is a serious danger of our losing our fish markets in Europe; he quotes Mr. Gushue as having said so. But did Mr. Gushue say it was confederation that made this danger? No! The danger is here now, with no confederation. It is confederation that will help. Mr. Crosbie said that under confederation, Canada will control our trade. There is not in all this country even one fish exporter who will not be able to go right on selling to the same markets just as long as he likes to do it. The Canadian government does not tell each exporter to what country or to what customer he may sell or export his fish or ore or paper or anything else. Canada has not become the third largest exporting nation in the world by anything so stupid or silly as telling exporters where they may export. The other point is about the Fisheries Board, he is afraid it will have to go. But it won't have to go. It will stay and still serve our fishing industry, except that it will receive the extremely valuable assistance of the whole magnificent trade and commerce organization of the Government of Canada.

Mr. Miller made an interesting point, he said he would not vote to recommend a form of government to go on the ballot that he would not vote for in the referendum itself. But that is what he did two or three days ago; he voted for Commission of Government, but he was not prepared to vote for it himself.

I will not try to follow Mr. Fogwill's bewildering flights of pure fancy, but he told us of the

frightful taxes in Canada. According to him, they are away higher than here in Newfoundland. What I cannot understand is how the poor tax-ridden Canadians manage to exist at all — why, in fact, they do not all flock down to Newfoundland to escape taxation.

There has been a lot of wonderful talk in this debate about the question of how the provincial government of Newfoundland would finance itself under confederation, how it would balance its budget. Some members have magnified this, blown it up into gigantic proportions. They profess to regard it as a terrible and an insoluble problem, something they cannot see or understand. Let me give them a short simple lesson. The federal government will take \$20 million from us in taxes each year. The provincial government will take another \$5-6 million from us in taxes — call it \$6 million. That is a total of \$26 million altogether to be taken from us both governments — \$26 million a year. What are we paying now? We are paying \$40 million to our one government. \$26 million taken from \$40 million is \$14 million — \$14 million less taxes than we are paying now. Under confederation we would save \$14 million a year in taxes. "But", says someone, "what about the growth of our provincial government services? Aren't you going to make allowances for increase and improvement of our provincial government services to the people?" "Haven't we got to expect increased education and health services to our people?", I am asked. Of course we have. There is no doubt about it. And why shouldn't we? We will save \$14 million a year in taxes under confederation. Is there anything to stop us from taking a million, or even two million of that \$14 million? Confederation will save \$14 million a year in taxes for our people. It will put \$14 million a year into their pockets, our peoples' pockets. All right, if we want to improve our provincial public services, let us take back a million or two of that \$14 million and spend it on better education and health services for our people. We could do that, sir, and our people would not only have those better services, costing say another \$2 million a year, but would still be \$12 million a year better off in their pockets — and that's a million a month.

And then someone complains because I have not turned myself into the future provincial