

class railway fare is 3.45 cents a mile, plus 15% sales tax, as against 7 cents a mile in Newfoundland. Instead of travelling costing us more, it would be considerably less. For instance, a 500 mile ticket in Canada would cost less than \$20. In Newfoundland, a 500 mile ticket at 7 cents per mile would cost \$35. Therefore, if we were in union with Canada, the traveller would get that ticket \$15 less than he is paying in Newfoundland today.

Newfoundland government credit — while Commissioner James stated that our surplus is around \$38 million, it has been said that it is only \$30 million. I'm satisfied to take the official figures. I was not a party to the last parliament of this country, nevertheless there is one fact which cannot be overlooked; only by default on the interest on our bonds could we have been able to carry on. It may be recalled that the late F.C. Alderdice, during the campaign of 1932, said that if elected he would get all the money he wanted within 48 hours. He was elected and what did we find? We found he couldn't get a cent. I am stating this to show that we had very little influence as a dominion in raising a loan. We could not put our own currency on the market as it would not be accepted as legal tender in Canadian banks. A lot of water has flowed under the bridge the last 14 years, but we did not then and we do not today exert very much influence in the world. If prices soar in Canada, from which country we import the bulk of our goods, they will affect our prices throughout Newfoundland, and the same applies to other countries from which we import. It is too bad that some people have great doubts about Canada being solvent. I suppose they're what the Finance Minister would call a reconciliation account — even in that, very much attacks a country where the grand national income for this fiscal year is around \$13 billion. And you deduct her national debt, an amount of \$3½ billion arising out of the war, and a billion dollars spent on the rehabilitation of the personnel of the fighting forces the wealth for one year is almost equal to her accumulated debt of 80 years of confederation. I don't feel the crushing burden as being so great after this review.

Not one family in 80% of our population will pay one cent in taxes on personal income, because they do not earn enough to come within the range of the taxable sale. Any Newfoundlander

can check on this. In basing the amount Newfoundland would pay in personal income tax, corporation and succession taxes, the Canadian government took the returns of the past fiscal year, and I'm satisfied the figures are correct. What the amount will be under confederation, nobody can accurately foretell. Using the figures of the last fiscal year on the basis of Canadian scale, gives you the actual account if we had been under confederation that year. Future returns can only be estimated.... Naturally we would not pay any duty on goods produced within the Dominion of Canada. Of the \$25 million we purchased in the United States last fiscal year, 80% of this would be bought in Canada under union. There is an average duty paid of 25%, being \$6.25 million; that would be saved, plus a cheaper freight rate from Quebec to St. John's, 20% less than at the present. Are we going to import animal and poultry feed from the United States when we can import it freight free from Winnipeg under confederation? I cannot understand any person saying that the Canadian government's estimate of customs revenues is guesswork. The Canadian government has complete returns of the \$43 million they exported to Newfoundland in the last fiscal year, and it would be easy to get returns of what came into our country from the United States, Great Britain and the rest of the world. The Dominion government figures would surely be more accurate than an individual expressing a viewpoint that is mere assumption. The same applies to the Canadian government's liquor estimates.... Surely a government which compiles statistics of millions of dollars each year, would be more likely to be accurate than any one individual in Newfoundland. Of course, I am not a connoisseur of liquor, but I venture to guess that Seagrams whiskey had the same potency in Montreal during the past Christmas season as in the city of St. John's.

Mr. Cashin You are not going to have any more.

Mr. Starkes Of course, we do not have John Barleycorn's brew in St. John's, as in Montreal. Mr. Chairman, I apologise for this digression but it is just as sensible as some of the remarks we have had to listen to in recent days.... As far as we are aware, the United States - Canada defence board is still in existence, and I would like to refer to Mr. St. Laurent's statement when questioned by newspapermen in Ottawa during Mr. Mack-