

not. They took the Blue Book and they guessed at them. Furthermore, are we to take it that because Mr. Smallwood says so, that we will be importing our goods from Canada? Will we not be permitted to buy anywhere else? Why, last year, we imported \$25 million worth of goods from the United States on which duties of not less than \$3 million were paid — I am estimating that. I say they probably collected nearly \$4 million; and those so-called experts say we will get \$2 million. And again on flour; we are told we will get it in duty free from Canada. That reminds me, in connection with flour coming into the country, the Canadians are tipping Newfoundlanders with the flour, because they are selling wheat in Great Britain for \$1.50 a bushel, market price, and it is \$3 a bushel in Newfoundland. We in Newfoundland have been paying on wheat based at \$3 a bushel; while in Great Britain they are paying on wheat based on \$1.50 a bushel.

They say they will collect \$400,000 in liquor taxes. If you can tell me they were not guessing, I will eat my hat. In 1946-47 we collected over \$1.5 million in taxes on liquor. I am glad I am talking on this liquor business. In Canada, they can never unload the Scotch manufactured in Canada on the Canadian people. The distillers, like Seagrams, have to pay \$12 a gallon in the form of excise duties to the federal government. It is coming here duty free, but they forgot to put in the \$12 a gallon they collect there. It was deliberately done or else they are not experts. The same thing applies to rum which they import from the West Indies; the duty is much higher than it is here at the present time. And again on cigarettes — take Lucky Strikes; they are 52 cents to 55 cents in Canada. You do not hear them telling us that. Under confederation we will probably pay 20% or 25% more than we pay now. I have a package I bought here for 37 cents; I bought them in Montreal the other day for 44 cents.

Prior to that I referred to the significant fact that the gentleman who is now High Commissioner in Ottawa for the United Kingdom played a prominent part in the compilation of the infamous Amulree Report; I gave his name, Sir Alexander Peter Clutterbuck. I understand that during our recess — I was out of the country — Commissioners went on the air and advised the people to vote in the referendum; they advised

them on many things, but neither one of them told the people of Newfoundland what they were parties to and are continuing to be parties to, that is the violation of the 1933 agreement. They are more concerned — some of them — with referring to the morals in St. John's East and St. John's West; whilst these violations are offences, they themselves violated the very statutes under which they exist.

Now, Mr. Chairman, I think I have shown conclusively that based on our present financial and economic position, if Newfoundland entered into confederation Canada would stand to gain many billions of dollars annually over and above the subsidies paid to this country.

Let us for a moment refer to Annex IV of the Grey Book which gives the possible expenditures of the federal government annually in Newfoundland. Great stress has been made by Mr. Smallwood on the importance of the payment of family allowances which are estimated to amount to \$8.35 million yearly. I refer now to what is generally called the "baby bonus". To get to the root of this matter, it is necessary to give a somewhat brief history of how it was brought about in the Dominion of Canada. I go so far now, Mr. Chairman, as to term this piece of Canadian legislation the most immoral and corrupt enactment that has ever stained the pages of the statutes of Canada.

In 1944 the Mackenzie King government was on the verge of total collapse, because efforts were being made by many of its outstanding members to bring about conscription into the armed forces of Canada for the purpose of reinforcing the Canadian army.... Prime Minister King — who has always depended for his political support and his retention of the government on the political backing of the French province of Quebec — was trying to dodge the conscription issue. He compromised, so to speak, with the French element in his party, putting through the conscription legislation; but on the other hand, in order to placate his followers and the people of the Province of Quebec he introduced this Family Allowances Act, which is the "baby bonus" legislation. This particular legislation was introduced principally for the purpose of healing the political sore which was created in the French Province of Quebec by the passing of the Conscription Act, which compelled the French Canadians to join