

saw a budget like this in my life. We have here an amount to disappear of \$2,228,500, and that includes three Commissioners. They are going to disappear. The Secretary of the Commission will disappear; grade I clerk, \$2,000, in the Finance Department will disappear; the assistant secretary will disappear. Two grade III clerks are disappearing, the private secretary to the Commissioners is disappearing, \$2,000, the telephonist is disappearing, the statistical officer is disappearing, the clerk grade III is disappearing.... Then there is a slice off the Auditor General's department. Now the point I am making is this: all these people that are going to disappear from the Finance Department will be absorbed by the Finance Department of Canada...

Mr. Smallwood No, not the Finance Department.

Mr. Cashin Well, where will they go?

Mr. Smallwood Well, now, I will tell you.

Mr. Cashin These people were to be paid off from the Finance Department of Newfoundland and put into another department. These people will be laid off, and their salaries are considerable, apart from the Commissioners there's 11 people laid off from the Finance Department who will have to find employment in some other department of the Canadian government. Twelve or 14 are laid off, and we don't know where they will be fitted in. They might transfer them to Victoria, anywhere from Vancouver to Halifax.

Mr. Smallwood No, that would not be allowed.

Mr. Cashin Why?

Mr. Smallwood Because in the Civil Service Act the Government of Canada must employ civil servants in the province where they are ordinarily resident, so that the civil servants they would employ in Newfoundland must be people ordinarily resident in Newfoundland, those in British Columbia must be ordinarily resident in British Columbia. That's the law.

Mr. Cashin Well now, "Employees of the Government of Newfoundland in services taken over by Canada as provided for in clause 5 above will be offered employment in the corresponding Canadian service under the terms and conditions governing employment in that service, but without reduction in salary or loss of pension (superannuation) rights acquired under Newfoundland law." As I read that they will be offered jobs in the Canadian civil service, and there

is nothing to say as to what part of Canada they will have to go to. The Finance Department down here will be closed up, and the headquarters of the Finance Department will be in Ottawa. They will not have a branch down here. They will have an assessor's department down here to collect income tax, but they will not have all these financial people down here, because the headquarters will be in Ottawa.

Mr. Smallwood There will be a Customs Department here.

Mr. Cashin Yes, there will be a Customs Department here, and how many will be laid off, particularly if we read these figures given by the Canadian government themselves, which says they are only going to collect \$2 million in customs duties here, and let's see, how many people have we in the Customs?

Mr. Hollett 256.

Mr. Cashin Yes, 256 people to collect around \$2 million. They are going to collect \$2 million, well \$3 million altogether including excise on tobacco and liquor, and they will still employ 256 people to do it, when we only employ 256 to collect \$30 million! There will be people let off from the civil service and we have had proof during the discussions of this from Ottawa. The Railway will receive the same treatment. It's hidden in the Black Books, but it is in secret documents which we are supposed to have, and we find that there will be lay-offs in the Railway unless we are not able to read English.

Mr. Smallwood As I put a question to the Government of Canada on that, why make a statement until the answer comes back?

Mr. Cashin Because they answered it themselves.

Mr. Smallwood Not in the official statement.

Mr. Cashin The Black Book has nothing to do with it. In these discussions we have discovered there were other documents given to you by the Ottawa government, and in one of these documents it was pointed out and intimated by one of the Canadian officials of the CNR that they thought that the Railway was overstaffed. That's what it meant in rough English. Consequently they have it in the back of their heads that when they take it over, they will lay off people over there, but for official purposes they did not mention it here. There are a lot of other secret documents that will have to come out before this is