

Mr. Northcott would be able to pay a pretty good baby bonus in the district of Lewisporte. Now I think I've come to the end of what I've got to say. And I believe that we should not pass these terms. There's been a lot of talk about them, and I think the time has come for our people to know just what they are. And I believe that we should debate them in every way, bit by bit, even if we're here till Tib's Eve,<sup>1</sup> and thrash it out so that our people can understand what it's all about. I know that our people today are looking for a promised land. It's something they've heard so much about, a land of lower taxes; but, what is it going to gain us tomorrow if we take off the customs tax, put on a sales tax and a superduper excise tax? We can easily have a family allowance in this country and old age pensions if we wish to take 8% out of every dollar that goes around, no odds how many times it goes around in this country. I'm afraid when you come to weigh up the 117,000 children and weigh up what money they're taking, we have no way to find out. One record we couldn't find in this country as we've been going through our work, is the amount of business that's done in the country. Because you can't gauge the money in a country by looking at what it sends out and brings in. You have to have a bird's-eye view of how many times that dollar goes around, when you're paying taxes on the dollar that's moving around. So Mr. Chairman and gentlemen, I believe that we're going to learn a lot from this Ottawa vacation. So let's have some more of it from Mr. Smallwood....

**Mr. Chairman** Mr. Bailey, I don't think you're justified in referring to it as a vacation. I've already ruled Mr. Smallwood out of order on that point and I'm entitled to assume that however erroneous or mistaken the members of that delegation may have been in the proper evaluation of their duties, I'm not prepared to allow the remark to stand that they were on a vacation.

**Mr. Bailey** I apologise, Mr. Chairman. I only meant it as a joke.

**Mr. Chairman** I've already ruled that Mr. Smallwood couldn't make that remark and I.... You made the remark, you directed the remark to Mr. Higgins and I had to ask you to withdraw it the other day.

**Mr. Smallwood** Sir, I was only referring to the

remark that he had made....

**Mr. Chairman** I know.

**Mr. Bailey** So let us have some more. "Avant", as they would say in Quebec.

**Mr. Cranford** It seems to me if I am correct, the list Mr. Bailey read out is all exempt from 8% sales tax. We have to pay no sales tax at all. I don't know if I'm correct on that or not. But the list that he read out, it makes it all clear of everything.

**Mr. Fogwill** On page 139,<sup>2</sup> foodstuffs, exemptions under foodstuffs — salt. I was wondering is fisheries salt exempted from sales tax?

**Mr. Smallwood** I don't know if it's the intention of the gentlemen in the Convention to discuss taxation in Canada and Newfoundland at every point where a clause comes up for debate. Saturday, we debated family allowances. The next item is old age pensions and pensions for the blind. The item after that is unemployment insurance and then sick mariners' benefits for merchant seamen and fishermen, and after that assistance for housing. If we're going to have a discussion of taxation on each one of these items, I would be optimistic and say that we should finish this Convention sometime in 1953.

**Mr. Chairman** At the same time, if you don't mind Mr. Smallwood, the impact of taxation upon the people of this country has to be taken into account, and side by side with any benefits which are proposed to be conferred. Because let us remember that benefits and liabilities are co-dependent.... I think it perfectly relevant....

**Mr. Smallwood** Yes sir, I'm not at all for a moment...

**Mr. Bailey** This arose out of you being asked point-blank to state who was going to pay this bonus, if I remember rightly. And you referred to the rich. I just tried to tell the people in my estimation, now I may be wrong....

**Mr. Chairman** You are making a point of course.... You must not assume that interjection is going to be permitted in its most literal sense under the thin guise of point of order. You can only interrupt the speaker if you rise to either a point of privilege or a point of order and you have to state which it is, and I'll have to rule on it before I can allow any further interruption.

**Mr. Smallwood** Mr. Chairman, bearing on your

<sup>1</sup>An expression meaning either a day around Christmas or a day that will never come.

<sup>2</sup>In the Black Books.