

the revenue of the Government of Canada comes from the great industries of these provinces...

Mr. Miller If you have three provinces contributing as largely as 89%, we must then suppose the other provinces are very poor provinces; they have not really progressed?

Mr. Smallwood Not progressed as much as British Columbia. They have not got the natural resources; they are not as prosperous as those three provinces, that is right.

Mr. Miller One other point, with regard to your references to Canada's surpluses...

Mr. Smallwood I will not be drawn on that at the moment. I will come back to it. We will finish this other point, this 89%. If my memory is right the population of Quebec, Ontario and British Columbia put together comes to 69% of the population of all Canada. Mr. Hollett said it was 75%. Let us call it 75%; 75% of the population should pay 75% of the taxes; but they pay 89%. What does that mean? That means that the other six provinces, ... the Maritimes and the three prairie provinces between them pay 11% only of the revenue of the Government of Canada: 11% from six and 89% from three. Why is that? Because of the kind of taxation that the Government of Canada collects. Most of it is corporation tax on big companies and corporations, and income tax. That is where she gets the bulk of her revenue — by taxing the people who have the money to pay. Now what would it mean if we were to become a province? There would be three rich provinces and seven not so rich. Suppose a large firm were to start nine branches.... A year passes on and they get the balance sheet of each branch. They find the only branches that made money were the ones at Grand Falls, Buchans and Corner Brook. The other six are losing money. They might let them run on for another year.... Those six branches have lost money, but the three branches made money. What do they do, if they are businessmen? They close down the six branches.

Mr. Hollett That is what would happen to this province. It would be shut down.

Mr. Smallwood I am coming to that. They close down the six branches which are not paying, why? Because they are a business concern. They are not in business for fun ... they are interested in the balance sheets. Canada has nine provinces. Do they close down the provinces that do not

pay? The Province of Nova Scotia gets more from the federal government than it pays that government.... Six provinces take more money from the government than they give for taxation....

Mr. Hollett I would remind you that 3,000 workers had to migrate from the Maritime Provinces to Ontario and Quebec. Is not that closing it down?

Mr. Smallwood Would to God the men in Fortune Bay could go to other places and find work, or the men in St. Brendan's who are down and out because they cannot sell their squid, if they could go to another part of Newfoundland and find work! If the men in Nova Scotia could not find work there, was it not a grand thing that they could move a little farther on and find work? What is wrong with that?.... I hope you, sir, and the members, will not be too hard on me, that you will not condemn me too harshly; I am enthusiastic about this confederation. I may be wrong. My mind may be muddled. I may be just a poor visionary who imagines all these things. I am sincere. If I get carried away, if I roar and bawl, excuse me if I bawl too much. My feelings do sometimes overcome me, and I apologise to the House. I had my mind made up not to allow anyone to get me worked up this evening; I was going to act quietly and dignified but I forgot.

Mr. Hollett Mr. Smallwood made reference to St. Brendan's: "would to God the men of St. Brendan's could go to some other place in this country and find work". A few days ago Mr. Smallwood made reference to a letter and quoted it here, from a lady whom he knows.

Mr. Smallwood I do not know her.

Mr. Hollett Oh, you do not know her? The letter was something about squid and the privation of the people there. He has again brought up St. Brendan's. I come from the Grand Falls district. Buchans is in my district. I know a good many men in Buchans from St. Brendan's who are working in the mines there, and as a result of the statement made by Mr. Smallwood the other day, I hold in my hand a telegram from five men of St. Brendan's working in the mines at Buchans deeply resenting the insinuations made by Mr. Smallwood against the town of St. Brendan's, and they ask me to acquaint this House of their resentment. I am not going to read this telegram, sir, because you ruled no telegram or letter shall