

other projects can be financed.

The Newfoundland of the foreseeable future is far different from the Newfoundland of recent memory, such as in the years before the sad accident of war changed us from a relatively obscure island to a country of immense strategic importance to three friendly nations, and possibly to a fourth unfriendly one. As the Committee states, the war is over two years and our revenues continue to rise. Some of this may be due to the momentum of war expenditures, but allowing for a gradual recession, it is safe to conclude that it will be some time before the revenue sinks as low as the \$30 million provided in the Committee's estimates. Military and air bases are held by the richest and most powerful nation in the modern world, the USA; great airports in Newfoundland and Labrador are under our sovereignty; in Labrador, there is revealed mineral wealth for which the world is clamouring, so that ... the imagination is staggered by the fabulous prospect of industrial development that is in the offing for our northern dependency.

This then is the Newfoundland that faces the future, be it foreseeable or veiled. I have made no mention of surpluses, or low per capita debts. Neither have I made any mention of the splendid type of men and women who go to make up this country of Newfoundlanders, or of the forbears from whom they sprang. In 1855 this country was a wilderness, and when those same forbears took over the running of this primitive land, I don't believe for a moment they bit off more than they could chew. In fact, I think it was a great pity that circumstances prevented them from taking a bigger bite, a bite which is in the capacity of their descendants to take, the bite that includes the passing of the Statute of Westminster, by which Newfoundland could for the first time in its history be really independent.

I make this point to underscore the observations made by the Committee on page 27 which refer to the "importance of steps being taken as soon as possible to negotiate with the authorities of the USA, with a view to bringing about a trade agreement which would solve for all time our whole fishery situation". That is the best argument I know for the attainment of the three square meals a day that some delegates have been prone to harp on, no doubt with the sincerest of motives. We had a chance to make such a trade agreement

many years ago. It was blocked by outsiders, only because Newfoundland was not completely independent, as she would be today if she could pass the Statute of Westminster. That is what the Economic Committee means when it says, "We are of the definite view that if proper representations were now made, by a properly constituted Government of Newfoundland, that the American government as well as the American people whom we consider fair and just, would certainly seriously consider giving Newfoundland some favourable tariff concessions for our fishery products"....

I cannot close without referring to the final phrases of the report, in which they emphasise the need for faith in ourselves and in our country. Without this faith, this confidence in our ability to work and produce and strive for ourselves and our children, it will go hard with us under any form of government, but hardest of all under a form where the state becomes more and more supreme, and the citizen is left to suffer at its hands any and all the petty tyrannies and vicissitudes that popular representation, no matter how inadequate, can always endeavour to thwart and to correct.

Mr. Reddy Mr. Chairman, I wish to add my word of praise and thanks to the gentlemen who prepared this excellent Economic Report.... Briefly, they tell me that at present we owe for loans approximately \$60 million. Against this we have our savings, a total of \$74 million. Insurance companies owe our policy holders \$22 million, in addition to this there are another \$3-4 million that people have in their homes, in the sock so to speak, so that our total cash is about \$100 million, and then of course we have our other assets.... A businessman who could present such a comparative showing would be considered very well off indeed.

We are asked to try and determine to what extent the war has caused our prosperity. We know that wars bring on scarcity and high prices, and we have been affected like all countries, but it would take an economist of the highest order to go further than this. One expert will say that wars bring prosperity, and another expert will say that prosperity brings on wars, so which is the cause, and which is the effect?

In the early 1930s we had a severe depression, and I know that the depression was worldwide.