

directed at this report. Don't misunderstand me, Mr. Chairman, I can take it and what was said does not bother me as an individual, but the principle of the thing is wrong. No one knows it all, even if he thinks he does. Mr. Hollett quoted some predictions made by Mr. Smallwood in 1931 which showed how wrong he could be when he ventured into the field of prophecy. I think it worthwhile to refer to this matter because it shows how things and opinions change. In 1931 ... the member for Bonavista Centre figured that conditions in Newfoundland were far better than they were in the cities of Canada and the United States. Today ... Mr. Smallwood sees nothing but rocks ahead. Why? That is what I have been asking myself, and what a lot of other people like me have been asking since they heard the destructive opening attack on the report. Was it necessary to take up this report, pick a few sentences from it and try to make them sound as if the Finance Committee had nothing else in mind except to deceive the people of the country? I want to know also what gain there is to be found in proclaiming to the world that Newfoundland's future is grim and depressing when, as far as I am aware, there is no basis for it. That speech sounded like the prediction that all who entered here should abandon hope. I am content, however, to leave the decision on the usefulness of the report to the people of this island and also to put it on the conscience of its opponents as to whether their forebodings are not one of the most harmful things to be heard in this country for a very long time. I tell you that nothing can so easily undermine prosperity than a loss of confidence, and anything that is done to discourage our productive workers is a dangerous thing. I don't believe in concealing the true facts of a bad situation, but there is nothing in the report that is deceitful or that hides anything. If there are errors of fact they are accidental and they are not, in my opinion, relevant to our main conclusions. As a businessman, I don't believe in fooling myself or trying to fool anyone else on a matter of such importance.

Now, Mr. Chairman, while this report contains an estimate of past financial results and includes some suggestions as to how the surpluses of future years might be used, the important thing is to know just what is the position of the economy at the present time, and what is

the outlook for the chief industries and for employment. In coming to conclusions about the condition of the economy we have been guided by the facts that are available — many of them from the reports of the various committees that have reported — and by such knowledge as members of the Finance Committee have themselves, or have been able to obtain from others who are reliable witnesses. When it came to the estimation of the condition and future of the fisheries we had, of course, to be guided by the opinions of those people who are fully conversant with all sides of that great industry. The people who are investing large sums of money in the future of the fishing industry are better guides than others who are looking in from the outside. In the case of the paper industry the same thing is true. We had all the leading figures in the Newfoundland forest industry give evidence to the Forestry Committee, and the House is aware of their optimism and must surely accept their words before those of others who have no inside knowledge. I want to emphasise again that to the best of our ability we got all the facts we could get, and all the opinions we could find that we thought useful and valuable. We were not a committee of experts. We were only a few ordinary people trying to use our common sense as well as we could, and we were not interested in trying to fool the people or creating a sense of false optimism. I would ask the House to examine the picture very briefly because others, I am sure, will be prepared to go into greater detail on certain industries with which they are fully acquainted.

The fishery is still the main industry in the size of the employment it gives. Anyone who says that the fishing industry is not stronger than it was before the war does not know what he is talking about. Prices may be benefitting today from a measure of world inflation. That is true of every commodity that is produced. The point is that the fisheries are today on much stronger foundations than they ever were in the history of this country. We haven't yet reached the point of perfection, but we are moving steadily forward and every year sees new improvements that will give greater security to the producers who are the life-blood of this and every country. The demand for saltfish will always exist because in certain tropical countries it is the ideal food for a number of reasons. On top of that we have a very large