

"Because of its freshness and quality, there is a strong demand for Newfoundland fish." I direct your attention to the note on page 2 relative to fresh-frozen fish: "The head of the National Fisheries Institute of the United States has predicted an increased consumption this year." The explanation is that the United States authorities estimate their annual consumption for a three year period as 180,000 tons and of that, quotas permit 15% or 27 million pounds to enter the United States at the low rate of 1 7/8 cents per pound, the remainder at 2 1/2 cents per pound. As the rate of consumption increases, the amount coming in at the lower rate increases. Whilst the former rate was the same, it was not bound. The agreement cannot be varied for three years and then if it is not denounced it carries on indefinitely.... On being asked what effect this agreement would have on Newfoundland, Mr. Gushue said, "It gives security to fresh-frozen fish operators and the advantage of a quarterly quota. It will mean that more fresh-frozen fish will be produced than last year and so on from year to year. It is bound to mean increased employment." On being asked how our fresh fish business compared with similar kinds elsewhere, he said, "Newfoundland has made progressively greater gains than any other country. The standard of our plants is higher than that of any other country." "This", he said, "was confirmed by two Norwegian experts who came here two months ago and came back again." "They tell me", said Mr. Gushue, "that there is nothing like our plants on the North American continent."

This year we are going to have a record for saltfish going to Puerto Rico and this month we are making the first direct shipment to Cuba. The chairman said, "we can look forward to an increased demand in America, both north and south, for saltfish." The great reason that is important is that we will be paid for the saltfish in dollars.

In summing up the Cold Storage Industry Interim Report, the Fisheries Committee says:

To sum up the position it seems clear to the Fisheries Committee that a very strong case can be worked up for special consideration in any negotiations for improvement in trading relations with the United States of America as well as with Canada and Great Britain on the following grounds:

1. The future welfare of Newfoundland is without doubt mainly dependent upon a free market for her export products, especially those from the fisheries.

2. The future ability of Newfoundland to secure and maintain for her fishermen and other inhabitants a fair and decent standard of living is largely dependent upon such free markets.

3. The strategical position of Newfoundland as disclosed by conditions arising out of the recent world war, is of the utmost importance to the millions of people in the United States of America and also to those of Canada and Great Britain, and all these countries have a definite interest in assisting the people of Newfoundland to improve their standard of living for the following reasons:

- (a) In the case of Canada the importance of a prosperous Newfoundland is of special interest owing to the fact that Newfoundland's imports from Canada amount to a very large percentage of the total imports into Newfoundland, whereas unfortunately she is not in a position to provide in her own country a market for Newfoundland's chief exports. It is therefore to the interest of Canada to help and encourage our export trade in other directions, in order to retain and increase her present exports to Newfoundland. Moreover, Canada has already received important concessions from Newfoundland.

- (b) Great Britain is obviously anxious to assist us. In recent years she has supplied grants-in-aid to Newfoundland provided from the taxation of her own people, but it is quite likely she may not be in a position to continue these in future years. She can assist us in making better tariff arrangements not only with the United States of America, but with other countries. Moreover, it can be borne in mind that it was with her authority that sections of our territory have been ceded to the United States of America without any suitable *quid pro quo* for Newfoundland.

- (c) In the case of the United States of America leases of Newfoundland territory for military and naval bases for 99 years, and at the same time facilities for free entry without taxation of any sort on products im-