

newsprint. There is a world shortage of newsprint that is going to last two or three years. Beyond that no one can prophesy. There is a shortage of everything, and a tremendous demand for it, and the price has gone up, all due to the war, not due to the normal growth of our industries. Let's face the truth for once. This boom, which is still on in Newfoundland, begins to have some holes appearing in it just now, but it is still on.... It will last another two or three years. No one knows. This boom is directly and entirely and exclusively the result of the war, and who is foolish enough not to believe it? Of course Bell Island is as prosperous as she is today because of the war. Our fisheries are commanding the price they do because of the war.... Our paper is commanding the price it does because of the war. Are we blind, or are we trying to kid ourselves? Any fisherman in Newfoundland, in Bonavista Bay knows it. Any common, ordinary man in the island knows it is all because of the war. The same thing applies to the United States and to Canada. Europe can't buy because she has not the money to buy. Canada is paying it into Europe, and USA is paying it into Europe, and Newfoundland is paying it into Europe (or would be if they had the dollars to pay for it). Europe has been levelled off by the bombs, and the demand is there and is insatiable, and will continue for the next two or three years. That's why, and who is going to tell me that is not the result of the war? What kind of trash and nonsense is that?

Mr. Higgins I wonder if Mr. Smallwood will agree that the present high revenue of Newfoundland will continue then for at least three more years?

Mr. Smallwood My answer to that is that it may continue for six years, it may continue for one year. Mr. Higgins did not know, Major Cashin does not know, I don't know, when all the economists of the world are wondering just this. Let me tell you something. During the war installment buying came practically to an end.... Why? So much cash. Already in the United States, already in Canada installment buying is back again.... What does that mean? It means that great backlog of money saved up during the war is beginning to peter out, and what the economists are wondering is, are we due for another 1929 in the States? Every statesman in Great Britain is worried about it. Prices are gone mad in the

States. All controls are off, no more ceilings on prices. They are soaring to new heights every day. How long can it last before the bottom drops out of it? My answer to Mr. Higgins is: how can we expect to make these swollen wartime revenues, which are very high, give the government nearly \$40 million? We are wondering if we are awake or asleep. \$40 million! I remember when the whole revenue of the Government of Newfoundland was only \$7 million for the whole year, and \$5 million of that was to pay the interest of the debt. That left \$2 million for everything. How long ago was that? 1932. So this year it is \$40 million, and maybe next year it will be \$100 million. Some miracle may happen. But on the other hand next year it may be only \$30 million, and the next year \$20 million.

Eight years ago Labrador fish was only worth \$3 a quintal. I don't say it will come down to \$3 again — it is \$10 or \$11 now, but it may be anywhere between \$3 and \$11. If that happens where will you get your \$8 or \$9 million from the Assessor's Department?.... Where will you get your \$30 million then?.... In reply to Mr. Hollett, however we may differ in what we think and the forms of government we desire, let us not, in this hard-headed practical matter, fool ourselves into trying to blink it out of sight that these revenues we have today are not caused by the war boom. Trash and nonsense.

Mr. Hollett Trash and nonsense. Does the member for Bonavista Centre think that he is giving us some information with all that bawling that he is getting on with there?

Mr. Smallwood I hope so.

Mr. Hollett We still remember the same years that he talks about. We are not so ancient that some of the rest of us do not remember them too, and we are not fools enough to think that the economy of the country is not still benefitted by the war. Sure, we know, and we don't want to have anybody get up and bawl our ear-drums out to tell us about it. We lived through it too.

Mr. Smallwood Change it.

Mr. Hollett You keep quiet while I'm talking.... Mr. Chairman, I fail to see why, when a man makes a statement, somebody has to get up and thunder and roar for 15 or 20 minutes to answer a simple little question. I am not so stupid that I don't want all that, you know, and I am sure the people of this Convention are not so stupid that