

may not be able to raise even the \$25 million.

**Mr. Wild** There is a point that may be of interest. The Department of Public Health and Welfare has been giving more relief to people. We have got the money to do it, and we are assisting people who are infirm and unable to work, and one of the facts coming out is that we are finding a large number of ex-fishermen and lumber men, who are not really fit to work, between the ages of 55 and 60. In the past we did not help them, but now we are prepared to do so. It is surprising the heavy incidence of illness from 55 onwards.

**Mr. Cashin** We got into an awful mess by borrowing — we were running the country on borrowed money. I take it your reply was that it was for inflationary purposes.

**Mr. Wild** Anti-inflationary purposes.

**Mr. Cashin** Was the retroactive tax in 1943 for the same purpose?

**Mr. Wild** It had that effect.

**Mr. Cashin** You did not answer my question.

**Mr. Wild** I am not discussing why it was done. I agree that the effect of raising income tax does prevent inflation, or helps to prevent it.

**Mr. Cashin** As far as inflation is concerned, the government takes the money and spends it themselves. It goes anyhow. I take it you do not like to answer my question?

**Mr. Wild** I am not prepared to go into details as to why Commission of Government has made certain decisions. It is not a proper question. It is a question of what happens in Commission.

**Mr. Cashin** The policy of any government is open to public criticism, no matter how good or how bad. Surely it is not insulting the government to ask them why they did a certain thing.

**Mr. Wild** I do not think it is the intention of the Convention to ask why a certain thing was done.

**Mr. Smallwood** It was not the intention.

**Mr. Chairman** These matters may be controversial, Major Cashin, rather than go behind and find reasons why.

**Mr. Hickman** When you cannot understand a situation, it is necessary to find the reasons why.

**Mr. Bradley** Can Mr. Wild answer for the government?

**Mr. Chairman** I do not think he can.

**Mr. Wild** You asked was the purpose anti-inflation. I say one of the objects was anti-inflation.

**Mr. Hickman** What were your other objects?

**Mr. Wild** We wanted revenue.

**Mr. Hollett** One of the matters which we have to decide is self-support. We have this \$23 million plus \$34 million we have to borrow from the surplus, and on top of that we have reconstruction plans costing \$60 million over a period of ten years. What I cannot reconcile with that picture is the statement in the Chadwick-Jones report that we are now self-supporting. I am wondering if Mr. Wild could give us some idea of the yardstick used in finding out whether or not we were self-supporting?

**Mr. Wild** I do not know what yardstick Chadwick and Jones used. At the moment I would say, "Yes, we are self-supporting." But if we are to incur this expenditure and will still be able to balance our budget, I would not like to express an opinion. As far as that reconstruction matter is concerned, we should not proceed with the whole of that unless we could see daylight in regard to money. We feel that there are indications of greater economic prosperity where new roads have been opened — for example, the Deer Lake-Corner Brook road, this has opened up new farms.

**Mr. Hollett** Do you call it balancing a budget when you have to borrow the money to do it?

**Mr. Wild** This \$3 million for the Housing Corporation, we should have been justified in borrowing that money. Judge Dunfield thought we should borrow from the public on government guarantee. The Commission of Government cannot guarantee — it is a legal point — unless there is a resolution passed in the House of Commons.

**Mr. Smallwood** Just why was this reconstruction plan laid before the Convention? It is not a statement or description of changes that have occurred since 1934.

**Mr. Wild** These are things still to be done.

**Mr. Bradley** Things regarded as necessities but not essentials.

**Mr. Wild** Some of them were pledged — the vocational training of our servicemen, for example.

**Mr. Hickman** It is a picture of possible future expenditure?

**Mr. Wild** Yes. We have kept it down to high priority projects. Take one of the things we have there — the question of tuberculosis clinic in St. John's. Two doctors came out here and gave a very distressing report on TB. It is essential, they say, to have this TB clinic started in St.