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Mr. Hollett I insist that he did not state the paragraph at the first:

“Now, making every allowance for the momentum of war expenditures carrying on after the close of hostilities and allowing for the gradual recession of this boom period, it is yet an obvious fact that our present revenues cannot be something dependent on war boom.”

Mr. Chairman I have no wish to impede the progress of the House, but if you are going to draw any inference, is it too much to ask that you should quote correctly and *in extenso* the paragraph to which you ultimately intend to infer? Never mind paraphrasing, because any clause may be capable of several interpretations.

Mr. Starkes On page 43 of the Economic Report it reads thus:

“In this connection we have the following observations to make. In the first place the war has now been over for two years and we find our revenues even greater than our highest war time revenues. Now, making every allowance for the momentum of war expenditures carrying on after the close of hostilities, and allowing for the gradual recession of this boom period, it is yet an obvious fact that our present revenues cannot be something dependent on war boom. There must be some other cause, and on examining the matter further we found that a great portion of our present revenue is coming to us because of the growth of our main industries. Now, these industries are wholly peace industries and are not dependent for their prosperity on war conditions. It is clear therefore that we can properly regard our present revenues as being anything but a result of war boom.”

Mr. Chairman Now Mr. Starkes, you are perfectly at liberty to draw any conclusions you may wish.

Mr. Starkes The Committee apparently looks around for some other cause, and what is this cause that they give? A normal growth of our industries, they tell us, and I suppose they expect us to believe that Newfoundland would be in the same position as it is now if there had not been any war at all. I for one do not believe that...

Mr. Cashin I rise to a point of order.

Mr. Chairman State your point of order.

Mr. Cashin My point is that Mr. Starkes is trying to convey that at the present time the business that's going on in the country is due to war boom, and I want to prove that it is not.

Mr. Smallwood A point of order. The gentleman has no point of order, he is only trying to get in the debate. Wait until Mr. Starkes finishes.

Mr. Cashin I will sit down when the Chairman tells me to do so, and not you. You cut it out.

Mr. Chairman However members may differ in opinion from any conclusions drawn by Mr. Starkes, I must remind them now that there is no midway between yes and no. Therefore in reserving to Mr. Starkes the right to draw his conclusions, however erroneous, or ridiculous or foolish in the judgement of any of the members they may be, members will please remember that I am reserving to them the same right. I cannot have that right breached at this time, or at any time. Will you please go ahead, Mr. Starkes.

Mr. Starkes I for one do not believe that, and the people of this country do not believe it, for they know different. We might as well face the truth that Newfoundland was in a very poor state up to the day the war broke out. Tens of thousands of our people were on the dole all the years from 1930 to 1940. Then the war came and prosperity with it. Now the war is gradually passing away and in another two or three years it might be that its biggest effects will come to an end. Will the government be raking in the millions of revenue that it is taking in today? Where will the government get the \$30 million a year that this report says it will get?.... Why should we be so anxious to bluff ourselves, to build up a house of cards that would collapse at the very first icy blast of depression? For some of our people this first icy breath of depression has already come.

Mr. Chairman, I am sure no member will disagree when I say that our present prosperity has been brought about by war. Therefore, according to our terms of reference, we should be