

years 1920-34. I would look at the cash surplus, say \$30 million. Never before has our country been in a position where she has been able to have a nest egg. I would look at the accumulated surplus and the sinking fund which is set aside, and I would be forced to conclude, as the Finance Committee did, that as far as finance is concerned we have much better conditions than we had in 1934.

I would say also government plant in the form of school buildings, public buildings, bait depots, wharves, hospitals, the demonstration farm, postal telegraphs and the railway are in much better shape than they were in 1934, and the expenditure on them will not have to be as great. But we have also increased our permanent government expenditure. What are our chances of maintaining and increasing our services? In view of the betterment, as I see it, of our economy, stimulated by war but projected into the future, it is my opinion that we have a reasonable chance of maintaining and increasing these services.

I would like to ask Major Cashin if, in the process of compiling the Economic Report, he had recourse to the memorandum from the Commission of Government, and the first page on the Reconstruction and Development Scheme?

Mr. Cashin I remember the document. In compiling the report I did not even look at it. I do not think any member of the Finance Committee looked at it. It was received in here and it showed a programme of reconstruction for the next number of years and there it ended. We did not even debate it.

Mr. Butt I am glad you did not. This scheme in all amounts to \$60 million over the next ten years

— the government put in \$26 million to be carried out over a period of three years, and it made a tentative programme for the next seven years; each of the next seven years would average \$4,700,000. I do not want anyone to say we would have revenue enough to meet current expenditure over these ten years, and this much money over afterwards; but I would say ... that we would be able to meet our expenditure — balance our revenue and expenditure — and take care of something on behalf of reconstruction....

My point in bringing this up is to show that a party independent of the Finance Committee had the temerity to set down a plan for ten years. They have also done what I consider reasonable, and set a plan for three years. If you will refer to the estimates you will find in the first year they spent \$10 million on reconstruction and they expect to spend next year \$6.5 million, which is one of the years included in the Finance Committee's report. I do not want to be accused of having invoked the government programme to support the Finance Committee report in any way. But I do think it shows there is a reasonable expectancy in the years to come of meeting expenditures by the current revenues and providing something for reconstruction.

I would like to end up by saying that whatever your natural leanings, whether optimistic or pessimistic, ... we have been down before; we are not very high now; we will probably be down again. When I was a boy my father used to say to me, "It is nothing against you to fall down flat, but to lie there, that is a disgrace".

[The committee rose and reported progress, and the Convention adjourned]

November 18, 1947

Report of the Finance Committee: Economic Report Committee of the Whole

Mr. Job Mr. Chairman, I made a few remarks some days ago with regard to this Economic Report, but feel that I should supplement them with a few additional remarks.... First of all, I would like to say that the gloomy and pessimistic viewpoints so courageously and sincerely expressed by Messrs. Starkes, Vincent and Banfield have had the effect of slightly checking, but by no means obliterating my own optimistic view of the future. The gentlemen named have been in

closer touch with conditions which are not so readily available to us city delegates. I believe, and certainly hope, that their pessimism is not justified. I can understand that the closer contact they have had with those unfortunate people, who have had a bad experience this year in connection with the fishery, has led them to adopt their defeatist attitude, but the actual all-round facts do not warrant the conclusions they have adopted. Their reference to lack of work in the woods,