

thought that it is the opinion of the Committee that that is the only market to which we should seek access. Once adequate refrigeration facilities come to be somewhat extensively installed in other countries, then Newfoundland should be ready to penetrate those markets to the maximum extent that may be possible.

Would Mr. Job give us a little on that? Is this the position literally that this country today, with \$3-4 million invested in cold storage facilities and cold storage ships, is depending on only two countries, the United States and United Kingdom? Is there anywhere else we can turn during this year or next?

Mr. Job Nothing definite.

Mr. Smallwood What is the trade doing about it?

Mr. Job The trade are on their toes about it; they are working in conjunction with the Fisheries Board.

Mr. Smallwood On page 14 of the main report it says:

Given no further restrictions than now exist it is felt that we can shortly penetrate that market to such an extent as to dispose of a considerable part of the production that must be diverted from the United Kingdom.

Would Mr. Job tell us what is meant by "given no further restriction"? We know there is an open quota of 18 million pounds from Newfoundland, Canada, Iceland, etc. at 1 7/8 cents a pound duty; over that 18 million pounds, 2.5 cents duty; "no further restrictions," does that refer to the 1 7/8 cents, the 2.5 cents, or the quota of 18 million pounds?

Mr. Job We refer to all three; and the future, in my opinion and which I have emphasised, depends on some arrangement with the US that will provide for years ahead, because we cannot plan. If we knew there were to be no further restrictions, we could help production by advertising — there is no other way we can do it, unless we know that at any time the US will not put on a prohibitive duty.

Mr. Smallwood Suppose they said, "Let it stay as it is"?

Mr. Job It is an open question. We have already read the opinions expressed in the Armstrong Report — a report which was gotten at considerable expense to the government — that unless we

can make some definite arrangement with the United States for future imports, we will not be in a very good position. I think that is true and therefore I think we are entitled to some arrangement because of the bases to which I referred on so many occasions.

Mr. Hollett I notice that one plant referred to, the company paid an amount of \$302,000 for fish and for labour. There were 15 plants, that would mean the total paid out would be \$4 million; but I notice on page 13 the total received was \$5,515,000. That would probably indicate a profit of \$1 million. The point I am getting at is this: the Committee are lamenting, and I think rightly so, that there is likely to be a recession of trade in regard to fish. I would like to ask, have the profits in years past been such that they could very well take up some of the slack in a possible falling market, so that they might be able to pay the fishermen somewhere near the prices which were paid last year?

Mr. Job That is a very pertinent question. I think in a case of this sort you have to provide for the writing off of your plant on an extensive scale out of your profits. Suppose we have to scrap that — you cannot tell what your profit is; you have to provide for the wiping off of capital, to provide for contingencies. I do not know what the reply would be; I do not think there is very material margin in it. The shareholders received nothing of any consequence. I tell you who has received a great deal and that is the government.

Mr. Smallwood On page 3 of the Appendix "it would seem that Newfoundland producers are working under a heavy handicap as compared to the Canadians, and to build the Newfoundland production up to a worthwhile figure employing many thousands of people, some of the following things will have to be done." One is quality of the fillet; two is another system of producing fish through draggers and trawlers; and three is Newfoundland products in competition with Canadian and American. What is the heavy handicap under which the Newfoundland producers are working compared with Canadians?

Mr. Job That is already pointed out.

Mr. Smallwood The longer haul and freight on page 5? A, B and C?

Mr. Job Yes.

Mr. Smallwood What are the handicaps under which our producers work compared to the