

education than anything else. I believe it is having an important effect among fishermen. I believe in the movement because it is making people think. It is costing the government \$50,000, but you can't very well say it is costing that much as a co-operative movement, it is part of the education of the people, I think.

Mr. Hollett What is it doing for the fisheries?

Mr. Job It has undoubtedly done quite a job — it has exported quite a lot of salmon and lobster. I don't see why they should not do it. Competing with merchants, I don't suppose you object to that do you?

Mr. Fowler I am not objecting to anything, I just want to know what it is costing the country and what it is likely to cost in the future.

Mr. Hickman If it will clear it up any I have the estimates here for 1946-47.... That is a total of 22 for the personnel, for which there is a budget of \$31,400, and travelling expenses of \$18,000, which makes a total of roughly \$50,000. That is how it is laid out in the estimates.

Mr. Smallwood A moment ago I asked Mr. Jones from Harbour Grace, who sits behind me, to work out a little mathematical table. I asked what percentage \$50,000 was of \$30 million, and he handed it back — 1.75%. The government is spending 1.75% of the total expenditure on the encouragement of the co-operative movement. I don't like that, Mr. Chairman. I think it is entirely wrong. I think that in the budget the co-operative movement ought to have spent out of public funds for the purpose of education and propaganda three or four times that sum. I think there should be 50 field workers or more. I think the whole tendency of the government ought to be the encouragement of the co-operative movement. That's a lot better than communism, and if you don't have a co-operative movement in this world, that's what you are going to have. There is no iron curtain shutting Newfoundland off from ideas around the world, and if we don't do something to prevent it from happening, mind you don't wake up ten or 15 years from now and find in Newfoundland a communist ideology. There is one thing that can prevent that, and that's the co-operative movement. Mr. Hollett wanted to know if the co-operative movement competes with the fish merchants...

Mr. Hollett I did not ask any such question.

Mr. Smallwood Sorry, well someone was wor-

rying for fear the co-operative movement might compete with the merchants. Let's get this straight. In this country for the past 400 years there have been merchants ... in charge of our fisheries. Up to now we have not been able to do without them. They collect the fish, pack and export it, but I don't suppose anyone thinks that when God created the world he ordained that the fish trade of Newfoundland had necessarily got to be in the hands of merchants. So long as there is no one to replace the merchants you have got to have them ... and be glad, but there is nothing to say that fishermen should not be their own merchants through organising co-operatively, and that movement, spreading as it is throughout the earth, should be encouraged here in Newfoundland, and no government can do anything basically better than to encourage the co-operative movement.

Mr. Hollett In reply to that excellent speech we have at least three co-operative men here — Mr. Newell, Mr. Keough and Mr. McCarthy. To you I would like to put this question, and I take it they have studied the co-operative movement much better than I have, is it consistent with the whole idea of the co-operative movement that the government should assist in any shape or form to enhance this movement?

Mr. Keough I am not here at the National Convention in particular to defend the co-operative movement. I don't see that it needs any particular defence. For instance, when ten people get together to do a certain piece of business it is called private enterprise, but when two or three or four hundred people get together to do the same piece of business it suddenly seems to have an ideology involved. As to whether it is consistent with co-operative ideology that the government should be involved, I would say not particularly. In this country the government happened to get involved, but in the first instance it happened to get involved in the wrong way. It got involved in land settlements and suddenly one morning they woke up to find they had a co-operative society on their hands. Overnight they had a government store down there, and that's now called a co-operative society. It is possible that the government may have lost a few thousands in other government stores. If they did I have no particular sympathy for them, that's the price they had to pay to find out that co-operative