

been fortunate in having a reduction of our interest rates. This was brought about by our friends across the water taking over or guaranteeing our debt with a saving, I believe, of about \$2 million. I sincerely hope the time is gone forever when the people have to pay interest on loans raised by the government to keep the country going. It is the bondholders who get the benefit, and the taxpayers have to pay the piper. Should we be in the position to float a large government loan in Newfoundland, then the interest would be coming in to our own people; not to people outside the country, but to Newfoundlanders themselves.

I notice that the Economic Report does not mention the serious Labrador fishery. The failure of that fishery will bear hardly upon quite a few Newfoundland fishermen this year. This is an important industry, the Labrador fishery. It has been said ... that it is uneconomic. I do not hold that view. No matter what fishery you have, there will be years when there are plenty of fish and there will be hard, lean years as well. Unfortunately we have not been able to work out yet a plan whereby in years of plenty the surplus would be able to take care of the lean years. I believe that the time will have to come when either through social legislation or some scheme ... some plan will have to be evolved whereby the decline of the fishery with its consequent hardship upon those who are engaged at the time, would have to be worked out for the benefit of the people concerned and also for the benefit of the country. I do not know how the government would go about it — probably the Fisheries Board might have some ideas. I feel that something special should be done this year for the people who have come back from the Labrador without their usual voyages.... Clearly, if our economy is going to be built on solid foundations, some such plan should be evolved to take care of years such as this year. These men do not want dole. They do not want relief. I do not think the report speaks very much about relief, but I am informed that in September month in the city of St. John's, 314 families got relief at a cost of \$7,873; in the outports, 401 families at a cost of \$1,102. That was in September. I feel sure that there are sections that probably very soon will need some relief. My idea would be to work out a plan different from giving relief — something so that these men would be able to provide them-

selves not only with the necessities of life for the winter, but also perhaps be able to provide themselves with twine and other essential necessities, so that their fishery could be carried on next year in the accustomed fashion. It is to the producers of Newfoundland that we as a country must look. These are the men who wrest from the sea and from the forest and from the land, the wealth of land and sea, and with the surplus that the government has in hand today, I think they might well provide a fund to look after these people.... I am sure that any money spent in helping these people would be money well spent. With the surplus the government has on hand a considerable easing of taxation should be given and, as I said before, this would offset the rise in the cost of living. I speak as a representative of the outports, and our standards of living in the outports are different from the standards in St. John's. I know we cannot expect all the amenities of city life, but there are so many things in the outports that people have to do without, that we see, or think we see, a great difference between the two — between the outports and the city.

The people, who are today being taxed to provide the revenues, are asking when relief from taxation will be forthcoming.... What is the use of piling up huge surpluses, while the government has to give out relief? We want to know where the people of Newfoundland, who are the producers, where they are going to balance their budgets. It is all very well to say the government should balance its budget. If the government does not balance its budget it has to resort to loans, but the ordinary John Citizen has a budget to balance, and his budget is balanced by his expenditure meeting his income....

Though dependent on the fisheries, we are also dependent upon the forests and ... other natural assets and resources. The question arises as to where we are going to get the capital to develop our natural resources. If we do not have the capital here, we must try to get it outside, and in the past we have depended very much upon the scientific experience of outsiders, to come in and help develop our resources. By our dependence upon these people we have built up paper-making and other resources, and I am glad to see today our own men are being trained, so much so that our dependence on outside scientific experts will be greatly lessened, and that will be to our ad-