

today? And I would have looked at the problem in such a way as to estimate the chances for the future as far as the fishery is concerned. I would have come to the conclusion that we are better organised today; prices are higher and are not likely to drop to where they were before, if the world keeps on a sound basis at all. I would have pointed out that there are a greater number employed directly in the fishery today than in 1934 on a percentage basis. I would have pointed out that our fisheries are more diversified than they have ever been, and I would have ended up by realising that the people of the world, as well as in Newfoundland, are in need of food and I would have then said, "We have got to make that better; we have to organise it better still and we have to convey that food to the people who need it". I would have concluded, so far as we are concerned in 1947, that we are somewhat better off in the fisheries than we were in 1934.

I would have looked at the forest resources — as the Committee did — and I do not propose to spend much time on them. We know our resources are very much more considerably developed than they were in 1934. The people concerned with that development are putting more of their capital in it because they have some faith in the future of that industry. We have therefore developed our timber resources to a greater extent than ever before in the history of the country. I would say we have extraordinary market prospects. There may be a drop in prices when things get back to normal. You cannot take your resources and blast them out of the earth without paying in higher cost of foodstuffs and higher cost of living. If you take up any magazine from any country you will find that the high cost of living is worrying everyone, just as in Newfoundland, and will continue to worry us until we have worked out our stupidity as a world for causing such a war as in 1939. I would point out that as far as timber resources are concerned, that there are at least a number of people earning more wages than ever before in that industry.

I would take serious note, if I happened to be a government, of the position of the Labrador fishermen, who have suffered. I would take note of the failure of the Labrador Development Company to which Mr. Burry referred, and I would attempt to do something about it. I would not give the people the impression that because there are

some cracks in our economy, our country is going to the dogs. That is the point about which I feel as keenly as any man, the suffering of our people, but I do not want to get into the condition of gloom where we will do nothing about it. As long as you have not got faith and hope, you have nothing. That is what I resent about the gloom all over the place.

If we take the mining industry, I would have said, as far as the ordinary workings are concerned, it is not much better off than in 1934. But I would have said, as the report says, the world needs our wealth. Therefore potentially we have market, if we have the vision and courage to go after it, and we will have extra earning power for our people in the future.

Agriculture — I would have shown the present position which is very little better than 1934. But I would say, we have not given to agriculture the thought and sympathy that it should have had, consequently we suffered because we have not had the production we should.... If we have the will and vision to go to work on the land, we can produce in the future ten millions, possibly more, even when prices have found their normal range.

I think the Finance Committee was perfectly right in putting in the last part of its report this question of faith. You can call it faith or you can call it morale — and you would need to call it some other things in different circumstances — the one thing you must have in the economy is faith, the will of the people. If you look at Alfred Marshall's first book, in it he gives a definition of economics — "the study of wealth on the one hand and the study of man on the other". In the study of political economy you must take into consideration the human element which is the will to push forward and do things.

Now I shall look at our financial and other resources. I shall refer and not too strongly, to the \$70-80 million in the bank. It may be worth in real wealth only \$25 million, according to what you can buy for it. It is a backlog. I would point out the increase in life insurance in this country. It is a backlog. It is worth something to us. In regard to the investments in securities, I raised that question with Major Cashin, I do not think he gave enough credence to that question. In my own work I find the amount in savings banks deposits and the amount in life insurance held is