

against just such an emergency. But the economy of Newfoundland had never been such as to permit more than a handful to put aside a little against a rainy day. At the time the Newfoundland people had some meager reserves. And all during the Depression they hung on to them for dear life. People with a little money in the bank or in the sock went on dole, but would not part with their little accumulated store. I have never been able to bring myself to blame them....

Finally, there must also be taken into account the fact that the national income had long been at the advantage of increment from seasonal employment on the American mainland and from emigrant remittances, and that the former ceased and the latter were curtailed by about 75% in the early 1930s.

Not since 1919-20 had the taxable capacity of our economy been such as would enable us to defray the normal costs of government and service the public debt without borrowing. By 1933 world depression had played such havoc with our economy as to have reduced it to where it could no longer provide many with the opportunity to make a living, and in consequence a quarter of the population came to be on relief. Such then was the fix in which we found ourselves in 1934 — up to our necks in a depressed economy which was unequal to the task of supporting one quarter of the population. In between then and now have come Commission of Government and World War II and a new virility to our economy.

In a speech delivered about two weeks ago — and which appears to have been misunderstood in some respects — I analysed the present condition of our economy and drew the following three conclusions:

1. That no man of fair mind can deny that our finances and economy are in much sounder condition than they were in 1934 — and perhaps in sounder condition than they have ever been.
2. That in consequence, no man may deny the possibility of a precarious condition of self-support.
3. That no man can speak with confidence of the future....

I wish to add a comment or two with reference to this possibility of a precarious self-support. I know that in using that phrase I shall be thought

of as playing politics. It does not matter. But for the life of me, I cannot see what other conclusion there is to come to. To admit of more would involve gratuitous assumption. Not to admit to so much would involve downright evasion. And so I say that a fair man must admit to the possibility of a precarious self-support. However, if it be a condition of self-support we have come to, we have to hold that the condition is precarious, because even the immediate future offers no surety that the basis upon which our improved condition rests will not be disestablished overnight.... If this be a condition of self-support we have arrived at, it is a meager enough thing. At its best, it is a condition of self-support at the level of what we were used to — perhaps even a little better than what we were used to. But that is not enough. It may well be that, for the most part, the standard of living is higher today than it ever was. But that is not all that is to be taken into consideration. The important consideration is — is it high enough? In the issue that confronts this nation, are we to be satisfied with that which is as good as what we were used to, or are we going to seek for the most that may be had?

If anyone feels that the condition of our economy is sound and satisfactory, then the reason must be that he feels that our economy is adequate to provide us with as good as what we have been used to. That is one way of looking at it. Yet we may well find the average fisherman taking another view. The average fisherman has always had his own cost of living index, which he has historically applied to determine the satisfactory condition or otherwise of our economy. That index has been this — a barrel of flour for a quintal of fish. In times when fishermen have been able to get a barrel of flour for a quintal of fish, they have been able to cope adequately with their family economies, and enjoy some measure of temporary security. In times when our fishermen have been unable to get a barrel of flour for a quintal of fish, they have found the national economy out of focus with their best interests, and have lived with their fingers crossed against adversity. Today it takes two quintals of fish to pay for a barrel of flour — and it is just possible that my last forgotten fisherman on the bill of Cape St. George is not so happy over the condition of our economy as is the Finance Committee. He may not at this moment be wondering about