

million a year. That excludes the resurfacing of the road to Topsail.

Mr. Smallwood Mr. Wild, are there any negotiations at all proceeding or about to proceed with the government from any industrial concerns for opening any new industries whatsoever in Newfoundland, apart from what have been published in the papers?

Mr. Wild I don't know of anything. The only new industries are Connors¹ on the west coast and one or two mining developments, La Manche is one.

Mr. Smallwood Apart from what has been published there are no negotiations?

Mr. Wild Yes, there are always negotiations. I am trying to think what I can remember. They are rather confidential with businessmen, and I don't know how far I am right in telling it. There has been a proposal concerning Labrador, but it has not been accepted one way or another.

Mr. Crosbie Do you think, in your opinion, that the country is self-supporting?

Mr. Wild At the moment it is balancing its budget.

Mr. Crosbie Well, do you call that self-supporting, sir?

Mr. Wild It is not for me to say that. The House has to decide that.

Mr. Vardy Don't you think a lot of this increase in the civil service was a wartime expediency?

Mr. Wild The Department of Defense, the Purchasing Department and the Department of Supply. That is only a small section, and will remain as a small section of the Department of Public Works. The general increase in the service, no.

Mr. Vardy I am not referring to increases in salaries, it is the number of the personnel.

Mr. Wild Yes. The point is mostly the hospital nurses, doctors, orderlies, etc. They are put in as government personnel, and that's what they are, but if you close your hospitals, that will cover that.

Mr. Hollett I wonder if Mr. Wild will tell me if it is our government's financial practice to spend \$11 million on new construction at this time.

Mr. Wild The general government policy is to defer all capital expenditure to a time of lack of prosperity in order to give stimulus to trade, but we have regarded the reconstruction scheme

which we are undertaking now as a matter for which the need is so very great that we can't afford to ignore it. The increase is because previously we have not had the opportunity. Let us look at this year's reconstruction scheme. We have been held up during the year because of lack of materials. You will find that the first is in regards to the Newfoundland Railway for capital improvements. Mostly it is rolling stock. Telecommunication service. Well, we think, and Mr. Brown agrees, that we ought to improve the service. Housing. The housing situation is desperate. Civil re-establishment. We must do that. There is one item which could be deferred — the improvement of school buildings — half a million this year and for the last two or three years. That is part of a long-term plan. We have started on ships, the other measure is new roads. We think the improvement of roads is needful. Construction of hospitals. You could not have had a more needful reform than the TB hospitals. The answer is that all this is extremely needful.

Mr. Butt My question is quite simple. I would like to know if the government has ever attempted to draw an international balance of payments, which would include not only our visible assets but our invisible ones. How do you base it when you come to look for a trade preference for example?

Mr. Wild We have actual figures of exports and imports, but that's something tangible.

Mr. Butt I was thinking of invisible ones too, sir, insurance, shipping and dividends, etc. I think at some time or other we will have to come to that.

Mr. Wild One of the troubles lies with our currency. If we had our own individual banking system it would make it much easier. We tried to get these figures for the Jones and Chadwick report, and Jones had to admit that he was beaten.

Mr. Butt He found it impossible to get such a statement?

Mr. Wild Yes. We would have to get a new system of returns from everybody. We can't through the normal returns.

Mr. Smallwood Surely you can get the invisible returns on insurance, dividends, shipping, foreign capital, brokerage fees, etc.

Mr. Wild It is possible to get it, but it means a lot of collection.

¹Connors Brothers of Canada built a canning and processing plant for herring in the Bay of Islands.