

very air of this country is breathing with the expectancy of the great things which are to come. And that knowledge of our happy position seems to have reached the notice of those far from our shores, who are already casting their covetous eyes on our little country. Mr. Smallwood, with others, would make much of the fact that we owe our present prosperity to war conditions. I submit that we are looking at the picture upside down. If they said our prosperity began with the war, they would be more correct. The question is not what caused our prosperity, but will it continue? Is it stable? What we have to deal with here are not causes, but effects. If the discovery of oil in a territory makes that place rich, are we going to say that she is not really rich because she owes her prosperity to the lucky discovery? If America based her start to greatness on a war of independence, are we going to charge her with having obtained a false independence and prosperity? If something like a war happens in this country, which gives a new life to our industries, are we going to concern ourselves with the cause, does not the fact remain that we are prosperous and promise to remain so? Is not that the whole question? If things were bad in the past, is that to be a proof that they must also be bad in the future?

Anyone who has given any intelligent survey of Newfoundland conditions knows that we cannot base our present ideas on the past economic history of this country. Because the clear fact remains that our primary industries, fishing and pulp and paper, are in a vastly different position than before the war....

The annual payrolls of the pulp and paper industry in 1939 were approximately \$6,500,000. In 1949 they will be about \$25 million. The total value of the exports of the industry in 1939 was \$14 million. In 1949 the value of the exports of pulp and paper will probably be between \$45-50 million. The whole trouble with our paper industries a few years ago was not the price but rather the market, and the market is assured for ten years for our total output of paper. To satisfy those who are doubting, let me suggest you get the total exports of our paper from 1909 to 1946. You will find that it averaged \$60 per ton. The figures covering our cod fisheries show similar increases, and it must be remembered that in connection with our paper industries that full time operations are assured for the next ten years.

In Mr. Starkes' remarks the other day with reference to the marketing of our salt codfish, he drew to our attention that in some sections of the country a substantial quantity of salt codfish could not be disposed of. This is not the failure of the markets to absorb the fish, but is actually and unfortunately the responsibility of those people who did not carry out the instructions of the Fishery Board, who, at the beginning of the season gave definite instructions to the effect that shore fish caught in any section of the country should not be cured as heavy Labrador cure. This is the type of fish that goes pink, and therefore the article is spoiled before arriving in the markets. Surely, Mr. Chairman, the people who buy our fishery products are entitled to receive the actual product for which they bargain, and not some other substitute. This, therefore, is sufficient proof that central curing stations should be established in selected centres to enable our fishermen to spend a longer period in the catching of fish.

Is Mr. Smallwood going to tell us that we are sending our rolls of paper to fight a war? Is the ore from Bell Island going out to make shells? Is our fish going out to feed an army? Is he going to try and tie in all the dollars we are to receive in the future with some war that is going on somewhere that none of the rest of us knows anything about? I do not think I have ever listened to such a silly argument since I came to this chamber as that used by Mr. Starkes in trying to back up a weak cause, for he himself looks to the bright economic future for Lewisporte. To prove my statement, Mr. Starkes is at this very moment building one of the largest buildings ever to be erected in our outports, costing in the neighbourhood of \$40,000. If codfish, lobsters, wood etc., fail, where are the dimes coming from to buy tickets to see the movies at Lewisporte? Who does he think he is bluffing?

Mr. Smallwood Mr. Chairman is that strictly in order? Is that parliamentary practice? That is just a bit low there, isn't it?

Mr. Chairman Members must refrain from using any language which may be regarded as offensive, and if members would confine themselves to addressing the report rather than comments which other members have made, I am sure we would not go very far astray.

Mr. Starkes I would like Mr. Smallwood to