

investment in the cold storage industry and that is not only diversifying the codfishery, but increasing the number of kinds of fish that we can use. There is also the fish reduction business which is going to be a big thing. If you look at the picture you will see ahead of us a certain demand for a large quantity of salt cod, a growing demand for canned fish of all kinds, and the commercial use in increasing quantities of haddock, rosefish, herring, caplin, mackerel and other species by either the cold storage, the canning or the fish meal plants. It does not require any great prophet to say that the use of so many species of fish in so many different ways is an assurance that the fisheries can never again go back to the darkest moments of the 1930s. I know that at the moment there is an exchange problem that may be troublesome. On the other hand, that problem has to be solved or the whole world will come tumbling about our ears.

Newfoundland cannot expect to be prosperous in a world torn by conflict or sunk in depression. We know, in the words of the member for Bonavista Centre, that things looked pretty good in Newfoundland while the bread lines were forming in the cities of Canada and the United States. Just the same, we can't fool ourselves. If the rest of the world is stricken with poverty, we can't expect to have prosperity. That does not mean there is anything wrong with our industries or their future, and I am as certain as the day that everything is going to come right. The world cannot go down. In fact, the world is going to revive because to have peace we must have general prosperity. The United States is going to pour its resources into the poor countries that have been ravaged by war, and build up their economies with its help. As the purchasing power of Europe revives, so will the prospects of prosperity being secured in Newfoundland increase. We have been improving the means of catching and processing fish of all kinds. More draggers and schooners are reaping the rich harvests of the Banks and the fish are going into fillets for the American market or being cured for our saltfish markets. We are improving the cure of saltfish and new methods of drying are beginning to be employed to help improve the quality. Purse seiners and other modern equipment are being used to build up other parts of the fish industry. We have now a central marketing sys-

tem so that nobody can bring prices down by cutting other people's throats by underselling them in the markets. All these things cannot be ignored in considering the prospects of the fisheries.

Now there have been some references to the Labrador fishery. In any industry that is controlled largely by nature, there will always be black spots. We hear of a big wheat crop in Canada, but we don't hear anything about the farmers who lost millions of bushels because of weather conditions last summer. Those farmers whose crops were wiped out were much like our fishermen who didn't get enough fish. Everyone is naturally sympathetic to these hardy producers who are treated badly by nature, and we have to do what we can to help them. Just the same, the fact that a percentage of people have had bad luck or are unemployed for some reason beyond their control does not mean that the whole economy is depressed. We may have to find some means by which the producers can be given greater security in the future, so that we can eliminate as far as we can the gamble of the voyage. In a country like this a wise government will try always to keep some special public works in hand to meet special emergencies where people have had hard luck. I do not agree with the principle of spending every cent the country has in a time of general prosperity and we ought, in my opinion, to be adding to our surplus at the present time.

As to the forest industry, I can only go by what the people who know that industry best have said about its prospects and what they are doing to back up their words. The demand for newsprint is so great that the exchange problem does not concern it very much. The United States and other countries able to pay in dollars can take all we produce, and we have the word of people who know what they are talking about that prosperity seems to be in store for the forest industries for several years to come. Anyone can stand up here and point to what happened in the thirties. But the world would never again survive a depression like that of the years between the two wars. Our prospects are good because we are selling all our produce at good prices, although Britain is not able to buy so much and other countries in the sterling group are in difficulties. Their condition is bound to improve and we shall have better markets when it does improve.