

time to stop vibrating and the post-war pattern of life time to become distinct. The final word, the conclusion to draw from an examination of our finances and economy is this. In the past our economy was not able in normal times to provide the revenue to support the public and social services that other western peoples enjoy. There is no evidence at this moment that would seem to indicate we may expect that our economy will be able to do the like for the normal times of the future. Indeed, everything would seem to indicate that our only hope of ever coming by such services would be by subsidy from the outside. I say that without seeking to prejudice the argument for one form of government or another. I state it as an inevitable conclusion to be drawn from our history and our foreseeable prospects, and I do urge that to whatever form of government we now go forward, we do advance with our eyes wide open on that score.

Mr. Smallwood I don't intend today to discuss the subject that Mr. Keough has just discussed so brilliantly and in such choice language — the question of whether or not Newfoundland is self-supporting and of what chance there is of her being self-supporting in the years to come. That I will leave for another occasion. But I would like to review the Report of the Finance Committee which Major Cashin is sponsoring here today, and I think it would not be very courteous to the Finance Committee or to Major Cashin if we failed to show by our interest and by our debate, how important we think that report is.

I have here before me, Mr. Chairman, figures which I compiled in the past 12 months showing for every year since Newfoundland got responsible government down to the present time how much taxes the various governments took from the Newfoundland people; whether they have a surplus or a deficit each year since 1855; what borrowing they did; what was the amount of the public debt; and what was the amount of the country's total trade. I have these figures for every year from 1855 down to the present year...

Mr. Chairman Could I ask the source from which these figures were obtained?

Mr. Smallwood The figures are compiled by me from official publications of the Government of Newfoundland. I have no intention whatever of using these figures for that long period of nearly 100 years. But as the Report of the Finance Com-

mittee starts for the year 1909 ... I wonder, sir, if you would bear with me if I extended the period of review in my present remarks back to the year in which I was born, 1900....

Mr. Chairman On that point I have to direct the attention of the members to the fact that the terms of your mandate restrict you ... to inquire into the financial and economic position of the island as and from 1934. Insofar as any figures prior to that time might facilitate an understanding of the financial and economic position from 1934 up to the present time, I feel the time to be well taken.... If you feel that any period that you like is calculated to facilitate the House in an understanding of the financial and economic position as and from 1934, then I have to hope that your remarks on that account are proper and relevant. Otherwise I'm afraid I'll be reluctantly forced to take the position they are immaterial and irrelevant.

Mr. Smallwood Thank you, Mr. Chairman, I bow entirely to your ruling and I assure and promise you that the remarks I will make about the period between 1900 and 1934 are only for the purpose of throwing light on the period since 1934.

Now sir, I hope you will forgive me if I make this a little personal because what I have in mind is less the gentlemen who are present this afternoon visibly, and more our masters — the people of Newfoundland. I am attempting to deal with one of the most difficult things, figures and statistics. So I am trying to make them sound as interesting as possible by using personal allusions.

Sir, if I were 50 years old instead of 47 my life would fall into five ten-year periods, from 1900-1910 and so on.... But it falls into four ten-year periods plus one period of seven years. When I was born in 1900 the Government of Newfoundland spent that year in the public business of the country \$1.85 million. In that same year the export of all the goods exported from Newfoundland amounted to \$8.5 million, in other words, 21% of the value of all the goods exported from Newfoundland went to the government for the public expense. And the taxation that the government placed on the people that year was \$8.50 a head, on 220,000 people....

Now, sir, I bring you down to 1910. For the first ten years that I was alive in Newfoundland, the Government of Newfoundland took from the people a total of \$24 million in taxes and spent