



*The Newfoundland War Memorial, overlooking St. John's Harbour, was built after the First World War near the spot where Sir Humphrey Gilbert took possession of Newfoundland in 1583.*

The great test of the Newfoundland Regiment came at Beaumont-Hamel in the Battle of the Somme, on July 1, 1916. They went into action 753 strong; only 68 answered the roll call next day. A memorial to the fallen stands on the field of Beaumont-Hamel and on Commemoration Day\* the people of Newfoundland gather at their war memorials in remembrance.

The War brought an unparalleled boom. Prices of fish rose to unprecedented heights and catches were unusually good. Employment and business turnover were high. A spirit of optimism, combined with a generous patriotism, induced the Newfoundland Government to undertake financial responsibility for Newfoundland troops sent overseas. This added greatly to the costs of government. The public debt was increased by \$10,000,000 and provision for war pensions proved to be a continuing burden. There can be little doubt that this addition to debt and overhead was an important factor in bringing about the financial crisis after 1930.

The end of the war boom brought a sharp collapse. There were many business failures; export prices of fish fell, between 1920 and 1923, to one-half their former level and direct relief was needed in

\* July 1, if a Sunday; otherwise the nearest Sunday to July 1.