

of the company's exploration reports, but so has Quebec. I also contend, that if we grant a licence to export power we should demand some definite concession in return. In concluding let me express the hope that any fears or doubts we may have will prove to be groundless, and that with this great new mining industry will come a measure of prosperity for our people and economic stability for our country.

Mr. Reddy Mr. Chairman, there seems to be little doubt left in the minds of the delegates here that Newfoundland has been again handed a raw deal in respect to the agreement made by the government with the Labrador Mining and Exploration Co., Ltd. The very fact that the government, on request from the company, changed the original agreement from a 10 cents per ton royalty to 5% on the net profits has tended to create suspicion. It appears to be an established practice for such companies to be associated with subsidiary companies, and it usually turns out that the original company shows little or no profit on its operations. Therefore the 5% on profits could mean nothing if there is no profit shown....

I must disagree with the remarks of Mr. Butt yesterday that we should look upon such a development from a labour point of view. I am fully aware that we must encourage labour for our own people from every available source. But, Mr. Chairman, for the past 50 years, Newfoundland's most valuable assets have been sacrificed to labour. In every big development in this country, the ship hand of resulting employment has been held over the heads of past governments to extract concessions unheard of in other lands. I feel it is time for us to demand something more than labour in return for parting with the assets of this country. Today the world supplies of iron ore are being depleted, and the eyes of the mining world have turned to Labrador, where there apparently exists an unlimited quantity of this much sought after metal, which I hope can yet be mined for the benefit of our land....

Mr. Higgins Nothing can be done about the agreement if the application is made for power to export, which we understand it has. It might be worthwhile if this house took a stand in the matter, our idea being an increase in royalty to \$1 and an understanding that the town be in New-

foundland.

[Mr. Higgins went on to quote from minutes of conversation with Mr. Howse. The Assistant Secretary read a memorandum (August 13, 1943) by the Mining Law Technical Committee²]

Mr. VincentAfter listening to some of the members of the Mining Committee yesterday evening, I was reminded of the very likeable characters immortalised in Lewis Carroll's famous poem, who, finding themselves in a very awkward position, said:

They wept like anything to see such quantities of sand.

If this were only cleared away, they said, it would be grand.

It seems that the chief architect responsible for the compiling of this report and his worthy associates did not entirely agree on the question as to whether the legislation incorporating this Labrador Mining and Exploration Company was the best that might have been enacted at the time or not, but all were agreed that if a few vexing matters could be cleared up, it would be grand indeed. If, for instance, that Grand Falls water-power agreement had read \$1 per installed horse-power, if only we had demanded that Mr. Timmins keep to the letter of his 1938 agreement, yes, if these matters were cleared away, the Committee said it would be grand. Of course, it's just talking in platitudes to say if it were thus, or if we had gotten that, all would be well, and it's not helping matters when we set up a whine and assert, "Oh well, it's just what we expected, our country was never much more than a fertile field of speculators, in every deal with big corporations and companies we have always been at the wrong end of the stick." I cannot agree with this school of thought, and like my friend Mr. Butt, I would have the temerity to say that with no inside knowledge of the technicalities of mining or geology, and taking the report so ably explained by Mr. Higgins, I would assert that the deal with the Hollinger interests is not nearly as bad as some would have us believe.

Let us recapitulate a few salient points, and just to satisfy the critics we'll prefix them all with a big IF. If the mines are worked, and remember if they are not worked we don't get fleeced, if the mines are worked it means employment for 2,500

¹These minutes do not appear in the transcript.

²Volume II:362.