

provisions of this agreement to determine whether modifications in the light of experience are necessary or desirable. Any such modifications shall be by mutual consent". That is copied from the Bases Act, I presume?

Mr. Chairman There are certain portions which are quotations.

Mr. Higgins Is the suggestion that the general principle of the bases agreement might be changed completely, or is it merely small items that would be, after mutual discussion, changed somewhat? There is no suggestion that if any government, responsible or otherwise, went to the United States, that it would have them agree to relinquish the bases?

Mr. Chairman I would say that depends upon the correct interpretation of the clause itself. I can put my interpretation on it and you can put yours, and Major Cashin can put his.

Mr. Higgins My interpretation was that these were not major considerations.

Mr. Chairman They would not go to the root of the whole deal, I don't think. That's as I would interpret it.

Mr. Higgins This particular article being quoted was a mild brush-off, is that it?

Mr. Cashin That's what I would say.

Mr. Higgins I did not quite get the meaning of what Mr. Crosbie said in the Icelandic deal regarding soft money. I presume you put up to them the question of why they were buying Iceland fish and not ours. They could very well take our fish. Could you enlarge on it?

Mr. Cashin As I gathered from the conversation ... they had finished negotiations for 12,000 tons of Iceland fish. They were asked what the meaning of "soft money" was, and the answer did not materially change the situation. It was merely a name. They were buying fish from Iceland and not from us. They put the dollar business right over to us again, and when we brought up that we had advanced \$2.5 million for three ships they were building over there, they could not see why we could not send the cash over and not the fish. They were indignant that we should question the matter of us sending the cash and their not buying the fish. Furthermore they were buying a lot of fish from Norway and not from here. They gave them fish for that. There was some kind of a deal in that respect. It was just another brush-off.

Mr. Higgins There was no real explanation? Is

there any explanation, other than appears in the record, with respect to iron ore, as to what they will or will not guarantee?

Mr. Cashin It is the same old story. As a matter of fact the Mining Committee brought up that contract of 750,000 tons for this year. We were pushing them to get a continuous contract for a number of years. It came out in our talks that the actual money for this year's iron ore has not been approved by the Treasury at the present time. Whilst they are negotiating, and are prepared to take the ore, it is still in the hands of the Treasury. We were told that the Commission of Government had been pushing that matter — the Commission has been pushing everything. They pointed out the freight rates were somewhat high in connection with the transportation of ore. The British Ministry of Shipping controls freight rates. They make or break them. I feel we are going to have that contract for 750,000 tons of ore, but for next year I would not bank on it. Even though the steel industry is going to be nationalised, even when we pointed that out, they would not say whether or not they would buy the ore. You will notice from the last memorandum, the matter came up and we were told we were not the government. In other words we were given a smack on the hand, and told to go home and be good boys.

Mr. Higgins It has been intimated that planes flying the Atlantic and scheduled to land at Shannon, still had to pay landing fees whether they landed or not.

Mr. Cashin It did not come up in our talks. I have heard that even though they fly over Ireland, they have to pay whether they land or not. I have no official information to confirm that. I believe they should pay for flying over Ireland.

Mr. Higgins Having read the report, I think that we here are indebted to the delegates that went across.... I was told the delegation really did put up a very worthwhile case for the country in their discussions, and that at times it was not altogether as peaceful as even it is in this House sometimes. I understand people were called to order at times, and that in the staid atmosphere of the House of Lords people were shocked at the expressions used. I wish to congratulate them on the work they have done. I feel confident that the work they have done and the answers obtained will be of the greatest importance to us of the Convention. We