

**Mr. Cashin** In reply to Mr. Hollett, the government gets around \$18 - 20,000 a year from those sources. There are estimates of the earning power of the pulp and paper mills, sawmills, and the cutting of pit props, etc. We want to get an idea of the forecast for the future. I refer particularly to the pulp and paper industry because it has been publicly announced in recent months, that Grand Falls is expanding, and also Corner Brook, and it is fairly easy, to figure out the earning power from these two sources. The thing was to get the earning power accruing to the country at the present time for wood sawn locally, and build up the total earning power of the people annually for all forest work.

I know there are plenty of loopholes in this report, and we are only too pleased to have any further information because I don't believe any report coming in here will be perfect. But it is the best we can do, and we can't all be on the same committee.

**Mr. Hollett** I would like to know the value in wages paid over the years, of our forests, and in revenues collected by the government as a result of forest operations. If we had that over a period of years, from 1921 down to the present time, it would give us a clear picture to show just what advance has been made and what hope there is for the future.

**Mr. Cashin** In connection with revenues that might have been collected in the past 20 years, the Customs can't give it to you; it's impossible and we could only make a guess at it....

**Mr. Smallwood** The point raised by Mr. Hollett. The AND Company could tell you for the period beginning with their first year almost to date what they expended year by year.... Bowaters can do the same thing from the beginning.... There seems here to be a number of estimates and statements made without any supporting evidence whatever. The supporting evidence undoubtedly is there, but we are asked to accept it on faith, without the production by the Committee of the evidence on which they based those conclusions. You take on page 10 again, section 3 and 4. I am beginning now to guess that it has to do with the new machinery going in. Does it also refer to wage earning employees, or does it include them and woods operators?

**Mr. Cashin** Everything. In the thirties when the

newsprint industry was in the doldrums I was told they figured that to produce a ton of newsprint it cost about \$25 in labour. Well you all know that the cost has gone sky high since that. That's why we based our figures that way, it costs roughly \$25 a ton.

**Mr. Smallwood** Another thing to which I would like to draw your attention, a matter of vital importance. You refer here to the three mile limit,<sup>1</sup> and you say that large parts of it have been denuded, which is largely the case. I am especially familiar with it in parts of Bonavista Centre, which overflows into Bonavista North, from Hare Bay up to Gambo, where there is no wood left, not a scrap. The people down there have sent a petition to the government, drawing their attention to the fact that at the present time the three mile limit is cut out completely, and immediately adjacent are paper areas. I rather expected the report to contain a reference to the serious situation that had arisen in many parts of the country where the three mile limit had been almost completely cut out. The only timber remaining is that owned by the paper companies, and small sawmill men have got to go in on the companies' land to cut, and pay royalties for so doing. Many such cases have happened in Bonavista Centre and Bonavista North. I know also of one or two cases where the government actually swapped Crown land limits for the convenience of Bowaters. I have in my possession a number of letters from Dark Cove and contiguous places around Gambo dealing with this same matter. It seems that the government did the swapping to provide the grounds for the statement that the output for local sawmills would increase.

**Mr. Cashin** The increase is to be expected as a result of the increase in building and construction. At present there are only 5 million cords of wood left on Crown lands in the country.

**Mr. Burry** The conditions obtaining in Newfoundland, as pointed out by Mr. Smallwood, to the detriment of small mill owners and fishermen, have not become as bad in Labrador as yet, but it is becoming so, and where the Labrador Development Co. is operating the fishermen tell me that they have to go far afield in order to procure timber with which to build boats and stages. I think this is worth considering seriously now, before it gets too far. Besides it is one of the ways

<sup>1</sup>Forest within three miles of the coast was reserved for use by residents.