

power and helps in a big way to balance his yearly budget.

I shall not touch the pulp and paper industry, it has been well covered; except I would like at this time to inject a word of praise to those who have been so indefatigable in their efforts to better the working conditions of our men. In this respect they have done an excellent job.

More care should be exercised in the matter of forest fires, this menace is growing at an alarming rate and in this respect every man, woman and child should be a self-appointed warden. It is criminal to nurse and grow a forest in 50 and 60 years and destroy it overnight.

It is gratifying to note that at last we have a chance of getting some value from our enormous tracts of birch and other hardwoods, which so far have largely been left to rot. I have gone through the report from the Forestry Committee several times and I must admit, in spite of the additions I have mentioned that on the whole they have done a good job and if they haven't, I still say it is up to us to assist them to do it better.

Mr. Smallwood Have you made any effort to get the statistics of the census?

Mr. Cashin No. We did not take it into this report at all.

Mr. MacDonald I rise as a member of this Forestry Committee. I have been listening to criticism in regard to this report. A good many of the questions asked came before the Committee and we could not see any possible way of getting the information. For instance, the question of the value of timber on the Labrador. How can we get it? The Natural Resources department which gave us a lot of help, could not give us that answer. If we have to get that before this Convention can conclude its decision, I am afraid it is not going to be this year or next year. We will have to make a survey of the Labrador to do it. There has been no survey made on Newfoundland except what we can get from companies; what is left is only a guess. I would suggest that these gentlemen asking questions give us a list of them.

Mr. Cashin We have a list of a lot of Mr. Smallwood's questions. We promised to bring in a supplementary report. As far as the estimate of timber on the Labrador is concerned, we cannot give it.

Mr. Smallwood Could Major Cashin tell us this: I take it you have a list of companies who

have timber grants?

Mr. Cashin I will get a map.

Mr. Smallwood They are leased, and on the leasehold they pay \$2 a square mile. What about development of them? Is the development a private matter, or does it involve coming before the government to get concessions or contracts, in which case the government would have a chance of making a deal with them in regard to taxes? Then again, what about royalty and stumpage, are they exempt? If we could have some definite knowledge on this: is a company now holding a thousand miles in a position to go to right ahead, without further legislation, with development, and be subject only to 25 cents a cord and income tax, corporation tax and profits tax? That is all they are liable for. The most we can get out of these timber areas now leased in Labrador is \$2 a square mile; 25 cents a cord on any wood they export raw and unmanufactured; tax on the profits, if they make any. The only chance we have of making more is if they come before the government for special concessions — admission of equipment duty free — then the government might have a chance of working something out of them in return.

Mr. Cashin Take the Labrador areas: the Grand River — the Labrador Pulp and Lumber Co. has leased 200 square miles, they pay \$4,200 a year rent and they have had it 45 years. The Sandwich Bay area has been held 30 years by the Labrador Pulp and Lumber Co. That is yielding \$3,100 a year rental. They have paid \$6,000 to \$8,000 rentals, and have not done a thing with them.... The Hamilton Inlet was supposed to be the best timber area on the Labrador. That is not under lease at the present time, and that is the property for which we understand some people are dickering for a concession....

Mr. Burry Major Cashin said that this area that has not been leased is the richest timber area on Labrador. That is hardly correct. The richest area is the Grand River area which has been leased to the Labrador Pulp and Timber Co....

Mr. Smallwood Is the best of the timber now leased?

Mr. Burry My personal opinion is that the best is already leased. The Grand River area and the Hamilton River area are taken up. The Kinemau and the Kenimish, they are taken up and they are very richly wooded. I don't want to give this