

**Mr. Higgins** No, they come entirely under the 1930 Crown Lands Act. They have no subsidy and no relief from duty in any way.

**Mr. Smallwood** Even on the original machinery?

**Mr. Higgins** Only as provided in the Crown Lands Act, 1930.

**Mr. Smallwood** Are they not allowed to bring in their original machinery duty free?

**Mr. Higgins** That's in the Crown Lands Act.

**Mr. Hickman** In that interview quoted from Mr. Poynter, perhaps you can explain it, but it strikes me that with the relatively small production in St. Lawrence of 9,000 tons shipped to the USA in 1945 — of course the total production was 18,000 tons, but they have a 40% additional cost of supplies over and above their American competitors — how can they compete? Do they get any subsidy, or is there quite a profit in the production? They must be operating under such terrific handicaps that it must be quite a paying proposition.

**Mr. Higgins** Mr. Poynter says that they are operating under a handicap, they have no subsidy of any kind, and their labour prices are the same as the prices of their competitors, and they have that big difference of duty and the 40% increase on the supplies.

**Mr. Hickman** Well, if they are paying the same labour, etc., how do they compete?

**Mr. Higgins** They must be making a good thing of it.

**Mr. Miller** I think that power cost was eliminated. The power company distributed for the mining companies in Newfoundland, whereas in the States and Canada they buy the power and the company distributes....

**Mr. MacDonald** I notice in other reports it gave the rate of wages paid the workmen. Does the chairman of the Committee have any idea of the wage rates there?

**Mr. Burry** We intended to put in a section on that, but did not have the facts at that time. We now have some correspondence which gives us some information on it. They pay the regular hourly rates from 52 cents to 80 cents per hour....

**Mr. MacDonald** Thank you. That would make the basic rate 52 cents I take it, which is below that of Bell Island.

**Mr. Hickman** Does that include a cost of living bonus which may be taken off as the cost of living

goes down, or is it the basic rate?

**Mr. Burry** There is nothing mentioned as regards a cost of living bonus.

**Mr. Higgins** St. Lawrence is highly unionised, and I imagine they would have.

**Mr. Burry** I might say in the report there is a reference to how well they are satisfied with their men....

**Mr. Higgins** That 52 cents is common labour?

**Mr. Burry** Yes, that is common labour, and that is basic.

**Mr. Vardy** In fairness to the company it should be pointed out that they allow the men to come on deck in company time and dry their clothing and have their lunches. The St. Lawrence mines are very wet, and it adds greatly to the cost of production. They are given the hour with pay.

**Mr. MacDonald** Still, a man working under those conditions should get more than 52 cents an hour.

**Mr. Higgins** Apparently that's all they can afford to pay up there.

**Mr. Fogwill** The wages would be about \$700 a year.

**Mr. Smallwood** Is it true that the people up in St. Lawrence just about made that development possible by their own working?

**Mr. Higgins** Definitely. The picture given us was that in the early part of that operation there was no money, the people running it now got practically no money, and the merchants of the place carried the production for quite a time. It was really co-operation of the very best kind. In fact, going further than that, Mr. Poynter said that he believed that there were a lot of other places in Newfoundland of a similar nature to St. Lawrence — no mineral of a quantity that would be of interest to a big corporation, but which might very well be worked by a corporation such as theirs, people who would be willing to go in and work on a shoe-string, and eventually get up to where they can make it pay.

**Mr. MacDonald** My reason for raising that point is that the report says that the average wage paid in the mining industry proves it the most highly paid industry in the country. Now I took objection to that. Bell Island again — 58 cents an hour, and even adding on the 7 cents that they get, which gives them 65 cents, and they work 10 hours a day. Now other industries have a basic rate for a nine hour day, with time and a half for