

ly, we have to look to outside interests, these big companies to come here and start these industries. We are glad to have them here, but we want to be very careful when we are making arrangements with these big companies. I think one of these companies is protected, as far as the tax they have to pay is concerned, up to 1973.... All these resources that can be manufactured in Newfoundland mean much more to us than if we export raw wood. We know the coal mines in England need the pit props, and that there is a demand for wood for export, but the best interests of Newfoundland will be served by manufacturing into finished products as much of the assets of our country as we can possibly do.

Mr. Higgins Speaking of forms of government, and remembering the old adage "politics makes strange bed-fellows", and referring to the statement by Mr. Smallwood that he hoped that he and Major Cashin would be in the same government, I was wondering just what form of government that would be. But what I really meant to say was that I was very impressed by the addition to the supplementary report, and I think that particular aspects should be stressed very highly — the three-mile limit has practically nothing left on it. I think, if possible, the recommendations of the Committee should be carried out in some form, and possibly if we tacked a little more on it the powers that be may be impressed, otherwise all that will be left for these people will be "small wood".... With reference to the sulphite mill in Labrador, is it a fact that sulphite pulp cannot be kept very long as it goes sour, and that is why there is no sulphite mill there at the present time? The other question is, can you split up that \$5 million extra over the \$20 million for Newfoundland?

Mr. CashinI understand there is now some process whereby they can store sulphite for a considerable period.

Mr. Higgins That was not so in the past was it?

Mr. Cashin No, not years ago. With regard to splitting up that \$5 million, I would like to have it here to divide between us! But the labour from that sulphite mill, that is the manufacturing, would average \$40 a ton. You would want a capital of roughly \$5 million to build town sites, wharves, etc., to produce 100,000 tons of wood

or more a year, and that would give from \$1.5 — \$2 million earning power. Is that satisfactory?

Mr. Smallwood I don't want to delay things, but something has me puzzled, and that's the actual amount of timber in Newfoundland. This is a copy of everything taken in 1914 by the Dominions Royal Commission.¹ Sir Edgar Bowring was a member. Before that there was George Turner, who was Deputy Minister of Mines. He was examined by Sir Rider Haggard, who said:

You have in this country a vast area of timberland still left? *Ans.* I would not say a vast area. There remains the considerable timbered portions of the three mile coast fringe.

Ques. But inside that? *Ans.* All inside that is now owned by private parties. *Ques.* The government has only the three mile coast fringe?

Ans. Yes. *Ques.* And inside the three mile limit it is mostly covered with timber? *Ans.* No, about 10,000 square miles would cover all the remaining timber of merchantable quality.

In 1939 Mr. Ewbank said this: "We have not yet made a complete survey of the timber on Crown lands, but the Forestry Officer, Mr. Turner, has been collecting data for some years and now reports that he has enough information on which to make a rough estimate. He calculates that the total value of soft wood on Crown lands is not more than six million cords. In addition there is a good deal of acreage where young trees are growing up after burning. He calculates that there would be two million cords of growing stock." That gives us eight million cords of soft wood.

Now I come to the Report, page 12, paragraph 10: "From information given us we find that, the total amount of wood available on Crown lands is roughly five million cords (excluding birch) and the total amount on leased lands is 60 million cords." The point I want to make is that in 1914 the Government of Newfoundland estimated that the Crown had in this island 10,000 square miles of timber. In 1939 the government estimated eight million cords of soft wood, that is counting two million cords of young stuff that was just

¹Great Britain. *Royal Commission on the Natural Resources, Trade, and Legislation of Certain Portions of His Majesty's Dominions*, February 1915, Cmd. 7711.