

Committee rise, report progress, and beg leave to sit again tomorrow.

[The committee of the whole rose and reported progress]

**Motion to Prevent Disposal of Assets by the Government
until a Decision has been made on a Future Form of Government.**

Mr. Chairman Mr. Crosbie to move that this Convention is of the opinion that until the people of Newfoundland have decided what form of government they wish to have in the future, there should be no further negotiations in connection with any disposal of any assets of Newfoundland, either in Newfoundland or Labrador.

Mr. CrosbieSome five or six weeks ago we had the Forestry Report submitted and there was considerable debate regarding the value of timber on Labrador. I am afraid many people here spoke of Labrador not knowing of what they spoke. I felt it was rather a pity for us to discuss in public something we did not know about. That report was passed and sent back to the committee for consideration. I have taken some trouble to ascertain what was the position of timber on Labrador. I had an idea that Bowaters, one of the large paper companies, had made surveys there in 1937 and 1938, both ground and aerial. I have been in Corner Brook and asked Mr. Lewin, and he told me that he had no objection to getting the surveys and giving them to the Committee. To his knowledge, where we said 2 million cords of wood, there are 20 million cords of wood easily accessible. At that time the cost would have been extremely heavy and they had the opportunity of making this other deal at Gander, which they took. He said it was good timber and there is no reason why it should not be made into pulpwood or paper.

Bearing that in mind I was somewhat worried about a letter I received from Saint John, N.B., Canada. We did hear rumours on the street about certain parties negotiating with the Department of Natural Resources for timber rights. Mr. Smallwood may have had the idea that some delegates in the Convention were mixed up in the movement. I am sorry I forgot to bring that letter here, but that party went on to say that "myself and my association can procure ten or eleven thousand miles of timber on Labrador and can get them for you on favourable terms." It is getting pretty rough when a Newfoundlander has to be offered part of his own country from an outsider. Mr. Flinn told us that negotiations had been com-

menced, and since that nothing had been done. I am prepared to believe that, but I believe this resolution should go through this Convention. I also feel, since yesterday, that it is more necessary. We heard of the Gander agreement, and I don't think any man who had the interest of the country at heart would make such an agreement. The British government are only trustees of this country, and that's all. They have been the last 12 years, and they feel by setting up this National Convention they would like to pass back their trust to us. That being so I don't think Commission of Government has any right to bargain away any more assets of this country in Labrador. We don't know the value of Labrador. I mentioned timber, but in the *Magazine Digest* of last month there is an article that interested me. It said "Labrador Iron Ore Saves United States Steel Mills". That staggered me and I read the article. It finished up by saying that in the not far distant future the United States will be taking from Labrador \$350 million worth of iron ore a year, and that's not chicken feed. I understand that one of the companies is negotiating a power agreement on Labrador. The British government should be very cautious about any further agreements they make until the people have an opportunity to say something about the future of this country. With that in mind I beg to move this resolution.

Mr. Penney I second the motion proposed by Mr. Crosbie, and may I say that it looks like we have uncovered things during our fact-finding investigations that many of us thought unbelievable. It is time to cry halt to further dickerings with the assets of Newfoundland and Labrador by a caretaker government — yesterday's revelations on the Gander airport deal for example — and there are others to come — so that in this motion, even though it may not be heeded, we do nevertheless consider it our duty to try and save the remnants of our heritage for the people of Newfoundland, as well as let them know what is happening. I strongly support Mr. Crosbie's motion....

Mr. Chairman The motion has been moved by