

got them. The Labrador Development Company¹ have acquired everything marked in blue. They control about 6,000 square miles of timber land, but a lot of it now has no timber on it at all. We mentioned here that they have had advances from the government in 1934 of \$200,000. The government has a first mortgage on that property and it has been reduced to about \$140,000. This year they are shipping around 7,000 cords of wood. At the same time there is a foreign export on the property from the other side, and it is impossible to secure the necessary capital to do much manufacturing. There are possibilities of other parties trying to obtain leases, in fact in the hands of the government today are requests for leases, but they would not give us the necessary information. There is one for a pulp mill on the southwest coast, to be fed by timber from Labrador. Some people may ask why they can't put the mill in Labrador. That place, particularly Hamilton Inlet, is closed to navigation about seven months of the year, and it would mean a great deal of capital expenditure to provide storage facilities for that length of time. I would be glad to give any information I can about it.

Mr. Smallwood It is only now I am beginning to realise how important this report is, or, if Major Cashin won't mind my saying so, how important it is not, but ought to be. Long before we come to discuss forms of government we have to make some appraisal, some estimate of what we have got in the country, including timber. This report is supposed to tell us clearly what are the resources of Newfoundland and Labrador so far as timber is concerned; how much of those resources are under development, who is developing them, what is the value of the production, how much are in the hands of private owners, how much still in the hands of the Crown. We are supposed also to know, and so far as timber in Labrador is concerned this is more important than what is now being done, what is likely to be done in the future. Labrador — 110,000 square miles; and we have roughly two pages of the report dealing with it. Two-thirds of that is taken up with an account of the Labrador Development Company, a small operation apparently, although they have acquired through purchase and leases 6,000 square miles there, and are exporting this year, so

the spokesman of the Forestry Committee tells us, 7,000 cords of wood. At present there are two small operations, one the Labrador Development Company, the other, which began its activities this season, is known as the Three Rivers Estates Ltd.² Who are the Labrador Development Co., and who are the Three Rivers Estates Ltd.? Are they local, Canadian, English or what? How much capital have they invested? What development have they made? How many people are they employing?

We find that in the meantime several other speculators acquired interests for the period of 99 years, and at the present time we find what something over 10,000 square miles are under lease to various individuals or companies. Who are these companies, are they English, Newfoundland, Canadian? I submit, that when we come, sometime next year, to consider forms of government which we might feel justified in recommending to the United Kingdom to be submitted to the Newfoundland people, we should certainly have in our minds a fairly clear picture of the possibilities of this country, including Labrador. I submit there is almost nothing in this section of the Forestry Report to help us form that picture....

Someone said here last night something about optimism about Labrador, and my reply was that it was not a case of being optimistic or pessimistic, but of trying to get the facts. So far as Labrador is concerned this report is practically useless. I don't want to be unjust about the matter, and I know very well the terrible difficulty in this country of getting information and statistics, but at least we should have the truth. Take this map. We should all have a copy of that. It should be published in the papers and the public of Newfoundland should be able to take a look at two maps of Labrador, one showing the timber areas alienated from private individuals, and if there is a map showing water power alienated we ought to have one of that. We know the sad truth about Newfoundland, but we should know the truth about Labrador.... It's bad enough to have only 3 million cords of woods left on this island, including the three mile limit. If in Labrador, where we have all been fondly imagining there is a great resource that we have up our sleeve, if it turns out that a large portion has been gobbled up by out-

¹Volume II:61.

²Volume II:61.