

again, their concession seems to have been given for an indefinite period, and it brings to my mind the bases agreement — a 99 year lease, when it should have been for the duration and probably six months afterwards. The concessions seem to have been too sweeping. They always are, and this is no exception.

There is one other point I want to make, and that's in the Labrador report of the Mining Committee, page 12. It was referred to by Mr. Fudge the other day, and it says: "Negotiations over the Newfoundland-Canada boundary between Labrador and Quebec have begun between the Canadian and Newfoundland governments and it is possible that the actual delimiting of the boundary on the ground may begin in 1947." I always had the impression that the boundary was set. Of course, it was pointed out the other day that the exact lines might not be known, it was the watershed generally, but I am suspicious, Mr. Chairman, and I think we all have a right to be, and we might wake up to find we don't own as much of Labrador as we thought we did. Mr. Crosbie made a motion here last fall in connection with our assets, and it is that I had in mind. I hope that the Newfoundland government, when it goes into that matter, will see that Newfoundland keeps what she has, and does not end up with less than she thought she had.

Mr. Bailey I am not going to say much about this. I was struck by this clause, and I think this is where the government failed more than anything else.... It seems like other countries are wide awake to those things, while we always come out on the end in this country.

Mr. Smallwood Mr. Chairman, I think I was the one who brought out the fact here that the rate of tax paid in the Province of Quebec on water-power is \$1 per horsepower. Since then there has been quite a bit of discussion in the Convention about that question of the 15 cents per horsepower that the government has agreed to accept, as against the dollar that we think they ought to get, in line with the rate that the Quebec government gets. I think also I am the one who brought out that there is some doubt as to where the town will be built, whether in the Newfoundland or the Quebec part of Labrador. These are the two points dealt with in the resolution. I could not possibly do anything other than agree with a resolution that seeks to point to the two observa-

tions I was instrumental in bringing to the attention of the Convention.

There is only one point left, but I am a little in doubt at the moment. The committee of the whole has risen chiefly for the purpose of moving this resolution. If we adopt the resolution, we have not completed the report of the Mining Committee — there is still the final section to be read and debated. It is true these two pages concern only the general conclusions and observations, but they are important. Tomorrow is St. George's Day and then you, Mr. Chairman, and the other delegates are leaving for London; that would leave only tonight for the purpose of concluding the debate on the Mining Report. It seems desirable to complete the debate. There is one other point, in addition to the two in the resolution, and that is the question of precious metals in there.... The question occurs to me, what would be the position with regard to the company if it should discover valuable mines of some character other than iron — if they should discover gold? For all we know they may at this very moment know of the presence of much more valuable minerals than iron ore. Suppose they do, or suppose they get to know of gold or some other valuable mineral, are they to be taxed only the same 5% of the net profits, or would that call for a separate act, giving some future government a chance, of making a better deal?

I strongly support the resolution. I wish the chairman of the Mining Committee would indicate what he proposes doing in regard to the concluding of this report.

Mr. Higgins First of all I want to say, naturally, that I support the resolution. The resolution speaks the feelings of the Mining Committee in this respect. I want to point out to you, however, that I have been informed by Mr. Howse since the resolution was introduced that the main known deposits in the area — Quebec area and Newfoundland-Labrador — are 30 miles apart, and the greatest distance between all deposits, up to now, is 100 miles. Mr. Howse is of the opinion that there will not be one main town, but several small towns. As far as the Mining Committee is concerned, we are prepared to sit at any time the Convention desires.

Mr. Smallwood How about the gold?

Mr. Higgins The gold is included, as I see it, in the 5%....