

I would prefer that if there are any questions dealing with the second part of the report we take those and let the rest stand over, as I have still not got the full minutes of the meeting this morning.

Mr. Vincent In connection with the 350 mile railway may I refer you to page 8 of the report, in the letter: "To justify the railway and to justify commitments of the large sums involved, there must be a known quantity of at least 300 million tons of commercial ore".... Does this mean that before the undertaking starts that must be ascertained?

Mr. Higgins Before development of the mine is begun they have to be sure they have in sight 300 million tons of commercial ore.

Mr. Smallwood When will that be?

Mr. Higgins They hope that will be found by the end of this present year.

Mr. Smallwood I notice it says on page 8: "Owing to the short working season, it will take not less than three years to determine the iron ore tonnage available and, until a reasonable estimate can be made, it is impossible to state when production will begin."

Mr. Higgins You must remember the date of that letter, October 28. The situation changed at the end of the year.

Mr. Smallwood As a result they hope to know this year?

Mr. Higgins It's not by any means definite, but they hope to.

Mr. Smallwood On page 11 ... what do you mean by "standard price"?

Mr. Higgins Mr. Howse told us that was the price fixed by the iron ore producers association, and it was the price of ore laid down at Lake Superior ports, unless of course there are any deductions for sulphur, phosphorus, moisture, etc.

Mr. Smallwood When was that agreement made as to the standard price?

Mr. Higgins I understand it was sometime ago, I should think years ago. It was not as a result of Labrador.

Mr. Smallwood No, but I was wondering if it is the result of the war. How permanent or how standard is it?

Mr. Higgins If you will give me five minutes to inquire I will let you know....

Mr. Vincent Mr. Chairman, in Professor MacKay's very excellent book¹ on Newfoundland he has this to say: "As soon as the new discovery is developed it might have important effects for Newfoundland. On the one hand it might provide an important outlet for employment ... on the other hand it may mean reduced markets for Wabana." On page 11 your report says that it is your opinion that it won't.

Mr. Higgins We got that opinion from Mr. Howse, and also from the General Manager of the Bell Island mines, Mr. Anson.

Mr. Fudge I wonder if the chairman of the Mining Committee could enlighten me on the meaning of this on page 12? "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." What is the meaning of that word "delimiting"?

Mr. Higgins The boundary has been generally determined by that famous decision of the Privy Council in 1927. The position is that the actual boundary runs through this big ore deposit, so that we have to have it accurately determined, and this will be done this year. "Delimiting" means marking out on the ground the actual boundary.

Mr. Fudge In other words they are going to stake it off.

Mr. Smallwood That would be the height of land, just determine what is the height of land.

Mr. Higgins A mile one way or the other might make a great difference. It is a watershed.

Mr. Smallwood In this letter from Mr. Timmins to Mr. Cook, paragraph two: "Preliminary surveys are now being made with a view to locating a railway, with suitable grades to an all-year port, but until a survey is completed no definite location and terminals can be stated. The company proposes applying for a charter for a railway company with authority to construct a railway running generally north and south through the western portion of Labrador." Does that mean that an entirely separate company altogether, one separate from the Labrador Mining and Exploration Co., and the North Shore Mining and Exploration Co.,² that an entirely different company is going to build and operate the railway? Or just

¹R.A. MacKay, *Newfoundland: Economic, Diplomatic, and Strategic Studies* (Toronto, 1946).

²The Hollinger North Shore Company. Volume II:355-6.