

PROPOSED RENTAL OF LABRADOR'S NATURAL  
RESOURCES TO THE CANADIAN GOVERNMENT

97. As a result of a lengthy discussion on this proposal, which was put forward by Mr. Crosbie for the consideration of the members, it was agreed that no action should be taken thereon by the delegation. Arguments advanced most forcefully against the proposal by Mr. Gruchy, particularly from the viewpoint of Labrador's timber resources and their value to Newfoundland, were of great interest and assistance to the members in their discussions on the matter.

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*Procès-verbal d'une réunion de la délégation de Terre-Neuve  
aux négociations des Conditions de l'Union*

*Minutes of a Meeting of the Delegation of Newfoundland  
to the Negotiations of the Terms of Union*

MINUTES OF SEVENTH MEETING HELD ON THE  
28TH DAY OF AUGUST AT 2.30 P.M.

All members were present with the exception of Messrs. McEvoy and Crosbie.

CLAUSE 14 OF GREY BOOK

98. This clause met with general approval by reason of the fact that it presented an avenue of approach to Newfoundland to renegotiate with the Government of Canada during the transition period if it found that it was unable to operate as a Province on a sound financial basis.

VISIT OF CANADIAN OFFICIALS TO NEWFOUNDLAND

99. The Chairman reported that he had been informed by the acting High Commissioner for Canada that various Canadian officials would be coming to Newfoundland next week for discussions with local Government officials on matters arising out of the entry of Newfoundland into Confederation.

CLAUSE 15 OF GREY BOOK

100. No comment.

CLAUSE 16 OF GREY BOOK

101. Sub-section (3) of this clause was noted with satisfaction as it was felt by members that the treatment of through traffic moving between North Sydney and Port-aux-Basques as all rail traffic would be of considerable advantage to Newfoundland. Mr. Winter pointed out, however, that the Maritime Freight Rates Act, 1937, applied solely to railway traffic and consequently the benefit of it would be enjoyed only by those areas accessible by rail. A large part of Newfoundland, on the other hand was accessible only by steamship and presumably would benefit very little, if at all. He enquired whether there was any possibility of the Canadian Government extending the Act to the Newfoundland Steamship service on the grounds that, whilst the Maritime Provinces were serviced by more than one railway, Newfoundland was not and therefore, because of its lengthy coastline and numerous isolated areas, was forced to use steamships for the