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VERBATIM REPORT

THURSDAY, MAY 13, 1971

SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met at 11.00 a.m.

Mr. Speaker in the Chair.

Presenting Petitions:

MR.A.C.WORNELL: Mr. Speaker, it is my duty and personal privilege to present a petition from the people of Bay D'Espoir. This petition is signed by 1,226 names. It deals with a spur road which is required to link up the settlement of Conne River to the proposed Hr. Breton highway. Now, Sir, this is the second time that I have presented a similar petition to this House. The first time the petitioners requested a causeway. It was at one time the Government's intention to build a causeway or to try and get a causeway put across Conne River. However, we ran into some difficulty with the Federal Government and as the hon. members know, the Federal Government have jurisdiction over harbours and rivers. That idea was changed and we, the Government I should say, have been concentrating on a road, a spur road.

This petition, the preamble I will read. "Whereas Conne River is the only settlement in Bay D'Espoir not connected with the main highway by road, and, Whereas Conne River has a population of approximately 550 people, with a school enrollment of over 100, and, Whereas all students from Grade 7 to Grade XI must attend school and pay board in St. Alban's, which costs the Government of Newfoundland and Labrador approximately \$20,000 a year in board alone, and, Whereas it is difficult to attract qualified teachers to this area because of the isolation, and, Whereas there are no medical facilities in Conne River, and Whereas ice conditions during winter months makes it impossible at times to reach medical help even in times of emergency and, Whereas, the men of Conne River must endure untold hardships in order to reach their place of employment, if and when such employment may be obtained, and, Whereas a road link with Hr. Breton road from Conne River would provide access to many cords of wood which could then be used as a source of employment for the men of this area. we, the undersigned residents of Bay D'Espoir" - I wish to point out here, Mr. Speaker, that this petition

is from the residents of Bay D'Espoir which takes in all the settlements on the perimeter from St. Alban's to Conne River- that takes in about six different settlements.

"We, the residents of Bay D'Espoir humbly petition the Government of Newfoundland and Labrador to provide Conne River with the necessary and badly needed road link to the Mr. Breton-Bay D'Espoir Highway."

The original, Sir, is signed by B. Condon M.D., his wife, Mayor A. Walsh; Rev. Gordon Grace, P.P. I strongly endorse the prayer of this petition, Sir, and ask that it be received and laid on the table of the House, referred to the department to which it relates.

MR. EARLE: Mr. Speaker, I have great pleasure in supporting this petition which has been so ably presented by the hon. member for Hermitage. It fits in completely with my theory often expressed in this House, of connecting up the South Coast as an overall unit. That whole area of Bay D'Espoir and Fortune Bay, of course, in which I am interested, can only be a viable area if it is connected by road, if it is all brought together. This is a very essential programme which I think the Government should look at, not just from the short point view of connecting up one settlement such as Conne River with the Bay D'Espoir area, but the whole area in itself. It is one of the last remaining sections of the country that has done without so much for so long. It is quite another world in that particular area because they are not in the twentieth century at all. I think the hon. member has a very good case. As I said earlier, they are industrious people, they are a good people, in as far as the activities which they can do in that place but they are completely out of touch with what is going on in the rest of the world. Certainly they deserve, as a people and as industrious people, all the modern amenities that we can give them. But even more important for the development of the Province as a whole, that whole south coast area needs to be brought into proper function with the rest of the country and it can only be done if a steady progressive programme

of extending the roads along that coast can be brought into being. It is no use saying, as has so often been said in the past, because of the terrain up there that this cannot be done. We have already proved it in a number of areas, that we can drive roads through this area. I must heartily support the hon. member. I think that should be one of the Government's first priorities.

MR. SMALLWOOD: Mr. Speaker, it was a disappointment to the Government that we were not able to get help for the building of what we wanted to build, which was a causeway. We still think that a causeway would be better. However, <sup>1</sup>/<sub>4</sub> the absence of a causeway, of course, the road is the next best thing and the Government have adopted the policy of building the road. We hope to make a start on it in the reasonably near future, but I am not able to say how near that is. We have decided to do it.

MR. CROSBIE: Mr. Speaker, I would like to support the petition of the hon. member for Hermitage. Also, having been quite familiar with that area, never having visited Conne River but looked across the river at Conne River, what the member says and what the petition asks for is reasonable and necessary. In fact it is vital. The Bay D'Espoir area is an area of the Province that has not received the high priority that it should have received. It has not received priority in the field of Economic and Industrial Development certainly, like the power facilities that are down there. They are doing the Bay D'Espoir area very little good. We have heard from time to time mentions of great prospects for that area but nothing has materialized. Perhaps a change of Government will make these things materialize. Certainly the petition that the member presents is reasonable. I notice that the Premier says it is the Government policy to do this. We know it is the Government policy to do all good things but the question is what is a reasonable time? We hope there will be more information and more action on that before the year is out. In any event, the petition has the unanimous



support of the House. We hope there will be some action this summer.

MR. HICKMAN: Mr. Speaker, I would like to support the petition presented by the hon. member for Hermitage and to reiterate what has been said. In the Bay D'Espoir area we have potential there for development that is not surpassed by any other area in this Province. We have had Commissions. The Hon. the Minister of Finance was the member of the Cheeseman Commission. The hon. the Senior Member for Harbour Main was Chairman of the Transportation Commission. They all came to the same conclusion, that Bay D'Espoir, that whole Bay D'Espoir area, has tremendous potential not just for industrial development in the area but also as a service centre for Central Newfoundland. It is a natural. It is one of the best harbours in the Province. Indeed it is one of the best harbours on Canada's Eastern Seaboard, ice-free, They have a little problem with ice in Conne River. That is not ocean ice, that is the river freezes over and not every year, some years, and never to the extent that you could not smash it up with a half decent punt. But, Mr. Speaker, I am sure that all honourable members will agree that so far the people in Conne River, so far the people at the Head of Bay D'Espoir have been blinded with commissions, blinded with reports, blinded with good wishes and good intentions, results to date, nil. Positively nil! It is a tragedy that we have seen this part of the Province so neglected. They had a taste of prosperity during the construction of the hydro plant in Bay D'Espoir, when that was completed they went back from whence they came.

Most regrettable, the Conne River area that we have before the House now is an area where you have excellent timber stands. It used to be a source of supply of pulpwood for the Bowaters, I think, good salmon fishing, it used to be, I can recall as a young fellow this is where all the small jackboats, as we used to call them, would come with the birch and other logs. There was a half-decent woods operation going on in Conne River. But they had not moved into the, I was going to say into the sixties - they have not yet moved into the fifties. There is very, very little

difference in the public services that are presently available in Conne River today than were available around the turn of the century. I think the hon. member is to be complimented on bringing this petition to the House. The tragedy is that it is being brought in in 1971 for work which should have been done in 1951.

MR. JONES: Mr. Speaker, I would like to support this petition. I know the area better than most members in the House. It was my good fortune to serve there as a Magistrate for a great number of years. Conne River, the settlement of Conne actually is one of the most fascinating communities, for reasons that I will not go into at the moment. They are well known to members of this House. I remember going over to Conne the day we opened the road to Bay D'Espoir and talking to some of my friends there. I asked them how they felt about it. "Well," they said, "it makes our position a little bit worse now because the people on the other side of the bay are that much better off." However, I think the question of putting a bridge and causeway across Conne River would have been a very costly one. I am glad now that with the road going through to Harbour Breton, at Conne, it is good terrain there, I have walked over most of it. It is a simple matter to run a spur road in from Conne River to the Harbour Breton road, This will serve, I think, Conne people better than if we had gone and put the bridge and causeway across the barrisway, for the simple reason they will be connected directly to the main highway, they will have free access to the hospital and other facilities at Harbour Breton as well as a reasonably short route to St. Albans, of course, which is the centre of their educational services. I really hope, Mr. Speaker, that the Minister of Highways, my colleague, will find it possible to start this spur road this season.

MR. STARKES: I would also like to support the petition. In connection with the proposed road to Conne River, I would inform the House that an engineering survey is being made. If this survey has not already started it will be started in the very near future.

On motion petition received.

ORDERS OF THE DAY:

MR. COLLINS: Mr. Speaker, before the Orders of the Day, I have a question for the Minister of Fisheries arising out of what appears to be serious licensing restrictions with regard to Newfoundland salmon fishermen. I wonder can the Minister inform the House what representation he has made to the Federal authorities to have those restrictions removed, what success he has had?

MR. WINSOR: Yes, Mr. Speaker, we have made strong representations to the Federal Department of Fisheries. As a matter of fact the Hon. the Premier himself, took this matter up with the Hon. Jack Davis. I think, because of the strong representation that we did make, some changes are being made right now. That is about all I can say; we have strongly protested some of the regulations.

MR. COLLINS: Mr. Speaker, the announced changes which have been made, certainly the Minister is not satisfied with those, I wonder if he is working with the Conservative Members of Parliament who are doing their best, if he is working with them to make sure these restrictions are removed entirely.

MR. WINSOR: Mr. Speaker, I do not have to work with the members of Parliament, I go direct to the Minister of Fisheries office myself.

COMMITTEE OF SUPPLY:

Mr. Noel, Chairman of Committees:

MR. NOEL: I think the Committee was on Item 8 Mines, Agriculture & Resources. 815-04-07. Newfoundland Marketing Board, for the Committee to reduce the sum of \$70,000 to one dollar I believe.

MR. CROSBIE: In connection with the amendment, Mr. Chairman, before we vote on the amendment the item is a Newfoundland Marketing Board. There are several facts that I would like to quote from this report the Minister supplied us with. "Agriculture and Food Potentials," which was prepared by the Agriculture and Economics Research Council of Canada. It is a very

interesting report and appears to be very well done.

First, Mr. Chairman, I would like to point out the report says that Newfoundland continues to have low average income, a high proportion of rural population, low agricultural productivity and a low rate of resource development. Then it goes on to say: Page 1. "Disposal income of rural residents in 1966 vary from forty-five to sixty-five per cent of the Canadian average, depending on the regions within the Province. Forty-six per cent of the island population was rural compared to twenty-six per cent of the rest of Canada." Now the figures given on page 1, Mr. Chairman, show that in 1966 the farm population of Newfoundland was 8,455 people. That is 1.7 per cent of our population is categorized as a farm population. Rural non-farm population 218,000, urban 266,000, or a total of 493,000. The point is, Mr. Chairman, that when we are considering the Marketing Board we have to remember that there is a very small number of farmers or farm population in this Province compared to consumers. We have a population of 500,000, of which 1.7 per cent are connected with farms, the rest are urban or non-farm rural population. They are the consumers of this Province.

The report also points out, page 2, that in the last decade, (quote) "Employment in Newfoundland increased about 21% in contrast to 27% for all Canada."

MR. CROSBIE: and that is important to bear in mind.

Another interesting fact pointed out by the Report is that the demand for food in Canada represents an expenditure of about twenty per cent of disposable income. In other words, in Canada as a whole, about twenty per cent of disposable income, personal disposable income, is spent on food. The Report goes on to point out, in Newfoundland, the porportion of disposable income spent on food appears to approach twenty-five per cent overall. In other words, the amount of money spent by people in Newfoundland, on food, represents twenty-five per cent of their income, whereas in Canada as a whole it only represents twenty per cent of their income. So to our population, the purchase, the buying of food is of far greater importance and takes far more other income than the rest of Canada. So that, when we are considering the Marketing Board or any other schemes to keep the price of agricultural products up, it has to be kept in mind that the people in our Province can least afford to pay higher prices whether it is for eggs, poultry or otherwise. This is pointed out in this Report and we have to be very cognizant about that.

At page eight, Mr. Chairman, it is also pointed out, on average per capita basis, disposable income was (this is in Newfoundland) \$1,360, approximately forty-two per cent below the Canadian average. So here in Newfoundland, we have a population, first whose disposable income is forty-two per cent below the Canadian average, a population that spends twenty-five per cent of its disposable income on food, as compared with twenty per cent in the rest of Canada, and therefore a population that can least afford to pay higher prices for eggs, poultry, broilers or whatever else the Marketing Board wants to keep the prices up on.

Newfoundland has the lowest per capita personal disposable



MR. CROSBIE: income in Canada, That is what the Report points out.

So when we are considering the Marketing Board, Mr. Chairman, or what it is doing, these are very important facts to consider.

At page sixty-two it stated that in eggs the Province is self sufficient, at current price levels with an annual farm value of eggs in 1969 of about \$5.5 million.

In other words, in 1969 the consumers of Newfoundland spent, well they spent more than that but this is the annual farm value at least \$5.5 million on eggs. In eggs the present economic activity generated about \$12 million. The report figures that by 1980 this will go up to \$15 million. So it is quite obvious, Mr. Chairman, very obvious, that the operations of this Newfoundland Marketing Board has to operate, keeping in mind the fact that the consumers of this Province can least afford of all the Provinces in Canada to pay higher prices for food.

Now the hon. member for Labrador West pointed out on Tuesday the problem they have there in Labrador West. They can get eggs or other food products from Quebec much more cheaply than from Newfoundland, from the Island of Newfoundland. The hon. Minister said that, as he understood it under the law, that the law had to apply equally to all areas of the Province, Well, Mr. Chairman, that is absolutely stupid. If the law provides that now, all the House needs to do is change the law, That can be done easily. There is nothing stopping the Government, at this Session of the House, introducing an amendment to the Marketing Act, so that they can apply the law differently in different areas of the Province, if that is necessary and obviously Labrador West, Labrador City and Wabush and Labrador should not be treated, in this question of marketing, in the same manner as the rest of the Island. So if the Act does not permit that to be done, then let us change the Act. I think the Minister suggested that, if this were done, we might vulcanize the Province. Well that is just so much tripe. All the Provinces are busy now vulcanizing Canada, with all



MR. CROSBIE: their Marketing Boards, conflicting Marketing Boards. They are all busy keeping broilers, eggs and other products out of one another's provinces.

One of the reasons we joined Confederation, Mr. Chairman, was supposed to be that this would lower food costs in Newfoundland. Yet here we have the Government trying to increase or maintain food prices in Newfoundland. Now that is necessary to a certain extent also, to protect our own farmers but there has to be some sensible compromise and this does not appear to be the case at the moment, Mr. Chairman. The Marketing Board does not appear to be the case. Here we have the Government spending \$25,000 on Consumer Affairs in this Budget and spending, I do not know, \$3 million or \$4 million on developing agricultural products, administering the Marketing Act, subsidizing Newfoundland Farm Products Corporation, subsidizing the Provincial Poultry Co-operative and all the rest of it and \$25,000 is being spent on behalf of the Consumers of Newfoundland. This is inconsistent and it does not appear reasonable. This is a Province that can least stand high prices of food.

It has been stated in the House that if eggs are ten, twelve or fourteen cents a dozen more in Newfoundland than they are in Nova Scotia, it is because of the retail stores. It is funny how there is always somebody around to blame it on, that the Government has no connection with. If there is an exorbitant profit being made by supermarkets and retail stores, well why does the Government not do something about that?

MR. SMALLWOOD (J.R.): Such as....

MR. CROSBIE: Such as putting on price controls, if they think it is really serious.

MR. SMALLWOOD: The only time it has ever been done was during war.

MR. CROSBIE: That does not mean to say it cannot be done in peacetime

The point is, Mr. Chairman, that the Government had food prices investigated in 1960, by Mr. Adams and the Royal Commission on Food Prices, 1967 or 1968 we got the Report.

That Commission did not find any stores or supermarkets making an exorbitant profit. So when the Premier gets up in the House and says the high price of eggs is due to the stores of Newfoundland jacking the price up, this is just so much tripe. This has been investigated by a Royal Commission and found not to be so. In 1949 or 1950 the Government appointed a Royal Commission on prices also. I think the Chairman was Louis Ayre or he was one of the members. That Commission reported and found no exorbitant profit being made by retail stores either. So we cannot accept this bald statement of the Premier's or the Minister of Mines, Agriculture and Resources, that the high price of eggs in Newfoundland is due to the retail stores, There is no proof of that, The Royal Commissions that have looked into that, have found it not to be so. It is just so much tripe. It is not backed up by any facts. This is just the bald opinion with nothing to back it up. So Mr. Chairman, in view of these facts that are contained in the Agriculture and Food Potentials Report, our low disposable income in Newfoundland, our low per capita income, the high percentage of our income, twenty-five per cent spent on food as compared to twenty per cent in the rest of Canada, we are the Province whose population can least stand high prices. I therefore am going to support the amendment moved by the hon. member for St. John's East.

MR. MARSHALL: Mr. Chairman, before the amendment is put to a vote, there are a few observations I would like to make.

Touching upon the remarks made by both the hon. the Premier and the hon. the Minister concerned with this Department, First of all, in reply to the point that the Marketing Board as such is contrary to principles of Confederation because in effect it sets up tariff curtains

MR. MARSHALL: around Newfoundland: The hon. the Premier referred to situations in the Province of Quebec in years gone by and maybe it still pertains but certainly the rule was brought in some years ago to the effect that margarine could not be consumed in that Province, if it was so, it had to be so in its real form not in its artificial form.

But Mr. Speaker, these instances and the others to which the Premier adverted are, and relate to the action by a Province for saying that one particular class of goods shall not sell in the Province, which is competent for a Province to do because a Province has the jurisdiction and the right with respect to matters concerning property and civil rights in the Province.

But with respect to this matter, when you talk about eggs, that you are allowed to purchase eggs produced in one section of the Nation but not in the other, this is a matter solely relating to trade and commerce and outside the power of the Provincial Government to do it. It should not be done. As I say it is Balkanizing trade and commerce and <sup>and</sup> <sub>is</sub> outside the power of the Provincial Government to do it. It should not be done, as I say it is Balkanizing Canada.

Now when we come to this business of eggs itself, there is another question that I would like to bring up. The Premier has indicated that there may be, and the Minister supported this, that there may be and there probably will be other types of produce which will come under the Newfoundland Marketing Board. The question that I want to pose is this - if the egg farmers find themselves in difficulties, there are other farmers in Newfoundland right now that are suffering probably even more serious difficulties than the egg farmers were. I refer particularly to the hog industry of Newfoundland, where the price has fallen out from underneath, beyond the beyond, way down. It is very, very hard for pork to be produced by the farmers at any profit. Because

MR. MARSHALL: of the egg prices around, I would like to ask the question, why kindred protection is not afforded to this type of farming industry while, on the other hand, it is afforded to the poultry industry?

I think the most important point, with respect to these Marketing Boards, is the point that has been brought out before and the hon. member for St. John's West brought it out again here today. That is with respect to the prices, the prices which the individual has to pay in order to purchase eggs. They are higher and the Minister has conceded that they are higher than in the Province of Nova Scotia. The Minister has blamed this on the retailers, to a large extent. I have done some checking in the meantime and find that certainly you are going to have instances from time to time, where there is going to be profiteering, you do in every business. But the free enterprise system should ultimately preclude this.

However, checking through a couple of large food chains recently, I find that his allegation is certainly not of general application and does not pertain to every retailer, certainly around the St. John's area. One case, for instance, the total mark-up is nine cents in the difference between the price of the producer to the retailer and that from the retailer to the customer. It has to be borne in mind as well, while nobody has any brief for the retailer of eggs, it has to be borne in mind that they are the ones that take the risk with respect to the breakage as well.

No, Mr. Chairman, I think that if the Nova Scotian industry is in a lot of chaos because the price of eggs is down to forty-eight cents a dozen, and down pretty well twenty per cent in each category, below ours, and I am quite sure the people who have to support their families and supply food for their families in this Province will turn around and say we can stand an awful lot of chaos like this in the Province of Newfoundland, not only with respect to the egg production but with respect to many other commodities and particularly the food

MR. MARSHALL: commodities.

It is rather disappointing to see this Government, which has depicted itself from time to time as the champion of the ordinary person now turning out really to be the champion of the egg merchant over, and for the detriment of the populace of the Province.

MR. CALLAHAN: Mr. Chairman, what the Opposition are proposing in the amendment is to emasculate and kill the Newfoundland Marketing Board.

I find that a little surprising and I am sure the people of Newfoundland will find it surprising, particularly the farmers of this Province will find it surprising. The question of protection for Newfoundland producers did not come to the floor just yesterday, Mr. Chairman. I was in Corner Brook yesterday for a purpose that I think is a worthy one and I happened to buy a newspaper, The "Western Star" of yesterday's date, and there is a little piece here that says; "from our files;" thirty-five years ago, May 12th., 1936, it says; "due to the recent interest taken in poultry at Codroy Valley, there is found to be difficulty in marketing the extra supply of eggs. Instead of importing large quantities of eggs, it would be an improvement to the Country (which is what we were then) to dispose of Newfoundland eggs first. Some Government protection should be given our poultry men against the importation of so many eggs from Canada."

On the argument we have just heard, starting with the hon. member for St. John's West and then ranging to the hon. the member for St. John's East, is that the question of protection for Newfoundland poultry men only began, Mr. Chairman, in very recent time, in the last four months, with the Newfoundland Egg Marketing Board, and certainly after Confederation. This is 1936, Mr. Chairman, at that time there was a problem in trying to develop agriculture and particular segments of it in the Province. It took thirty years to get legislation on the books, as we did in 1966, and in 1966 every hon. member in this House, Mr. Chairman, supported the legislation. Indeed, if we go back



MR. CALLAHAN: to the Hansard of April 17th., 1967, you will find the hon. the number one Leader of the Opposition, describing this as a very good, very fine piece of legislation. "A very comprehensive and a very ambitious Bill. One that would be of tremendous help to our primary producers, our farmers ....." so on and so forth. The same could be said for the then Leader of the Opposition, who we understand now is coming back again, He made rather similar remarks, at some lengths, and ended by saying, "I give my whole hearted support to this Bill."

Now this Bill, Mr. Chairman, is a Natural Products Marketing Act, which passed and was made law in the 1966-1967 Session, and under which the Newfoundland Marketing Board, which is the subject of 815-04-07 the Vote which now the Opposition would reduce to one dollar, that is the Newfoundland Marketing Board established under the legislation, approved unanimously, warmly supported and applauded on the other side, approved unanimously by this House in the 1966-1967 Session. What has been done since the Proclamation of the legislation which was only last year? Because we did not, (as indeed the then Leader of the Opposition advised us, advised the Government not to do) we did not proceed precipitously. He suggested that we make haste slowly and we did make haste slowly, to the frustration, I might say, of producers who were demanding for three years that it be done. Finally, last Spring, last April, the legislation was proclaimed, the Marketing Board was set up and it has been in operation now for about twelve months, and it has been extremely beneficial, not only to the producers, Mr. Chairman, but also to the consumers of this Province.

A year and a half, two years ago, grade A extra large eggs were selling for as high as \$1.05 a dozen, in this Province, on the ordinary retail market and selling now, Mr. Chairman, in the range of about seventy, seventy-one, seventy-two cents, I understand. The Marketing Board is largely responsible for that.



MR. CALLAHAN: Now the Marketing Board is not responsible for the spread as between the producer and the consumer. I referred to it here the other night. I have not seen it reported anywhere. So I will refer to it again, Mr. Chairman. I referred to the fact that at times, since the 1st. of January, there has been a spread of as much as twenty-four cents per dozen on eggs, to the consumer, at the retail level in this Province, principally outside St. John's, because the bulk of production is in Eastern Newfoundland. But in the Grand Falls area, which I would not expect the Tories to know about nor to care about, and the Corner Brook area, which I would not expect them to be too concerned about, the spread has been up to as much as twenty-four cents per dozen, and I just asked my staff, Mr. Chairman, to get me the precise information as to dates and locations.

Now I understand that in Corner Brook this morning on an open line programme there is high dudgeon being expressed by retailers, Well that is just too bad, because one of the things we have set out to do, Mr. Chairman, is to inform the consumers and to ensure that the consumers are informed, by means of advertisements in the newspapers and otherwise, as to what the level of price to the producer is, so that they will know what the spread is between the producer and the retailer, or the producer and the consumer.

Now, Mr. Chairman, the hon. the member for St. John's East, who I believe moved this amendment, and this is curious too, on the one hand he wishes to wipe out the Marketing Board and on the other hand he wants to have the same kind of protection for hog producers.

I find that a little

MR. CALLAHAN: Strange. We know, we well know, Mr. Chairman, the hog producers are having problems. That precisely is why there was a grant to the Newfoundland Farm Products Corporation to support the price to hog producers, as we have been doing. Not a hand out, not a give away, but they support floor price, which is recoverable when the price rises above a certain established base line. We think that is a good system, it is working and our hog producers, Mr. Chairman, are not suffering nearly as much as hog producers in certain other provinces, because they are getting some assistance. They are getting assistance because it is a valuable industry. There are about 500 people in the poultry industry. I do not know precisely how many in hogs, but I would say it is not too short, those involved in one way or another in the raising, trucking, slaughtering, the marketing of hogs, I estimate certainly in excess of 300 jobs. That is worth keeping.

If we believe what we hear from the other side a few days ago, Mr. Chairman, about subsidizes and special help in hard times, in another context admittedly, and as to whether the Government are going to protect the hog producers, as the hon. the member for St. John's East advocates - I do not know how he can in terms of his attempt to wipe out the marketing board, but he does advocate a marketing board for hog producers. That, Sir, is the right and decision of the hog producers, not of the Government. If the hog producers want a marketing board, the legislation is there, the procedure is there, all they have to do is decide among themselves that they want it. If they want it, they will have to follow the same procedure as the poultry producers followed and they will have to have a plebiscite and, when they get the result, then they can come and produce to the Newfoundland Marketing Board evidence that the hog producers of this Province want that action taken. Then, if the action is taken, they will become subject to the Newfoundland Marketing Board, which is not a producer board, which is a public agency, with small business and consumer representation on it, and that board will decide whether it is in the public interest to have a marketing

MR. CALLAHAN: plan or a marketing scheme for hog production.

But the crunch, Mr. Chairman, has been in eggs, because this is where we are self-sufficient and the closer you get to self-sufficiency the bigger your industry is and the more it needs to be protected, if you have the kind of situation that is happening elsewhere. So this is why the egg producers were the first. They were three years badgering me and other members of the Government to get the board in and, as the House knows, I reported on this for two years running. We did not wish to bring in a marketing board that would establish prices at the levels to which they were two years ago, to which I have already referred. We brought a board in, Mr. Chairman, at a time when there was relative satisfaction among consumers and producers and retailers and wholesalers, with the level of price, and that is the level that obtained on last September 1, which was about sixty-two cents, which is about the most reasonable level we have ever had, the average level of egg prices in this Province.

The hon. the member for St. John's East tells us that we could stand a lot of chaos, such as they have in Nova Scotia. So he is not only marking off the marketing board, Mr. Chairman, he is prepared to write off our whole industry. The whole agriculture industry, the egg industry, any part of it. I have to wonder at his motive. But, it is a fact, this is what he said, "we could stand a lot of chaos." When I say we cannot stand a lot of chaos, because the development of agriculture, in which we announced another \$1 million investment yesterday, backed up by the Government of Canada, with the highest level of grant for this kind of complex that they have ever given in Canada. We can only <sup>not</sup> afford to lose what we have, Mr. Chairman, but we also cannot afford not to take advantage of the room for growth that we have.

One of the absolute needs, at this time, until, as I have said before, until a better system is found, this Province has not only the right but the duty to protect its primary producers. This is what the marketing board is doing and it is open to do for more producers groups, those who want it. This is what ever other province in this country has done and has been doing for

MR. CALLAHAN: forty years or fifty years. This is what the Supreme Court of Canada the said provinces had the right to do and the lower courts in a series of decisions over a period of thirty years. This, Mr. Chairman, is what this House unanimously four years ago said should be done. Hon. members on the other side, who are now speaking against the Newfoundland Marketing Board and supporting the Amendment, are the same hon. members who four years ago got up and with pretty empty words, it now turns out, told the House what was needed to protect our agriculture industry.

Well, I say, Mr. Chairman, that when the word gets out, as it is getting out incidentally, and I ran into it yesterday on the West Coast, it is just going to be another big fat nail in a pretty creaky tory casket.

MR. MURPHY: Mr. Chairman, if I may, and it has been stated by both, the hon. the Premier and the hon. minister who just sat down that this side of the House were solid behind a Newfoundland Farm Marketing Board. There is not one word of a lie in that, that is the absolute truth. The absolute truth.

When we were speaking of farming, Sir, we had in mind what a farmer usually grows, potatoes, turnips, cabbage, so on and so forth, and if ever any group, Mr. Chairman, needed help that was these gentleman who were farmers. But, what has happened to the farmer? What has happened to our potato crop? What has happened to the thousands of bags of turnips that are lying in storage in the Musgrave Town, Lethbridge area? They are still there. But, eggs and hogs, we have gone whole hog on both these products. We have heard over the past couple of years many discussions on these particular items. The Premier, perhaps, is one of the most concerned people about eggs and hogs.

I remember a few years back, when the Premier was having one of his usual long speeches on hogs and he described these famous hogs and the shape of their hips, and the shapes of their backs, I remarked at the time, I thought he was referring to Marilyn Monroe. But, if we go back just a year ago, just about, when the hon. the member for Humber East was speaking on farming and the Premier jumped into the breach, and he says in one part; then we hear this arrogant nonsense, nonsense about our people going farming and

MR. MURPHY: growing spuds." Arrogant nonsense about our people growing spuds. Now, if there is anything in this Province, as far as the maximum consumption is concerned it is a potato or our potatoes.

The Premier took the hon. member for Humber East to task and he says; even here in St. John's you can get a better living, you can live better. The families here live better, even paying rent, than the present existence that most farming will produce for our people here on the island. Now that may be a fact. I am not arguing against that. Because, I know if there is anybody up against it in this Province, it is the people that are trying to carry on, to carry on a bit of farming. That has for so many years, perhaps, provided a bare existence for a great number of our people, in the hard years.

But now we hear so much about the Farm Marketing Board, but all we hear is eggs, eggs, eggs, eggs. It has been maintained by certain people that the Premier has a vested interest in the egg market. True or False, I do not know. But our argument at the time, Mr. Chairman, and I will say this; when we heard that there would be a Farm Marketing Board, we were very enthusiastic for it. We supported it one hundred percent. Because of the fact, in our opinion, with some help we could maintain farming, not as a great industry but as a supporting industry for a great many of our people in this Province, at least, what amazes me, when we hear about farming going out, this going out, with the millions of people in the world that are hungry today, and still farmers have to get out of business. When we think of the great Codroy Valley which was properly called, I think, "The Bread Basket of Newfoundland," at one time, and from my own experience, making a tour of that area, and a great disappointment I experienced, Sir, when I saw the rundown condition of the farms etc. there, and what I actually saw, huge trucks peddling from door to door, like we used to see the Torbaymen and so on and so forth here in the City of St. John's; coming across on the ferry, peddling their products, fresh meat, potatoes and cabbages and what have you. I thought to myself, what has Confédération done to this particular area?



MR. MURPHY: The Premier's pet topic of course is: Confederation was one of the greatest blessings under God to come to Newfoundland; and there are not too many who disagree with that.

MR. SMALLWOOD: The greatest.

MR. MURPHY: Not one of the greatest - the greatest.

MR. SMALLWOOD: Next to life.

MR. MURPHY: Next to life. Well, life I presume is the greatest gift that God could give to anyone. When I saw this, Mr. Chairman, I came back here, I was then a member of the House and we discussed between ourselves the farm situation, what can be done for the farmer who - read the report.

AN HON. MEMBER: Inaudible.

MR. MURPHY: I did not have that one four years ago.

MR. CALLAHAN: You have it now.

MR. MURPHY: We have it now, it is about time. Well, this is after twenty-two years, Mr. Chairman, let us not forget that fact. In this present session we have seen great, more schemes on farming so on and so forth, projected by this Government than we have for the past twenty-two years. Speaking with farmers and listening to the farm programmes and hearing on radio last night where the hon. minister had made another great show in Corner Brook, opening up this great centre for the collection of eggs, etc, which I think, is a wonderful thing. Possibly he could have had made the announcement here in the House, the House was opened on this. But, you know, he is like the rest of the members, had to go and have a great meeting to announce all of this.

We sometimes wonder, Sir, what is the chance of survival for our farmers? When -

MR. CALLAHAN: Inaudible.

MR. MURPHY: It was easy to get invitations, except for us on this side. The Premier possibly thinks that I am somewhat of a strange animal, expecting to be invited, not Ank Murphy but the Leader of the Opposition, to Government functions. I cannot see it at all. I cannot understand it. I cannot understand it.



MR. CALLAHAN: Inaudible.

MR. MURPHY: From the people surely, get out and meet your people. Get out and meet your people.

We have heard over the years, Sir, while I have been in the House, great schemes for developing great sheep herds. We have heard about the conditions of the farm and while I am on this, Sir, I will refer to the discussion that has taken place with reference to Americans buying up vacant land, I do not know just how serious it is, but I have been informed by very good sources that there are many pieces of farm land lying idle in the Codroy Valley and people wanting to expand -

MR. CALLAHAN: The people who were living on it have left.

MR. MURPHY: People who have left, and left the land vacant in many cases, with no one there, other people wanting to buy this land. The suggestion was made that possibly on vacant farm lands, and I am talking about absentee owners, landlords now, that if there were a tax of some kind put on it, this land, that is only being held for speculation, apparently, I am not thoroughly conversant, but I had one call from a gentleman who was familiar with it, yesterday, that a tax might enable other people, perhaps who are more industrious, to develop these vacant lands.

But, Mr. Chairman, from what I can ascertain from the price of eggs in this Province, with the Egg Marketing Board benefits are bought to a number of our poultry producers. But, the great majority of the people who are struggling, Sir, to meet the cost of living are the one that are paying the price.

I am wondering, Sir, with reference to the Musgrave Town area, is it the Government's idea perhaps to put facilities there? I have seen it on T.V., where there is some space there, but it is not at all adequate - the minister announced it two or three days ago.

MR. CALLAHAN: Inaudible.

MR. MURPHY: Good! Excellent! I am certainly pleased to hear it. I may not have been in the House at the time.

MR. MURPHY: Dairy farming, Sir, is another tough proposition here in this Province. But, I feel, Mr. Chairman, if we are to set up marketing boards then I think, the primary consideration should have been given to farm products as such, root crops, instead of what is happening now. There is a monopoly to certain egg producers, It is not a monopoly in a sense, but great benefits accrue to certain poultry producers and to hog raisers.

As far as I am concerned, Sir, I certainly hope that the time is very near when this Government will tackle very seriously the problem of the root crop farmer, as vigorously as they have tackled the Egg Marketing Board.

That is all I can say, Sir, I was in favour of this when it was brought before the House, a Farm Marketing Board, and I am just as much in favour of it today, Sir. If the benefits are spread to include all our farmers, not one particular segment that, perhaps, the Premier is so much interested in because he believes it is going to be a viable industry. But to vote any monies for Farm Marketing Board, for root crops, by this Government seems rather strange to me, when the Premier only last year held out no hope whatever, Sir, for the growing of spuds or any other product in the root crop line.

MR. SMALLWOOD: Mr. Chairman, it may interest the committee to know that

140 years ago here on this Island more potatoes were grown than are grown now, more turnips were grown than are grown now, there were more hogs kept than there are kept now, and probably there were more hens than there are hens now, 140 years ago. And, of course, it is the utter revolution, social revolution that has occurred, that has made the difference. There was a time when virtually every family kept hens, raised two or three hogs each year and grew their own potatoes and turnips and cabbage, virtually every family, There was that time, not since any of us in this Chamber at this moment were born, it was before we were born. Newfoundland, with a third of the population, she now has, with a quarter of the population she now has, one-quarter of her present population, Newfoundland produced more potatoes and turnips and cabbage, pork, mutton, lamb, and probably eggs than she does today.

MR. SMALLWOOD: Now is there a moral to be drawn from that? There is, and the moral to be drawn from it is this, that subsistence farming has become virtually a thing of the past. Since the day cash wages arrived in Newfoundland, men prefer to go -

MR. SMALLWOOD (J.R.): and earn cash wages and to use the cash wages to buy the things that they used to grow and raise. They now prefer to buy them with cash.

There was a time in Newfoundland and I remember this vividly, there was a time in Newfoundland when the amount of canned foods for sale in the shops was trifling. The number in variety and value of tinned foods sold over the counter in Newfoundland was trifling, utterly trifling. People grew their foods or did without them. Only very few of them bought canned or bottled goods in the shops. I am speaking of course of food. Subsistence farming has all but disappeared in this Province. The only kind of farming that is serious now is commercial farming.

Do you know that there is a man down in Gambo, Paul Thoms, who last year grew I do not know how many hundreds of tons of potatoes?

MR. COLLINS: About one thousand barrels so I am told.

MR. SMALLWOOD: How much?

MR. COLLINS: About one thousand barrels. I do not know if that is an exaggeration or not.

MR. SMALLWOOD: Oh it is more than one thousand barrels I would say.

MR. COLLINS: They are all plowed back into the ground.

MR. SMALLWOOD: This year they are going to grow fifty acres of potatoes. Beautiful land, beautiful soil, and what they are going to do in fact, this year, is attempt to grow seed potatoes. They are going to attempt to supply the Newfoundland market for seed potatoes so that there would not be any need to import seed potatoes. They are going to grow them out in Central Newfoundland, on the banks of the Gander River. They have potato harvesting equipment that will harvest five acres a day. Five acres! They will take the potatoes out of the ground at the rate of five acres of potatoes daily. Five acres of potatoes is a huge slice of land. There are very few farms on the Island of

Newfoundland today with five acres, very few with five acres of cultivated land, extremely few farms. There would not be 300 would there, in the whole Province? Five acres of cultivated land?

AN HON. MEMBER: Not in potatoes.

MR. SMALLWOOD: Not in anything. There would not be 300 farms on this island today containing at least as much as five acres of cultivated land, not 300 in the whole Province.

When you talk of a potato farm that will grow fifty acres of potatoes and with equipment that will harvest the potatoes from five acres a day, ten days and they take out the crop from fifty acres of potatoes—highly mechanized. That same farm has spraying equipment, which when the arms are stretched out would reach from the end of this row here to the Minister of Agriculture. It will go down longer, almost the length of this full front bench. It will do a swath that width, go down to the end of the field, turn around and come back and do a parallel swath. It only has to go over it a few times and it has it sprayed with insecticides and so on, for the destruction of injurious insects and weeds and so on.

In other words, Mr. Chairman, what we are talking about is commercial farming. Believe me, believe me, that is the only kind of farming apart from subsistence. Nobody on the earth can compete with a man growing his own potatoes for his own home. There is no way to compete with that. Apart from that, farming to be successful has to be commercial or it cannot compete. It cannot—no way. If Newfoundland, with half a million souls, is to produce as many potatoes as she did with 100,000 souls, one fifth of our population, or 120 thousand or 130 thousand people, she can do it, not by resuming subsistence farming which they are not going to do. Is anyone going to argue here that you can get the people of Newfoundland to go back to the subsistence farming? Is anyone going to argue that seriously? Surely not, surely not. The only way to do it is to have commercial farming. There is no other way.

The Leader of the Opposition is puzzled about something. He is puzzled. He cannot understand it. Why it is that the first Co-operative Marketing or Controlled Marketing Board is the one to market eggs. "Why not pork?" he says.

MR. MURPHY: That is the only one.

MR. SMALLWOOD: It is the only one?

MR. MURPHY: It may be.

MR. SMALLWOOD: It is the first and only one there is, so far.

MR. MURPHY: I said maybe I did not say it will be, it may be the only one.

MR. SMALLWOOD: Oh no, that is nonsense.

MR. MURPHY: It is not nonsense.

MR. SMALLWOOD: Well maybe the hon. gentleman is right maybe the other producers will not have a Marketing Board. This could be. If they want it they will have it.

AN HON. MEMBER: They do want it.

MR. SMALLWOOD: If they want it they will have it. If they do not want it they will not have it. The initiative is entirely theirs. The law is there to allow them to do it, if they want it. If they want it, there is nothing to stop them. If they do not want it, there is nothing to force them. It is entirely their own decision, entirely, as it was entirely the decision of the egg producers. Is there anything wrong with that? Is there anything wrong with the egg producers wanting it? Would there be anything wrong with the pork producers wanting it? Would there be anything wrong with the milk producers wanting it? Would there? Is there anything wrong with their wanting their own Marketing Board? Would there be anything wrong with the potato growers wanting their own Marketing Board? Would there be anything wrong with that? If there is, then it is equally wrong for workers to want to organize unions, is it not?

You have something to sell. You have your labour, your time to sell.



MR. MURPHY: The Premier is saying now that the root crop people just do not want...

MR. SMALLWOOD: I am not saying that they want or they do not want. I say if they want, they can have it. If they do not want, they cannot be forced. The decision is theirs.

MR. MURPHY: The point I am making is this: They do not want it apparently or we would have had this one in the same as the Egg Marketing Board. Am I right on that?

MR. SMALLWOOD: No, that is not good logic. It might have been that the egg producers were the first to want it badly enough to decide to have it. Other may want to have it but they did not want it as soon as the egg producers did. I would venture to guess that the next crowd that are going to want a Marketing Board will be the pork producers. Anything wrong with that?

MR. MURPHY: No, but it is rather...

MR. SMALLWOOD: No. Anything sinister about it?

MR. MURPHY: It is rather a coincidence that these are the ...

MR. SMALLWOOD: No, no, I am interested in every aspect of farming, more so than any man in this House. There is no hon. member in this House who has even a beginning<sup>or</sup> as much interest as I have in farming, every aspect of it, every last aspect of it. I am terribly interested in it. I believe that some aspects of it have better chances than others.

MR. MURPHY: Why is it arrant nonsense then to talk about growing spuds?

MR. SMALLWOOD: It is arrant nonsense to talk about growing spuds except commercially, on a commercial basis. The same thing applies by the way to egg production. To strawberry production if you like. There is nothing to stop a man having a little strawberry patch behind his house, or in front of his house, to grow a few strawberries, but, if a man is going to grow strawberries commercially he has to do it on

a commercial scale. Surely he has. Is that not common sense?

I believe, I do believe, especially as our population grows, we could get up to one million people in this Province. It is going to take some doing, but if we could get up to one million people that would be a pretty respectable market for commercial farms operating efficiently on this island and even in Labrador. This could be respectable market. It is not too respectable now, it is only a half million people. I think there is a distinct possibility of doing it, and certainly we cannot afford in Newfoundland to turn down any good possibilities. But, to sneer at the Marketing Board, to sneer at it, to hint, to make hints, dirty hints, to make a dirty insinuation about it is not helpful.

I do not think it is helpful to do anything. I do not think it is helpful to the Board. I do not think it is helpful to the producers. I do not think it is helpful to the people who indulge in that kind of sneering. I do not think it is helpful. I do not think it helps anybody. I do not think it helps the consumer. If you want to help the consumer, if you want to help the consumer start making the welkin ring about the difference there is between the prices the producers get for their eggs and the prices the public pays. Start making the welkin ring on that. We do it with fish do we not. We make the welkin ring about the difference between the price the fisherman gets for his fish and the price the public pay for that same fish. We make the welkin ring about that, do we not? We recognize, do we not, that there is a big gap, a big spread, a big difference between what the fisherman gets for his fish and the consumer pays for the fish. Do we not make the welkin ring about that? Do we not get indignant about it? Do we not?

Why do we not get indignant about the spread between the price the producer gets, the man who goes out and does the work, invests the money, borrows the money to do it, gambles to do it, the price that he gets and the price that the public pay? Not what the

public pay him, the producer, what the public pay the shopkeeper, the difference between what the shopkeeper gets from the public and what the producer gets from the shopkeeper. Why do we not make the welkin ring about that? We hear from the minister a spread of twenty-four cents. I will tell you Mr. Chairman, if the egg producers in Newfoundland today could count on five cents a dozen clear, that is one quarter of the spread right? No, one fifth of the spread between what the producers are getting and the public are paying. If the producers in Newfoundland could get five cents a dozen clear on their eggs, with all their investment and all their gamble, five cents a dozen in a couple of years would wipe out all debts on the poultry farms in Newfoundland. Five cents a dozen.

Lose five cents a dozen and that is a difference of ten cents. You go deeper in debt at the bank, deeper all the time. Deeper in debt you go at the bank by losing money on it. You do not hear of the supermarkets going broke do you? Do you? Any talk, any big talk about the big supermarkets going broke, failing, going in debt to the banks? I have not heard of any. Do not talk about that. Talk about the egg producers. Why? Why does the Opposition talk about the Egg Marketing Board? Why? Do you want to know the reason why? Because they think I am in the egg business. That is their big matter of principle. Up on the high principle they are talking now, They are only taking a stand on principle, that is all.

MR. CROSBIE: Right.

MR. NEARY: Guttersnipes.

MR. SMALLWOOD: Because they think I am interested in the egg industry. Well, I am very deeply interested in it, in the hog industry and in all kinds of farming. I am not interested financially, personally, but I am deeply interested. I do not care who owns the farms, I am deeply interested, wherever there is a farm in Newfoundland and wanting to

succeed, I am desperately for every farmer in Newfoundland to succeed, and there are 3,500 of them— three thousand five hundred. A trifling proportion, we are told here today, of our population. So they are a trifling proportion. Do you know the proportion that the fishermen are in the economy of Canada? The question was asked in the House of Commons the other day on that very matter. What did the fishing industry of Canada constitute in Canada's economy? Do you know what it came to Mr. Chairman, that we, all of us get excited about here in Newfoundland? Decreasingly they are excited in Nova Scotia, but less and less every year. They are even less excited in New Brunswick. They get a bit excited in British Columbia. It is not much, just a little bit. It is we here in Newfoundland who get excited about the fishing industry. Do you know what the fishing industry amounts to in Canada? Of the Canadian economy?

Take all the ten Provinces. Take the salt water and fresh water fisheries, all ten Provinces, on the Atlantic and on the Pacific Ocean, do you know what the whole fishing industry of Canada amounts to? One point three percent, I think it is.

One percent, a little fraction over one cent to the dollar, the Canadian dollar, a little over one cent is fish. Ninety-nine cents are motor cars, aeroplanes, minerals, papermills and what have you. One percent of the Canadian economy.

In Newfoundland, the egg producers are only a small proportion. The hog producers are even smaller. So, we put them in the gas ovens? Right! We make away with them? Right! They are too small. They are not worthy of any serious attention, are they? Why should they get any sympathy? Why should they get any help? Why should they not? I will tell you why they should not. Because it is thought that I am connected with it. Right? I was connected with the greatest treasure ever found in the whole gamut of Newfoundland's history. I

happened to find it, but it turns out to be worthless. I was taken for a ride. I was had. Poor yokel, poor ignoramous, poor illiterate who knows nothing about Newfoundland history. I was just taken for a ride by some smart aleck salesman in London. So the greatest treasure that has ever been found in our history is worthless. Why is it worthless? For the same reason that Egg Marketing Boards should be attacked. The same reason, no greater reason, no worse than that. The same reason, high principle, taking the high ground, standing on high principles.

I do hope that the minister will persevere in this matter. He has the kind of - in fact, he has so much of a strong will that he - I am glad that he is devoting it to a great cause. The cause of trying to save the farm interests in Newfoundland. If it is true that there are 3,500 Newfoundlanders making their living out of farming, 3,500...

MR. MURPHY: Out of egg production, how many were there?

MR. SMALLWOOD: Egg production? Three or four hundred.

MR. CALLAHAN: It is higher than that.

MR. SMALLWOOD: 500

MR. CALLAHAN: 3,500

MR. SMALLWOOD: Well the hon. gentleman says it is not a fact and the minister says it is a fact. I take the minister's word. I take the minister's word. I take the minister's opinion. I take the minister's information, and any hon. member of this House who starts arguing with the minister on matters of fact is making a fool of himself. Because, one thing he knows is his facts. Another thing he does is his homework.

MR. SMALLWOOD: He does his homework. He knows what he is talking about every time he opens his mouth, he knows what he is talking about. If he says there are 2,000 people making a living out of farming and 1,500 more making a part of their living out of farming and these are Newfoundlanders and they live in this Province, I am all for them. I am all for them. Not only if they grow potatoes, but whatever they grow, whatever they produce, I am all for them. I am for the men, up in Harbour Main District, who rear beef cattle. I am for men up on the Cape Shore, who rear some beef cattle. I am for the men all over Newfoundland who grow potatoes. I am for the men and the women, especially the women who rear sheep in Newfoundland. I am all for them. I want to help, I do not want to knock them. I do not want to throw cold water on them. I do not want to throw doubt on them. I want to be with them. I want to identify myself with them. Why not? They are Newfoundlanders. They are not sharpers. They are not sharpers. They are not living by their wits. They are living by hard work, honest work, honest toil, with mother nature. Why do we abandon them? Why do we sneer at them? Even if I am connected with farming, does that make farming dirty? Does it make it contemptible? Does it make it something - after all I am associated with the Province of Newfoundland too, you know. That makes Newfoundland a filthy place, because Joey is connected with it? Is anything that I am connected with just automatically to be condemned? There is no better reason that they have given yet for condemning the Marketing Board. There is no better reason than that. Let us smarten up. Let us smarten up.

MR. EARLE: I think I make my position abundantly clear the other day when we were discussing this, I am not against a marketing board under any sense. But what we are trying to ask here, in spite of all the rhetoric and vocal expression and so on, that we are just against everything. This is so ridiculous. It does not need repetition, it has been repeated so often in this session of the House. But there does need to be some questions asked, for the very simple reason that the Premier himself made a very alarming statement. When he opened his remarks he said that there are probably less potatoes grown in Newfoundland today, and less turnips, and possibly even less eggs produced today than there were one hundred years ago.



MR. CALLAHAN: He did not say that.

MR. EARLE: He indicated there might be.

MR. CALLAHAN: Less hens.

MR. EARLE: Less hens, I do not know if each hen is producing more eggs or what. This is a matter on which the minister can inform me. I am not an agriculturist, if he is. But the point is this, in saying so the Premier touched upon one of the greatest tragedies that ever happened to Newfoundland. Of course, Newfoundland is not alone in this type of tragedy, it is happening all over the world. How it can be prevented, is another matter. But the fact remains that it has happened. All over Newfoundland, over the last twenty or twenty-five years, it has accelerated. There is a great tragedy, the fact that there are less turnips produced, less potatoes produced and so on than there were one hundred years ago. There are also less coopers, there are less shoemakers, there are less little industrial fellows working in their own particular orbit, producing things. In fact, I would venture to bet that on the average percentage of the population there are less people working today, really working today, than there were one hundred years ago. Because in those days everybody worked to assist, they had to. If they did not work they just starved and that was the whole point about it.

But today we have a situation which has developed where able men and good men in many respects have so gotten into the rut that they can sit back and expect a cheque from the Government, week in and week out, month in and month out, and not to attempt in anyway to support themselves or their families. This is one of the major tragedies in Newfoundland, because what it has done to our people, and you only have to travel around the various outports, what it has done to so many of these formally fine people who came from good stock is pathetic. No man can sit in idleness and not do anything, without deteriorating to such an extent that it is unbelievable.

I am not such a fool, Mr. Chairman, to think that we can revert to kitchen gardening or to the subsistence fishing or all these little trades that I mentioned that, I am afraid, are lost and gone forever. But somewhere between that and existence on Government handouts, there must be a happy

MR. EARLE: medium. There must be something which can be done, and so far nobody has shown enough intelligence to find the answer. Because in numerous places around this Province the same land is still there, the same fish are still in the sea, The same opportunities still exist, the yet there are young men and old men and young women and old women growing up completely used to idleness, which is, in my books, the greatest tragedy which could befall them.

Just as an illustration; I had a very fine family in one place which I represent and the youngest son in that particular family, it is a large family, they have a lot of children, the youngest son in that family had had some impediments since birth, not a serious impediment to the extent that he could not do hard work, but he could not gain a really good education, but still he was an ambitious boy and very anxious to help himself. He wrote to me and I in turn wrote to the hon. Minister of Agriculture, because he wanted to try to start some small farming on his own. Because of the regulations and the law, he was not of an age that he could be assisted, and I know the minister and his department were quite within their rights legally in refusing this particular chap assistance in that work.

AN HON. MEMBER: Inaudible.

MR. EARLE: Well a regulation or a licence or whatever it may be, they possibly could not do it. But in such cases, where a young man who sees no future for himself whatsoever but is not anxious to sit around and do nothing, does ask for help, assistance and guidance in some way. I should think that any Government or any officials should bend over backwards to try to do that for such a person.

There are altogether too many people who will not try to help themselves, but people who will help themselves are those that we should most certainly encourage.

MR. CALLAHAN: Inaudible.

MR. EARLE: Well legally or not legally, I think you cannot strangle young men or young women in red tape, This is nonsense. This is utter arrogant nonsense, if there were ever a statement made in this House that is complete

MR. EARLE: and absolute nonsense, The fact that young men and young people who are interested to work are barred by a legality is just so foolish that it is -

MR. CALLAHAN: When the law is an ass, it is not the people.

MR. EARLE: Well in this case the law is an ass. I will go and say that categorically, because any man who wants to work and cannot be assisted to work, the law is an ass, if it prevents him from working. I challenge anybody to deny that.

But, what I am saying, Mr. Chairman, somewhere along the line of a Marketing Board and the way we see agriculture and just about everything else developing today, as the Premier has so amply said, is developing along the lines of a big, huge operation, where you can only produce eggs if you can produce 50,000 of them or 100,000 or 5 million of them. You can only produce turnips, if you produce hundreds of thousands of them, and so on. This is again getting away from a labour-intensive industry into an industry that employs very, very few people. This is what has caused the tragedy of Newfoundland, because in other lands where people have been flocking away from the farms and leaving the fishing boats and so on, as they are doing all over the world, these people are only doing so to go into other forms of employment. Right throughout Europe and North American where boys are leaving the farms and so on, they are finding something else to do. But here in Newfoundland, we have not yet provided that something else for them to do, so they leave the farms and leave the fishing boats and they are idle.

The tragedy which I have mentioned so often in these remarks, is that in the interim period, between the time that these fellows do find something to do and the time that they leave their fishing boats or their farms, there must be some sort of a system develop where they can find an occupation to keep them from being idle. We have them, even now today, coming out of University and the Trade Schools and they are still idle. What is this

MR. EARLE: going to do to Newfoundland? If you have young people walking around without a hope in the world and with very little encouragement, what is it going to them? It is the major problem of Government. A marketing board is not going to solve that. A marketing board is going to cut down employment and going to cut back employment. It is going to make fewer people do more production, yet it will not offer the solution to all these fellows walking the streets.

Now I was only inspired to make these remarks by something the Premier said, I did not intend to go into a speech again, but I had in mind to ask the minister a couple of questions. This vote here is \$70,000, which I presume is the operating expense of the marketing board. On the next page we see a Grant In Aid of \$100,000. Now the same question I asked the other day on another vote pertains, I suppose that the \$70,000 is not the full cost of the marketing board, there is \$100,000 coming back, does not give us \$30,000 profit, because there must be involved in this a lot of salaries and so on which are not shown under this vote of \$70,000.

So what this committee needs to know, and what it should be told very plainly in a discussion of this sort is; what is the Newfoundland Marketing Board actually costing? What it has cost in the past. And what it is going to cost in the future. The capital cost there is \$1,500,000 to be spent this year on what? We must know.

AN HON. MEMBER: Marketing facilities.

MR. EARLE: Marketing facilities. Well, what proportion of it applies to the Market Board, if any?

MR. CALLAHAN: Nothing.

MR. EARLE: Nothing. Well, what does the Marketing Board actually cost in total, in salaries, in operating expenses and in yearly loss? This is what I should like to know and this is really the only way in which we can judge whether it is a worthy operation and worthy of our support. What is it costing to do this job, in net figures after the grant in aid has been deducted year by year? What is it anticipated if is going to cost in the future?

Now before I sit down, Mr. Chairman, I for one, on this side of the House,

MR. EARLE: could not care less whether the Premier himself is producing eggs or not producing eggs. I do not think this has anything to do with the argument. I would not hint at any such thing and I do not care, I could not care less, all I am interested in, Mr. Chairman, are the ducks eggs the Premier has laid in the past and the likely ducks eggs he will lay in the future and, if it should develop that this Marketing Board may develop into another duck's egg, then we have reason to ask questions.

MR. HICKMAN: Ducks eggs, that is eggs laid by a duck?

MR. EARLE: True. If it develops in no results, in other words, then we have every right to ask questions. But, so far we have been discussing this item for a good many hours now. I do not think that we are much further advanced because it appears to me that it is largely a theory which has yet to prove itself.

MR. COLLINS: Mr. Chairman, before we carry this, I would like to have a word or two to say regarding agriculture in particular, This is what the conversation seems to be centered around this morning. Certainly, when one looks at the figures, the consumption figures for Newfoundland, of potatoes and carrots, turnips and cabbage, onions and other vegetables, when we look at the supply, the amount which is grown in Newfoundland, it is easy for anyone to see that there is a need for a lot of incentives to our farmers if we are going to close that gap. There is no doubt about that at all. We seem to be obsessed in Newfoundland, Mr. Chairman, with being good consumers and we also seem to have an obsession that anything which is consumed, better quality is always available from outside of the Province. Nothing could be further from the truth, because I know that local potatoes and local carrots and onions and so on and so forth, the quality is much better than what we import from the mainland.

Now there is another aspect to this, Mr. Chairman, we should be trying to close the gap between production and consumption. Certainly we must recognize that there is a great need for employment in Newfoundland, for jobs. I do not know how many jobs can be created through agriculture but certainly it is a field where much work have to be done. Very little has been done in the past. Certainly we must look to the future and try and improve the



MR. COLLINS: facilities, encourage the farmers, through subsidies and different methods, measure grants, if you want to, I would not suggest that we subsidize farmers to the extent where the consumer is going to suffer too much, but certainly there should be more done in the form of measured grants, This could be determined, as to the level of the subsidy could be determined, by trying to establish if it is better to subsidize them or have them on welfare rolls of one sort or another.

Getting back to the need for jobs, Mr. Chairman, the DBS figures in February of this year show there were 23,000 Newfoundlanders unemployed or 15.2 percent. I remember the Premier saying at that time that, well, it was pretty high, there is no doubt about that, but this was the peak. In other words this was the worse time of the year and things would improve as we went along. The March figures came out, Mr. Chairman, which showed 23,000 still unemployed. The same percentage. The April figures, which were released today, Mr. Chairman, shows there are 25,000 Newfoundlanders unemployed, for a percentage of 16.4 percent, which means that the condition is worsening, while the Premier said that, we had reached the peak in February. Everybody was hoping that he was right. Obviously, we had not reached the peak. Now we find that there are more Newfoundlanders unemployed than there were in February. This, in my opinion, Sir, is a very shocking situation. It is a very disturbing situation. In view of the fact that the construction season is upon us, certainly, if work is to get going it should be going now. Farmers are wanting to get into fields, they do not know where to turn for funds, where to turn for credit. As far as I am concerned, Sir, it is about time that the Premier and the Minister of Mines, Agriculture and Resources and the other ministers began to take a look around Newfoundland and see just what is happening to our economy. Look at the tremendous loss in terms of human resources. The potential is there but the opportunity is lacking.

Those figures, Mr. Chairman, as far as I am concerned, are disgraceful. Probably some ministers over there might like to give us their opinion



MR. COLLINS: of why this is?

MR. CALLAHAN: Mr. Chairman, I was asked a couple of questions and I have a little information that I would say I would try to give on the Newfoundland Marketing Board. The estimates provides for the salaries of the Chairman, \$16,290; the Executive Manager \$12,000; I might indicate to the committee, the Chairman is Mr. A. C. Badcock, who I have no hesitation in saying is the most senior and the most experienced official of the Government, in the agriculture field, in the Province. His Executive Manager is Mr. A.C. Hutchings, who was an Assistant Director of Agriculture to Mr. Badcock in the old orgaization of the division. So these two gentlemen moved over together because they for many years have been a quite admirable team, and we wanted to have the most experienced and knowledgeable people we could find to put in charge of the operation of the marketing board, to ensure that it did what it has to do in order to conform with the intent of the legislation passed by this House.

There is a research officer who is really - this position has provided for an economist at \$10,000. There are two field supervisors

MR. SMALLWOOD: Would the hon. the member for St. John's West sit down and stay there, not going every ten minutes to confer with him, take his place and sit with him and not try to hide it.

MR. CALLAHAN: It certainly would remove some confusion in the minds of the House, Mr. Chairman.

MR. SMALLWOOD: This walking back and forth makes us dizzy.

AN HON. MEMBER: I think it is some kind of a disease.

MR. CALLAHAN: It might be a rotten egg.

There are two field supervisors, Mr. Chairman, the total salary for two being \$17,520. Three shorthand typists, Grade IV, and remuneration to board members \$5,000. Now the board members are Mrs. James Lind of Grand Falls, being a consumer interest appointment, and Mr. Godden Tilley of Robinson's, being a small business representative on the board. Mr. Badcock as Chairman. The vote also includes \$12,500, which includes board members travel. The

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MR. CALLAHAN: board meets from place to place in the Province, from time to time. There are the usual expenses for the office, rent, telephone and telegraph, photo-copier, postage and supplies, furniture, and I think that comes to about \$5,000, I think, just quickly calculating. There is also an amount for what is referred to hear as public enquires, \$2,000, and that is for the kind of work that has to be done in terms of

MR. CALLAHAN:

doing continuing research such as the economist will do to determine what prices are from time to time and from place to place. Now along that line I made a statement earlier, which was really a reiteration of a statement I made a couple of nights ago. The Newfoundland Marketing Board in its continuing market research, and this is the one date I have been able to get quickly, Mr. Chairman, on January 25, 1971, the Marketing Board price to the farmer was sixty cents for grade A large eggs and the range of price at the retail level was from sixty-five, the producer getting sixty, the range of retail price was from sixty-five cents to eighty-four cents. Eighty-four cents, as I said earlier, Mr. Chairman, without having the authoritative information in my hand, but it is none the less accurate, is twenty-four cents per dozen for grade A large eggs, twenty-four cents per dozen more than the price to the farmer on January 25th.

Now reference was made, I think by the hon. the member for St. John's West, to subsidies to the Newfoundland Poultry Co-operative. Mr. Chairman, there are none and there have not been any since the end of the second year of that Co-operative's operation and that goes back, I think, two years. The context of his remark that there is now a subsidy; there is not now a subsidy nor has there been for, I believe, two years. Reference was made by the hon. the member for St. John's East to a table in what we refer to in the Department as the MacEachen Report, that is the report I tabled the other night, in respect of the cost of poultry feeds.

AN HON. MEMBER: (Inaudible).

MR. CALLAHAN: That is right and there is indeed a reference to the cost of poultry feeds, Mr. Chairman, indicating that they are cheaper than in certain other provinces, in this Province. The hon. gentleman seized on that to make a case for gouging, I believe, on the part of the producers. The fact of the matter is, Mr. Chairman, that the price of poultry feeds in this Province is low or slightly lower than in certain other provinces, for one reason and one

MR. CALLAHAN:

only and that is the reason that this Government took action to see that bulk feeds were brought here for formula mixing. The second point is that the differential in price from, and I do not have the report before me, but the differential in price shown amounts to less than one cent per dozen on the average price of eggs. The other thing I want to say is that chicks cost more, that buildings cost more, that packaging costs more to our producers and certainly more than one cent per dozen, Mr. Chairman, than in any other Province, so far as we can determine and indeed we are quite sure that that is the case.

On the other hand, in Nova Scotia there is a differential of as much as ten dollars per ton on poultry feeds less than there is here, in what are known as integrator operations. This is where the big feed companies grow their own chicks, operate their own laying establishments and supply their own feed, and this is what is happening across Canada, Mr. Chairman. The two or three big companies, who also have wholesale and retail outlets, are taking over the entire industry. This would have happened here, I suggest, if we were to have any egg production at all, had it not been for the fact of publicly induced and supported bulk grain facilities. If it had not happened that way, we would have had integration here too and that, of course, means entirely monopoly control, which is what we are said to have but which is not what we have. We have fifty-four registered commercial producers, and the objections to the Marketing Board at the producer level have come from the largest of those fifty-four. So it is not in any sense a monopoly situation but integration is.

The other point I wish to make, Mr. Chairman, is the reference of the hon. the member for Gander who said, "Farmers do not know where to go or where to turn for credit." We have increased by more than fifty per-cent in this past year the amount of money in our Farm Loan Board, which is a small fund in any event but which has loaned about \$1.5 million to small

MR. CALLAHAN:

operations over the past twelve years. We have also enabled the Farm Credit Corporation to provide better service so that in the last six months of 1970 more funds were loaned by Farm Credit Corporation in this Province than in the twelve years preceding last year; in that one year more than the entire twelve years previous. So the credit situation, Mr. Chairman, has improved. I agree that credit is a very serious problem but we have improved that situation tremendously in the past year by new funding to our own loan board and by our ability to get the Farm Credit Corporation to supply credit on a much more open basis.

So far as other commodities and eggs are concerned, we have inquiries and interest by dairy producers, by hog producers, by broiler producers and by producers of turnips particularly and mixed vegetables generally. They are all interested, I do not know to what degree at this moment, in marketing boards for their commodities. The Appropriation-in-Aid, to which the hon. the member for Fortune refers, is there to indicate that we expect that some if not all of these producers will move towards marketing boards during the year or will want them, that they may not be entirely controlled by those producers because of the rather limited production. For example, in broilers the production is fifteen per-cent of the total consumption. The Marketing Board advised me that in their judgement it would not be right to put the entire broiler sales industry in the Province into the hands exclusively of a producer group, who only at the moment produce fifteen per-cent of what is consumed.

So it is likely that if we move to broilers, it will be at the request, certainly, and at the decision of the broiler operators. But it probably will be done in the first instance and until they get their production up by the Marketing Board and, if that happens, as it is rather likely to happen, then there will indeed be recoveries by the Marketing Board, as indicated in the vote in the Appropriation-in-Aid.

MR. CROSBIE: Mr. Chairman, just before we vote on this item, which is to reduce the amount of \$70,000. to \$1.00 for Marketing Board, the fact remains, Mr. Chairman, that after twenty-two years the Government only has one Marketing Board. It is a Marketing Board for eggs, that is the Government's policy in agriculture

MR. CALLAHAN: The Government does not have a marketing board for eggs. It is not our board.

MR. CROSBIE: The only subject being marketed at the moment is eggs, the egg producers.

MR. CALLAHAN: It is not our board. The Government does not have one.

MR. CROSBIE: It is the Government's board, the Marketing Board is.

MR. CALLAHAN: It is not. It is the producer's board. They elect their own officers and they did at Gander and -

MR. CROSBIE: It is called the Newfoundland Marketing Board and it is created by the Government, created by Legislation and passed by this House.

MR. CALLAHAN: Newfoundland Marketing Board, but that does not market eggs.

MR. CROSBIE: Last year we had the Rocky Harbour rooster and this year it is chicken chops. Now if I just could be permitted to finish my few remarks - I maybe totally wrong but the Minister can correct me later.

MR. NEARY: I hope the hon. member gets quoted in the Tory newspaper.

MR. CROSBIE: Listen to the hon. Minister.

MR. NEARY: If you called the hon. member mutton chops you would get quoted.

MR. CROSBIE: The hon. Minister reminds me of a ruptured reptile. Now, Mr. Chairman, as I was saying, the fact remains that there is only one marketing scheme, that is the egg marketing scheme. The fact remains that the Government, after twenty-two years, has emphasized only eggs and poultry and lately pork. The fact remains that there is no marketing scheme for turnips or root crops. The fact remains that the Government's policy has always been ham and eggs, poultry and pork, not root crops, that the Government



MR. CROSEIE:

scorns root crops or has up to now. The fact remains that the Marketing Board has not improved itself, as far as we are concerned. It is only working at the moment for poultry producers and eggs. The fact remains that the Minister has not produced any figures to show how the consumer is benefiting in all of this. The fact remains that only 1.7 per-cent of Newfoundland's population have anything to do with farming whatsoever. The fact remains there are 500,000 other consumers who have to pay for food products. The fact remains that their per capita income is forty per-cent below the per capita income of Canadians as a whole, that their personal disposable income is only \$1,360. per year. The fact remains that twenty-five per-cent of that income in Newfoundland is spent on purchasing food, rather than just twenty per-cent as in the rest of Canada, which indicates more need here in Newfoundland for lower prices. The fact remains that the Premier said we should make the welkin ring about the stores, that the Premier wants to blame the stores for these high prices.

The Premier has appointed two Royal Commissions, neither one of which produced any evidence that the prices charged by retail stores were exorbitant, and he has produced no evidence himself today. Twenty-two years and there is only one board. The fact does remain that this board and the Farm Products Development Corporation are heavily subsidized by the Government. The Provincial Poultry Co-op is using rent free premises supplied by the Government, to subsidize in all sorts of ways, that the Government spends only \$20,000. on consumers while it spends several millions on helping these few producers. There has been no evidence presented at all that would make us change our minds on this vote.

The Minister said that the retail stores sold eggs from sixty-five cents a dozen to eight-four cents a dozen, retail. Well, what is so unusual about that? Is not the usual retail markup at least thirty, forty per-cent for all kinds of products? They bought the eggs for sixty cents and some

MR. CROSBIE:

stores are selling them for five cents more and some for twenty-four cents more.

MR. CALLAHAN: (Inaudible).

MR. CROSBIE: No, I am neither applauding nor disapplying. I am just saying that this between sixty-five and eighty-four cents is a normal retail markup, that is all.

MR. CALLAHAN: Do not blame the farmer.

MR. CROSBIE: The farmer gets the sixty cents and the prices could be lower if the Marketing Board would permit them to be lower. So the Minister has not presented any evidence at all that there is any benefit to the consumers of Newfoundland, who after all are a half million of us, include us all, and therefore I am going to support the amendment. Next year if the Marketing Board has other arrangements such as including root crops or including other categories of products, then I might take a different attitude. But at the moment, since 1966 there is one marketing scheme and that is for eggs alone, not for turnips and not for all the rest of it and the Minister's policy is being directed toward that and that alone.

MR. CHAIRMAN: The amendment is that Item (7), "Newfoundland Marketing Board," be reduced to the sum of \$1.00.

On motion, amendment lost. (On division).

On motion, (07) carried, 05(01) to 05(08) carried, 08(03) to 08(06) carried.

MR. CROSBIE: On 08(07) I have a question, Mr. Chairman. Would the Minister explain why year after year, in the Auditor General's Report on the Farm Development Loan Board, it is pointed out that the Board has not taken effective measures to ensure that assets pledged as security for loans were insured and insurance policies assigned to the Board as required by regulations 58 and 72 of the Farm Development Loan Board Regulations and why the Board did not charge interest on the balance of a loan outstanding, contrary to regulation 13? Each

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MR. CROSBIE:

year the Auditor General reports that but for some reason the Board does not change it.

MR. CALLAHAN: I have an explanation somewhere for that. I do not have it here but I will get it later.

MR. CROSBIE: Okay, well it is one o'clock.

MR. CHAIRMAN: It being one o'clock I leave the Chair until three.



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# **VERBATIM REPORT**

**THURSDAY, MAY 13, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House resumed at 3:00 p.m.

Committee of Supply.

MR. NOEL: Before commencing the business of the Committee, on behalf of the members, I would like to welcome to the House today, twenty-three Girl Guides from Mary Queen of Peace together with Capt. Doreen Coady and Lieut. Mary Gladney, also twenty students from the College of Trades & Technology, of the clerk-typing class, together with the teachers, Mr. K. Morrison and Mr. R. Marston.

Shall 08-07 carry?

MR. CROSBIE: Mr., Chairman, I had asked a question on that Farm Development Loan Board at one o'clock. But before going back to that, Mr. Chairman, I wonder would the minister bring the House up to date on the situation in respect to Newfoundland Farm Products Corporation, with the Minister who is responsible. Apparently there is a wildcat strike or some kind of a strike on, according to the press report. Eighty employees of the Newfoundland Products Corporation, I think it is at Pepperrell, have gone on a wildcat strike, Mr. Chairman. They say that they were promised pay increases which they have not received.

MR. NOEL: Order please. We are in committee now and you can only raise what is on the item under discussion.

MR. CROSBIE: This is Agricultural services, Mr. Chairman, and is an important matter, so I wonder would the Minister make a comment on this.

MR. NOEL: At the present time we are on Item 07, Farm Development Board - Shall that item carry?

MR. CROSBIE: No, Mr. Chairman. I asked a question, as I said, before we recessed -

MR. CHAIRMAN: Order please.

MR. CROSBIE: I am referring to the question I asked at one o'clock, about the auditor's report on the Newfoundland Farm Development Loan Board. The question has not been answered. The Minister said, while we recessed he was going to get the answer. The question is that in the Auditor General's

Report for the last several years there are two matters he comments on, about insurance policies as security for loans. If the Board did not charge interest on the balance of a loan outstanding? The Minister said he would check and get this information. Why these recommendations have not been carried out by the Board?

MR. CALLAHAN: I was about to answer it, Mr. Chairman, when the hon. gentleman rose the second time. In the case of insurance on assets, they indicated before lunch, I knew there was an explanation and I wanted to be sure what the detail of it is. The detail is this: That almost entirely in respect of the specific matter referred to by the Auditor General the security is land. Obviously there is no insurance carried or taken on land. There may from time to time be a situation where equipment is taken as security. I am informed, except in one case only where the amount owed is very small, insurance has not been taken on the equipment. In every case but one that is on the books, even equipment is insured but obviously there is not insurance on land. There is one case in which at a meeting of the Board, the Board considers the case of a loan of \$2500 for equipment granted to a resident of Corner Brook. I think it would not be helpful to disclose the name publicly. But if the hon. gentleman wishes to know privately I would be glad to tell him.

The loan was on a 1955 chattel mortgage, The client abandoned farming shortly afterwards due to illness. The equipment was repossessed by the Board and sold. The amount received was not sufficient to pay off the loan, The balance of \$2, 023.10 remains unpaid. The amount is considered uncollectable. The Board I believe intend to recommend that the balance be written off. That is why no interest is being charged, there is really no future in charging it. While I am on my feet, Mr. Chairman, in keeping with assurance I gave the House, I think the night before last, I wish to table copies of the outline of the Forest Improvement Programme and also of the access road programme to be undertaken in the Province this year. There



has been enquiry from the press I would hope that at least two or three copies might make their way up to the press gallery.

MR. MURPHY: Mr. Chairman, before we pass that O7, I would just like to direct a question, through the committee to the Minister, with reference to representation from some five farmers. I received this during the dinner hour, from the Musgravetown area, with reference to crop failures from '68 to '70, where they applied to this Loan Board for loans for fertilizer, insecticides, seeds etc. The Loan Board could only grant them just about one-fifth of their requirements. This is all on record, in a letter from the Deputy-Minister, Mr. O'Reilly, actually. These gentlemen informed me that, as of the present, they will just have to give up their farming. I wonder is there something, is there not something in this that could help these gentlemen out over the emergency? They need approximately \$2,500 each. They have been offered \$500. They farm approximately forty-five acres of land. As I say, they are in the hole, they owe for fertilizer, insecticides from previous years. They have made representations to the Farm Loan Board. But as I say they are only offered just about one-fifth of what the requirements are. I am wondering Sir, has the Minister any statement to make, perhaps offering these people a bit of extra help at this time where the going has been pretty tough this last couple of years?

MR. CALLAHAN: I am aware of the problem, Mr. Chairman, The loan amount offered is offered because in the previous year there was an almost complete wipe-out on the West Coast, of potatoes in the Robinson's area and in Cormack. The Farm Board Regulations were amended to provide for a new kind of loan, being a short-term, a two year loan actually, really working capital to enable farmers to get sufficient credit to purchase fertilizer and seeds and pesticides, for the ensuing season. The Farm Loan Board funds are relatively limited, as I already informed the Committee. They are not in any way, shape or form intended to be an insurance fund, indeed they could

not be. So that what we have tried to do on the West Coast, last year, and what we have offered to certain farmers on the East Coast this year is precisely the same, namely, a two year loan to enable them to purchase amounts of seed and fertilizer for the season coming up.

Now I realize that in some cases this is not enough. What they are really looking for is working capital which we just do not have in the amounts required, if everybody who has a loss came looking for it, in the hope that he could borrow the money and by having a good crop season recover his loss. The only answer for that, really, is crop insurance. Crop insurance is a very expensive thing. We have not as yet had any expression of willingness on the part of farmers to bear the cost of crop insurance. It must be a contributory fund. We would be quite prepared to look at any reasonable proposals but the farmers know what the costs are I believe, and they are not very anxious to undertake them. When you get a failure of some kind or you have a problem such as some farmers in Musgravetown area have this year, then they have to obtain loan funds, working capital. We really are not in a position to provide Farm Loans Funds but really they are emergency loans, being in a sense crop insurance. But we are in a position to provide relatively modest but nonetheless useful loans, as I think some forty-eight farmers in Western Newfoundland found last year. They would not have been able to farm at all had it not been for these funds and through meetings with them it was determined - they were pretty average I think about the same as those in Musgravetown, same land being farmed, same amount. This is the amount they suggested. It worked very well for them and I think on a one-season basis probably would be very helpful to Musgravetown, but I do not think -

SOME HON. MEMBER: How much - five hundred dollars -

MR. CALLAHAN: Five hundred dollars, yes. I do not think we can go back and pick up previous years. That would seem to me to be paying off bad debts. In some way trying to make the loan fund into crop insurance, which of course we should not do.

MR. HICKMAN: Mr. Chairman, I was asked by a farmer to put this question to the Minister: Is there a fixed rate for renting equipment to farmers for land clearing purposes?

MR. CALLAHAN: I believe there is. Depending on the equipment.

MR. HICKMAN: The suggestion - a standard rate for all areas - I am not going to lead the Hon. Minister into anything, his suggestion was, this farmer I think is from Logy Bay, that there is a much lower rate available to farmers on Bell Island than to farmers in Logy Bay.

MR. CALLAHAN: I do not believe so, Mr. Chairman.

MR. HICKMAN: Land clearing there on Bell Island -

MR. CALLAHAN: If I can try to clear this up a little. Last year, and the year before we began, and last year, we intend to continue this year, Mr. Chairman, in areas where people are sufficiently interested and prepared to contribute something to it themselves, we have located an agriculture student, I think in six areas last year, to help do a little of the subsistence type agriculture, perhaps in certain communities, limited areas, in certain small communities can well need, well use and perhaps need. On Bell Island last year about fifty people produced I think about \$26,000 worth of crops from market garden operations. This was a community which badly needed that kind of thing and in which the people wanted to do it on a community basis. So we put a student there and certain equipment.

Now, generally speaking our equipment that we have, say, at the Holyrood Depot is not on loan. It is not on hire, except for specialize bogland equipment. That is the only thing that is hired. It is hired at a standard rate. Although there may be wrapped in that an additional amount for transportation. I am not sure. That is the only equipment is rented. My colleague tells me that on Bell Island this year there are about 300 applications to do what about fifty people did last year. This is a community thing and it is not a case of just renting to any individual. We normally do not do that.

MR. CROSBIE: Mr. Chairman, before we leave the Farm Development Loan Board, the Auditor General also states in his report, the year ending March 31, 1970, that outstanding loans and interest thereon carried in the balance sheet includes accounts totalling \$67,610.27 which in the opinion<sup>of</sup> the manager of the Board may prove to be uncollectable. However no allowance for uncollectable accounts is being provided.

Mr. Chairman, when you look at the balance sheet under Assets, The Board had cash in the bank \$31,000, Loans, Installments due and unpaid \$288,000, Interest due and unpaid, \$48,000. (I am just using the round figures). What is the explanation for this over half the assets, well over half the assets are installments on principal due and unpaid and installments on interest due and unpaid.

MR. CALLAHAN: I can answer the hon. gentleman very quickly and very briefly Mr. Chairman. This represents the failure, which was a pretty general failure of the mink ranching industries, some years ago, and the accounts have been carried on the books, My own feeling is, and incidentally the assets have been, have accrued to the Board. The accounts have been carried on the books and in fact gives the Board a rather bad image. In fact, if you take the mink ranches out of it, the uncollectable or bad debts of the Board in total loans of about one and a-half million dollars, are, I think, slightly over one per cent, about 1.1 per cent which I feel is a good record. These amounts to which the hon. gentlemen referred are solely in respect of the mink ranches which just went broke when the mink ranching industry folded up, I think, in all of North America.

MR. CROSBIE: They should be written off the books.

MR. CALLAHAN: They should be and that has been recommended by me. I think that is the '69 statement.

MR. CROSBIE: March 31, '70.

MR. CALLAHAN: Well, I think in the next statement they will be shown as having been written off.

MR. CHAIRMAN: Shall 07 carry?

MR. MURPHY: Limestone quarry where is this -

MR. CALLAHAN: We intend to open one of our own. We are buying limestone now and it is much cheaper to operate our own quarry, so we intend to do that. There are a number of locations. It could be in any number of places. Corner Brook might be very good, because our new facility will be right alongside the old quarry. That is to be determined.

MR. CHAIRMAN: Shall 816-01 carry?

MR. CALLAHAN: Before we move on to that, Mr. Chairman, may I say briefly that during lunch I had a visit from the Chairman of the Farms Products Corporation and the office manager, to tell me that about eighty-five men walked off the job this morning. It is not in my view an illegal strike, as I heard it reported in one report. There is no union, the men has no formal representation of any kind. They are concerned about salaries. On the fifteenth of April a notice was posted at the Corporation, reassuring employees of what had been conveyed to them already, previously, that until the position classification had been done at the Corporation, the Corporation were not in a position to make a salary revision. But they also were assured that any salary revision would be retroactive to April 1, the start of the fiscal year in which we now are. This was on April 15, the reassurance was given. I understand the management had no notice today until the men left the job. We are concerned. We have about 4000 birds down there to kill, which could have been killed today. We have a shipment of hogs down there. I hope the men will go back to work this afternoon so that the plant can at least clean up the shipments that are on hand. In the meantime, my colleague the Minister of Labour (acting) and I have been contacted by a union official expressing some interest and I have informed that gentleman that, in our view, the first thing that should happen is the men should go back to work. If the union wishes then to go in and organize them and get the majority of the workers on their rolls, then we would



certainly entertain a request for recognition. But at this point there is no leadership, really, there is no organization and we really are dealing with individuals. But I will tell the Committee this, Sir, that if nothing happens we cannot keep that plant closed very long, it will be losing money, farmers will be in difficulty, in losing money. Contracts will be unfilled. The position legally, I suppose, is that the men has just simply resigned their jobs. We are not anxious to hold to that position, we think a reasonable time should be allowed, but I strongly hope that the people will be back there to work very quickly, if not we have real difficulties in that plant.

MR.CROSBIE: Mr. Chairman, I would like to ask a question in connection with the Minister's statement. I gather then that from the statement of the manager that the men, if they were not back by one o'clock they would be considered they had terminated their employment as not being -

MR.CALLAHAN: So far as I know that is not a reflection of what the manager told them. I think what he did tell them was essentially what I have said, namely, Mr. Chairman, there is no contract. There was no notice. There had been no communication from the men for about a month. Suddenly everybody has walked out. I think the manager conveyed to them the position that, if they did not indicate that they would return to work by reasonable time it would have to be assumed that they had quit their jobs. Now, we are not anxious, as I have said, to stand on that position. That is the position, if the thing lasts very long. I have suggested to the union representative, who apparently will represent some of these men at least, was with them today that the sensible thing is for the union to do, provide the leadership to get them back on their job and then, if it wishes, to go ahead and organize them. I do not see any other -

MR.CROSBIE: That sounds reasonable - Mr.Chairman, just one other question. It is reported in the press that the men working there at the present time are being paid the minimum wage, \$1.25 an hour.

MR.CALLAHAN: There are some who came on -



MR. CALLAHAN: There are some who came on as casual help. There are others who are being paid in excess of the comparable wage in the Maritime Provinces. We have Stevenson - Kellogg, doing the classification work for us, in order to hurry it up, so that it would not have to wait for the Personnel Administration Division who are very heavily burdened. We hope that by the first of June we will have the classification done. It is being done as quickly as possible. We have a consultant and we are paying a little extra money to do it.

MR. CROSBIE: Are there women employees there also?

MR. CALLAHAN: I believe there are a few. Not very many.

MR. CROSBIE: Are they paid the same rate as the men?

MR. CALLAHAN: I am quite sure they are, Mr. Chairman. That is not a problem.

MR. CROSBIE: For equal work.

MR. CALLAHAN: For equal work. Yes.

MR. CHAIRMAN: Shall 81-601 carry?

MR. MARSHALL: From this, this relates to mineral resources, to the salaries for mineral resources, and there are a few comments I would like to make pertaining to same.

First of all, I think everybody would like to see this particular division of the Department of Mines probably take on a much more effective cloak than it presently has. There is no doubt that with respect to the policy of this Government, with mineral development - and this has been said time and time again, but always needs repeating, apparently, because it is not digested - is that the areas given for mineral development are much too big. We have seen instances of this which have occurred recently, where the Doyle interests have been given and renewed rights to hundreds of thousands of square miles for development purposes.

There is a body of thought and a very reasoned body of thought that states that huge concessions of this nature are no good

because the optimum development for Newfoundland is not going to result. It is also thought by most reasoning people, depending on the size of the corporation that most of these mining corporations can only efficiently and effectively handle, say, approximately 100 square miles in a one to three year period. Certainly, a concern, such as the Javelin interests, have demonstrated that they cannot effectively, to the best interest of the Province, for the provision of the most jobs in the Province, control and prospect for, in the area of land that they have been given, the hundreds and thousands of miles of concessions.

There is also a great need for a greater amount to be spent by these promoters and developers in the exploration of minerals. Many times these concessions are given and they lay fallow for years and years, months and months and nothing has been done about it. One of the big problems that I would like the minister to address himself to; I would like him to inform the Committee what exactly the Government is doing with respect to the ultimate optimum processing of the raw mineral materials of this Province. There is no doubt that this is necessary. It is necessary for the greatest number of jobs. We will only be following the example of Ontario.

Recently, Ontario introduced legislation requiring the refining of all Ontario minerals, where possible, in the Province of Ontario itself. I think that we should explore this possibility. This is a policy that has to be adopted. Obviously, it cannot be adopted overnight like that. It is going to take a great deal of planning before it can be implemented. Certainly, this Government has not shown that it is willing to take any initiative with respect to the processing of, not only the raw mineral materials, but also raw materials of other natural resources. Here we are talking about mineral materials themselves.

We have been told that there is to be a forest development corporation set up, which is a good thing, provided that the development corporation is effective. I should also like to see set up in this Province a mineral development corporation, comprising of representatives

of Government, representatives of industry and representatives of labour, so that these particular problems can be handled, so that emphasis can be placed upon the development of our mineral resources, processing of our raw materials, and indeed, so that there can be greater understanding between management and labour with respect to the very critical problem of safety in mines themselves.

This development corporation, this type of corporation, whatever name you call it, has to be considered. Probably one of the reasons why it has not been brought into effect or has not apparently been fully contemplated by this Government, whereas they are prepared to do it in the forest industry, is that there is very little that this Government has left to control in the mineral resources division, because, there have been far too many concessions given to too few people.

I was very disturbed, because I was unaware until I heard the hon. member for St. John's West refer a day or two ago to the oil exploration permit that had been given to the Shaheen and Doyle interests off the coast of this Province, almost immediately thereafter I heard a statement to the effect, on the radio, that Canadian Javelin had announced that it had sublet some of its rights to another company. These are all matters that certainly would have to be looked into. Is Canadian Javelin getting money as sublessor of these rights which the Province should really have? If Canadian Javelin can sublet these rights, it certainly shows that they have been given far too much of a concession.

I also noticed, after hearing what the hon. member for St. John's West said, that these rights that have been given to the Shaheen and Doyle interests are on the perimeter or in the vicinity obviously of where certain other legitimate oil exploration companies have been given permits. It would appear that they are sitting there on the perimeter and they are not going to be prepared to do any resource work themselves. They are just going to take the benefits of the people, who have the permits adjacent to theirs. I would say, that they would be better kept to the

Province itself, these areas, so that we can get the optimum benefit when and if, as we all hope, a strike occurs out in the Maritime waters.

No indeed, Mr. Chairman, it is quite obvious, it is quite obvious, that there needs to be good and more positive direction in the mineral exploration and mineral development of this Province. The minister indicated to this House recently, he has made the statement that they could not find people to take on these concessions to do the development.

MR. CALLAHAN: I did not say that.

MR. MARSHALL: The minister indicated...

MR. CALLAHAN: Come off it.

MR. MARSHALL: The minister indicated to this House that it was not that easy to find people who would do the exploration work required.

MR. CALLAHAN: I said no such thing.

MR. MURPHY: He was supported by the Minister of Justice.

MR. MARSHALL: The fact of the matter is - it was, it was stated in this House. If so this is a situation which I do not accept, it would be much better for these mineral grants to lay fallow and dormant in the Province's hands rather than lying fallow and dormant in the hands of these developers and promoters.

Indeed, Mr. Chairman,...

MR. SMALLWOOD (J.R.): The hon. gentleman is talking the most arrant nonsense.

MR. MARSHALL: The hon. gentleman always talks that, as far as the hon. the Premier is concerned.

MR. SMALLWOOD: Utter nonsense!

MR. MARSHALL: There is no doubt, there is no doubt, Mr. Chairman, that the Doyle, Shaheen and other promoters in this Province are really economic vultures who are sucking the life-blood out of this Province. The Department of Mines is apparently powerless, or does not wish to do anything about it.

MR. SMALLWOOD: Mr. Chairman, I have heard a lot of blatant blether, windy nonsense in this Chamber, but this is about the worst. What he is doing, what the hon. gentleman is doing is condemning the Labrador Mining and Exploration Company. The Labrador Mining and Exploration Company were given a concession of 20 thousand square miles in Labrador, by the Government of Newfoundland. I was not in the Government that did it. The Governor was the head of the Government then. He was the Administrative Head. He was the Commission of Government. They gave Labrador Mining and Exploration Company a grant on 20 thousand square miles of Labrador.

Now, the Labrador Mining and Exploration Company acted as promoters. They promoted interest in Labrador. They brought in a number of companies, the principal of which is the Iron Ore Company of Canada. The Newfoundland Government did not give the Iron Ore Company of Canada any concessions. The concessions of the Iron Ore Company of Canada were given by Labrador Mining and Exploration Company, who were promoters. They were given the concession of 20 thousand square miles by the Government of that day, before Confederation. They acted as promoters and they promoted a number of companies to come into Labrador. They promoted Youngstown Sheet and Tube. They promoted Armco. They promoted Wheeling Steel. They promoted National Steel. They promoted Dofasco and other companies. About ten companies, to come into Labrador. They did that, and they have been collecting royalties from them ever since. They did not put the ore there. The Newfoundland Government gave them the right to promote it. They promoted it. They brought companies in there and they have been collecting royalties ever since.

Is that right or wrong? I do not mean is that accurate or is it not accurate. It is accurate. Is it right or wrong? We all hear about John Doyle. Yes, we are talking about John Doyle. We are talking about Shaheen. But I am talking about Jules Timmons. I am talking about him and I have every right to. I am going to remind this Committee that what the Commission of Government did was right.



They were right in doing it. They were right in giving twenty thousand square miles to the Labrador Mining and Exploration Company, to try to promote development in it.

MR. CROSBIE: Is the Premier sure of that figure?

MR. SMALLWOOD: Quite sure.

MR. CROSBIE: It is only 980 now.

MR. SMALLWOOD: Quite sure. I am quite sure. I say this was 1936, and it was twenty thousand square miles.

MR. CROSBIE: It is now 980.

MR. SMALLWOOD: I know what it is down to. I know a lot about it, much more than the hon. gentleman ever will.

MR. CROSBIE: Tell us all about it.

MR. SMALLWOOD: Twenty thousand square miles.

MR. CROSBIE: Under the sea.

MR. SMALLWOOD: Not under the sea. They were required, at the end of I think it was ten year, it might have been fifteen years, I think it was, fifteen years, to shed so many square miles. They did shed it. They were not sure what they were shedding. They had not had time, they claimed, to examine all of it, and the very first year I was Premier they came to me and they said, "Look, we are supposed to shed so many thousand square miles, but really we have not had a chance to look at it. Would your Government be willing to extend the period?" I said, "I will find out." I brought it to the Cabinet and the Cabinet said, "there is no one else in the wide world looking for it, so let us extend it." I think we extended it five years, was it?

MR. CURTIS: I think it was five years.

MR. SMALLWOOD: I think it was five years. The five years passed and they still had not been able to examine all the twenty thousand square miles. So, they dropped I do not know how many thousand square miles, at the end of the second period, at the end of the extension. What they dropped was Lake Wabush. They dropped Lake Wabush, not knowing what they were dropping. They had not examined it. They had not drilled



it, they had not done the geology on it, so they abandoned it. Mr. Chairman, in abandoning it they made a very serious blunder. It was a blunder that was enormously lucky for ourselves. Not knowing the territory that they wanted to abandon, to shed, to pass back to the Newfoundland Government, they just took Wabush Lake and they said; "south of the shore of Wabush Lake," and they passed it back to the Newfoundland Government, which meant that they retained what was north of the shoreline of Wabush Lake. The shoreline of Wabush Lake became the boundary, separating what they handed back to the Government and what they retained. What they handed back is now Wabush Mines, City of Wabush. The Newfoundland Government got it back. We became the owners of it. Their rights were yielded up. What they held on to is now Labrador City. Because, Labrador City is on one side of the Lake and Wabush is on the other. They are three or four miles apart.

MR. CURTIS: They knew there were minerals there but they did not know how to...

MR. SMALLWOOD: They knew there was iron ore there on the south shore of Wabush Lake, but it was only thirty-five percent iron. They did not think it was worthwhile, the iron there at Schefferville it was fifty-one and fifty-two percent iron, direct shipping ore. The ore around Wabush Lake would have to be beneficiated. Useless, worthless, they gave it back. But, when John Doyle proved, after spending between nineteen million and twenty million dollars, which as the Americans would say "ain't hay." "It ain't hay." "It ain't chips." "It ain't shavings," between nineteen million and twenty millions John Doyle proved, by drilling, by analysis of all kinds, that this was a vast iron mine. Then Labrador Mining and Exploration Company presumably got down on their knees, went to church, got down on their knees and thanked God for the blunder they had made in saying, the border, the boundary, the shoreline of Lake Wabush, because they had what was north of that shoreline, as Wabush obtained what was South of it.

They virtually moved away from Schefferville. Not entirely, but they moved enormously into Lake Wabush where they now have Labrador City. All this was promoted by Labrador Mining and Exploration Company, who have done no mining. To this moment they have not mined a ton. But, they spent twenty-five or thirty million of their own money to prove that the ore was there. Having proved it, having spent a lot of money to prove it, having done that promotion job, they were able to bring in iron companies, steel companies, to build a railway and open a mine. They were able to do that after spending twenty-five or thirty million, and doing a first-class job of promotion.

Just as Doyle, who was the equivalent, south of the Lake, the equivalent of Labrador Mining and Exploration Company, a straight promotion outfit, spending between nineteen and twenty million dollars, they were able to <sup>do</sup> the same thing, on the south side of the Lake, that the Labrador Mining and Exploration Company did on the north side. In fact, they did it first. They did it before Labrador Mining and exploration moved in on the north side. Doyle had gone in and spent nineteen or twenty million and had brought in these great iron ore companies from the United States, from Italy and from Germany, to form the Wabush mines, and to spend \$300 million to build a town, a mine and a plant.

There you have two cases of promoters. Labrador Mining and Exploration, Jules Timmons, Javelin - John Doyle. Two promoters! Two promotion companies, to whom the Newfoundland Government gave concessions. Neither one of them has produced any iron ore. Neither has, but each has brought in great concerns who are producing iron ore. Now, they are collecting royalties. When you condemn John Doyle or Canadian Javelin, John Doyle is only twenty percent of Canadian Javelin, twenty-three percent. When you are talking about Canadian Javeline you are talking about some twelve thousand share holders around North America,

most of them in the United States, who have put up a lot of money to buy the Javelin shares.

When you condemn Canadian Javelin, it is more convenient just to condemn John Doyle. It is much easier to condemn John Doyle than twelve thousand shareholders, is it not? Politically it has more sex appeal, has it not? Who knows the twelve thousand shareholders? Everybody has heard of John Doyle, so condemn John Doyle. But, when you condemning John Doyle for having promoted a great iron industry in Labrador, do not forget, in the same breath to condemn the big respectable Labrador Mining and Exploration Company. Lawyers do not do that. They are hoping they will get clients. They have both done identically the same things. No difference whatsoever. They have done exactly the same thing.

Now, we have had others. I myself was instrumental in organizing a great company known as the British Newfoundland Corporation, whose popular title is BRINCO. I had some little thing to do with forming BRINCO. What have BRINCO done? Let us see what they have done: BRINCO have acted as a promotion agency. They have promoted the development of minerals in this Province. Have they not? They have formed a subsidiary known as BRINEX. BRINEX is the short for British Newfoundland Corporation Exploration Company. BRINEX. BRINCO, BRINEX. "X" is exploration.

BRINEX have brought maybe fifteen or eighteen companies into this Province, to explore, to drill, to do geology on the concessions that the Government gave to BRINCO. So, they are a promotion outfit. Start condemning them. Why not? Why not? If you are going to condemn Javelin and Doyle, then you must condemn Labrador Mining and Exploration Company and Jules Timmons, even though he is dead and buried now, and, you must condemn BRINCO and BRINEX. You must condemn another man who is dead and gone to his grave, and that is M. James Boylen. James Boylen was given concessions by this Government, mineral concessions. What do I mean by that, when I say that he was given mineral concessions? I will tell you what I mean. I mean that he was given the right, the sole

and exclusive right over certain territory, to search for minerals.

AN HON. MEMBER: For a limited period of time.

MR. SMALLWOOD: They were all given limited periods of time. He was given this right to search for minerals

MR. SMALLWOOD (J.R.): and if he found them, to develop them. What has he done? What has the result been? Nine mines, nine, nine mines he produced in this Province. He has brought in some of the greatest mining companies in the world. The Asbestos Mine in Baie Verte is a combination of four or five of the world's biggest companies engaged in asbestos mining. Johns-Manville, the Chilean tin man, what is his name, Patino, the great Patino Empire of Chile, in South America. Barron what is his name in Belgium, one of the great industrial leaders in the Continent of Europe.

I met him in Brussels. He took me to lunch. He took two or three of us from Government to lunch, because we met him first when I officially opened Baie Verte Mine. That is where I met him for the first time. Four or five of the biggest companies in the world, engage in asbestos, Boylen succeeded in bringing into Newfoundland, to build what is now one of the world's biggest asbestos mines, at Baie Verte. No Boylen was a promoter too, you see. He has brought a number of companies into the Province. Now there you have four. You have Labrador Mining and Exploration Company, straight promotion. They have never produced a nickel in Newfoundland, not a single nickel. They have got others to do it and they collect the royalties.

You have Canadian Javelin or Doyle, they too have brought in big outfits. They brought in the whole Wabush Development. Every last bit of the development of the City of Wabush is attributable directly and exclusively to Canadian Javelin and Doyle. You have to thank Doyle for the entire development of the City of Wabush.

Then thirdly, we brought in BRINCO, and BRINCO have put together one of the world's biggest promotions, have they not? Have they, or have they not? BRINCO, have they? Am I making it up? Is this something I have just dreamed, or is it correct that BRINCO have put together the mightiest project that man has ever seen on the earth, of its kind, of its kind: Now does some stupid one say that I said that they put together the mightiest enterprise in the world. I said the mightiest enterprise

MR. SMALLWOOD: in the world? I said the mightiest enterprise of its kind, that man has ever known on the earth. BRINCO did that. BRINCO did that. We gave them the right to do it. Were we right or wrong in giving them the right? Were we right or wrong in giving Labrador Mining and Exploration Company the right to do what they did? Were we right or wrong in giving Boylen that same right and opportunity? Were we right or wrong to give it to Doyle or Canadian Javelin?

We faced this problem in this Government twenty odd years ago. We said, before we were born, there was talk that Newfoundland had great mineral wealth. This talk was on before we were born, but we were not getting much development from it. Nothing very much was happening about it. So we came in office and we decided that something had to be done, Now how? How? Who would do it? Would the Government do it? Would we spend the tens of millions that would have to be spent? Tens of millions, scores of millions? Scores of millions, a couple or three hundred million dollars, would the Newfoundland Government set out to spend a couple or three hundred million dollars? Would we do that? Could we afford it? Did we have that kind of money to spend two, three, spend two, three hundred millions on mineral exploration? Did we have that kind of money on top of the millions, the hundreds of millions we would have to spend to build schools, to build hospitals, to build roads, to build municipal services, to build a hundred other things? In addition to that, would we have the two or three hundred millions we would need to do mineral development in this Province? Did we have it? The answer is we did not. Would we be likely to have it? The answer is we would not. So either we had to leave it undone, not being able to afford it ourselves, or get someone else to do it. Now how do you go about getting someone else to do it?

If you think, Mr. Chairman, if this Committee think for one moment, for one moment, that our doors are being battered down, that from all points of the compass industrialists were pouring into Newfoundland,



MR. SMALLWOOD: that mining companies were pouring into Newfoundland, battering our doors, demanding the right to spend scores of millions to find ore bodies in this Province, then anyone who thinks that is sadly wrong.

There was no such rush to Newfoundland. The rush had to be in the other direction. We had to go out. Not only did we have to go out and invite them to come into Newfoundland, but we had to offer them the highest possible enticements. Because remember, Quebec is there, a Nation in itself, geographically. Ontario is there, the industrial heart-land of Canada. All across Canada there are great territories, rich in minerals, and here were we stuck out in the Atlantic, and if we were going to get hundreds of millions of dollars spent to search for minerals, we would get it only by offering great inducements, enticements, and we offered them. We got good results.

Look at the results. Look at the results. The first year I was Premier of this Province the grand total value of all the minerals produced was \$23 million. \$23 million that year, what is the value this year? Twice that? Yes. Four times that? Yes. Four times would be roughly \$100 million. Eight times that? Yes. That would be \$200 million. Four times that much? Yes. That would be \$300 million. It is nearly sixteen, sixteen hundred per cent. It is getting close to \$400 million this year, compared with \$23 million the first year I was Premier.

So our policy of mineral development has worked. It has succeeded. It has produced the results, not by the expenditure of vast sums of money that we did not have, not by the vast expenditure of money, because we did not spend it. We spent a few millions, \$3 million, \$4 million, or \$5 million in twenty-two years. but by the expenditure of vast sums, by people that we enticed into the Province, by means of getting these great promoters.

The only regret I have in that respect is that there were not

MR. SMALLWOOD: half a dozen Boylens, half a dozen Shaheens, half a dozen Doyles, half a dozen Jules Timmons. We would be even further ahead than we are if we had had them.

But of all the stupid, thick-headed, blunder-headed, pin-headed, hen-brained ideas that we ever heard in Newfoundland, is these ideas that we should not have had those great promoters or, if we had, we should not have let them get real reward, the kind of reward without which they will not work, for which they will work. Of all the chicken-brained, the hen-brained, the brainless jacks and asses, the nincompoop, jack ass ideas, bird brained ideas!

The greatest, the worst are those of the people who say it would have been better if Newfoundland had never seen the Labrador Mining and Exploration Company. "It would have been better if Newfoundland had never seen BRINCO. It would have been better if Newfoundland had never seen Javelin. It would have been better if Newfoundland had never seen Boylen. It would have been better if Newfoundland had never seen any of those promoters."

"If the Government itself could not have promoted these things and spent those hundred of millions, let us do without the mines and let us do without the industries." Let it lie fallow, as it had lain for many years, many dozens, many hundred, many thousands, many billions of years, lying idle and doing no one any good except the birds and the wild animals, and they had no votes. They had no votes. They do not eat. They do not have homes. They do not build a Province. They do not build a Nation. Birds and animals build nothing except their own little nests. It would not be good to leave these resources undeveloped.

Now I know that there was another course opened to us. There was. We could have gone Communist. We had our choice, we could have gone Communist. Newfoundland could have gone Communist. In which case

MR. SMALLWOOD: we would not allow any great corporations in here. We would do it ourselves. We would not have given BRINCO Churchill Falls, ten to eleven million horse power, the mightiest hydro potential on the face of the earth, on one river. We would not have done it. We would have done it ourselves. We would not have let anyone else go in and make money. I heard a profound statement today. I heard a profound statement. Someone talking about me said, "he let the power go to Quebec," We said, "that is what Joey did, that is how much he thinks of Newfoundland, he let the power go to Quebec." Now if that is not a bird brain. If that is not a bird brain. That is an insult to a bird. Even a bird has more brains than that. A mosquito has more brains. "He let the power go to Quebec." What would we do with it?

We gave it to Quebec. Gave it away for \$110 million a year. For \$110 million a year, we gave it away to them. We made them a gift of it, for \$110 million a year, cash, cash on the barrel head. We gave it away!

Now even if in using the word "gave", when he says we gave it away, even in using the word gave, if he meant that not literally but only figuratively, what was wrong with giving it away, giving in that sense of the word, selling it? What was wrong with it? What else could we have done with it? What was there to do? If there were no customers for six or seven million on the Upper Churchill, the one they are developing now at a cost of \$1,000 million, a billion dollars, if we did not sell it or allow it to be sold to Quebec for \$110 million a year, what would we do with it? Just let it run idle?

You get a little fishing there. You could not consume it in Newfoundland. There were no customers, with that amount of power. Up to now there is no customer for the power of the lower

MR. SMALLWOOD: Churchill, which is another four million horse power.

Then we have about five other great rivers in Labrador, which between them will develop about another five, six million horse power. What will we do with that? What will we do with it? What will we do with these rivers? These great rivers in Labrador, now running away to nothing out into the Atlantic Ocean, running away, giving no one anything, except to go and catch an occasional salmon. What would we do with that five million horse power of electricity? What will we do with it? Will we give it away to someone? Give it away, say we could get another \$90,000,000 for it in Quebec, in Ontario, anywhere? Is that wrong? to do it or is it better and is it right to let it lie idle, giving no one any money whatever? Which would we do?

We were accused here this morning; "they gave away the timber," We gave away the timber? Yes, Bond gave away the timber to Lord Northcliffe, to start a paper mill in Grand Falls. Yes, Squires gave away, Sir Richard Squires, gave away the timber for a paper mill in Corner Brook. This Government are giving away the timber to Doyle for a paper mill in Stephenville. This Government are giving away the timber for a paper mill in Come By Chance. Now if we are not giving it away, what would we do with it? Would someone please tell me? What would we do with it? What alternative was there? or is there? Now at this moment, what alternative is there? "You give it away, you give away your timber, you give away your minerals, you give away your water power." What do you mean, "we give away?" What kind of nonsense is that? What kind of foolishness is it? Sickening, stomach turning, revolting. It is not immature thinking, it is immature but it is not thinking. There is no thinking in it. It is just stupid foolishness.

Just think of the alternatives. Suppose Bond had never given the timber to ... No, go back a little, suppose Whiteway had never

MR. SMALLWOOD: given big blocks of timber to the Reids to build a railway, there would be no railway. Suppose Bond had not given the timber to Lord Northcliffe, there would be no Grand Falls. Suppose Squires had not given the timber to the mill in Corner Brook, there would be no Corner Brook. There is a little saw mill there, population one hundred and fifty, one hundred and seventy souls. That is what Corner Brook would be, not twenty nine or thirty thousand of a City today. There would be one hundred and twenty, one hundred and thirty, one hundred and eighty, two hundred souls, men, women, children. Say thirty families, there would be thirty families in Corner Brook, if Squires had not given the timber for the paper mill.

Now, did they do right or did they do wrong? Was it right or wrong? Or let me put it this way, was it right for Bond and Squires, to give the timber to establish a great town in Central Newfoundland, Grand Fall, based on the great paper mill and right for Squires to give the timber for another great paper mill in Corner Brook, but wrong now, to do it now?

Was it right to give the Buchans Mining Company the right to start a big mine in Buchans and wrong for us to give it to Boylen? Wrong for us to give it to BRINCO, wrong for us to give it to Doyle, wrong for us to give it to Labrador Mining and Exploration Company, what kind of thinking is this? What kind of guidance to the Newfoundland people? What help is this to the Newfoundland people, to think straight?

MR. NEARY: I wish somebody would give away the ore on Bell Island.

MR. SMALLWOOD: Yes, yes, would that not be a happy circumstance, if we could find someone now who would accept the gift of the iron ore on Bell Island and develop it, and work it, and employ men, would that not be a happy circumstance. We gave away the iron ore, we gave away our heritage, God's gift to us, God's heritage, God's benefaction, we gave it

MR. SMALLWOOD: away in Labrador City, through the Labrador Mining and Exploration Company and they made the dicker with the Iron Ore Company of Canada and the Iron Ore Company of Canada started a town and a mine and a mill, and you have got a place now of eight or ten thousand people or something of that order and the people we gave it to, the Labrador Mining and Exploration, are collecting royalty on every ton. They collect the royalty. Should we not have done it? Same thing with Wabush, should we have done it? No. We should not have done it, no!

But you put that to any Tory in public and not one of them will say, "no, you should not have done it," not one. They will not say it. They would not dare say it. They would be laughed out of this Province. They would be laughed, laughed out with scorn. But though they will not admit it, what do they do? They sneer. They get up and say, "giving away the Province, giving it away, giving it away, they are giving it away," what do they mean by that?

You ask them, "you mean that Bond should not have given the timber for the mill in Grand Falls, that Squires should not have given the timber for the mill in Corner Brook, that Smallwood should not have given it for a big mine in Labrador City and another big mine in Wabush, that he should not have given it for a vast power development in Churchill Falls?"



MR. SMALLWOOD: The Premiers should have not favoured those things, Their Cabinet should not have given those concessions. Is this what they are going to say. What do they mean, if they do not mean that? What do they mean?

It is just pretty low propaganda, low-class propaganda. It does not really help Newfoundland to sort out their thoughts. It does not help them. Now, Mr. Chairman, if it be argued; all right, it is okay to give it. That is all right, but get the best terms you can get. There can be no argument with that. No argument. Get the best you can get in return. There is no argument. What are the best things you can get? (1) jobs. Somebody said here in this House the other day, I think in this present debate on these very estimates, somebody said that all you are getting out of your mining industry is \$4 millions a year. Or was it \$5 millions? \$4 millions or \$5 millions a year. How much?

MR. CALLAHAN: \$3.2 million. He said \$4 million, I thought. Around \$4 million. That is as fallacious, that is as uncorrect and untrue as anything that was ever said in this House.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: Not so. Not so, as I will now proceed to show. What revenue do we get from mining in this Province, Mr. Chairman? I will tell you what we get, what the Treasury of this Province, the Public Chest of this Government, gets out of mining. I will tell you what we get, what revenue we get, cash in the till. I will tell you what we get (1) we get in some cases from mining companies five percent of their profits, as defined. There is a definition in the Law of what their profits are, what shall constitute their profits. We get five percent of that.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: Ah, will the hon. gentleman hold his tongue. Hold his tongue. A big ignomiamus, hold his tongue.

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. NEARY: Do not forget why E.P.A. was organized, they fly into Labrador. They have an air service down there.

MR. SMALLWOOD: First of all, we get five percent royalty, fixed by Law on their Province. Then we get a corporation income tax, we levy on them. This House levies. It is the Law of the Land that they pay corporation income tax on their profits. That is two profits. That is two sources. First, the five percent royalty. Second, the corporation income tax. Third we get a share of the Federal Corporation Income Tax. The Government of Canada collects a corporation income tax from them, as well as the one that we collect. There are three sources of revenue from the mining operations in the Province. Four, we get first a Newfoundland Government personal income tax from every mine worker. That is four. Five, we get a share of the Federal personal income tax collected by the Government of Canada. They pay us a share of that. That is five. That is revenue coming into our Treasury. Remember now, royalty, Provincial income tax, Provincial personal income tax, Federal corporation tax, a share of it, Federal personal income tax, a share of that. That is five sources we get from the mining industry.

Then we get, Mr. Chairman, in addition to that a substantial amount of revenue straight into the Treasury of this Province from the employees of those mining enterprises and not only their employees, but many, many hundreds of others, who are not direct employees but who live in and around the mining towns or who serve the mining towns from a distance, but still live within the Province. I would venture to say the grant total revenue that this Government are now collecting into our Treasury, from the mining industry of the Province, would not be less than \$10 million a year. \$10 millions.

You see, to what would you attribute, to what would you credit the revenue the Government receives in these matters, but to the mining industry. The only source of income of all those activities is the mining industry, anything that they pay to the Newfoundland Government comes from the mining industry. It comes in two ways, directly as payments to the Government by way of royalty, the five percent of their profits. Buchan's Mining Company out there pay five percent of their profits to the Newfoundland

MR. SMALLWOOD: Government every year. In addition to that they pay a corporation tax to the Newfoundland Government every year, Buchan's Mining Company. In addition to that they pay a corporation tax to the Government of Canada every year, and they pay us a share of it. In addition to that all their employees pay a personal income tax to the Newfoundland Government and in addition to that all their employees pay personal income tax to the Government of Canada, and we get back a share of that.

Now, if you have a town such as Buchan's, with virtually no other employment there but that mine and mill, any revenue we get out of Buchan's surely is to be credited to the mining industry, in Buchan's. Is that not true also in the City of Wabush? Is that not true also in Labrador City? Is that not true also in Whale's Back? In Bay Verte? And in the other mining centres? We are receiving into the Treasury, today, of this Province, not less than \$10 millions a year, not one dollar of which we would get if the mines were not operating. So you would have to attribute every cent of it to the mines. \$10 millions, not \$2.8 millions, not \$3 millions, not \$4 millions, but \$10 millions at least a year. It will be much more than that, because as mining companies use up their exemptions and as they use up their allowable depreciations, their accelerated depreciations and as they use up their depletion allowances, which the Government of Canada allows them because they get a lot of encouragement of that kind, the mining industry gets from the Government of Canada, Mr. Keirans cited that as one of his grievances the other day, when he resigned from Mr. Trudeau's Cabinet. He cited that, as one of them; "the loving way in which the Government of Canada gives them these allowances."

But the allowances, Mr. Chairman, finally get used up and they begin paying their taxes more or less like anyone else. And so, under all these headings, we are getting at least \$10 million.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: Avalon Mall?

AN. HON. MEMBER: Inaudible.

MR. SMALLWOOD: Does what apply? What does the hon. gentleman mean by the same thing?

Look, the hon. gentleman who is Leader of the Opposition pays income tax. Sure, but who is denying it. What has that got to do with it. We are talking about the mining industry. It is the mining industry, not Leaders of Oppositions we are talking about, not shopping malls, we are talking about the mining industry.

MR. MURPHY: We are talking about the direct payments of the Premier that go into the income tax, everybody pays them.

MR. SMALLWOOD: There would be no income tax from Labrador City, or from the City of Wabush, there would be no income tax, personal or corporation, there will be nothing. There would not be a nickle. There would not be a plugged nickle. There would not be one red copper coming out of Labrador City or Wabush, but for the mining industry that is there. So everything that comes out of it must be attributed to the mining industry. I say that the total the Treasury is receiving from the mining industry of the Province is not less than \$10 millions a year, and it will go much more than that. Now in the same way, if we were talking about the fishing industry of the Province, we would have to credit the fishing industry with some revenue that comes into the Treasury, would we not? Of course, we would. But we were not talking at that moment about the fishing industry, we were talking about mining. I say that the Government's programme of developing the mineral resources of the Province has been a brilliant success.

Do you know how that we are the fifth greatest mining Province in Canada? Since I became Premier of this Province we have gone from number ten to number five. We are the fifth greatest mining Province in this Nation today.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: Yes, that is true. That is true. So what? So what?

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: We have a public debt. I do not suppose it would be in order to start discussing the public debt. I am able to discuss it, well able too, well able to discuss it. I have the facts at my finger tips. At

MR. SMALLWOOD: my finger tips I have them. The hon. ignoramus cannot inform me. He cannot enlighten me. He cannot educate me. I might be able to educate him. Though, every word that I have said about the mining industry is undeniable and admitted, surely, it will not be contradicted and it will not be denied. But will this stop the propaganda? Mr. Chairman, do you think it will? No, it will not. They will still say Smallwood has given away the mines. Smallwood has given away the forests. Smallwood has given away the fisheries. Smallwood has given away the water powers. I only wish to God I could have given away ten times more than I have given away. I would like to be able to give more. I would like to have more to give, because, if you do not give them they lie there idle, no one gets any benefit out of it.

What is the difference in a man being allowed to go out three miles off the head here and take fish out of the water and bring it in, and another man being allowed to go in the hearts of Labrador and take up a ton of iron ore and take it out and sell it? What is the difference? Fish are our natural resources. The iron ore is part of our natural resources. Now it is not much use saying to your people; all you dear, kind citizens, anyone who wants to, anyone in the galleries, anyone in school, anyone around the Province, if you want to go down to Labrador and dig up a ton of iron ore, go ahead, you are free to do it. Would that be any good, Mr. Chairman?

The only way you are going to get millions of tons of iron ore out is first by spending \$300 million, \$400 million, \$500 million. Now do you think you are going to get any company in this earth to do that, if you do not give them the concession? Have you not got to give the concession? Are you giving away the Province, when you are giving the right to mine the ore? Are you giving it away? Are you giving away the Province, when you give them the right to develop the water power? Are we giving away Newfoundland, when we gave BRINCO the right to develop this water power at Churchill Falls? Have we given away Newfoundland? Is it gone?

But, Mr. Chairman,, I am just casting pearls before swine.



MR. CROSBIE: The hon. the Premier certainly cannot accuse us of obstruction anyway, because he has spoken an hour himself in this debate.

The Premier's reasoning, as it is so often, is quite fallacious. Nobody is saying, Mr. Chairman, that you should not give any concession or that concessions are entirely out. That is not the debate at all. The point is, the argument is about what size should the concession be?

MR. SMALLWOOD: The hon. gentleman's Leader says it.

MR. CROSBIE: How long should they be for?

MR. SMALLWOOD: The hon. gentleman's Leader says exactly that. He said it today on the air.

MR. CROSBIE: I have not got a Leader here.

MR. SMALLWOOD: Oh, yes you have. Franky, Franky Baby.

MR. CROSBIE: I will let the world know.

MR. SMALLWOOD: Franky, Franky Baby is your Leader.

MR. CROSBIE: The hon. the Premier was talking about Bermuda Barron, what about the King of Condominiums, he is not unfamiliar with the South either?

Now to get back to the subject, Mr. Chairman, "Franky Baby." To get back to the subject, Mr. Chairman

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please. I have to remind the gallery that laughter and applause and making your presence known is not permitted. There must be silence.

MR. CROSBIE: Yes, Mr. Chairman, to get back to the subject! It is not whether there should be concessions, it is how large they should be, or how great a length of time they should be given and to whom they should be given. Chicken chops perking up there. Now, Mr. Chairman, that is what the argument is about. Now when we look at whom the concessions had been given to in Newfoundland, who'd we find cropping up time after time? John C. Doyle, and he did produce something. This was fifteen years ago. He got the Wabush Mines Development going. Score one for John. Then the hon. the Premier mentions, in the same breath, John Shaheen. He has not developed anything, nothing, not a scrape of anything has John Shaheen produced.

MR. SMALLWOOD: He produced Holyrood.



MR. CROSBIE: He did not produce Holyrood.

MR. SMALLWOOD: He did produce Holyrood.

MR. CROSBIE: It was produced by the people that own it. Not by John Shaheen.

MR. SMALLWOOD: He was the man who owned it at the time. He built it.

MR. CROSBIE: Mr. Shaheen, given concessions by the Newfoundland Government, has produced nothing on those concessions. He has been given 4 million acres of offshore oil permits by the Newfoundland Government and what has he produced out there? What has he spent out there? Is it his drill that has gone out there from Halifax, to drill for oil? Not on your life. Mr. Shaheen has just been given a present, a big concession out on the Grand Banks, by the Newfoundland Government, so that if some big International oil companies strikes oil, he can make a fortune subleasing it and selling it to another oil company. That is the kind of concessions that we do not agree with, that we are against. The same thing is true of Mr. Doyle. He has got twelve or fourteen million acres and permits off the coast. He has not got the money to develop them. So he looks around, and once someone else strikes oil or he will interest somebody in it out there, and he will sublease some of it to them and someone else strikes oil or oil is discovered there, he will make a fortune on it, when it is not necessary. We should only be giving permits out there, our Government should be giving them to be big International oil companies that have the money to develop it, the millions and millions that have to be spent out there. What is the purpose of giving Doyle and Shaheen millions and millions of acres of offshore permits? Did the Canadian Government do it? Not that I have heard. I would be startled, if I hear that the Canadian Government have given Doyle and Shaheen tremendous grants, permits to drill off, off the Grand Banks. I bet you, they have not.

MR. MURPHY: Would the hon. member think, if we had a proper Economic Department, these would be the things that we should be doing ourselves?

MR. CROSBIE: Sure, these are the things. Why give it to Doyle and Shaheen?

MR. CROSBIE: It is better for us to keep it. Mr. Doyle goes and gets Mobile Oil Company or somebody interested in his few million acres out there, why cannot our Government do that? Why cannot our mining department or Economic Development Department do that? Why do we have to have Doyle do that? And Shaheen has got his there, what is he doing with it that our Government could not do?

MR. MURPHY: Laughing on his way to the bank with our money.

MR. CROSBIE: Right. The studies that have been done on the mineral policy of this Government, what have they shown? The Royal Commission on Economic Prospects, what did it show? It said too many large concessions are being given to too few promoters who do not have the capital to develop the concession. What mines have been found in the last five years? What mines have been developed in the last five years? What mine has Mr. Doyle developed since Wabush Mines of 1955 or 1956? He has not developed any mines since then. Mr. Boylen has not developed one, he is dead now, but his organization has not developed one in the last four or five years. And who else has developed a mine in Newfoundland in the last four or five years?

The Premier mentioned Labrador Mining Exploration. Here are the figures the minister gave last year on how Labrador, I think this is just Labrador, was divided up. British Newfoundland Company had 24,500 square miles. That was one piece of legislation. Then they had another 4,447 square miles, BRINCO.

MR. ROWE, F.W. Will the hon. gentleman permit a question on that point?

MR. CROSBIE: Why not?

MR. ROWE, F.W. I am wondering whether or not he has seen the latest issue of "Time Magazine" - there is an article relating to Falcon Bridges Concessions in other parts of Canada. I wonder if he has seen the statement made by that, a company which incidentally held the concessions to the Baie Verte Peninsula before they were given to Boylen and to BRINCO. That company states, and this is one of the world's great mining companies and developing companies, that it has

MR. ROWE(F.W.):

takes an average of ten years to develop one mine. I am wondering if my hon. friend has read that or appreciate that, when he says that the Boylen Company has not produced a mine in the last four years? They did produce a mine just four years ago, incidentally. Does he know that it does take an average of ten years to produce one mine?

MR. CROSBIE: Mr. Chairman, that is a rather long question and I will see my hon. friend later and we will have a private chat about that. Now British Newfoundland 24,500 square miles and then it was 4,447 square miles, that is 1957, NALCO has 12,017 square miles. Now NALCO is the Newfoundland and Labrador Corporation. That was originally a Crown Corporation owned by this Province. Who has it now? Mr. John C. Doyle. What did we get in return for it, the people of Newfoundland? Shares in Jubilee.

MR. MURPHY: How are the shares today?

MR. CROSBIE: I do not know what they are today. They are ninety cents or a dollar or something. So Mr. Doyle has NALCO, that is 12,017 square miles. What mine has Mr. Doyle developed since he got NALCO? No mine, no mine despite the tremendous concessions. The Iron Ore Company of Canada has sixty-nine square miles. Labrador Mining and Exploration Company Limited has nine hundred and eighty, Churchill Falls(Labrador) Corporation 4,590 square miles, some company called Mokta Canada Limitè 2.43 square miles, Frobisher Limited one square mile and Joseph Pippy et al. three square miles.

MR. MURPHY: What about Liechtenstein?

MR. CROSBIE: Liechtenstein is not mentioned. They are not in the official records, Liechtenstein. There are the grants up in Labrador. Now perhaps Labrador Mining and Exploration had, as the Premier said, 24,000 square miles in concessions originally but they have certainly shed a lot of miles since then. So the Commission of Government must have entered into some kind of a sensible agreement with them, that they had to get rid of this, they had so many years and then they had to get rid of it. They are not like John C.

MR. CROSBIE:

Doyle, they are not like Shaheen and the rest of them, that the Government comes to this House every year extending the time and extending the time, and time goes by and they do not have the money and are not spending it to develop the great concessions they have. So the Royal Commission on economic prospects says that the policy is wrong and should be changed. The Atlantic Development Board says the policy is wrong and should be changed. Then the hon. Premier suggests that when a member in this House stands up and suggests the policy is wrong and should be changed, that he is a hen brain and he is this and that and the other. Well, there must be an awful lot of hen brains around, Mr. Chairman. There must be an awful lot of them.

Why has the Government given Shaheen and Doyle these tremendous exploration permits off our coast? What is the explanation for that and what money have they spent out there? Has the Government of Canada given them the same permits? Would the Minister of Mines, Agriculture and Resources tell us that? I bet he will not.

MR. HICKMAN: He is gone underground.

MR. CROSBIE: He is gone underground. He is off pacing somewhere. Shaheen; Mr. Shaheen has not developed a mine on this Island and the Premier says he developed that oil refinery at Holyrood. I doubt that, but that is all he has developed. He is developing an oil refinery at Come by Chance and all of it with our money, the \$160. to \$200. million, our credit. He has been nothing but a pain to this Province, the truth be known, diverting the resources of the people of Newfoundland into an oil refinery that is going to give 350 jobs at Come by Chance and 145 are being laid off now at Bowaters alone, just about half the number that will work at Come by Chance after the \$200. million is spent.

Mr. Shaheen, the day Mr. Shaheen came to this Province it was a disaster for Newfoundland, a disaster for Newfoundland and not otherwise. That is what is wrong with this, There is nothing wrong with concessions but

MR. CROSBIE:

concessions that go crazy, that go mad, with a whole Government going mad, stuffing everything into this man's pockets, who is supposed to be the savior of Newfoundland. Pretending that he is here to create jobs for Newfoundlanders and Bowaters are here just to use up our forests for profits, what tripe.

Now the Premier said Canadian Javelin Limited, he said they attacked Mr. Doyle and he only owns twenty per-cent of Canadian Javelin. It was the Government who saved Mr. Doyle and Canadian Javelin in 1967. The Premier said there were 12,000 shareholders. Yes and there were shareholders who challenged his rule. There was going to be a proxy fight, so what happened? So our Government entered an agreement with Mr. Doyle to have shares issued to our Government, to give them voting control of Canadian Javelin, a three man Committee. The shareholders who were going to try to depose Mr. Doyle had to drop their activities, because of the tremendous issue in the preference shares that gave the Newfoundland Government voting control.

Canadian Javelin is controlled by John C. Doyle, with the co-operation of the Government of Newfoundland that controls the majority of voting shares in Canadian Javelin Limited. So when a member here criticizes John C. Doyle instead of Canadian Javelin, he is exactly right. Canadian Javelin is just an instrument of Mr. Doyle, controlled by him and Premier Smallwood together. Premier Smallwood controls our two people on the voting Committee, Mr. Leo Stead and Mr. O.L. Vardy. That is two out of three. Mr. Doyle controls the third, who represents Javelin. So they control the majority of voting shares in Canadian Javelin Limited and Mr. Doyle owns twenty-per-cent of the company. So when anyone here says Mr. Doyle, when they are discussing Canadian Javelin, they are one hundred per-cent correct. He controls it because Premier Smallwood and he together control it.

Labrador Mining is not in the picture. The same tired old arguments are trotted out every time this subject is brought up. The BRINCO Project, yes this is a concession that was gone about the right way, with a good



MR. CROSBIE:

concessionaire, with people who can do a job reputable, can raise money, can organize a project. It is an excellent project and everybody gives the Government full marks for it, not a word of criticism, excellent, one of the great successes the Premier has had. But Shaheen and Doyle are not among the great successes the Premier has had, Doyle partly, Shaheen not at all. So it is no good bringing up BRINCO in defence. The fact that BRINCO was successful is a tribute to BRINCO and to the whole thing, but it does not show that the system of giving tremendous concessions to just a few people is the right system. The results of the last ten years show otherwise.

Now the Premier gave us all this stuff about the taxes. The figures are clear that what we get directly from mining, from mining taxes, from mining revenue, forget the income tax and the rest of it, that what we get directly is very little compared to what the concessionaires are getting. I think the figure was \$3.2 million last. They are here in the estimates but that figure does not matter. We all know what the people employed there pay income tax and the companies pay corporation taxes, if the Premier does not give them a tax concession. He tried to get Mr. Shaheen in down here at Come by Chance so he would not pay any taxes. What would his explanation have been about the oil refinery at Come by Chance, if that had gone ahead as a Crown Corporation, not paying a cent of taxes to the Provincial Government and the Federal Government? The greatest attempted steal on the Treasury of Canada that was ever instituted, if they had to stop the mining tax.

The Premier, in this House himself a couple of days ago, said, "We are going to introduce new mining taxes, taxes on wood lands and taxes on mining. We are going to have a new mining tax." Well, what is that but an admission that the mining tax we have now has not been successful for the last twenty-two years? What is this in the Auditor General's Report and the Premier talks about mining taxes, the Auditor General's Report where it is pointed out that the Iron Ore Company of Canada owes hundreds of thousands



MR. CROSBIE:

of dollars that has not been collected and legal action not taken to collect it, when we talk about the five per-cent mining tax?

The Premier talks about a statement that Mr. Moores made today. The Premier has not said and the Premier will not say for some reason that our policy cannot be the policy of the Government, that no more hydro-electric power will be delivered outside Newfoundland and Labrador. The Premier will not say, the Government will not adopt his policy, apparently; a policy that no more hydro-electric power developed in Newfoundland and Labrador will be sold outside this Province. Why they will not, I do not know. That should be the policy. We should not have another horsepower developed in this Island or in Labrador that is not used in this Province to create jobs. The Upper Churchill is different. We had to agree to allow ninety per-cent of that to be sold outside, to get financing for the Project. The Lower Churchill is not in the same category. The other rivers the Premier mentioned, I would sooner have them run away forever, let them run away forever if the power developed there is not used in Labrador or Newfoundland to create industry for Newfoundland and Labrador.

Now we had to do it for the Upper Churchill but we do not have to do it for the Lower Churchill and we do not have to do it for those other rivers. Unless we get some tremendous quid pro quo, I would sooner have that water run forever away than see four million horsepower developed on the Lower Churchill and shipped out to Quebec or New York to create industry and jobs in Quebec and New York. What are we going to have of Churchill Falls when this construction is over?

MR. NOLAN: Would the hon. member permit a question?

MR. CROSBIE: Yes.

MR. NOLAN: I can appreciate the concern expressed by the hon. member but something certainly occurs to me as far as Government funds and Government resources are concerned: Using the theory that the hon. member proposes, would

MR. NOLAN:

it also be suggested that the Government should not put money, for example, into Eastern Provincial Airlines to service the Maritimes?

MR. CROSBIE: That is hardly equivalent, Mr. Chairman. After all, if Eastern Provincial Airways does not have enough routes to operate successfully you cannot operate at all.

MR. SMALLWOOD: If you do not have enough customers for power in the Province -

MR. CROSBIE: We are going to get them. If we have the power we will get the customers. If not next year we will get them in five years time or six years or eight years or ten years. Surely the Premier cannot be contemplating that any of that power is going to go outside Newfoundland. Why?

MR. SMALLWOOD: Does the hon. gentleman want an answer to that?

MR. CROSBIE: I would love an answer to it.

MR. SMALLWOOD: No power on the Lower Churchill is permitted to be exported out of the Province without permission of the Government, no power on the Lower Churchill can be exported from this Province except with the specific permission in writing of the Government. No power was permitted to be exported from the Upper Churchill except with the written permission of the Government, which we gave. We gave the written permission for ninety per-cent of it to be exported, ten per-cent of it not or, if the ten per-cent is exported we can repatriate it, we can bring it back. Now there would not have been any Churchill Development without that. On the Lower Churchill we have not given the permission and there is one thing we are not going to do, obviously it does not need to be said but I will say it, in case there is some stupid somebody somewhere who does not realize it, let me say it; the last thing on this earth that we would do would be to permit the export of power from the Lower Churchill, out of the Province to be used, for example, in the enrichment of uranium in another Province. We would not permit it for one split second. We would have to be crazy. We just would not do it.

MR. SMALLWOOD:

If there is no foreseeable use for the four million horsepower, which is four times as much power as there is produced on this Island today, four times, on the Lower Churchill not counting another five million horsepower on other rivers, that is nine million horsepower still to be produced in Labrador, nine million apart from Upper Churchill which is six to seven million, apart from that nine million of which four million or a bit better is on the Lower Churchill and five million, about, on other rivers, of that nine million, if it turns out that there is no custom or no foreseeable custom for the use of it in Labrador, yes we would favour its export on terms that would be very advantageous to the people and Province of Newfoundland. Certainly we would. We would not lie on it, if the prospect was that we were going to lie on it indefinitely, four or five years, six or eight years is not too long to wait, maybe ten years is not too long to wait, if this Province knew for a certainty that ten years from now every horsepower of the Lower Churchill could be consumed in this Province. We would be madmen to let it go out of the Province except on a temporary basis, on a recallable basis, that it could be recalled with a year's notice or two or three years notice. We would be madmen to permit it and we would not do it. No Government in Newfoundland would.

MR. CROSBIE: Well, Mr. Chairman, that certainly sounds sensible enough and I am glad that the Premier explained it. I do not know why the Premier could not have announced that explanation of policy a couple of weeks ago or three or four weeks ago.

MR. SMALLWOOD: Does the hon. gentleman want to know why?

MR. CROSBIE: Yes, go ahead.

MR. SMALLWOOD: Because we are in continual negotiation with various people about various things. There are right moments and wrong moments to make certain public statements and it is right at one moment to make a public statement in a certain way and in another moment to make another statement in another way. He has to remember that he is not Premier of the Province,

MR. SMALLWOOD:

he is never likely to be, but he certainly is not now and I am and I have the duty as Leader of the Government to conduct negotiations and I cannot even say with whom. I am not going to say with whom, but people can always imagine can they not? There come moments when it is right to say a certain thing in a certain way and wrong to say it any other way or to say that one at the wrong time, and I chose my moments and I chose my words. They are in two documents that have appeared in this Chamber in this present session: carefully, very carefully chosen words, the second lot firmer than the first lot. Now what I have said is even firmer than the other two, and these are all carefully timed and chosen.

MR. CROSBIE: Well, Mr. Chairman, I certainly agree with what the Premier has just said, in fact he is spoiling my speech because he is making up for the silly speech he made a bit earlier now, by giving us something sensible. So I will just end up -

MR. SMALLWOOD: We know where you will end up.

MR. CROSBIE: You are going to be surprised where I am going to end up.

MR. SMALLWOOD: The point is he will end up, that is the point. Never mind where.

MR. CROSBIE: I am afraid I will be fated to be re-elected here, Mr. Chairman. So I will just end up, and the Premier finally has been driven to take a sensible position on the export of power. So on this mineral question I will just end up asking the Minister to explain why Shaheen and Doyle have been given these concessions on the Grand Bank? What money they are spending out there, if any? Has the Federal Government also given them permits? Are there cases where the Provincial Government has given permits and the Federal Government has given permits where the two permits can conflict and, if so, how many cases are these? These are questions that I think should be answered.

There is one other point the Minister should answer, Mr. Chairman, and

MR. CROSBIE:

that is the disagreement that there appears to be between Prime Minister Trudeau and himself on this question of whether Ottawa is waiting to hear from the Eastern Provinces or the Eastern Provinces are waiting to hear from Ottawa. The Minister said in the House several days ago that the five Eastern Provinces, including Newfoundland, had made proposals to Ottawa about the administration of the offshore oil areas that are in dispute and that the Minister had not heard back from Ottawa.

Here is a May 12 "Evening Telegram" and it was in the "Daily News" too, "Prime Minister Trudeau says his Government is still waiting for a joined proposal from the Atlantic Provinces and Quebec on ownership of offshore mineral rights, "We are still waiting for an answer from the Provinces to Federal proposals made a few years ago," the Prime Minister told, we do not dare name this gentleman, I suppose, Ambrose Peddle, P.C., Grand Falls, White Bay, Labrador -

AN HON. MEMBER: That does not mean Privy Council, does it?

MR. CROSBIE: P.C. does not mean Privy Council, right. Now there maybe a difference here, perhaps the Prime Minister is talking about offshore mineral revenues and the Minister is talking about administering mineral right, there certainly appears to be a conflict, which he should correct. Is he right or is the boss, who is a bigger boss than the boss who is near the Minister, right? In other words is the Prime Minister or the Minister correct?

MR. CALLAHAN: Mr. Chairman, on the last matter to which the hon. the member for St. John's West refers, I have no reason to add or to delete anything, to what I said or from what I said here a couple of nights ago.

MR. CROSBIE: Explain the difference then?

MR. CALLAHAN: On the matter of offshore - Mr. Chairman, I well explained the position a couple of nights ago, and there is no need to add to it or to take from it.

MR. CROSBIE: The Prime Minister does not agree with the Minister.

MR. CROSBIE:

He will discipline him, but he will not get the money for Bonne Bay Park.

MR. SMALLWOOD: To answer him more briefly he can just say, "No comment."

MR. CALLAHAN: I could do that.

MR. CROSBIE: Well, we heard the Premier explain it on "Conversations with the Premier" or attempt to, and a very poor explanation.

MR. CALLAHAN: It must be very wonderful, Mr. Chairman, to have time to listen to the radio every morning. I wish I could.

MR. CROSBIE: You have to have four ears, one for VOICM

MR. SMALLWOOD: He never misses me any morning, never, never does he miss me.

MR. CROSBIE: You have to keep an ear on him. Some men you have to keep an eye on, but in this case it is an ear.

MR. CALLAHAN: Mr. Chairman, the whole matter of offshore is a very complicated and not only complicated but a very confused matter, and I expect it will remain so until such time as the problem of .



administration is worked out. We have regulations and drafts which would require us to establish, set up an establishment to enforce them. These regulations are patterned as closely as is possible to pattern them, after the Federal regulations under the Canada Gas and Oil Act. For us to proclaim the regulations and set up an establishment whereby to enforce them would mean duplicating, at very great expense, precisely what the Government of Canada are doing now. We think that is not a useful thing to do, Mr. Chairman, unless it becomes necessary. Up to this point we do not know whether it will be necessary. We are hopeful of a system of joint administration and when that comes the difficulty of overlapping permits and the difficulty of laying down regulations and requirements in respect of companies who in some instances, and I am not privileged to divulge precise information, in some instances have interim permits from the Province and at the same time have permits from the Government of Canada.

There are conflicts, there is overlapping, and until a system of joint administration is arrived at or until somebody decides that the jurisdiction belongs entirely to one or the other, but even then, Mr. Chairman, there are areas of concurrent jurisdiction. The very simple answer is that the Government of Canada are responsible for the fisheries and for navigation, and the offshore lands, of course, underlie these areas of Federal right and Federal jurisdiction. So, there must be some kind of concurrent administration to recognize the obvious position of concurrent jurisdiction. Now, until this is sorted out, it is not in any way, shape or form possible to definitively describe what kinds of requirements are going to be placed on any company, including the company that is there now drilling, so far as the Province is concerned.

Secondly, Mr. Chairman, all manner of companies have permits, whether Federal or Provincial, all around the eastern coast of Canada, from various Provinces and from the Government of Canada. I think there are only four or five instances in which any work really has been done. One

of the reasons for this is the uncertainty about administrative requirements. So, again, until this matter is straightened out nobody is really permitted to move very far.

MR. CROSBIE: Would the minister tell the House whether Messrs Shaheen and Doyle have permits also from the Government of Canada as well as the Government of Newfoundland?

MR. CALLAHAN: Mr. Chairman, as I said a couple of minutes ago, I am not privileged to discuss information as may come, from time to time, to us from the Government of Canada. Further to that, may I say, as the hon. gentleman must be aware, that every concession agreement must have the approval of this House. Every concession agreement, without exception from the Labrador Mining and Exploration Company in 1936 up to today, has contained a requirement for confidentiality and the Government would be in breach of those agreements were I to discuss or to reveal information that is in fact privileged information. What I will say Mr. Chairman,

MR. CROSBIE: It is public information -

MR. CALLAHAN: Not public Mr. Chairman, so long as the agreements are approved, passed by this House and given Royal Assent, so long as those agreements subsist neither I nor any member of the Government is privileged to disclose information that is private to the other party in any agreement

MR. CROSBIE: Yes, but you have listed the seven that you have - you have told the House there are seven that the Government of Newfoundland have granted.

MR. CALLAHAN: Fine, Mr. Chairman, the hon. gentleman knows that. That is not private information, it is published on the concession maps which have appeared publicly from time to time. That is not a matter of privileged information but what the dealings of the companies with the Government of Canada may be, certainly, is not in my right to discuss. When the regulations come in, whether they be on the basis of joint administration

or failing that, if the Province has to move to bring its own regulations, then the requirements on all permit holders, Mr. Chairman, will become known. I do not believe they can become known until that time. Frankly, I hope it does not come to that, I hope we get joint administration.

Another point I want to make, Mr. Chairman, is with respect to the hon. gentleman's remarks concerning the last five years in mineral development or as he put it lack of development in the Province. It is not so, Mr. Chairman, there has not been development, and this is what is implied in what the hon. gentleman said. He had said, "not one new mine." But in fact, Mr. Chairman, there has been expended on development, I am not talking now about exploration, there has been expended on development alone in the Province, in the last five years, \$126 million, by a variety of companies.

MR. HICKMAN:: In existing mines---

MR. CALLAHAN: On expansion. On the preparation for mining operations and all kinds of things that have to do, not with exploration, Mr. Chairman, but with development. The hon. member for Burin knows what I am talking about. I am referring Mr. Chairman to the mine at St. Lawrence. It is not a new mine, but there has been a pretty substantial, I would say at least a forty-five per cent expansion of that operation, with a corresponding expansion of employment. It is not a new mine, really. It is a new mining site, in the same general area. It is expansion and there has been expended nearly \$127 million in that same five years, to which the hon. gentleman referred as undeveloped.

In the same period there has been expended just about \$49 million, \$48,849,000 on exploration by various companies. I make this point too Mr. Chairman, because the hon. gentleman raised it again today. He is still referring to the, in my view, erroneous conclusion in the Royal Commission Report: The conclusion that there are companies with concessions who have not or cannot find the money to do explorations. I tell the Committee that Canadian Javelin have done as required under their legislation and their

agreements and have done more than that. Mr. Chairman, because they were required to expend in the period \$1 million, their audited expenditure has in fact been slightly in excess of \$1,600,000. So that argument -

MR. HICKMAN: That is not what the Royal Commission -

MR. CALLAHAN: The Royal Commission said that too many concessions or too large concessions were given to too few companies without the means to explore these concession areas. So, on that score, Mr. Chairman, the hon. gentleman as usual is barking up the wrong tree. The expenditure totals, by the two governments over the period, to refer to a point the Hon. Premier made, in the five years, by the Federal Government \$1,354,000, by the Province \$1,395,000, out of a total of just about \$45 million in exploration.

Mr. Chairman, I suggest to the Committee that <sup>if</sup> those companies were not here in force and were not expending very large amounts of money, the amounts that we would be able to spend as a Province, taken together with the amount that the Government of Canada are spending, would not I suggest contribute to very much growth or very much development in the mining industry.

MR. P. J. LEWIS: What I have to say in relation to this, Mr. Chairman, may not be too relevant: It is a question before the Chair, But I do think in justice that I should make a comment in relation to one individual whose name has been used in relation to this vote in a very derogatory sense, that is Mr. John M. Shaheen.

Now, I want to say that I have no brief for Mr. Shaheen personally, professionally or otherwise. My acquaintance with him is very limited, very restricted. But I think in justice that I should say this: That we owe to John Shaheen (I am speaking of the people of the District that area of the District which I and a colleague have the privilege to represent), I speak particularly of the debt which I personally feel on their behalf that we owe to Mr. Shaheen and, in justice I think it should be publicly stated that what has happened in Holyrood, in the establishment

and development of the plant there, must be attributed to that gentleman. Our people are deeply indebted both to him and to the Government who made it possible. The little industry at Holyrood, that is the oil refining industry, has been a godsend to our people. I say here now, very definite, that Holyrood and its environments is one of the most prosperous areas in the whole of Canada. That is a big statement. I will back it up to this extent, I am not saying that they are the wealthiest people but I am saying that they are one of the most secure areas of people to be found all across Canada today. They are independent. They are practically all on a cash payroll. They own their own homes, their own land, they are enjoying employment within their own home town, without having to seek that elsewhere.

That industry has developed from a very small, insignificant production. Back five or six years ago I think it was 5,000 barrels, it started out with, a day. Today it is 13,500. A hundred and fifty people there are on the payroll, that is directly. Indirectly it could extend to some thousands.

When the industry began, it was something entirely unknown to the economy of Newfoundland. We had no qualified people here to operate that type of manufacturing. The personnel was enlisted from the four corners of the earth. Today, ninety-eight per cent of the employees in that little industry are native born. Not all from Holyrood but all Newfoundlanders. They are all enjoying a very, very substantial source of income. Generally speaking, the economic situation is sound, good and the people are happy. There is one feature of it, gentlemen, that I would like to point out and this does not cast a reflection on Mr. Shaheen nor those who now operate that plant, but it does about ourselves. It is this: Practically every eight to ten days, coming into Holyrood we have heavy tankers, vessels ranging from twenty to twenty-five thousand tons. I have yet to see a Canadian flag bring in a ton of oil into our port. We are bringing in thousands and thousands of barrels of oil, all moving in in



foreign bottoms, under foreign flags. You see the Greek, Norwegian, Liberian, Panamanian, even the Hong Kong flags moving in and out of that harbour, but there is not one Canadian ship to be seen except for the small coastal tankers. That is a reflection, not upon Government, not upon John Shaheen, not upon the operators and owners of the company, but, I will allow you to draw your own inferences as to where the responsibility lies. As far as I am concerned, it is a regrettable fact that we seem to have lost our souls, in so far as that particular feature of the operation is concerned, and I mean by that ocean transportation.

Mr. Speaker, I think that in fairness and in justice that it beholds us who represent that district to say a word in recognition of the debt we owe to the man who made it possible to create that industry in the place where at least I was born. I deprecate and deeply regret the scene that I observed here in this House when Shaheen and his friends were brought in here some months ago, for the purpose of a public interview. The way in which that man was treated is a disgrace and was a disgrace and a reflection upon us, because whatever you say about it or whatever you feel about him at least he is a great enterpriser. If we did not have men like John Shaheen, who are prepared to come into Newfoundland and take advantage of the opportunities, the natural opportunities that are available here, then we would look a long way. We cannot expect to get vested interests, men and corporations of international repute who can pick their own scene of operation, to come to Newfoundland. We can only get them here provided we are prepared to hold out to them inducements that are not available elsewhere. If this Government or any Government or the Government of my learned friends on the other side, if they ever do, come to this side of the House, are in the position of having to develop Newfoundland, which they will have to be, if they find themselves in that situation then they will have to be unorthodox in their approach to the Province, because you will develop your offshore industry or resources, if they are out there, much



quicker through men like Shaheen, who are enterprisers and who are men of proven ability in their field, to sell the idea to people who are in the position to develop these resources, when once these resources are found. So, Sir, I would say in closing that I welcome this opportunity at this time to pay tribute to Shaheen. I would like to see more Shaheen's come to the head of Conception Bay, we could use them. Newfoundland could use them. What is done by him there can be done in other parts of Newfoundland and Labrador. When that time comes, then our people will be able to keep their heads up and become independent and economically free. That has to be the object of any Government which is charged with the responsibility of trying to keep Newfoundland afloat. So, I would say, Sir, with all respect, let us get away from this business of carping criticism and try to tear down any attempt made by Government, irrespective of whether it is lead by the present Premier or not. But any Government that is imbued with the idea of trying to pull Newfoundland up by her bootstraps has a tremendous task on its hands. Unless unorthodox things are done and unless extraordinary concessions are held out, we will always remain as we have been in the past -

We will continue to be dependent of mainland Canada, which I think is not a proper aspiration for any Government or any party to have when it takes office in this position of governing this Province.

MR. BARBOUR: Mr. Chairman, I first concur with the hon. senior member for Hr. Main. I think he has opened the eyes of some people who apparently cannot see the good that Mr. Shaheen is doing for the people of Newfoundland. I am very, very displeased with the statement made by the hon. member for St. John's West, when he said a moment ago that Shaheen was a disaster to Newfoundland. Is he a disaster today? There are over 200 men working up there, over 300 men working up there and before too many moons there will be several hundred more. Is that a disaster, to find

MR. BARBOUR: employment for the people? My God in Heaven, what are we working for? What is this Government working for, If it is not to settle the economy by finding employment for the people of Newfoundland. I say we need more Shaheens. I am glad that he came to this Province.

MR. HICKMAN: Mr. Chairman, If I may on the vote that is before the House: All that has been said here this afternoon, in wide and varied matters, some of it was applicable, some is not. It is obvious and nobody can take from the fact that over the year, starting at the turn of the century, if you are going to development Newfoundland resources, you have to make concessions. There is one area right now that is very current and very much before our people and before this House, where I submit that concessions are not necessary, that is in connection with the granting of exploration rights off our shores.

I have assumed, from the statement that was made by the hon. Minister of Mines, when he opened the on these estimates for his department, that the five Eastern provinces are working in close co-operation with respect to their offshore rights and mineral rights and exploration rights. So they must, because they are up against a pretty wily enemy. I too choose my words very carefully on this, because I believe that some years ago the Government of Canada was the first to realize the potential of the offshore mineral development and that they very quickly took it upon themselves to stifle any possibility of the provinces recovering or reaping from any fines that may be out there, their due and just rights and income.

The Government of Canada followed precisely the same devious pattern that was followed by the Federal Government of the United States, in dealing with precisely the same problem. They very carefully chose the area and the province with the weakest case. That was British Columbia. They very deliberately omitted or stayed away from the Eastern Provinces and particularly this Province, because of our late entry into Confederation, that had and have, in my opinion, maybe had is the word now, a strong position and a more defensible position legally.

MR. HICKMAN: What the Government of Canada succeed in doing and the thing that must cause a great deal of apprehension to this Government and to the other Eastern Canadian provinces, is that the Supreme Court of Canada for the first time to my knowledge made a policy decision rather than a legal decision. The offshore mineral rights have been described by many legal scholars, who have written on this decision in the last two or three years, and by others, as the first time in the history of the Supreme Court of Canada that it made a policy decision without too much concern or too much reference to the laws that then stood. Because the law, particularly when we had appeals to the Privy Council, the law leaned over backwards in favour, as the judiciary did, to favour the provinces. This was a complete reversal. The same thing happened precisely with the Supreme Court of the United States, when it dealt with, I think it was the California offshore rights case.

Now where it puts the provinces, somewhat behind the eighth ball, in that the onus is now on the Eastern provinces to convince the Supreme Court of Canada, and some day it is going to arrive there, I hope not, but I believe it is, that there is a fundamental difference between the policy decision or the decision that was made with respect to the B.C. reference and any other reference that will come from Eastern Canada.

We are not completely, this is why I hope that the minister is acting in absolute concert and co-operation with the other Eastern provinces, because, if not, anyone of the five Eastern provinces could seriously prejudice the rights of Newfoundland, by simply going ahead on its own initiative and finding itself before the Supreme Court of Canada.

Now if we have close co-operation between the five ministers and the five Provincial Governments, on offshore mineral rights, then I suggest that that co-operation should extend beyond preparing a case for submission or negotiation with the Government of Canada as to where our jurisdictional boundaries end. It also, in my opinion, should go to the question of present administrative practices, and there apparently there is some difference. I read in one of our papers recently that any oil company, wishing to obtain a

MR. HICKMAN: permit from the Province of Nova Scotia, has to pay for it. I do not mean just to pay \$1.00 a year. It apparently has to make some contribution to the Treasury and to the Exchequer of the Province of Nova Scotia.

Now in that respect we do not have to go on our knees and try and induce or seduce oil companies to come to this Province, because, if the majors smell oil, the possibility of oil, they have been in. This is one case where the promoters and the explorers are beating down our doors. They are beating down the doors of Nova Scotia, and Nova Scotia is making them pay an entrance fee. I suggest that we can do precisely the same thing here. This will not be retarding promotion. This will not be retarding development. Surely, goodness, we are in a stronger geographically position with respect to exploration rights on the Grand Banks than Nova Scotia. Yet, it is obvious that Nova Scotia is taking this very seriously, offering facilities, port facilities etc. that we better offer very quickly.

I heard a comment recently, it was not a private comment, it was, I think, public, by a very renowned engineering professor at our University, who knows a great deal about oil. He expressed great concern, two or three months ago, that we are not moving to provide these explorers and developers with the on-shore facilities that they need today. The port of Halifax is doing it. I believe, he said the port of Sydney is beginning to do it. Now these people make some fairly heavy demands, like number (1) they will not be pushed around. (2) they want demands for rail facilities and port facilities now. I think, that it ill-behooves this Province to sit by and see oil rigs operating and being supplied out of the port of Halifax and steaming an extra 200 miles to 300 miles to their exploration site, when this should be done here. But, right now, as of today, at least in the opinion of the engineers, you know, whom I questioned, a lot of this heavy equipment that has to be unload for distribution of carriage to the rigs on the Grand Banks, to the one that is there, the other apparently will go there, that we do not have

MR. HICKMAN: the port facility to handle them.

When once they develop a pattern of supplying and maintaining their rigs in a particular area, it is going to be very, very difficult to get them to change. We have some oil engineers living right here in this city now, because of the closeness or the proximity of this port to the Grand Banks, but we are not getting, and I am not suggesting that as of today there will be huge supplies moving through and all sorts of employment, as they are just starting, but my concern is based on the professional advise that I heard, that we are not providing the facilities to handle it when it builds up and that other maritime ports are.

What I would like to hear from the minister is, why does not this Province use the, imposed the same regulations, even though they maybe interim, and ask for the same monetary benefits, as the Province of Nova Scotia, apparently, from press reports, is now seeking and obtaining from eager, reputable oil companies who want to go and who are going on the Grand Banks, St. Pierre Bank and Mizzen Bank and everywhere else off our coast.

The other thing I take issue with the minister on, is his interpretation of the absolute confidence that is provided and must be provided in concession or exploration agreements that have been given statutory enactment by this House. This was raised when he refused to answer questions furnished or submitted by the hon. the member for St. John's West. The type of confidentiality that is envisaged and provided for in these statutory agreements is with respect to their finds during their exploration. Surely, it was never intended and it could not be intended that the names of the companies to whom exploration permits have been granted should be kept confidential. Surely, it was never intended that the issuance or refusal by the Government of Canada to companies to explore in the same area is to be kept confidential. That is not the sort of confidentiality that is envisaged in any of these agreements or insisted on by exploration companies.

Why it is relevant is this, that we may or may not be sitting on a gold mine. Obviously, some of the major oil companies smell oil. If they had not, if they did not they would not be making the investment they have.



MR. HICKMAN: You know, we may all be in for a terrible disappointment in two or three years time. But, be that as it may, this House is entitled to know why, or if and why certain companies are getting exploration grants or licences from Newfoundland and then not getting them from the Government of Canada. I am sure the Government of Canada does not turn down applications simply because it does not like the colour of the applicants hair or his eyes. There has to be some other sound reason, from a development point of view, and this is what we are entitled to know. There is nothing secret about it. It does not prejudice anyone who is out there exploring now. But it does what is being done so skillfully in some of the other Eastern provinces, it creates a climate amongst those who have the money to develop or in the minds of those who have the money to develop that Newfoundland is a good place to do business and to do it with openness and frankness and friendliness and encouragement that these companies demand. If we do not do it, make no mistake about it, if we do not do it and do it now, we are going to get passed by and we should not get passed by. We have an advantage over our sister provinces, and we have an advantage over St. Pierre and Miquelon, which too, that area too is becoming more and more a competitor for Newfoundland ports in every phase of ocean harvesting and offshore mineral development.

The third thing that the minister has not, I think he has left the House very much up in the air on, and I think we are entitled to something more than a "no comment," is that, on opening day, whatever the wording used by the minister was, the impression was left, it has been clear in my mind and I suspect in the minds of other hon. members, that the Eastern Canadian Provinces had made a proposal to the Government of Canada, with relation to the definition and defining of our jurisdictional rights in the areas involved. There was nothing ambiguous at that time. If that is not the case, if the impression that we were left with the night before last, that the ball is in the Federal Government's Court, is not correct, but rather it is back in our court and it has never been thrown back to them, then I think we are entitled in this committee to something more than just a "no comment." Because right now, it is obvious that no member of this House knows where we stand, insofar

MR. HICKMAN: as our offshore mineral rights case is concerned or our position is concerned and it is obvious that the Government of Canada are sitting back, happily smiling and saying, "If you fellows do not move, why should we?"

MR. EARLE: Mr. Chairman, I missed most of this debate this afternoon, but I heard just enough, I do just want to make one or two comments on what has been said here. It seems to me, when we get into debates of this nature that emotion takes over and common sense goes out of the window. We have very often reached the stage where we refer continuously to the past, what happened in the past, what concessions were given in the past and how industry was attracted and all this as a background to our present discussion.

In my opinion this shows very negative thinking. We are not living in the 1920's, 1930's or 1940's, we are living in the 1970's. Today people have not got to think and base their whole calculations on what happened in the past, but what is going to happen in the future. The world of 1970 is a very different world than the world of 1930, 1940. To begin with, on the subject of natural resources, which we are talking about here, minerals, and disposable resources, the population of the world is increasing at such a rate that in many instances we are rapidly running out of these natural resources in many areas of the world. And whereas, in the Province of Newfoundland and now Labrador these resources have remained dormant for centuries and have not been worked, there could be and there will be a very rapid development and a vitalization of these resources in the not very distant future.

The only point which I wish to make and where I think we have room for some criticism of the Government, is not to get down to snarky remarks about the Doyles and the Shaheens or anything of that nature - this does not accomplish anything.

MR. GALLAGHAN: This is one time I agree with the hon. member.

MR. EARLE: Thank you, I am really winning one convert at last.

But this does not accomplish anything. The unfortunate thing, that the way all this has been in the last year or so is that through a veil of secrecy and the sort of comments that we hear, that we have heard in this

MR. EARLE: House, there seems to be an air of mystery and a cover up and a suspicion developing that all is not right, but something is being pulled and something is not as it should be. Consequently, these gentleman who we are assuming, are trying to help develop Newfoundland, come in for a lot of criticism, because people simply do not know the facts. When I say the people do not know the facts, the fault of this does not lie on this side of the House, it lies with the Government, because the Government have been party to and responsible for covering up so much of this, which automatically has led to a suspicion of the motives of these gentlemen. It is the Government which is at fault and not the Opposition in this case. If there is a clean slate and everything was shown in the open and all as it should be, there would be no suspicion throughout Newfoundland, and we would welcome it.

But, for all we have been told so far, it would indicate that the gentlemen concerned fired everything on a platter putting very little into it. This is the gripe which I think this House justifiably has, that they are asking and receiving tremendous concessions, but what they themselves are putting into it is very, very niggardly up to this point.

Mr. Chairman, I started off by saying that we cannot live in the past. We have got to look at the whole development of Newfoundland and what is going to happen over the next decade or so and we want to have new and younger thinking on it. We want people to approach the Province with the idea of the past has done a certain amount for Newfoundland, but the future is going to do a heck of a lot more. If we can take advantage of any promoters or any entrepreneurs who come into this country, we should do so. But in so doing, we should not put blinkers on our eyes or plugs in our ears. We should be wide awake to the fact that these people, naturally they are business promoters, they have their own interest to promote. They want to get as good a deal as they can out of Newfoundland, but it behoves us to get as good a deal for Newfoundland as we can, Not to be just so enthralled and so enhanced by the fact that people who are reportedly millionaires and big promoters and so on coming here, that they are going to give us anything for nothing. They are not. Just as the Labrador Mining and

MR. EARLE: Exploration Company over the year and John Doyle, out of concessions up there, have reaped millions and will continue to reap millions out of these things. This is what we got to look at in the future, with these people, whether they be oil companies or mineral exploration companies or whatever they are, it is not what they are doing at this moment, but what they are going to get out of it in the future, and that is what we have to put the price tag on.

This is the attitude and the atmosphere in which we should approach the development

MR. EARLE: of Newfoundland, not get down on our hands and knees and say Thank God and say our prayers three times every night because some fellow is coming here to try to develop something.

We should look at that gentleman very coolly, very steadily and very clearly and say; "yes, you are coming here because you are going to get a lot out of it. Now this is our Province and this is our Country and we want a lot out of it. We are here to protect our own interest. We welcome you and we are glad you come but do not think for a moment that you can put it over us and get all of this handed to you on a silver platter."

It is the future gentlemen we have to look at, not what has happened in the past. The whole tone of this House in this Session has been related to what was done for the forerunners of Bowaters, for Price Newfoundland Company, this is all water under the bridge, it is all past history. Newfoundland cannot function by just looking at what has happened in the past. Newfoundland will only succeed and only be a great Province if they look at the youth of today and what their needs are, the growing labour force which is now unable to find work and which needs work, the industries which we can help create for them. Not by getting down on our hands and knees and say we are going to pass the whole thing over on a platter to those who come in here and are good enough to pay us a visit.

MR. CROSBIE: Mr. Chairman, the Minister has not answered the questions on the off-shore situation at all. In the newsletter of The Atlantic Provinces Economic Council, volume 15, no. 2, February 1971, there is a very interesting article on oil and gas on the off-shore areas.

This article points out, Mr. Chairman, that about 4,000 permits have been taken out, with the Federal Government covering East Coast exploration in an area of about 219,000,000 acres. This is roughly equivalent to an area three time the landmass of Newfoundland, the region's single largest province. So this 4,000,000 permits have been taken out with the Government of Canada, and this is what they are required to do by the Government of Canada.



MR. CROSBIE: Companies acquiring permits, most of whom further safeguard their interest by also obtaining permits from the appropriate provincial government, are required to satisfy work performance expenditures in order to keep their permit holdings in good standing. If held to maturity, issued permits would involve expenditures of between \$700 million and \$1 billion, that is the Federal permit system. 4,000 permits taken out, the people who have the permits have to spend, they have work performance expenditures they have to make to keep the permits, if all those permits are held to maturity, they will be spending \$700 million to \$1 billion on these off-shore areas.

Now the same article goes on to discuss the Newfoundland situation. Newfoundland, it says, "Newfoundland passed a Petroleum and Natural Gas Enabling Act, in 1955, but it has not been promulgated. No royalty rates have been set." This is Newfoundland now. "No royalty rates have been set. No fees are charged for permits, for the Province is now setting up an oil and gas management division," That is Newfoundland. We are not charging any fees for permits. We have no royalty rates set.

Now the position is, Mr. Chairman, the Minister I think listed seven, I believe it was seven firms, he listed here some time ago, had gotten concessions off the coast of Newfoundland, from the Newfoundland Government, among whom were John Doyle or one of his companies NALCO or one of them, and Mr. Shaheen and his company. Now the Government of Canada, it is public information who permits are being granted to, the Government of Canada, as far as I know, have not granted Messrs. Doyle and Shaheen any permits, so that thereupon the jurisdiction, the Doyle and Shaheen permits are useless anyway.

Why has the Newfoundland Government granted permits to these gentlemen?

Now this article goes on to point out who is spending money out there, Amico - Amico we know is spending money out there, Amico Canada Petroleum Company Limited, a subsidiary of Standard Oil Company of Indiana and Imperial Oil Limited of Toronto, so we

MR. CROSBIE: know that Amico Canada Petroleum Company Limited is a substantial Company. It has got Standard Oil of Indiana and Imperial Oil of Canada behind it. It is a subsidiary of the two of them. We know it has got money. We know it is prepared to spend millions, it has resources. They are certainly the kind of people who should have a permit. Shell Canada Limited is another. Another one mentioned here is Tenaco, Tenaco Incorporated of Houston, with Italian and French interests, are to drill off the Labrador Coast this summer. Tenaco has 35,000,000 acres in this area, where drilling activity is restricted to a ninety day summer and fall season because of the danger of iceberg encroachment Hudson's Bay Oil and Gas Company Limited, and Canadian Feena Oil Limited, both of Calgary, drilling off the coast of P.E.I. and so on. These are all substantial companies. All with money to spend, all going to spend millions out there on these areas, with drilling test wells and the rest of it. Yet the Newfoundland Government gives two terrific permits to Mr. Shaheen and Mr. Doyle, neither of whom got substantial assets to spend on it. For what reason? Nor the technical know how, for what reason?

Well the only reason can be to help enrich Mr. Shaheen and Mr. Doyle. What is the public purpose behind it? There are all kinds of reputable oil companies after these concessions. The Government of Canada will not give them concession because presumably they will not meet the regulations that the Government of Canada sets out, the work performance expenditures and the rest of it. So what public purpose is being served by this Province, giving Messrs. Shaheen and Doyes these permits under Provincial jurisdiction?

We have no royalty rate set. We do not charge any fees for permits and the rest of it. Now I believe, since Mr. Shaheen and Mr. Doyle got those permits, our Government now only gives a permit, I understand, only gives a permit if Ottawa gives one also. Obviously that is the only sensible policy, but Mr. Shaheen and Doyle got theirs five or six years ago, or four or five years ago.

Now the Minister will not tell this House whether this is so or

MR. CROSBIE: not, whether Shaheen and Doyle also have Ottawa permits or not, nor what requirements we are setting down for expenditures by the people who get these concessions. The Minister is not going to explain to the House the discrepancy between his statement, that the five eastern provinces are waiting to hear from the Government of Canada and Mr. Trudeau's statement that the Government of Canada is still waiting to hear from the Atlantic Provinces and Quebec. Two hundred per cent contradictory statements, and the Minister has no comment to make on them.

We just cannot get the information. So it is quite obvious, Mr. Chairman, we do not need Shaheen and Doyle to explore off our coast for oil and gas. There are dozens and hundreds of big international oil companies only too glad to do that, with the money to do it and the resources to do it. It is not a case of people not being interested.

The usual defence of Mr. Shaheen and Mr. Doyle is that the Newfoundland Government cannot get other people interested in the Province. Well here is a case where there are dozens of others. Dozens, if not hundreds of others interested in exploration in these off shore areas, but Messrs. Doyle and Shaheen get the concessions anyway.

Now the hon. senior member for Harbour Main disagrees with my views on Mr. Shaheen. We will just have to agree to disagree, Mr. Chairman.

Mr. Shaheen has not been associated with that oil refinery at Holyrood for at least ten years. It is owned by the Universal Oil Products of London, England, or it was the last time I heard. Mr. Shaheen may have been connected with it when they started there, but at 5,000 barrels a day he is no longer and has not for ten years had any connection with that oil refinery at Holyrood. He sold his

MR. CROSBIE: interest out to whoever operates it now, the people who have expanded it from 5,000 barrels a day to 13,500, it is not Mr. Shaheen it is the present owners.

The hon. member for Bonavista South is entitled to his view and he has it. But there is none so blind, Mr. Chairman, as those who will not see. To say that there are three hundred construction jobs at Come By Chance and this justifies \$200 million of our credit or \$160 million being used to build an oil refinery is just senseless.

This is just construction and when the construction is over those men are unemployed again. What we want is permanent jobs created in the Province, not just some construction jobs in 1971. I mean, is that not obvious.

We are all delighted to see everyone working. We want to see everyone working. But they are not going to be working very long. They will be working for a year or two years while the refinery is under construction. At the present time, Mr. Chairman, you can only get a job there if you live within twenty five miles of Come By Chance.

The present rule is that a man can get a job down at Come By Chance only if he lives within twenty five miles of Come By Chance. That is what the men have reported to me. They may have had to change it because it is a bit too foolish to say you can only get a job down at Come By Chance if you live within twenty five miles of the area. But that is what the men have been told down there, yesterday.

I had a man up here to see me this afternoon and that is what he reported to me. He got his name listed but he cannot get employment because he comes from the hon. gentleman's district.

MR. BARBOUR: I agree with that. I had men coming to me too.

MR. CROSBIE: Right. This man is from Lethbridge.

MR. BARBOUR: I got the information that once the bunk houses are built.....

MR. CROSBIE: But I am reporting on the situation as it is today.

Fine, perhaps when the bunk houses are built.....

MR. BARBOUR: Perhaps it might rain tomorrow.

MR. HICKMAN: Now you are finished.

MR. CROSBIE: I cannot tell the hon. gentleman whether it is going to rain tomorrow or not. I can only say that at the present time at Come By Chance you must live within twenty-five miles of Come By Chance to get a job down there.

MR. BARBOUR: When you start to build a house, you put the foundation in and you keep the men working on that until you build a house.

MR. CROSBIE: I hate to disagree with the hon. member for Bonavista South, but the fact of three hundred jobs at the moment at Come By Chance does not justify the \$160 million in our credit that is tied up there.

If that \$160 million is going to create three or four thousand jobs here in Newfoundland, or one thousand or fifteen hundred or two thousand permanent jobs, it would be worthwhile then, but when it is going to create three hundred and fifty permanent jobs, it is not.

MR. NEARY: What about the gross Provincial product?

MR. CROSBIE: The gross Provincial product, what is the good of the gross Provincial product? Look, we have a big gross Provincial product because of the mining industry, but how much of it is actually going to the Government? \$3.5 million a year direct revenue.

The huge investment down at Come By Chance, unless it is going to result in two or three or four thousand jobs for Newfoundlanders, is not justified, That is my opinion and my view. Other people have other views. So I am afraid I cannot agree. The hon. senior member for Harbour Main mentioned the Shaheen hearings here last year. They were a disgrace all right, but they opened the eyes of the people of Newfoundland



MR. CROSBIE: who saw what we are dealing with, and Mr. Shaheen's refusal to give information, his refusal to answer questions, his trying to plead the fifth amendment and all the rest of it. Thank heavens we had those hearings, because the people of Newfoundland got a chance to see what we have been struggling to deal with, the people we have been involved with, the people who have been involved with him for the last three or four years.

The people in Holyrood are now working in the plant that Mr. Shaheen has not one thing to do with and has not had a thing to do with for the last ten years.

MR. LEWIS: He made it prosper, that is for sure.

MR. CROSBIE: He was in it in the beginning. He was there originally, and not Mr. Shaheen alone, he did not own it one hundred per cent. He and the rest of them, Lord Tangley and the rest of them started that refinery.

MR. BARBOUR: A man who finds a job for another man, and he makes that job, he is a creator of jobs and that is exactly what Shaheen is, a creator of jobs. I wish we had more men like John Doyle and Shaheen come to Newfoundland.

MR. CROSBIE: Could I ask the hon. member a question? If the hon. gentleman had \$5 million and he could create, with \$5 million, a hundred jobs or he could create, with \$5 million, a thousand jobs, which would be best? Would he be satisfied just to have somebody create one hundred and say this is wonderful, he is creating a hundred, if he could create one thousand with it?

MR. BARBOUR: Of course you start and then you build, you start at the bottom and then you go on up.

MR. CROSBIE: I tell you, I cannot argue with the hon. gentleman.

MR. MARSHALL: There are just two or three brief comments I want to make, Having heard the remarks made by the hon. the Premier, there are a few things I want the record to be straight with respect to.

First of all, there was an attempt and I think it is indicative when a person gets his maddest then he is most vulnerable. There is no doubt that if anger had anything to do with the reaction that the Premier certainly feels vulnerable with respect to my remarks.

There are a couple of points that were brought up. First of all brought up by the hon. Minister of Mines and commented upon by the Premier, with respect to my remark of making resources, letting them lie fallow, and I will say that again and I will say it now. If a promoter has more concessions than he can handle, it is better for that which he cannot handle to lie in the hands of the Government of the day so it is available to give to a third party, in the event that they may come around. That is what I mean by laying fallow.

All I have said, and I reiterate it again, it has been indicated and repeated from time to time by commission reports and persons who know much more about mining policies than I do, that there are too many, too much has been given too few. In addition to the question the hon. Minister has not answered to the satisfaction of everyone, with respect to the exploration rights off the coast of the Province, also there is this question that has been completely ignored - is this Government going to adopt a long term, I am not talking about a short term, because I know it may be difficult in the short run, but a long term policy to attempt to do what it possibly can to process the raw materials derived from our mineral resources in this Province?

MR. BURGESS: One observation and one question I would like to direct at the hon. the Minister, and it is relevant to Labrador West and the

MR. BURGESS: Julian Lake deposit of ore there: There is a known deposit of 500 million tons of ore here and this, for almost as long as I have been here, this has been ready to be developed. The area has been stripped and ready to dig the ore out of the ground.

Periodically we hear statements to the effect that the development of this ore body is dependent upon assured markets and so on and so forth. Well I think it is a well known fact, in the mining communities or in the mining circles, that every iron ore producer in the Country could produce, at peak levels, and they still would not be able to supply the sufficient amount of ore that the world is demanding today. So I would like to know....

MR. SMALLWOOD: That is complete nonsense.

MR. BURGESS: This is nonsense as far as the Premier is concerned but I said, as far as the iron ore producers who are much more knowledgeable than I am and much more knowledgeable on this, more knowledgeable than the Premier; they say this.

Now we have been told that it depends on assured markets, We have been told periodically that it is going into operation, What I would like to know, if there is any positive information as to when it actually will go into operation?

MR. SMALLWOOD: Mr. Chairman, of all the mineral developments that have taken place in the world in the last twenty years, the biggest is iron ore. It is nothing less than fantastic. Twenty-three or twenty-four years ago, the steel mills of North America were having sleepless nights wondering where they were going to get their iron ore, The Masabi Range was in sight of exhaustion. They had the Taconites there that are about twenty per cent iron and they were experimenting and spending many millions trying to find a way to beneficiate the Taconites up to say fifty per cent iron, because the known sources of iron ore in the world were so limited that the steel mills were quite frightened. Now that is twenty-two or twenty-three years ago.

MR. SMALLWOOD: Since then the vast iron fields of Labrador have been, not found because they have been known to exist, but drilled and proved to exist, tonnage established.

The vast iron fields of Brazil have been, and this is very rich ore, it is extremely rich, much, much richer than Labrador, have been developed by United States Steel. It is a vast iron ore industry today. One of the greatest of all the world. Then finally Australia, in Australia they have got vast mountains of iron ore of the highest quality perhaps in the world. It was only discovered about ten years ago.

So that three great sources of iron ore have been developed in the last twenty years, Labrador, Brazil and Australia. Now the last three or four years have been very rough years in the world's economy and the increase in the consumption of iron ore has slowed down, the increase in the production of steel has slowed down and the economy of every country in Europe and the economy of North America, including Canada, has been badly hurt and, so far from iron ore being in short supply, it is in fantastically great supply, very great supply. This is the reason why the great iron deposit at Julian Lake is not under production. If there were a demand for the ore, it would be under production.

Javelin have offered steel mills in Europe, I have been present in the negotiations, I had helped to negotiate with steel masters in France and in England and in Japan. I have been present. The offer to them is to participate in the ownership, if they wish to, it is not insisted.

Mr. Smallwood.

that they should become owners but if they wished to. Certainly most steel mills like to be part owners, at least part owners of the iron mines from which they get their ore. This offer is a standing offer to all the steel masters in France, England, Germany and Japan. If they wished, they can come in to Labrador. They can come in to Julienne Lake and to become shareholders. Not only then are they mining their own ore and bringing it to their mills, but they are sharing in the profits made in the operation of the mine. They become, virtually, a captive market. That is the situation. There is no getting away from it. The moment there is a new round of development - I think you will see Julienne Lake developed. I sat in on too many conferences and too many meetings in those three countries, discussing the question of Julienne Lake iron ore not to know what I am talking about. I do know what I am talking about. There is not a shortage of ore. There is an over supply of it. The over supply is only now, the last two or three years and maybe the next year or so. It is not a continuing over supply. It is an over supply just at this present stage, but that will pass. It will pass.

MR. CROSBIE: Mr. Chairman, 817-01, there are a few words here that the hon. member for Burin wants to say.

MR. HICKMAN: That is for another debate. Mr. Chairman, now that we have John the Baptist beheaded, we can get back to this item. Under the general comments, under the inspection of mines, I want to draw to the attention of the committee again the totally unsatisfactory condition that still exists in the mines in St. Lawrence. When the hon. minister opened the debate on his estimates, I think I tried to write it down. He said that Government should not absolve companies of responsibility to provide safety working



conditions for their employees.

AN HON. MEMBER: Safe working conditions.

MR. HICKMAN: Safe working conditions or safety conditions. The philosophy - I think what the hon. member was stating was that it was the Government's responsibility to make safety regulations. It is the responsibility of the mining companies to follow them. The third is for the Government to inspect and see that the companies do carry out these inspections. Now all of this is a general principle. But this general principle is not satisfactory nor is it acceptable to the miners in St. Lawrence nor should it be.

Mr. Chairman, I have said this in the House before. I continue saying it at every opportunity until we get some action insofar as the recommendations of the Royal Commission on St. Lawrence are concerned - many of the recommendations. This is the one that is relevant to this particular heading. Recommendation (14) says, "that until continuous personal monitoring is developed, two full-time radiation monitoring technicians should be employed in the mines of St. Lawrence, not because one technician cannot give a technically satisfactory picture of radiation conditions there at all times but because workmen at St. Lawrence are morally entitled to have every working place in the mines monitored at least once in every twenty-four hours and the results posted daily." Now that is the recommendation. The reasons behind that recommendation - the terrible evidence that has built up over the years in St. Lawrence to justify that recommendation, need not be elaborated on now. If there is one hon. gentleman on the opposite side of the House, who has great sympathy and understanding for the people of St. Lawrence and who for years valiantly fought their cause, it is the hon. the senior member for Harbour Main. He agrees and I know he agrees with the position that is put there. Mr. Chairman, last May, May 20, 1970, he then

Mr. Hickman

Minister of Labour tabled in this House a very lengthy document dealing with Government's decision in detail, with respect to the recommendations of the Royal Commission. It took each recommendation, or each item separately. Here was the decision, on May 20, 1970, of the Government with respect to recommendation no. 14. The operating company at St. Lawrence will now be asked to take over completely the cost of maintaining the Government monitoring technician as an employee of the company. In other words, it is the responsibility of the company to implement this recommendation and that of the Department of Mines, Agriculture and Resources to see that this implementation is properly done. That, in my opinion, was a cruel and unwise decision. It was a decision which brought a great deal of protest from the miners of St. Lawrence. It brought a great deal of protest from the union in St. Lawrence. Indeed it brought a great deal of protest from any one who has any conscience and who has any concern for the situation that existed in St. Lawrence and exists today. I do not mean exist in the sense of safety but exist insofar as the morale of the miners of St. Lawrence are concerned.

Then, Mr. Chairman, on August 5, 1970, Government changed its mind and reversed this decision, following representation made to Government by the union. On August 5, there was an announcement that another radiation technician will be hired for the fluorspar mines at St. Lawrence and the present technician will be kept on the Government payroll. This decision was made, Mr. Chairman, following a meeting between the trade union and the St. Lawrence Town Council.

Now, Mr. Chairman, that was August 5. I, for one, have no objection to Government changing its mind. If you want to, you can get political mileage out of it and say, "ah, they were wrong two months ago and now they have changed their minds." That is completely irrelevant insofar as this present issue is concerned. The fact was that this decision was made and

Mr. Hickman,

announced on August 5, 1970. We are now up to the 13th. or 14th day of May, the 13th. day of May, 1971. As of today, the Government have not hired a second monitoring technician for the mine at St. Lawrence. There is still only one, in the person of Mr. David Rex. The hon. the minister, in his opening remarks, said that discussions have been held with the company and the union. He hopes that as a result of the meeting that eventually the matter will be settled and he also suggested that the report of the Royal Commission was somewhat ambiguous in this respect. There is nothing ambiguous about recommendation (14). It is as clear as a bell that the Royal Commission on St. Lawrence believes and bases this belief on evidence, terrible evidence, that no matter how safe the mines are in St. Lawrence, no matter how willing the mining company is to follow safety regulations...

MR. CALLAHAN: Is that what the Royal Commission recommended?

MR. HICKMAN: No that was not - this was what the recommendation means. What does it mean when it says that - because the workmen of St. Lawrence are morally entitled? This is what it means. I will tell you why they are morally entitled. They are morally entitled because for the last thirty years the Government of this Province have turned its back on the people or the miners of St. Lawrence. As of today, they will not accept the fact that we have in our midst a tragedy that is unequalled anywhere else in the mining industry of Canada. and, I suggest, anywhere else in the world. That is why they are morally entitled. That is what the recommendations meant. It is true, Mr. Chairman. If the hon. minister of Mines, Agriculture and Resources would dare go down to St. Lawrence and dare stand at a public meeting, he will find out, make no mistake about that. Do not think that that strike in St. Lawrence, going on now, is simply a strike against the company either. It is a strike that is built up as a result of a culmination of twenty or thirty years of neglect.

MR. CALLAHAN: Come on.

MR. HICKMAN: Come on. You should go down and see it as I have seen it.

Mr. Hickman.

You go down and take a look at it. You go down and meet young people from St. Lawrence today who will not go near the place, because they have had to sit there and watch their fathers die of lung cancer, with everybody screaming that there was nothing wrong and that all they had was tuberculosis. Do not tell me what the recommendation means, I know what it means. I know what it says. I know what the words, "morally entitled" means too. I know that this Government have failed miserably in discharging its obligation to the miners of St. Lawrence. I know that <sup>the</sup> hon. senior member for Harbour Main agrees with me.

Now, Mr. Chairman, we reached the situation where we are still left two years since this commission filed or made public its recommendations. We still do not have the two monitoring technicians in the mines of St. Lawrence that this commission called for and that the Government must provide. There is one there - one, his name is David Rex, working for the Government of Newfoundland. I checked this morning. I hope that the hon. ...

MR. CALLAHAN: There are two technicians working there.

MR. HICKMAN: No, Mr. Chairman, there is just one. His name is Mr. David Rex. I checked again with the union this morning. Now they are now on to another inspection group. There is a gentleman named - I have forgotten his name but he was retained by the Royal Commission to do some work down there. He has gone down now to do another survey, to see if this second monitoring technician is needed.

MR. CALLAHAN: Who has?

MR. HICKMAN: I do not know his name. The hon. minister probably knows his name. He was retained by the Royal Commission to give expert advice during their hearing.

MR. CALLAHAN: He has gone to do what?

MR. HICKMAN: To do a further inspection, to see whether or not a second monitoring technician is there. He arrived at St. Lawrence either today or yesterday or he is on the way down there. But why do we have to wait two

Mr. Hickman.

years or two months or two days for that kind of recommendation. Indeed, Mr. Rex was there. He went there in 1967. It was clear from the day he went there that he was - the affect that that gentleman had on the morale of the miners of St. Lawrence was very good indeed. It became equally clear that the miners, no matter what safety regulations they brought in, no matter how competent the companies technicians are, they will not, for many years to come, (I say for at least another generation) be prepared to accept anything but the readings of qualified technicians who are completely independent of the company. You cannot blame them. You cannot use the same yardstick for safety regulations in St. Lawrence as you use in Buchans or Labrador City or Wabush or any other mine in Newfoundland. You cannot do it, because they do not have that kind of history behind them. They have not had twenty or thirty years of building up a distrust and a concern that the miners in St. Lawrence have built up and backed up by pretty startling and pretty striking and pretty frightening evidence.

Now, Mr. Chairman, this was August 5, 1970, that this was announced, but nothing happened. It became an issue again on November 17, 1970, when there were demands from the area that this decision of April 5, be implemented, but again nothing happened. Now, Mr. Chairman, about the meetings that are supposed to have been held and that everything is going to be hunky-dory and everything is going to be settled: Mr. Chairman, there was a meeting in early January, with the late Mr. Keough, who was then in his capacity as Minister of Labour. Following that meeting, the Minister of Labour, presumably acting on behalf of Government (I am sure he was), put certain propositions to the union.

MR. CHAIRMAN: Order please!

On motion that the committee rise, report progress, Mr. Speaker returned to the Chair.

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MR. NOEL: Mr. Speaker, the Committee of the Whole on Supply have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

On motion report received and adopted.

MR. SPEAKER: It now being 6 p.m. I do leave the Chair until 8 p.m.



**PROVINCE OF NEWFOUNDLAND AND LABRADOR**

**HOUSE OF ASSEMBLY**

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**VERBATIM REPORT**

**THURSDAY, MAY 13, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House Resumed at 8:00 P.M.

MR. CHAIRMAN: Before Item 8, Mines, Agriculture and Resources, shall Item 817-01 carry?

MR. HICKMAN: Mr. Chairman, when we adjourned at six o'clock, we were commenting on Government's failure to implement recommendation fourteen of the Royal Commission on St. Lawrence. I repeat the accusation I made before supper that, as of today, as of now, this minute, there is but one Government monitoring technician in the mines at St. Lawrence, in the person of Mr. David Rex, who was appointed in 1967, who recently, within the past year, acquired civil service status.

I can vouch for the accuracy of that statement. I checked again this evening, before coming back here, with the President of the Union in St. Lawrence and he confirms there is only one Government appointee, one monitoring technician in St. Lawrence. There never has been more than one Government appointed monitoring technician in that town nor working in the mines. There is not more than one today.

Today there is a gentleman down there, I do not know who he is representing. He is not a Government employee. I discovered that. But he is trying to convince the miners, you know, this is the hypocrisy of it all, the tragedy of it all. There is a gentleman down there today trying to convince the miners that they should have an educational programme now, with respect to the danger of smoking cigarettes. There should be an educational programme on the ventilating system, to go into St. Lawrence, go down and tell them that they should not - they may be smoking cigarettes. Look, if you read about it in Grimm's Fairy Tales, even then you would say you are stretching your imagination. But this is what the people in that community have to put up with now for at least twenty years. For the last ten years it has been just unbelievable and totally unexcusable.

As I was saying this afternoon, there was a change following the first decision of Government to reject recommendation fourteen, which calls for the

MR. HICKMAN: appointment of two employees of Government as monitoring technicians. There was a change on August 5, 1970, or announced change, which as of now has not come to pass and this announced decision of Government, on August 5, 1970, not only did it have the approbation and the approval of the people of St. Lawrence, it had the approval of the people of this Province, I suggest, Mr. Chairman. It had the approval of the editorial writers in the Province. In fact it had the approval of any person who has any concern or care for his fellow man.

The St. John's "Evening Telegram" was most kind and complimentary in its editorial on this long awaited decision. I realize that I am not permitted under the rules to read an editorial.

MR. CROSIBE: Why not?

MR. HICKMAN: Well, it has been ruled here that you cannot, or at least I cannot. Every time I try and read one, I am suppose to be out of order.

But the simple fact is that this was regarded as a forward step, making up in some degree for the enormous misery and loss of life and health suffered by the St. Lawrence miners and their families. But this did not happen. In November we had another outburst of justifiable demand against the Government for failing to do implement this recommendation and to carry out its announced promises. Then they got down to another round of meetings. There was a meeting in St. John's on January 14, between the Town Council and the Executive of the St. Lawrence Workers Protective Union. Following the meeting, the then Minister of Labour submitted in writing to the various parties concerned, and he was generous and kind enough to let me have a copy. It is a public document. In it, and I have no doubt that the hon. minister has a copy of it, it was suggested that the Government, through its inspection division, would design the required monitoring programme, complete the schedules and procedures being in effect special regulations relating specifically to special circumstances in the mines. The Government, through its inspection mines service division, should establish the prerequisite qualifications and/or experience of company monitors. We are back again were

MR. HICKMAN: we started, company monitors and determine the number of monitors required by the company to perform adequately their responsibility. Number three, because the St. Lawrence Miners attach very great importance to the continued presence of a Government official on the spot, vested with sufficient and adequate authority to ensure and require that all aspects of the monitoring programme as designed are carried out, I have requested and been given authority to have Mr. David Rex visit - one of those who about now, this year, becomes an established civil servant, employed in the inspection of mines division, Mr. Rex is to be stationed permanently in St. Lawrence for the purpose of maintaining intensive and continuous spot checking of the operating company's monitoring technicians.

This was not satisfactory to the Union. The Union's reaction to these proposals, number one, they wholeheartedly approve, so does everyone else, of trying to set up and design an adequate programme. They wholeheartedly approve the appointment of Mr. David Rex, but they are as insistent today, the workers and the Union members in St. Lawrence and their wives, and their wives are beginning to play an increasingly important part in all of the positions that are now being adopted in St. Lawrence. Because they want recommendation number fourteen implemented without qualification. It is not ambiguous. It is clear. Anyone who can read the Queen's English can understand ~~what~~ it means. It means simply, regardless of any of the efficiency of employees of the mining company, regardless of their integrity, regardless of their capability, that the people of St. Lawrence, if you are to restore their confidence in that industry, if you are to restore their confidence in the monitoring technique, then there must be two Government employed monitoring technicians in that mine. Only with two, a minimum of two, can there be the continuous monitoring that is required. Indeed, Mr. Chairman, I suggest that we now may have reached the position and the time where three may become necessary. Because, bear in mind, Mr. Chairman, when the Royal Commission's Report was completed and made public in September 1969, there were little more than one hundred men working underground at the time. Now since the opening of the new mine in St. Lawrence, there are nearly



MR. HICKMAN: two hundred men working underground and I do not know how many are working on the surface, I know there are over 300 union members in St. Lawrence at this time, all of whom are employed by the company and there are other non-union men employed in and around the mines, on the surface.

But the point that the people of St. Lawrence seem unable to get across to this Government and the point that I have been trying to get across without any apparent success, is the reason why the Commission, in its wisdom and out of sympathy and understanding for what has happened, use the words that the miners of St. Lawrence are morally entitled to having a second Government appointed technician. I do not want to go over the whole piece again. But I think that this Committee can be reminded, the Government should be reminded from time to time of what some of the background, which is so very ably summarized in the Commission Report, when referring to the evidence, and a report furnished by Mr. Irving Fogwill, who had been Chairman of the Workmen's Compensation Board during a lot of the troubled times in St. Lawrence. I quote; "Fogwill, obviously touched by the tragedy of St. Lawrence continues; 'Altogether, and even if accumulatively, this strange phenomena at St. Lawrence makes up a harrowing and terrifying tragedy, and as the wheel of sorrow turns, the spokes pointing to the bereaved family, to the bereaved family after family, one feels that he has seen a picture of courage and stoicism perhaps unmatched in the annals of our indomitable people.'" I have no desire to enter the vexed area of retroactive legislation. It is outside of my competence. In the matter of lung cancer in the miners of St. Lawrence, however, there is a pattern of logic so powerful as to be almost brutal. It runs like this, the incidences of lung cancer in St. Lawrence area, among flourspar miners during the past decade or two, was so incredible as to leave little doubt that a condition or hazard in the mines was the causative agency."

"One may be forgiven the fertile hypothesis and plunge to the tentative conclusion. The law says that conclusive proof need not be adduced by the applicant of his right to compensation. But the board is entitled to draw from all the circumstances and evidence, all reasonable inferences in the miner's favour. Hence the assumption of the miners who died of lung

MR. HICKMAN: cancer in such numbers, died from the disease that arose from an industrial condition, is a valid one." But the board could not accept the case and then he went on to deal with Workmen's Compensation.

He concluded by referring to it as an accumulative disaster. So it is, Mr. Chairman. That is why I believe that this delay in implementing recommendation fourteen is inexcusable on the part of government. There is no way to justify it. You cannot justify it by saying that the policy respecting mining operations in Newfoundland must be all-embracing and must cover all the mines operating in this Province. You cannot justify it by saying we make safety regulations, we appoint inspectors, but the obligation is on the mining companies in the Province to follow and implement the safety regulations and to obey them. So be it! May be it is in other mines, but it is not in St. Lawrence. You can take this Royal Commission Report, you can read it, in the minutest detail and you can read every bit of harrowing terrifying evidence found in that report, but you will miss completely the whole point of the Royal Commission recommendation, if it escapes the notice of the reader of what they are really saying; that St. Lawrence is a special case, needing special treatment and that any Government that concerns itself about creating precedents is being derelict in its duty to the miners of St. Lawrence.

I can imagine what would happen, Mr. Chairman, if tonight we had a great tragedy in this Province and one hundred people lost their lives. Could you imagine the justifiable grief and concern and the activity that would suddenly appear in this House and everywhere else among responsible citizens to come to the aid of the dependents and widows. Well, in St. Lawrence it did not happen suddenly. In fact I think, if anything, the suddenness of a tragedy may be easier on those left behind than the way the dependents and widows in St. Lawrence have suffered over the last thirty years.

Why no one has been able to convince the present administration of that fact escapes my imagination and escapes all reasoning. Here you have a group of men who make a tremendous, if you want to look at it brutally from dollars to cents point of view, you have a group of men who have made tremendous contribution to the economy of this Province. You now have on surface in the mines and in the associated activities on the surface approximately

MR. HICKMAN: fifty more men than will be employed at Come-by-Chance, if and when Mr. Shaheen becomes operative and if it is viable and if it is truly and one hundred percent successful.

There wage bill, their contribution by way of all the taxes we heard today will be equal to anything which will come out of Come-by-Chance. The corporate tax collected from the company will be more than equal to anything that will come out of these new industries. So dollarswise and centwise, the Government's position cannot be defended. But if you accept the position that apart altogether from creating jobs and building roads and building hospitals that the first responsibility of any responsible elected government is to take care of the social needs of our people, then the case for the people of St. Lawrence is unanswerable. The case that I am trying to make here right now in this particular vote, and I am dealing only with one recommendation, is that these men, having suffered for twenty or thirty years and their fathers before them, if we are going to show any consideration for the future of these people, then we have to be certain that not only will the company keep operative and install the latest techniques in safety, from the point of view of ventilation, etc., but the inspection and the inspectors have to be beyond reproach, that they have to be in a position where no miner can say; that man is on the payroll of the company, that man maybe subject to pressure from the company, but that man is our protector, he stands between us and lung cancer.

In another debate I had no doubt that some other facts will come out. But why do we have to keep pounding away at this? Why was it not, when that report was made public on September 19, why not on September 20 appoint the second monitoring technician? Why not? Do you have to paint a picture as to what is going on down there? People can come down from - writers from the national magazine spend a day or two in St. Lawrence, grasp the situation, what they have suffered there, people can visit from other parts of Newfoundland grasp the situation, but, we cannot get the message through to the Government. That is why I say, Mr. Chairman, that no man with any

MR. HICKMAN: sense of responsibility, no man who is genuinely interested in the people who live outside of the larger centres, no man who has any genuine interest in the real primary producers of this Province could possibly accept this vote on inspection for mines, knowing that there is nothing in that vote and knowing it for the past two years. Even if you could forgive people for what happened prior to the publication of the report, why, for the past two years, that second man has not been appointed. The neglect, the turning of Government's back on the people of St. Lawrence verges on criminality. It is unequalled, I suggest, in the annals of responsible government in this Island of ours, since the day we first set it up a hundred years ago or more. I cannot ever get an answer. Attempts to defend, attempts to deceive. Statements like this that was filed, on May 20, 1970, should be kept in the museum so that some children can say there was, on May 20, 1971, still around in North America a Government without a heart, in 1970, a Government that had no concern for the workers of this Province and for the sacrifices that they have made, a Government that is out of hand, disregarded and rejected one simple recommendation that will cost the Treasury of this Province at the most \$8,000 a year.

We have got a total budget here of \$200 million or \$300 million. We cannot find \$8,000 to bring peace of mind to 400 workers in St. Lawrence, who are contributing their share to the economy of this Province. We cannot find \$8,000 to show the people of St. Lawrence and their dependents that their work is appreciated and that their sufferings are now going to be healed. All we get from the hon. the Minister of Mines is that meetings are still going on, that he believes a satisfactory solution will be reached. There will be no satisfactory solution, from the union's point of view and from the point of view of the people of St. Lawrence. I do not care from whom the hon. minister gets his advice, that

MR. HICKMAN:

from the people and the union there will be no satisfaction, no total acceptance until that second man is appointed. So do not listen to anyone else who may come in and say; "This will do them. This will satisfy them." It will not, and I repeat what I said this afternoon. We have labour troubles in St. Lawrence now. This strike is not just against the company. This strike is just as much against the Government as it is against the Company. Hon. members read the statement of the President the other day, of the union, of the chief negotiator, and then the chief negotiator was asked; "Why, with the increase in wages that have been offered and the fact that the gap has been closed to a great extent between what was originally asked for and what is offered, not completely closed, why is this present hardening position developing?" He said; "this is more than a strike for wages. This strike is a combination of twenty years of neglect and misunderstanding and twenty years of indescribable suffering on the people of St. Lawrence."

Now, if for no other reason but to restore some of the confidence to the people of that mining community, then I implore the Minister of Mines to stand in his place now, I do not ask him to get up and say we were wrong, I do not ask him to get and confess his sins. He will not have to worry about my jumping up immediately after and saying; "Ha! ha! I forced you to do it," Just get up and say; "effective today there will be a second full time Government appointed monitoring technician," and at least we have another recommendation out of the way. If he does not do that, I would like to hear him defend its inactions. It is indefensible.

MR. CALLAHAN: Mr. Chairman, we have heard the hon. gentleman once again with his, as he himself terms it, his Grimm's Fairy Tale. That is what he called it, Mr. Chairman, about how we are over here all heartless and hard-hearted and lacking in sympathy. He asked us this afternoon to imagine a thirteen year old boy in St. Lawrence, watching his father waste away, with his lungs rotting out from an industrial disease. Well, Mr. Chairman. I can tell



MR. CALLAHAN:

the hon. gentleman something about that, because I know something about that and I know it first hand.

Now, Mr. Chairman, when this matter was raised here last year, I said then that the solution proposed in the first instance was ambiguous and in the second instance was not adequate, and I say it again now. I say too that there is more than one recommendation here that has to be considered, in light of the matter than has just been discussed. Recommendation 14 is not the only one we have to be concerned about. The reason it is not the only one, Mr. Chairman, is that the Commission points out and warns that until a satisfactory system of personal monitoring is devised for the St. Lawrence mines, the situation cannot be considered satisfactory, and they say that. They suggest that until it is done, additional monitoring is required. Now what do they suggest? Not what the hon. gentleman read into the recommendation this afternoon.

Here is what they said; that until continuous personal monitoring is developed, two full-time radiation monitoring technicians should be employed in the mines in St. Lawrence, not because one technician cannot give a technically satisfactory picture of radiation conditions there at all times but because workmen at St. Lawrence are morally entitled to have ever working place in the mines monitored once in every twenty-four hours and the results posted daily. I suggest to the Committee, Mr. Chairman, that even two full time technicians cannot adequately do that job, Two cannot do it, and there are two there now. When the hon. gentleman said one, this afternoon, and I questioned him, he recovered himself, he guessed there must be two - now he tells us that there is one Government one. There also is one company man there. There are two there and those two, Mr. Chairman, cannot handle the job, and I know it. I have been there, despite what was said this afternoon, and I have been there and talked with the union and with the Town Council and I know from the records that it is not adequately done with two people. Not only

MR. CALLAHAN:

that but it does not go far enough. There is more to it, Mr. Chairman, than just taking a reading and there is more to it than posting a reading or taking a reading once every twenty-four hours.

If readings are going to be taken, they have to be taken for each working shift and posted and they have to be taken two shifts a day, Mr. Chairman, usually two and, if three, we will do it three times a day. But every man who goes into a working space should be able to see on the wall when he goes in, Mr. Chairman, what the condition in that space was, up to say an hour before he went to work, and you cannot do that with two people.

So what is proposed, as I have said, is not only ambiguous, it does not say, as the hon. gentleman suggested, a second Government monitor. The first Government monitor, the present monitoring technician, Mr. Rex, was put there as a temporary employee during the course or for the period of the Royal Commissions work, and that is why he was not made a permanent employee until earlier in this year. He was put on temporarily, so that that extra monitoring could be done while the Commission was turning out its report. So what the Commission intended was that the Company better look after its employees. I say again, here tonight, Mr. Chairman, that no company, no mining company, no company operating a metallurgical or other plant in this Province that has an environment that could be dangerous or unsafe for the health of its employees, should be allowed to get away without enforcing standards that will render that environment safe for the health of the workers.

It is the duty of the Government to see to it that these companies maintain their responsibility, Mr. Chairman. They have the responsibility to protect their people, their employees. That is where the first responsibility lies and the Government have the responsibility to see to it that they do it. We are not satisfied, not only with St. Lawrence but with certain other situations. Now in the case of St. Lawrence, Mr. Chairman, I went to St. Lawrence on the 14th of January. Unfortunately, on two occasions that I

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MR. CALLAHAN:

had to be out of the Province on important business, at the last minute I got a telegram or a telephone call from St. Lawrence asking if a delegation could see me and each time I was just virtually leaving for the airport. So after the second time I telephoned and arranged to go and see them on the 14th of January and I met with representatives of the Union and of the Town Council, in a joint meeting in St. Lawrence, and the meeting lasted three and a half hours. We discussed all the problems that there were to discuss and some others besides and we worked out a certain basis of agreement and I returned to St. John's the next day, Mr. Chairman, and I put it in words and I brought it to my colleagues in the Cabinet and the proposal was approved by the Cabinet. I wrote the Union and told them that I could tell them that the Government had approved what we had discussed and that, if they approved, I would then go to the Company and tell the Company that this is what the Government wanted done.

So what the hon. gentleman read, and I do not know where he got it, was not a document authored by my late colleague the Minister of Labour. It was part of a letter written by me to Mr. Slaney, the President of the Union, and to the Mayor of St. Lawrence, Mr. Alyward. That letter, Mr. Chairman, was written on February 9 and it made a number of proposals and these proposals are as follows: firstly, that the Government, through its inspection of mines division, should design the required monitoring programme complete with schedules and procedures, being in effect special regulations relating specifically to the special circumstances in those mines, meaning the mines at St. Lawrence; secondly, the Government, through its inspection of mines division, should establish the prerequisite qualifications and/or experience of company monitors and determine the number of monitors required by the company to perform adequately; there, That is the companies responsibility; Thirdly and because the St. Lawrence miners attach very great importance to the continued presence of a Government official on the spot, vested with sufficient and adequate

MR. CALLAHAN:

authority to ensure and require that all aspects of the monitoring programme is designed or carried out, I have requested and been given authority to have Mr. David Rex become an established Civil Servant, employed in the Inspection of Mines Division. Mr. Rex is to be stationed permanently at St. Lawrence, for the purpose of maintaining intensive and continuous spot checking of the operating companies monitoring technicians; and fourthly because it generally is recognized that the only really satisfactory monitoring programme is one that takes close account of each miners own personal individual exposure to radiation, The Inspection of Mines Division will design and implement a research project in personal monitoring, based upon methods of biological assay of facial or cranial hair or upon the use of thermal luminescent dosimeters. It is hoped that with the advice and assistance of the Physics Department of the Memorial University of Newfoundland, the Atomic Energy Commission of Canada, the Department of National Health and Welfare and other agents, the research project will become the basis for the design of a system of personal monitoring that will enable each miner to know his own personal exposure level without doubt or question.

Fifthly, it has been determined that radon gas, the source of radiation in the St. Lawrence mines, is carried into the workings in the vast quantities of ground water that flows through the mine. The recent reports of uranium in concentration, in the area north of St. Lawrence, may suggest the source and direction of these radon bearing waters. It therefore has been decided to undertake studies, with a view to determining if that is possible to do, whether the possibility exists of the control or diversion of these waters, with a view to eliminating or substantially decreasing the entry of radon gas-bearing water into the mine workings.

So that was the proposal, Mr. Chairman, discussed with the Union, with the Town Council at St. Lawrence, approved by Government, communicated back to the Union and back to the Town Council. Now the Committee here has

MR. CALLAHAN:

been told, Mr. Chairman, that the only satisfactory solution is simply to add a second man down there to monitor for radiation underground, and I say again that that is not an adequate solution.

The hon. member for Burin, in his inimitable style, has suggested that there is no satisfactory solution, from the Union's point of view, except recommendation 14 and that there is no satisfactory solution so far as the people are concerned except recommendation 14. Now, Mr. Chairman, I wrote the Union representing the workers and the Mayor in the Town Council representing the people on the 9th of February. On the 12th of March I received a letter, which I will now read to the Committee and which I am prepared to table as soon as I can get copies made. It reads as follows and it is addressed to me and it is dated March 12, 1971. It says: "Dear Sir, As promised, this letter is a follow up on our meeting with you in your office on the 8th of March. I explained to you our concern on the question of radiation monitoring in the mines once in every twenty-four hours. As a result of our discussion on this question contained in your letter to us, it is our understanding that under your proposed regulations, radiation monitoring will be carried out once in every eight working hours or once in every working place every working shift. This will cover employees working on night shift as well as day shift.

We are in agreement with all the other items contained in your letter to us and we believe, when they are implemented, the moral of the workers will change, confidence will be restored and anxieties will slowly disappear. This I would suggest, will be to the advantage of the company and the community at large as well."

Mr. Chairman, that letter is signed, "Yours very truly, L. Slaney (President) St. Lawrence Workers Union, C.N.T.U."

AN HON. MEMBER: When was that, in March?

MR. CALLAHAN: It is dated the 12th of March this year, Mr. Chairman. Now we are told that there will be no satisfactory solution as far as the Union



MR. CALLAHAN:

are concerned or so far as the people are concerned. On the 8th of March, Mr. Chairman, when the Union and the Town Council met me in my office, the Mayor was present and every item in the proposal I made at the meeting in St. Lawrence was agreed, except the question of monitoring on every working shift. This is the item that is referred to here in Mr. Slaney's letter, and we agree with that. The Mayor, as I have said, and some members of the Council were at the meeting as well, so that the representatives of the Union and the Town Council agreed with the programme, when they met me in my office, and subsequently the President of the Union, to say that he agreed. If I can repeat his closing remarks, Mr. Chairman; "... that we believe that when the programme is implemented the moral of the workers will change, confidence will be restored and anxieties will slowly disappear and I believe, Mr. Chairman, that will be the case."

On April 20 I wrote the works manager of the Newfoundland Fluorspar Company at St. Lawrence, and I will not read the entire letter, Mr. Chairman, there is no need to because it simply repeats the proposal made to the Union and to the Town. I said; "Dear Mr. Gooding, I am writing you pursuant to certain recommendations"-not just one recommendation, Mr. Chairman, not just recommendation 14 on which the hon. gentleman has chosen to hang his hat and to raise further anxieties, "I am writing you pursuant to certain recommendations of the Royal Commission respecting radiation compensation and safety at the Fluorspar Mine, St. Lawrence, Newfoundland. In the fall of 1970 I had discussions with Mr. Rupert Wiseman and Mr. Charles Bursey as to the matter of radiation monitoring in the mines. I indicated, during those discussions, the general intent of the Government and our wish to pursue the matter as expeditiously as possible. Subsequently, following representations by the St. Lawrence Town Council and the St. Lawrence Workers' Protective Union, and after seeking advice, additional to a review of the Royal Commission Report, we have determined on a course of action."

MR. CALLAHAN:

"Our decision is based upon (a) the justifiably great concern of the miners in the Fluorspar Mines at St. Lawrence that radiation levels in those mines be contained within the safest possible level and that assurances in this respect be unimpeachable and (b) avoidance of the danger of relieving the operating company or any company of its proper responsibilities for maintaining a safe working environment for its employees. In my discussions with the representatives of your company I suggested that what is needed is an extraordinarily intensive Government inspection of a programme of continuous monitoring by the company that will cover every working place in the mines every day and provide for each working place that the reading in that place be posted daily. We have concluded, after further consideration, that to provide maximum confidence on the part of the workmen in their environment, each working place must be covered on every shift so that workers, whether on the day shift or the night shift, will receive the required assurance."

Then I went on to outline for Mr. Gooding what the Government wished and intended to have implemented. On April 28, in response to a telephone call from Mr. Gooding, I arranged for him to come and see me on the 3rd of May and on the 3rd of May he saw me in my office and he drew to my attention the fact that was well-known to us, the fact that not only are the average levels of radiation in the St. Lawrence mines maintained at less than one-third of the internationally accepted standards but also he reminded me that our special regulations in respect of St. Lawrence require the levels to be at less than one-third of the accepted standard. I reminded him, Mr. Chairman, that it was not a question of scientific facts, it was not a question of accuracy of reading that it was in fact a question of moral, a question of the psychology of the people in the mines. While he intended, as he told me, to obtain advice, and this is why Mr. Rueban York, to whom the hon. gentleman referred, is in St. Lawrence, while he intended to seek scientific advice, I told him that this was not the basis for the problem really, insofar as the present

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MR. CALLAHAN:

levels, so far as we know them to be safe, are concerned, that it was far more a matter of confidence among the people in the community, far more the right of the men to know with absolute certainty that their working environment was being maintained at the safest possible level.

So the company wished to get advice, and I cannot blame them for that, Mr. Chairman, but the company are well aware that we will not wait very long. We have begun to design a programme,

MR. CALLAHAN: Very shortly we will be working out with Canada Manpower the details of a training programme which, I think, will be required. I suspect that our mines inspectors will undertake the training so that not only will we have a programme designed to cover every working place, on every shift, but we also will know then the people of St. Lawrence will know that the men who are doing the monitoring will be men who are trained to do that job to a high degree of confidence.

So far as the research programme is concerned, we have been working with Memorial University, with Dr. Irfan of the Physics Department, to design the programme and we think that on the bases of information we have gathered that it will be a good programme and that it may very well, it has a good chance of leading to a satisfactory and adequate system of personal monitoring in the St. Lawrence mines.

I want to make one other point, Mr. Chairman, before I sit. I said the other night, when I introduced my estimates, this whole matter of working environment is a very complicated and a very vital area, involving the health of people, their physical health, and because they obviously worry about their physical health, their mental health provokes anxieties. There are two quite separate aspects to the enforcement of any kind of satisfactory set of regulations, whether it be in mines or other operations in which there are problems of dust or radiation or whatever it might happen to be. Right across Canada there have been problems with the co-ordination of this kind of mixed environmental responsibility. There are health aspects in it, Mr. Chairman, there are scientific aspects in it, there are technical and engineering aspects in it.

So in relation to St. Lawrence and other problems, my colleague, the Minister of Health, and I have, I believe, worked out a formula for the co-ordination, for the adequate co-ordination, because it is possible to co-ordinate without really a high degree of adequacy, for the adequate co-ordination of all of the forces who have responsibility for the maintenance of safe working environments. I believe we have to be sure that we establish

MR. CALLAHAN: proper, safe levels for health purposes, that we ensure that those levels are translated into proper technical and engineering approaches to the maintenance of equipment and the maintenance of operations, in order to keep those levels where they should be. Then we have to have follow-up to see to it that the results are in fact what should be expected in that kind of a situation.

This will be a new approach in this particular field, but not too unlike the approach that we have already taken in the question of environmental pollution, except that it will be in the more restricted area of working environment. Mr. Chairman, so far as the St. Lawrence situation is concerned, we believe that the simple implementation of recommendation fourteen would in every term have been inadequate. Two people cannot properly monitor those mines, cannot properly monitor every working space in advance of every shift. The difficulties are many, Mr. Chairman, The committee may wish to know why it is that on every working shift there should be a free monitor of that working space? There are all manner of reasons, the explosion takes place in the mine, a blast is set off in a mine in order to bring down rock. As a result of it, a fan is damaged -

MR. SMALLWOOD: How often do these explosions take place?

MR. CALLAHAN: Between shifts. The period between shifts.

MR. SMALLWOOD: Or twice a day?

MR. CALLAHAN: Once a day.

MR. SMALLWOOD: Between the two shifts.

MR. CALLAHAN: Between the day shift and the night shift.

It is possible for a ventilator to be closed, to close because of it. It is possible for a fan to breakdown or be damaged by flying rocks. It is possible for someone to leave open a door. All kinds of things can happen, Mr. Chairman, So if the monitor goes in on the day shift and again the next day on the day shift, it is possible that there can be a build up of radiation, obviously, over that period of time. That is, if you have enough monitors to do it on the day time.

MR. SMALLWOOD: .... walk out of the House. Walk out of public life. Well,



MR. SMALLWOOD: it is high-time. It is high-time.

MR. CALLAHAN: We do not need the Goldfrab Report, Mr. Chairman, we have a very adequate staff of our own. But, in any event, Mr. Chairman, recommendation fourteen would not at all have been adequate. The only adequate system is a personal system of personal monitoring. so every man knows his own personal exposure. It would be done by the use of badges, which record the actual exposure to radiation or, if that is not possible, this is probably the tack the research will take, by supplying certain men or maybe all of the men with electric razors, Mr. Chairman. As soon as they come out of their working space, before they wash their faces, they shave and they put their razors and their facial hair into a plastic bag, it has their name or their tag or their number on it. It is simply put in under a scintillometer or some machine, the reading is taken and that man knows what his exposure level was, because it is not how much radiation is in the mine, Mr. Chairman, it is to what am I, the workman, exposed? How much today or over three months? That is the important thing.

AN HON. MEMBER: Inaudible.

MR. CALLAHAN: It can vary according to individuals, depending on their own make-up.

MR. SMALLWOOD: According to the individual or according to the immediate environment surrounding an individual.

MR. CALLAHAN: That is correct.

MR. SMALLWOOD: It is not inside of the individual.

MR. CALLAHAN: No, Mr. Chairman.

MR. SMALLWOOD: It comes into him from his immediate surroundings.

MR. CALLAHAN: That is correct.

MR. SMALLWOOD: So what you are measuring is the surroundings, you are not measuring him.

MR. CALLAHAN: At the moment we are measuring the surroundings that. when we start to take samples say of a man's beard, then we know what his exposure is.

MR. SMALLWOOD: Even then you are measuring what surrounded him, got into his beard.

MR. CALLAHAN: Yes, of course. But then we know and he knows precisely what

MR. CALLAHAN: it was he absorbed, and not what he might have absorbed. Because he is not at every working space all of the time, Mr. Chairman, he may go and have a cup of tea, he may go and have a smoke. By the way the hon. gentleman, the hon. gentleman mentioned that the Commission is quite strong in suggesting the influence of smoking as an aggravating force on the radiation exposure in the mines.

But in any event, Mr. Chairman, that is our programme. That is what we have proposed to the union. That is what we have proposed to the community or to the leaders of the community. That is what they have accepted. I have the letter of the President of the Union, which I have read to the Committee, which I will be glad to table. In which, I will say again, he states that the conclusion, "we are in agreement with all the other items except the once a day, They want every shift monitored and we agree with it. "We are in agreement with all the other items contained in your letter to us and we believe that when they are implemented the morale of the workers will change, confidence will be restored and anxieties will slowly disappear," which I believe they will, Mr. Chairman, so long as hon. gentleman, such as the member for Burin, are not going around trying to stir up anxieties, as he has been doing here tonight and earlier this afternoon.

MR. HICKMAN: Mr. Chairman, this is the typical response that has been coming from this Government on St. Lawrence for the last ten years.

MR. SMALLWOOD: Go on and resign. Begone!

MR. HICKMAN: Oh, yes, begone! Let St. Lawrence disappear! You tried to bury it and fortunately the late Judge Winter resurrected it, and called it a national disaster. If it had not been for that there would be no Royal Commission Report. If I had not been raising it, we would not have heard anything about it. Bury it! Forget it! But it is not going to be forgotten. Again, the hon. minister's display, again he does not understand what this report is about.

MR. CALLAHAN: No, he does not understand it.

MR. HICKMAN: No. Do not confuse, whatever you do, do not confuse the desire of the miners to have adequate monitoring and checking by the company, and adequate ventilating systems and adequate safety regulations. Do not confuse

MR. HICKMAN: them. Of course they want them, they have been screaming for them, negotiating for them for the last ten years.

MR. CALLAHAN: The hon. gentleman did not hear a word I said. He did not listen. He had his ears closed.

MR. HICKMAN: I listened very carefully to what the hon. minister said. I said, "do not confuse these things, do not confuse these at all with the other desire that the union have and the people have, to have two monitoring technicians, or three when we get the third mill going -

MR. CALLAHAN: We will probably have six.

MR. HICKMAN: No, but I am talking about Government, if I only could get this out of the minister's mind.

MR. CALLAHAN: Ah, come off of it.

MR. HICKMAN: If you want six or eight or ten or three or two or one employee of the company working there, by all means do so, and enforce the regulations and make them have their monitoring technicians there. But over and above that, this is the point, simple point; there is no ambiguity in fourteen, if you will read the whole report. This is the whole point of that recommendation, that they want people, two, at least two, who are not employees of the company. Why would they prefer that they have not, because one cannot do it. They are morally entitled to it. Anyone knows why they are morally entitled to it. Why, when they are referring to it, not because one technician cannot give a technically satisfactory picture. Who were they referring to? Who was that one technician? Mr. David Rex. Who was Mr. David Rex at the time that report was appointed?

MR. CALLAHAN: Mr. Rex was a purely temporary employee.

MR. HICKMAN: Mr. David Rex was an employee, regardless of the status of his employment, of the Government of Newfoundland, not of the company. That is the technician that is referred to -

MR. CALLAHAN: Just wait a moment now, there is another technician there at the same time.

MR. HICKMAN: Right. But he was not called a technician, he was called, Mr. Drover was his name, Safety Engineer or something.

MR. CALLAHAN: Doing the monitoring, as they have one there now.

MR. HICKMAN: But the one technician, any fool knows what this report means that the one technician referred to in fourteen was Mr. David Rex. When they asked for two technicians, they are asking for two David Rex's. They are asking for it, as of tonight.

MR. CALLAHAN: This is the kind of stuff that caused the police strike.

MR. HICKMAN: Do you want me to get the union to confirm it to you tomorrow morning? They will be glad to do it.

MR. CALLAHAN: I had it confirmed from the union, in writing.

MR. HICKMAN: They want a Government employee.

MR. CALLAHAN: You tell them what they want ....

MR. HICKMAN: Some day they are going to get it. Make no mistake about it, some day there will be a second monitoring technician employed by the Government completely free of the company. But this does not relieve the company of its obligations to have two or three or four, This does not relieve the Minister of Mines to come up with a new formula or a new scheme or a new plan or a new design for ventilating or personal monitoring. The Commission recommends personal monitoring. Every recommendation in that Royal Commission Report is deserving of something more than prenoting only. When we get to some of the others under another heading.

MR. CALLAHAN: Why do not the hon. gentleman sit down?

MR. HICKMAN: I do not intend to sit down, Mr. Chairman, I am telling you that the Royal Commission Report on Radiation for St. Lawrence is going to be implemented. All I want and all the people of St. Lawrence want from the minister is one simple little statement, which he will not give. He has displayed again the fact that the real purpose of that report has escaped him, that is, that these people want the peace of mind, to know that the qualifying monitoring technicians are under no obligation to anyone other than to the people of this Province.

MR. CHAIRMAN: Shall 817-01 carry? Carried

On Motion 817-02 through 823-03 carried.

MR. CALLAHAN: 823-03-02 - Canadian Land Inventory, Mr. Chairman, which is devoted to agriculture really: It says Rural Development, because it came

MR. CALLAHAN: in under the old ARDA Agreement. It is really soil testing soil surveys etc. for agriculture purposes.

MR. CROSBIE: 825-01, Mr. Chairman, Clean Air, Water and Soil Authority: The Authority tabled a report in the House earlier on in the session, which looked quite promising, Mr. Chairman, describing the work that they were doing. But, I am not sure just how their jurisdiction and that of the Department of Health correlates, for example.

MR. CALLAHAN: In respect of?

MR. CROSBIE: Well, I am going to give the example now. For example, in connection with the ERCO Plant at Long Harbour and the environmental conditions in that plant at Long Harbour, I do not know whether the Clean Air, Water and Soil Authority has any jurisdiction or just the Department of Health. But, there is no question, from my conversations with people who work in that plant, Mr. Chairman, that there seems to be some extremely unpleasant working conditions down there. Conditions that are potentially dangerous to health. For example, there are fumes in the furnace building; which I mentioned the other night in particular, smoke and gas, that there are very difficult conditions and are conducive to lung diseases. Employees have been laid off down there, uninformed, because they cannot work in those particular conditions. I am told that ninety percent of the time the furnace building floor is covered with affluent water; that is acid water. As the House knows, there was an explosion down there in that area several months ago. It was lucky that there were no lives lost. This could happen again. But the main problem down there is smoke and gas, which does not appear to be cleaned up and which does not appear to be getting cleaned up. So I do not know whether the Clean Air, Soil and Water Authority has any jurisdiction in this matter.

MR. MURPHY: Do they wear respirators?

MR. CROSBIE: I am not sure whether they wear respirators or not, perhaps the minister does know. But I asked the Minister of Health earlier in the session a question on this. Actually the Hansard arrived today in which the



MR. CROSBIE: answer was given. The Minister of Health said, which we all knew of course, that in August last year he received a report of an investigation down at the ERCO Plant, that was sent to him on August 3, 1970. There was a report made by Mr. C. R. Ross, a professional engineer, who was an official of the Occupational Health Division of the Canada Department of Health and Welfare. The minister did not table the report. He said that he had already made the full report public. He was asked what checks had been made since that report came in and whether the Government were satisfied that the working conditions and environment of the plant at Long Harbour were adequate now, with respect to the protection of health of their employees? The Minister of Health said that, his answer was that they were satisfied conditions were adequate. But, he said, there were still areas where further improvement should be made, in the interest of the health of the employees of that company, working at that plant. He said that the recommendations made by the Government of Newfoundland had been carried out by ERCO. He said that some of his own officials had visited the plant since that report of last August. He was keeping in close touch with representatives of the Union at Long Harbour.

Now, Mr. Chairman, my information with respect to conditions down at that plant are quite different. I do not think there is any doubt that there is going to be a serious Workmen's Compensation problem in connection with the plant at Long Harbour, the ERCO Plant at Long Harbour, unless these conditions down there are improved. Whether this is just the jurisdiction of the Minister of Health, whether it is, if the minister will let us know whether it is the Clean Air, Water and Soil Authority. But, obviously, Mr. Chairman, there are undesirable conditions and whether anything can be done about it, I do not know. But certainly the atmosphere, the working environment of that plant is conducive to developing lung conditions, diseases that are associated with the lungs of the employees who work in those parts of the building. And if this is so, it is obvious that there are going to be considerable claims on the Workmen's Compensation Board of Newfoundland and on the fund, in later years, as the employees work down there a longer period of time, under those conditions. I further understand that the Workmen's Compensation

MR. CROSBIE: Board is quite concerned about the situation too.

MR. SMALLWOOD: To what extent could it be anticipated by imposing a much higher premium rate on the company?

MR. CROSBIE: Well, to a certain extent it could be. Perhaps they are already paying higher rates down there, I do not know.

MR. SMALLWOOD: But, even higher?

MR. CROSBIE: The fact is you want to avoid having to pay the Compensation at all, if possible.

MR. SMALLWOOD: Yes.

MR. CROSBIE: So, I know, Mr. Chairman, the Government would be quite anxious to see that this was corrected, if it is so. But from the

Minister of Health's replies I did not get the impression that the Government was much concerned about this or felt that there was much to be concerned about.

MR. SMALLWOOD: The hon. gentleman will be interested I know, if he would yield a moment. There are several other places in the Province where industrial disease is very likely to happen.

MR. CROSBIE: Baie Verte -

MR. SMALLWOOD: The hon. gentleman knows about that, does he? When the hon. gentleman was Minister of Health he worked, I know, on the question of industrial health in another part of the Province altogether. I think I had some collaboration with him on that matter. Then there is the place to which he now alludes and which I will not mention by name, I do not imagine he will either, where we have to watch it very, very carefully. There is, of course, Long Harbour. This is one of the penalties you pay for jobs, for development, for employment. We are terribly conscious of it. Terribly conscious of it.

MR. CROSBIE: Mr. Chairman, could the minister tell us whether this authority has any jurisdiction here or what has been done about it?

MR. CALLAHAN: We believe so, Mr. Chairman, under our Act, under the Authorities Act. Can I just say this; that the function of the Authority really is to coordinate the other agencies of the Government that have to do, have any responsibility or interest in environmental problems, generally speaking. Then there are other things built into the Act, general authorities which do not sit specifically with any particular other agency or did not at the time the Act was brought to the House last year. The Bill was brought through the House last year. It became an Act of this House. But there has been a thought around, Mr. Chairman, that there is a distinction or a difference as between what is inside the fence and outside the fence. In other words, environmental condition in the plant is a different matter or a different responsibility from the environmental condition outside of the plant. This has been held, I do not know how widely, in some quarters.

We do not believe that. We say that the condition outside the plant, being caused by a condition or an operation inside the plant, cannot be separated from it. But then you have the de facto difference of treatment. In other words, Mr. Chairman, if there is a condition outside, it perhaps has to be handled in a rather different way from the condition inside. The condition inside requires two or three kinds of perhaps expertise,

As I said, in the case at St. Lawrence, it requires somebody to set the health standards, the threshold levels. It requires somebody to translate those into engineering and technical terms and see to the enforcement of what has to be done in terms of plant operation. Then it requires inspectors, again probably health inspectors, to see whether the result is what they should be. The Workmen's Compensation Board come into it because that is where compensation is paid or compensation is required.

You also have the normal inspections, for normal safety purposes other than smoke, gas, dust or other such emissions. So there are four or five or six different agencies responsible for various aspects of, say, the Erco Corporation. They have been going, one after another, up until recently, dealing with their own individual aspects of it. This is why, as I said, my colleague the Minister of Health, he and I have, we believe, devised a formula which will allow the Government always a complete over-view of the total situation from every possible point of view, whether inside the plant or outside the plant. This has been difficult all across the country. I think one of the famous cases was Ontario, where for a long, long time they just could not seem to put the pieces together and then eventually I believe they did. Other provinces have made various determinations. But we think the best way to do it is try to achieve, in terms of the enclosed or the immediate environmental problems of plant operation, much the same thing as we have achieved through Clean Air Water and Soil Authority in terms of the broad environment, meaning the countryside.

So the Authority has some responsibility in it. It has been dealing with the plant, believes that the condition is as the Department of

Health have most recently been advised the situation is to be, but feels also that there is perhaps, as our people put it to me, a dearth of good house-keeping, which may be what the hon. gentleman refers to. It is not necessarily a situation hazardous to health, certainly not a situation that perhaps encourages an inspector, from any agency who goes in or encourages the men or makes the men feel at home. But what we are trying to do is bring all the agencies together, including Clean Air Water & Soil Authority, so that every phase of the operation can be looked at simultaneously, with a kind of over-view that will ensure that there is no aspect of it lost or overlooked or missed at any particular time. I think perhaps we can achieve some success with it.

MR. CROSBIE: Mr. Chairman, just before we leave this point. I mean, I would like the Minister and the Minister of Health to have another check made down there -

MR. CALLAHAN: If the hon. gentleman will allow me, I will tell him that, on April 27, both the General Manager of the Clean Air, Water & Soil Authority and the Chief Engineer, who were at Long Harbour, reviewed the entire process, inspected the plant inside and out, did emission studies on the basis of monitors that have been set up down there, checked the water in the treatment system, the settling ponds, and scheduled a further meeting for May 26, to do a further review, based on information obtained from the checking and from the company. They are going back again May 26 to go over the ground the second time.

MR. CROSBIE: Right. But all I want to point out, of course, was something that the Minister probably already realizes; that is that the men working in a place like that want to work. They want to keep their jobs, so they are very hesitant in coming forward to any public official and making any complaint. Whereas they will come to a member, you know, as long as you do not use their names, they will make a complaint. They will tell you what they think it is like, what is happening there. So the company may not contact the Minister or even perhaps the union representatives may not, but



conditions may still be bad there. The Minister says that they have made a recent check, will be making another May 26, they are aware of the problem. So all I can do is raise it, I do not want to be too alarmist. The Government says it is aware of it. I think it is certainly something that has to be watched.

While I am on my feet, there is one other point about jurisdiction: As the Minister knows, there has been an application to develop an area out at Olivers Pond, which has been a controversy. The Minister of Health has not given his consent to that development going ahead. The Department of Health has not given its approval, to the Metropolitan Area Board, for that development to go ahead. Now, in situations like that, I assume the Clean Air Water & Soil Authority is not really involved in this kind of thing. In other words that Authority has not checked with -

MR.NOLAN: I wonder would the hon. member permit me for one moment? Since the Minister of Health is not here at the moment, since he did bring up a specific item in reference to Olivers Pond, while I cannot say specifically exactly what is being done, because negotiations are going on right now, and meetings on that particular matter, but I would suspect that we would have an announcement on that shortly, on that one item. I thought that the hon. member Mr. Chairman, would like to know.

MR.CALLAHAN: Actually that has pre-dated the establishment of Clean Air Water & Soil Authority. The Minister had taken some action. I think it would be unusual for the Authority to review the minister's action.

MR.CROSBIE: But does the Authority now, for example, in cases like this, where it is a question of building permits, is the Authority the body that is consulted now or is it still the Department of Health or who has jurisdiction?

MR.CALLAHAN: I believe the Authority in most instances Mr. Chairman, because the Authority must approve every disposal system that goes in, plans must be submitted, it must be approved and licensed before it can be installed. But as I have said, on the Olivers Pond situation, this occurred -

I think some fifteen months ago originally this project started. That was long before the Authority, in fact, was set up. The Authority did not come into operation until August last, which is less than twelve months ago.

MR. FARLE: Mr. Chairman, these instances, which have been mentioned in connection with Clean Air, Water & Soil and having to do with industry, are most interesting and of course vital. But as yet Newfoundland is not a heavily industrialized Province. It will probably be many years before it is. Certainly the sort of thing that has been mentioned tonight needs careful watching, as we progress to an industrial state. I can think of some instances across the Province where, if you fly over the centre of Newfoundland and see the grey sediment flowing out into Red Indian Lake, I am wondering just what sort of a clean-water pollution that represents. Similarly in Labrador City and Wabush, in the mines down there, I presume these are being monitored all the time. Because, for a casual visitor being shown through these things, the working conditions there, while apparently satisfactory to the men, must be, over a period of years, very trying indeed. To go into that atmosphere there is a terrific dust and dirt hazard there, which to the normal person affects them immediately. However, that has all to do with heavy industry.

What I started to say and what I really feel concerned about is the way that the people ourselves, our own people, particularly since centralization is developing, how we are steadily becoming a very untidy people, quite contrary to the usual attitude of Newfoundlanders or what was the attitude of Newfoundlanders a few years ago. I suppose it is all brought about by the fact that so many food containers and other types of containers today are not easily disposed of. There are so many sections of the country where there is no garbage disposals. It is unfortunate that in many of our most delightful places, the centre of the village itself or the settlement has become a stinking dump. Now whether this is a responsibility of this Authority or of the Department of Health I do not know. You very often have in a place quite shallow water, with a receding and rising tide. At high tide people will dump all sorts of materials into

that, thinking that it will wash out with the tide. Then, of course, when the tide goes out, all of the surrounding beaches and landwash are covered with litter, filth and dirt. Apart from being unsightly, the odour sometimes on a hot day is quite indescribable. The people do often mention it themselves but wish some guidance on it. The case is very often of having no other alternative or no way of disposing of this great mass of stuff. They take the easiest course out. But it is a very disgusting business to visitors. They get the impression that Newfoundlanders are the most untidy people that ever existed on the globe. It detracts from what otherwise would be very picturesque and beautiful places. I have seen it in so many areas and have spoken to people about it. They would express great distress about it and wish that the surroundings of their homes were better, because in these places the homes are spotlessly clean. You can literally go inside all the homes and eat off the floor, because they are kept very, very tidy. Quite often the immediate surroundings of these homes and the village itself have become an intolerable mess. I do not know what is lacking, if it is in our school training or where we fall down, but people do not seem to be getting the message of general cleanliness and tidiness.

Now whether this Authorities jurisdiction goes that far, as to go into this type of thing, I do not know. But I can think of one instance where a very, very pretty village, existing at the mouth of the river and a magnificent lake just above it. That lake is used as a dump. It has very deep water. All of the garbage, old mattresses, cars, what have you, are dumped into that lake. It is a fast flowing river of only a few hundred yards, flowing through the village. The condition which prevails, as the result of that, is almost indescribable. If we are going to have visitors in our Province and show them, with pride, our places, something has to be done about cleaning up this intolerable mess. I do not know how broad this Authority scope is or what it can do but most certainly, quite apart from the industrial hazards, there is a private hazard and a personal hazard brought about by the increasing centralization of population, which needs to be looked into very, very

carefully indeed. Somebody, being a cynical writer, one time said that if we are not careful Newfoundland will disappear under a heap of garbage. It is unfortunately true that this is going into very, very dangerous proportions. An Authority of this nature, I hope, will get very busy on this particular problem. It is not going to be the most popular thing, in some places, in fact it is going to meet a lot of local resistance, but somebody has to have courage, somebody has to look at this and somebody has to take a pretty stern hand. It is a wonder to me that in many cases the health of our people has not been seriously damaged. Under summer conditions of flies and filth, children playing around all over the place, I do not know how they have ever escaped. We have quite a regular epidemic of dysentery and so on in the Province. While I am not a medical person, I would venture to bet that a great deal of it is caused by the surroundings.

Now, for our own sake and the sake of our visitors and the reputation of our Province, I think one of the most valuable things that this Authority could do would be to study all of this, throughout the Province, and see if they could not come up with some sort of a lasting solution. I think the people will co-operate, but they certainly need help and guidance. I do hope that this Authority will be the means of bringing it about.

MR. ROWE: Mr. Chairman, the points made by the hon. member for Fortune Bay are well taken. I am one of those who believe that perhaps the greatest asset that we have, of a material nature, is to be found in our ponds, our lakes, our streams and our beaches. We have done a pretty good job so far. Only a small number of us, only half a million as yet, we have done a pretty good job of desecrating and contaminating as many of these as we can get hold of or get near to.

The City of St. John's, where there are fewer than 100,000 people, has one of the finest natural gifts, heritages, that any city that I know in North America or Europe has. Within its municipal boundaries, in fact, within the limits of city proper, there are seven, what could be seven lovely

and they are lovely-- what could be lovelier than Kent's Pond there tonight.' It is like a mirror, beautiful! You feel as if you could go down there, you could almost drink the water. If you swim in it, you could stay there indefinitely and enjoy the beauty of it. The only trouble is, if you drank that water you would have typhoid, without any doubt. Or worse? That is right. If you swam in it, you would probably get polio. If you stayed there very long, the smell would probably poison you, knock you out. This is what we have done with Kitty Vitty Lake or Pond, this is what we have done with Rennie's, this is what we have done with Oxen Pond in here, this is what we have done with Burton's Pond up here, a jewel right on the campus of the University, this is what we have done with Long Pond out here, this is what we have done with Kenny's Pond, this is what we have done with the three streams flowing through the city. We have contaminated them all. We have done a marvellous job of that. Of course Mundy Pond is - I do not know I have not seen it lately, but when I lived within a quarter of a mile of it, it was a cesspool and probably still is.

Now there are two points I would like to make: (1) Mr. Chairman, we do not have to do that. We do not have to throw our filth and dirt around. There is no need to do it. I have travelled in countries in Europe. I once motored from Madrid to London by motor car. There may have been an empty beer bottle somewhere or an empty can, if there was I did not see it in that distance of I think 1,200 miles of motoring. I have travelled in other countries as well. You just do not see it. In a country like Italy, where there are 40 million people, a country where there have been millions of people long before the first white man ever saw Newfoundland, yet the countryside is clean. My wife and I went by train from Rome to Paris, last fall, a beautiful trip, a beautiful countryside. You do not see any old debris, any garbage, any filth, any dirt there. I do not know what they have done with it, but you do not see any-it is not there. As you get on a train, when you could get on a train and go from St. John's to Port aux Basques, almost the same distance, you are passing through garbage dumps, filth, dirt all the time. I want to make two points. (1) that we



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can avoid doing that. We do not have to do it. We have to remedy the situation. We can do it right here in St. John's. There is no reason for Kent's Pond to be contaminated. There is no reason why a person, like many other Newfoundlanders who loves swimming, cannot go out and swim in the summertime. I cannot do it, although my house is only a few yards from the pond. I just cannot swim. If I want to swim, I have to go twenty miles, in the country somewhere, to get a swim. You should not have to do that, here in St. John's where you have these seven beautiful ponds. I used to swim here. When I was a young fellow here going to school, I used to swim in Long Pond here and swim in Rennies River down here and Oxen Pond and all the rest of them. Of course, you could. But you cannot do it today. You could do it, but if you did, you would pay for it. We can clean it up. There are three things which we have to do on it. (1) I agree with what my hon. friend said one hundred per cent. Look, I can say this. I am a Newfoundlander. I resent hearing people who come here from outside say things detrimental or derogatory about Newfoundland. I resent it. I react immediately. But as a Newfoundlander I can say this; in those matters, we are dirty.

We only need to go into any picnic site, any camp site in Newfoundland, to realize that we are dirty. We do not have to be. This is a matter largely or partly of education. The other thing is that we can organize. I am very happy that my neighbours in around Lawrence Pond have set up the first summer home organization, municipal organization, in Newfoundland. They have done it with one aim in mind. It is a very worthy aim. The thirty-five or so people, who have summer homes or homes around that pond, and they are not all summer homes, have decided that that pond, which up until now is pure (You can go and drink the water of Lawrence Pond tonight and drink it without suffering any ill effects. You can swim in it whenever the water is warm enough) they are going to keep that pond in that state. Otherwise, there is no point in having a summer home. There is no point in having a place where your children or grandchildren

Mr. Rowe (F. W.):

cannot swim without danger of picking up polio or something of that kind. There is no point in having a home around a pond which becomes a stinking cesspool because of the dirt and filth of people. I suggest, Mr. Chairman, that more and more of our people in Newfoundland - in fact, thousands of people, let us remember that thousands of Newfoundlanders today have summer homes of one kind or another, not only on the Avalon Peninsula but I would say in my own district of Grand Falls. There are hundreds of citizens of Grand Falls and Windsor and Buchans and Badger and other communities who have summer homes, twenty, thirty, forty miles away, on the Badger Highway, on the old Hall's Bay road and so on. These places have to be organized. There is no more reason why we should not organize summer communities than there is why we should not organize a permanent community like St. John's. We have to enforce more and more. We have to enforce the laws of this Province in that regard. No person should have the right to do what I have seen people do, i.e., dump filth out of a car, go into the country and boil up a meal and all the remnants of that pork and cabbage dinner then thrown on the ground there. I would guess this. I do not know. I do not suppose anyone has any statistics. I would guess that there are far more rats, infinitely more rats in Newfoundland than there are human beings. I would guess that. I will forget about the two-legged ones.

My hon. friend has said that somebody had said, and I have heard it said and I said it myself, that we are in danger of making Newfoundland one big garbage dump. We can do that. We can do that. We can turn it into one glorious garbage dump. That is another way of saying that we can pass Newfoundland over to the flies and to the rats. So far, we have done a very good job in that respect. But I want to end with this point, Mr. Chairman, that we do not have to be fatalistic about this thing. We do not have to take it for granted that Kent's Pond and Kenny's Pond and Long Pond have to remain polluted; They do not have to remain polluted. We can do something about it. It is a matter for all of us, not just a government, not just a municipal government or Provincial Government or a Department of Health or a Department of Resources. It is a matter for all of us.

Mr. Rowe (F. W).

We all have a responsibility. We will all do something about it.

MR. CALLAHAN: I would like to give my colleague the good news, which I hope is good news. I hope it comes through, perhaps, before another two years are up. He will then be able to swim in Kent's Pond and Kenny's Pond and maybe Burton's Pond. Certainly, Mr. Chairman, over the past two years, and I am not taking very much credit for this but we happened to be involved in it but basically, due to the work of the Pippy Park Commission, the Department of Health, the Department of Highways, Department of Resources, the various departments of Government, the Department of Public Works I should have mentioned because they are responsible for the Pippy Park Commission, almost every day there is a noticeable improvement in the situation around this general area and within the area in which are located the Rennies River system, the ponds that make up the Rennies River system.

I think last year, if my memory - there have been improvements. Storm sewers are probably the biggest problem at the moment. But there were far worse than storm sewers, Mr. Chairman, which would overflow in some cases, in other cases which carried raw affluent. There were also raw affluent pipes coming out of very nice homes into the stream. With the City Council, the Pippy Park Commission and the other agencies, these things are slowly being cleaned up. Other things are happening. I think my colleague, the Minister of Highways, last year co-operated by picking up something like 480 wrecked automobiles around this general area. You could go in the old Placentia road and for about three miles, I suppose, there was nothing but a garbage dump, the whole length of that stretch of road. They would bring them down to the dump and bury them.

AN HON. MEMBER: (Inaudible).

MR. CALLAHAN: Headquarters - no, there was an attempt, Mr. Chairman, to look after them there, but it did not work very well. But, in any event, there is some progress being made. I know our officials are continually at it. One day last week, I drove (It is not in St. John's) up to Pasadena to look at our new resources building that we are building there and, going by what we used to call Rabbit Pond, on the Deer Lake Highway, I saw a car which apparently had been wrecked and was

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lying right on the side of the road. I made a note of it. I went back three or four days later and it was gone. Our officials had been out, the Department of Highways got it picked up. That is not the end of it. The other thing that is happening, Mr. Chairman, is this: I had a report from the police about five days ago, that it is happening more and more frequently that ordinary citizens, when they see a car wrecked or when somebody dumps something along side their summer cottage road or wherever it happens to be, they now are going through the stuff identifying it and going to the police and relaying the information and complaint and getting convictions. I think this is a kind of progress too.

There was one last week, and I can think of three over a period of three or four weeks before that, where people are actually taking the interest. They are making an effort to identify the stuff. Indeed, in one case, Mr. Chairman, a poor chap had tossed out his summons to court, which he had not honoured, some bills, some envelopes and what not, with his name on them, and the police had no trouble at all identifying them. So, people are either going to have to be much smarter, as to how they dump their garbage around, or they are obviously going to have to pay the penalty. But I simply wanted to assure my colleague that a good deal of progress is being made around this water system here. I am told by our officials and by the Pippy Park Commission that within a year, a year and a-half, that it should be possible - they will have gotten down river to the point that they will be able to start cleaning up Quidi Vidi. If that can be done, we will have reversed in two years what has been caused, it was not very desirable but what has happened over maybe a couple of hundred years - I think that might be some kind of record.

MR. SMALLWOOD: Mr. Chairman, I heard the word "steel mill" used, and I want to say a word on the matter of car and truck wrecks or abandoned cars and trucks being disposed of in the steel mill. There are two difficulties about it. (1) The engine is usually cast iron and is of no use whatever in the steel mill. It is not scrapped steel. It cannot be used in the steel mill, I understand. (2) The rest of the car is bulky and very light in weight, for the amount of bulk.

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the size of it, has very little weight. The weight of it - there is very little steel in a car compared with the bulk of it. Therefore, the costs of moving it, of getting it to the steel mill, is excessive. In fact, it is almost more than the metal is worth when it arrives at the steel mill. Therefore, there has been some investigation of the possibility of bringing into the Province a shredding machine. This is a machine into which cars and trucks are thrown and everything is shredded up into a small package, which can be loaded aboard a truck and perhaps a dozen cars or twenty cars could be loaded aboard, or more, aboard one truck and brought to the mill, which, of course, would cut the freight, the transportation costs greatly. This shredder would be portable. It would move about the Province. It could start, for example, at Port aux Basques and gather up all the trucks and cars and what have you in that area and move on, say to St. George's or some place between there and St. George's, and go out on the Port au Port Peninsula and it could move right across the Island. It could go down on some of the by-roads. In this way, you can clean up the Province, of the thousands of wrecks there must be, thousands of abandoned and unused cars and trucks there must be around the Province, which today are a desecration of our countryside. It would be useful to the steel mill, because they must have a lot of scrap. They must have thousands, many, many thousands of tons of scrap metals, scrap steel, not iron, but steel, scrapped steel. So, two good purposes would be served by this. I hope to see that. I hope to see it before too long, and one of the ambitions I had in connection with the steel mill will then be realized. It has not been up to now.

The other thing I wanted to say to the committee, before the vote is put, is about pollution in water. Some one mentioned Long Pond. I remember a long, long time ago coming and swimming in Long Pond. It was one of the favourite swimming spots of the Province. Then I heard the Leader of the Opposition mention Sliding Rock. There were two. There was Sliding Rock and Silver Pool. They were within a few hundred feet of each other. I know that when I was a student at Bishop Field College, boarding in the hostel, we would, after school in the summer, before we got our summer holidays, say this



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month now, start off from the college and walk in the country. We would go for a long walk in the country, to Sliding Rock and Silver Pool. It was a long, long way in the country. In fact, it was in by that famous country inn and hostelry, Smithville, which was a long walk out into the country. We would walk and walk and stop and mope and joke and then start and walk again. We would stop two or three times on that long hike into Sliding Rock and Silver Pool. Having had a swim and diving and sky-larking in Silver Pool and Sliding Rock, we would then dress and make our way back to school, again stopping about seven times on the way back, because it was a long, long walk.

MR. MURPHY: Did you swim with or without ..?

MR. SMALLWOOD: Without, we could not afford them. Besides, there was no one around. We would walk back to Bishop Field. That was away in the country. Mr. Chairman, do you know how far in the country that was? If you stand in this Chamber and look out through the window, you would have to look towards St. John's and you will see Sliding Rock and Silver Pool right down under you. That was away in the country. You can imagine..

AN HON. MEMBER: Did you ever play hooky?

MR. SMALLWOOD: Of course, I played hooky. Who did not play hooky? I mean, we called it mouching. We called it, mouching, hooky, but I mean the respectable word is mouching. You mouched from school, of course. I would say that I would not feel too much like having a swim now in Sliding Rock or Silver Pool. I would not, knowing that the water in it comes from Long Pond where also I swam. I would not want to swim in Long Pond either. What the Minister of Education has said here tonight is completely true. It is utterly and absolutely true. All of a sudden, Mr. Chairman, all of a sudden, in the last two years, all of a sudden, all North America has gone mad over pollution. We went through our entire lives, God knows what we were eating and smelling and tasting and enduring, and never knew it and never gave it a thought. Now we are all very, very conscious of pollution and rightly so, because there are more of us today. You take, in Newfoundland, let us say twenty years ago, twenty years ago, in Newfoundland, there are 6,000 miles of roads that we have now that we did not have

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then. There were, twenty years ago, about 30,000 cars, today, there are 100,000. Imagine! 6,000 miles of roads in the last twenty years, because that is not counting what was done in the first two years. There were 20,000 cars. Now there are over 100,000. There were 7,000 miles, 6,000 more miles than then, and the whole population going on wheels. We are polluting the whole of Newfoundland, every pond; glass, bottles, filth, dirt, empty cans, trucks, cars, everything under the sun. It is filthy. It is filthy and we are making Newfoundland filthy. What the hon. Minister of Education has said is one hundred per cent right. It is just too sad for words. However, the young crowd, Mr. Chairman, the young crowd have taken hold of this cause, this whole matter of pollution, and made it a great cause. It is almost, you might say, their new religion. It is almost like a new religion.

AN HON. MEMBER: (Inaudible).

MR. SMALLWOOD: I do not think they have that in mind exactly. But now all over the western world, the young crowd, growing up in the schools and colleges - it is like the Children's Crusade. Do you remember reading about the Children's Crusade; when hundreds of thousands of little youngsters gathered together in England, France, Germany, Holland, Belgium, Denmark, Spain, Portugal, and Italy and started to march across the face of Europe to rescue the Holy Lands from the Saracens, from the Arabs, from the Moors? It is about the same thing. You have got almost a children's crusade, young and old, against pollution. All of a sudden we are looking at it and wondering why did we not notice all the pollution all down through our lives. Perhaps, Mr. Chairman, it is because there really was not as much pollution then as there is now. After all, there were not as many people as there are now. We are a couple of hundred thousand people more than there were the day I became Premier. There are a couple of hundred thousand more people in Newfoundland. There are 6,000 miles of new roads or 7,000 miles of new roads. Cars are gone from 20,000, 30,000 to over 100,000. Everybody has gone crazy, on four wheels. As we go, we pollute. Perhaps it is a marvellous thing that the youngsters are making a sort of religion

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of it. They are making a sort of religious crusade. They are making a sort of popular people's cause in this crusade against pollution. It will be interesting to see what happens.

One thing keeps striking me. If this

MR. SMALLWOOD (J.P.): feeling in the United States and across Canada against pollution continues, if it continues, if it does not peter out and just fade away. Again, like miniature golf and all the other fads that arose, if this lasts, then Newfoundland could truly become a refuge for North America. "Come to Newfoundland and get pure air. Come to Newfoundland and get pure water. Come to Newfoundland and get clean soil and clean land, clean air wholesome, clean, Escape North America's pollution and come to Newfoundland."

We will not be able to say that if we have pollution too, or if we allow them to bring their pollution with them. But, it is early enough. I think, with resolute action, to prevent that and keep Newfoundland clean and wholesome and maybe we could benefit, not only ourselves in our own health and our children's health, but benefit enormously in the Province's economy. I hope so, anyway.

MR. MURPHY: Mr. Chairman, there are just one or two words I would like to add to that. As I look opposite me here in the gallery, I see a bunch of young men, I might call them Boy Scouts, but I think they are called "Ventures." What a great part these young people could play in this preventing of pollution and perhaps cleaning up. I presume they are doing their bit, and I know they must be very interested in this topic tonight. What strikes me, at this moment, is that I was listening to a radio programme. I think I was listening to my favourite programme in the mornings. There was an open line programme coming on about "Conversations With The Premier" at 10:17 a.m.

MR. SMALLWOOD: Does the Leader of the Opposition know...

MR. MURPHY: I was just going to pay the Premier a compliment and now, look what happens.

MR. SMALLWOOD: Does he know that that programme "Conversations With Premier Smallwood" has the highest rating of any programme in Newfoundland?

MR. MURPHY: Oh I would not doubt it for a moment. I mean, we were told the other day by the Minister of Health the great increase in the number of psychiatrists, so there must be a relationship one way or the other.

What I was going to bring up, Mr. Chairman, and I do not know if this will be brought to the attention of the Minister of Highways; during the winter this lady was calling and apparently it was on pollution. She said she followed a highroads truck somewhere along the Trans Canada Highway. The truck was salting the road, but apparently it did not have bulk salt aboard, it had bags. I think they are fifty or seventy-five pound bags. She said; the chap in the back would break open the bag, on the edge of the truck, He would sprinkle the salt out of the bag and throw the bag out over the side. What strikes me too, and I feel rather guilty myself, is that I do not see too many "no littering" signs, or, "\$25.00 fine for littering" on our highways.

MR. SMALLWOOD: It is \$100.00 - \$100.00.

MR. MURPHY: What ever it is, I am just mentioning that there are not too many of these signs around. It always struck me, when driving to the mainland, and in particular in my own car, I am just as guilty perhaps. The kids would be having a chocolate bar or something and would open the window and throw it out. Once you crossed to the other side you saw these signs. One of us always managed to get a fourteen pound bag or something and said, 'now look, put your papers in this.' Once we left Newfoundland, we were very careful how we treated the mainland.

Are these signs still on our highways?

MR. SMALLWOOD: Yes.

MR. MURPHY: They are eh? I drove back, actually from...

AN HON. MEMBER: There is one every twenty-five miles.

MR. MURPHY: Is that right? I am just bringing the point up. I am glad they are, but I drove to Baie Verte by bus and that now about two weeks ago, and I failed to see one of these signs. I was just wondering. Maybe it is my eyes.

MR. SMALLWOOD: Was this to one of these monster meetings?

MR. MURPHY: Yes, big meeting. We had...

MR. ROWE (F.U.): There is one of those signs, right beyond the overpass



on the Trans Canada.

MR. MURPHY: Right here by the overpass?

MR. ROWE: Just a few yards beyond.

MR. MURPHY: You are lucky to see anything at that overpass. You have to keep your eyes open out here. This has to be confusion centre for sure, that overpass here.

As I said, these are just a few thoughts I had, since that lady phoned in about the highroads truck. It struck me that...

MR. SMALLWOOD: Did she get the number?

MR. MURPHY: I do not know. I am wondering if it had been reported because, it was one of those ladies who are very hepped up with pollution.

AN HON. MEMBER: (Inaudible)

MR. MURPHY: Well this was one particular truck. She did not say that every truck was doing it. She just happened to mention one, and you know, it is like the Premier when he makes a speech, it might have been two and then, by the time he is finished, it was one hundred, "not one, two, three, four." You know, something like that..

I am all for cleaning up, quite frankly, as the Premier says. I was listening on Monday or Tuesday night of last week, or perhaps it was Thursday, when our hon. Minister of Education was on, projecting his youth image, on recreation. The question came up about play areas and everything else. Anyone living in St. John's thirty years ago, if we are talking about recreation, had ten times the facilities, the open spaces that we have today. It is a shame that we did not preserve some of these places, because, anyone playing games know that all the back of St. George's field and all these places had plenty of room for recreation. We could swim at Long Pond and Quidi Vidi Lake.

MR. SMALLWOOD: Kiddy Viddy.

MR. MURPHY: Quidi Vidi Lake.

MR. SMALLWOOD: Kiddy Viddy.

MR. MURPHY: We had a public swimming pool down there.

MR. SMALLWOOD: Down where?

MR. MURPHY: There must be two different places.

MR. SMALLWOOD: Down where?

MR. MURPHY: Quidi Vidi Lake.

MR. SMALLWOOD: Kiddy Viddy Lake.

MR. MURPHY: It spells Quidi Vidi.

MR. SMALLWOOD: It is Kiddy, "Kiddy Viddy."

MR. MURPHY: Ah! that is the Premier's age. You are back in the dark ages. That went out with the bus.

MR. NICEFY: God, he is at it again.

MR. ROWE (F.W.): They used to spell it for awhile, Kitty Vitty. K-i-t-t-y.

MR. MURPHY: When you reach a certain age, you are sort of out of touch with modern names and things like that. I suppose St. John's was Sin John's in those days.

MR. SMALLWOOD: That is right.

MR. MURPHY: Yes that is right. Well, you know, you are so far out of date it is not even funny. But it would...

MR. SMALLWOOD: It is Sin John's, not Saint John's. It is Sin John's. It is not New-Found-Land, it is "Nu-fun-land", it is "Kitty Vitty".

MR. MURPHY: We are into the English hour now.

MR. SMALLWOOD: Do not be so nice. Do not be so nice and delicate.

MR. MURPHY: Well, I am delicate by nature.

MR. SMALLWOOD: "My heavings Mrs. Collings, did you see the flock of pidgings, flying over the mountings?"

MR. MURPHY: "And they flying in their dozings and dozings?" Yes, I heard it hundreds and thousands of times. As a matter of fact, it was hundreds.

MR. SMALLWOOD: Do not be so delicate

MR. MURPHY: I was quite interested in the hon. Minister from Lawrence's Pond, and I am sure that the problem around the home of the hon.

Minister from Topsail Pond over here is - we are becoming quite concerned with the problem. What happens in these resorts on Sundays and weekends

is that you get many hundreds of cars that sort of drive around and park awhile. You can go over to the place where they had stopped and you can always find a litter of paper bags, or they usually drive in the country like that to empty their ash trays.

MR. FOWE: Why do they not take them home? Nobody knows.

MR. MURPHY: Well, it is one of those things. It is a very grave problem, Sir, and I am sure that everybody in this House is very much concerned with pollution. While the Premier was talking about the people coming from away, to enjoy our fresh air and everything else, and I think to the great growth in our liquor outlets, I thought it would be a great place for an American to come to be polluted. Did that go over all right?

MR. SMALLWOOD: It depends on what he pays for it.

MR. NOLAN: Mr. Chairman, for the benefit of the member, "stoned" is the word. Normally I do not want to delay the Committee unduly, but I cannot help but agree with the expressions, by members on both sides of the House who have spoken. It is enough to break your heart to see what is happening in this Province. While the Premier says, on the one hand, that this may eventually be a refuge for many people in North America, he says it in terms of something that is to happen in the future. For many people in North America, this place, Newfoundland, can be an is in fact, for some who have the opportunity to come and who have the opportunity to move holus-bolus as it were, a refuge today.

No one here in this Province, who lives either in St. John's or any part of Newfoundland - Labrador, can possibly appreciate the type of life and the problems they have in New York City, Philadelphia, Chicago. They are moving not for example, in some cases, as all of you know I am sure, to relocate their businesses, because of pollution and environment of one kind and another, but they are moving because they want a place for their families to live and grow up.

I was responsible, a little while ago, or partially responsible for one area, through the Government of the Province, in moving something like 1,500 cars out of one very small location. In just a few weeks, after considerable public expense, people were dumping cars again.

AN HON. MEMBER: (Inaudible)

MR. NOLAN: Exactly.

MR. MURPHY: Do they file off the registration numbers? You could not trace them? You know, the numbers on the block.

MR. NOLAN: It is all very well to talk about greater enforcement of control. This is needed. It is nice too, and I agree wholeheartedly with the Premier on the so-called new religion of pollution and so on, which may in fact be going too far, because, by the exaggeration of it on all levels, often times now. While it is good, if you were sure that it would continue, the alertness of pollution I mean, the fact is, often times, when you reach a peak in a great crusade, it falls off just as easily and very, very fast.

AN HON. MEMBER: It is a fad.

MR. NOLAN: It is a fad, exactly. Remember this. I drive the highways just the same as the Hon. the Leader of the Opposition and all the members of this House. If you look at some of the people who are currently dumping their fried chicken containers, which are, incidentally, lined I believe in such a fashion that they will not disappear. In some instances they last longer than other containers, it is not always the older people who are doing it. We should always keep in mind that there are just as many young fogeys as old fogeys.

I had an opportunity recently to visit a large canning company, on some matters for the Province. They are desperately working in North America now, on containers that will evaporate eventually or dispose of themselves in some manner.

MP. CROSEIE: Biodegradable or something like?

MR. NOLAN: I think that maybe it, but I think you will find...

MR. CROSSIE: Inaudible)

MR. NOLAN: Self-destructible, but anyway, I was going to refrain from saying this, but since my hon. friend is using the fancy terms - the hon. member from St. John's West, opposite, I could use the phrase from a current television series that "it could self-destruct in five minutes."

The point is, it is a real tragedy. Sometimes I have wondered in Newfoundland, if it were possible, and of course it is not, how we would treat, when I hear the hon. Minister of Education talking about a number of lakes and ponds that he was very, very familiar with and is today, that are now polluted, and the Premier, if we had only two bodies of water in Newfoundland, we would treat them like pure gold. We have so much in the way of bodies of water, beautiful scenery, and we abuse it as though there is no end. It has been going on for years and years and years.

I am not sure what the answer is. Enforcement is only...

MR. MURPHY: A change of Government might be a help.

MR. SMALLWOOD: The hon. gentleman wants to pollute the whole Province.

MR. MURPHY: Speaking of old wrecks.

MR. NOLAN: Mr. Chairman, I do not intend to stand here to promote the affluent party. With respect, Mr. Chairman, I am as concerned about this as any Newfoundlander. We have people coming in here, always seeing all of the things that we do not see because, we are so often so near to the forest we cannot see the trees.

There is one item, by the way, that has come about in recent months, that the Government has been looking into for some communities. I do not know how far it can be extended - that is the possibility of incinerators for certain communities. Perhaps if the cost could be brought down, you could have greater local involvement, we could have incinerators. I am thinking in terms of, for example, what



the hon. Leader of the Opposition mentioned in terms of a community, summer communities and so on, and also my hon. friend the Minister of Education.

MR. MURPHY: We will have to invite the hon. minister up to give us an address.

MR. NOLAN: Well, with respect, the hon. Leader of the Opposition and myself are a party of two in this case, to do something along the lines, as discussed by my hon. friend. Perhaps if we should some day scrape together enough funds to get an incinerator, we could have the hon. Minister of Education come up for the official opening of the incinerator.

As the Minister charged, with tourism and also with parks in the Province at the moment, all I can say is, that we, look, we are always too casual about this thing. We see someone dump this stuff continuously on the roads and highways. Everywhere you look. It is not always the young people, it is the people of all ages. A complete and utter disregard, as though there was no end to the roads, no end to the ponds, no end to the lakes and streams that we have. I did not hang out in the east end or the northeast as the hon. the Premier did. My hangout was up around Capsins, up the river from Bowring Park.

MR. MURPHY: Twin Falls, Mount Pearl.

MR. NOLAN: Twin Falls, Mount Pearl, another beautiful place. I am reminded by the question of the hon. the Leader of the Opposition to the Premier, whether he went swimming in or without, that during the War, when the Americans established here, I had a good friend whose sister married an American. He had been given by his a sister a pair of very lovely trunks - swimming trunks, that I admired tremendously. He and his sister apparently got together and arranged to get a pair of them for me. I remember very distinctly, and I am sure the Leader of the Opposition will recall, in Bowring Park, the great crowds that would line the banks or lean over the rail on a Sunday afternoon watching the swimmers. I was one of the brave bucks one Sunday afternoon. This was

the first pair of trunks that I had had in my life, where you did not need a belt. I walked out to the diving board, very gaily, as I thought, and did the necessary jumping up and down. When I felt that I had the proper poise, not like my hon. friend here who is an expert swimmer, I leaped from the diving board into the cooling waters of Bowring Park, only to discover, when I was at the bottom, that the trunks were gone. I then spent the rest of that Sunday afternoon like this, in the Bowring Park Pool, while the people looked on and I was afraid to come out.

However, that was it.

MR. ROWE (F.W.): How old was the hon. gentleman at that time?

MR. NOLAN: About fourteen, I guess. Mr. Chairman, I finally found them. I had to stay in the water and keep going down. Anyway, perhaps we have delayed things enough on this point, but it is one that we cannot overemphasize. It is something that we must all be aware of constantly, and I think all of us in some ways are guilty ourselves in contributing in some small way to the type of pollution, of one kind or another, that we have.

Unless we all do our part, there is no sense in us trying to talk to, or talk at other people. Thank you Mr. Chairman!

MR. MARSHALL: Mr. Chairman, there are a few points, arising out of this, that I should like to ask the minister some questions on.

First of all, the report as to the condition of these ponds, both inside and outside the city, was detailed in an answer to a question that I made to the hon. Minister of Health. He said that the waters and the ponds inside St. John's were unfit for swimming and were unfit for consumption. I would like to ask the minister what correlation there is between the Department of Health, which is the body that presumably would find out the pollution situation, and this Clean Water Authority, (no.1)

(no.2), the minister also mentioned. I am delighted to see that the ponds inside the city will be cleaned up in the near future,

as soon as possible anyway but I would like to know, what is the ultimate authority? Is it this authority of the Government? We seem to have various levels of authority here. We have the Municipal Council. The hon. minister mentioned the Pippy Park Commission. Then, of course, there is this Clean Air, Water and Soil Authority.

It would appear to me that some of the problem may have arisen as the result of a coincident jurisdiction, and one Government organ leaving it to the other possibly, to do it. Does this mean that this authority now has the ultimate control?

MR. MARSHALL: Then, with respect to the other items, there was also mentioned by the hon. the Minister of Health that some areas outside of St. John's, the metropolitan area, were also apparently coming to the regrettable stage where they were becoming polluted because most of the bodies of water that he detailed there, and they were the major bodies like Cochrane Pond, Octagon Pond, Hogan's Pond etc., outside of the City, were unfit for consumption, unless the water was boiled. I do not know really how serious that was, whether it was just an answer, a necessary precaution to be taken or not. But certainly there has been a fair amount of pollution, according to that answer, from these areas outside. And, also, with respect to Octagon Pond itself; Octagon Pond is the only one, apparently, in the metropolitan area which is in the same condition as the bodies of water inside the city, and there were a fair number of people who used to use Octagon Pond for swimming purposes, which apparently they cannot do now.

I would like to know the causes of this pollution. Does it come from the steel plant on the pond itself, or what itself is the cause and what steps are being taken to correct it?

Then, Mr. Chairman, with respect to this business of pollution itself, I would like to just mention the fact that the hon. the Minister of Education referred to his place up in Lawrence Pond and how clean Lawrence Pond was. I was at Lawrence Pond myself, within the past two or three weeks, and on one side of the lake, anyway on the shore of the lake, there is a tremendous amount of, an undue amount, probably tremendous is too much, but an undue amount of glass on the side, empty cans and the same type of filth that you find around so often outside the environs. I feel that the suggestion made by the hon. member for Burin the other day, with respect to the disposable bottles might possibly be looked into, because it is not only in areas such as that but I can think of areas up around Salmonier, where you see cans all over the place everywhere, empty cans, empty bottles etc., these disposal bottles that are there. Certainly, I know it is a very, very

MR. MARSHALL: difficult problem, but it is a problem which somehow or other we have to tackle and have to master, because it is rather a disturbing situation, when you go some distance and some miles in the country, This is not a place like Lawrence Pond that is readily available by car, but you can travel in the country for a fair distance now and you can see at any given pond these beer cans, these coke cans and what have you, so that certain sections of the country really are becoming heaps of rust from these cans themselves.

I think probably a serious look at the practice of these companies, I know you have difficulties with respect to the policies of the bottling companies and you have to balance off the jobs involved etc, but certainly perhaps a little bit more co-operation might be illicit from that source.

Anyway, something will have to be done.

Now, with respect to this whole item of pollution and this vote for the Clean Air, Water and Soil Authority, which in total amounts to \$397,000, almost \$400,000, there is another question that I want to ask the hon. the Minister: Does he really think that this is adequate for the purposes? Because there is a report, that was put out by the Shawinigan Engineering Company, in co-operation with James F. McLaren Limited, of Toronto, to the Atlantic Development Board, which indicated, with respect to the pollution problem in this Province - now I know they would be geared towards ecology more than industry, but that -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: I beg your pardon?

AN HON. MEMBER: Inaudible.

MR. MARSHALL: No, no, but it was a report on pollution, on water resources. Well, with respect to water resources they said; "in our study we estimated that some \$33 million would be required to control the more significant effects of waste water discharges to the Province's waters, at this time. Thus a provision of Industrial and Municipal waste water treatment obviously has to be introduced..."



MR. MARSHALL: Now that to my mind is rather a startling estimate that has been made, this \$33 millions. I am wondering what other monies maybe available in these estimates, with respect to pollution. In view of that report, does the minister feel that this is adequate for the purposes? Also, two other questions that - one other question really in particular that I would like to ask the minister, one of the causes of pollution and one of the problems with respect to pollution of our water resources, There has also been the erosion of the soil, erosion of the soil by reason of increase cutting of timber in areas where timber had previously existed, before the unwise cutting of timber, indiscriminately.

I have read reports, with respect to the Hally Valley area that, apart from other considerations, apart from the cutting that is going on up there now, in any event they were having problems with erosion of soil on the river there, I think, it is the Hamilton River going through Happy Valley, anyway, the river in Happy Valley, and I am wondering whether the minister has any information as to whether or not the cutting that is taking place in the vicinity, up around there in Happy Valley, has any adverse effect or not with respect to pollution?

MR. CALLAHAN: Mr. Chairman, it is a long series of questions. I did not expect it to be that long, so I did not note them all down. They seem to fall in two or three general areas, one of them having to do with the ultimate authority, I think, it is a fair statement to say that the intention, in setting up the Clean Air, Water and Soil Authority, was not to remove from the jurisdiction of various departments of the Government matters in which they obviously have expertise, for example, in the case of waters, from the point of view of health. There is no intention obviously to remove from the Department of Health the authority, the responsibility, for that purpose. You know, the same with respect to the Department of Municipal Affairs, in terms of its responsibilities, in terms of water and sewerage system, on the part of Economic Development in terms of its responsibilities, vis-a-vis hydro-power, with the Power Commission or otherwise.

MR. CALLAHAN: These responsibilities were not removed from these departments. But what happens in any kind of development that may occur, virtually any development, Mr. Chairman, is that two or three factors arise, two of which we will say, as there are three maybe of interest, when the thing comes to the attention of a department of Government maybe of interest to that department, only one of say the three, the other two are not of interest. The Department may not know there is any reason to be concerned and so on and so on. So that the first purpose of establishing the authority was to co-ordinate, to bring together all departments, as I said earlier, and agencies of the Government having any interest or responsibility in the broad matter of pollution or environmental control.

Secondly, the legislation, in terms of those areas in which there were gaps or where there was no provision or where there needed to be a general provision made over and above anything then existing, the legislation went on to do that. What happens is, let me say this, that the authority is made up ordinary of the deputy ministers of at least five departments, being the Department of Mines, Agriculture and Resources, in which there are three deputies really, and anyone or all three, I suppose, could be involved, the Department of Health, the Department of Municipal Affairs and Housing, the Department of Fisheries, the Department of Economic Development. So that the permanent heads and the most senior officials in those five departments are the directors, for the purpose that any matter, which comes before the authority, automatically is seen to or is examined or is put under direction to somebody, by a Board of Directors representing all five departments, and therefore, all five ministers. This is very important because, for the first time you have this kind of co-ordination, and there is nothing in Canada yet quite like it, Mr. Chairman. The closest to it will be the new Department of the Environment in Ottawa.

This co-ordination, I think, is the best in the country. But, it was not done with the intention of removing from the departments responsibilities that they properly should have, and giving them to a new agency. It was

MR. CALLAHAN: a matter of co-ordinating all the various responsibilities under an umbrella whereby any problem that came along would automatically come under the scrutiny of everybody who possibly could have any concern therewith.

Now there are some areas that I have said, in terms of water resources especially, where the Act now overrides, for certain purposes, rights that had been granted or given over all the years. Nobody, regardless of those rights, is permitted to use water resources or to leave them in a lesser state than that in which he found them. This is the general principle.

In terms of air pollution, where there is no determination really, before, if it were not a matter of danger to health - , there was nothing to cover. There could be a pretty awful annoyance, but you could not do anything, because only the health aspect of it was established and statuted. So in those -

AN HON. MEMBER: Inaudible.

MR. CALLAHAN: I am sorry?

AN HON. MEMBER: Inaudible.

MR. CALLAHAN: Well that could be an example yes. Exactly. So the new legislation filled in the gap and went somewhat beyond it, became an umbrella for the general purpose of co-ordination and for bringing together the various agencies and departments.

But there is no question on the matter of jurisdiction over waters. Obviously, it does not matter whether the waters are in the City of St. John's or in other municipality or outside of it or partly in it, somebody has to have ultimate authority and that authority is vested in the authority.

MR. MARSHALL: I understand that, but I also hear now, with respect to Kitty Viddy or Quidi Vidi or whatever it maybe, . .

MR. MURPHY: Quidi Vidi.

MR. MARSHALL: Quidi Vidi that, - I think a Dr. Morris, who is the Medical

MR. MARSHALL: Health Officer for the City of St. John's, has made a report to the City of St. John's, with respect to the release of affluent, raw sewerage, from two or three houses down there off the Boulevard. Now who chases this up, is it the City of St. John's or is it your authority? Who, ultimately, is responsible to see that all of that whole river, from Kitty Vidi, or Quidi Vidi up to Long Pond, is free and clear of this type of thing?

MR. CALLAHAN: A number of agencies are involved, Mr. Chairman, and we are not anxious to see any of them get out of their involvement. You know we want to see as many people participate in this thing as possible. If there is a problem with storm sewerage or a problem with sewer pipes leading directly to a water body, obviously the City of St. John's has a responsibility. There is no question about that. I think we have a responsibility as well. So we try to co-ordinate. We do not try and push anybody else out of the picture. We do not try to override anybody, we try to bring people together, to get the problem solved.

MR. MARSHALL: Who has the ultimate responsibility?

MR. CALLAHAN: I think we would have the ultimate responsibility, if somebody did not move, we would have to make an order or take issue.

MR. MARSHALL: And you are taking this up now, obviously?

MR. CALLAHAN: Oh, yes. On the other matter the hon. gentleman mentioned, erosion problems in Labrador: I mentioned yesterday that we have a peculiar soil problem in Labrador. I am not aware of any serious erosion problem on the river. There was the suspicion of this kind of problem on the Gander River last year, and we are getting the report of it brought to our attention by, I think, the hon. the member for Gander. We took care of that situation, I believe. This happens from time to time, it is almost inescapable.

I think there was one other question?

MR. MARSHALL: Yes, Mr. Chairman, the non-returnable bottles in the country.

MR. CALLAHAN: Oh, yes, I think I can only give the same answer I gave earlier on these estimates, Mr. Chairman, namely: that we believe in our context that we would rather be like the "tail trying to wag the dog" to do anything about non-returnable bottles. Obviously our bottlers in this

MR. CALLAHAN: Province, their operations are determined by national trends and national manufacturers and unless nonreturnable bottles were banned across the country or in the provinces that manufacture them, I do not see what effect it would have to abandon them here, except maybe to put our plants out of business.

MR. MARSHALL: Before the minister sits, can you adequately carry out a proper programme with the budget you have there, in view of that report I referred to?

MR. CALLAHAN: Oh, yes, Mr. Chairman, because the disposal system, to which the MacLaren Report refers generally, are municipal systems which are being installed all the time. I think, my colleague, the Minister, last year initiated a programme, \$17 million, which is half of the amount in the report.

MR. HICKMAN: Mr. Chairman, on that same discussion that has been initiated by the hon. the minister, with reference to the Clean Air, Water and Soil Act, and I say this in the full knowledge that when new legislation is brought in and the new authority is created that you cannot expect overnight to see the startling results and controls. There is a fair amount brought in that one would like and there is a fair amount of trial and error. But there is a grey area, I suggest, still existing insofar as legislative control is concerned. I do not want to identify the area, but the hon. minister, I am sure, will recognize the area I am talking about. Let me give it as an example; There is an area in this Province where there was a piggery established, for handling 900 pigs. Regrettably, it was out in a municipality before the town was incorporated. Now that pig farm was responsible for some of the most obnoxious odour that one could possibly conceive. There were a couple of little shopkeepers around there, complained that people could not just come in there and buy meat, there would be a terrible odour of some of the meats and the other things that they had purchased there. The noise factor, apparently there is a certain time in the year when there is a tremendous noise from pigs, and apparently they prefer to carry on their activities at night. Then again, it was proven very conclusively that emanating from there were hoards of rats, mice, flies



MR. HICKMAN: you know, practically everything that you could conceive of. At the same time the gentleman decided to build a hennery next door, with all the odour that comes from that.

Now there was a petition from all the residents in that area and studies were made. The Department of Health studied it. Their officials went out, they came back with a report, and, as I say, I do not want to name the area, but the Provincial Health Department ruled that a so and so piggery and a proposed 20,000 bird hennery is a nuisance, but that it does not constitute a health hazard. That was the finding. It was also the finding of the Federal Department of Fisheries, because some of the waste materials were going into the waters of the harbour. They too found that it was very, very obnoxious, that it was a nuisance, that the odours were almost unbearable, but it does not fall within the definition of pollution, under the Act.

I believe that this is where the Act, and I repeat I am not saying this in the critical sense, when an Act is drafted, of this kind, you cannot take into account every conceivable problem that is going to arise. But certainly today, the criteria has to be more than whether or not it is a health hazard, to constitute pollution. The Isle aux Morts problem is something that was very much in the news about three years ago.

Again, this was before the legislation, but again the same situation existed. You had children becoming ill in their homes from the fumes of this plant. One gentleman, I think, left Isle aux Morts and moved back to Port Aux Basques, one of the school teachers. It was just a very unpleasant odour, almost an unbearable odour. It caused discoloration to laundry on the line and to the homes in the surrounding area. But, again it was not pollution in the meaning of the Act.

Now there may very well be, the hon. minister could very well answer and say, well, "if it is a nuisance to that extent, why not institute an action in a court of law for an injunction?" This has been done on one or two occasions, in Canada. Once I know of was a success. But it is an expensive action. It is a difficult action. It would probably have to be a mass

MR. HICKMAN: action. By the time you get, a lot of this for instance occurs in the summer when the court is in summer recess, by the time the matter comes for trial, the nuisance for that year has disappeared, so has the enthusiasm of some of the witnesses.

But apart from all of that, what the legislation intended to do was, I submit, to curb this type of pollution, and it has not done it.

Mr. Hickman.

This legislation received the unanimous support of the House. But I would like to see and I believe that some of the officials who were involved in administering this Act are inclined to agree that some more teeth should be put into this legislation. Some of the emphasis should be taken off health hazards and placed on the other items that I referred to here, the preponderance of flies, noise, rats, mice and odours. Surely, if you combine all that, it should come within the definition of pollution, but it does not.

MR. CALLAHAN: Very briefly, Mr. Chairman, we did for example close down and order a new schedule operation of a plant in Trepassey, last year, on a temporary basis, and ordered the plant (no health hazard, Isle au Mort all over again) and ordered the plant to submit plans for a reliable stack scrubbing system particularly, to prevent the remission of particulate matter, which was falling around causing flies and stench and everything else. They will not be allowed to operate this season unless they have a proper scrubbing system. Now it was not a health matter.

MR. HICKMAN: How about henneries in municipalities?

MR. CALLAHAN: Well all we can do, as we did with this one, we investigated this. This, in my opinion, was not a hennery for producing layers. This was a broiler operation. I am not an agriculturalist, as I think the committee knows, but my advisers tell me that there is nothing cleaner and more antiseptic than a properly run broiler house.

MR. HICKMAN: Yes.

MR. CALLAHAN: This is what I am told. There should not be any smell. There should not be any problem. It is pure, dry material. If it is taken away and properly disposed of, you have no problems, no odours, no nothing.

Now what do you do with a piggery that was there before the community was there:

MR. HICKMAN: I know.

MR. CALLAHAN: I think the community in that event can do only one thing and that is, buy out the owner...

AN HON. MEMBER: Or buy a clothspin.

MR. CALLAHAN: Or by a clothespin. Buy out the owner and give him the value so he can go somewhere else. Is there any other answer?

MR. HICKMAN: There is one other answer.

There is one other answer. It happened in Ontario recently where the court ordered the removal of them.

MR. CALLAHAN: There are private rights.

MR. HICKEY: Mr. Chairman, I have some good news for the minister. Maybe it is bad news for the minister. One thing, Mr. Chairman, that I would like Ms division to check into is the sewerage line that runs from the Torbay Airport to Middle Cove? Are you aware of this? There is a wooden sewer line that runs along the top of the ground. I am told, Mr. Chairman, that some of the residents there reported it, I am not sure. I certainly cannot say that it is, ~~not~~ the minister's department, because it was a while ago. The answer they got was that nothing could be done about it. I find this hard to believe. As I say, I certainly am not laying this particular one on the minister's doorstep, because it appears to be unbelievable that a large sewer line such as this one could be permitted to exist. It appears that there are several areas where it is punctured. It is really a nuisance to the community, over and above the pollution aspect.

MR. MURPHY: Where does that go? Does it go down the Middle Cove Road..

MR. HICKEY: Toraby Airport down to Middle Cove Beach.

MR. MURPHY: Oh, I see.

MR. HICKEY: It runs right along, top of the ground. Anyway, Mr. Chairman, for the benefit of the people who live in that community and the general area, I wonder would the minister be good enough to let me know just what the situation is on it? The other thing, Mr. Chairman, I would briefly like to touch on, is the situation that exists in Robin Hood Bay.

MR. MURPHY: This is the good news.

MR. HICKEY: I presented a petition a little while ago and there is another petition which is in the process of being circulated. It is a much larger one, I might add. The people are eagerly awaiting some word as to what the Provincial Government intend to do or what their recommendation will be to City Council. I listened, Mr. Chairman, with interest, to the hon gentleman speaking on this item, outlining how we can throw around garbage around the hillside and the various areas. Certainly, one has to agree that all of us are responsible. But, Mr. Chairman, I should point out that before we become too critical with the general public or the ordinary citizen, in throwing garbage around, I think we have to look and clean our own kitchens first. The Provincial Government must share a part of the blame. The various municipalities, Mr. Chairman, must share an even greater portion of the blame for the garbage heaps that we have everywhere or anywhere. A good case in point is the St. John's Municipal Council, who must obviously be well aware of the situation and how conscious people are of pollution and who are certainly well aware of the limited areas for swimming in and around the City. Yet, Mr. Chairman, they established a city dump within a couple of hundred yards of one of the few swimming spots in around St. John's, namely Sugar Loaf Pond. What they were thinking about, I will never know. Not only that, Mr. Chairman, but they appear to be quite arrogant towards anyone who suggest that they did anything wrong. They appear to be quite arrogant when they are reminded that half of their garbage, on particular days, is dropped along the Loggy Bay Road. They do not want to hear tell of it.

MR. MURPHY: Do they not wear covers?

MR. HICKEY: Some of their vehicles are covered. If all of them are covered, certainly the garbage is..

MR. MURPHY: Blown out of the trucks - droppings.

MR. HICKEY: Certainly, Mr. Chairman, it is not intentional. We are well aware of that. But regardless of how it gets there, as far as I am concerned, it is



Mr. Hickey.

the responsibility of City Council to clean it up, because they established the dump. They are responsible for the dump. They are the greater users of that area. But certainly, it is a disgrace that the condition that this general area is in, as well as the situation with regards to the rats, rodents, etc.

Mr. Chairman, the latest information that I have is that those rats have apparently left the dump and they are now down as far as the Janeway apartments. So while this may not appear to some hon. members to be very important, I feel that it is a very important subject and a very important matter. I think that the minister should determine what should be done and make some recommendations to City Council, as to what the Government feel they should do in cleaning the area up.

On motion Block Provision Canada Pension Plan, carried.

On motion Block Provision Salary Adjustments, carried.

MR. CHAIRMAN: With regard to the total, we made an amendment. I do not know whether it was an amendment or whether it was just..

MR. CALLAHAN: Appropriations-in-Aid, \$1 million. It has to be adjusted somehow.

On motion total Department of Mines, Agriculture and Resources, \$8,134,900, carried.

#### HEADING XIV - FISHERIES

HON. E. WINSOR ( Minister of Fisheries.) Mr. Chairman, before we get into the meat of the estimates, I think I should give a little, short introduction on the activities of the Department of Fisheries. The protection of the earnings of our inshore fishermen have been and must continue to be of paramount importance. In this connection, the Department of Fisheries and the Fisheries Development Authority have been developing a number of programmes, in conjunction with the Federal Department of Fisheries. The aims of which are to increase and diversify the productivity of our fisheries. We have witnessed the introduction of the nylon, bona fide, gill nets, the revitalization of the herring, first seine fishery, which had almost disappeared ten years ago. The development of the queen crab, the shrimp and lump fish resources - we

Mr. Winsor.

now have three plants producing the highest quality of crab meat. I should mention that this industry had market problems, due to many inexperienced processors with little knowhow, trying to produce a quality product. But I must say that Newfoundland was not included. As a result, the Government of Ottawa or the Federal Government introduced a price control programme, to stabilize the industry.

I am very happy to say that, although our operators were affected adversely because of this marketing problem, Newfoundland crab meat enjoys an enviable world reputation. In 1970, approximately 2 million pounds of crab were landed by our fishermen. I would expect that as the market picture brightens, this production should soon increase to 3 million pounds.

MR. SMALLWOOD: How much?

MR. WINSOR: It was 3 million pounds.

MR. SMALLWOOD: Worth how much?

MR. WINSOR: It is possible that it could increase to that this year, more than \$200,000.

I am very optimistic for the future of this particular shell fish industry. In 1970, we undertook to develop the shrimp potential on the north west coast of Newfoundland. I can tell you that this has been a very successful venture, not only for the operators but also for the fishermen in the local areas. The original project was started by using three Newfoundland type longliners, which were converted into small stern trawlers. When we think, Mr. Chairman, of the challenge that these fishermen had to face in changing from gill net fishing to the operation of a very sophisticated trawl and other equipment, the success of this programme becomes even more important and shows that our inshore fishermen, given a chance, can adapt themselves to new methods, in a very short time. The success of this project was so encouraging that seven more boats were equipped to prosecute the shrimp fishery. The fishermen

Mr. Winsor

converted their boats at their own expense. This cost was upward of \$7,000 each, which I feel is a very high cost to be borne by an individual fishermen. This is why I made reference to the need to help fishermen, such as those on the north west coast, when they decide to diversify their fishing operations. I am hopeful that not only will there be more vessels operating in this fishery in 1971 but that other processors will look very closely at the fishing potential of the area. While it is extremely important to the Province, at this present time, it will be more so when the Gulf of St. Lawrence is closed completely to foreign fleets. In addition to the development of the queen crab and shrimp resources, attention has also been directed, over the past two years, to the development of the lump roe, which in the current year could reach an export volume of 2,000 barrels, of 220 pounds net, with a value of \$150,000. The roe of the lump fish has characteristics similar to that of sturgeon and is, therefore, highly favourable as a caviar substitute, in the European gourmet trade.

Several major surveys have been conducted over the past three years and others are being planned. We have completely surveyed all of Newfoundland's inshore waters and identified commercial population of crab and shrimp. Last year we began the first part of a four year survey for commercial beds of Irish moss and other beds of marketable weeds. I should mention that Port au Port was completely surveyed, on a qualitative basis. We are in possession of a very detailed report on this resource. Indications are that Newfoundland is on the threshold of becoming a major supplier of this very important marine plant. We hope, in the next three years, to complete our survey, which will cover the whole Province. We have explored for new fishing grounds and also assisted our present scallop fleet, in the Port au Port areas, to expand their known fishing grounds. We also explored

Mr. Winsor.

in great detail potential scallop grounds in the Baie Verte Peninsula and feel that there is a good possibility that a limited scallop fishery can be developed in that area.

This year we intend to continue our scallop exploration in the Port au Choix, Port Saunders area, the Hare Bay region of the north east coast and also in Notre Dame Bay. During the past three years, the Department of Fisheries has carried out, in co-operation with the Marine Science Laboratory of the Memorial University, a very comprehensive survey, to locate and identify commercial mussel beds. This year we will be starting to search rivers of Newfoundland for commercial population of eels. This programme will begin on the west coast of the Province but eventually will cover all of Newfoundland. We have learned that live and processed eels are presently being flown by Air Canada, from other Maritime Provinces to major European markets. We hope to encourage our industry to do the same. The department will be undertaking exploration for commercial beds of clams on the north west coast and in the areas of Bonavista, Notre Dame Peninsula and Placentia Bay.

Gear development and introduction have also been a very important part of our programme. Last year, you may recall, Mr. Chairman, we equipped the Labrador scooter type with gurdies and gill nets, in order to provide an alternative method of fishing to their traditional reliance on cod traps. I may say that this was very much appreciated by the vessel owners, to help augment their earnings and some of them were in a position to carry on, which otherwise they would not have been able to do, without the re-equipment of their vessels to operate with gill nets, etc. I would like to make a brief mention of the success we have had with new types of fishing gear known as the western bottom trawl. I am certain that the trawler fishermen of our rugged South West Coast, as well as the operators of plants, will verify how successful this year has been. Not only does it produce more fish per hour but it also fishes on rougher bottom, with little or no damage. In many cases our trawlers have put several days from their voyage, as a result of the combination of the Captain's

MR. WINSOR:

know how and the effectiveness of this trawl. We are now planning to introduce what is known as a large mesh bottom trawl, and we hope this will have even a better performance record. In 1970 we introduced a new concept in scallop fishing gear. This gear was brought from Japan, along with a very knowledgeable scallop fisherman. The experiment was conducted in Port au Port, and in a very short time we saw this new gear produce well over twenty times more scallop than the gear being used previously by the fishermen of the area. We loaned gear to each of the three fishermen in the Port au Port area and they proved beyond doubt that this was a very effective catching device. This work will be continued in the present year on the Northwest Coast. The Department have been working very closely with Air Canada and several of our processors, in testing various types of insulated containers in which to ship major amounts of processed fresh fish to mid continental markets, and it is expected that large shipments will be going forth this year.

In 1970 we began experimental fishing trials of Japanese herring traps but, because of the severe winter weather conditions, this was not too encouraging. However, in one area of Newfoundland one of these traps produced upward of two hundred thousand pounds of herring, for an inshore fisherman with a two-man crew, in a boat of thirty-five feet. We hope to expand this programme in 1971. Over the years we have assisted many of our fishermen to visit other parts of the world, and Newfoundland, to become familiar with new methods of fishing and different types of fishing vessels. This programme will continue and hopefully expand, as we are extremely proud of the results.

In the past year the gradual enforcement of the Provincial Fish Inspection Act and Regulation, proclaimed in 1969, was commenced. This Act and the Regulation thereunder are complimentary to the Federal Legislation and are designed to protect the consuming public against the possibility of inferior quality merchandise being offered on the local markets. The



MR. WINSOR:

licensing of appropriate premises and transportation facilities is done by the Department, after inspection and registrations have been completed by the Federal Inspection Service. The operation and maintenance of approximately eighty community stages and fresh fish holding units continued to be supervised by our field representatives, who also disseminate departmental information to fishermen and collect necessary statistics and other data, through their field offices.

During 1970 we have increased the rate of bounties payable on both small and large boats. On fishing boats, from twenty to thirty feet in length, the bounty is now ten dollars per foot and on boats over thirty feet, up to thirty-five feet, the bounty is twelve dollars and fifty cents per foot; on boats from ten tons under deck up to one hundred and fifty registered gross tons has been raised from one hundred and sixty dollars per ton to two hundred dollars per ton. The small boat bounty was instituted in 1962 and since then we have paid six hundred thousand dollars to aid the construction of 3,122 small boats. Over the same period we have paid almost \$3. million in subsidy on gear. Since April 1, 1949, boats have been built under the various acts as follows: 489 new fishing vessels, with a total gross tonnage of 12,300 tons; thirty-five new coasting vessels, with a gross tonnage of 3,000 and sixty-four vessels rebuilt or repaired, with a total gross tonnage of 4,242. The total amount of bounty paid on all vessels completed during that period, together with advanced payments on new vessels now under construction and vessels being rebuilt, is \$3. million.

In 1970 a new standard longliner went into construction for the first time. This is a fifty-eight foot of some fifty gross tons, designed especially for fishermen who are able and willing to fish for not less than ten months of the year. Six of these boats are now being built and in addition to being fitted for longlining and gill netting, one will be engaged in Danish seining and another in crab fishery. The Fishery Loan

MR. WINSOR:

Board of Newfoundland and Labrador continued to play an important role in the fishery development and in 1970 there was an increase in the construction of multi-purpose boats. This was due mainly to the fact that a considerable increase of funds were provided by Ottawa for this purpose. Seventy-seven loans have been approved by the Loan Board for the construction of this type of boat but, because of the late start, only fifty are presently under construction and three have been completed.

During the coming year, Mr. Chairman, it is estimated that ninety of these vessels will be constructed. This will result in a \$3. million building programme and employ approximately 250 men and will require at least 300 men to man the boats after they are completed. In addition to this, it is anticipated that loans will be required for approximately 200 small boats, ranging in length from twenty to thirty feet. Mr. Chairman, with the increase in the price of fish and the opportunity for inshore fishermen to sell all species of fish, fishermen are anxious to improve their equipment and fishing methods. It is anticipated that a considerable increase in loan applications will be made, for the purchase of engines, hoisting equipment and electronic equipment.

Mr. Chairman, I have great faith in the future of our fisheries. Our fishermen continue to prove that they are second to none and, in position of modern catching equipment and techniques, they will not be outfished by anyone. Through greater diversification, increased productivity and continued high quality standards, we will maintain our competitive position in international markets, to the benefit of all those engaged in our most traditional and honoured occupation.

MR. MURPHY: (Inaudible).

MR. CHAIRMAN: Shall (01) carry?

MR. EARLE: No, Mr. Chairman, the subject of fisheries being such an important one, it certainly cannot go through the House without due notice. While I would

MR. EARLE:

not want to speak very long, there are about seven or eight minutes left and I cannot say what I have to say in that time so, if the Committee would wish, I could adjourn the debate and we could carry on with the debate tomorrow.

MR. MURPHY: Who is the House Leader now, in the absence of the other House Leader?

MR. EARLE: I move the adjournment of the debate.

AN HON. MEMBER: No, no.

MR. EARLE: You want to go on. All right we will carry on. It is quite all right. We will carry on while we can.

MR. HICKMAN: Now let the backbenchers have their say, if they want to go home.

MR. EARLE: Well, Mr. Chairman, on the subject of the fisheries, I suppose in the long history of Newfoundland there is nothing that has been written about and spoken about and discussed in, out, upside-down and inside-out, as the fisheries have been. There is very little that can be said about this industry that will not be a repetition of many things that have been said on many occasions before. But, of course, it goes without saying that the fishery itself is so important, to so many sections of this Province still, that it is of the greatest importance that we address ourselves to it and give it some very careful attention indeed.

Now, in listening to the Minister, he outlines a fairly comprehensive programme for the Government in the coming year, and it brings to mind a few remarks that were made when we were on agriculture this afternoon. It was said that in the field of agriculture there was less produce produced in many different items, such as cabbage, turnip, eggs and what have you, than there was one hundred years ago. Well if this is true of the agriculture field, it certainly is most true of the activities in fishing. The fishery as it used to be conducted, and I well remember it, was a source of employment for so many of our people, in so many places, in such a variety of activities, all of which have virtually disappeared from the face of Newfoundland today.

MR. EARLE:

This was brought about by the predominance and the importance of the shore fishery, the inshore fishery, which in itself automatically led to a great field of processing, packaging and exporting. There were many of the great commercial firms around the country who existed for generations and centuries, having their packing plants in all the bays and inlets and islands of the Province, where they carried on these operations and, through them and by the means which they employed in those days, there was a great body of Newfoundlanders employed in all sorts of activities, particularly when it came to the processing and packaging of fish products.

Now today we think only along the terms of refrigeration and the freezing of fish, which is brought about by the so-called modernization of the industry. But like the other industries that were mentioned this afternoon, this is fast developing into far too few men carrying out what was once a great industry and employed many. I do not have to think back very many years when the catch of shore fish in areas of the country and many of the bays was in the tens and tens of thousands of quintals and, quite contrary to what is produced today, this was mainly hard dried, light-salted shore codfish, which in itself, in its own production, imposed upon the families of the fishermen and the fishermen themselves hours and hours of tedious backbreaking labour. The men were fully occupied when not fishing, preparing their boats, preparing their nets and finally in the processing and the curing of the fish before it was delivered to the buyer's hands.

The industries to which I refer and the activities of the auxiliary industries to their fisheries were, of course, in the package making itself, in the preparation of casts, butts, drums and boxes of all types and shapes, for the export of fish to many, many markets, where a great variety of shapes sizes, qualities, dries were demanded. This in itself led to the preparation of the fish and the packaging of it in so many various ways that not a small industry but quite a large industry was created in making the packages to

MR. EARLE:

convey this fish to the markets. So that here again was a great source of employment, which has now disappeared. It was the type of employment which developed in our people skills which have also been lost. I suppose the successor to it is the fact that throughout many parts of the Province today we have excellent woodworkers and carpenters who perhaps originally, some of the older men, got their training in the preparation of packages for packaging fish. This was a skilled activity, which was generally passed on from father to son and was a great apprenticeship type of trade, where a chap learned his trade, and he had to be skilled, if he was to produce packages which were acceptable in our many markets.

This, Mr. Chairman, as I said earlier, was brought about by the necessity of packaging dry salted fish for the markets of the West Indies, the Caribbean area, Brazil, Spain, Portugal, Greece, Italy and all the southern European countries, Maderia and all of these places all of which demanded a particular type of fish, in particular dry, and generally a particular package. So what I am saying, Mr. Chairman, is that with the disappearance of the inshore fishery to a great extent and the production of light salt fish, there has also disappeared a great auxiliary industry in the preparation, packaging and the making

MR. CHAIRMAN: Order please! Shall the Committee rise, report and ask leave to sit again. Those in favour "Aye" contrary "Nay" carried.

On motion. Mr. Sneaker returned to the Chair.

MR. NOEL: Mr. Speaker the Committee of the Whole have considered the matters to them referred and have passed estimates of expenditure under the following headings: Heading VIII - Mines, Agriculture and Resources: Items 815(04)(07) to Total: Department of Mines, Agriculture and Resources with some amendments to the total and ask leave to sit again on tomorrow.

On motion report received and adopted.

MR. ROBERTS: Mr. Speaker, I move that the House at its rising do adjourn



MR. ROBERTS:

until tomorrow, Friday, at eleven o'clock and that the remaining Orders of the Day do stand deferred and that the House do now adjourn. Perhaps I could add, Mr. Speaker, for the benefit of hon. members, that we plan in the morning to ask if the House can go into Committee of Supply and to continue consideration of the estimates in the Department of Fisheries.

MR. SPEAKER: Moved and seconded that this House at its rising do adjourn until tomorrow, Friday at eleven of the clock and that this House do now adjourn.

MR. MURPHY: Mr. Speaker, on that motion to adjourn, I move that the House at its rising do adjourn until three o'clock tomorrow afternoon.

On motion amendment lost.

MR SPEAKER: It has been moved and seconded that this House at its rising do adjourn until tomorrow at eleven o'clock and that this House do now adjourn

This House stands adjourned until tomorrow, Friday at 11:00 A.M.