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SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Before commencing this afternoon's proceedings, it gives me great pleasure to welcome to the galleries a group of grade IV students from St. Clare's High School in Carbonear. I am not aware of the exact number of students nor who their accompanying instructors are.

We also have in the galleries an undetermined number of students from another institution, Memorial University, I believe. I trust that the afternoon will be interesting and informative for all of you.

HON. FRANK D. MOORES: (PREMIER): Mr. Speaker, on a very serious note, I would like at this time to pay tribute to Mrs. E. John A. Harnum. In the passing of Mrs. E. John A. Harnum, wife of our Lieutenant Governor, Newfoundland has lost a dear and distinguished citizen. I move that this honourable House record our deepest sympathy and express to His Honour our sincere condolences on behalf of government and the people of Newfoundland and Labrador. Mrs. Harnum was a gentle and devoted wife, mother and grandmother. In later years she fought a courageous battle against ill-health but always found time for the less fortunate of our citizens. Her dignity and humility has left an abiding impression with all those who knew her. Her passing last night at the age of sixty came as a great shock to me as I know it has been to all Newfoundlanders.

"I take pleasure in small things", she once said. Her family was her life. Her career was providing a well ordered home. The former Phyllis Dowden of St. John's, Mrs. Harnum was a quite, soft-spoken woman. She had become endeared and well known to thousands of our people for her devoted work to charity and social motivated activities. At Christmas and other times of the year she went to institutions of her own free will. Together with her husband she visited virtually every community on the island.

Mrs. Harnum was Honorary Vice-president of the National

Chapter of the Imperial Order of the Daughters of the Empire. She was Honorary Vice-chairman of the Girl Guides of Canada and Honourary President for Newfoundland of the Girl Guides. She was also Honorary President of the Ladies Division of Bally Hally Golf and Country Club.

This great lady has served this province well in Government House since 1969. I was privileged to know her and I was always touched by her sincerity and her dedication and her dignity. It is with great personal grief that I express to His Honour and other members of her family the most sincere condolences and I would ask the House to join me in paying tribute to this great lady.

HON. EDWARD ROBERTS: (LEADER OF THE OPPOSITION): Mr. Speaker, my colleagues and I of course wish to join in the motion put by the Premier and the words he used to express the feelings we all have at the passing of this great, dear lady.

This is twice, Sir, in as many months, that this province has mourned the passing of the Lady of Government House. Lady Outerbridge died within the past few weeks and now Mrs. Harnum.

Mrs. Harnum was a gracious chatelain at Government House, in every way. She added to the dignity and the graciousness of the royal presence in this province. As the Premier has said so very well, she was a lady in every sense of the word, a mother, a grandmother and a citizen who made a very real contribution to this province. Our hearts go out to His Honour. This was a terribly sudden bereavement. Mrs. Harnum had been in ill-health for some time as we all knew, but when I heard the other night that she was taken to hospital, it was a sudden shock to me and I am sure that to the Governor and to the members of his family this came as a very sudden blow and their grief was all the greater. So, we do wish to be associated with the resolution. I am very happy to second it.

MR. SPEAKER: It has been brought to my attention that also in the

galleries this afternoon is the federal member for Grand Falls, White Bay and Labrador, Mr. William Rompkey. I trust that your visit to this honourable House will be interesting and informative.

QUESTIONS AND ANSWERS TO QUESTIONS

MR. NEARY: Mr. Speaker, I would like to direct a question to the honourable the Premier. Have the government taken any steps to provide special assistance for fishermen other than welfare benefits to those fishermen whose unemployment insurance benefits have expired?

MR. MOORES: No, Mr. Speaker, not to my knowledge.

MR. NEARY: A supplementary question, Mr. Speaker. Have the government made any representation to the Government of Canada or the Unemployment Insurance Commission to have the benefit period extended for fishermen whose benefits have run out?

MR. MOORES: The answer is yes, to the Government of Canada, and no, to the Unemployment Insurance Commission, Mr. Speaker.

MR. ROBERTS: Mr. Speaker, if I may direct a question to the Premier. It is good to see him back with us. Would the Premier agree to meet a delegation of students from the Memorial University of Newfoundland with respect to the Student-Aid Programme?

MR. MOORES: Mr. Speaker, as I understand it, the Minister of Education and the Minister of Finance are presently doing that right now.

MR. ROBERTS: Mr. Speaker, a supplementary question. I am aware that the two gentlemen are meeting the delegation. I asked if the Premier would agree to see the delegation or a delegation.

MR. MOORES: Gladly, Mr. Speaker. I am meeting quite a few of them right now. The thing is that I would gladly meet with the delegation as well, if it is necessary. I hope that everything progresses favourably with the present meeting.

MR. NEARY: A question for the honourable the Premier, Mr. Speaker. Is the honourable the Premier aware that a group of concerned citizens are still waiting for his statement that he promised to make three weeks ago concerning the downtown complex?

MR. MOORES: Yes, I am aware of that, Mr. Speaker.

MR. NEARY: A supplementary question, Mr. Speaker. Would the Premier indicate when he is going to make this promised statement?

MR. MOORES: When the decision has been made, Mr. Speaker.

MR. F. ROWE: Mr. Speaker, I would like to address a question to the honourable the Premier. In view of the fact that the Premier has expressed in this House, Sir, a wish to have the Straits of Belle Isle District established because of the problems of both sides of the Straits. Newfoundland side and Labrador side appear to be the same. Will the Premier give some consideration to extending the terms of reference of the Labrador Royal Commission to include the Northwestern half of the Great Northern Peninsula?

MR. MOORES: Mr. Speaker, actually that will be for the commissioners themselves to determine. That was a personal observation on my part. I felt that because of the link between Labrador and the island part of Newfoundland, it would be desirable to have one mutual district, for the obvious reasons of the gap that exists between the two at the present time. It would be the commissioners decision as to if it is even done or not. That was only a personal opinion on my part and I would not like to say anything, certainly officially, that would have any bearing on the commissioner's decision.

MR. F. ROWE: Supplementary question to the honourable the Premier. Do not the government establish the terms of reference of such a royal commission?

MR. MOORES: Mr. Speaker, yes we have passed a bill to that effect, some time ago.

MR. F. ROWE: Supplementary question, Mr. Speaker, Then cannot the honourable the Premier change the terms of reference to include the northwestern half of the Northern Peninsula in their terms of reference?

MR. MOORES: Mr. Speaker, the bill is passed through the House. If the honourable member want to bring in a private members' amendment or whatever one does in a case like that, I should be only too glad to consider it. I think it should have been considered when the bill went through.

MR. WINSOR: Mr. Speaker, may I direct a question to the honourable Premier, as Minister of Fisheries? There seems to be a bit of confusion toward the compensation for fishermen who suffered loss of gear during a storm last fall. I understand it only takes in a certain area. I have had requests from Fogo District, similar fishermen lost gear in the same storm or other storms and it appears that they are not included. I wonder if the honourable the Premier would clarify exactly where and how far and what areas it includes?

MR. MOORES: I want to take notice of that question, Mr. Speaker, and as soon as I have the information I will provide it.

MR. F. ROWE: Mr. Speaker, in view of my complete confusion now, I cannot - is the Premier suggesting that there was a bill brought before the House to establish the Labrador Royal Commission?

MR. MOORES: Mr. Speaker, I interpret what the honourable member was saying was that the straits or the St. Barbe Coast Area, I thought he was talking about the Electoral Boundaries Act, I apologize in that case.

MR. MOORES: The terms of reference for the Labrador Royal Commission are such that hopefully, and this was discussed with the commissioners before they actually started their work, it was hoped that the recommendations for the southern part of Labrador and for Coastal Labrador, that the solutions to this particular problem would be such that they could be superimposed over the more rural parts of our province as well.

Now if it involves hearings in the province, the Northern Peninsula, for instance, I certainly would support it and I would certainly talk to the head man on the commission about it.

MR. F. ROWE: Well, Mr. Speaker, would the Premier be prepared to meet with me to talk over the possibility of convincing the royal commission of this?

MR. MOORES: Yes, of course, Mr. Speaker.

MR. NEARY: Question to the Minister of Social Services: Is the minister in a position now to state what government policy is concerning the \$30 per month that was a provincial allowance that was paid to the spouse of an old age pensioner who had not yet reached the age to receive the federal old age pension?

MR. MOORES: Mr. Speaker, contrary to what happened during the last administration whereby this was deducted whenever there was an increase in Ottawa, that was the case, and contrary to any protestations regarding this government taking away, it is with great pleasure I can answer the gentleman that the spouse under the age of sixty-five will be allowed to retain the Ottawa increase, because it is only humane and proper that that be the case and it should have been instituted a long while ago.

MR. NEARY: Mr. Speaker, is the Premier aware then that this will mean that the spouse of an old age pensioner, who has not yet reached the age of receiving the federal old age pension, that

MR. NEARY: this is a reduction of \$30 a month? It is a reduction.

MR. MOORES: Mr. Speaker, I am not quite sure what the gentleman is talking about. All I am saying is that the old age pension that has been increased, the people will be allowed to keep the increase and not have it deducted as was previously the case.

MR. NEARY: Mr. Speaker, that is not true. I ask the Premier to keep his facts straight. That is not true, Sir.

MR. MARSHALL: On a point of order, Mr. Speaker, questions may be asked but not entered into debate during the question period.

MR. SPEAKER: The honourable member for Bell Island is quite aware of the rules that are to be followed during the question period and it is quite out of order for him to enter into debate if the answer - the answer to the question may be unsatisfactory, however, it is not debatable.

MR. NEARY: Mr. Speaker, could I ask the Premier a supplementary question? Does that mean then that the \$30 a month provincial allowances is going to be dropped altogether?

MR. MOORES: It is going to be less.

MR. NEARY: Mr. Speaker, maybe the honourable Premier - maybe I am not making myself clear to the honourable Premier, but there was a provincial allowance of \$30 in addition to the old age pension, for the spouse of a person who was getting the federal old age pension but not old enough to get the old age pension herself, there was a \$30 provincial allowance, Is that going to be continued or is it going to be dropped?

MR. MOORES: Mr. Speaker, it is not only going to be continued but the raise that the person receiving the old age assistance gets will not be deducted from the spouse as it was done previously, for those in need.

MR. NEARY: No, that is not true.

MR. MOORES: It will not be deducted and the increase from Ottawa will be retained by the other half.

MR. NEARY: Supplementary question, Mr. Speaker, in other words then, what the Premier is saying is that two recipients one of the old age pension from the Government of Canada and one of the provincial allowance will now receive \$205. Is this what the Premier is saying? Between them -

MR. MOORES: What I am saying, Mr. Speaker, is that the person who qualifies for old age assistance will qualify now for the full increase that they got from Ottawa and it will not be deducted for a married couple, such as it was in the past, and that the spouse will retain the same amount as she or he is receiving now.

MR. NEARY: Well okay that is what I wanted to know.

MR. SPEAKER: The honourable the member for Labrador South.

MR. MARTIN: A question for the honourable the Premier, Mr. Speaker, first of all, in view of the fact that the legislation passed, regarding collective bargaining for fishermen, is practically unworkable, is the honourable gentleman aware of the problems involved? Secondly, what is the government prepared to do about bringing in amendments to that act?

MR. MOORES: Mr. Speaker, there is new legislation to come in on that particular subject because the other one was so bad. I cannot give the member the detail of it now but I can certainly find out and when it is tabled, gladly consult with him on it.

On motion that the House go into Committee of the Whole on Supply, Mr. Speaker left the Chair.

Head II, Mines and Energy

MR. BARRY: Mr. Chairman, when we left this on Tuesday I was finishing some comments with respect to questions raised by the honourable gentleman, Leader of the Opposition. I believe I had finished all but the last two questions.

These referred to, first the control of the administration

MR. BARRY:over the activity taking place on the Continental Shelf, the management of the resource. The honourable Leader of the Opposition I believe asked what our government's policy was with respect to this. Basically, purely and simply it is that our government feel, unless our province is in a position to manage this resource, to control the activity on the Shelf, that our province and our people will suffer. It is for this reason we have mentioned on several times in the past that it is not merely a matter, in negotiating with Ottawa, to get a division of revenue, to get a share of the royalties received. The province wants control over decisions effecting industrial spinoff, control over decisions such as where oil once found will be brought

ashore, control over decisions such as we made recently with respect to the AMICO farmout, that preference be given to Newfoundland goods and services and preference be given to the employment of Newfoundlanders in activity occurring on the Continental Shelf off Newfoundland.

There will always be a certain amount of federal input, There will be, hopefully, federal customs laws applied, although right now, for some reason or other, the federal government, the Liberal Government in Ottawa does not appear to be too concerned about this matter. In other places in the world, they have gotten around the application of law problems by designating, such as in the United States they designate an oil rig as a port off the country, with the automatic effect of having all the Customs Legislation, the Workmens' Compensation Legislation, Safety Legislation and the Municipal Law generally applying to the activity on the Continental Shelf.

This we feel is necessary also off our Shelf. We would like to see proper customs controls, we would like to see proper immigration controls. I am not too familiar with what is happening immigrationwise, but I do not believe the Federal Immigration Laws are being enforced on the Continental Shelf at the present time, although this possibly has very little effect, since when workmen come ashore then, of course, the proper immigration procedures have to be followed. Basically, I think whoever ends up with control of the resource out there and management of the resource, there will always be certain areas of federal jurisdiction, the fishing jurisdiction, the shipping and navigation, customs, immigration and so on, but we want the Province of Newfoundland to have the final say in how the resource is managed. This is the main term which is presently under negotiation with Ottawa.

The honourable the Leader of the Opposition also asked a question concerning the Petroleum Advisory Council which has been announced. He asked what was taking place here and I am happy to say

that there has been an Order-in-Council passed recently, within the last week or so, creating this advisory council, setting out the membership and providing for a full-time director and I think a couple of backup staff. There has been nobody appointed yet. We are presently looking at, first of all, who we will go to and ask to volunteer their services to sit on this commission. We have broken it down into representatives of labour, industry, the fishing industry, the university and so on, to get representation from all areas of our economy and our society in Newfoundland. We have not decided on the individuals, the actual individuals who will be approached here yet, but this should be done very shortly.

We are hoping that this body will provide a better means of communication between government and different areas of our society that have a particular interest in what is happening on the Continental Shelf. We hope this communication will work both ways. We hope that it will be a way of conveying and explaining government policy to, say, the fishing industry and also we hope to get a feedback from the fishing industry, from business people and so on, back to government, to keep us aware of particular problems that our people might be concerned about.

The last point referred to by the honourable the Leader of the Opposition was the power commission or several matters relating to the power commission. He asked what government policy was with respect to future development, future generating capacity. Basically, the power commission attempts to keep at all times a four to five year projection of future needs. In deciding which form additional generating capacity will take, the power commission has to make certain assumptions or anybody making projections in this area has to make certain assumptions with respect to, for example, what the cost of fuel is going to be. This is important if they decide on the thermal generator alternative. They also have to look at what the cost of capital is likely to be, not just this year, but two, three, four or

five years in the future, It is a matter of getting a balance.

The hydroelectric alternative is attractive if the cost of capital is down and if environmental considerations permit, but as the cost of capital goes up and it has gone up over the last four or five years, the last ten years I suppose if not longer, then the balance shifts in favour of a thermal generating unit. However, as the cost of fuel goes up, then the operating costs of the thermal unit increases, so that, whereas you might have a lower initial capital outlay for a thermal plant versus a hydroelectric development, you have to look at the long-term as well as the short-term and realize that whereas the operating cost of a hydroelectric development is low, as the cost of fuel goes up the operating cost of a thermal plant increases. It is a matter of balancing out these various factors.

The way the power commission seems to be tending right now is in favour of future thermal generating plants, barring no unforeseen change on the capital market or the cost of fuel. However, there is another factor that must be remembered, of course, and that is the availability of hydro potential on the island. There are a number of areas which are presently being looked at and which (apart from the Lower Churchill of course) could be suitable for hydroelectric development. One of these is Cat Arm on the West Coast and...

AN HON. MEMBER: (Inaudible)

MR. BARRY: Well, wherever -- if there is a hydroelectric development, it looks like this would probably be the next area where this would happen.

I think this answers most of the questions the honourable the Leader of the Opposition had with respect to the power commission except for the membership of the commission. I understand that the salary is \$6,500. I have to confess that I have not checked that point. That is the figure that was mentioned to me earlier and I will check it again. There has been no increase to my knowledge, nor decrease. With respect to the policy of replacing members of the power commission,

government policy on this, I have to say there has been no decision made.

One of the things though, and this I have not discussed with my colleagues, one of the things that have been concerning me, not just with respect to the power commission but with respect to the different authorities that exist as semi-autonomous bodies only indirectly related to government, I see a problem in getting communications. How do you get communications between government and the power commission, between government and other like bodies? There has to be some manner by which government policy is injected into these bodies. The idea of the commission, I think, was exactly that. You had a power commission, if it were functioning properly, this would be the liaison between the government and the more or less autonomous body.

I do not know if the commission has operated like that in the past. I suspect that it has not but if it has not, we are going to have to look and see whether there is a need, either for change, for modification of the existing system or whether we go to

another method of getting this link between government and the commission or any other body. One way that has been suggested is say to have the assistant deputy minister of energy sit in either as a member of the commission or as a member of the management team of the commission to keep day to day input into the commission and to get feedback from the commission and government. As I say there has been no firm decision made on this and I cannot say any more than that at this time unless there are more specific questions.

MR. ROWE(W.N.): Would the hon. minister permit a question, Mr. Chairman?

At the present time does the chairman of the Power Commission report to the assistant deputy minister of energy or to the deputy minister of mines and energy or does he report directly to the minister? I ask the question because when I was responsible for housing in the Smallwood Administration, the chairman of the Housing Corporation used to take a very jaundiced view of reporting to any officials. He used to want to report directly to the minister and of course the minister's time is so taken up that often, as the minister has indicated, a semi-autonomous body like that has a tendency just to waffle around on the periphery of government and there is not enough control over it. So in the case of the Power Commission, who does the chairman report to now, directly?

MR. BARRY: Well, I think this has been one of the problems in the past. The legislation creating the Power Commission and I imagine the legislation creating the Newfoundland and Labrador Housing Corporation and others sets out, at least for the Power Commission, that the commission report to the minister. Now I suspect that what has happened in the past is that this has been taken literally although there is no necessity for taking it literally, in my opinion, because all it is saying is that the minister is the one responsible for the Power Commission.

MR. ROWE (W.N.): The chairman himself -

MR. BARRY: Yes but this is something that has been changed, in the last few months in any event, with respect to the Power Commission and there has been no reluctance on the part of the commission to do this. My feeling is that the minister is not able to keep the day-to-day contact, to keep up on the every-day routine of the commission and this is exactly why you have assistant deputy ministers or deputy ministers. So this is the idea of creating the post of assistant deputy minister of energy. Apart from responsibility for offshore development I anticipate a direct tie-in with the Power Commission and with other energy related bodies in the province, and I do not think there will be any need for any legislative change in order to achieve this. You could leave still the requirement to report to the minister and the minister merely designates which official receives the report and it is not necessary - it may have been a matter of status in some cases in the past or personal relations or something, but I could only speculate.

MR. NEARY: While the hon. minister is on the Power Commission, I wonder if I could put a couple of questions to him about the Power Commission's operation in Bishop Falls. The House will remember that certain allegations have been made about the Power Commission operation in Bishop Falls. I raised the matter in the House a couple of weeks ago and the minister promised to get some information on it but since then I have had a piece of correspondence from a gentleman in Bishop Falls, Sir, that I am prepared to table, giving me a list of some of the things that he thought were happening there that should not have been happening. Number one he said, "Whenever we go -

MR. BARRY: Could I read out the ones that were initially made and maybe if they coincide it would save time here. I will go through them one by one and report on the investigations -

MR. NEARY: Yes, if the minister is covering the carpenter sent to

Sandy Point in Norris Arm to work on the manager's summer cabin. Does he have that included?

MR. BARRY: No, I cannot say that that is one which has been brought to my attention.

MR. NEARY: Well, that is one of the points I wanted to raise and then there is the matter of company cars. The minister will be able to answer that. There is one, about 1972 they decided to rearrange the commission yard into different sections. Well, I better wait until I hear the minister's list and then I will go over it and check them off against this one.

MR. MURPHY: Another member wants to ask a question. Do you want to get his too so you might answer them all? The member for Labrador North.

MR. BARRY: Let me handle the Power Commission, as this one will take a bit of time. Could I have just a moment to find it?

Mr. Chairman, some time ago allegations were made concerning Power Commission operations in the Bishop Falls office. I have requested a report from the Power Commission, the management of the commission, with respect to the allegations made. I would like first to go through what was alleged and then refer to the response of the commission on these and my own decision concerning the matter. An individual who initially was anonymous but who has since contacted me directly—there is no need to mention the name—complained of mismanagement and abuse of public funds in the area. The specific complaints being as follows: First that the Power Commission personnel were hiring friends and relatives and ignoring local people; secondly that Power Commission personnel were hiring friends of important people in the Grand Falls Area while ignoring people in the Bishop Falls Area, suggesting that some students who had washed-out at university had been hired with the commission simply because their fathers held the right positions in the

Grand Falls Area. Now possibly the most efficient way of doing this is to refer to them one by one.

With respect to these first two allegations, the commission has reported that all hiring at Bishop Falls has been in accordance with standard commission hiring policy, that any position advertised is filled with the requirements of the position in mind, that hiring is on a provincial and not on a regional basis or on a town basis, that reference to local people in the Bishop Falls Area being ignored is not substantiated by records that date back to January, 1970, where it shows, out of people employed, there have been eighteen employed from Bishop Falls, six from Grand Falls, nine from Botwood, four from Winsor, three from Lewisporte and three from Norris Arm. With respect to the reference to important people, the Power Commission informed me that they do not maintain any social calender.

Now I am satisfied with the response of the commission as to these two allegations and I have decided that no further enquiry or investigation is necessary.

With respect to the third point, the allegation was that Power Commission cars were being used for private purposes and that when people in the Bishop Falls area started complaining about the misuse of government vehicles, the Power Commission people had the decals removed from the side of the cars. The informant stated that the Power Commission personnel were using the cars on off-duty time. He suggested that there was also an abuse of credit cards inasmuch as they were being used for private purposes.

The report of the commission was, to this: Personnel on call with radio cars are permitted limited use only. The commission has no record of any complaint either at Bishop Falls or elsewhere respecting misuse of commission vehicles. All vehicles requiring identification, as per commission policy, are so identified. No identification has been removed from any commission vehicle required to be so identified. There had been one reported incident of improper use of credit cards by an employee and the employee has since been dismissed. This employee, although in operation, was not a resident of the Central Newfoundland area.

MR. SPEAKER: Order please! There seems to be some disorder in the galleries. For the benefit of people who are in the galleries, it is looked upon with great displeasure where any demonstration of disrespect for this honourable House has taken place.

MR. BARRY: With respect to that, Mr. Speaker. I do not want to go into any detail. I would just like to point out to the individuals present in the galleries that the privilege of the House is not preserved for the individuals who are in the House but because the individuals who have been elected are representatives of the people of Newfoundland. This privilege is one that historically has been found necessary to be protected. One of the ways is by maintaining order in the galleries. Basically it boils down to, disrespect for the Chairman conducting the hearings in this honourable House is disrespect for the people of Newfoundland.

MR. F. B. ROWE: Mr. Speaker, with all due respect. There might be a certain amount of conversation in the galleries but I believe the matter that brought this to your attention was purely an accident. Something dropped off the rails. I do not believe it was any disrespect at all. It was simply something coming in over the rails.

MR. SPEAKER: I think the point is well taken and the business of the House may recommence.

MR. BARRY: So with respect to the third allegation made, concerning the Power Commission, I have satisfied myself that the information supplied by the commission is adequate and that no further investigation is necessary.

Another allegation that was made is that Power Commission personnel had no regard for the spending of vast sums of money and stated as an example of this that the commission transferred a gentleman from Whitbourne, just before Christmas, and that this gentleman stayed for some time in an hotel in the Bishop Falls area while awaiting accommodation presumably, following his employment. The main complaint in this respect was that a qualified person from the Bishop Falls area, as it later turned out the qualified person was the gentleman making the allegation, was available, that had he been hired the government could have saved money in the way of not having to pay hotel bills, relocation expenses and so on.

In answer to this, it was stated that a position of driver-groundsman had become available last fall and as required by hiring policy and the union agreement, this position was posted and filled by the applicant who in the commission's judgment was best qualified to fill the position. The employee chosen was transferred from Whitebourne to Bishop Falls and strictly in accordance with the commission's policy, was given fourteen

days board and lodging at commission expense while finding suitable accommodations for his family. This is a normal practice, I would submit, in any industry. The total amount spent was \$230.25. I am satisfied with the information supplied concerning this allegation and I have decided that no further investigation is necessary.

It was suggested that there was a link between the landscaping of one of the senior company official's lawns and landscaping work that was done for the Power Commission last summer. Apparently it was said that the senior official had his lawn done at the same time as the Power Commission, by the same company. The answer to this is that the Power Commission had no contract in Central Newfoundland for landscaping in the fiscal year 1972-1973. I am satisfied with this.

(7). It was suggested that line crews were apparently sitting around line shacks waiting for work. It was alleged that something should be done about having a back-up crew waiting around at full pay. Again the commission states that this is completely unfounded. Line crews, when they, because of unsuitable weather conditions cannot do field work, are engaged at servicing line equipment and tools or receiving upgrading instructions. There is no back-up crew at Bishop Falls or anywhere else in the system. The answer of the commission satisfies me on that point.

(8). It was stated that two examples of people who were abusing the helicopter - I think I have missed one. I am sorry. I skipped one.

(6). It was claimed that there was serious misuse of motor vehicles and equipment by commission personnel and examples stated of this were: The use of pickups, muskegs, ski-doo's and helicopters for hunting and fishing. The gentleman had a film which was shown

to certain officials. I did not see it. Individuals in government did see it. It purported to show employees of the Power Commission using the helicopter and a muskeg for hunting purposes. Now the commission with respect to this point stated that it had thoroughly investigated the claim and that there had been certain isolated and minor violations of commission policy with respect to hunting and fishing. The management of the commission is satisfied that there has been no serious abuse of equipment by personnel. Any use has been limited to equipment that has been in country on patrol and mine work and on return to base camp at Bishop Falls have brought out game and on many occasions this game did not belong to commission personnel but to licenced hunters in the area. While this is an abuse, a minor abuse of the commission vehicles, the commission policy is clear on this. Commission instructions have gone out with respect to it and I am satisfied that it is not a matter serious enough to require further investigation.

Another allegation was that there was mismanagement and waste of funds because of the renovation of a line shack. He said that there were three renovations since 1970. Now there is a pretty extensive report on the building that has occurred on the commission premises out there since 1970. Without going into detail the commission has clearly set out that there has been no abuse here. I am satisfied it does not require any further investigation on this point.

(10) The individual wanted an investigation to see what the costs are on a per capita basis for feeding men who are members of line crews. He suggested that unused groceries are taken home by various members of the crews and suggested that groceries are specifically ordered with the intention of being taken home. He also claimed abuse of government vehicles with respect

to this and stated an example whereby an helicopter was sent in to a line crew in the woods with a couple of steaks and this was apparently done in order to justify bringing a moose back on the return trip. He cites similar examples whereby muskegs were reportedly abused in the same manner. The commission reports that the supply of groceries for line crews when on line patrol or maintenance are through the normal purchasing channels, controlled by the department supervisors and foremen. The reference to the vehicles has already been referred to previously. This is being investigated. As I mentioned earlier, I am satisfied with the answer of the commission on this particular point.

MR. SPEAKER: If the honourable minister would permit me? I have been asked by the heads of the delegation which met with the Minister of Finance and the Minister of Education to direct a message to the Memorial University students here, that it is the wish of the delegation heads or the chairman that the students now return to whatever activity they were at before they came to the House of Assembly. As far as the chairman of the delegation is concerned, the need for their presence in the galleries is now over. They also express some concern with the behaviour of certain members. However, if honourable members will join with me in saying, generally speaking,

that behavior of the visitors has been commendable. A couple of the small instances were far less severe than could have been the circumstances had students tended to be unruly, as students in some institutions have been over the years. I thank the students, on behalf of the honourable members, for their generally good behavior.

MR. BARRY: That does not mean that I am going to lose all my audience, I hope.

MR. SPEAKER: I am sure that the honourable member will retain many of the students.

MR. BARRY: Another allegation was with respect to the use of equipment by a specific employee, foreman of the commission, and with respect to abuse of sick leave privileges by this individual. The commission has satisfied me that these allegations are unfounded.

There was an allegation that government property was not being disposed of in an acceptable manner and he suggested that 585 salvaged transformers were in one of the Power Commissions yards in the Bishops Falls area. According to him these salvaged transformers could have been disposed of and the proceeds applied to an operational fund rather than being left to rust.

The commission informs me that materials, equipment or real estate no longer a requirement of operations are passed over to purchasing or properties for disposal, as per commission policy. True, as they say, the commission has a quantity of transformers together with line hardware and other material in their yard, which has been returned from the system for various reasons. However, those materials were not declared surplus to the operations. There has recently been built an extension to the warehouse facilities to be set up as a recovery store section. Insofar as is economical, these various materials are being rehabilitated and taken into inventory for future system requirements. Some of the material has already been reconditioned and returned to service. I am satisfied with respect to that allegation.

The informant, as number fourteen allegation, alleged that

accidents involving power commission vehicles which were reportedly caused by drunkenness had been covered up and were apparently repaired at government expense with no disciplinary action taken against either of the drivers. Investigation reveals that this allegation is completely unfounded, that accidents involving either equipment or personnel are investigated by a committee. In the case of vehicles, the committee generally consists of a supervisor of transport, a safety and training supervisor and the supervisor of the department concerned and action is taken in line with policy directories. Safety is of paramount importance to the commission. Records and statistics are published by them monthly and submitted to national and international safety committees for comparison with records of similar utilities and other industries. Investigation of records indicates no such accidents as referred to by the individual concerned.

Another allegation was with respect to the same foreman using Power Commission time and personnel to dismantle a couple of line camps, and using them for his own private property. Investigation reveals this allegation is unfounded as well.

The sixteenth allegation was that irregularities occurred concerning the sale of vehicles that were sold on an "as is, where is" basis. It was stated that if Power Commission employees buy the vehicles, the vehicles are put in fairly good running order before the employees take delivery of them. It was stated that new tires were being put on vehicles just before the employees took delivery of them. Further claim was that there was a closed door policy in this respect, that office personnel had the pick of the vehicle fleets that were to be sold and if they express an interest in any of the vehicles then all other Power Commission people do not have a chance. The information that I have received is that this allegation is incorrect, that vehicles, as other materials surplus to operations, are disposed of in accordance with laid-down commission policy. I have a list of the disposal of vehicles from commission

records for 1971 and 1972. All units for disposal were advertised island-wide, made available for inspection and disposed of to the highest bidder. I have a list of the various sales, if anybody is interested. The units sold to commission employees were on the highest bid submitted and no preferential treatment was given.

With respect to number seventeen allegation. It was suggested that there is willful and deliberate destruction of government property and cited as an example was one skidoo that was deliberately destroyed by Power Commission personnel, by having tires slashed and so on. This allegation is completely unfounded according to the commission. I am satisfied that their investigation is sufficient to meet this allegation.

There was one other statement with respect to the gentleman not being able to make his case to Power Commission personnel and to the fact that he was treated by a supervisor in the Bishops Falls area that if the complaints were registered that the gentleman would never again get a job with the Power Commission. He also alleged that one of the supervisors said that he would not stand for any political interference in the running of the Power Commission Site in the Bishops Falls area. With respect to these allegations, the supervisor referred to was contacted and his version of the incident was that he stated to the gentleman making the allegation that all final decisions concerning hiring of personnel are made by the management of the commission and not by the supervisor involved. It was further indicated to the individual, when he said that he would go to government, that in the past, apart from furthering requests by certain individuals for employment, the former administration and the present administration had exerted no pressure whatsoever on the commission respecting hiring practice. The gentleman ended up his allegations with the statement that if no action were taken then he was taking these charges to the Leader of the Opposition, to the news media and he would also supply the film that he had to

the television stations in St. John's and to anybody else who was interested. Now, I have gone through each of the allegations individually and in detail discussed them with Power Commission personnel. The choice that I had to make was whether I accepted the answers of the Power Commission management or whether further investigation should be undertaken. It is my decision that no further investigation is needed and that these allegations have been met.

MR. BARRY: One other point, the individual making the allegations contacted me directly by telephone, identified himself, discussed some of the matter and made it clear to me that he was making the allegations, his wording was, "I would not make these allegations had I not been refused employment." On further investigation, I learned that this is an individual who had applied for a position, had not obtained it, had filed a grievance with his union and the grievance had been processed in the normal manner, the union were not supporting the gentleman and were not supporting the gentleman's position any further, and the union was satisfied with commission policy and decisions in this respect.

So I came to the conclusion at a very early state that the allegations were made by a disgruntled employee. But that I felt would not justify a scanty or no investigation into the matters. The matters were investigated in detail and I am satisfied that there is no abuse of the nature alleged by the informant. I do not know if there are any further questions the honourable members might have with respect to this.

MR. NEARY: Mr. Chairman, the minister cannot just brush off this very serious matter by saying that these allegations were made by a disgruntled employee.

MR. BARRY: I did not do that.

MR. NEARY: Sir, I saw the film. Eight millimeter film, we screened it one day in the office of my colleague, the Leader of the Opposition. It is some pretty powerful evidence, Sir, damaging evidence. It is right there before your very eyes the kind of thing that was going on, the kind of abuse and misuse of Power Commission equipment in Central Newfoundland. The minister just cannot brush it off. I wish the minister had carried out an independent investigation into this whole affair Sir, instead of asking the officials of the Power Commission to investigate themselves. It is just like the saying, you know, we used

MR. NEARY: to have when we were growing up, "Ask me brother if I am a liar," sort of thing.

I wish the minister had done an independent investigation Sir, because this particular gentleman is prepared to give evidence under oath that these things did happen. Now we will probably never find out, Sir, if the minister is satisfied. Obviously from the information that we have been given, there was a little hanky panky going on.

AN HON. MEMBER: Inaudible.

MR. NEARY: The film, the gentleman says, "Mr. Neary whenever you need the film it is available." As a matter of fact, the Executive Assistant to the Minister of Finance saw the film.

Sir, there were some pretty serious allegations made and maybe it is a good thing that they were, Sir, because now the minister may be in a position to correct any wrong-doing that was going on.

Just to give you an example, Mr. Chairman, talking about the moose, I will not use any names, I will table this piece of correspondence, Sir. It is March 15, Bishop Falls: "Mr. Neary, regarding the film I showed you early this week, our transmission line supervisor and our leading hand went into our line camps September 27 to get his moose and they were unsuccessful and returned again September 29 and on October 5, our ground maintenance crew were told to go to our line camp and repair it and watch for moose for our supervisor leading hand and a friend of theirs. However, we saw no moose that week and on October 7 we came back home.

"On October 10 we were told to go back to our line camp again, which was located on Hinds Plains on the transmission line leading to Corner Brook and on October 11 we were successful and killed our first moose.

"The next day we saw nothing but on Friday, October 13, we

MR. NEARY: shot our second one. The moose we shot so far was for the leading hand and his friend and "then he mentions another man's name," still did not have his. Our leading hand then told us that Mr."so and so" would bring in some grub for us on Saturday, October 14 by chopper. This would be a good excuse to bring the chopper in and he could have the leading hand go up to the chopper and have a greater view to see the country and locate his moose.

"The grub was brought in to us, although we had enough grub on hand to last about two more weeks. After the chopper came back from searching the countryside, the leading hand said that there were some moose we could get on the way out in one of our machines. Mr."so and so" then took a set of antlers aboard the chopper and returned to Bishop Falls, to drive one of our trucks to Buchans, to bring the moose out.

"Sunday, October 15, around noontime, on the way to Buchans, we spotted our third moose. Our leading hand brought the moose down with one shot and now we had Mr."so and so's" moose.

"I was then told by the leading hand to take the muskeg and go ahead to Buchans and telephone Mr."so and so" collect and tell him we had his moose. Also I did this from the Irving Service Station in Buchans, about 3:45 P.M., when Mr."so and so" answered the phone. I told him we had his moose. He replied; 'Did you get the one I wanted?' I told him I did not know, when I asked the leading hand what moose the supervisor wanted, he said, 'That is okay. We got the one he pointed out to me from the chopper.'

"Mr."so and so" arrived in Buchans about 6:00 P.M. We then proceeded to Bishop Falls and on arrival we cleaned out the truck that we transported the moose home in, also the muskeg that we brought the three moose off the line with."

MR. NEARY: Now, Sir, that is well documented.

MR. MORGAN: Was the season opened then or closed?

MR. NEARY: I do not know whether the season was opened or closed. I could not care less. This was the taxpayers money that was being used for this, Sir. It does not matter to me, Sir, whether the season was opened or closed. Maybe they are getting them out of season, I do not know.

But, Sir this is well documented. It is pretty powerful evidence, Sir, and I think it was sufficient to warrant an independent investigation. That is my opinion.

Sir, there were one or two other allegations that were made that the honourable minister did not answer. One I mentioned earlier before the minister rose to provide the information.

MR. BARRY: They were not brought to my attention. Any that were brought to my attention were investigated.

MR. NEARY: Fine. Well would the honourable minister make a note of this so he can investigate it?

The gentleman says that the Power Commission carpenter had to go to Sandy Point, Norris Arm, and work on the manager's summer cabins. As far as the grub is concerned, Sir, here is the allegation made about that, "Whenever we go to our line camp, we buy the best of grub and plenty of it. Also I know this is hard to believe, we also buy about \$50 to \$60 worth of pickled eggs and wieners. When we return home the grub that is left over is divided up amongst the men in charge. Consequently their store bill is pretty low.

"One of the line foreman!" this is another allegation. "Had his line crew take a diesel motor from the yard and load it into his truck, covered with a tarp so that the people outside the yard could not see it, and had it taken home. He used this diesel motor for a year and last fall it finally gave out. He also had his line crew dismantle it and bring out two construction shacks which he now has on his property, which was done on company

MR. NEARY: time." I do not know if that is listed in the inventory there that the minister mentioned for disposal.

MR. BARRY: I mentioned that.

MR. NEARY: Here is another one, Mr. Chairman, in my opinion enough to warrant an independent investigation. We are going to have independent investigation into the building materials on Bell Island, which is a legitimate thing. Why not have an investigation into this scandal in Bishop Falls?

Listen to this, Mr. Chairman, the minister says he is satisfied with the explanation, "Also Chawmont Engineering returned three ski-doo's they had on loan from the commission. Pieces were removed from the ski-doo's so they would appear that they had to be wrote off, When this was done the ski-doo's were put into the dump in the commission yard. After they were placed into the dump, they were taken home and the pieces that were removed put back on them and they were okay again." Mr. "so and so" was one of the men who did this, also one linesman."

A pretty serious accusation Mr. Chairman; but not sufficient for the minister to have an independent investigation - ask the Power Commission officials to investigate themselves.

AN HON. MEMBER: Why not?

MR. NEARY: Why not? Does it make sense?

AN HON. MEMBER: Absolutely not.

MR. NEARY: It does make sense. "Also in 1972 they decided to rearrange the commission yard into different sections for each crew. They hired on temporary help to do this. When it was partly done one supervisor was not satisfied, he wanted it done his way. It was changed to his way. The contractor who was putting up the fence was pretty near finished when Mr. Hobbs, the Chairman of the Commission, arrived from St. John's and cancelled the whole thing."

Listen to this one, Sir, "Since I started work," this gentleman says "Since I started work in 1970" and remember this is coming from a former employee of the Power Commission, Sir, and I presume he knows what he is talking about. The man did not strike me as a fool. He seemed to be a pretty sensible Newfoundlander, common sense. Maybe he is disgruntled he did not get a permanent job with the Power Commission, I do not know. But I would certainly like to find out if these allegations are true. "Since I started work," he said, "in 1970, the line crew that I was with usually played cards eight months out of the year. Last fall they decided to add a second line crew to help the first one." To help them to do what? To play card? They figured the first crew was over-worked. They figured they were over-worked, Mr. Chairman, and he said: "When I mentioned this to the Progressive Conservatives they did not seem to like it. The line shack that we stayed in, Sir, where they played these cards for eight months out of a year, was renovated three times in the past two years." Well it must be like the Waldorf-Astoria by now, Sir, wall to wall carpeting, card tables and all.

"They did not seem to like it," he said, "the line shack we stayed in was renovated three times in the past two years at a

cost of about \$30,000 this year alone." That could have been saved, Sir, and given to the students that we saw here this afternoon.

"Two line supervisors and one line foreman and crew spent six months trying to change shackles on transmission line 204 and could not do it. It is still not done."

The point I am trying to make here, Mr. Chairman, these are -
I am going to table this piece of correspondence, Mr. Chairman, it is the only copy I have. Could Your Honour have it xeroxed and -

MR. BARRY: Have a copy made for me.

MR. CHAIRMAN: The honourable member for Bell Island may present the document to the honourable Minister of Mincs and Energy. However there is no provision for tabling of documents in -

MR. NEARY: I want to get a xeroxed copy made, Sir. That is all right, the honourable minister knows the name of the gentleman who made these allegations. Presumably the honourable minister has it, "J.L.C."

The point I am trying to make, Mr. Chairman, that these are pretty serious allegations, well documented. Since these allegations were made, Sir, I have had a number of phone calls, three I think it was, three phone calls from residents in Bishop's Falls verifying that the allegations that were made, that the facts given by the gentleman were correct. Yet we hear the minister here in the House this afternoon read out a report from the officials of the Power Commission discounting the allegations.

Well, Sir, somebody is right and somebody is wrong. I am not saying that the Power Commission is wrong. I am not condemning the Power Commission in any way. I am not going to condemn the gentleman who made the allegations. But I still think, Mr. Chairman, that this matter is serious enough to warrant an independent investigation. I would like to ask the minister if he would reconsider this and in order to clear the air, to clarify the matter, to remove all of the suspicion from one side or the other, to get the facts, to get at

the truth of this matter, that he reconsider and appoint an independent committee to look into this matter of the allegations that have been made in connection with the Power Commission operation in Bishop's Falls.

MR. CHAIRMAN: The honourable the member for Labrador South.

MR. M. MARTIN: It is not too often, Mr. Chairman, where we have an opportunity for opposition solidarity here. Many times I think many more times than not I have been in total disagreement with what my honourable friend for Bell Island has had to say, but in this respect I support him one hundred per cent. I do believe the honourable minister is dismissing this thing much too fast. There is a real danger in having civil servants investigate themselves. I speak here from some experience in this matter because, well the honourable gentleman for Bell Island was recounting the story of the helicopter and the moose, I can recount a similar story almost word for word that actually happened to me while I was a member of the civil service, under orders I might add.

What we are asking civil servants to do when we are asking departments to investigate members of their own department, if these allegations are correct and they are guilty, then you are asking them to condemn themselves, and it is going to be a pretty strong individual who is going to get up and do that. There is nothing at all wrong in having an independent investigating body, perhaps from the Department of Justice even, to look into these various allegations when they come, for two very good reasons. First of all, if the allegations are correct, then justice should be done. Secondly, if they are not correct, then the parties who are charged should be given an opportunity to clear themselves through a third party.

I would also like to point out to the honourable members on the other side similar instances that happened in the last year and a-half with regard to matters that were brought up and subsequently turned into what is commonly known as political footballs. I refer

to the first case in the Department of Highways when they were charges of neglect and irresponsibility on the part of highway's personnel, specifically in this case in the Straits Area, and people who were in supervisory positions responsible for that operation, when we brought the matter to the attention of the minister last year and the year before, we were told that departmental investigations have proven that our allegations were incorrect and that we were only playing politics.

Similarly with the now defunct, thank heavens, the Department of Labrador Affairs, when we were trying to get an official investigation of the food shortages on the Coast of Labrador. The minister responsible at that time took it upon himself to phone his own departmental people in Labrador and ask them to say yes or no whether or not these charges were correct. And of course the answer he got back was "no, there is lots of food on the Labrador Coast," and this was not the case at all. It has only been since that we have been able to get an independent investigation on the coast, to look into these charges, that we have found that in most cases they are in fact correct.

So I do not think we should dismiss these things too suddenly without looking into them thoroughly, simply because the opposition has brought them to the attention of the government. I do believe that in justice to the people who are charged and in justice to the public whose money is being spent, that some third body should be able to be appointed to investigate this matter.

There are a couple of other things that I have to say with regard to the estimates being debated here, but I will take another opportunity and let the minister respond to this particular matter.

MR. BARRY: Mr. Chairman, whether intentionally or not, there are certain matters being distorted here. The first thing is that the individuals against whom the allegations were made did not investigate themselves. The investigation was carried out and my request was directed to the management of the Power Commission -

AN HON. MEMBER: Inaudible.

MR. BARRY: The investigation was carried out by the management who operate out of St. John's into the Bishop's Falls Area of operation.

Now the honourable the member for Labrador South warned me against dismissing this matter too fast. Mr. Chairman, this matter was raised first to my attention, it was not raised by the opposition, it was not brought to my attention by the opposition it was brought to my attention by members of government. The opposition may have latched on to it at a later time for their own purposes but this investigation was commenced following information conveyed to me by members of government.

These allegations were received on January 16.

Since that time I have requested an initial report from the management of the commission. In the initial report - I believe I mentioned it in the House when I received that, and I do not forget the date, approximately three weeks or a month after - in that initial report there were several matters on which I wanted further answers. One was with respect to the use of vehicles and company equipment for the hauling of moose. There was another one, I do not recall exactly what it was. I think it is the credit card abuse. I wanted further details on this.

The problem that I had, as I saw it, as minister responsible, was to decide, as I mentioned before the honourable members raised the point, was to decide whether the facts as alleged warranted a further independent investigation. Now, why did I ask that question? Why did I not immediately say, "Investigation! Let us go." Because I think that as minister I have a responsibility to not only the officials of my department. I should point out that these are not civil servants either that we are referring to here. These are members of the Power Commission. For all intents and purposes, I suppose the same thing, but the honourable member was referring to civil servants. I felt and I still feel that I have a responsibility to ensure that investigations are not carried out against officials unless there is good reason for the conduct of such investigations because, regardless of whether people have something to hide or not, it does nothing for morale of public employees to have the sceptre of investigation hanging over them. Now, this is why I had to first decide from the facts alleged, was there a need for an independent investigation? I pointed that out the last time that I rose in the House that that was the decision I was considering and that was the decision that I had to make as minister responsible, after going into the details, and I have.

The commission has admitted, in the case of the company vehicles, that there was some abuse. There was some minor isolated abuse. I think that, although I am not in any way condoling it, I

think it is an understandable abuse, knowing how our people live, knowing the moose mythology that is followed. He had his moose tied on out there in the woods somewhere and he was going out to get it and if the vehicle were passing along in that direction, on the way back, he would try to get his moose brought in. Now, I am not condoning that but I am saying that that or any of the other matters raised following my investigation and following what I felt was the only fair thing to do for the people against who the allegations were made, I felt the first and the only fair way of proceeding was to first ask them to explain the allegations made against them. To do that to one, is that not the fair thing to do? It is a normal course of events. Our courts follow the same procedures. They ask you to plead.

Now, I got an explanation. This is exactly the same procedure that is followed in the Department of Justice in deciding whether a criminal charge is going to be laid. They do not lay a criminal charge based on a mere allegation. The charge is first investigated. The question here was, "Was further independent investigation required?".

Now, if the only information I could get on it were from the people against whom the allegations were made, then I would probably have had to conclude that the only safe course to take would be to have an independent investigation, but the management of the Power Commission laid it on the line taking the responsibility, as they have to take as management, and assured me that they were satisfied, after investigation of the allegations, that there was no serious abuse. From the questions that I asked, after hearing the allegations, I was satisfied there was no serious abuse and on that I made my decision that an independent investigation was not warranted. I am not saying that I am infallible. I am not saying that I am positive that I am correct or sure that I am correct. All that I am saying is that on balance I do not think that we can ever proceed on the basis of calling for investigations on mere allegations.

I stress the fact that I do not dismiss these allegations because they were made by a disgruntled employee, on his own admission. I did not. I could have done that. I did not do it. It would not have been the fair thing to do. It would not have been the proper thing to do. I did not do it. I looked into them and I concluded, making the decision and accepting responsibility as minister, I concluded that there was no need for a further independent investigation.

Now, I am willing to take that responsibility. I may be wrong; I do not think that I am. But I think it would be damaging to morale, not just the Power Commission, I am talking about our public servants generally, the employees of government. As ministers and I submit, as members of this House we have a responsibility to protect our employees, to make their working conditions as favorable as they can be made, not accepting abuse for the sake of improving morale, but neither submitting them to a continual series of witch hunts based on allegations only. Now, this is where you have to get proper balance. It is not always the easy thing to do. I have made a decision in this case; I do not think that I am wrong.

MR. MARTIN: I thank the honourable minister for his explanation. I am prepared to believe that the thing was handled fairly and properly. The question that I would put to the honourable minister is this; having convinced himself that there is no need for a further investigation, should a subsequent investigation prove that these allegations or any part of these allegations were in fact correct, is the honourable the minister prepared to take that responsibility upon himself?

MR. BARRY: I am not sure what you are saying. Am I prepared to take what responsibility upon myself?

MR. MARTIN: Let me clarify it. Mr. Chairman, the honourable the minister I think has proceeded in the proper manner. I agree that we should do

everything in our power to maintain a high standard of morale in the civil service or amongst the employees of any government agency. In this case the minister has investigated and proven to his own satisfaction that there is no need for a further investigation of the matter. Should any subsequent investigation prove that certain allegations already charged are in fact correct allegations and that these parties or some of these parties are in fact guilty.

Mr. Martin.

is the honourable minister prepared then to take the responsibility for having dismissed it at this time?

MR. BARRY: What do you mean, am I prepared to take the responsibility?

I just said as minister I take responsibility for what happens in my department.

MR. MARTIN: Just for the record.

MR. BARRY: As the minister responsible for the Power Commission, I take responsibility for what happens in the Power Commission. If it should happen that it is revealed that this was an incorrect decision: (1) I will ask why that happened and there will be certain responsibilities all down the line, presumably; (2) The course that I personally will follow then, as I have to follow from day to day, is submit myself to the wishes of the Premier as to whether or not he still has confidence in me, following that decision, for me to retain the post of minister. It is as simple as that. If I be wrong, then a question of whether my error in judgment were serious enough to make my further continuing as minister questionable. It is as simple as that.

MR. NEARY: Mr. Chairman, I realize that the minister is on a sticky wicket. But, Sir, the -

AN HON. MEMBER: I was not in there after the moose.

MR. NEARY: No, Sir, I realize the minister was not after the moose but some of his colleagues may have been using government helicopters and planes to fish, and catch moose.

MR. HICKMAN: I, as one of the honourable minister's colleagues, ask that the hon. member for Bell Island withdraw that remark.

MR. NEARY: No, Mr. Chairman, I will not withdraw that remark. I can prove it.

MR. HICKMAN: Then prove it.

MR. NEARY: I can prove it that government planes and helicopters were used by ministers to go on fishing expeditions last year. I am not pointing at the honourable minister.

MR. HICKMAN: Nor me, nor anyone else.

MR. NEARY: If the hat fits him, he can wear it.

MR. CROSBIE: If there are going to be charges made, Mr. Chairman, let us have which minister and when?

MR. NEARY: Oh, come on!

MR. CROSBIE: Come on! Either that or just bluff out of it.

MR. NEARY: Mr. Chairman, the -

MR. CROSBIE: The honourable member should withdraw that statement.

MR. NEARY: The honourable member will not withdraw it.

MR. CROSBIE: Produce some proof.

MR. NEARY: Yes, I will.

MR. CROSBIE: Or the honourable member is a liar!

MR. CHAIRMAN: Order please!

MR. CROSBIE: A total liar!

MR. NEARY: Mr. Chairman, I ask the Minister of Finance to withdraw a nonparliamentary remark that he should not make in this honourable House.

MR. CROSBIE: Not bloody likely!

MR. W. N. ROWE: Mr. Chairman, on a point of order. We went through this yesterday. The hon. Leader of the Opposition was directed by the Chair to withdraw an unparliamentary remark, which he did, to the satisfaction of the Chair if not the honourable minister. I would submit, Sir, that the same rule applies to the Minister of Finance.

MR. CROSBIE: Mr. Chairman, I will withdraw the appellation that the honourable gentleman is a liar and say that he is a coward and a scoundrel, unless he produces proof of what he is saying.

MR. NEARY: Mr. Chairman, I am not going to go to the mat with the honourable minister. I think everybody is aware in this honourable House, Sir, who is guilty of name calling. We just saw

another example. I would like to remind the honourable minister, Sir, of the scandal on the Gander River. Let us have that. We can talk about that. We will deal with that later, the scandal on the Gander River, the love nest.

MR. BARRY: To a point of order, Mr. Chairman. There is a rule of relevancy here. I do not think that there are any generating facilities on the Gander River or any contemplated or any allegations of moose being hunted on the Gander River by Power Commission employees.

MR. NEARY: Mr. Chairman, I am afraid that the kind of hunting that goes on on the Gander River is not relevant to this debate. But, Sir, the honourable minister is on a sticky wicket.

MR. CROSBIE: On a point of order, Mr. Chairman. Is the honourable gentleman going to produce and make an allegation against a minister, that he used government aircraft to go on fishing expeditions, or is he not, because he made that statement and he can either back it up or withdraw that statement. There are eighteen or nineteen government ministers. We want to know which minister, when, who he is making the allegation against, and let us have the charge made?

MR. NEARY: Mr. Chairman, when we get to the Budget Speech, if the honourable minister is still the Minister of Finance, he will get the answer.

MR. CHAIRMAN: Order please!

MR. NEARY: Mr. Chairman, the minister, in his explanation, was rather inconsistent and so was the minister -

MR. CROSBIE: A point of order, Mr. Chairman.

MR. NEARY: There is no point of order, Mr. Chairman.

MR. CROSBIE: There was a charge made here today against some unknown minister. He went in government helicopters out fishing. Now we want to know, if that charge is going to be made, against which minister, what are the particulars, or we wish it withdrawn. This is a nonsubstantiated general statement.

MR. NEARY: Mr. Chairman, we already have charges. We already have very serious allegations and charges made in this House about corruption -

MR. CHAIRMAN: Order please!

MR. NEARY: I am speaking to the point of order.

MR. CHAIRMAN: Order please! The honourable member may address himself to the point of order but may not digress into any other matter which may be sub judice at the present time. He may direct himself to the point of order but only to the point of order.

MR. NEARY: Mr. Chairman, my reply to the honourable minister who raised the point of order is this: We already have on the public records, Sir. In the verbatim report for June 27, 1971, it will prove this, of unsubstantiated, serious charges and allegations made in this House, that were not proven, that did not have to be proved. Nothing was done about it, Sir. They are still on the record. They were charges made against me as an individual. It is a shotgun approach, Mr. Chairman, that I used. I did not zero in on anybody. If the minister is guilty, if the hat fits him, he can wear it. I have no intention of withdrawing it, Sir, because I will deal with the matter later when I am speaking in the Budget Speech.

MR. OTTENHEIMER: Mr. Speaker, may I speak to that point of order as well? The hon. gentleman for Bell Island made a statement that some ministers or minister had used the government helicopter for private fishing expeditions.

MR. NEARY: Or planes.

MR. OTTENHEIMER: Right, helicopters or planes or boats for fishing and/or hunting. I suggest, Mr. Chairman, that this in effect is an accusation that a minister has used his office dishonestly or is defrauding the

Crown because any government helicopter or aircraft is obviously to be used on government business and not for one's personal sporting activities. I would, therefore, suggest, Mr. Chairman, that the hon. Minister of Finance's point is well taken. The honourable gentleman should either prove that statement or withdraw it. If not, eighteen or nineteen people are left under the blanket accusation which in effect is one of abuse, for personal reasons, of public funds. If any minister use a helicopter or aircraft not on the public service but for his own private interests, then that is in fact an abuse of public funds. What I would suggest is that the honourable gentleman should substantiate it, who and when, or else withdraw it. I do not think it is right, Mr. Chairman. As a matter of fact I do not think "right" is the right word. I do not think it is allowed under parliamentary procedure that that be left as is. The honourable gentleman should either substantiate it or withdraw it.

MR. W. N. ROWE: May I speak to the point of order. I do not quite honestly, Sir, having observed the proceedings in this House for a number of years, see any point of order. One of the ministers or members might wish to raise a point of privilege or point of personal privilege or privilege of this House if they so desire. As far as the point of order is concerned, it has never been raised in that form in this House all the while that I have been here. I remember very well two or three years ago the present Minister of Social Assistance was making a similar charge against the government, unspecified, a general charge of the same nature. I can dig up the Hansards if the Chair directs me.

AN HON. MEMBER: February 27, 19 -

MR. W. N. ROWE: Well I do not recall. It was when we were in the administration. There was no point of order taken. There was no point of privilege taken at that time. As far as I can see, Sir,

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there is no point of order. There is disorder as far as the procedures of this House are concerned. It is up to any member in this House if he wants to raise any other point. Then, too, he will have to take the consequences of his own action in that regard, as far as order is concerned, Sir, I submit there is no point of order.

MR. BARRY: The point of order is purely and simply that allegations have been made which would reflect upon the honour of members on this side of the House. This is clearly, according to Beauchesne, contrary to, page 131: "No member can be allowed to attribute any intent to insult others or to question the honour of one or ..." This is the most cowardly

method of doing it, by throwing out a blanket allegation that could refer to any member of this hon. House. If the hon. member is taking that position, then he should have the courage to set out whom he is referring to and be prepared to prove it or else withdraw unequivocally the comments made.

MR. NEARY: To determine what I am talking about, I will document my evidence at a later date.

MR. BARRY: Until that is done, Mr. Chairman, it should be retracted.

MR. CHAIRMAN: Order please! While the hon. member may document his evidence at a later date, the allegation at the present time is unsubstantiated and the citation pointed out by the hon. Minister of Mines and Energy is quite correct, and I will repeat it for the record. "No member can be allowed to attribute any intent to insult others or to question the honour of one." The hon. member's statement is interpreted by the Chair as falling within that prescription and the hon. member is therefore called upon to retract that statement.

MR. NEARY: Retract what statement, Mr. Chairman?

MR. MARSHALL: This is absolutely intolerable. We have seen the likes of this going on since this session started. I am speaking on the point of order, Mr. Chairman. If the hon. the member for Bell Island is not prepared to withdraw his allegations and imputations against the honesty of people on this side of the House, then and in that event he can take the consequences, but we are not going to continue on in this vein for the next two or three years.

MR. NEARY: (Inaudible).

MR. MARSHALL: Oh yes, you will hear more.

MR. CHAIRMAN: The hon. member for Bell Island spoke to a point of order which had been brought to the attention of the Committee. Presumably at that point he knew whereof he spoke. However, to refresh

his memory and to indicate what is demanded to be withdrawn, it is the allegation that certain government ministers used government aircrafts and/or helicopters to conduct private fishing trips, and these charges have been unsubstantiated by evidence and he is called upon to retract them.

MR. NEARY: Mr. Chairman, since when in this hon. House do you have to retract a true statement, a statement of fact? When do you have to retract it? In the meantime, Your Honour has made a ruling -

MR. CHAIRMAN: Would the hon. member take his seat please? The hon. member is called upon to retract and he is again, as two or three days ago, not to be permitted to circumvent the point of order nor that which he is called upon to do, by prefacing his retraction or otherwise with a long speech. The hon. member is called upon to retract and nothing else.

MR. NEARY: Mr. Chairman, may I ask Your Honour a question? What about the -

MR. CHAIRMAN: The hon. member is called upon to retract.

MR. NEARY: No, Mr. Chairman, I will not retract because it is true. It is a true statement and we have a precedent on the record, Sir, charges made by the Minister of Social Services against me that were unsubstantiated on the records.

MR. CHAIRMAN: The hon. member will again resume his seat. The precedent of June, last year, is of no consequence whatsoever to this particular discussion. It is irrelevant and the hon. member has been given great leeway and the hon. member is obviously very provoked.

MR. NEARY: All right, Mr. Chairman, I will retract and I will deal with the matter under the estimates when we get to that department. Now, Sir, if I may be permitted to carry on, and we will deal with that precedent when the report comes in from the judicial enquiry, and I hope the hon. minister then will get up

and talk about the integrity of this House and the members of this House. Well we have rules of this House on either side -

MR. CHAIRMAN: The hon. member should direct himself to Head 1101(01). The hon. member has just retracted a statement and he is now going into irrelevancy by raising the point of debate again. The hon. member should direct himself to 1101(01).

MR. NEARY: Mr. Chairman, what I would like to have in this hon. House now, I would like to have it before we pass the vote of this department, is the log, I would like to have the log of all the time that was flown by government helicopters, especially the Power Commission in Central Newfoundland for the last year. I would like to have the logs tabled, Sir, before we deal with this vote. I think the committee has a right to have that because certain allegations -

MR. BARRY: To a point of order, Mr. Chairman. I would be prepared to find out where to obtain the necessary logs. I do not know if they are inextricably tied up with the operations of the aircraft but if they are not, if it is humanly possible I will undertake to try and have these logs tabled for the Power Commission helicopter. However, I think it is irrelevant and out of order at this time to refer to the logs of all government aircrafts, and I ask that it be restricted -

MR. NEARY: Well, Mr. Chairman, I would like to have the logs of all the aircraft that were used by the Power Commission, giving a list of the persons who were taken aloft aboard helicopters and aircraft, the purpose of the trip, the number of miles flown by these aircraft, the number of hours they were aloft and the names of all the passengers who were carried on these flights.

MR. BARRY: How many years back do we have to go?

MR. NEARY: Just since January 1, 1972. Mr. Chairman, I am asking the questions. Sir, the minister used the flimsy excuse that these allegations that were made by what appears to be a decent, honest

Newfoundlander could not be investigated because it might affect the morale of the employees of the Power Commission's operation in Central Newfoundland. Well, Sir, my answer to that is this, that if they are not investigated by a independent committee under the Public Enquiries Act that it will be more damaging to the morale of the employees of the Power Commission in Central Newfoundland. Mr. Chairman, let me point out that the allegations, the charges that have been made are not against all the employees of the Power Commission. It is only against the supervisory staff and the officials of the Power Commission. Sir, if the minister does not investigate it then the hourly paid employees of the Power Commission in Central Newfoundland feel that they are entitled to the same fringe benefits.

MR. BARRY: Who was accused of playing cards for eight months out of the twelve? Who was accused? The supervisory personnel.

MR. NEARY: Mr. Chairman, if the minister does not investigate it, then the hourly paid employees of the Power Commission in Central Newfoundland should be given the same fringe benefits, as they are taxpayers too, Sir. If a supervisor or an administrator or an official can use the government helicopters to go moose hunting or go fishing, then the same privilege should be extended to the hourly paid employees. I would say, if it is not, Sir, then that would damage the morale of the employees of the Power Commission because I would say, Sir, that ninety-eight per cent of the employees of the Power Commission in Central Newfoundland are not involved but unfortunately when somebody throws a handful of mud, Sir, you never know where it is going to hit and they are all tarred with the same brush.

Now I will deal with the, do not worry I will deal with that matter. When we get the logs in this House we will find out all about that. I happen to be an eye witness to one of these fishing expeditions and I could name the minister. If the Chairman had to push me much further, I would have named him, not only one but two. One fortunately is resigned from the House now. But,

MR. NEARY: Mr. Chairman, the minister is inconsistent with the policy of the Tory Administration.

Sir, does the minister know that at the present time there is an enquiry going on where civil servants are being paraded out in public? Yet the minister says, "No, we cannot do that to the poor old employees of the Power Commission," but we can do it to the employees of the Department of Social Services.

MR. BARRY: Have I got time for a smoke?

MR. NEARY: No, the minister does not have time for a smoke. I am going to wind this up now.

So the government is inconsistent, Sir. They make their own rules only when it suits them. I would suggest that in this case that the minister is taking the easy way out. I contend Sir, that the only way that this matter can be cleared up, the only way that the suspicion can be removed from the employees of the Power Commission in Bishop Falls (because right now you have the innocent probably suffering for the guilty, Sir) I think if it were investigated you would find out that there is only a handful, only a handful of the employees of the Power Commission who were misusing the equipment and helicopters and the cars and their credit cards and what have you.

I think for that reason alone, Sir, it is imperative that the minister appoint an independent enquiry, under The Public Enquiries Act. They do not hesitate, Sir, to set up a public enquiry on other matters. Why not this one? It is a pretty serious matter, Sir, some pretty serious charges have been made.

The minister elects to take the easy way out by brushing it off, by saying, "No, it will only hurt the morale of the employees." I would say, on the contrary, Sir, if the minister does not carry out an investigation it would cause worse damage to the morale of the employees in that operation. I think it should be done, Sir, to clear the air. There may be nobody guilty, but let us find out.

MR. NEARY: Maybe this gentleman is a crackpot. I do not know. He did not strike me as being a fool, Sir. I have given the minister a copy of the letter, the case seems to be well documented. The minister now has the letter in front of him. There are certain charges and allegations made in this letter, Sir, that the minister did not deal with this afternoon.

MR. BARRY: One or two.

MR. NEARY: No, there were more than one. I hope the minister will follow through on it now and investigate the additional charges that have been laid, Sir. This letter was written on March 15, when the gentleman in question first came to see the minister I believe it was back in January - January 16. This letter was written on March 15, Sir, which proves that further evidence had come to the surface to indicate that certain things were going on in the Bishop Falls Power Commission operation that should not have been happening.

I hope the minister will investigate, for instance, the Power Commission carpenter had to go to Sandy Point, Norris Arm, and work on the manager's summer cabin. The minister did not deal with that, Sir. There are a number of other unanswered questions.

As far as the cars are concerned, Sir, I do not think we got the full answer, I will just read what this gentleman says about the misuse of company cars. "There are five company cars, unmarked, unused by Messrs." so and so, so and so, so and so, so and so, and the minister has the list in front of him) "which are used by those people named, in the most cases by their families, as well as after hours."

"Some people around Central Newfoundland were talking about this - how the Commission employees were using Commission cars, so now when the Commission buys a new car, they do not paint them the Power Commission colour, so the people when they see these cars,

MR. NEARY: think they are owned by the drivers themselves. They have five cars like this now. The same colour they were when they left the automobile dealer. When the people were talking - one car that is still being used by Mr." so and so, "that was painted Power Commission yellow and had the Commission sign on it, had the sign removed and was painted green to look like his own car. This car is being driven by Mr." so and so "right now."

Well what about that? Why were the colours changed? Why were the names taken off the doors? Why? The minister did not give us an explanation for that. Did the minister know that the names had been taken off the cars? If so, why were they removed? What is wrong with having marked cars?

MR. BARRY: Any cars that are supposed to be marked are marked.

MR. NEARY: But are not all the cars operated by the government departments, crown corporations, are they not marked? The only unmarked car that I know of is the one that they had down in the motor pool -

MR. BARRY: The one that Al Vardy used?

MR. NEARY: No, the one the Minister of Social Services used for six months. That is the only unmarked car that I know about. In the Power Commission they have all unmarked cars now. Why? Why can they not be marked?

MR. BARRY: Inaudible.

MR. NEARY: The minister does not know the answer to that now.

MR. BARRY: I do not know the answers to the recent allegations.

MR. NEARY: Well did the minister give instructions to have the names removed from the cars?

MR. BARRY: No.

MR. NEARY: Well, will the minister undertake to have the cars marked again? Have the names put back on them?

MR. BARRY: No. The minister will undertake to find out what the policy is, what the situation is with existing vehicles, and report to the honourable member.

MR. NEARY: All right, that is fair enough. When will I get the answer, Mr. Chairman.

MR. BARRY: As soon as it is available.

MR. NEARY: Mr. Chairman, we are passing the estimates of this department right now. Can the minister go out and get on the phone and find out why the cars are unmarked and come back and let the committee know before we pass this item?

MR. BARRY: There is a list of allegations set out there. I have a note addressed to the Power Commission now, requesting their explanation of the matters raised - would this be acceptable to the honourable member?

MR. NEARY: Yes, okay, Mr. Chairman, I am an agreeable chap. I do not mind waiting for a day. I hope it does not take the minister forever to get me the answers, like some of the questions we have asked in this House, we have not got the answers yet. So if the minister can give me this information in a day or so, I will be quite happy with it.

MR. BARRY: As soon as possible.

MR. THOMS: There is another -

MR. BARRY: Could I refer to one thing?

MR. THOMS: Yes, sure, go ahead.

MR. BARRY: Just one point I do not think I should let go pass without commenting on. The minister did not take the easy way out. The easy way out for the minister would be to pull a Pontius Pilate and to refer it to an enquiry and to wash his hands and take no responsibility - that would be the easy way out. But I felt there was a certain responsibility to the employees of the Commission, I did not take the easy way out, I made a decision. Now I do not think that is the easy way out.

MR. THOMS: Mr. Chairman, during last year, the government carried out what they called a restructuring programme and I have already stated in this House, according to my estimation, this restructuring programme cost approximately \$1 million.

MR. THOMS: Now during this restructuring programme, or as soon as it was announced or shortly after, within the minister's department we had, the deputy minister was retired at an early age, an early date. I wonder if the minister would give us the reason why this deputy minister was retired? Give us how many years and how many months before this deputy minister arrived at the age of sixty-five which is, I believe, the normal retirement age? Tell us how much this minister received per month, because in the estimates of last year we had three deputy ministers listed at a total sum of \$61,819. This was for three deputy ministers. Their salaries were not broken down. So I wonder could the minister give us that information and at the same time he may give us the total cost that this early retirement will cost our province?

MR. BARRY: Well I should mention that this is the prerogative of the Premier, as to the appointment or dismissal of deputy ministers. This is not the prerogative of the ministers of the departments, as I understand it. This was done prior to my going into the portfolio.

The reason for the retirement, again I can give you what I believe the reasons to be, I cannot give you what the reasons of the Premier are, it was the Premier's decision and it is his discretion and that is it. But I have already commented in the House, I think it was earlier this session or last session - this session, on this point. I feel that a person who has put in as many

years as this deputy minister had should not be just flung out into the street. I felt that the people of Newfoundland are prepared to recognize obligations they have or to show appreciation to conscientious public employees who have made a great contribution to the province, as this deputy minister had. But I could see personally, and this is the factor that I brought up which had not been brought up, this thing was trashed out last year in great detail. The factor that I brought out was that I can see a time when it becomes necessary in a department, when you want a change, when you want an overhaul of the department, when you want a shaking-up of a department, when you want reviews of policy, moving into new policy areas where you have, and this is not a criticism of a particular individual, we are all like this. Individuals have certain hangups would be the colloquialism for them. They have certain likes and dislikes, certain biases and prejudices, certain areas they are knowledgeable in and mainly concerned in. When you want to get a new approach to a department, then it may become necessary to change the top person there. This happens in business. The same thing, as far as I am concerned, can happen in government.

Now with respect to the other question the deputy minister's salary that you referred to, a salary of \$21,600 a year. The present age sixty-two years of age, pensionable at sixty-five. This individual as I have mentioned before is a veritable encyclopaedic of past practices and backgrounds on various legislation and policy previously implemented. The person is on call to the minister when required. Basically I think this answers the questions and any other questions the honourable member wants.

MR. THOMAS: Why was he retired?

MR. BARRY: I just stated that. You will have to ask the Premier because that is the Premier's discretion the choice of deputy ministers, requesting deputy ministers to retire. I do not know.

MR. ROWE, W.N. They are appointed by Order-in-Council surely, if the honourable minister will allow me, they are dismissed by Order-in-Council. So although it is recognized in practice as the Premier's discretion, the Order-in-Council applies. So all members were involved in it.

MR. BARRY: The decision was that the department was moving into new directions and that it would be desirable to have a change in the management of the department and that decision was made.

MR. THOMS: Why this particular deputy minister? Why was that not follow all the way down the line?

MR. BARRY: Because it was not felt necessary.

MR. THOMS: Well was there something wrong with the policy of the deputy minister? Was he incompetent?

MR. BARRY: I think I have already answered that.

MR. THOMS: No you have not. No.

MR. BARRY: Do you think it is fair to start going into the life style of a particular individual here and of a person who is not able to defend himself and make allegations of incompetence against a public employee.

MR. THOMS: I am not making an allegation. I am trying to find out why the deputy minister was -

MR. ROWE, W.N. On a point of order, Mr. Chairman. The honourable member asked a question, "Was he incompetent?" The minister gets up and says he made allegations of incompetency. I would ask that the honourable minister not make that statement because it is not true. It is not a matter of opinion. It is a matter which is not in fact true, from the record.

MR. BARRY: He asked the question.

MR. CHAIRMAN: Order, please! The matter of debate between the two honourable members as to who said what and how one or the other of the members understood what the question or the answer was is not a point of order.

MR. BARRY: I have no idea whether the previous deputy minister was or was not incompetent. None.

MR. NEARY: Do you have any idea why he is being paid the full salary?

MR. BARRY: What would the honourable member suggest should be done, assuming that the decision -

MR. NEARY: On a point of order, Mr. Chairman. I am not suggesting anything. I am asking the honourable minister a question.

MR. BARRY: That is no point of order, Mr. Chairman.

MR. NEARY: That is a point of order, Mr. Chairman.

MR. CHAIRMAN: Would the honourable members wish a ruling on that point of order?

MR. NEARY: No, forget it, Mr. Chairman.

MR. BARRY: Once the decision was made that the deputy minister of the department is to be changed. Now that decision was made. Then what do you propose should be done with the previous deputy minister? Slung out with no salary? Fired after a long and faithful service to the province? He was paid full salary. He is on call. His particular background and experience and knowledge is still available to the province. I consider that -

AN HON. MEMBER: Inaudible.

MR. BARRY: Consider what? He never worked under me.

MR. THOMS: There is a reason. There is a reason and we have not got it.

MR. ROWE, W.N. I mean the honourable minister might draw in all the red herrings he wants to about what do you suggest we do with this man but the obvious relevant point, Mr. Chairman, is that here is a man who is getting paid, I do not know what, \$20,000 a year?

MR. BARRY: \$21,600.

MR. ROWE, W.N. \$21,600 a year. Now it is not unprecedented for a deputy minister to be removed from that post and kept in the government service in a valuable capacity. For example, the former

deputy minister of Justice, Mr. Greene was made -

AN HON. MEMBER: Inaudible.

MR. ROWE, W.N. I do not know what happened there. Well that is not a red herring that is a red , whatever they are up there - in any event, Mr. Chairman, Mr. Greene now serves a very valuable - I would say, in my opinion a more valuable service now in which he is given specific projects to attend to, The EPA deal was one of them, for example, he did an excellent job, applauded by all sides. I think he is probably involved in the -

AN HON. MEMBER: Inaudible.

MR. ROWE, W.N. That may be a point. He might have been in disagreement with the policy. I am talking about the legal aspect of it.

MR. NEARY: Is the honourable minister expecting the -

MR. ROWE, W.N. Well now if I may be permitted, my colleague will restrain his outrage.

MR. CHAIRMAN: Order please! The honourable the member for White Bay South has a right to be heard in silence, both honourable members to my right and to my left.

MR. ROWE, W.N. Right, Mr. Chairman. But the point is that men who have put in long years of service have a great contribution to make to the government service. The honourable minister has said that this gentleman who is, I would not call him a friend of mine but I am well acquainted with him. He seemed to know a considerable amount about what was going on in the area of the mineral resources in the province. Whether the minister agreed with his policy or not is really irrelevant because he could have been put in a position, Sir, as special adviser to the department or to the government -

AN HON. MEMBER: Inaudible.

MR. ROWE, W.N. Yes, he is. I will mention that point in passing, Mr. Chairman. But he could have been put in a position, a full time position where he advised on factual matters and this sort of thing which could have been of great benefit to the province. He could have

been taken out of a policy-making role. Now the minister said he is on call, I would like to know when was the last time the minister called him up on the phone? How many times since the minister became minister has he had this gentleman in his office to ask him questions, to confer with him, called him on the phone? Any other officials in his department might have had him involved on certain projects and this sort of thing? I mean how often is this happening really? I would say it is not happening at all.

We have a role in this House to play, Sir, and it is to protect the public purse, and here is \$21,600 being thrown out -

MR. BARRY: Inaudible.

MR. ROWE, W.N. Oh, listen to it. Listen to it, Mr. Chairman. The students were down there worked up to a fury as a result of the parsimonious attitude of the Minister of Finance.

MR. NEARY: He hid away when the students came.

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order please!

MR. ROWE, W.N. Did you call order, Mr. Chairman?

Anyway I used to think the Minister of Finance had some

AN HON. MEMBER: Courage.

MR. ROWE, W.N. Guts. But they went out of him, Mr. Chairman, since he joined -

MR. CHAIRMAN: Order please! The honourable member has certainly made his point, He may have been provoked into making his point by the Minister of Finance. However, the honourable member is asked to direct himself to Head XI - 01-01.

MR. CROSBIE: I do not have to take this, Mr. Chairman.

MR. ROWE(W.N.): No backbone left. Anyway, Mr. Chairman, our role in this House, the primary role we have here when supply is going through is to try to protect the public purse. Now \$21,600 thrown out the window really, as there is no other way you can paint the picture really, and this applies not only to the minister's department but to other departments as well, fisheries I believe and one other, two others really. Surely this man could have been kept on at work. It would have been better for him probably, from a psychological standpoint, doing his work and contributing to the province and certainly it would have been better from the standpoint of the government. I am sure that they would have gotten a good value, for their money paid, from this gentleman.

So the point that my colleagues have made and which I am making here now is that it seems to me to be kind of reckless to throw away what has been called an encyclopedia of knowledge in this particular field. As long as he is not required to come into work or not readily available and this sort of thing, well he is not really going to be performing that type of a service. It is obvious that the minister, if something comes up the minister is going to refer it to his existing officials and they are going to cope with the problem and the existing expertise in their department is going to try to cope with it. Really they are not going to go after a man who may be in the province, he may be overseas, Surely he is not required to hang around here twenty-four hours a day waiting for some phone call which may come three years from now, Mr. Chairman.

So what they have done in this case, as well as in the other cases, is really wasted over \$20,000 of the public money in each case. I do not think the minister - it was not the minister who did it, it was the government who did it, led by the Premier who

in practise has the right to dismiss or hire deputy ministers. So the minister cannot be held directly, personally accountable on this but the point should be made here, that it is a waste of money. I suppose we are talking about what? Well over \$100,000 a year, are we? Of public money wasted, men who have great human resources, as the term is, men whose human resource could be made use of by this government. If the government did not agree with their particular policy bend they could take them out of policy making areas and put them in purely factual areas using their encyclopedic knowledge that the minister has referred to two or three times.

MR. NEARY: Mr. Chairman, I wonder if the minister would tell us if there is any political patronage in his vote for George McLean?

MR. BARRY: Not a copper.

MR. NEARY: Not a copper.

MR. BARRY: Not a jot, not a tittle, not a copper.

MR. NEARY: Mr. Chairman, I wonder if the minister could tell us who publishes the newsletter, the offshore newsletter we get every month?

MR. BARRY: Do you like it?

MR. NEARY: No, I do not like it, Mr. Chairman, because it does not provide any valuable information. It might be all right when we discover oil and gas.

MR. BARRY: What? We have been having raids from all over the province about our newsletter, compliments have come in from all across the island and it is done very simply. It is done by Mr. Cabot Martin who is providing valuable service to the province, as my legal adviser, and a lot of the work is done by a very competent and capable young lady whom he has as secretary, Mrs. Gail Stack, who actually does much of the sorting of material herself and types it up and is director, editor, producer and writes the editorials and the whole works. But I think he is

providing a good service. The main idea is when we report say information on what is happening in the North Sea, it is not because we are saying this is what is going to happen out here tomorrow but it is to let businessmen see the sort of services that are required by oil companies, to let them see the sort of action that is going to be available and that is available in the course of exploration. This is being done and all the comments we have had is that this is a very useful report and I personally think it an excellent idea to start it.

The hon. member for Bell Island had a couple of questions. He wanted me to get into them the other night.

MR. NEARY: Yes, that is right. On the monitoring down in St. Lawrence and the situation in Buchans, Sir.

MR. BARRY: Yes, I have some information on all that. I do not know if it is the same order but the hon. member asked for the qualifications of our director of energy resources. This is Mr. Stephen M. Millan. The position was advertised nationally, last December. There were thirteen applications received and selection was made by the department on the basis of professional qualifications, the extent and relevance of experience, recommendations supplied by former employers, universities at which the candidates studied, personal references etc. and on personal interview. Mr. Millan received the Bachelor of Science, first class honours, in geology, at university. He has completed academic work for his Ph.D. and is currently completing his thesis. He has extensive experience in the offshore petroleum resource evaluation field and also operational experience. He was an area geologist with a large petroleum company with particular responsibilities for Eastern Offshore Canada at the time of recruitment, a very capable individual with the most attractive application that was received. We set out to attract him to Newfoundland and we did and I think we are going to get very good service from this individual.

Now with respect to St. Lawrence, we received representation from the union at St. Lawrence concerning the need for an additional radiation monitor. The situation has become a little confused because of the fact that as far as we can understand this is one of the terms that is being negotiated with the company now, the need for an additional radiation technician.

AN HON. MEMBER: (Inaudible).

MR. BARRY: Yes, we have gotten this indirectly. I do not know. It has not influenced government policy here. One of the problems that have arisen here is that as far as we can make out there is a shortage of equipment that is required for the necessary work to be done here. At the present time suppliers of some of the equipment have increased their prices very substantially for equipment which although it was sold as having the same characteristics as the older equipment, that is the equipment now being used, has been shown to have different characteristics which are not at present acceptable. It is a technical problem in getting proper additional equipment. Alternate suppliers are being looked for right now. This is, by the way, information I have received from the Mines Inspection Division. The equipment involves the process of air sampling which is one of the functions carried out by the radiation technician.

Government policy basically is that we recognize and we are sympathetic with the views of the union concerning the need for government involvement and government supervision of the radiation monitoring. The feed-back we have gotten from the union is that they are not

prepared to have this become a company task. Mr. David Rex, if I am correct - I am pretty sure that I am - is an employee of government who just recently, a couple of months ago - this is one of the problems that the union came on - he had some problems because of his status. He was on a contractual basis for the last three or four years or something and only in the last couple of months has he been brought on full-time as a full-time civil servant and there was some problem with his salary and fringe benefits and stuff and his classification that the union were concerned about at the time. This has been straightened out and Mr. Rex I know is doing a good job down there and the union have expressed satisfaction with the work he is doing but at the same time they did suggest that there is not sufficient monitoring, in their opinion, during the night shift, and this is what is causing the concern.

The mines inspection division have been asked to look into this. We are going to have to make representation to Treasury Board once the report of the mines inspection division as to the need for an additional technician is received. Basically our government policy is that whatever is necessary to ensure that the proper safety standards are adhered to will be done.

I mentioned the equipment problem just because if you get an additional technician, then there is additional equipment needed and there appears to be some snarl-up there in obtaining this at the present time.

Another question that the honourable member asked was with respect to Advocate Mines, and he referred to them as asbestosis problems. I am not quite clear if it was a problem. Well, the report that I have received from the mines inspection division is that there are dusty areas in the mine, and concentrated. A recently completed dust survey, covering the plant from October, 1972 to March of 1973, shows that conditions generally are very much improved. There are a limited number of areas which require further modification or further equipment

installations to reduce the dust load to acceptable limits. In most of the areas where occasional high readings are encountered, this is often due to lack of attention on the part of personnel employed in the area. For example, some part of the dust extraction apparatus may require removal during the performance of a normal maintenance procedure and a system may be temporarily rendered inoperative until that part is replaced. This type of failure of the dust control system is right down the human side rather than the equipment side. Attempts have been made and are continuing to be made to eliminate this type of failure and this is being carried out by training programmes which appear to be productive, and the company is being requested to provide a programme schedule for the installation of the remaining dust control equipment and the details for their programme to maintain salubrious working conditions for their employees. So, the mines inspection division is on top of the situation there. They appear to be satisfied that the proper steps are being taken to keep the dust at the proper level in the mine. I do not know if there is any other thing arising out of this that the honourable member might have. I would be glad to try and answer it.

The honourable member also raised the matter concerning Buchans, the tailings affluent. Now, this comes directly within the scope of the Department of Provincial Clean Air, Water and Soil and also the Provincial Affairs and Environment. Also, the Federal Department of Fisheries has an interest here. So, our department would not have any reports concerning the purity or lack of toxicity of the liquid affluent from the tailings pond at Buchans. Tailings which were initially being flung out to the lake have been impounded since 1966, at the request of the Federal Department of Fisheries. As an aside here, it is in one way fortunate that they have been, because it appears that this is one of the Buchans tailings, and one of the most prospective areas for barite that we now have in the province is the high

barite content in these tailings This is presently being looked at to see if this could be commercially developed. This as you know is the so called heavy mud that they use in drilling operations offshore. There are a number of areas where this is found but the tailings from the Buchans mine contain a very high content. Unfortunately up until 1966 this was being lost by going into Red Indian Lake. So, they have impounded since 1966 and since that time the Federal Department of Fisheries have been monitoring the flow and the purity of the liquid effluence. As far as we can determine, there has been a great improvement in the quality of the water discharged since 1966. The water is treated before released. It is sampled at frequent intervals both by the company and by representatives of the federal government and its level of toxicity I believe is therefore considerably less than it was during the years 1928 to 1966. We do not have the detailed information on the toxicity because this is something which is being carried out by the Federal Department of the Environment as it is called right now.

One further question was with respect to the Wabush Lake tailings. The disposition of tailings in the South end of Wabush Lake is also being watched carefully by representatives of the Federal Department of Fisheries who have an officer resident in the area. It is at least questionable whether the disposition of tailings in the water of Wabush Lake has ruined the spawning beds. This is one of the comments that has been made. Since fish is still being caught in these waters in spite of the very great turbidity - some residents they tell me here are actually of the opinion that the fishing is better in the murky waters than in the clear waters of the particular lake concerned. We do not readily have all the details because again this was the responsibility of an area which is being monitored by the Federal Department of Fisheries. I do know that this is a matter that has been raised periodically. Well, I worked in Wabush back in 1962 and I know that

the question was being raised then and was a matter of some concern. It boils down too often in these cases, unfortunately, of getting the proper balance between how do you dispose of your tailings - it is a choice between employment, unfortunately, sometimes and so much unpleasant - shall we say the least effluent or tailings. It is a matter of making sure that the proper balance is kept so that the environment can be preserved just as much as is possible. I think that both the Federal Department of Fisheries in their areas of responsibility and the Mines Inspection Division in their areas are aware of the need to preserve the environment as much as possible.

One other question asked was the name of my legal adviser I really got that, Mr. Cabot Martin.

Finally a list of proposed posts for each division of the department. I will have to dig that out. I have it, a year to year contract, initial contract for the full time. There is a block provision for new posts of \$55,000 under general administration. These positions have been approved by Treasury Board as follows: Two secretaries for assistant deputy minister, one accountant, two clerks, one registrar, one file clerk, one staff clerk and one clerk typist. In addition the proposal is presently before the board for creation of the post of secretary to the director of administration. In the block provision for new posts in the mineral development division there is \$85,000. Five geologists, one geochemist, one mineral analyst, one technician, one draftsman and one clerk.

The Block Provision for new posts - I am sorry.

The first ones were approved. The second ones, the Mineral Development Division - no, these are proposals to be put before Treasury Board. The third one, the proposal to be put before the board will be for a petroleum geologist and a petroleum engineer. Well we have a legal adviser contemplated but again this function is being performed at the present time by Mr. Martin who has not contemplated becoming either under contract long-term or becoming a member of the division. Right now this position will not have to be filled. It is suggested that we will require an economist, a draftsman and stenographers, either two or three. There also has to be (This is something we are presently looking around to see what the Federal Department of the Environment are doing in the way of environmental control) or should be a marine biologist in some government department, somewhere in Canada, keeping track of what is happening. We want to make certain what is being done by the federal government. It may be that either the Department of Provincial Affairs and Environment or my department will have to get involved in this environmental area, to control what is happening on the Grand Banks.

Mineral Lands Administration - Block Provision for new posts: A request is presently before Treasury Board for a director of exploration agreements, director of crown lands for the administration of mines and quarries - I am sorry. This position is already filled by Mr. Walsh who was transferred from Mines, Agriculture and Resources. The position of senior draftsman is filled by Mr. Hannan. We are looking for a surveyer draftsman, a clerk, a stenographer and a typist.

MR. NEARY: Mr. Chairman, I have one other question to put to the honourable minister and I gave the minister warning of this the other day, because I really do not know what it is all about.

MR. BARRY: I have the information.

MR. NEARY: But somebody in Lawn, Sir, in the District of Burin, asked me to put a question to the government and ask the minister if the government would consider repossessing all mining grants within the municipal boundaries of the Town of Lawn? The minister says he has the information, so I would like to have it. Would the minister give me the information?

MR. BARRY: May I consult with my colleague for a moment?

MR. NEARY: Sure.

MR. BARRY: I am informed by my colleague, the hon. Minister of Justice and member for the District of Burin, within which the Town of Lawn is situated that he is already completely on top of the situation and because of representations made by him and action taken that it appears that the surface rights which were held by Newfoundland Fluorspar Limited are being transferred to the town, to avoid the problem -

AN HON. MEMBER: (Inaudible).

MR. BARRY: There is an arrangement I think which has been agreed upon between the company and the town. I do not know if the additional documents have been completed. Maybe the honourable minister can -

MR. NEARY: What are the conditions?

MR. BARRY: Pardon?

MR. NEARY: What are the conditions? Mr. Chairman, the honourable minister was doing all right until the Minister of Justice came into the House. Now we have the whole issue confused. Will the minister just tell us what the officials wrote on that piece of paper? Just give us the information? The Minister of Justice should have stayed down in his office, hiding away from the students.

MR. BARRY: A large part of the Town of Lawn is within areas held as fee simple mining grants by Newfoundland Fluorspar Limited. The

grants include surface rights as well as mineral rights but are exclusive of lands occupied at the date of issuance of the grant. In other words the houses that were there at the time were not affected. While there is no legislation under which you can repossess mining rights, once they are granted then it is a right the company has. The procedure that I was going to recommend and suggest is apparently the procedure that has been followed or is being followed; namely, negotiation with the company, because it is not an unreasonable request to make of the company to permit for residential building purposes and so on that the town be granted rights which are held by the company, which are not needed by the company for its mining operations. This is being done and I assume that the problem is solved.

MR. NEARY: The Minister of Justice said that this matter is well in hand and it has already been done. Well has it been done or is the minister now recommending that it be done? The minister is not such a conscientious minister as the minister said he was there a few moments ago.

MR. BARRY: Would the honourable minister like to comment?

MR. HICKMAN: The simple fact is, Mr. Chairman, that there is an area in the Town of Lawn which the Lawn Town Council subdivided and developed. Having done this and completed it, when the titles were being searched it was discovered that Newfoundland Fluorspar had certain rights there. Newfoundland Fluorspar had no intention of using them nor no need for them. The Lawn Town Council asked me if I would bring it to the attention of the officials of Newfoundland Fluorspar, now ALCAN, if they would be prepared to surrender their rights so that the title can be cleared. They said, "yes." Government were asked to assist in the clearing of the title by an expropriation

order and this has been issued. The only thing left is the documentation from the Lawn Town Council to each individual property owner and their titles will be free and clear of all incumbrances and they will live happily ever after.

MR. NEARY: On that note, Mr. Chairman, I can go and do my television tape.

MR. THOMS: Mr. Chairman, while the minister is on his feet, could he give us some idea as to apparently a new policy within his department as far as

MR. THOMS: I suppose gravel, sand, rock within municipalities or possibly outside of municipalities. I had an unfortunate situation where in the Town of Wesleyville, just one month or so ago, the roads were in a very slippery condition and the town was used to running down to Lumsden in a truck and bringing up a truck load of sand and apparently, for some reason or other, before they could get this sand, they had to have clearance through both the town of Lumsden, and the Town of Lumsden had to get clearance through the minister's office. I wonder could the minister tell us exactly what is the situation? It is a bit confusing to me right now.

MR. BARRY: I think this is a matter of where the gravel was being obtained from a beach or from a deposit adjacent to a beach and a permit is required under the Mines and Quarries Act in order to prevent erosion and damage to the few beaches that we have on the island. This is being controlled by the department.

MR. THOMS: This was not a beach. It was a mound of sand in back of the beach. The same in my home town of Middle Brook, we have a tremendous mound of sand there where people just come in and take a load and go on, apparently there are no permits whatsoever.

MR. BARRY: This is one of the problems. It has not been policed in the past the way it should have been and this is one of the reasons why this Mineral Lands Administration Division is being set up, to police this aspect, among other things, and to prevent just the indiscriminate going in and digging, wherever a person - It is not the individual person as much as the commercial operator that you have to watch in these areas but basically a permit is required under the Crown Lands, Mines and Quarries Act and this is what the honourable member's constituents were looking for and I believe they got it fairly quickly.

MR. THOMS: From now on - let us say in some area we are going to construct a piece of road and this contract is given to some contractor,

MR. THOMS: before he can dig into a mound of gravel, rock or sand, whatever you may have, he needs a permit from your department, is that correct?

MR. BARRY: Right.

MR. THOMS: Does this also go for the Department of Transportation and Highways?

MR. BARRY: Yes.

MR. MARTIN: I have a few very brief comments and questions. I have been called out of the House a number of occasions while this debate was in progress. If the honourable minister has already answered these questions, I will be quite content to await the verbatim report.

The first one concerns the comments made on the tailings from the mines at Wabush and Labrador City. I realize it is a perennial issue and because it is and has become a perennial issue, I think it is all the more reason why we should bear down upon it.

We all know what the Federal Department of Fisheries has done with regard to the marine life in the ocean adjacent and I think that if we are going to rely upon their biologists and scientists to protect the waters in Labrador, then we may be getting ourselves into a lot of trouble. I do believe that the department should take a little closer look at it because I know, at this point perhaps it is not fair to call it pollution but at any rate the sediment coming off the tailings of these mines are now forty miles downstream from Labrador City and this is becoming a serious situation.

The other point that somewhat puzzles me - I know there is an answer to it but it is just a little foggy, is one that concerns territorial limits and the offshore rigs. The minister made some comment about the offshore rigs being classed in certain cases as ports. Now we know that the territorial limit does not extend that far with regard to the fish in the ocean, we cannot

MR. MARTIN: claim those as our own natural resources, What is the situation with the oil or other minerals under the seabed and what happens once that comes to the top? How does the federal and provincial legislation rationalize these two divergence points here?

The third one is the Lower Churchill Power negotiations which are now underway: There are three schools of thought on this I believe - the first is the government should get off its rump, give BRINCO the necessary regulations or authorization whatever it needs to get on with the development of the Lower Churchill before other sources of power render it uneconomic. The other school of thought is that we should not allow BRINCO to develop this at all until we have squeezed every last bit that we can get out of them. The third one is the one to which I subscribe, that we should not allow BRINCO to do it at all. If we have a crown corporation capable of developing something like Bay d'Espoir, then maybe we should not allow private developers to come in and take the cream off our profits and maybe we should have the Power Commission developing the Lower Churchill, if in fact anybody is going to do so at all.

The next point concerns rural electrification and the sources of power for rural electrification. We have been going along providing diesel power to small communities where it is terribly costly and it is also dangerous to the environment.

Now I know that in Scandanavian Countries they are using hydro generators, some very, very, small hydro generators to provide this kind of electricity. I am wondering if this government has considered this matter at all and whether it is in fact feasible.

The last point is just that - not a question but a point I would like to make. Employees of the Power Commission, in Labrador South, I know for a fact (I do not know about Labrador North or

MR. MARTIN: anywhere else) are not being paid according to the contract which the union signed with the commission. They are not being paid overtime.

I have been instrumental in getting one set of grievances through the union and to the commission. I do not know what has happened in the meantime but I do know that the last time I was in Goose Bay, there happened to be a course being conducted by the Power Commission for their power plant operators from the coast. All of these operators got together and came to visit me in my hotel room and submitted their own names to be added to similar grievances and three hours later came back and withdrew these names because, as they told me, they were afraid that if they took the question up with the Power Commission they would lose their jobs.

I do not believe for a minute that anybody put pressure on them, I just think that this happened to be a case where they became a bit timid, not being used to dealing with unions and their employer.

I would like the honourable the minister to find out exactly what the situation is with regard to the payment of these employees - their overtime pay.

MR. BARRY: On the last point first, whatever is in the union agreement the Commission is going to pay, they have to pay. They do not have any choice about it, obviously.

With respect to the provision of electricity in small communities, the Commission has looked at all the alternatives as to the most economical way of providing these services. Policy decisions are going to have to be made by government with respect to the few remaining communities that will be left following electrification, according to the existing policy which is to electrify communities with fifteen customers or more. There are going to be some communities, and this we will be getting into

MR. HARRY: on the uniform rates discussion and the resolution that is before the House on Private Members' Day, but basically the present policy is electrification of communities with fifteen or more customers, There is a heavy subsidy involved there and we have got to draw the line somewhere and this is where the line was drawn by the previous administration and this is where this administration decided it should be drawn today.

But again this is not to say that we are not looking at what should be done for the remaining areas. We have to decide on policy. In some cases there may be hardship cases. For example, where they are just on the border line but it would be a hardship not to, with respect to individual hook-ups for example, the policy is no hook-ups where the cost is in excess of \$1,000.

Now in some cases there may be a hardship. I know one particularly on the West Coast that has been brought to my attention by I think it is the honourable member for St. Georges, which we are presently looking at, where you have an old couple that are right on the borderline, it is \$1100 to hook up instead \$1,000 or \$1,050 or something of that nature and you know, can we get the discretion to handle these hardship cases without appearing to favour one individual or one group

as against another group? This is simply a matter of pure economics, dollars and cents. At this stage the money is just not available to get one hundred per cent. It is just not economically feasible and so it is a question, to a certain extent, of looking at hardship cases but generally trying to live according to the objective policy which has been laid down for rural electrification.

With respect to jurisdiction over rates, it is fairly simple. Vis-a-vis the foreign countries, in international law, Canada, now whether it is the federal government or the provincial government, that is constitutional law, but in international law, Canada, some government in Canada clearly has jurisdiction to explore and exploit, produce petroleum, and the international law recognizes the right of either the Newfoundland Government or the Federal Government, depending on the constitutional question, to do whatever is necessary to get oil, to produce oil. The seas are not within the jurisdiction of the federal government, as the honourable member mentioned, not in the sense of preventing the Newfoundland Government to bring the minerals up to the surface. If as a matter of constitutional law the province has jurisdiction over the exploitation of the resources of the seabed, then the right to bring it up through the sea would automatically follow, so there would be no problem such as the honourable member anticipated.

AN HON. MEMBER: (Inaudible).

MR. BARRY: They have jurisdiction with respect to fisheries, shipping and navigation, some environmental - that is not positively clear, whether the division of jurisdiction is there.

MR. CHAIRMAN: It now being six o'clock I do leave the Chair until eight o'clock this evening.

The Committee of Supply resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order please! Head 1101(01):

MR. BARRY: Mr. Chairman, the hon. member for Labrador South requested a comment concerning the dumping of tailings in Wabush Lake. I have already treated that. I agree that we have to and I stated earlier this afternoon we are looking at just what is happening with respect to monitoring the environmental situation generally, not just on the island but offshore as well, and we have to. Constitutionally it is a confused area as far as the jurisdiction is concerned. To date I think the previous administration and perhaps naturally so, have relied on the federal government, particularly offshore, for environmental controls. The Minister of Provincial Affairs and Environment is not in his seat right now but his department has as one of its main functions the environmental matters. This is an area which will have to be to a certain extent tied in with my department but primarily it will be a matter for the environmental branch of that department to look at this and make certain that the proper controls are being exercised. I cannot say whether the federal department of environment is doing what it should be doing. They say they are. They are supposed to be doing certain things but I agree that we will have to take a look at this and make sure that the proper steps are being taken. If they are not taken by the federal government, we will have to take them.

There was one other question that did not mention this afternoon but asked last night with respect to the Bay d'Espoir project and the environmental effects of this. There was a project recommended and there has been some money under this winter capital works project, I believe but I am not positive as it is not my department. It is under the Department of Forestry and Agriculture. But I understand there is a project

approved to go in and salvage timber which was flooded, by reducing the level of the reservoir while the ice is on the reservoir. Now I confess I do not know if that project got started prior to the official approval of funds or whether there is still time to carry it out this year but I do know it is planned to lower the reservoir and salvage timber in the surrounding areas and this should go a long ways to cleaning up after effects of this development.

These are the only questions that I have seem to have noted here that have not been answered. I am happy to go on though if anybody has any other questions.

MR. MURPHY: The member for Labrador North has been waiting three days and at last he got his chance to ask a question.

MR. WOODWARD: Mr. Chairman, just a couple of questions of the minister. During the opening remarks today the minister mentioned the fact that they were looking at problems of immigration and I assume that he was speaking in terms of ports of entry, customs and immigration for offshore drilling rigs and personnel coming in. I was wondering if the minister can tell the committee if he feels that there should be designated ports throughout the province as ports of entry for ships coming in, clearing crews and then proceeding to the offshore rigs. I am thinking in terms of maybe what will happen this year -

MR. BARRY: Only Marystown.

MR. WOODWARD: Only Marystown and the offshore rigs in Labrador will have the ships come up to Marystown and - I mean that is logical, Mr. Chairman. I mean it makes a lot of sense, really. It makes a lot more sense than a lot of things we have been talking about. Another important thing, Mr. Chairman, is the Federal Advisory Council. I was wondering if maybe the minister can tell the committee if they have had any Jason or contract with the Petroleum Institute of Canada and if any of the people

from the national board will be on the particular advisory board that the province is setting up.

Getting back to the question, the same type of question that was asked and I was very pleased the Minister of Finance the other day mentioned the fact that in their negotiations with CFLCo that they were thinking in terms of building a transmission line or included in the agreements there will be a transmission line from Gull Island into the Happy Valley-Goose Bay Area. I was wondering if the hon. minister can tell the committee if there are provisions built-in in that contract maybe to extend the transmission line to other areas that could possibly develop, such as the

Sandwich Bay Area. I think this is what the hon. member for Labrador South was thinking in terms of. Will there be any provisions made in the contract with CFLCO if this could be done? When you think in terms of the cost of fuel for thermo plants, I am sure that the honourable minister with all his expertise in the exploration field, the offshore drilling and looking at the petroleum industry in Canada today and listening to the experts in the industry telling us that the fuel by 1980 or 1985 will be costing us somewhere around eighty cents a gallon.- I do not think that this is any indication of the cost of fuel or crude going down. Possibly the resources or the hydro potential that exists in Labrador, mainly the Eagle River Area, in conjunction with the Lower Churchill Area - I wonder if the minister could tell the committee if his particular department now, seeing it is a legal entity within part of the government, will be dealing with the hydro development in the future in this province or will the Minister of Finance be doing the negotiations? Will this be spearheaded by the Minister of Mines and Energy?

AN HON. MEMBER: It is a continuous struggle to try and keep within the jurisdiction of the hon. Minister of Finance.

MR. WOODWARD: I can well appreciate that, Mr. Chairman. The minister's name keeps popping up in my area all the time concerning Labrador Linerboard and I think that possibly he owns the outfit. "What is he trying to do to us now," you will hear people say?

MR. CHAIRMAN: Order please!. The honourable member is not now on 1101-01 but is entering into irrelevant matters.

MR. WOODWARD: I am chiefly concerned, Mr. Chairman, with what type of distribution will be made throughout Labrador for the hydro that is developed on the Lower Churchill, what benefits other than the Goose Bay Area will Labrador be getting from this? I know the cost of transmission lines are very expensive. Maybe the minister can tell us, reverting back to maybe seven or eight years ago, there was talk of putting a submarine cable across the Straits of Belle Isle, if

they would be looking at this to meet the future needs of the province so far as electricity is concerned? Maybe he can give us some idea on that. We have a lot of ideas about the offshore drilling. We have heard more about this in the last couple of months possibly than we have heard in our lifetime. I am sure it is important. We can get all our ships going into Marystown getting the repairs done. I have no objection to that, Mr. Chairman. That makes more sense than a lot of other things I have heard.

It is an important thing and this year possibly with the offshore drilling that is going to take place, maybe the minister can tell us now (we have reached the stage) if it is going to take place or not on the Labrador Coast, the East-Can that we talked about, from Calgary, and their consortium, what they will be getting. We did not know for sure then at the time if the minister had the deal in the palm of his hand and they were going to get the thing going. Maybe it is advanced far enough at this stage that he can tell us if the deal is actually going to take place or not?

I can recall maybe a couple of ports that could very well service the industry in Labrador; namely, the Cartwright Area that has already had I suppose the feeling of what this industry consists of. There are a number of people from that area who went out on the rigs and worked, not last year but the year before, and are now looking forward to some of this industry rubbing off on the Goose Bay Area. So these are some of the questions, Mr. Chairman, that the honourable minister can try to answer.

MR. ROWE (W.N.): Before the minister answers, Mr. Chairman, there are one or two things which I would like to say which might overlap the questions asked by my colleague. The minister can deal

with them at the same time. Last night I asked the minister about this offshore petroleum industrial advisory council. Why is that in the department of the Minister of Industrial Development? We mentioned last night that his long arm has reached out once more and whipped away from another one of his colleagues what would appear to be an essential part of the Department of Mines and Energy. We have seen an example, where the \$40 million trawler fleet went to his department from the Department of Fisheries and a minister resigned, probably as a result of it - the Burgeo Fish Plant. We realize that the hon. Minister of Industrial Development is worth any four or five ministers, other ministers. Does the Minister of Mines and Energy not feel that his jurisdiction is being frittered away, not only by the Minister of Industrial Development but also by the Minister of Finance who has taken over the negotiations for the development of the Lower Churchill? It is a disastrous mistake, in my estimation, Mr. Chairman, because the frittering away is a disastrous mistake and the Minister of Finance heading up the negotiations for the Lower Churchill development is even more disastrous. We all know his implacable attitude towards anybody who wants to deal with the province. I would have thought that the Minister of Mines and Energy himself would be a much better man, a gentleman who is probably a little more reasonable in dealing with fellow human beings, but it is up to the government to do what they want to do. Perhaps he can mention that to us. Why is he not involved a little more in this or is this again a sign of things to come? Is he about to resign because he is left with nothing? Is his department going to be emasculated like the Department of Fisheries was by the colleagues of the ex-minister?

AN HON. MEMBER: (Inaudible).

MR. W. N. ROWE: Unparliamentary, Mr. Chairman? I withdraw it. I do not know another word for it.

AN HON. MEMBER: (Inaudible).

MR. ROWE (W.N.): What is wrong with him, Mr. Chairman?

AN HON. MEMBER: I was just trying to sympathize with -

MR. ROWE (W.N.): Mr. Chairman, would you control that honourable gentleman?

AN HON. MEMBER: Carried!

MR. ROWE (W.N.): Carried out, perhaps.

Mr. Chairman, the minister might want to deal with that. I also mentioned and this is in the realm of policy -

MR. COLLINS: (Inaudible).

MR. ROWE (W.N.): I am talking about what we were talking - Mr. Chairman, are they all there? Do not tell me they have been downstairs again.

AN HON. MEMBER: Down to the wine cellar.

MR. ROWE (W.N.): They have not been sustaining themselves on liquid diets again, and I am not talking about metrecal or whatever it is either, Mr. Chairman. Do not tell me they have been nipping at it again tonight. The honourable House Leader will have to get after them, Mr. Chairman, to try to straighten up his side of the House.

MR. MARSHALL: Find out where it is.

MR. ROWE (W.N.): Yes.

MR. CHAIRMAN: Order please!

AN HON. MEMBER: The hon. member for Bell Island is all right!

AN HON. MEMBER: If the House Leader finds the key, let us know.

MR. ROWE (W.N.): Yes, and we will all go down during the dinner break. But anyway perhaps the minister might want to deal with that. When I said that, for the benefit of the Minister of Municipal Affairs, I was talking about the subject matter, not what we are talking about. As long as we do not raise the wrath of the Minister of Finance tonight - he is a terror to behold in this House. He has everybody frightened to death. In any event, Sir, maybe the Minister of Mines

and Energy might want to deal with those questions. Also I asked last night, and this is in the realm of policy, (we are talking about the minister's salary) why is it that two states which have offshore resources, like Louisiana and Alaska, why is one at the bottom of the list when it comes to per capita income and rate of development and the other at the top of the list? Has this nothing at all to do with offshore resources or is it because they have chosen different ways of developing and one is taking advantage of the resources to a greater extent than the other? I would like the minister to deal with that.

The question I asked last night had to do with the great expertise which was going to be developed in the realm of energy and offshore resources in his department. We have noticed that in the salary estimates there is a director of energy resources and a block provision for proposed new posts, \$60,000, which does not strike me, Sir, as being a great deal of expertise in that area. Perhaps the minister might want to deal with that as well.

MR. BARRY: I am sorry. I missed that point.

MR. ROWE:

Maybe the Minister of Industrial Development was whipping something else away from the minister.

AN HONOURABLE MEMBER: I was just checking.

MR. W. ROWE: Is he still in on it?

MR. DOOHY: He is still here. We are both in on it.

MR. W. ROWE: Does the minister feel that he has enough expertise, enough technical advise in this whole area in his department even with the block provisions which are provided or is he once more being diddled by the Minister of Finance when it came to bringing his estimates before the Treasury Board?

MR. CHAIRMAN: Is diddled unparliamentary?

MR. W. ROWE: Diddled? Yes, Mr. Chairman, it is. Does the Chairman wish to rule on the word diddled?

MR. CHAIRMAN: The honourable member may continue.

MR. W. ROWE: Anyway, Sir, perhaps the minister might want to deal with that. Does he feel that he has enough technical advise, enough expertise to assist him in developing in a proper fashion the regulations and other things that have to be developed with regard to our offshore resources? Also, he might want to deal with the question that I asked last night. It used to be thought that there was needed seven years or so from the time of a commercial oil find or commercial petroleum find offshore till the time that that could be produced. The other day and last night he indicated that the time has greatly shortened. Perhaps he might want to comment on that and give us some idea as to why that is so now and how long, if one of the exploration companies were to find a sizeable amount of petroleum product offshore, before we could expect to get royalties from it, for example? How long before it starts to have a real impact on our economy from that time?

This is a more parochial question. It has to do with the Bay Verte mining operation, Advocate Mines. Last year in the House I asked the Minister of Manpower or Labour as he was at that time what steps had been taken to study the possible effects of asbestos fiber in the air in the Bay Verte area and especially among the

workers in the mines. He indicated at that time that there was a study going on which was going to deal with that problem. The problem of course is that there may be in the future a high instance of asbestosis as a result of men being in close contact with the asbestos fibers flying around in the air and breathing them in. My fear at that time was that it is possible without raising any alarms - is the minister listening now or do I have to - without raising any alarm, Mr. Chairman, I would hate to see in Bay Verte something happen which happened in my honourable friend's home town, St. Lawrence, with regard to a mining operation there, as a result of ignorance at the time, I think. I think even if the existing technology had been applied when fear started to be raised, we would not have had the tragedy and the disaster that we had in that area. I would like to see any such possible tragedy in the Bay Verte mining area forestalled now, obviously, as would everyone else in the House. So, the minister might want to give some ideas on that particular subject.

Finally, Sir. As far as the mines inspection branch is concerned, I read in the House the other day some complaints from the union in Rambler Mines which were to the effect that the mines inspector seemed to be cheek-by-jowl with the management of Rambler Mines. Perhaps the mining inspectors were not doing the greatest jobs, as far as safety and everything else was concerned, which might be to the greatest benefit of all the men in the mines. Perhaps there might have been not collusion necessarily but there might have been too friendly a basis of operation between the inspectors and the management. I am not making any allegations here myself, I am merely relating to the minister what others have told me. The minister might want to comment on that. Has he had any other complaints along those lines and does he think that the present staff, two mines inspection engineers and a chief mines inspection engineer - that would be three people (am I correct?) to do this job of inspecting mines and that sort of thing, does the

minister think that this is enough to adequately look after what needs to be looked after by these mining inspectors? Perhaps we can have a few observations from him on that.

That is about all the general questions that I have, Mr. Chairman.

MR. BARRY: Perhaps with respect to the eroding away of my departmental powers, I could refer to that. As I have mentioned before, it is a constant battle, a continuous power struggle going on in Cabinet to try and preserve your own area of jurisdiction. There is constant harassment and constant eating away of your area of responsibility because we have so many ministers over here who are just so eager to tackle the problems of the province that after doing their own work they are looking for new areas to conquer. The Minister of Finance and the Minister of Industrial Development are two who are particularly to blame here for it. They are just too conscientious and too willing to get into new areas, new problems to tackle.

Designated ports, asked by the honourable member for Labrador North. No, I do not think that we can designate ports or restrict the operations of oil companies to particular ports. It is a matter of economics which in turn depends on geography, where the oil companies are going to be operating, etc. I do not think that we can restrict them. Now we may and probably will have to get into certain developmental controls in certain areas where it looks like there are service bases about to be set up, to avoid speculation in land and to avoid sudden pressures being put on municipalities which the municipalities cannot handle and so on. As far as designating ports, no, I do not think that is feasible.

As far as representation of the, I guess it is the Petroleum Association of Canada or Canadian Petroleum Association on the advisory council - I believe the Minister of Industrial Development can correct me. Is there provision for representation of the oil

industry on this council? If not, I am pretty sure there will be a tie in or liaison with - there will be liaison. There will be no doubt about it.

With respect to transmission lines, as the honourable Minister of Finance has mentioned, one of the conditions in the negotiations with BRINCO is a transmission line to Happy Valley-Goose Bay area. The further extension lines along the coast boils down to dollars and cents, you know, just how much you want to take in kind versus royalties. You are only going to get so much of the pie. However it is worked out, it is a matter of how much you can get from the company in return for the company doing the development, if it is decided that the company should do the development. This again is completely open. It is a matter of seeing what the package, the total package is going to be. If that is something that our government feels is the best that we can get for the development of this resource, then we shall take it. "Is the present Sandwich Bay a diesel operation?" Well, obviously there will be an interest in getting the economies attendant upon transmission lines but again you have got to balance the cost of the transmission line against the continuous operating costs of diesel. I really cannot say at this time which way it will go but this will be something that will be kept in mind. Once you get the tie-in to the Coast of Labrador, then it is going to be a lot easier to get the line out to Happy Valley, Goose Bay. It is going to be a lot easier to tie in other places. That is about all that I could say on that at this time.

The honourable member for Labrador West is of course on the committee that is negotiating and is very interested in the welfare of Labrador and very conscientious in pointing out such things as the honourable member has raised in the House and is I am sure going to be constantly keeping us informed of the needs

of the Coast of Labrador as well as the needs of his own district of Labrador West.

With respect to other hydro developments, it depends on the economics of the thing. Basically, if you have the market for the power and if they can be economically developed, then they will be developed.

The honourable member for White Bay South asked why the advisory council was in the Department of Industrial Development. Primarily because one of the main objectives is to encourage industrial development in the province and this is the responsibility of the honourable minister's department. This I feel should be the responsibility of the honourable minister's department.

As to why Louisiana is not doing as well as Alaska, one honourable minister mentioned it might be because the ex-member

for Bonavista South has been made an honorary member of some organization down there but I do not...

MR. CROSBIE: An honorary senator.

MR. DOODY: A very fine gentleman.

AN HON. MEMBER: The only one in Newfoundland.

MR. DOODY: The only one in Louisiana.

MR. BARRY: I do not profess to be an expert on the economies of the different States of the United States. I would say that it is probably a question of the lack of management in Louisiana. If they are not getting any more benefits than the honourable member says they are getting from their oil resource, then they are obviously not managing it properly. They are probably having many of the services and many of the industries being carried out in Texas, because Texas had the jump on them and they in Texas may have cornered the markets in different areas. I would say that they just have not managed the resource properly, but they are changing. Just recently they changed policy and they are going on a tendering system for disposing of their rights, much the same as Alaska is doing. Maybe there will be a change in policy.

We are not particularly looking to Louisiana, because we have two areas which are more closely identifiable with our problems, namely; Norway and the United Kingdom, in the North Sea. We can learn a lot just by looking in these two areas. As far as whether the Department of Mines and Energy has enough expertise to do what should be done in this new area, yes, I think that with the personnel planned for the department, we will be able to do what has to be done.

With respect to the time that we can see oil being brought ashore after it is found, in Norway it is four years, in Scotland they anticipate they will be bringing it ashore in another year or so. For them that would amount to four years as well; so you are talking three or four years. In the meantime there would be business developed, there would be increased activity after the find and before the oil is brought ashore. You would have pipe-fabricating companies and this

sort of thing coming in and setting up.

With respect to avoiding any problems with asbestosis in Esfe Verte, I do not know what the situation is with respect to any enquiry from the Department of Labour but my colleague the Minister of Health has mentioned that he will be perfectly happy to, if the study is not ongoing, to have the proper people look into this matter from his department. It is an industrial health problem presumably and we were aware of our responsibilities in this area.

One other matter, and that is the allegation that the members of the mines inspection are too chummy with the management in the areas that they are investigating. There have been certain comments made, This has been brought to our attention by certain members of trade unions and to a certain extent I could see it happening just because of the perhaps tendency of one professional engineer to possibly have a certain camaraderie with another professional engineer who happens to be mine manager - that might give the appearance of being more associated with one side of the industry than another. I have seen nothing nor learned of nothing that would indicate to me that this is a problem and that this is impairing the function which the mines inspection division is supposed to be carrying out. In any event, the members of the division have been made aware of the fact that if nothing else, appearances often could be a cause of concern. I do not think there should be any problem.

MR. W.N. POWE: How about the suggestion that a company inspector on the tour with...

MR. BARRY: I think that that is a legitimate suggestion. It has been suggested that and I think in the normal course of events it should happen for the mines inspection officers to contact the union officials and to enquire of them whether there are any particular problems in the area of mine safety that they think are occurring or that the union might be able to advise on. This is a perfectly

reasonable suggestion.

MR. WOODWARD: Mr. Chairman, I was wondering if the minister, before we pass this Salary Heading, would tell us if his Department of Mines and Energy or if the Minister of Finance will still continue to negotiate hydro-development in the province? I know the Minister of Finance gets far beyond the realm of his duties because of his capabilities, but will he still continue to be in on the negotiations or head the negotiations for hydro-development?

MR. BARRY: The Minister of Finance will, I hope, continue to have an input in anything relating to the financial benefits of the province. As I said, there is a constant battle to try and preserve some area of jurisdiction for myself, because of the eagerness of the Minister of Finance and other ministers to tackle the problems of Newfoundland. I cannot say any more than that.

MR. CHAIRMAN: Shall 1101-01 carry?

MR. NEARY: No, Mr. Chairman, not yet. From the information given to the committee tonight by the honourable minister and from information that we have been given by the honourable Minister of Finance and the Premier in this House, in answer to questions that we put to the government in connection with the development of the Lower Churchill, Sir, it would appear to me and I could be wrong but it would appear to me that very little is taking place in connection with trying to get the development of the Lower Churchill off the ground. There is nothing that you can get your teeth into. The answers we are getting, Mr. Chairman, are evasive, nothing firm, there is nothing we can grab hold to that would indicate that this government is making a very great effort to get the Churchill Falls Development going.

That is becoming more obvious all the time and the minister merely confirmed it again tonight. Now, Sir, I know that nationalization is a dirty word in this chamber, but I am an old socialist myself, Sir, from a long way back.

MR. DOODY: That was before you joined the Liberal Party.

MR. NEARY: No, it was not before I joined the Liberal Party.

The honourable minister himself...

MR. DOODY: You and I together.

MR. NEARY: The honourable minister himself, I think, was a bit of a Socialist, Sir.

MR. DOODY: (First part inaudible) before you sold out.

MR. NEARY: Mr. Chairman, for the life of me, I cannot understand why we should waste so much time with BRINCO. Why cannot we develop the Lower Churchill ourselves, Sir? If the government does not want to call it nationalization, maybe we can provincialize the Lower Churchill. Why not develop it ourselves? If we can lash out \$220 million to start up a linerboard mill in Stephenville and if we can lash out another \$90 million or \$100 million to get an oil refinery going down in Come by Chance, what is to stop us, Mr. Chairman, from financing the Lower Churchill ourselves and getting all the benefits for the people of this province? Is there anything to stop us from doing that? Can the honourable Premier think of any reason why we should not do it?

AN HON. MEMBER: We are off course.

MR. NEARY: Can the minister think of any reason why we could not do it? I would say that it is time we stopped monkeying around with BRINCO, fooling around with them...

MR. A.J.MURPHY: Do not call it BUNKO, whatever you do.

MR. NEARY: No, I will not call it BUNKO. BRINCO served its purpose, but we cannot wait forever. That development should have been started this year, Sir, in my opinion. I would suggest, Mr. Chairman, that we have wasted enough time, we should not waste any more time on BRINCO, to make up their minds, while they are wheeling and dealing to see how much benefits they are going to get out of it.

AN HON. MEMBER: Right. Let us not wait for that.

MR. NEARY: No, let us not wait for that, let us go ahead on our own.

MR. EVANS: Wait until daylight and launch out into the deep.

MR. NFARY: Let us show a little courage in this province, Mr.

Chairman. Why not show a little courage for a change? I am
dead serious about this, because it is quite an important natural
resource to this province, not only for the revenue that it will
bring into this province but for the employment it

will create. God only knows we need employment in this province. So I would suggest to the government that they not fool around with BRINCO any longer. Do not waste any more time. We have the experts, Mr. Chairman, in this province. We have the Power Commission. What did we set the Power Commission up for but to develop the hydro -

AN HON. MEMBER: Inaudible.

MR. NEARY: I was not against the Power Commission, I was against the abuse and misuse of government aircraft and helicopters this afternoon and cars and credit cards. That is what I was against.

MR. CROSBIE: You were against the moose.

MR. NEARY: Yes. I was against the honourable Premier and the member for Labrador West using government aircraft for electioneering down in Labrador South. I was against that.

AN HON. MEMBER: Inaudible.

MR. NEARY: There is a charge now, Mr. Chairman, they want a charge made. But, Sir, I am not going to be sidetracked by the government.

MR. CHAIRMAN: Is the honourable member directing himself to Head XI - 01-01?

MR. NEARY: Mr. Chairman, I am directing myself to the development of the Lower Churchill, Sir, which I assume comes under the Minister of Mines and Energy.

AN HON. MEMBER: It is under Finance now.

MR. NEARY: Well if it is under Finance it should not be under Finance, Sir, because that minister is hostile towards outside developers coming into this province. That has been proven. He has already banished one. He would have banished two but for the honourable the Premier. I would suggest, Sir, strongly that we have wasted enough time and if we are ever going to get that Lower Churchill developed, Sir, I am afraid we are going to have to do it ourselves. Why not do it ourselves? The people of Newfoundland would stand to gain more from it if we did it ourselves than to give it to private enterprise. There is no question about it. Why not do it?

AN HON. MEMBER: Inaudible.

MR. NEARY: Well I am certainly glad to hear that, Sir, and I would like to hear the Premier add a few remarks to this debate, because I am all for it. If the Premier will bring a bill into this House or bring in a - I am not sure if he has to bring in a bill in that case. No he does not. All he has to do is bring a proposal before this House. Bring a proposal before this House that the province, in the best interest of the people of this little island of ours that the province will develop the Lower Churchill, Sir, and I for one on this side of the House will vote for it. You can call it nationalization or provincialization or what you like. Let us give up wasting time. Let us get on and do the job.

On motion Head XI - 01-01 carry? Carried.

On motion Total Subhead 1101 carried.

MR. THOMS: Mr. Chairman, 1102-02-08, could the minister explain. This is up from \$5,000 to \$50,000. Is that a typographical error? Is the figure there correct?

MR. BARRY: We are doing so much computerizing and so much figuring down there they cannot keep up with us. They cannot give us the service quickly enough. This is as I understand the cost of computer services they tried to prorate amongst the departments, based on the extent to which the departments are likely to be using the computers. There are a number of things that our department is looking at here, possible use of Newfoundland Computer Services for the processing of seismic data. As a matter of fact there is a potential for commercial development here in that a lot of the seismic work is now being done in the United States. It is a matter of national concern. The Minister of Energy, Mines and Resources I believe has mentioned that the federal government are looking at maybe placing certain tariff restrictions on the export of this material. We would like to see Newfoundland Computer Services getting involved on a commercial basis, getting involved in the processing of this data.

But basically we anticipate increased activity there and need for computer services.

On motion 1102-02-08 carried.

On motion Total Subhead 1102 carried.

MR. CHAIRMAN: Shall 1103-01 carry?

MR. NEARY: Mr. Chairman, could I ask the minister if there is any prospecting going on in Newfoundland at the present time? Are there any licenced prospectors in the province? Anybody going around with Geiger counters, a little brind bags on their back or anything? Would the minister tell us how many? What areas they are working in?

MR. BARRY: Could I undertake to get this information for - whatever could be in the normal course of eventual leases. I do not know how much of that would be confidential information, if any, but whatever could normally be released. I could have it tabled for the honourable minister.

MR. ROWE, W.N. Mr. Chairman, on this head, it is probably a little more appropriate down further, but we are on the salaries head. Now what is the government's policy with regard to exploration permits? I understand that with the former deputy minister going out this indicated a revoluntary change in policy. The government have indicated on a number of occasions that they were going to change the policy as far as exploration permits and concessions and all that sort of thing. They did bring a couple of bills into the House during this session to reconfirm and adopt certain permits or rights given under previous legislation but indicated at the time there was a change in policy. But I do not think, if my memory is not failing me, Sir, I do not think I ever heard of a policy annunicated by the government todate as to - what is going to be the new on-going situation with regard to people who want to explore in the province and get concessions and that sort of thing?

MR. BARRY: To a certain extent it is merely an expressed change in attitude mainly that this administration will tend more towards claims taking than towards the concession type agreement as an interim policy. The sub-committee on mining is studying this and they hope within a year or so to have a claims taking method in force that they will be able to get a better picture in respect to the merits of one versus the other.

But another related matter is the releasing of certain areas that were held as crown reserves and making these available now for claims-taking. Both of these things have been done, it required an order-in-council with respect to the release of certain crown reserves, but the other was merely an expression of a change in approach by this administration. We have announced that we are tending more towards claims-taking than a concession agreement and time will tell in respect to the merits.

MR. ROWE, W.N. If someone stakes a claim now, what are they restricted to, a very small area? If somebody is in the processing of prospecting and finds some mineralization in a certain area, what right does he have then to come into the government and get a grant to a certain number of acres? Is there a definite policy? Is he entitled to ten acres? Fifty acres?

MR. BARRY: It is all set out in a lot of detail in the act.

MR. ROWE, W.N. Can the minister tell us generally, Mr. Chairman? I mean I am interested in it. I would imagine that other members and certainly people who are interested financially in this sort of thing would like to hear about it too. What happens when a person strikes something now at this moment in a small area of ground in the province? What happens then? What are his rights, generally speaking?

MR. BARRY: There are a number of stages that you go through under the act. I have to confess I do not have it. It is a fairly lengthy act. I do not have it all right at my fingertips for the honourable member right now but I can advise him as to the relevant

sections or the act itself. It is done in stages. There are permits issued which give rights to explore certain areas and to stake out certain areas. There are certain work commitments required much the same as we are discussing with respect to the petroleum leasing. But then the prospector has the right to go to lease and can take a certain defined area under lease, I cannot give you the exact acreage, I will have to dig out the act and just go through. But it is all spelled out in the act in great detail. They describe -

MR. ROWE, W.N. When was that?

MR. BARRY: Oh, years ago.

MR. ROWE, W.N.: It is no different?

MR. BARRY: No, it is no different system. The staking system is in the act.

AN HON. MEMBER: Inaudible.

MR. BARRY: In some areas it has. The big problem has been there was so much territory given up under previous concessions, by the previous administration, there are so many areas in Newfoundland held under concessions and other areas held as crown reserves that there were very few places where the individual prospector could go out and stake claim. Now we are trying to free up more land,

partly based on the recommendations of the Royal Commission on Newfoundland's Economic Prospect, free up greater areas where the smaller investor can go in and explore. We think this way you will get more risk capital invested in the exploration for minerals in Newfoundland. But basically there is no change in the act although some change is needed and it is presently being studied. There are certain changes that should be made with respect to block staking. For example, one of the complaints of the present system is that it is an unwieldy type of staking that you have to do. If you are going for a large block you may have to stake a number of smaller blocks and an amendment should be made to the act to permit a perimeter staking of a large block. But basically the act that was in existence permitted the claim-staking but previous policy prevented the application of these relevant sections from being of any benefit to the explorer in the province.

MR. ROWE(W.N.): I realize the minister has undertaken to get some information for my colleague, the member for Bell Island, on something along these lines but can he give the House now any indication as to whether there has been an upsurge in claim-staking in the past year or so? If there has been an increase of any significant nature in giving out permits to people or giving out leases or whatever happens after you find something? Has anything been found or discovered of value under this new, if not a new policy a new system, this new approach?

MR. BARRY: The policy is only in effect the last couple of months and this year's exploration season is only now getting underway so we will need a year to be able to analyze this properly.

MR. MARTIN: Mr. Chairman, I would like to have a few explanations from the hon. minister on government policy regarding the concessions that are now held either under exploration or in those areas where explorations have been carried out and are completed. For instance, what are the regulations on land where exploration has been carried

and which is still under concession to various companies? The survey reports on these concession, is this public knowledge? Is it available to the public? Is it available to members of the House, for instance? Is there in fact a mineral inventory of the province so that we know exactly what we have? Do we know, in other words, what our current net worth would be, if I may put it that way, in terms of undeveloped mineral resources that we have left? How long may these concessions be held by these companies without being developed once they have been explored and mineral deposits found? Can they for instance be held and used as collateral then in rural financial banks as money to be used somewhere else?

MR. BARRY: The first question is almost impossible to answer without going to each individual concession agreement. This has been one of the problems, that the agreements have been ad hoc from company to company, Each company has gotten a new and a special deal and I suspect not always in the best interest of the province, but there is no need for us to rake over old coals. The agreements are there. They bind the government. If we want to change them then we are taking away certain rights and presumably if we want to continue to attract investment there has to be certain compensation. Some of the agreements provide for certain expenditures which are more or less reasonable. Other concessions unfortunately do not have the requirements for as much expenditure as we feel there should be, but we are tied into them.

The information that is obtained, I think in most cases this is private property. It costs money to get this information and the companies consider it private property but in some cases there may be requirements, I am not totally clear on this, for supplying this information and the eventual release to the public. This is done with respect to oil and gas exploration and after I

think it in two years, the information on wells that had been drilled is released to the public. The information, for example, on certain wells off the East Coast that had been drilled by specific companies is going to be available to the public, one in July and one in September I think, and this is expected to create additional interest off the East Coast here. When the oil companies get to analyse this data, they can then get a better idea of the prospectiveness of adjacent acreage.

Possibly the same thing should be done always as a matter of course with mineral concessions. This is one area that the sub-committee on mining is looking into. In the past - I have a list of all the statutes relating to my department and ninety per cent of the acts are acts ratifying special agreements and you have to go and look at each of those agreements to see what rights the company has. So I would be happy to give the honourable member the list and it would be a matter then of going through the statutes and digging out the agreements.

MR. NEARY: Mr. Chairman, I wonder if the hon. minister would care to comment on reports that the life span of the Buchans Mine is only five years. If this is true, Mr. Chairman, I wonder if the hon. minister is in a position to state government policy on what will be done during that five year period to try and bring industry to Buchans, to create alternative employment in the event that the mine does close down after five years? Will the minister also tell us if there is any exploration going on in Buchans at the present time, if there is any diamond drilling going ahead out there? I believe the minister has answer the question before in the House but I would like for him now to elaborate on the situation because this is quite a serious matter and the people in Buchans are very concerned about this, that they may lose their source of employment five years from now. I think that if this be true then, Sir, that the government should take steps immediately to set up some kind of

a fact-finding committee to see what can be done with Buchans if the mine does close down say by 1978 or 1979. I wonder if the minister would care to comment on that.

MR. BARRY: This matter is presently under consideration by government and certain announcements will be made, I expect shortly, on it. I had a concern, I might as well say it, when the honourable member raised this question several months ago I was concerned. I did not think that it particularly helped the workers at Buchans to have this spectre hanging over their heads. I realize it is always there and in any mining operation the people are concerned, and this is something presumably they have had to take into consideration, both sides, in negotiating. But I do not think this spectre is something that should be used adversely to affect the employees in their negotiations with the company. It is something that they have to rationally accept, that at some time the mine is going to be depleted. The information that we have, as I filed in the House earlier, was that the life expectancy was some five years.

Now we do not know and I cannot say with certainty that the company does not have other information that has not been made available that would reveal greater reserves. I cannot say one way or the other. The hon. Minister of Social Services indicates that when he started working in 1929 the life expectancy then given for the mine was ten years. That was back in 1929 and something has continuously come up. There is I think half a million dollars allocated for exploration, or more, in the coming year, and let us just hope that this reveals further reserves which will extend the life of the mine, but there is no question that government will have to look into other industrial alternatives for Buchans if it happens that the reserves are going to be depleted in the near future. But I do not think this is something that we should blow up. There is a danger I think, and it is something that has to be discussed.

The hon. member raised it I am sure in all good faith, but is there a danger of our getting the workers overly concerned so that their negotiations would be affected by debating this at length at this time? That is the only reservation I have. I cannot say much more than that about it other than that government is aware of this matter, is concerned about it and will take whatever action is necessary.

MR. WOODWARD: Maybe the honourable minister can tell the committee what is happening concerning the rental concessions in Seal Lake. There is a large discovery of native copper. I visited the site on a couple of occasions.

Maybe, I do not know if the minister has got this knowledge or not, if this is a potential development of copper in Labrador, maybe the minister can tell the committee what is happening in this respect. Also who is the concessionaire for the Julian Lake deposit today. Sometimes we have an honourable gentleman who claim to have concessions for that mineral deposit, railroaded out of province and shipped all the way down to Panama, was it? Was it Panama he went? Maybe the minister can see fit to give us the information on the Julian Lake and if at all BRINEX is tied in with this concession. There have been some rumors around that BRINEX or BRINCO, possibly, were looking at the possibility of building a railroad down from the Julian Lake deposit to somewhere on the shores of Lake Melville and then consequently shipping ore in either smelter or some other means to Europe or other parts of North America.

Maybe, taking it a little bit further, it may be a very involved thing, Mr. Chairman, maybe the honourable minister can shed some light on the uranium enrichment plant that was talked about so much and maybe give us some idea and maybe fill the committee in on the processing of this particular enriched uranium, seeing that we have a lot of experts on the technology of offshore minerals.

This is not out of the realms of possibility. We had very high hopes at one time that we would have a uranium enrichment plant right on the shores of Lake Melville in Labrador and then it moved and eventually end up in British Columbia, and then it was shifted back to Alberta and now I understand it is down somewhere around New York City.

I do not know where it is today. I have not heard the latest

MR. WOODWARD: report in the last couple of hours but it has been shifting around quite a bit, Mr. Chairman. Maybe the honourable minister has some idea where this particular proposed enrichment uranium plant could be or if there is a possibility of having one in Labrador.

MR. DOODY: Inaudible.

MR. WOODWARD: Whoever is handling the particular portfolio.

MR. DOODY: Inaudible.

MR. WOODWARD: I was thinking about the proposed uranium plant, Mr. Chairman, I do not know but maybe if the minister had been in contact with some of the developers then maybe he has some knowledge of uranium enrichment. It is interesting to note. Maybe he could bring it to the attention of the committee and fill us in?

The Julian Lake thing - I am more than interested in the Julian deposit and who owns the concession for it and if it is still the Julian. What was it? Jubilee was selling the stock at one time in Julian Lake - Jubilee was on the stock market at one time. These are the concessionaires.

I think the BRINEX people in Monkey Hill, in Makkovik, discovered some uranium, maybe not sufficient quantities to go into any large-scale mining. Maybe the minister has some information on this as well. I will wait to hear from the honourable minister.

MR. BARRY: With respect to the Seal Lake copper deposit, I would like to table this information; supply it to the honourable member later. I will have to check with my officials on that specific matter, if that is all right.

With respect to the Julian Lake concession, Mr. Doyle's company whatever - is it Jubilee? Jubilee I think it is. Anyhow certain things have to happen by next summer, the summer of 1974, there has to be - what was it? It was by the summer of 1974. I do not have the exact month, certain action under the agreement

MR. BARRY: has to have been taken by this company (I forget the wording) to indicate significant development is about to occur, or something of this nature.

There are certain legal matters involved, in this concession which I think is presently being studied by Justice Department, where the company has requested certain surface rights which under the agreement it may or may not be entitled to. It appears they may have requested surface rights for every possible alternative development that they might think of and the question is: Are they entitled to everything that they ask for or are they entitled to those things that are reasonable to a development that they suggest? But basically by 1974, by this time next year, hopefully, I will be in a much better position to tell the honourable member exactly what the status of this concession is or is going to be say in a year's time

AN HON. MEMBER: Inaudible.

MR. BARRY: Not to my knowledge. I will check.

MR. WOODWARD: Could there be some agreement? BRINEX and Jubilee.

MR. BARRY: There could be some agreement.

Uranium enrichment plant, number one, the question is: Do we want it? In terms of it is a heavy capital investment and I do not think there is that many jobs created by this type of development. But the biggest factor that will determine where it is placed I think is the - or one factor weighing to a certain extent against Labrador is that you need a certain, I think it is ninety-eight point something per cent security of supply of electricity, and this usually means that you have to be tied in to a hydro electric grid where if one line fails you get fed in from another line.

This could be possible in Labrador. It would involve some extensions of transmission lines - you know hooking into Lower Churchill and developments from Quebec, but it looks like it

MR. BARRY: would have to be some sort of a co-operative venture between Newfoundland and Quebec if it did go ahead. It is something that we are open to suggestions on. If we get developers with a viable proposition, we would look at them sure, and it will boil down to seeing just what the province is going to get out of it in return for what. Do you have a question?

MR. WOODWARD: I thought the province would seriously negotiate with the BRINCO people on an enrichment plant as such. Has there been any negotiations at all?

MR. BARRY: There has been no proposals made by BRINCO that I am aware of seriously with respect - I know there has been studies made by Quebec, for example, as to the viability.

MR. NEARY: The honourable minister is doing reasonably well. Some information is filtering through to the committee. I hope the minister is making a note of all the information that he is going to get for the committee tomorrow or the next day.

I have three questions now, Mr. Chairman, that I want to put to the minister. Number one - would the minister inform the committee if there is any activity going on in Aguathuna right now and what became of the DOSCO assets that were left behind in Aguathuna?

The other day I asked a question in the House about Sea Mining. Mr. Chairman, I wonder if the minister would tell us what is happening to that plant.

MR. BARRY: I wrote to Mr. Lundrigan and asked him for a progress report but I have not heard from him yet. I will get the information.

MR. NEARY: Well which department does it come under - Industrial Development or Mining?

MR. BARRY: Well industrial development is under Industrial Development and mining is under Mining, and there is co-ordination between the two.

MR. DOODY: This is sea-mining so it might come under Fisheries.

MR. NEARY: But whose jurisdiction does it come under? Does the minister have any information on the sea-mining plant or can he get any information on it? Perhaps the Minister of Industrial Development when he gets the information will pass it on -

MR. BARRY: The Minister of Industrial Development is already obtaining information.

MR. NEARY: Well then the minister can tell us about Aguathuna and what is happening there.

MR. NEARY: Is there any limestone quarrying go on there at the present time? Also, Mr. Chairman, I would like to know a little bit about salt. The minister may know that Hooker Chemical had their hooks into the province, they had a concession to explore for salt on the West Coast. From what I can understand, there was quite a discovery of salt out on the West Coast. I do not know if it was in Your Honour's district. No the District of St. George's. Down in St. George's! I am sure that the honourable the member for St. George's then would like to hear what the honourable minister has to say about the salt deposit in the District of St. George's. Is there any possibility of it being developed in the foreseeable future, Sir? And what about Hooker Chemical? I am sure that the honourable minister would like to send some members of the House to the salt mines.

AN HON. MEMBER: That is right.

MR. NEARY: Would the minister tell us if Hooker Chemical still hold the concession for salt in St. George's? If not, is there anything happening there? Is there any possibility of developing a salt mine in the foreseeable future?

MR. BARRY: Hooker Chemical still have a concession there. There is work being done at the present time in assessing further assessment of the total potential. This I looked into for the honourable member for St. George's, not too long ago. I believe the information supplied then was that there, without building up expectations or anything there, it looked as if they are now at the stage, where there could be a possible development.

AN HON. MEMBER: Inaudible.

MR. ROWE, W.N. I am not talking about any commitment, I am talking about what they need to make it feasible.

MR. DOODY: Premier Smallwood thought to drive water down beneath the salt and then evaporate the water - If we do start an operation, it will be a rapid hit operation, otherwise no go.

MR. BARRY: Let me say this, the company, as far as we can see, is seriously looking into the possibility of getting a development underway here.

MR. NEARY: How long do they hold that concession before they actually -

MR. BARRY: Oh they have - I cannot give you - twenty years

MR. NEARY: How much would they spend?

MR. BARRY: No, I cannot tell you how much they would spend. We would not get that full information. We know what their minimum, under the act they have certain minimums for expenditures, which are set out in the act, but what they spend in excess of that will be known after the event. It is private information of the company, basically. They would probably be prepared to give it to us, I am sure they would.

Without the specific file for that company, there is just too much information, there are too many different concessions held. I do not have all the information about what every company is doing in Newfoundland - it is impossible. I can get it for the honourable member if the honourable member wants it, but I do not purport to know every detail about what the companies are doing

AN HONOURABLE MEMBER: Make a ministerial statement later on.

On motion 1103-01 carried.

MR. CHAIRMAN: Shall 1103-03-02 carry?

MR. ROWE, W.N. Mr. Chairman, 03-02, why is there only \$100 vote there, Mr. Chairman? Is it impossible to estimate or what?

MR. CHAIRMAN: Where are we?

MR. ROWE, W.N. We are down to diamond drilling, I think. 1103-03-02.

MR. BARRY: A part of this is included in the Mineral Development Programme - 1103-03-05. There is a co-ordination there, if we would look under that subhead for the activity that is going to be carried on, of any substance, by the department in exploration this year. This is under the federal/provincial minerals agreement.

MR. ROWE, W.N. Right.

On motion 1103-03-02 carried.

MR. ROWE, W.N. 04, Mr. Chairman. Does this document come under that heading. Is that where the weekly offshore report - an interesting document, Mr. Chairman, in any event the January 25 edition 1973 had the highlights of what was going on right across Canada you see in "International and North Sea."

The highlight in Canada on January 25 was a statement by the minister himself -

MR. MURPHY: Congratulations. You made it.

MR. ROWE, W.N. The highlight in Canada by this objective newspaper.

MR. BARRY: My public relation officer got carried away I guess.

MR. ROWE, W.N. Canada lead story, the following is a press release issued January 18 by the Minister of Mines and Energy, the honourable Leo Barry. Then an earth shaking announcement concerning the fact that AMICO, which was operating under two interim permits, the work will be done jointly row by AMICO, Imperial Oil, Shell Oil an earth-shaking pronouncement. The lead story across the nation was a statement by the minister made even more astonishing when you read in the front page of this document - this report consists of information appearing in oil industry publications and other news media. It does not reflect the policies of the Government of Newfoundland.

Then we look on page one and see a statement by the minister, a curious situation, to say the least, Mr. Chairman. Are we to assume that the statement by the minister on government policy is not a statement of government policy? I mean, what is this anyway? The problem with this kind of sheet of course, Sir, is that although in concept it is suppose to be supplying information to people on what is going on in Canada and in Newfoundland and internationally, in the North Sea, as the statement says, unfortunately it has a tendency to become a political rag, which is unfortunate. It is unfortunate because I think this serves a good purpose. It comes out every week, does it?

MR. BARRY: You are not saying that has deteriorated to that extent?

MR. ROWE, W.N. Well I can only assume, Sir, that when I read on the front page that this report consists of information appearing in oil industry publications then does not reflect the policies of the Government of Newfoundland and then I turn to page one and the top story right across Canada for that week was a statement by the minister, that a company is now being operated jointly.

That is the danger, Mr. Chairman, I just thought that I would bring it to the attention of the committee that although in concept I am in full agreement with this, the idea of it, to supply information to those interested in offshore resources that the minister should be careful that he does not fall into the trap, well not the trap but does not follow the bad habits of some of his other colleagues, publicity hounds and people who are interested more in good news stories than in supplying information.

MR. MURPHY: Who are they I wonder?

MR. ROWE, W.N. On the face of it, Sir, one can only believe that this is what this particular document is in danger of becoming, nothing but a political rag put out by the minister, the minister's department, to try to disseminate as many political news releases as possible from the minister.

MR. DOODY: If that ever happens, we will change the name to the "Newfoundland Bulletin."

MR. ROWE, W.N. Well I hope so. You are going to reinstate the "Newfoundland Bulletin." I am glad to hear it, Mr. Chairman. McLean cannot keep pace with the good work done by the "Newfoundland Bulletin." It has finally been admitted.

But I do bring it, Sir, to the committee's attention. I hope the minister in the future will do what this thing purports to do namely to disseminate information appearing in oil industry publications and other media and not just make it a political rag, giving out press releases for himself or other ministers.

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MR. WOODWARD: Mr. Chairman, on 1103-03-05, Mineral Development Programme, \$1,250,000. The minister I am sure have touched on some of this already.

but maybe he can tell us what the half million dollars is for, where it is going to be spent in the province and if there is any other equipment involved in here in his mineral development programme, Mr. Chairman.

On motion subhead 304 carried.

MR. BARRY: The \$500,000 referred to for capital is for the new mineral laboratory which is going to be constructed. We went into this in the House a couple of weeks ago.

AN HONOURABLE MEMBER: Inaudible.

MR. BARRY: No. I told you where it was. It is off Higgins Line

MR. NEARY: Do not tell me it is going to be built out here in the bog somewhere.

MR. BARRY: It is going to be built in a bog behind the building.

MR. MURPHY: We have been bogged down for twenty-three years.

AN HONOURABLE MEMBER: What was the first time a half million dollars went on this?

MR. DOODY: We are going to drive the piles down.

MR. BARRY: As against this figure of \$1,250,000 you had to look down as the appropriations-in-aid of \$1,190,000 which will be recoverable from the federal government under the Canada, Newfoundland Agreement on mineral exploration and evaluation.

MR. WOODWARD: Yes but what is the money being spent for, although we are getting it from Ottawa? What is it being spent for, Mr. Chairman?

MR. BARRY: This subhead provides for expenditures in connection with the Canada-Newfoundland Agreement on mineral exploration and evaluation. The expenditure is a hundred per cent recoverable from the federal government.

The programme for 1973-1974 provides for continuation of projects started in 1972-1973 as well as expected new projects. At the present time the details as to the actual amount to be expended on individual projects have not yet been finalized. However, work will be carried out in the following areas:

- (1) Mineral inventory.
- (2) Mineral development planning.
- (3) Mineral concessions.
- (4) Mineral processing opportunities.
- (5) Mineral evaluation surveys.
- (6) Limestone, dolostone.
- (7) Silica evaluation.
- (8) Geochemistry of Eastern Newfoundland.
- (9) Barite, celestite evaluation.
- (10) Analytical laboratory.
- (11) Glacial, geological, geochemical survey.

AN HONOURABLE MEMBER: Would you run through that again please.

MR. MARTIN: I am sorry. Mr. Chairman, the honourable minister mentioned amongst other things inventory. I wonder if the mineral development programme and the new building that is going to be built and the people who will work in there will provide the answers to the questions that were raised just a few moments ago.

MR. BARRY: No, the mineral laboratory will not provide this. This will be mainly having to do with analysis of different assays. The sub-committee on mining has this as one of its terms of reference. This is one of the problems it is looking into, the getting of proper inventory of our mineral potential. This federal-provincial agreement has as one of its objectives the furtherance of a proper mineral inventory. Work has already been started on it and it will continue in this area. There is a big job here, a big task. Little has been done in the past but it is started and it will take time but it will be done.

On motion subhead 305 carried.

On motion total subhead 1103 carried.

MR. GILLET: These energy resources: I presume that this means electrical energy. Although a lot has been talked about this energy and the supply of it - something was mentioned by the honourable minister earlier that prompted me to speak now and this

is something that has been on my mind for a while, that is the availability of electricity on the Mainland of Canada by way of grids, which we do not have in this province. Now, I did understand last week that our energy, our electrical energy is practically all used up or it will be, what we have, in the foreseeable future will be.

AN HONOURABLE MEMBER: Hydro electric.

MR. GILLET: Hydro electric, yes. Hydro electric as we know is the chief means of electricity. We are very fortunate in Canada to have such hydro power, in Newfoundland in particular. I am just wondering if and when we can induce the industry to come into this province and whether or not we can assure them of electrical supply at all times by way of a grid either by way of an underwater cable from the Labrador, which I think perhaps could be the most feasible way, because that in turn I would say would go right on up even to the United States. Other than that it would have to be, I would suggest, by some other artificial means other than by hydro, thermal or some other means of supply.

Perhaps in answering the minister might indicate to the House whether or not this is one of the first questions usually asked by any prospective industrialist when he is approached or he approaches the government in turn to come into this province. I think, Mr. Chairman, that is something that we are going to have to look to very seriously in the future and when I say the future, I mean a long-term policy.

MR. BARRY: The honourable member raises a very good point in this. The previous policy was to have on hand a surplus supply of energy to use in attracting industry. This meant that capital was invested and the province was paying interest on that capital and this surplus was not necessarily being used. The officials at the Power Commission tell me now that they can build the additional generating capacity as fast as it will be needed. In other words, there is no need to keep the surplus, that if an industry comes in and says they are going

to start in Newfoundland and will be in production in three years - two to three years is usually the earliest - the Power Commission can say, "Okay, we will have your power requirement ready for you by the time you start production". Now, how that is applied: The honourable member mentioned that hydro power is cheaper. That is not always the case, unfortunately. As you get down to smaller and smaller developments, you fall below a level where the thermal alternative may be the better alternative, as I mentioned earlier, based on the price of fuel and so on. That is another question, how you supply it. Eventually we are going to have to get into thermal or it may be nuclear. As an island, isolated from the Mainland grid, I am told that the nuclear alternative is attractive for that reason, better security of supply as far as the tie in from the Mainland, by way of underwater from Labrador or something you get into. This will not be economically feasible until we get a larger demand on the island. The figures are available. I do not have them at the tip of my tongue. Until our demands reach a certain level, it will not be economical to take those steps, and that will be some time in the future before our demand will be of that magnitude.

MR. F. ROWE: Mr. Chairman, I wonder if the honourable the minister could give me some information relating to the future policy as far as the provision of electricity to areas that are now served by diesel plants, such as Cook's Harbour, Wild Bight -

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Yes but there is a situation there now and I want to get down to some smaller communities as well. The same thing there in Flowers Cove - there is a diesel plant in that particular community and that is providing electricity a little to the north and a fair stretch down the southern part of the Great Northern Peninsula.

AN HONOURABLE MEMBER: When do we get to the Power Commission?

MR. F. ROWE: Well, I thought we were discussing salaries now.

I will not get at it then again for the second time. That is the other question I had to ask, of course, does it come under rural electricity authorities or the Newfoundland and Labrador Power Commission? Presumably it comes under the Newfoundland and Labrador Power Commission, is that correct?

MR. BARRY: No, the rural electrification authority is administered by the Power Commission. It is a statutory authority but administered by the Power Commission.

MR. ROWE(F.B.): Well, I was wondering if the minister could give some indication as to whether or not his department is prepared or the Power Commission is prepared in the future to lay the transmission lines, whether it is through electricity provided through hydro plants or through those diesel plants, lay these transmission lines or cables underground on the Great Northern Peninsula because in that particular area there are usually -

MR. BARRY: You are talking about salting, are you?

MR. ROWE(F.B.): Well, there are two things. Number one is the extreme winter and wind conditions that you have there, icing in the winter and heavy snow drifts and quite a high wind and you have this salting problem as well. That is one point, the possibility of laying these cables underground, if and when they start the reconstruction and paving, for instance, of the Great Northern Peninsula Highway, under our new highways agreement. Probably this would be a very appropriate time to give some consideration to laying the cables down along the side of the grade of the road at the same time.

The second thing is that I have been told by a great number of people on the Great Northern Peninsula that a diesel plant, a third diesel plant is required somewhere around the Plum Point-Brig Bay-Bird Cove Area because what is happening now, and I do not understand too much about electricity and what happens to it when it is pushed from a diesel plant over a great distance, but apparently you end up having to have a low voltage

and consequently under certain circumstances the people are having their refrigerators and their deepfreezes and their television sets and other electrical appliances blown out at certain times of the year, particularly when you get this salting problem, so that people suffer greatly from this particular aspect of low voltages and something happens where their electrical appliances are blown out.

So has the Power Commission given any indication of putting a third diesel plant, third to the one in Cooks Harbour and Flowers Cove and the one in Brig Bay, the junction area there in the District of St. Barbe North, because they are still being provided electricity from up in Flowers Cove, down in the very southern part of the district?

The third thing that I would like the minister to give some indication of is what is going to happen - now I realize that the minister wrote me a letter but I cannot seem to find it in my files - but what is going to happen to places like Bard Harbour and Big Brook with respect to the provision of electricity? Under the present arrangement the Power Commission will not set up a diesel plant in a community below fifteen homes. I was wondering if there is some possibility of being able to subsidize these people with the provision of a smaller generating unit. You know you see hundreds of people with cabins and country homes and this sort of thing being provided with this type of a machine. Cannot the same thing be provided to the homes in these very small communities which are I might add quite viable communities as far as the fisheries is concerned? Is there any possibility of working out some sort of a subsidy for the people of Big Brook and Barb Harbour? I believe there is some agreement worked out with one of these communities.

MR. BARRY: Yes, maybe if I answer that point first. There are certain problems here and there has already been reference to the

union agreement which the commission has dealing with the number of employees who have had to be retained and the number of hours etc. for the operation of these things. Now the operating cost is a large part of the cost in these diesel areas. You have to have presently I think two men employed, full-time. Now when you start talking two men's annual salary and you get into communities with maybe four or five families, it is economic madness.

I have requested the Power Commission to look into and to give me suggestions on this very point that you have suggested with respect to possible development of policy for areas that do not presently fall within the guide lines of over fifteen customers. It will boil down to dollars and cents again, unfortunately, just what we can justify in the way of expending public funds to electrify communities where there are less than fifteen customers. We are prepared -

AN HON. MEMBER: (Inaudible).

MR. BARRY: There are not that many. But another problem that develops is that the more communities you have, demand increases automatically either because of new customers coming on or because of additional requirements. First it is just the electric lights and then it is the television set and then it is an electric range and so on and it escalates and there is additional generating capacity needed. We are looking at this area and that is about all I can say right now. I cannot say that we have a policy for communities with less than fifteen customers as we do not. We realize there is a need there that has to be looked after and hopefully we can develop something immediately.

MR. ROWE (F.B.): You realize of course that last year I was informed by the hon. the Premier and the hon. Minister of Finance that of course the present administration was looking at the development of a policy for the provision of electricity to

such small communities and I have read into the record of the House what the Minister of Finance had to say about the policy regarding such small communities. So it is not too difficult to understand the frustration of the people in these two areas. It was a vote-catching strategy, the provision of these in a community that, I might add, had one voter.

AN HON. MEMBER: (Inaudible).

MR. CHAIRMAN: Order please!

MR. BARRY: I am sorry there are just a couple of questions that he asked there.

MR. MARTIN: Mr. Chairman, just one brief statement in support of what was said here. Just by way of recommendation, I would like to point out that the federal government has authority for supplying communication sets on the Coast of Labrador and the principles involved here might very well be used. In those communities where the population is below the level laid down by the guide lines for Bell Canada, where they cannot be provided with telephone communications, the Department of Transport has provided them with a radio telephone set, the agreement being that the department provides the set only and the maintenance, the upkeep of that set is the responsibility of the community. Perhaps something like this could be applied in this case, because there are a number of these smaller communities I know in my own district where because of the present guide lines they are never, ever going to get electricity.

MR. BARRY: With respect to the Great Northern Peninsula problem, there is a salting problem and the commission has done a lot of work and has developed certain technological - they are spraying the lines with certain solution. Well, it is a lot better than it was and they feel that they can improve it still over what it is now.

MR. MURPHY: What would be the ratio to put them underground, Mr. Chairman?

MR. BARRY: There is some strong consideration to recommend to the Power Commission that at such time as we do have reconstruction of the Great Northern Peninsula Highway they do consider laying those transmission lines underground.

MR. ROWE(F.B.): I get the impression that is a pretty severe increase in cost.

MR. BARRY: It is a severe increase in cost initially but it will save many thousands of dollars in the final analysis because every winter, every fall, every spring we encounter the same problems of icing, salting and blow downs by wind and it is costing thousands and thousands of dollars. It is not only costing thousands of dollars to the Power Commission but it is costing thousands of dollars to the people who are having all their electrical appliances blown out several times a year. This will be brought up with the commission.

On motion 1104(01) through 1104(02)(02), carried.

1104(03)(04):

MR. ROWE(W.N.): On (03)(04), Mr. Chairman, \$4,872,000, current, I would imagine that most of that is the subsidy on rural electrification. The minister might want to give us a breakdown on that. How much is for salaries and how much is for actual subsidies, that is the cost of the electricity being generated being more than the income coming from the customers? Secondly, Sir, the capital expenditure proposed this year is \$2,723,000, perhaps the minister - Now we do not want him to go into such detail as he went into during interim supply. During interim supply he bored the House with tedious detail as to where that money was going to be spent, where this almost three million dollars capital expenditure was going to be made under rural electrification. The only thing

really we got out of the minister during Interim Supply was that one community in his district was going to get electrification. He assured us at that time that the \$500,000 was not all going to be spent in his district, in that one community. Could the minister give the committee some indication, a list, in fact, of the places that are going to benefit from this capital expenditure this year? What is it? Is it new diesel equipment or what, Mr. Chairman?

MR. MARSHALL: Mr. Chairman, if I may move that the committee rise and report progress? You are almost finished are you? I am afraid that I might go to sleep, and I really have to do something.

On motion that the committee rise, report having passed items of current expenditure under the following heading: Heading XI - Mines and Energy, and ask leave to sit again, Mr. Speaker returned to the Chair.

On motion report received and adopted.

On motion committee ordered to sit again presently.

MR. MARSHALL: Mr. Speaker, I move that when the House adjourns this evening that it adjourn until tomorrow morning at 10:00 A.M.

MR. SPEAKER: Order please! Is the House ready for the question? It is moved that the House, when it rises, do adjourn until tomorrow morning at 10:00 A.M. Those in favour "aye." Those against "nay." Carried.

On motion that the House go into Committee of the Whole on Supply, Mr. Speaker left the Chair.

MR. BARRY: The capital expenditure - the honourable member is particularly interested in new ties and new electrification, is he?

MR. MURPHY: Give us the whole works. Sure read from page one right on through.

MR. BARRY: Recurring capital cost, in other words normal yearly

expenditures, line extensions to new customers, etc., upgrading and so on, is \$487,000. Power house extensions and diesel additions: L'Anse au Loup, \$461,000; Sop's Arm, \$58,000; Recontre East, \$10,000; Grand Le Pierre, \$32,000; Roddickton, Canada Bay Lumber, I believe, \$116,000; Ramea, (I think the fish plant is involed there) \$148,000; Long Island, \$23,000.

AN HON. MEMBER: Where is Long Island? Green Bay.

MR. BARRY: The Happy Valley-Goose Bay Area, \$442,000; Hampden, \$22,000; Flower's Cove, \$100,000. The total is \$1,412,000 for this. Miscellaneous projects, \$424,000. I do not know if you want me to go into all these purchases of mobile diesel units and so on. Purchase of one mobile diesel unit \$70,000: voltage conversion, St. Anthony, \$6,000; Happy Valley, additional transformer, \$32,000; installation of fuel storage tanks, purchase and installment of regulators, maintenance depots, purchase and installment of kilowatt hour meters, install water and sewer facilities and other miscellaneous projects - the contingency for the balance of that. Hydro ties for Sunday Cove Island, Nipper's Harbour, Burlington, Jackson's Cove -

AN HON. MEMBER: Mr. Chairman, is there a quorum?

MR. CHAIRMAN: There is a quorum.

MR. BARRY: These are places already electrified but they are going to be tied into hydro and that way will avoid the higher costs of diesel operated plants. There will be diesel ties to St. Lunaire, Raleigh and Cook's Harbour, for a total of \$492,000. There will be a new diesel installation in Petit Forte, at a cost of \$60,000. I am sorry. The diesel ties are not included.

On motion 1104-03-04, carried.

MR. W. N. ROWE: Mr. Chairman, Newfoundland and Labrador Power Commission; I notice that there is nothing, at least I cannot find it in the salary estimates, covering the salary of the Newfoundland and Labrador Power Commission. Now I realize it is a crown corporation.

I do not think it has ever been done before. It seems to be that it would be nice for this House to have a little bit of control over the burgeoning and proliferating of these crown corporations. Can the minister give us any idea as to the number of people currently employed by the Power Commission? Where their salaries are paid from? Is that to be paid from the Industrial Incentives Act? That is the ERCO subsidy. That is what I thought. The generating capacity is the thermo plant I would imagine, is it? They have their own revenue but do they in fact make money as an ongoing operation? Okay, the ERCO subsidy comes under the Industrial Incentives Act provision. Is there also an amount in there to cover any deficits there might be between the income the commission receives and the -

MR. BARRY: (Inaudible).

MR. W. N. ROWE: That comes under generating capacity - current.

MR. BARRY: Capital is financed by the commission itself, through bondage.

MR. W. N. ROWE: Yes, of course. I am just wondering, because it does not seem to be very clearly set out as to the current operating expenses of the Power Commission. I mean we see the Industrial Incentives Act subsidy and the generating capacity expenses, the cost to the province of that

MR. WM. ROWE: excess generating capacity. Included in those two figures or in one of those figures is there any subsidy which the government might be giving the Commission to account for any differences between the income of the Power Commission and the cost of everyday running of it, the salaries and that sort of thing? Is that a true statement? Can the minister give us some idea as to how many employees are now on the Newfoundland and Labrador Power Commission? Are they subject to PAD? Are the classifications of everybody, of all people in the Power Commission, subject to the same constraints as ordinary civil servants who are in this building or operating under the aegis of a government department.

MR. BARRY: Well, with respect to the last point, there are present union negotiations. The Commission is - what is the name of the union? The National Brotherhood of Electrical Workers, the Commission has been unionized so that it is a matter of negotiation with the union, basically, as to salaries and so on.

MR. WM. ROWE: A crown corporation employee could get more or less, as the case might be, than a clerk-stenographer doing the same work in a government department?

MR. BARRY: This is a concern of the government with respect to all these semi-autonomous bodies outside of line departments and it is difficult. You know, what do you do? You have to try and keep some sort of standardization or you are just going to have - But treasury board has the salary proposals for the Power Commission employees go before treasury board, the same as the salary proposals for a line department employees.

With respect to the Budget, every year the annual report of the Commission is filed in this honourable House. The last one was filed just recently. The Budget, unlike (I believe and I could be corrected) the practice of the previous administration, where

MR. BARRY: they pretty well did go their own merry way.

MR. MURPHY: No questions asked.

MR. BARRY: The honourable Minister of Finance, during the time when he was minister, made it a point of stressing that the budget of the Power Commission had to be approved by cabinet and this is the practice that has been followed and it is a completely reasonable practice.

MR. WM. ROWE: That was always the policy as long as I know. On that point, I mean that is ridiculous, not that we should try to get involved in that but how many times do I see in my mind's eye Wally Reid before the treasury board, when I was a member of it, crying in his milk trying to get a few more staff here or a few more there and that sort of thing. As long as I can remember, now what it was -

MR. BARRY: The staff was issued but the total budget, you know the total spending -

MR. WM. ROWE: Yes, they used to come before with that, the same thing. Now maybe the Minister of Finance in his inimitable fashion has tightened up on that even, you know. Maybe there are other constraints and restrictions but -

MR. CROSBIE: Capital budget was better approved.

MR. WM. ROWE: The capital budget - well it is an insignificant point really but I seem to have a memory which goes to the contrary of what the honourable minister is saying. It is not even important.

The important thing is that there is some control over this. The same thing applies to the housing corporation and the same sort of questions will be asked of the honourable Minister of Municipal Affairs because I think there is a tendency for these corporations to be empire builders and to do whatever they feel like doing more or less. I just wanted to make sure that there is some good control over them,

MR. WOODWARD: Mr. Chairman, maybe it is unreasonable to ask but maybe the honourable minister can inform the committee, how many families throughout the province are without electricity, not to include the communities that qualify with the fifteen families, but is there an inventory or document stating how many families are without electricity and how many communities are requesting electricity that will not get electricity this year? Would you have that type of information for the committee?

MR. BARRY: I do not have that information immediately available. I understand it is in the area of ten to twelve communities, not I am pretty sure, much more than that. The province is approximately 99.8 per cent electrified and the number of families I could not give you but we could I imagine, with some digging, obtain it. I will get it for the honourable member. This will probably be coming up in the debate on the uniform diesel rates on the private members' resolution but I will try and get it before that.

On motion total subhead 1104, carried.

MR. NEARY: 11-05-01 Why is this salaries vote up to \$109,600 from \$58,200? New division? I thought it was there last year.

MR. BARRY: Well there was Mines Inspection Division, some of the functions of that are contemplated as falling under this new division, subject to, as I mentioned before, present policy review with respect to whether some of the functions of Mines Inspection should go to Workmen's Compensation. But there were funds spent for Mines Inspection Division last year.

Also two of the staff who will now be under the Mineral Lands Administration Division were in the previous Department of Mines, Agriculture and Resources - Mr. Walsh and Mr. Hannon, doing the work that will now fall under this division. So as far as I can understand, this is why it shows the amount for last year.

MR. NEARY: 11-05-05 This is Sealing Openings, Mr. Chairman, and I cannot help but thinking about the honourable Minister of Finance, but I do not think it will cost \$10,000 to seal that opening, Sir. Would the minister care to explain what this \$10,000 is to be used for.

MR. BARRY: An earlier comment was made that if we could finance the energy in the honourable member for Bell Island's lower lip, we might not need to develop the Lower Churchill but -

MR. CHAIRMAN: Order please.

MR. MURPHY: I thought that was nice.

MR. BARRY: Provisions made for sealing mine openings in various areas of the province to eliminate hazardous conditions that now exist - work of this nature needs to be done at Robert's Arm, approximately \$4,500, at certain proposed municipal park sites another approximately \$2,000.

It is anticipated a start will also have to be made during 1973-74 on sealing mine openings and removing dilapidated buildings on Bell Island; \$3,500 has been included in this vote. There is a possibility that the work on Bell Island may be included in a winter works programme and in that even a portion of the expenditure we would obtain from the federal government. This is one of the things we are looking at with respect to the Bell Island situation.

MR. NEARY: Mr. Chairman, I wonder if the minister could tell us what particular opening they are talking about on Bell Island? Is it the mine slopes or is it the old working surface mines, filling in where DOSCO did some surface mining? Just what is it that the minister plans on doing on Bell Island? \$3,500 is not going to do very much.

MR. BARRY: There are a couple of areas that have opened up because of rock slides or something, as I understand it, some on the back of

MR. BARRY: the island, I am not completely certain. I can get the honourable member the information.

There are one or two areas where there is difficult access but still access, and knowing children, it is just too dangerous to leave open. There are a couple of other areas where there were openings barricaded and these have been broken open by unknown individuals

and work needs to be done in repairing these. Basically this is what the work is intended to cover.

MR. AYLWARD: Mr. Chairman, before the last block carries; I directed a question to the minister with respect to the use of Argentinia Port. I know his attachment to Marystown but despite that, I think he should answer the question which I put to him last night.

AN HON. MEMBER: Steer's Wharf would suit me.

AN HON. MEMBER: Is that under unemployment insurance?

MR. A.J. MURPHY: You can ask a question on the total.

AN HON. MEMBER: Can you?

MR. MURPHY: It is perfectly legal.

AN HON. MEMBER: Just checking.

MR. MURPHY: That is all right.

MR. BARRY: Yes, I am sorry, I overlooked that one. The honourable member asked for information concerning the port requirements for offshore oil. This is something that you could go on all night about and it is something that has been discussed time after time after time in the past...

MR. AYLWARD: The question was in respect to the existing facilities that the Berry Brothers are using and what is the potential of the port, considering? I understand that two oil rigs have already been serviced at Argentinia. Just what is the position with respect to servicing these rigs as far as Argentinia is concerned?

MR. BARRY: The honourable member for Placentia East has, of course, made many representations in the past concerning the potential for his district, and the potential looks quite good there apart from the development which is taking place by Berry Brothers. Apart from the work that is being done there, I believe they have obtained a DREE grant. They have already done some work on servicing rigs.

There is also a fair amount of level land there which looks good for potential future development. I am not clear on what the status of this is with respect to the United States Government, where

its lease extends. But adjacent to the harbour there, there is good backup land that could be available for future development. Basically, that is about all that we can say. The potential is obviously there. One company is now taking advantage of it and there hopefully will be other companies and possibly facilities made available as the United States Government has no longer need of certain things adjacent to the harbour facilities there.

The honourable member, if he has any immediate questions, more detail, I will be glad to answer them.

MR. NEARY: Mr. Chairman, the honourable minister is so good, even members on his own side are asking him questions. Sir, before we carry the total, I would like to ask the minister if he knows anything about the Bell Island Trust Fund? The Bell Island Trust Fund, Mr. Chairman, was set up under the Department of Mines, Agriculture and Resources and I presume now it is carried over into the minister's department. It was set up to distribute any surplus money that came in as a result of the disposal of the Dosco assets. Members might remember that - I think it has been almost two years now since the disposal of the Dosco assets wound up but there was still some equipment, some material and some supplies on the island and there were a number of houses on the island belonging to Dosco that were taken over by the government when Dosco pulled out.

Some money was still trickling into the Department of Mines, Agriculture and Resources and the government, in its wisdom, at that time (we were probably the pioneers in rural development) decided to set up what was called a Bell Island Trust Fund. It was administered by the Minister of Mines, Agriculture and Resources (I think that probably the Minister of Industrial Development may know something about it) to distribute the money that was coming in from the sale of the assets that were left there and from some private salvage that was still going on. The money was passed over to this trust fund to be distributed to the people of Bell Island the best way

they saw fit.

The committee decided to use the money to try to rehabilitate some of the families on Bell Island. They gave the money out in loans, small loans, to people who wanted to buy cattle...

MR. CHAIRMAN: Order please! The honourable member's attention is drawn to the fact that we are dealing with Head XI, Mines and Energy. He has somehow or other digressed into speaking about a Bell Island Trust Fund. It does not seem to have any relationship whatsoever to this subject.

MR. NEARY: The Bell Island Trust Fund comes under the minister. It used to be under the Minister of Mines, Agriculture and Resources and now it has carried over to the Minister of Mines and Energy, Sir.

MR. CHAIRMAN: Does the honourable member wish to ask the minister a question?

MR. NEARY: No I do not, because the minister may not know too much about it. I want to bring him up to date...

AN HON. MEMBER: (Inaudible)

MR. NEARY: Know everything about it. What I want to know, Mr. Chairman, is what is happening to the Bell Island Trust Fund now? Does it have any money?

MR. DOODY: (Inaudible)

MR. NEARY: Does the Trust Fund have any money? Is there any money coming in as a result of the disposal of any of the assets that may be left around there? I understand that recently the government sold some of the Dosco houses on Bell Island, what happens to that money? Will that be turned back to the trust fund to be distributed to the people?

I was explaining to the minister, Sir, that some of this money, all of this money, as a matter of fact, was used to help fishermen and farmers, to help people to buy cattle, buy boats to go fishing, fishing gear and generally speaking, Sir, to try to

rehabilitate some of the families over there.

My understanding is that the committee has been inactive since the Tories took over. I do not know why. I do not know if they have a balance in the bank nor I do not know if there is a balance in the minister's department. If there is, why has it not been turned over to the trust fund? What has happened to the money that has come to the government as a result of the sale of the Dosco houses? Is that going to be given to the trust fund or what will happen to it? If in his answer I can think of some other questions to ask him, Sir, I will not hesitate to do so.

MR. BARRY: The honourable Minister of Industrial Development is going to act as my resource person on this particular one...

MR. DOODY: I have been doing a head count...

MR. BARRY: I must say, the entire - the files dealing with the disposal of the Dosco assets provide some very interesting reading.

MR. MURPHY: They are interesting no doubt about it. Ask Reverend Buckle.

MR. BARRY: There are things there that I do not pretend to grasp, or understand how they could happen or why they happened. I have not studied the terms of reference to the enquiry but I understand that this is one of the terms of reference of the enquiry presently proceeding. Does the honourable member know anything about that? As such I do not know if it is proper for me to go into it at this time in any detail, other than to say there are some statements of record sort of tied together with commitments or rights given to individuals on Bell Island to take certain action in disposing of assets, in salvaging assets and disposing of them.

There is presently a freeze...

MR. DOODY: That is a good word.

MR. MURPHY: We will be able to take up a collection for the people on Bell Island to pay of the debts...

AN HON. MEMBER: It is very frosty.

MR. BARRY: There is presently a freeze on certain activities that were occurring prior to this administration coming in. The trust fund may be...

MR. DOODY: There is no trust fund.

MR. BARRY: There is no trust fund. I do not know of any.

MR. DOODY: There is no trust fund that I know of.

MR. BARRY: One individual has been to me talking in terms of - if he can sell some scrap that is around there, that there may be -

MR. DOODY: There is a Bell Island Benefit Fund, I think.

MR. NEARY: Well whatever it is.

MR. DOODY: I thought you were familiar with all that.

MR. NEARY: (Inaudible)

MR. DOODY: It is all in the hands of the commission who are investigating or looking into the...

MR. MURPHY: Am I in order in supplying a little information on that? If I may, I was Leader of the Opposition at the time that this thing broke on Bell Island and the people came looking for what was left - the disposal of the assets of Dosco. Mr. Callahan was minister at the time. We found it very difficult to make any headway but the last report we got was that we were planning to take up a collection on Bell Island to make up for the deficit that has occurred after selling all the assets over there.

There was no

MR. MURPHY: money left and whatever happened to the thing, there was a complete breakdown. I think Reverend Buckle at the time was one of the committee that I was chatting on the thing and several other people. But after all disposal of this \$1 million worth of assets, there was no money left. The understanding was that what monies were derived from the sale of the assets would be divided I think between, I believe it is the Bell Island Development Association at the time. When he came to look for the money, there was no money there and as far as I know, the last word we had, some three years ago, was that there was a deficit in the whole fund. That is all the information. We were in opposition at the time.

MR. CHAIRMAN: Shall the total carry?

MR. NEARY: No, Mr. Chairman, not yet because the honourable Minister of Social Services, as usual, has put his foot into it.

Sir, down in the minister's department there is an audited statement from the Auditor General's Department, and it was tabled in this House over two years ago, Sir, showing the disposal of the DOSCO assets, checked by the Auditor General's Department and the minister has the audited statement in his department showing that all the money that was taken in was paid out in wages. The minister said he looked through the file, if he did he must have seen that. So there was nothing left.

MR. BARRY: There are so many files down there. I have not seen that particular one I must say.

MR. NEARY: You have not seen that one? Has the Minister of Social Services seen it?

MR. BARRY: Maybe it is one of the ones -

MR. MURPHY: We were asking questions and in the usual liberal way we were not getting any answers.

MR. NEARY: The minister who professed to be an authority on this matter, Sir, gets up and makes a foolish statement.

MR. MURPHY: That was not foolish. That was the most sensible statement made here today.

MR. BARRY: Maybe it is one of the ones that were taken away.

MR. NEARY: There were no files taken away.

MR. BARRY: None?

MR. NEARY: Go to the Auditor General's Department if the honourable minister wants to find it. But, Sir, the statement is there and the Minister of Industrial Development has seen it, an audited statement showing that all the money that was taken in was also paid out.

But, Sir, we reached a stage -

MR. CROSBIE: On what?

MR. NEARY: Was paid out in wages.

MR. MURPHY: That is a good question.

MR. NEARY: Well, Mr. Chairman, if the honourable Minister of Finance is doubting my word, bring the statement into the House before the committee passes this vote.

MR. CROSBIE: No we accept your word.

MR. NEARY: The minister does not doubt it. No, but he is over there passing his snide remarks as usual.

MR. CROSBIE: I only said, "On what."

AN HON. MEMBER: That is all he asked.

MR. CROSBIE: I thought you had the answer.

MR. NEARY: I have got the answer.

MR. CROSBIE: Let me ask you a few questions now.

MR. NEARY: Yes, go ahead. If the honourable minister wants to ask a few questions -

MR. CROSBIE: Sit down.

MR. NEARY: Ultimately, Sir, there was a Bell Island Trust Fund set up.

AN HON. MEMBER: There sure was.

MR. NEARY: Set up by the Lieutenant-Governor in Council, Sir,

AN HON. MEMBER: Yes siree.

MR. NEARY: To distribute any money that came in after the books were closed.

MR. EVANS: Inaudible.

MR. NEARY: I would say that committee, Sir, has distributed \$12,000 to \$15,000 maybe, I do not know but more.

MR. DOODY: There were letters on file from the Auditor General, asking under whose authority was it distributed.

MR. NEARY: I can tell the minister it was distributed under the authority of the Lieutenant-Governor in Council.

MR. DOODY: Well the Auditor General cannot find any record of it.

MR. NEARY: Well the honourable minister had better check his records again.

MR. DOODY: I do not have to, it is all in the hands of Judge Mifflin.

MR. NEARY: No, it is not in the hands - Mr. Chairman, because there is an enquiry going on does everything have to come to a standstill on Bell Island?

MR. CROSBIE: We cannot spend the money that is not there.

MR. NEARY: Sir, there is money there. I can tell that crowd on the other side where there is anywhere from \$15,000 to \$20,000.

MR. DOODY: Sure you can.

MR. NEARY: I can. It has not yet been passed over to the people of Bell Island. It has been held in trust over at the Newfoundland and Labrador Housing Corporation. Rent collected on houses that were passed over to the government.

MR. DOODY: I would also like to know how the people who were in the houses had the houses.

MR. NEARY: What do you mean, how they got the houses.

MR. DOODY: How come we cannot find any record of any bids or tenders or how they managed to get -

MR. NEARY: Mr. Chairman, this crowd disposed of at least - and they talk about the enquiry, Sir, while the very enquiry is going on, this crowd disposed of five DOSCO houses only a few weeks ago. And yet when I get up and ask a question about \$15,000 or \$20,000 that is being held by this government that belongs to the people of Bell Island, they say, "Oh no, there is an enquiry going on."

Well why was not the freeze put on the houses that were sold only three or four weeks ago? Why?

AN HON. MEMBER: Months ago.

MR. NEARY: What do you mean months ago? Only three or four weeks ago, Mr. Chairman -

MR. DOODY: He did not tell me about it, Sir.

MR. NEARY: Did not tell you about it, well I am telling the minister about it now.

MR. DOODY: I appreciate the information. It will not happen again.

MR. NEARY: Well, Sir, I do not mind the people buying the houses. I do not mind it one bit. They are entitled to buy them. But what I want to know is what is going to happen to the money? Is it going to be passed back to the Benefit Fund to be passed on to the people of Bell Island to try to rehabilitate some of the families over there? What is going to happen to it?

MR. DOODY: It will be passed on to a fund for the people of Bell Island. It is not necessarily that benefit fund.

MR. NEARY: Well, Sir, is the honourable minister casting a reflection upon the present benefit fund that happens to be headed up by the Anglican Rector on Bell Island, Sir, the Reverend Morgan?

MR. DOODY: In the immortal words of the honourable member, "If the cap fits, wear it." I have cast reflections on no one. I simply said that it is not necessarily the committee to whom the money will be paid.

MR. NEARY: No, it will probably be passed over to a Tory committee.

MR. CROSBIE: Horrors! Horrors! What shame!

MR. NEARY: I would say there is a substantial amount of money in various government departments right now, Sir.

MR. DOODY: Would the honourable member permit a question?

MR. NEARY: Yes I certainly would.

MR. DOODY: Are you suggesting that the Bell Island Benefit Fund is not a Tory Committee?

MR. NEARY: I do not know what they are, Mr. Chairman, I did not select them.

MR. DOODY: The Anglican clergyman -

MR. NEARY: No, I do not know what the Anglican clergyman is.

MR. DOODY: Well why are you saying that it might not be a Tory Committee?

MR. NEARY: Because the minister inferred that it would not be passed over to this committee. Well why not? They did a good job. They did just as good a job as the Minister of Rural Development is doing in his give-away programme, just as good. I do not know but it is better.

MR. CHAIRMAN: Order please. The honourable member -

MR. NEARY: But Mr. Chairman, this is a pretty important matter to the, well this comes under the minister, Mr. Chairman, a pretty important matter to my constituents. The minister does not appear to know too much about it.

MR. DOODY: He has done as much as he can with the skimpy records that are available.

MR. NEARY: No skimpy records available. No skimpy records available at all. All the records are there. I saw a file down in the minister's department that thick and there was no hanky panky either, Sir.

The accounts were audited, approved by the Auditor General's Department, and the minister has not even seen the financial statement but, Sir, I would like for him to bring the financial statement into

MR. NEARY: the House.

MR. CHAIRMAN: Order please. The honourable member, the time for a full-scale discussion like the honourable member is getting into is at the beginning of any head of expenditure and the honourable member has had ample time in which to bring forward the items which he is bringing forward now, and while I hesitate to cut in on him, as it is obviously with some fervor with which he makes the remarks, I would ask him to make them as briefly and succinctly as possible.

MR. NEARY: Mr. Chairman, I was looking for a subhead under the minister's department to find this item and I could not find it. When I got down to Sealing Openings, I thought that might be a good opening to talk about this. But, Sir, I would like to get the minister's views. What is going to happen to this money that has been taken in for the sale of the DOSCO houses by the Newfoundland and Labrador Housing Corporation, who I presume were acting on behalf of the minister's department, probably \$10,000 to \$15,000 taken in. What is going to happen to it?

MR. DOODY: Perhaps we can discuss it at the conference on Bell Island on the 9th. Is it the 9th?

MR. NEARY: Does the minister want to come over to that conference?

MR. DOODY: I do not need your invitation to go to Bell Island.

MR. NEARY: I would be glad to have him, Sir. The last time the minister went over there, they would not even let him down in his own mine.

MR. DOODY: Of yes they would. Down in the mushrooms -

MR. NEARY: No. The minister wanted to go down to see my mushrooms, Sir, and they would not let him go down.

MR. DOODY: - We were proud of it. They are doing a great job, rural development, Sir.

MR. NEARY: What was that?

MR. DOODY: Rural development at its greatest. Mushrooms with an Air Canada sticker on the box.

MR. NEARY: Oh, Sir, does the honourable minister want to -

MR. DOODY: It was an easy trek for me. I went right down to number four, was it?

MR. NEARY: Does the honourable minister want an explanation for that?

MR. DOODY: Pardon?

MR. NEARY: The boxes were packed in Toronto, sent down to see if they would grow under the climatic conditions in the mine here.

MR. DOODY: And the boxes did not grow.

MR. NEARY: No.

MR. DOODY: Not a quiver out of them, Sir, the same size as when they left Toronto.

AN HON. MEMBER: I checked them.

MR. NEARY: No wonder the economy of this province, Sir, is coming to a halt.

MR. DOODY: The economy has never been in a better condition.

MR. NEARY: The boxes were shipped in by Air Canada.

MR. DOODY: By Air Canada.

MR. NEARY: Put down in the mine and the pilot project was a success by the way. Mushrooms were picked and put on sale down at the supermarket.

MR. DOODY: - and plucked them and brought them home.

MR. NEARY: Well that is what happened. They all disappeared, Sir.

AN HON. MEMBER: The whole crop went -

MR. CHAIRMAN: Order please. Honourable members at various times permit one another to carry on discussions across the floor as if honourable members were standing and addressing the House in the proper manner. However, this cannot go on indefinitely and I now call honourable members, especially honourable members to my left, to order.

MR. NEARY: Well, Mr. Chairman, all I want to do is ask the minister what is going to become of the Bell Island Benefit Fund. Is it still in existence? Is it going to be given, the money that the government has

in trust right now? Will the minister tell us that? That is all I want to know.

MR. DOODY: The people of Bell Island are going to get the full benefits.

MR. NEARY: That is not what I am asking, Mr. Chairman. I am asking the minister to give me an explanation right now.

MR. BARRY: Of what?

MR. NEARY: What is the future of the Bell Island benefit fund? Is it still in existence? Is it going to be passed over the money to distribute to the people?

MR. BARRY: It is in a state of suspended animation, waiting Judge Mifflin's Report.

MR. NEARY: Like the Minister of Finance, Mr. Chairman, that is not an answer. That crowd over there, Sir, as I said a few moments ago, just sold five houses on Bell Island. That did not have to wait for Judge Mifflin's Report. Why does everything else have to wait for Judge Mifflin's Report? Does Bell Island have to sink? That enquiry, Sir, is on almost a year now.

MR. CHAIRMAN: Order please! The hon. member for Bell Island is quite aware of the ruling that was given by the Chair sometime ago with regard to the matters which are under judicial or which are sub judice and there are citations in Beauchesne which could be quoted. Probably the honourable member could go on and ask his question.

MR. NEARY: May I remind Your Honour that I did not bring up the Mifflin Enquiry, that I was not the one who raised the matter, it was the Minister of Mines and Energy. Well, Sir, would the minister get up and answer the question. He may give me a satisfactory answer, Sir, and then I will take my seat. The minister has the floor.

MR. BARRY: I do not even know the question.

MR. DOODY: What answer will be satisfactory to you?

MR. NEARY: (1). I want to know if the Bell Island Benefit Fund is still in existence?

MR. BARRY: Maybe.

MR. NEARY: If it is still in existence, Sir, how about the money which the government collected recently on the sale of five DOSCO houses? Will that be passed over to the committee?

MR. BARRY: Maybe.

MR. NEARY: What about the money that is being held in trust, \$15,000 or \$20,000 that has been there now for the last thirteen or fourteen months, will that be passed over? I bet the Minister of Finance does not even know where it is.

MR. BARRY: It is being properly treated.

MR. NEARY: Properly treated? Like the Minister of Rural Development is doing with his -

MR. DOODY: Could the honourable member tell us where the count was on the last Canada -

MR. NEARY: Mr. Chairman, old beans there himself.

MR. DOODY: Beans and bacon.

MR. NEARY: The minister should know all about mushrooms. He spent long enough in a supermarket packing beans and mushrooms on shelves.

MR. DOODY: Disgraceful, is it not.

MR. NEARY: No, Sir, it is not disgraceful.

The minister should be proud of it. Sir, this is a pretty important matter. I would like to get a definite answer, Sir. Will the minister undertake to get me the information?

MR. BARRY: I will get all the information I can for the honourable member, every stain I can find.

MR. NEARY: Well when can I expect to get the information?

MR. BARRY: As soon as I can find it.

MR. NEARY: Three days? Is three days long enough to get it?

MR. MURPHY: He will come back over the weekend and look it up.

MR. NEARY: Can I get the information by next Tuesday or Wednesday?

The fishing season is about to open on the island, Sir. We want to try and get a little fish plant opened over there this summer.

AN HON. MEMBER: Sure the ice -

MR. NEARY: Ah, never mind the ice.

MR. BARRY: I will get some facts for the honourable member on that.

MR. NEARY: I would like for the honourable minister to table that financial report again.

MR. BARRY: It is already tabled.

MR. NEARY: No, I want it put back again, Sir. Bring it back to the House again, because the honourable members on the other side do not believe it. The Auditor General believes it.

On motion total carried.

HEAD VI - EDUCATION AND YOUTH.

MR. OTTENHEIMER: Mr. Chairman, what I plan to do is under this first heading to make a brief statement on some of the overall objectives and the government's views with respect to education and then to treat specific items under their specific heads. Obviously, under the minister's office, any honourable member is free to bring up anything and naturally that is up to the committee, not up to me. However, that is what I am suggesting and it is up to honourable gentlemen whether or not they wish to do it that way.

Mr. Chairman, I think it is important today, in this province, that when we speak of education or the Department of Education, we give a much broader context to that than has usually been done. I personally and the government as well and those who work in the department have been requested to speak in terms of the Department of Education as a department of human resource development and not in any exclusive

academic sense because it is essential that this broader context of human resource development be uppermost in our minds. We are all aware that up until fairly recently - it perhaps continues, I think it does continue in certain quarters today, a kind of let us say snobbery when one compares a regular academic stream of programme and those involved in vocational and technical training programmes. Certainly there is no room for that. There is nothing realistic about it. It is the height of stupidity and certainly as far as the department is concerned, we wish to have no part of it. As far as we are concerned, it is a department of human resource development where obviously the academic stream has its importance but just as obviously and just as important in our view is the other side of the human resource development and that is various aspects of further education, vocational, technical, fishery, whatever it happens to be and at whatever age it happens to take place.

With this in mind when the restructuring took place which affected minimally the Department of Education, the College of Fisheries was integrated into the department so that we could co-ordinate the various aspects of human resource development in the province. Since that has happened, during the past couple of months there have been regular but informal, regular meetings, on an informal basis, between the Deputy Minister and the President of the two colleges, that of the College of Fisheries and the College of Trades and Technology and the Director of Vocational and Technical Education.

It is our intention within the very near future to appoint an advisory council on post-secondary and further education. This obviously would include these institutions and the university as well. I should perhaps point out that the committee may well remember, about a month ago, three weeks ago I made a statement in

the House with respect to the calling of a conference to examine and assess, and identify employment opportunities which would be developing at Come-by-Chance in terms of construction and for the refinery too, and in terms of work in refinery one and refinery two. We had a day-long seminar last week, last Wednesday or last Thursday which was attended by the Provincial Department of Education and of Manpower and Industrial Relations and Industrial Development had a representative there as well, the Federal Department of Manpower had representatives and the training and educational facilities were represented, the College of Fisheries, Trades and Technology, the Division of Vocational and Technical Education and the university. The university was involved as well. That is the type of thing we intend to continue on a regular basis, these seminars and conferences involving the various training in educational institutes, the various departments of government, the federal manpower people and the industries concerned. I should say that the industry concerned was represented as well. We are hoping and indeed planning that our next one will be held hopefully between one and two months time and will be held in the area of offshore opportunities for employment.

I say that to impress upon honourable gentleman and I hope people in general the importance of viewing in a broad context the whole area of human resource development, so that we do not give any exclusivity for too long to what seemed to be a prime concern or a main concern or close to an exclusive concern and that is education in the academic sense. I think there may be traces of that kind of snobbery still in the province. I think it is quickly dying and the quicker the better.

It is important as well, Mr. Chairman, that we diversify and continue to diversify our curriculum in the schools of this province. Obviously only a certain percentage of students are primarily or exclusively interested in an exclusively academic stream.

I would like to point out to honourable members one very important example of curriculum development which has been taking place and that is in the Seal Cove Area, the Vocational School at Seal Cove and certain high schools in the area. There are four high schools Queen Elizabeth, Roncalli, Assumption and Holy Spirit participating in this. During the past year 445 Grade IX students in these four schools have been taking courses in the vocational school. That 445 is close to half boys and girls, 244 boys, 201 girls. Of those 388 have indicated that they want to continue next year in Grade X.

The projected enrollment, in this project, next year is about 900.

In the areas in which they are given instruction or in which they have options to take instruction for mechanics, electronics, agriculture, drafting, woodworking, beauty culture, cooking, home management, sewing and typing, it is planned that this kind of an approach or diversification of curriculum will be brought to other areas of the province starting next September and that within a couple of years I would hope that throughout the province and in the areas where there are facilities for vocational educational this can be implemented. But it is definitely our intention to bring this to other areas starting in the next academic year.

Mr. Chairman, I should say as well that we plan during the next year to improve and modernize, make more relevant, if you wish, the work of research, information and educational planning within the department. I think there are a certain amount of organizational changes perhaps necessary in the department from that point of view, but that is an important area.

I think too (and this may seem a small item but not really) as honourable members may well know there is a "Department of Education Newsletter," I do not know how many decades it has been in existence but this goes out to every teacher in the province and I think school

boards and has a very, very wide circulation. I say this without any criticism to those who have worked on it during the years past but it has remained practically the same now for decades. It transmits information which is pretty readily available. One can see when it started communication and media were not what they are today but it transmits regulations and lists of films or slides or audio visual facilities which are available. It is a basic catalogue of information and of regulation. That may well have been necessary and served a very useful purpose at one time but certainly today I think we should not continue to use this media which has contact with so many people involved in the educational process for such a limited purpose. I would think that this information, if it is necessary to be distributed, could be typed up and put of on a gestetner and included, you would not double your mailing cost, there would be no increase in mailing costs when included in a newsletter. But a newsletter certainly should be imaginative, provocative and deal with content and deal with challenge and deal with new ideas and make reports on some new and interesting things that are going on in different schools and different parts of the province and be geared toward the content of education and the quality and that area rather than information and regulation.

One other matter that I wish to comment on briefly is that, as most honourable members know, the department does have regional offices in Corner Brook, Grand Falls. In our opinion the Department of Education should continue to decentralize. It is our intention in the year ahead to beef up, if you wish, those two regional offices, Grand Falls and Corner Brook. We are now discussing (the department is) with the general advisory council, which of course is a fairly broadly based body, further moves in decentralization and discussing various alternatives where the next one or two offices should be. Certainly one of those will be opened within the next year.

perhaps two but at least one.

The other matters I have here I think have been basically stated before but let me repeat them here now, Mr. Chairman. One is the government's realization of the necessity for and commitment to developing our consultation with the denominational authorities, as representatives of the school boards. A system of long term financing for school construction, this is necessary. The government have stated its intention in that and we plan to initiate those meetings within a month.

In the budget address as well my colleague stated the government's commitment to an improvement of the pupil/teacher ratio, starting the academic year of September 1974. Well obviously some are disappointed that it does not start next September. I think that most will agree that at least a commitment that it will start and there will be an improved ratio the September following is an important step in the right direction.

Only one other thing, Mr. Chairman, on these opening remarks and that is I would like to say a few words about the task force on Education and Human Resource Development. The honourable gentleman for St. Barbe North asked me a couple of days ago if he could have a copy of the terms of reference. I think now perhaps is the appropriate time to table them. I think the document can be tabled at anytime if one is referring to it. It cannot be tabled in committee?

MR. ROWE, F.B. Pass it over.

MR. OTTENHEIMER: Fine. Well if it cannot be tabled in committee, perhaps I can give it to the honourable gentleman for St. Barbe North.

This task force, first of all, the membership: The Chairman is Dr. Leslie Harris, who is I think well known to all our honourable gentlemen, of Memorial University. The members are Dr. Ray Barrett, the President of the College of Fisheries, Mr. Ken Duggan, President of the

College of Trades and Technology, Mr. William May who is the Director of Vocational Technical Education; Mr. Gill Pike, who is the present President of the NTA; Mr. John Acreman, who is at the University; Mr. Cyril Avery, who is with the provincial government, (I think his title is Director of Physical Policy. He has been working with the sub-committee, working in the area of assessment of manpower needs); Mrs. Mary Pratt and Mr. Alex Henley.

This Committee on Education and Human Resource Development has been meeting since some time in January. They expect to have the report in to me and the government by the end of August. I will just refer briefly to the terms of reference, for honourable gentlemen who do not have a copy of it. The Committee on Education and Human Resource Development will be concerned with education planning, manpower training systems, including elementary and secondary day school and technical and vocational schools, post secondary institutions, adult and further education programmes and all manpower training programmes whether operated under the federal or provincial governments etc.

Among the things they are going to examine are the aims of public education at all levels, the nature and extent of existing relationship between technical and vocational schools and secondary schools, the nature and extent of adult and continuing education programmes, financial structure, public education in the province, the existing manpower situation, the various manpower training institution programmes. As honourable gentlemen who look at it will see, that it is a very ambitious and comprehensive statement of terms of reference. It includes curriculum in primary, elementary and secondary schools, vocational schools and also at the university. They are also looking into such things as, I will just read a few here to give honourable gentlemen an idea: To provide an environment at the primary, elementary and secondary school levels

in which our children will require a solid foundation in the basic skills of learning to the limit of individual abilities. To provide for the optimum integration and use of all community facilities that may be appropriate to the achievement of our general educational objectives. Another one, to provide appropriate opportunities and facilities for remedial and upgrading programmes for the adult population. To provide schools and other buildings of the most flexible and economic design, to provide for multi-purpose use by the community at large.

I think honourable members will see that the terms of reference of this, of course, are quite broad and certainly the government are looking forward to receiving that report which I understand is due around the end of August.

Now, Mr. Chairman, I think that concludes the general opening remarks. As I say, I am suggesting that we take specific items as they come up under their particular heading in the estimates. Obviously, while I may suggest that, it is up to honourable gentlemen if they wish to follow that procedure or not.

MR. F. ROWE: I hope that through the course of this debate we can extract from the minister a greater definition of the policy of his administration in his department. Outlining here at the beginning, I realize that he was just making a few preliminary remarks. He did give somewhat of a philosophical and a theoretical description of the aims of his department, probably to the point where one questions whether we in Newfoundland at the present time should be concerned about these more theoretical, academic and philosophical aspects of education, Sir, because we are faced in this province with very many nitty gritty problems that we still have to overcome before we can start philosophizing with respect to some aspects of our educational process in this province.

Sir, with respect to the expansion of the department, in as far as a definition is concerned and the minister trying to suggest that probably a more proper name for the department would be the Department of Human Resource Development, well, Sir, sometimes I often wonder whether or not we should have two Departments of Education in this province. When you look at the magnitude and the size and the responsibilities and the problems of some departments and see how really very small they are and how routine the work of some of the departments is, you often wonder whether or not we should have a Department of Education which would be responsible only for school education, that is primary and elementary education in this province and the Denominational Educational Committees and the various school tax authorities and the various Boards of Education and what have you, one Department of Education. That would be a very sizeable job. One Department of Education responsible for that and another Department of Education that you can probably call a Department of Continuing Education. This would be a department that would be responsible for such institutions as the College of Trades and Technology, the Vocational Schools, the College of Fisheries and the various sectors, branches and divisions of the university and the

main university campus itself as well as the possible development of community colleges and regional colleges of the university. I think, quite seriously, Sir, the administration should give some very serious consideration to the possibility of two departments responsible for human resource development, if you want. One, a Department of Education in its narrowest and strictest form and another a Department of Human Resource Development or continuing education or what have you.

Now the minister in his preliminary remarks mentioned the need for diversification of the school curriculum or any curriculum in education whether it is vocational school or in any of the other institutions. One can hardly argue against that, Sir. This is motherhood - education. It is the kind of thing that all sectors of education whether you are in primary, in elementary or in high school or whether you are in the university or vocational school or Trades and Technology, the educators are always talking about the need for diversification of curriculum. Everybody recognizes the need, Sir. What we have to do is have some action in that respect. In order to have action, we need a sizeable vote in the Department of Instruction or the Division of Instruction within the Department of Education. Sir, when we get to that particular vote, we will see that the vote for the Division of Instruction in the Department of Education, is not sizeably increased over that of last year or any other year before. Therefore, Sir, the only conclusion that we can draw under the circumstances is that this is another case of an administration or minister relating to a need for something with very little action or money to back up action on that particular need.

Also, Sir, the minister mentioned this business of the need for making more relevant planning in education. Presumably the minister was thinking of the planning of physical facilities. He also mentioned the business of the fact that the newsletter has now almost become obsolete in that it has not been improved

that much over the years. That is true.

The need for decentralization of the Department of Education, again motherhood, the need for further co-operation with the Denominational Educational Committees and the Denominational authorities, Sir, this is something that I would like to relate to right at the beginning, because I am not going to try to make an issue of the Denominational Education in Newfoundland because, Sir, we do not have a Denominational system of education in Newfoundland in its true sense. The simple fact of the matter is that we have a partnership between the state and between the denominations as far as responsibility for education is concerned. Sir, for every problem that we can list off, because of the fact that we have denominations active in the field of education in this province, we can list off just as many problems in any state system or any parochial or private system or any other system of education anywhere in Europe, Asia or North America or Latin America. They have problems. They are of a different kind and they are caused by a different system. We are relatively fortunate in this province in that we have had - if we did not have the denominations there in the first place we could not have had a denominational system of education and we have gradually evolved into a partnership, a state-denominational partnership which, as far as I am concerned, is working fairly well but it has its many advantages and it has still quite a few disadvantages.

Last year we got into this great controversy over the Judy Norman case. That was one example of one of the disadvantages of our state - denominational system. Sir, if we can clear up some of those disadvantages, some of those weaknesses that we have as a result of our system, we can get along quite well with the system that we have now and we can thank God for it.

Now, Sir, as far as the nitty gritty is concerned - and this is a sort of a poor time tonight, and I do not feel like lashing out exactly because I can sort of sympathize with the Minister of

Education. I know that education is dear to his heart and he wants to try and do something with it. He has to contend with the honourable the Minister of Finance. A fine chap.

AN HONOURABLE MEMBER: Try something new.

MR. F. ROWE: That is pretty old but the honourable Minister of Finance, Mr. Chairman, is going to have to sit there and take it because his Budget Speech, Mr. Chairman, was nothing but an indication of complete retrenchment as far as expenditure on education is concerned. I am dead serious. I believe, Mr. Chairman, that an honourable member in this House has a right to be heard in silence. I am not going to put up with, for one minute, any of the great loud noises you get from the tyrannosaurus rex on the other side.

AN HONOURABLE MEMBER: What?

MR. F. ROWE: Tyrannosaurus rex. For the benefit of the honourable the member for St. John's Center, Mr. Chairman, the tyrannosaurus rex was one of those great dinosaurs that ruled the earth for many millions of years. The tyrannosaurus rex, Mr. Speaker, was characterized by - Mr. Chairman, does a member in this House have the right to be heard in silence or what? Mr. Chairman, I ask for a ruling right at the beginning.

MR. CHAIRMAN: The member has the right to be heard in silence.

MR. F. ROWE: Thank you, Mr. Chairman. The tyrannosaurus rex, for the benefit of the member for St. John's Center, Mr. Chairman, was this great dinosaur that ruled the earth for millions of years and was characterized by a very large body and a very small head and brain. The brontosaurus was really the king but tyrannosaurus -

AN HONOURABLE MEMBER: You have to try to be accurate when you get -

MR. F. ROWE: I am dead accurate. I know of which I speak.

Now, Mr. Chairman, in the Budget Speech, in matters relating to education, there is every indication of a complete retrenchment as

far as expenditures in education are concerned. Sir, we saw the first indication of that when the students of the university were told that they now have to borrow \$1,400 in order to qualify for free tuition or for allowances. Sir, this was the same group of students that the honourable Minister of Finance had following him around in 1969. The "Great Messiah" came upon the scene and he had

five or six thousand disciples and the hon. the minister's answer to these students, his thanks to them, his gratitude was last year he raised the amount that they had to borrow and again this year it has risen to \$1,400 which means, Sir, that a student now on a five year programme at this university has to borrow upwards of \$7,000 while he is going to university. Anybody who looks at the trouble the students have trying to get employment, graduating from a university today with just a bachelor's degree, knows how difficult it is to get a well-paying job and when a person is \$7,000 in debt as a result of his studies he is going to certainly think twice before embarking on a university education. Now, Sir, there is nothing wrong with that.

MR. MURPHY: (Inaudible).

MR. CHAIRMAN: Order please!

MR. ROWE(F.B.): The hon. member for St. John's Centre has plenty of time, Mr. Chairman, to speak in this debate, so will he please sit down.

MR. MURPHY: I beg your pardon! Do you want to answer a question -

MR. ROWE(F.B.): Mr. Chairman, I am asking for a ruling again -

MR. MURPHY: (Inaudible).

MR. ROWE(F.B.): Mr. Chairman, I ask for a ruling again because I am not going to speak in this debate and be harangued by a bunch of nitwits on the other side of the House.

MR. CHAIRMAN: The hon. Minister of Social Assistance requested the floor to ask a question of the hon. member for St. Barbe North, which is a perfectly legitimate request however the member for St. Barbe North may exercise his prerogative to refuse.

MR. ROWE(F.B.): Mr. Chairman, obviously what is going to happen is every time you raise a controversial issue on this side of the House you are going to be peppered with questions from the other side.

AN HON. MEMBER: (Inaudible).

MR. ROWE(F.B.): What a tragedy and a spectacle on that side of the House. Now, Mr. Chairman, I asked for a ruling and I am going to continue to ask for a ruling until I -

MR. CHAIRMAN: The hon. the member for St. Barbe North will get all the rulings he wants. If he insists on carrying on debate with individuals who are seated on the opposite side of the House, then he will -

MR. ROWE(F.B.): Mr. Chairman, I am not carrying on debate with other members on the other side of the House. I am making a speech in this House and the hon. members on the other side of the House are asking questions, they are making comments and making smart aleck cracks. Now do I have the right to be heard in silence, Sir, or do I not?

MR. CHAIRMAN: The hon. member has the right to be heard in silence and under normal circumstances this is what will happen. If the hon. member -

MR. ROWE(F.B.): - know about the circumstances now, Mr. Chairman.

MR. CHAIRMAN: Has the hon. member relinquished the floor?

MR. ROWE(F.B.): No, Mr. Chairman, I am asking for a ruling.

MR. CHAIRMAN: The ruling is that the hon. member has a right to be heard in silence.

MR. ROWE(F.B.): Is the ruling going to be enforced, Mr. Chairman?

MR. MARSHALL: To a point of order, Mr. Chairman. When Your Honour makes a ruling it is not to be debated either in committee or in this House.

MR. CHAIRMAN: Perhaps the hon. member would continue.

MR. ROWE(F.B.): Mr. Chairman, I was trying to get into the topic of students tuitions and allowances at the university and I was simply pointing out the fact that a student now coming from a rural area of this province, moving away from a low-income or middle-income family has to borrow in the vicinity of \$7,000 through his five years of education. I am simply pointing out that this means

nothing but inequality of educational opportunity as far as many of our students are concerned in this particular province. Sir, in fact we have gone back to pre-Confederation days as far as an opportunity for a university education is concerned in this province. Some of the details listed in the so-called mini-brief made by the students this afternoon on the steps of the Confederation Building contain information that is worth repeating, Sir.

AN HON. MEMBER: The Minister of Finance was not there, was he?

MR. ROWE (F.B.): He ran away from it. Then when the students finally presented their brief to the Minister of Finance he rejected them outright.

AN HON. MEMBER: (Inaudible).

MR. ROWE (F.B.): Neither the Minister of Finance nor the Minister of Education. Sir, quoting from that particular brief, "It is our belief that the proposed policy is definitely contrary to the betterment of the students welfare and ultimately the universities. We believe this policy will result in the beginning of a decline in the student population at the university level which has already occurred in other provinces." Now, Sir, I have another citation that I will refer to later, from the "Financial Post" that gives that as one of the reasons for the reduced enrollment at many of the universities throughout North America both in the States and in Canada, this very fact that the students are finding it difficult financially to go to university. It would not matter, Sir, if every student in this province were equal as far as the family income is concerned but when a student has to borrow so much in order to qualify for assistance there is no other result from it but inequality of educational opportunity as far as university education is concerned in this province.

"Increasing by \$800.00 will lower the university population.

It should be added here that Newfoundland already has the lowest

percentage university population per capita. The Canadian census shows a 1.5 per cent attendance at Memorial compared to 2.6 for the Maritimes and 3.12 for all of Canada, 1.5 per cent attendance at Memorial compared to 3.1 for all of Canada, half the national average, Sir. The only sections of the world with such a low percentage of attendance in post secondary institutions exist in the Third World and developing countries such as Latin America and India etc. The implications of this new policy are that the students from lower and middle class families will be the hardest hit. It will mean that up to ninety per cent of the 4,521 students who receive some amount of free tuition in the winter, that is 1972-1973, will now have to borrow this money in the form of Canada student loans and another 1,796 students who receive some form of allowance will also be hurt. The increase will mean that seventy-five per cent of the students attending Memorial now and in the future will greatly increase their post graduation debt."

Now, Sir, this is an extremely well prepared brief and I think the Minister of Education and the Minister of Finance could have given it greater consideration than they did instead of passing it off and saying that this will be discussed in the House of Assembly and it will be discussed in the House of Assembly. The students are very disappointed that the government has not carried out any studies on the effect of this policy before announcing its implementation. Now the Minister of Finance said on television tonight that studies have been carried out. I would expect, Mr. Chairman, that the Minister of Education will be willing or the Minister of Finance will be willing to table every single study that was conducted, to try and ascertain the effects of this particular policy before announcing its implementation.

MR. MARSHALL: Would the hon. member like to move the adjournment of this debate?

MR. ROWE (F.B.): Yes, Mr. Chairman, I will move adjournment of this

debate or raise the committee or whatever the expression is.

On motion that the committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have passed items of current expenditure under the following heading: all items under Heading XI and some progress have been made under Heading VI, and ask leave to sit again.

On motion, report received and adopted, committee ordered to sit again on tomorrow.

On motion the House at its rising adjourn until tomorrow, Friday, April 6, 1973, at 10:00 A.M.