

PROVINCE OF NEWFOUNDLAND

THIRTY-SIXTH GENERAL ASSEMBLY OF NEWFOUNDLAND

Volume 3

3rd. Session

Number 57

VERBATIM REPORT

MONDAY, APRIL 29, 1974

SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MP. SPEAKER: Order, please!

It is a pleasure for me to welcome to the galleries today twelve Grade XI students from the Henry Gordon Academy at Cartwright, with their teacher, Mr. Lee Pittman. From the Community Council of Point of Bay we have the Chairman of the Community Council, Mr. Lloyd Perry; Mr. Carl Martin and Mr. Nelson Cole.

On behalf of all honourable members I would like to welcome you needle to the galleries today and trust that your visit here is most interesting.

"INISTERIAL STATEMENTS

MR. SPEAKER: The Hon. Minister of Forestry and Agriculture.

HON. E. MAYNARD: (MINISTER OF FORESTRY AND AGRICULTURE): Mr. Speaker,

I do not have a prepared statement but I should make some comments to

clarify a situation regarding press reports during the last few days

regarding the proposed sale of some 14,000 acres of Reid land in the

Clarenville.Shoal Marbour Area.

The press has been in contact with me as to what action the government proposes to take regarding the land sale. The situation is, as I understand it, a firm or a person from the United States has proposed to buy 14,000 acres or around that amount in the Clarenville_Shoal Harbour Area from Reid Newfoundland Limited. We do not have any notification of this.

Regarding the sale of private lands, Mr. Speaker, there is no legislation presently existing on the Statute Books of Newfoundland that would require any private landowner to register the sale of land with government or obtain a permit from government to sell the land. We have never instituted any law that even requires a person to register the sale.

The government, however, have recognized the problem and are very much concerned about it, especially about the problem of absentee owners of the resources, uncontrolled use of land.

One of the reasons for the new forest policy that has been introduced and the new legislation now before the House is to assure the proper mangement of our forest resource. We cannot, again I say at this time, prevent the sale of any large tracts or small tracts of freehold land but we are, through the forest policy, committed to a programme that will assure their proper use.

If the people from wherever are indeed buying 14,000 acres of land, the control of the resource on that land will come within the ambit of the new forestry legislation because that applies to anything over 300 acres, therefore, they will have to submit the various management plans and so on to me for approval.

We have had various discussions on the ownership of land in the province, land that is suitable not only for forestry but for agriculture or whatever and a number of our task forest renorts have dealt with the problems of absentee landowners and the non-use of privately owned lands. We have now assigned people in my department to work on this full time, to devise a new land's policy for the province. Hopefully within the next year we will be introducing policies and/or legislation, if necessary to back it up, that will ensure that we know when private sales take place, that we can ensure that land for whatever resource use is put to the proper use in the future.

Whole new land's nolice, and it will take all factors into account. Again I have to emphasize, at the present time we do not have any legislation that would require any person owning land to obtain a permit or even contact the government in any way when the land is sold.

Therefore, I hope to clear up the situation because the news media have been asking me repeatedly whether or not we were going to take any action regarding the male. The simple matter is that we do not at this time have any powers to take any action. We will and we are looking at legislation aimed at that specific sort of thing.

MR. SPFAKER: The Hop. Leader of the Opposition.

HON. E. M. ROBERTS (LEADER OF THE OPPOSITION): If I may make a very few brief comments on the honourable gentleman's ministerial statement: We appreciate what he said insofar as it is a statement of fact. We accept it. I believe it to be correct. Sir, the statement is an extremely disappointing one because it gives no indication of any intention by the government to take any action to prevent what is reported to be a sale; a very large area of land and one of the few large areas of land Jeft in Eastern Newfoundland, I am told that could be developed as a reacreational facility, a major outdoor recreational facility.

Accepting the fact, Mr. Speaker, that there is no legislation on the Statute Books of this province, there is no legislation for this purpose, there is nothing to prevent the number first of all from communicating to the Reid Company the government's concern over this and urging them to refrain from selling this land until such time as a proper land use policy can be worked out for the province.

Secondly, and these are not necessarily alternative, Mr. Speaker. each could be done, there is nothing to prevent the government bringing a bill before the House immediately, to prevent the sale of this piece of land or a bill could be drawn, generic sale, a sale of this piece of land in a generic sense. So it is extremely disappointing.

As I understand the minister made two points in his statement, first that there is no legislation now in effect. I think that is a matter of record. There is no legislation that would serve for this purpose. Secondly that the government are at some distant point in the future going to produce a land policy. Sir, that is extremely disappointing. It does not meet the problem. It does not deal with the danger that this very large, very prime, very choice area which could be developed for a major recreational centre and one of the few areas left in Eastern

Newfoundland that could do that, this area may go outside of the control of this province, outside of the control of the citizens of this province and thus be lost to us, the people of Newfoundland. It was said it would be developed for the benefit of absentee owners. I think that is a matter of disappointment and I would urge the minister to reconsider what he said

in the light of what I said and see if perhaps some measures can be worked out to deal with this matter and to deal with it quickly.

PETITIONS

MR. SPEAKER: The honourable Member for Bonavista North. MR. P. S. THOMS: Mr. Speaker, I beg leave to present a petition on behalf of the residents of Centreville, Wareham, Parsons Point, Valleyfield, Pool's Island, Badger's Ouay, Brookfield, Wesleyville, Pound Cove, Templeman, Newtown, Lumsden, Musgrave Harbour and Carmanville.

These communities are in the Districts of Bonavista North and the District of Fogo. Mr. Speaker, the prayer of this petition is that the government as soon as possible take steps to reconstruct and pave Hiphway 40 from the Town of Trinity to Gander Bay.

Now, Mr. Sneaker, we have approximately ninety miles of road involved here, possibly the worst dirt highway in the whole province, one of the most important highways in the whole province, one of the most heavily used highways in the whole province. Therefore, Mr. Speaker, I submit that if this is not the most important highway then it is next to the most important highway. Therefore, I urge the government and the department concerned that steps be taken immediately to ungrade and have this highway.

We have on this highway, "r. Speaker, over 20,000 residents. The highway is the lifeline of the people of both portions of the two districts. It is the only means of transportation that these people have. They do not have an air service. They have no water service. They have no rail service. The only transportation service they have is by means of this dirt road. This road at the present time and any time of the year is not up to standard with any other highway that is a secondary highway in the Province.

Mr. Speaker, this petition is signed by 2,705 residents and I am given the understanding that there are more petitions and more support for this petition on its way. Now, Mr. Speaker, this was presented to me by the public services committee which is a committee set up of representatives of all of the towns in the area.

Mr. Speaker, I will heartily support this petition and I sincerely trust that the government in its wisdom will find the resources to impliment the prayer of this petition. I ask that this petition be placed upon the table of this House and refer it to the department to which it relates.

MR. SPEAKER: The honourable member for Fogo.

MR. E.W. MINSOR: Mr. Speaker, as the petition just presented by my colleague, the honourable member for Bonavista North, as it encompasses a great part of Fogo district and we were both aware that this petition had been circulated, we were also aware that a representative of each community or each town where there was a town council would come to St. John's and present this petition both to my colleague and myself.

However, unfortunately I was out and I was driving over that road over the weekend and Mr. Speaker, I do not know whether my kidneys are in the same position now as before I left but it seems to me that I have had the jerks ever since I got back. Sir, as outlined by my colleague, this is a very important road. It is not only the life line for a greater part of Fogo district running from Gander into Carmanville and south to Lumsden but from the other part of the district which comes down through Gambo, Hare Bay and leads into Lumsden in the other part of the district. It is, Mr. Speaker, the life line of Fogo Island.

All of the traffic to and from Fogo Island must pass over this highroad. The prayer of the petition is that the government will see fit

this year to upgrade and pave this road.

I am sure that the honourable Minister of Transportation and Communications is very sympathetic toward this petition and if he should need any more help in having him down in history and if he wants a monument erected to him for the greatest Silver Anniversary in our Province to date, then I would suggest to the minister that he give this petition very serious and sympathetic consideration.

MR. SPEAKER: Are there any other petitions?

The honourable member for St. John's South.

MR. R. WELLS: I ask leave, Mr. Speaker, to present a petition on behalf of the residents of the Shoal Bay Road, in particular fifty-five residents. I shall not read the whole petition but I will read one or two lines from it. They say, "One of the very few industries in the Goulds exists on this road. Time and again we have seen people hindered from getting to either of these lumber mills by the condition of the road. The government has issued a license to these men to operate a lumber mill but yet allowed nothing toward the upkeep of the residential portion of the road where huge logs must be transported.

This road is extensively used more than any other byroad in the Goulds.

People from surrounding areas use it extensively for duck hunting, rabbit hunting, fishing, picnicking, plus the number of people employed in logging."

They ask that money be made available, etc.

The position is to state it briefly, Mr. Speaker, that the Shoal Bay Road is perhaps the oldest road in the Goulds except for the main road running up through the community. Down on the Shoal Bay Road are two sawmills and it is extensively used not only for these sawmills and the transportation of logs and lumber but also of course on the upper portion toward the main highway by fifty-five residents, for example here who have signed this petition.

What has happened, Mr. Speaker, is that the condition of the road is rendered far worse than obtains in the case of the normal byroad because heavy trucks with logs on are going back and forth. The road

is literally beaten to pieces by this heavy equipment and then the residents of course have to use their cars on it also.

I myself had a look at it last week and it resembles something that one would see in a battle field. Now the situation, Mr. Speaker, is that this road has been neglected for a great number of years. It is time that something was done about it and I believe that this government is sympathetic toward the people who are placed in a position such as this. I would ask, Mr. Speaker, that this be supported by the government. I would ask leave to table this petition and have it referred to the proper department.

MR. SPEAKER: The honourable member for Bell Island.

MR. NEARY: Mr. Speaker, we of course support the petition presented by the member for St. John's South on behalf of fifty-five residents who use the Shoal Bay Road. The member should have no problem at all Sir, getting the money now to do that road because this morning we saw a picture of the Minister of Forestry and Agriculture on the front page of the "Daily News" signing an agreement with the honourable Mr. Jameison, Newfoundland's representative in the Federal Cabinet, whereby the great Liberal Government up there in Ottawa is going to give the Province \$30 million for just this kind of work that the member just outlined in the prayer of the petition.

So, Sir, all the member has to do is go down to his colleague here and say, "Look, take a few thousand of that \$30 million and spend it down on the Shoal Bay Road." I have no doubt at all, Sir, that the minister would agree to do it because that is what the money is for.

So, of all the petitions that have been presented in the House this session, Sir, I am more optimistic about this one than I am about any of the other ones that were presented.

MR. SPEAKER: The honourable member for Hermitage.

MR. R. SIMMONS: Mr. Speaker, I beg leave to introduce, present a petition on behalf of more than a thousand residents of communities around Bay D'Espoir, some from each community of St. Alban's, Swanger Cove, St. Veronica's, St. Joseph's, The Head of the Bay, Milltown,

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Morrisville and Conne River.

I just received the petition, so I have not had time to calculate the actual number but it looks like between eleven and twelve hundred names affixed to this petition and with good reasons, as I am sure you, Sir, will agree when you hear the prayer of the petition. The intent, the prayer of the petition relates to the deplorable road condition around Bay D'Espoir and the access road into it, the Bay D'Espoir Highway particularly and to some degree the Harbour Breton Road as well.

I do not believe I have to acquaint honourable members with the problems that the people of Bay D'Espoir as well as other parts of Hermitage district and parts of Fortune Ray have had to put up with in this particular year. This spring, all over the Province spring conditions tend to create particular road problems. I am sure just about any member can point to bad road conditions at this time of year. I doubt if there is any area with the possible exception of the Great Northern Peninsula where so many people are adversely affected by a stretch of road as is the case in the areas I have mentioned, Bay D'Espoir, Hermitage and Fortune Bay.

The agreement, of course, was signed over the weekend. The announcement was made with respect to the \$4.7 million for the Bay D'Espoir Highway. It is worth pointing out that this, as far as I understand and I stand to be corrected by the Minister of Transportation, as far as I understand this will not completely cure the problem.

The Provincial Government have announced plans to upgrade twenty miles but that does leave eight miles, indeed the worst eight miles in the present condition. It is the most winding part of the road. It is indeed still up to a woods road standard which is was intended to serve in the beginning.

AN HONOURABLE MEMBER: The eight miles -

MR. SIMMONS: Right, the eight miles, fifty-two to sixty-one, I believe.

At any rate, this eight mile section for some reason which escapes me

is being left without plan to upgrade this summer. On behalf of the

people who signed this petition, I would certainly make a strong appeal

that that decision be changed and that the upgrading be completed this summer.

Contractors capable of doing this kind of work do tell me that it is not at all an unreasonable assignment to upgrade the twenty-eight miles this year. I mention that because it has been stated publicly that the reason it is not being done is because of the length of the stretch of road. I would suggest that there are other reasons and if there are we should at least know about them but more important, I would appeal to the Minister and

to the government to change its mind on this matter and get the remainder of the road upgraded.

The petition also refers to the condition of the roads in the area. That to some degree will be alleviated shortly when the paving begins from Morrisville around to St. Alban's. In this respect too there is a problem in that the road paving contract calls for paving from the wharf in St. Alban's to the wharf in Morrisville. Particularly in St. Alban's this leaves I think it would be a third of the community or just about that without paving along the main road. So, they will continue particularly down around Hoskins Cove area, continue to put up with pretty had road conditions.

Of course the paving to which I just referred, Mr.

Speaker, does not in any way take into account the road problems
in Conne River or the much talked shout causeway. The petition
also addresses itself to these matters.

Mr. Speaker, it is my pleasure to support the petition wholeheartedly and make a strong appeal to government to give heed to the prayer of the petition with a view to making life just a bit more convenient for the eleven or twelve hundred people who signed the petition and the other people who live in the area and who denend on the roads in the area and the access road to Bay D'Espoir Highway on a daily basis.

I certainly support the petition, Mr. Speaker, and ask that the petition be placed on the table of the House and referred to the department to which it relates.

MR. E. ROBERTS (LEADER OF THE OPPOSITION): I would like to say a word or two in support of that petition presented by the gentleman from Hermitage. In common with many members on this side I acquired an intimate acquaintance with the road in question last fall during a certain public event. The gentleman from Bell Island and I and a number of others bounced our way down that road on a number of occasions. I regret that the government did not get the same acquaintance with the road because when they travelled to the district

they tended to travel by other means, mostly government helicopters supplied at public expense.

That is to be regretted, Mr. Speaker, because I think anybody who knows anything about that road knows that the road is an important one. It serves an important area. It is in very had shape. It is not in the worse shape in the province. That distinction belongs to the Northern Peninsula Poad as the pentleman from Ferryland and the gentleman from Burin had the pleasure of finding out last weekend. That road to Bay D'Esnoir will be finished this summer I am told, except for the eight miles in the center. That is a very good thing.

I just add my support now to the Minister of Finance who unfortunately was one of the few ministers who was not in Hermitage district during certain public festivities last fall. Why he was not there, I do not know. The gentleman from Beli Island says that he was silenced. That may have been but it was a lucky silence because it turned into a disaster for the Tory Party. Not having been there, as he has told us on the television, his hands have been washed of it.

Sir, that road is important. There are only eight miles to be done. Now that Ottawa have agreed to put in \$4.7 million and Ottawa have spent most of the money that has been put into that road and any other basis. Ottawa built the road originally, the old Atlantic Development Board. Ottawa paved the part that is now paved from the Bishop's Falls Junction about fifty miles up, south to where the pavement now ends, about half way to the head of the bay. There are only the eight miles left. Surely the cabinet will agree to provide the provincial money, provide money from provincial sources to pave the rest of that small piece of road. That is all that is needed.

I do not want to say that it is no money, Sir, but eight miles of road - they are having about eighty done by the Covernment of Canada, let them do eight on their own. I am very glad that it is being done because I guess that means that next year all of the DREE

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money now can go on the Northern Peninsula Highway. I certainly hope so. The gentleman from Bonavista North wants a share of it. Well, he should have a share of provincial money as well.

The road to Bay D'Espoir, Sir, is one of the last great trunk roads in this province left unpaved. Twelve hundred people have indicated their desire to have it paved. I think any Newfoundlander, Sir, would support them. That together with the Bonavista North road and the Great Northern Peninsula Road and we would have broken the back of the trunk roads in this province.

So, I very much hope the province can find their way free this year to pave the road, finish that part. Perhaps we should have another by-election. At least we would get a commitment and hopefully even some action, snow or no snow.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN:
HON. J.C. CROSRIE (MINISTER OF FINANCE): Mr. Speaker, in committee
the other day the Leader of the Opposition asked several questions
and I said I would get him the information.

The first question was how many new permanent posts were approved in the last fiscal year, from April 1, 1973 to the end of March, 1974. That answer is 997. 500 of those posts are in nongovernment hospitals, Mr. Speaker. I will table the particulars, 146 for example in the new wing at the St. Clare's Hospital and there is more detail here. Nine in the legislative, four in the Executive Council, twenty-five in Finance, twelve in Manpower and Industrial Relations, forty in Education, eighteen in Justice, fifteen in Social Services, twenty-four in Rehabilitation and Recreation, thirteen in Health, ten in Mines and Energy, 105 in Forestry and Agriculture which will show the increased emphasis we are giving the Resource Development, Mr. Speaker, thirty-five in Tourism, thirty-nine in the Fisheries.

The three departments with the greatest growth in new positions are Forestry and Agriculture, Tourism and Fisheries.

There are eleven in Industrial Development, eighteen in Rural Development, one in Transportation and Communications, thirty-six

in Public Works and Services, nine in Municipal Affairs and Housing, twenty-four in Provincial Affairs and the Environment, twenty-six in the Newfoundland and Labrador Housing Corporation, seven in the Workmens Compensation Board, fourteen at the Pover Commission, one at Farm Products, one in the Liquor Licensing Board for a total of 947 altogether, 500 of them in nongovernment hospitals.

The same time the inquisitive Leader of the Opposition vanted to know how many positions had been reclassified during the last fiscal year. The answer is 1,429, of whom the great bulk, 819 are in Transportation and Communications. I have the details of all those positions. I notice that in Transportation and Communications. 157 were mechanics and 433 were equipment operator III's. So, the armer there anyway is 1,429 total number of positions reclassified.

The Leader of the Opposition also wanted to know and I hope that he will take this document and study it and he up all night with it. This is a copy of the classification of pay plan issued in February. It shows the official classification pay plans to the Government of Newfoundland. Part two is all positions in alphahetical order. The third part is a salary scale. So, I table these, Mr. Speaker.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: That is it, boy, Twenty-four hours.

ORAL QUESTIONS:

MR. NEARY: Mr. Speaker, I would like to direct a question to I thought I saw the Minister of Mines and Energy in his seat, Sir.
He just vanished in thin air. Oh, there is the minister up there.
Could the minister come back to his seat. I have a question to put to him.

I am wondering what steps the government have taken, Sir, if any, to counteract, to object to this announced increase in gasoline and heating oil today, announced by the various oil companies, I think it was. Does the government intend to do anything to get the oil

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companies to roll back their prices? Are they going to do what Nova Scotia did? Are they going to do anything or just let the increases come?

HON. L.D. BARPY (MINISTER OF MINES AND ENERCY): Mr. Speaker, any increases brought in by the oil companies are brought in with the consent and I would almost go so far as to say the connivance of the federal government. We have been objecting strenuously to any permission being given by the federal government for any price increases. It is purely a voluntary matter at this stage because there is no legislation either federal or provincial which could be used to prevent the oil companies from bringing in price increases.

It has been clearly accepted up to now that the oil companies will comply with right across Canada, the guidelines that are set by the federal government. We now have a situation where it appears the federal government is prepared to consent to the oil companies increasing their prices. We have objected to this happening. We objected at the time of the National Energy Conference.

We find it unbelievable that these price increases should be permitted at a time that we see the oil company profits having doubled and in some cases tripled over the last year. We think it is another example of the irresponsible action of the federal government, Mr. Speaker.

MR. NEARY: A supplementary question, I wonder if the minister would indicate to the House if the objections were presented orally or in writing?

MR. BARRY: Mr. Speaker, these objections were presented orally and T would suspect are a matter of record at the National Energy Conference. The transcript can be obtained by the honourable minister from the National Energy Conference. I am sorry, not only were they presented orally (Mr. Speaker, I am just trying to think back, it was also the position of the Newfoundland delegation and the brief presented by the Premier was to the effect that Mewfoundland's position was that the federal government should see their petroleum prices were rolled back to what they were effective September, 1973. That is a matter of record, Mr. Speaker. MR. MFAPY: Mr. Speaker, a supplementary question. Would the minister indicate to the House then if it was the intention of his government to use any of the unexpected revenue that is coming to the province from Ottawa in increased equalization grants this year, as a result of the tax on western oil to offset any increase in the price of gasoline or heating oil? Or even to reduce the price of gasoline and heating oil in this province by removing some of the provincial sales tax and using the So million from the increase in taxes on western oil? MR. BAPRY: Mr. Speaker, the honourable Member for Bell Island has the Minister of Finance's hudget before him. It shows that every copper that is collected by this government is being out to good use and is needed to meet the demands for services that are being placed upon government by the people of Newfoundland. The people of Newfoundland have made it quite clear that they prefer to see additional spending rather than a cutback in services. This is what this government that is ever responsible to the needs of the Newfoundland people is seeing is to be carried out.

MR. NEARY: Well, Mr. Speaker, could I direct a question to the Hon.

the Premier. In view of the proposed increase in heating oil and

the gasoline, as of the first of May I think it is, would the Premier

indicate to the House if his government have considered cancelling out

these foolish Silver Anniversary Celebrations and use the money to offset

the increase in gasoline and heating oil?

The Hon. Tongue-tied Premier! The Premier will not answer the question. He does not want to answer.

AN HON. MEMBER: Inaudible.

MR. NEARY: It is too what?

HON. MEMBER: Inaudible.

MR. NEARY: Well, Mr. Speaker, could I direct a question then to the Minister of Municipal Affairs and Housing? Would the minister indicate what steps the government have taken, if any, to revise rentals of workers living in subsidized rental units in Trepassey and in Marystown?

MR. SPEAKER: The Hon. Minister of Municipal Affairs and Housing.

HON. H. R. V. EARLE (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, as I mentioned last week, I expect to have a report this week when it will be given.

MF. BARRY: Mr. Speaker, if I may just reply to certain matters in connection with this question and possibly to clear up at the same time a misstatement of the facts as contained in the editorial in the "Daily News". The impression that is given in the editorial is that the rents that have increased will continue at that level irrespective of the income made by tenants in these units. But just to the contrary, Mr. Speaker, the rental that is charged is tied to the income and if even on a monthly basis the income of a tenant happens to decrease that tenant is entitled to go in to the Newfoundland and Labrador Housing Office and explain that there has been a decrease in income and the rent will be decreased immediately.

Mr. Speaker, another point in again responding to the honourable minister's question and to clear up some confusion that the honourable minister has caused. The honourable minister has stated, he has asked that the rents be tied to the present income of the tenants. That the rents

be tied to this year's immediate income. Mr. Speaker, the whole point is and what the tenants want is to have some delaw and have the rent that is paid based on the previous years income because there has been a significant increase in income this year. This is what would cause the rents to increase dramatically in some cases. These are still not exorbitant rents. There are increases, for example, of rentals going from \$66.00 to \$110.00 to \$120.00.

But on a proportioned basis it is a very large increase and when you have people who have budgeted and have not being expecting this increase it is a hardshin, so we have made strong representation to the federal government where again we are tied into an agreement with the federal government on the rules and regulations relating to subsidized rental units. We are making strong representation to see if we can relieve the sudden and dramatic increase in the rentals. I am sure the honourable minister will be bringing in a statement to that effect shortly.

AN HON. MEMBER: Hear! Hear!

MP. NEARY: Ottawa is surely the big had boy these days. That explanation is about as clear now as the energy policy outlined by the minister.

MR. BARRY: Inaudible.

MR. NEARY. Mr. Speaker, I am not sure which minister he is referring to in the statement whether it was 1 or the Minister of Municipal Affairs -

MR. BARPY: I am sorry, the honourable member.

MR. NEARY: Well, Sir, I would like to have the salary to go with it.

MR. SPEAKER: Order, please!

MR. NEARY: But, Sir, a supplementary question. Does the Minister of Municipal Affairs, in view_there seems to be dissension in the ranks here. Would the minister indicate as he did to me the other day when I asked a question if the rentals are based on last year's earnings or current income? I think this is what caused the controversy. Would the minister clear up this matter because now we have a different viewpoint by his colleague?

MR. EARLE: No, Mr. Speaker, I prefer to wait to give the honourable gentleman a proper and comprehensive answer but as he wants it piecemeal

he seems to be picking away at these odd things in the arrangement.

It is correct, as the Hon. Minister of Mines and Resources just mentioned, that it can be adjusted on an immediate basis. If a man's income were to fall from one month to the next, he can go back and have an adjustment in his rent; he does not have to wait a whole year. It is not compared one year with another but it is for as little as a one month drop in pay for which he can get an adjustment in his rental.

The whole advantage of a subsidized rental scheme, as the honourable member should know, is that it is not only applicable to an increase in income but it is also applicable to a decrease in income. You cannot have both. You cannot have just an increase applicable to an increase in income if you do not give them at the same time the advantage of a decrease if a man's income should decrease.

MR NEARY: Mr. Speaker, a supplementary question. The minister said that the rent can be adjusted but in actual fact is it adjusted on a month to month basis in Trepassey and Marystown? Or is it based on last year's income?

MR BARRY: If the individual were to come in.

MR ROBERTS: Oh!

MR NEARY: Oh! That is a different matter, Sir. Can the minister tell us if it is actually happening? If this is the way? If this is the procedure that is followed in Marystown and Trepassey? Because it is my understanding that it is not.

MP ROBERTS: On last year's basis?

MR NEARY: That is right.

MR EARLE: Mr. Speaker, to make it abundantly clear to the honourable member who asked the question: If any tenant should come in and should wish an adjustment in his rent because his income has gone down and he should present evidence that his income had gone down, then, of course, a decrease will be granted. The present enquiry is looking into the rental status of all of these clients of ours, to determine just where they stand. This is why I am not giving a full, detailed report now. I shall have that, hopefully this week.

MR. FAPLE:

Yes, that is right.

MP. ROBERTS: A further sumplementary, Mr. Speaker, if I may, because this is a new point - Are we then to understand from the minister's statement that if any tenants suffer a decrease say this month in his income from last month all he has to do is apply to the office in Marystown or in Trenassey and his rent will he lowered?

MR. ROBEPTS: Look there is a Minister of Housing and there is a Minister of Energy. As John Diefenbaker once said, "When I am after hig game"

like the Minister of Housing, I do not want to be distracted by rabbits

like the Minister of Fnergy. If the "inister of Housing could be permitted by his colleague, who has already told us that the Minister of Housing is a good minister - if the Minister of Housing could be allowed to answer the question. I am sure we would be further ahead. I mean is that all a tenant has to do - to walk in with his latest nay cheque, his statement of earnings and he is eligible to have his rent lowered on a month to month hasis?

MP. FAPLF: It must be obvious to the Hon. Leader of the Opposition that the Housing Authority, as such, do not know unless it is presented to them when a man's income drops,

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unless he takes the trouble to apply, says that as his income has dropped he wants a decrease in rent, therefore if he does so it will certainly be given proper consideration.

MR. ROBERTS: I thank the minister, Mr. Speaker. That is on a month by month - I mean this is an important point, a month by month basis.

Well a further supplementary then, Sir, does that include overtime pay or is it the man's basic income for his job?

MR. EARLE: No. This is on total income.

MR. NEARY: Mr. Speaker, a supplementary question. Would include the income of other people who are living in the House other than the person's own family?

MR. EARLE: That is sometimes very difficult to determine, Mr. Minister.

MR. NEARY: I am not a minister. Please give me the salary if you are going to refer to me as the minister.

MR. EARLE: For the honourable member for Bell Island then, this is very difficult to determine but in theory it is supposed to apply to the total income of the family. If there are other people living in that House and earning pay it is supposed to apply to the total income going into that family.

MR. NEARY: MR. Speaker, could I fling a question over at my new-born friend over there, the Minister of Transportation and Communications? I wonder if the minister would tell the House if he has met a delegation from Point of Bay and what the results of their discussions were concerning the road down there?

MR. HICKEY: No. Mr. Speaker, I have not met the delegation. If they were in this morning I was at other meetings and if it is today the honourable gentleman is talking about, I have no recollection of that particular delegation. I have met that many in the last few months it is possible that it escapes me.

MR. NEARY: Could the minister indicate if the delegation from Point of Bay met with any government official, any Minister of the Crown?

MR. HICKEY: I am afraid, Mr. Speaker, I do not know. As I have

said, there are so many delegations I do not keep track of them - MR. NEARY: Anybody in the minister's department?

MR, HICKEY: I am not aware.

MR. NEARY: Any officials?

MR. HICKEY: Here again, Mr. Speaker, if I am at other meetings and not in my office I have no way to know, at least not for a few hours what delegations my own officials meet.

MR. NEARY: Well I am sure there are times when Your Honour wishes he could speak in this House. Sir, I would like to ask the same minister if he had any representation from people in Change Islands regarding a changing of road down there to cut the operating time of the ferry?

MR. HICKEY: Yes we have, Mr. Speaker. We have met with a delegation and we have held discussions with a number of people from time to time regarding the problem. There is a little more involved in the Change Islands people. We have met the people from the Community of Frederickton, I believe we have met with people from Fogo, the whole area, with regards to the ferry, that services. Change Islands is involved in this and to build a road and change the area where that ferry docked affects more than the Change Island people so there is nothing I can say other than that matter is under consideration and it will depend on what cost is involved. It will depend on the views and feelings as expressed by the other people involved as to what the eventual outcome will be.

MR. SPEAKER: The honourable member for Fogo.

CAPT. WINSOR: Mr. Speaker, may I direct a question? My honourable colleague here undertook to ask this question on Friday when I was absent from the House, but has the delegation from Change Islands arranged to have another meeting with the honourable minister? I understand they are coming in within a day or so.

MR. HICKEY: I understand, Mr. Speaker, that there is a delegation coming in. I am not quite sure as to what particular subject they wish to discuss but as I have indicated we have already discussed

the matter of the ferry, and relocating that ferry. I have already discussed the matter of the roads and indeed the problems pertaining to roads generally with a delegation already.

CAPT. WINSOR: Supplementary, Mr. Speaker, But the honourable minister will meet them if they come in ? I have not been asked to make an appointment for the simple reason I suppose they knew I was out of town, but if they arrive here I would suspect the minister would arrange to see them.

MR. HICKEY: Always, Mr. Speaker, I never refused to see any delegation indeed any individual as long as I am in the office. Unless I am at a meeting outside the office, I would be more than happy to.

MR. THOMS: Mr. Speaker, I would like to direct a question to the Minister of Forestry and Agriculture, in view of the statement which he made earlier on this afternoon and in view of the reports as pertains to the Reid land in the Shoal Harbour Area, I understand that the reservoir that the town is counting on for their supply of water in that area is within the Reid Limits and I was wondering how soon the minister would have some legislation before the House to offset or to at least slow down the sale of this land, as I note that in the Forestry Task Force Report, they recommended that a policy be immediately developed. Also, while the minister is on his feet, could the minister also inform this honourable House if he plans on taking any action as to the sale of Reid lot in the Indian Bay Area? I understand I believe it is Reid lot 242 is up for sale and there is also a buyer and the buyer in this case I believe the grant or the lease, whatever Reid has, takes in the land right to the river bank and that the buyer is planning on setting up a private fishing river there. I believe he takes in something like four or five miles of good salmon river and many of the people in the area are very upset about this. So I wonder if the minister could also comment on this one?

MR. MAYNARD: Mr. Speaker, as I stated earlier in the day, we have

no way within the laws of this land whereby we can prevent the sale of this land, or any other part of Newfoundland where we can prevent the sale of private land. We are working on legislation but it is not as simple as drafting a bill and bringing it before the House within two or three days. We are looking at a situation that has developed over some 400 years in Newfoundland's history and you just cannot correct any mistakes, that have been done over those 400 years as far as land use is concerned, overnight. We do have people working on policy and legislation for presentation to the House but it cannot be done throughout the next two or three months. We can ask for and we will ask for and try to investigate as much as possible the proposed sale of the land in any area of the province but of course the people who are selling it and the people who are buying it do not have to give us that information. It is completely up to them because we cannot require them under law to do so.

As far as taking in the land that is used for a reservoir for any community, I would assume that if the community is incorporated into either a community council, town or local improvement district or whatever, they will control the use of the land within that municipality. Certainly all municipalities do. If they are not incorporated I think the people in the community if they are deeply concerned about this should find possibly some way whereby Municipal Affairs could control that land because certainly a reservoir area would be very important to their future.

However from a departmental point of view or a government point of view there is no possible way that we can force people to hold the sale of private land. We can possibly implement controls and we will be looking at that possibility but there is no legislation on the books now that enables us to control the sale or even to demand that people register it. That is the situation and there is nothing more I can say about it.

MR. THOMS: Mr. Speaker, a supplementary question. Sometime ago the minister implemented a land freeze policy here in the St. John's Area. I wonder could be implement such a policy as far as these two areas are concerned to stop the sale of these two tracks of land?

MR. MAYNARD: I have no idea, Mr. Speaker, whether the act that we use to impose controls in the Area of St. John's would apply to another area such as Shoal Harbour but when I said that we would look at the possibility of controls I meant specifically that, that we would be looking at the possibility of controlling the use of rue land. Now that of course does not say that we can control the sale of the land.

MR. NEARY: Of course he can. That is what he is doing down here. MR. MAYNARD: No.

AN HON. MEMBER: Yes, he is.

MR. MAYNARD: Mr. Speaker, the controls that are imposed in the St. John's Area do not prevent the sale of land from one private person to another or any other way. It merely says that the land can only be used for a certain purpose.

Now as far as the acreage that is involved in the proposed land sale and I do not have specifics yet, that is being talked about, the acreage will come within the ambit of the new forestry legislation and under that legislation our authority will be broad enough to control the use of the land, but that legislation has to be passed by the House first of course.

MR. NEARY: Mr. Speaker, a supplementary question. Could the minister not do the same thing that the government did in the case of the BRINCO take over, in a matter of hours bring in emergency legislation to deal with this matter? Could the minister not do that? That could be done tomorrow.

MR. MAYNARD: That was not done in a matter of hours. Mr. Speaker, I do not know of any precedent set by governments anywhere and there may be and there may very well be -

MR. NEARY: Yes, Prince Edward Island did it.

MR. SPEAKER: Order please!

MR. MAYNARD: Where a piece of legislation was passed in the House of Assembly to prevent the sale of one sale of one lot of private land.

MR. NEARY: There is more than one sale involved.

MR. MAYNARD: The legislation is usually of fairly general application.

MR. NEARY: Well, Mr. Speaker, a supplementary question to the minister. Would the minister tell us what has happened to the committee? Would the minister tell us what has happened to the committee that was set up to purchase the Reid property that the minister told us about several months ago?

MR. MAYNARD: Simply this, Mr. Speaker, that when the Reid people decided they might want to sell the land at a realistic cost to the Government of Newfoundland, I think negotiations would become active but we have no intention now nor in the future of paying tens of million dollars of the public money for land that is not worth it.

MR. ROBERTS: Mr. Speaker, are we then to understand that negotiations between the government on one hand and the Reid interests on the other have broken down and are no longer proceeding on any basis?

MR. MAYNARD: No. No.

MR. ROBERTS: Well then perhaps the minister could clarify because certainly the impression his statement gives is that the negotiations have broken down, have broken on this issue of price.

MR. MAYNARD: I did not say that negotiations have broken down,
Mr. Speaker, what I said was that we were not willing to consider
paying the amount of money that is now being asked by Reid
Newfoundland Company. The committee is still active. They have
been in contact with the Reid people on several occasions over
the past few months. We are still willing to sit down and talk
realistically with them but we are not willing to talk on the basis
that so far has been talked by the Reid Newfoundland Company Limited,

MR. ROBERTS: I thank the minister but so we are clear on this: Mr.

Speaker, the government have rejected the Reid request for \$30 million or \$40 millions as the press would have it but the government are still willing to entertain another request from Reid at a substantially lower levels but no request has been forthcoming, no offer has been forthcoming. So in effect then while negotiations may not have broken down they are not proceeding. Is that a correct synonym?

The point is unless Reid's take some further initiative the government are not going to be buying that land.

MR. MAYNARD: That is basically. If there has been another proposal presented by the Reid people that the committee is looking at now from the initial thing that I have seen of it, from the initial look at it, it does not appear to be all that realistic. Maybe with further negotiations we can come to some sort of a consensus of opinion.

MR. NEARY: Mr. Speaker, a supplementary question: Would the minister indicate when the last meeting took place between the committee and the Reid Company? Was it in the last few weeks! The last few months? When was the last meeting held? Does the minister know? Or does the minister know anything that goes on in his department?

AN HONOURABLE MEMBER: Inaudible.

MR. MAYNARD: Okay, get the answer somewhere else.

MR. NEARY: No, Mr. Speaker, I want to get the answer from the minister.

The minister speaks for the department.

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. NEARY: When did the last meeting take place?

AN HONOURABLE MEMBER: If the minister is not going to answer -

MR. NEARY: No, hold on, I want to get, I am trying to get an answer out of the minister. Has he just become, suddenly become tongue-tied?

MR. MAYNARD: Well, the honourable member just said -

MR. NEARY: Sulking! Is the minister sulking or what?

MR. MAYNARD: The honourable member just said I did not know anything that goes on in the department, so therefore I do not know when the last meeting was.

MR. NEARY: No, Mr. Speaker. Obviously he is sulking, Mr. Speaker.

I asked the minister to tell me when the last meeting took place between Reids and the committee. Is the minister going to give the House the information or is he going to sit there and brood and sulk?

MR. MAYNARD: Formal meetings have taken place. I do not have the exact date. I know that correspondence has been exchanged between the officials that are on the committee and Reids over the past few months as it has been over the past year or so since we have been in negotiations. The exact date of the last formal meeting, I have not got the date here with me now but the committee has been in contact with Reids on various occasions.

MR. SPEAKER: I assure the honourable Leader of the Opposition that this will probably will be the last question for the day. The oral question period started at three-thirty o'clock and by the new rules it is to end thirty minutes from that which would be right at four o'clock. MR. ROBERTS: Mr. Speaker, if I may have leave to go on for a moment or two: I think this is an important subject. I wonder if the minister could indicate, there have been meetings apparently recently, when will this matter come to an end? Because if the Reids are going to start selling their land, as apparently they have the right to do, not apparently - they do have the right to do, then the negotiations, we may end up attempting to buy areas of land in this Province that are really not the choice areas. This Shoal Harbour Valley and the Indian River, these are among the choice parcels. As Your Honour knows, Mr. Speaker, and as the minister I think would confirm, most of the choice parcels acquired by the Reids over the years, in terms of building a railway, have already been alienated. The Bowaters limits were mainly acquired from Reid. Price have considerable limits which they have bought from Reid, you know, cash transactions over the years.

So is the matter going to come to a relatively quick conclusion?

Because if not the danger is that we will end up negotiating about nothing at all because there will be nothing left worth having.

MR. SPEAKER: The honourable the Premier.

MR. F.D. MOORES: Mr. Speaker, I would like just very briefly to comment on this discussion. Now, I suppose the question and answer really has been going on for some minutes.

First of all, the forestry legislation that is being introduced which will take some time before it comes into full play was designed partially with this in mind. The Land Tenure Bill which will be coming

certainly is designed with this in mind for particularly absentee landlords, unoccupied land holdings that are not being developed.

The whole emphasis of the government on that, before the end of this year both in the land tenure and from a forestry point of view, will be eventually a mineral field as well.

We will be totally in control of these people for all intents and purposes. There will be no land speculation as such. Anyone buying land here, such as the rumoured sale for 14,000 acres, is doing so with some degree of uncertainty and we can certainly tell them that; because in a retroactive way or if they do not develop that land or if they do not tell us how they are going to develop it they will be in for what I would think would be in time a fairly substantial tax. I am sure that people are buying land with that in mind. I think they may be talking about it for speculation but certainly it is a government policy to make sure that land is not bought by speculators for sale but rather any land, certainly large quantities of lands for putting them in meaningful production for the Province.

MR. SPEAKER: I point out to honourable members that the question period has expired. Does the House grant leave for the question period to extend beyond the ordinary rules?

MR. MARSHALL: It has gone on for half an hour. It has gotten into the nature of a debate. There will be a half an hour again tomorrow

and we have the budget to do, so I think we will go on now with Orders of the Day.

ORDERS OF THE DAY:

On motion that the House resolve itself into Committee of Supply. Mr. Speaker left the Chair.

COMMITTEE OF SUPPLY:

MR. CHAIRMAN (Stagg): Order, please! Shall 1601-01 carry?

AN HONOURABLE MEMBER: Not quite yet, Sir.

MR. CHAIRMAN: For the information of honourable gentlemen, we have presently used twenty-seven hours and twenty-nine minutes.

MR. ROBERTS: The clock is now running as of now.

MR. CHAIRMAN: The honourable the Minister of Rural Development.

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

HON. J. REID: Mr. Chairman, in reference to the bill referred to by the member from Bell Island in the House of Assembly on Friday,

April 26, 1974 regarding the hiring of my company's equipment from May 21 to May 31, 1973 for the amounts of \$776.00 and \$926.00,

Mr. Chairman, I would like to refer to various correspondence and that, that we had with the water and sewerage committee down in Sibley's Cove and Lead Cove.

The committee put out tenders to various people, several people. This reads: "The committee does not bind itself to accept the lowest of any tender. We are now ready to install in both communities a water line measuring approximately 9,000 feet. This project will be carried out under the supervision of the Department of Community and Social Development and our funds are limited. We are now seeking from various backhold owners and operators bids or cost performance for this work. We will accept offers in three forms, cost of digging and back-filling the approximate 9,000 feet. In other words, an estimate of what you would do that could complete job four. Secondly an hourly rate of hire for the machines. Please give us as near as you can the number of footage your machine could dig

in a ten hour day for this rate. Thirdly, hire of machine rer foot of ditch dug. You may make an offer for one of the both ways. You may make as offer of all three of the both ways. Your reply must be in my possession at three P.M. on Wednesday, August 26, 1972." Signed by Regional Button, Secretary-Treasurer of the Water Committee down in Sibley's Cove and Lead Cove.

Mr. Chairman, Charles Throne from New Harbour, "To whom it may concern, Charles Thorne was the person who received that contract. In August, 1972, I was awarded a contract for a water line, by the Sibley's Cove and Lead Cove Water Supply Committee. Due to mechanical difficulties with my back-hold, I had to withdraw from the contract early in 1973. This is obvious, that tenders were called for that particular line contract. For additional information connected

with the above statement, please contact the undersigned. Yours Truly, Charles Thorne."

The people of Siblevs Cove and Lead Cove were very hurt, very disturbed when they read and heard over the air about the Sibleys Cove job and how I was connected with this and the part of being accused of conflict of interest.

'To whom it may concern: In reference to statements made in the April 27 edition of the 'Evening Telegram' in answer to the honourable member for Bell Island concerning allocation of funds to Lead Cove - Sibleys Cove Water Committee, we wish to make the following statement:

"The first money was allocated not by the Hon. James Reid but by the Liberal Government in co-operation with Captain Strickland.

A letter to this effect is dated June 29, 1971.

"First materials arrived on site October 25, 1971. Before we could begin frost set in and we were unable to proceed. In August, 1972, the approval to spend again was given to our committee. At that time tenders were sent out to several companies. Three companies replied, Cranford and Thorne, New Harbour, Trinity Bay; Quinland Bros., Bay De Verde and James J. Reid & Son, Limited, Hearts Delight. The contract was awarded to Cranford and Thorn for the following rates:

- " Ditching sixty cents per foot, maximum \$12 per hour.
- *Work was started by Cranford September 25, 1972, and continued throughout until October 20, 1972. Due to mechanical difficulties he was unable to continue. On November 7, 1972, a dozer owned by Lew Reid, Greens Harbour, was used to prepare the site for the bunk house. In January, 1973 we were awarded a LIP Grant and we again contacted Cranford and Thorne to continue the work. We were informed that the terrain of the area made it impossible for us to use a back-hoe of the type owned by him. By mutual agreement his contract was terminated.

"After careful consideration by the commission we decided the best type of machine was the type owned by James G. Reid and Son.

Then we went to Mr. Reid's company and asked if we could hire his equipment to complete our project. He agreed to do so and his equipment was used to complete the job.

"Number three, repayment of hills using provincial government funds at the beginning of the job, 1071. We were informed to submit invoices to the appropriate department of government. The first department was the Department of Community and Social Development and then the Department of Municipal Affairs and Housing,

"Number four, at no time did any department of government any person connected with government suggest that we do business with any particular company. This was always the decision of our committee, Wilfred Button, Chairman, Reginald Button, Secretary Treasurer."

Mr. Chairman, this can do a tremendous lot of damage to James C. Reid and Son Limited all over Newfoundland and Labrador. I have worked all over Newfoundland and Labrador with my equipment. This type of information which sometimes you can never offset when you are accused, and working in government as I am, of trying to influence various jobs, I certainly think that any member in this House should certainly get the facts before they start and before they try to crucify some of us.

human being possibly could. For thirty years I have owned construction businesses, not only just in construction work, which are well known. Thankfully these businesses have prospered with a little hard work and a lot of sweat. My businesses were known before ever I thought of entering politics. I have made no attempt to hide them since I have been elected to the House of Assembly. There is no reason because a lot of people throughout Newfoundland knew James G. Peid and Son Limited, knew the business because I have travelled from Port aux Basques right into St. John's and worked through most all the Trans-Canada and various other roads and various other construction jobs besides that.

These industries are not only known by residents in around my home but, as I just said, throughout Newfoundland.

The opposition has made public two bills of my company through the Water Line Committee of Lead Cove, Sibleys Cove and Trinity Bay for the hire of two of my pieces of equipment in Mav of 1973. Use of this equipment was requested like I said by the committee to the manager of my company who has been looking after my business since I entered the cabinet.

By the way, my husiness is being looked after by my people, my operators, my man at home and I will assure you I am not the part-time minister that a lot of people think I am right here or are trying to convince the general public of Newfoundland. I have devoted my time, I have devoted everything to this position I have at the present time.

This is a simple explanation. The customer requested
the use of my company's services. Is there anything wrong with
that? In the usual manner these services were supplied and I might
say they were supplied in the same manner that my company has worked
for customers over the years, exactly the same thing. The committee
may have obtained the money from the government to pay the bills in
the same way as any other like committee or council may obtain its
funds. The government had nothing to do with the rental of my equipment
and the running up of the small bill since this decision was certainly
that of the Water Line Committee. I will go a little further to and
I will assure them that Sibleys Cove and Lead Cove today are very,
very pleased that James G. Reid and Son Limited went in there and
got them out of a hell of a jam. I will say it just like that too.

I never attempted in any way to influence the renting of the equipment. Furthermore, I would never attempt to influence the granting of my benefits from government to myself or to my company. Indeed I would dismiss any employee who attempted to improperly use any influence. I mean that too.

I may have as a result of my connections with government, therefore, absolutely nothing wrong with this transaction despite

the efforts of the member from Bell Island to show otherwise.

I am honestly trying to do the best job that I am capable, as

Minister of Pural Development, to do. At the same time, while

I no longer take an actual part in the day-to-day management of

my business. This business is continuing mainly under the direction of

.

the employees who are preserving my business, which was honestly built by hard work and is being conducted in a fair, open and honest manner, without any political influence - I assure anyone of that right now.

MR. NEARY: Mr. Chairman, all that the honourable minister has proven, Sir, or has done is admitted -

MR. EVANS: You are a scum!

MR. NEARY: Mr. Chairman, I demand that the "Burp from Burgeo" retract that statement, Sir.

MR. CHAIRMAN (Mr. Stagg): Order please!

MR. EVANS: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): Order please!

MR. EVANS: I will not.

MR. NEARY: Yes.

MR. CHAIRMAN (Mr. Stagg): Order please!

I suggest to the Hon. Member for Burgeo LaPoile that his remarks are unkindly, perhaps intemperate and I suggest that he refrain from interjections of this type in the future.

MR. NEARY: Mr. Chairman, I demand that the member retract it.

It is unparliamentary, Sir.

MR. CHAIRMAN (Mr. Stagg): The honourable member can demand what he likes, the Chair will enforce the rules as it sees fit.

MR. NEARY: Why not the enforce the same rules for this side and that side?

MR. ROBERTS: On a point of order, Mr. Chairman: The Hon. Member for

Burgeo LaPoile, everybody in the committee heard him, he was not

speaking in a loud whisper nor in a low voice, quite distinctly shouted,

"scum." The honourable gentleman is entitled to his opinion just as

we are to ours, Sir, but I submit that that word is unparliamentary. I

do not have the Beauchesne citation here but if Your Honour will give

me a second, I shall find it. Your Honour may have it ready at hand.

I suggest, Sir, that the gentleman from Burgeo is out of order in using

such a word and I would ask that Your Honour ask him to withdraw it

in accordance with the precedents of the House. It is Citation 149, Sir,

page 127 and 120.

MR. CHAIRMAN (Mr. Stagg): Certainly the word is not one that adds anything to the dignity of this House and probably the honourable member might - it is very difficult to ask him to rephrase his remarks - he might wish to make some statement concerning them.

While the citation does not immediately present it
MR. ROBERTS: It is 155, Your Honour, page 130
MR. CHAIRMAN (Mr. Stagg): There are a list of unparliamentary phrases
there. The actual one used by the honourable member does not present
itself I do not think. I suggest that the honourable member might

phrase his remarks.

MR. EVANS: Mr. Chairman, I retract to the extent that it may not be scum but it sounded a lot like it.

MR. NEARY: No, Mr. Chairman, that is not satisfactory. I submit to Your Honour that the honourable member does not have any choice but to withdraw that remark or, Sir, we may as well turn the House into a tavern, have a free-for-all.

MR. CHAIRMAN (Mr. Stagg): The honourable member has made a diligent attempt to or what he terms to be a diligent attempt to rephrase his remarks. However, there is another rule in the House (It is not a rule of procedure) that a person may not by inference - AN HON. MEMBER: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): That is correct.

A person may not say indirectly what he is not allowed to say directly. I think this may in fact be what the honourable member has attempted to do. I suggest to the honourable member that he might again consider his position and maybe rephrase his remarks a little further.

MR. EVANS: Mr. Chairman, the Member for Bell Island, has stated that we are trying to turn this House, the honourable House, into a tavern brawl. I would suggest that that is what he was trying to do with his accusations against the Minister of Rural Development.

MR. NEARY: Mr. Chairman -

MR. CHAIRMAN (Mr. Stagg): Order please!

MR. CHAIRMAN: (Mr. Stagg): The honourable member is a personal friend of mine and I suggest that the honourable member, while he may not wish to withdraw, may dig himself a rather deep hole if in his desire to get his remarks on the record - the remarks are unparliamentary. The Chair did hear them. I have to call upon the honourable member now to withdraw the remarks without equivocation.

MR. EVANS: Okay, Mr. Chairman, I withdraw in favour of the "Angel from Bell Island."

MR. CHAIRMAN (Mr. Stagg): That is parliamentary, I think.

MR. ROBERTS: No thanks to the Premier.

MR. NEARY: Thank you, Mr. Chairman.

Now, Sir, as I started to say, all the Minister of Rural Development did, Sir, was to admit to the statements that I made in the honourable House the other day. There were no charges nor insinuations nor accusations, Sir. The statements I made were stright statements of fact. The minister has admitted that what I said was true. The minister gave a few more details and a few more facts.

I submit, Mr. Chairman, that it is not good enough for ministers of the crown to pound their breasts and say, "Lord I am pure!" That is not good enough, Sir. In several instances now in this honourable House, we have had all the situations develop that had all the appearance of conflict of interest. Obviously.

Mr. Chairman, the government does not intend to do anything about it.

There is nothing I can do. I cannot beat the minister over the head.

I suggested to the minister the other day that in his own best interests he should table the documentation in this honourable House. I asked the minister to produce the tender calls, to produce the correspondence between his department and the water line in Sibleys Cove.

MR. REID: It was not my department -

MR. NEARY: Mr. Chairman, it was the minister's department. It was, Sir. The minister already told us.

MR. REID: 1971?

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MR. NEARY: No, August 26,1972.

MR. REID: It was 1971 when it started.

MR. NEARY: Mr. Chairman, 1971 was when -

MR. REID: I was not there August, 1972.

MR. NEARY: Mr. Chairman, as far as I know, in 1971, the project was commenced. There was a certain amount of money allocated to commence the project. It was continued on, every year, ever since, 1971, 1972 and 1973. Each year that water line committee has to go back to the minister and ask for additional funds.

MR. REID: No, they do not have to go back every year.

'. NEARY: That is what they do have to, Mr. Chairman.

In the beginning, in 1971, Sir, there was no specific allocation for that project.

MR. REID: Point of order, Mr. Chairman.

MR. NEARY: Well, okay, tell us but wait until I am finished.

AN HON. MEMBER: Mr. Chairman, point of order,

MR. NEARY: All right, point of order, go ahead.

MR. REID: The point of order is that the honourable gentleman is actually trying to tell the House now that they gave a contract out and at a certain time later on to me after the first year they started. As I read there, Charles Thorne was the first man to bid on the job. Charles Thorne was the man who was still called the second year when it started up after the frost - not looking for extra monies.

AN HON, MEMBER: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): Order please!

The honourable minister is rising on a point which is basically a point of disagreement between two honourable members. Points of order are procedural matters and do not extend themselves to matters of disagreement as to facts or interpretation of facts.

MR. NEARY: Mr. Chairman, my understanding of the minister's explanation is that tenders were called more than once. Tenders were called in 1971 and again in - well the minister told us. The

minister told us that in 1972, October, 1972, three firms; Quinlan Brothers, James Reid, Cranford and Thorne submitted a tender. Well the water vote was under the minister's department at that time.

AN HON. MEMBER: (Inaudible).

MR. NEARY: Let us get our facts straight. Was not the water authority, the authority for that money, was not the water money under the minister's department in October, 1972?

MR. REID: No!

MR. NEARY: Where was it?

MR. REID: I was not even a minister then.

MR. NEARY: Was he minister then?

MR. ROBERTS: "Aubrey Senior" was minister.

MR. REID: "Aubrey" was there. When it first started, it

was the Member for White Bay South.

AN HON, MEMBER: Take it all back now and apologize.

MR. NEARY: Okay, that is fair enough.

MR. REID: There was only one contract called.

MR. NEARY: Then the minister came in in December and then what happend? The contract to Cranford and Thorne - the minister had only

been in less than a month when they said that they could not meet their contract because the equipment was in bad shape. Then the minister came into the picture, the minister's firm came into picture, January, 1973. That is right.

MR. REID: That was Municipal Affairs then.

MR. NEARY: The bills -

MR. REID: That was Municipal Affairs.

MR. NEARY: In January, 1973?

MR. REID: Yes.

AN HON. MEMBER: No! No!

MR. REID: Yes it was.

MR. NEARY: Mr. Chairman, there is only one way, only one way in my opinion to get this whole unfortunate situation cleared up and I

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will put this proposal to the committee: That the Auditor General be asked to thoroughly investigate this whole matter, the same as he does in any other matters that are brought to his attention, and produce the facts, give us the facts in the House.

AN HON. MEMBER: (Inaudible).

MR. NEARY: No, he will not automatically, Sir.

MR. REID: Am I allowed to bid on a contract

any more or not?

MR. NEARY: Mr. Chairman, I could not care less, I could not care less, Sir, according to the Minister of Finance, "Ministers can do as they blease." "There is no conflict of interest," the Minister of Finance told us the other day. The Premier told us, a year ago, that a minister when his commany is doing business with his department, he takes off his hat, he steps aside for twenty-four hours, the deal is negotiated, the contract is let and then he goes back into his department again. What kind of nonsense is that, Sir?

The Minister of Finance savs, "Oh, this is nerfectly legitimate.

Ministers," he said, "who have business can do husiness with the
government providing there is no undue pressure, no persuasion, no
influence used." The mere fact that a man is a minister is influence
enough. They just cannot bound their breasts and say, "We are innocent!

We are pure!"

MR. ROBERTS: It does not matter whether it is his department or not, his colleagues or his buddles have been sworn -

MR. NEARY: That is right. They are all brothers-in-arms, they are all buddles.

So, Mr. Chairman, I am not satisfied and every word the minister said, I do not disagree with one thing that the minister said but I am not satisfied, Sir, with the explanation. I am not satisfied with the way this business is being transacted. I am going to suggest to the Committee, and the minister should get up and support it because it is in the minister's interest to get this matter cleared up and to ask the Auditor General to do a thorough investigation into it and make a complete report to this honourable Committee.

MR. CHAIRMAN: The honourable Minister without Portfolio.

MR. W. W. MARSHALL (MINISTER WITHOUT PORTFOLIO): Mr. Chairman, what utter nonsense! The Hon. Minister of Rural Development - there were certain statements made last Friday which could or could not have impugned the integrity of the honourable minister. The honourable minister has come back today with a perfectly rational, reasonable and cogent

explanation of the whole situation before this Committee. I say that his word and his statements are certainly clear. We are certainly entitled to take the man's word and his statements and there is absolutely on the facts here no conflict of interest. How can there he any conflict of interest?

There was a bid by a water committee, an invitation to hid by an independent water committee. The honourable minister's company came in and dealt with the water committee. It had no relationship with the government at all, the awarding whatever the agreement was with respect to the small bit of work that was involved. Certainly this type of work is not going to make or break the honourable minister's company, if anything, he is probably doing it for a small amount, as this is a very, very, small item of his business. There was absolutely no conflict of interest here.

Now the statements which are made here by the honourable Member for Bell Island, which he has made, are typical of the types of statements that have been made and the attempts that have been made by the opposition to paint this side of the House black, as black as they think they were when they were in government. But, Mr. Speaker, it will not work. We heard the honourable Member for Bell Island commenting here on a very simple matter, get up and make statements with respect to the Hon. Minister of Social Services recently and the Hon. Minister of Fisheries in relation to Mutual Life, award of a contract of Labrador Linerboard Mill - we heard the other day. Now the only reason for making this type of statement is purely and simply for the purpose of casting some type of innuendo on the persons concerned and a most unfair innuendo at that. The honourable Member for Bell Island if he had been acting properly and if he had been acting in a way that they would do in any other jurisdiction, as any other responsible people in a legislature would have done in an instance like this would have gone to the Hon, Minister of Rural Development with it passed in the bills, afforded the minister an opportunity for the purpose of making a reply, and in some cases a private reply is quite enough.

If the private reply of an honourable person like the minister and his explanation were given and it were not accepted nrivately, well the receiver of it, as far as I am concerned, needs a good shot of intelligence, if there is such a thing available, because his statement is absolutely pure and certainly reasonable. There is nothing wrong with this. There was absolutely nothing wrong with the arrangements with the water committee which was entirely outside of government, made entirely at a time when he was not minister.

The question comes up and it has been indicated in a position such as the honourable minister — should be have bid on anything with relation to construction work?

AN HON. MEMBER: Inaudible.

MP. MARSHALL: Yes, that opens a very wide question and I can understand neonle making that observation, particularly if the people happen to have been born with a silver spoon in their mouths and have \$1 million or \$500,000 in their back pocket or in the other instance, if a person have absolutely sweet nothing in his back pocket at all and nothing necessarily to go back to except politics, or if the person concerned happen to be somebody who was dragged into politics right from high school or from university or what have you and knows absolutely nothing else. But what is the person like the honourable minister and many other people who have huilt up by the sweat of their brow a good business to do when he comes into politics. Get rid of it completely? Or act as reasonable, rational men as the honourable minister has done and will continue to do so?

Here is a man who has been a success in his own private life, who has come into politics, and this party and this government have been very, very delighted to have a person such as the Minister of Pural Development come into the government. He has come in, he has been the leading force in the formulation of the Department of Rural Development and has done a marvelous job with respect to same. He has done it at the sacrifice of many of his own private interests, as many people who have come into government with interest, so what should he do? Has he because he comes into politics to give everything up? I say, no, what he has got to do

and what the conflict of interest legislation comtemplates is he reveals what interest he has. Then it is onen to the public to ask questions with respect to any matter arising with respect to his dealings. When he gets up and reveals, as in this matter, on an open public tender, with a completely independent committee, and acts in a reasonable way, there is absolutely nothing wrong with it.

Otherwise, Mr. Chairman, it would be just as well to leave politics onen only to the neonle, as I say, who have \$1 million to stash away in their back nocket or have nothing absolutely nothing in material wealth or anything at all to come into politics because the fellow it. Setween the middle-man who has worked up his position from the sweat of his own brow had better forget involvement in public affairs in this province.

That is the situation here. This explanation given by the honourable minister as far as I am concerned is a more than reasonable and rational one. It in no way indicates that he has done anything improper. As a matter of fact, it indicates that he has acted properly all the way through. To suggest that it he referred to the Auditor General is there again another device on the part of the opposition to indicate that there might be something else in this that requires further explanation and further investigation, and it certainly does not.

Now the opposition have spent, as I have indicated, some twenty-eight hours and I suggest that we mass to more important things than this narticular issue that has been certainly well explained and well disposed of. It is absolutely ridiculous as far as I am concerned and it is just purely and simply another little under-the-table attempt by innuendo and otherwise to paint a perfectly decent, responsible member of this Assembly black, for the sake of cheap, petty, political expediency.

AN HON. MEMBER: Hear! Hear!

MR. CHAIRMAN: The honourable Member for Hermitage.

MR. B. SIMMONS: Mr. Chairman, first of all, without ampearing to question a ruling or that of the Chair's impartiality, I was surprised that the minister who just snoke was allowed to infer all kinds of motives.

MR. SIMMONS:

about innuendo and under the table and that kind of a thing. It is
the language that he is very canable of, of course
MR. MAPSHALL: On a point of order, Mr. Chairman. The honourable
and new Member for Hermitage, if he does not know, should be aware
of the fact that if he wish to rise on a point of order at any time when
I or any other member is sneaking, is perfectly entitled to do so.

AN HON. MEMBER: Inaudible.

MR. SIMMONS: Thanks for the education, but I did not want to rise on a point of order. I would have done so and I was quite aware of it but I did want to take exception to that kind of tactics being used in the House. I am well aware that that is very typical, so typical that I did not see the point of rising on a point of order because he would weasel out of it in some way or another, Mr. Chairman.

Thank you, Mr. Chairman.

Rut to the subject at hand and to the comments, first of all, which the Minister without Portfolio, Thank God has made. He says, "The only reason is, reasons of innuendo and that kind of thing." I do not presume to speak for the honourable Member for Bell Island, he can speak for himself on this. I do not think he rose for that reason but that is for him to clarify but let me say why I rise.

I do not speak to this item because I want to do anything under the table. I want to get at some information, I want to know. If there is nothing wrong, what does the Minister without Portfolio have to fear with putting this to the Auditor General? Would not the Minister of Rural Development be more than vindicated if the Auditor General showed that indeed there were no grounds to the charges made by my colleague, the member for Bell Island.

MR. NEARY: No, I did not make any charges.

MR. SIMMONS: Or an unfortunate choice of terms. I was not here on Friday afternoon; but to the possibility of some conflict which arises from the statements.

Mr. Chairman, I have already heard the minister's version.

I listened with complete care and interest to what he had to sav.

Indeed it is worth noting, Mr. Chairman, that the Minister of Pural

Development has spoken very little in this House. I, as one member,

would estimate that easily two-thirds of the time that he snoke

in this House altogether since this session began, has been spent

singing the praises of J. Meid and Son. I have heard him say very

little in his capacity as Minister of Rural Development. Is this

some kind of an advertising campaign for a private company we are

going on with him? Easily two-thirds of his time has been taken up

with telling us what a great company his is.

MR. PEID: Inaudible.

MR. SIMMONS: Mr. Chairman, I sincerely think that the minister has something personal against me. He keeps talking about the NTA. My record with the NTA was rather good. Check with any number in it, Mr. Chairman.

MR. REID: Not according to the teachers.

MR. SIMMONS: The honourable minister knows all the teachers I suppose?

MR. REID: I know a lot of them.

MR. ROBERTS: Unfortunately the people of Newfoundland are getting to know you, "Jim".

MR. REID: Inaudible.

MR. SIMMONS: Mr. Chairman, I am not going to be dragged into a personal vendetta, if he should want to heave insults at me about my past - MR. REID: Inaudible.

MR. SIMMONS: I heave no insults at the minister, Mr. Chairman. I am trying to make a point and I am doing so with some difficulty.

MR. CHAIRMAN (MR. STACG): Order, please!

Honourable members are reminded that while they may not always agree with what a person is debating, that person has the right to make points which may in fact be violently objected to by honourable members on either side. They have then the right to rise in their place in an orderly manner and debate as well.

Interjections from members who do not have the floor are completely out of order. I suggest to honourable members who are violating that rule that they begin to observe it. The honourable member for Hermitage.

MR. SIMMONS: Thank you, Mr. Chairman.

Too bad the minister was not listening to you when you made that ruling because he will probably start interrupting again although I sincerely hope he does not so that I can make the point that I am trying to make to him.

He says that he is innocent. Mr. Chairman, I sincerely hope he is and I shall listen with all the interest in me to any explanation he has to give. The one he has given today, Mr. Chairman, is not enough. Now at one point he said, "I have never attempted to influence the use of equipment." I did not get the quote exactly; the implication being he had never used influence in this matter.

I wonder, Mr. Chairman, would be indicate to us whether
the letter be read today so soon after the publication of the events
on Friday or Saturday, whether that letter came to him completely
spontaneously or did be perhaps suggest that somebody write it. I
know that somebody was awfully

MR. REID: I will answer that.

MR. SIMMONS: Mr. Chairman, he can answer it in time. I will make my

point first. I notice that the writing and the typing and the getting the letter into the minister's hands was awfully expeditious. One will notice it was a circular letter "To whom it may concern!"

I would presume it took some time. We have just come through a weekend. It referred to an item in the paper only on Friday or Saturday. Yet, here we are at three o'clock on a Monday afternoon with the item in the minister's hands. I am wondering if somewhere along the line it was done completely spontaneously or without his suggestion.

I have more, Mr. Chairman, for the minister, lots more.

would like to have the answer to that question if he should choose to answer it.

Mr. Chairman, he did not understand the rule I guess.

Mr. Chairman, also it has been suggested that any person who gets the lowest tender or whatever tender, if the body concerned awards it, that is all well and good. Perhaps the minister is saying to us that he has no jobs around the province now involving public funds which are not on tender, which were not tendered. Is that what he is telling us, that all the jobs he has throughout Newfoundland and Labrador involving public money he got on tender? I would like to know the answer to that question too. I know an answer to it but I would like for him, since he is the person directly involved, Mr. Chairman, to give us his answer. Are all the jobs in which his company is involved in around the province gotten by public tender? That will make an interesting answer.

Mr. Chairman, somebody and a lot of bodies actually, including the Minister without Portfolio, are coming to the all too enthusiastic defense, so enthusiastic that one would think it was contrived. One would think that there was some particular reason for them to want to rush to his defense. I would suggest, as the member for Bell Island has suggested, that the best defense, Mr. Chairman, here is the truth. The one way to get the truth out is to have some independent person, the Auditor General is a good suggestion in this respect - to look

into it and if the minister be innocent, by all means lot us vindicate the man as he ought to be vindicated.

I do not believe, Mr. Chairman, that it is enough to claim that there is no conflict unless we have some proof that there is not. More than that, Mr. Chairman, I do not believe it is enough to know that there is none. I believe also, as someone has said, that justice must not only be done, it must appear to be done. In this situation here the minister is at once the minister and secondly the member for the district of Trinity South, in which district these expenditures were incurred, the expenditures referred to be my colleague the member for Bell Island, I'v is at once the member for that district and he is secondly the Minister for Pural Development, the department involved and he is thirdly a principal in the company involved.

Now even if he be lily-white, Mr. Chairman, the onus is on him to conduct himself in such a way that he does not give the appearance that there is anything wrong here in this particular situation.

I would also like the minister - I will get his ear in a minute - to indicate, if he would, to the committee, since he has chosen to pursue this matter - I will get his ear in a minute as soon as he gets the coaching that he so hadly needs on this subject, Mr. Chairman.

MR. NEARY: Is there a cabinet meeting going on in the committee, Mr. Chairman?

AN HONOURABLE MEMBER: Does it make a difference to him?

MR. NEARY: Yes it does because the member is speaking to the minister. Do not be so ignorant.

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN (MR. STAGG): Order, please!

The point that is being made by the honourable member for Hermitage, while the member has the right to speak, he does not nevertheless have the right to demand that a person listen.

MR. SIMMONS: Mr. Chairman, I do though require that if there is to be a reaction to what I am saying from the minister, that he at least

understand what it is he is reacting to. Thank you. There he is,
Mr. Chairman. Now, he is the Speaker. Earlier today he was the
Minister of Municipal Affairs.

AN HONOURABLE MEMBER: Inaudible.

MR. SIMMONS: Yes, indeed he is. Pe likes addressing an audience this large, Mr. Chairman. There are forty or fifty here. He only had thirty-five Saturday night at his meeting in Marystown, thirty-five. This is a big meeting for him, a really big meeting, this one here.

MR. CHAIRMAN (MR. STAGG): Order, please! Order, please!

Honourable gentlemen are rather frivolous today. Maybe it is the beginning of a long week. I would suggest that the matter under discussion is a matter of some importance and the honourable gentleman should direct themselves to the points under discussion which are 16-01-01, the Department of Rural Development.

Honourable members should not sidetrack themselves or attempt to sidetrack others.

MR. SIMMONS: Mr. Chairman, I mentioned two or three questions I would like to ask the minister. The first one was whether the letter he has today from the Sibleys Cove people came completely spontaneously or without any prompting from him or people acting on his hehalf.

Secondly, I asked if all the jobs that his company is involved in right now in the province involving the expenditure of public funds, if all these jobs were gotten by the proper route of tender.

I was about to come to a third question which I now shall.

It has been suggested by the minister and by others who have been rushing to his defense that if anything - I think the Minister without Portfolio said this - if anything his business may have been hurt.

I find that difficult to believe, although I am willing to be convinced, Mr. Chairman, if the evidence were placed before me, I certainly should be convinced and so I would suggest a way to place the evidence in front of us. If the minister and the government or whoever makes those decisions are not willing to buy the suggestion of my colleague, the Member for Bell Island, how about this suggestion? Would the minister agree to indicate to the House the number of jobs he was involved in for each of the last four or five years, the number of jobs involving public monies his company has been involved in each of the last three, four or five years? That might be an indicator - it might give us an indication of whether his business is being hurt on account of his present involvement in government. I would like him to respond to that particular question as well.

Mr. Chairman, my concern in this matter is a little different than the Minister without Portfolio, who tends to get very much up tight about the time we are consuming in discussing the estimates. I personally think that most of the time is very well spent, if one should deduct the volume of time which is rather deliberately, I believe, being used by the government side of the House at this time. Knowing that we only have seventy-five hours to discuss the estimates, they have become very verbose all of a sudden. I think if one were to check back through the Hansard, one would find that easily half the time thus far has been taken up by people on the government side of the House.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: They are not supposed to be but they are doing a pretty good job of it except once in a while.

Mr. Chairman, I am glad that I did not live up to the version, expectation of the senior Member for Harbour Main, because that itself would be a disappointment to me if I did it the way he expected me to do it.

Mr. Chairman, my concern with this issue is to get at the issues involved. It is not to attack the personalities involved, it is to find out if there are -

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: Mr. Chairman, does not the member for Harbour Main know that he must be in his own seat when he is speaking in this committee and that he must not interrupt me when I am trying to speak? Would Your Honour bring it to the member's attention please?

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: I interpret that it is okay. We shall take due advantage of that liberty.

" CHAIRMAN (Mr. Stagg): Order please!

The honourable member's point is certainly well taken. The honourable member appears to the Chair to be in the general vicinity of his own chair whether he is in fact in it or not. Is the honourable member in his own chair?

AN HON. MEMBER: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): The point raised by the Hon. Member for Hermitage is worthy of some comment.

AN HON. MEMBER: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): Perhaps the honourable member might wait until the Chair is finished before he comments further. The honourable member is completely out of order in interjecting in any event. The fact that the honourable member might not be in his own chair is just compounding something or other.

MR. SIMMONS: Mr. Chairman, my purpose in pursuing this matter is that I would like to find out if there is any conflict of interest here. I have heard the minister say that he has not used influence. I already mentioned in the House previously in talking on the subject of Rural Development that I had in my possession a letter which he had written to the Board of Commissioners of Public Utilities on June 13, 1973, after he became the minister, Mr. Chairman. On that occasion, he was writing about a matter which did not affect him as minister, that is to say not within the balance of his portfolio, but it obviously affected him in a business way, as the letter indicates.

MR. ROBERTS: Was it written on a business letterhead?

MR. SIMMONS: I cannot tell. It is a photo copy. There is no
letterhead appearing at the top so he is probably writing on
plain stationery, Mr. Chairman. There is no letterhead appearing
there.

He does point out in writing to Mr. Fred Saunders of the Board of Commissioners of Public Utilities: "Dear Mr. Saunders; In response to your letter concerning a certificate to permit Mr. Boyd Pretty to operate a taxi service from Green's Harbour to St. John's, picking up passengers along the route as far as Whitebourne, I do not oppose this in principle; however, it has been my understanding and still is that Mr. Pretty was proposing a bus service using a so-called mini-bus, with a seating capacity of seventeen passengers rather than using a five passenger vehicle as required for a taxi service."

Mr. Chairman, without attempting to take it out of context, I will just skip down to the appropriate section but I am quite prepared to read the whole letter. "I have no objection to Mr. Pretty operating a taxi if he used a five passenger vehicle as he is now licenced to do." The point being that the gentleman concerned had a lot of objection if the man were going to use a larger bus because this had implications for a similar service which he was operating.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: Having point that out - it is a legitimate case,
Mr. Chairman. If I were in the same situation, I would probably
make the same kind of case if it affected me that way. It is a
legitimate case for a private businessman to make to an authority
which is regulating the granting of licences on this matter. It is
a legitimate case. We do not argue with that at all. I do argue
strenuously with the fact that the man who was writing in his capacity
as a private businessman signed his name, "James G. Reid, minister."

MR. NEARY: Read the last paragraph.

MR. SIMMONS: I am sorry?

MR. NEARY: Last paragraph.

MR. SIMMONS: Oh, I am sorry.

The last paragraph I think is pertinent to the point too, Mr. Chairman. "It is not my decision whether a licence should be granted to Mr. Pretty but I feel that the Board of Commissioners should maintain closer control not only over this operation but over all phases of the transportation business, paying particular attention o public carriers. P.S. If you wish to discuss this, please contact me. Yours Sincerely, James G. Reid, Minister."

Mr. Chairman, I maintain as I did earlier that that is an example of using influence. That is an example.

MR. BARRY: (Inaudible).

MR. SIMMONS: Is the Minister of Mines indicating that he does the same thing? Would the honourable gentleman do the same thing?

MR. BARRY: (Inaudible).

MR. EVANS: (Inaudible) - privilege.

MR. SIMMONS: Ha! Ha! Mr. Chairman, if I were a minister I would not exercise that kind of a privilege and that is my whole point.

MR. EVANS: One does not have to be a minister, a member.

MR. CHAIRMAN (Mr. Stagg): Order please!

Honourable members are drawn to several rulings made earlier this afternoon and innumerable rulings made in this session, both during the discussion of the estimates and at other times, that only the member who has the floor is permitted to speak. Certainly in this case the honourable member is being interrupted by both his colleagues and by honourable members to my left. I suggest that all honourable members observe the usual courtesies.

MR. SIMMONS: Mr. Chairman, as I was saying, my interest in pursuing this is one of finding out what the facts are. As I said in another

debate on another matter that if the gentleman from Trinity South
be vindicated on the matter, I will be among the first to say how
glad I am to hear that he is innocent and to also offer my apologies
for any unkind or wrong inferences that might have been left by
anything that I have said on the point.

Mr. Chairman, my concern is to get the truth out on this matter and in this respect I ask again the two or three questions that I put to the minister earlier . Since he might not have been listening, I will just review them for him. First of all, will he tell us without qualification that there was no influence on his part in getting this letter which he produced today? Secondly, are all the jobs he is involved in right now across the province or has been involved in in the past two years, all those jobs which involve public money, did his company get all these jobs, without exception, by contract? If not, would he indicate those which he did not get by contract and why, in his opinion he got them without (I do not mean contract) public tenders? Thirdly, would be be prepared (I know he probably cannot do it right now but with proper preparation tomorrow or the next day or so) to supply to the committee information which would indicate the volume of business which his company has enjoyed, involving public monies over the last three, four or five years?

MR. REID: (Inaudible).

MR. SIMMONS: Mr. Chairman, I know he does not have to but I am asking, will he do it? Will he do it to vindicate his position, to indicate as the Minister without Portfolio has said that if anything his business has suffered in the past couple of years?

MR. NEARY: Mr. Chairman -

MR. REID: Mr. Chairman, may I -

MR. CHAIRMAN (Mr. Stagg): The Hon. Member for Bell Island has the floor.

MR. NEARY: Mr. Chairman, the minister will have all the opportunity

he wants to answer any of the matters that have been raised on this side of

the committee. I do want to say, Sir, that I cannot sit in this honourable House and take the low, sneaky way in which the Minister without Portfolio tries to make his point.

It has to be about the lowest, Sir, about the lowest form of debate, about the lowest form of debate that I have every witnessed in this honourable House. The minister has developed a technique of his own. A technique of his own, Sir, that is - well, it is beneath contempt. But, Mr. Chairman, it has to be answered. It has to be answered.

AN HON. MEMBER: Inaudible.

MR, NEARY: That is right. I would say I am probably more of a statesman than that honourable minister. Every time, Sir, he stands in this honourable House and screws up his face or takes to the air waves on television he is the best asset we have. He gets us 10,000 votes every time he does it.

MR. CHAIRMAN: Order please! The phrase used by the honourable member in his opening remarks refer to the honourable member's comments as low and sneaky. I do believe in retrospect that they call for the prompt intervention of the Chair. I think they probably were unparliamentary, however the immediate reason the Chair is rising is the rule of relevancy. The honourable member is drawn to the fact that we are dealing with the Department of Rural Development and the quality of debate or the character of the Minister without Portfolio certainly is irrelevant to this debate.

MR. NEARY: Character or lack of character of the honourable minister, Sir, but I intend to be relevant because, Mr. Chairman, the minister that we are talking about, Sir, the Minister of Rural Development, and we are dealing with that minister's salary, threatened to resign over a year ago because his administration was going to bring in a conflict of interest law and the minister said, "If they bring it in I have no choice but to resign. "It is going to interfere with my business and I am going to put my business before being a Minister of the Crown, before politics." That is what the minister said and the honourable Premier says, "Oh not"

I saw the Premier on television and I heard him on radio saying, "No, the minister does not have to do that because a minister

can own a business and still do business with the government."

The Premier said at the time, my colleague reminds me, that we will decide what is conflict of interest. That is what makes it the farce that it is, Sir. The Premier and his colleagues decide when it is conflict of interest. I would suggest to the Minister of Rural Development that now is the time for him to put it to the test. Put up or shut up: Never again let that honourable crowd mention the words, "conflict of interest," inside or outside of this honourable Bouse, because they do not believe in it.

MR. MARSHALL: On a point of order, you know another hour has gone by. Now it is not for me to remind the opposition but the honourable member is not being relevant. We are talking about 16-01-01, the salary of the minister.

MR. NEARY: Mr. Chairman, to that point of order, Sir, I submit to Your Honour that I am right on target. I am relevant because we are talking about a minister's salary and we are talking about a minister's business dealings and his conduct with the administration,

Sir, What could be more relevant? I know the truth hurts.

MR. MARSHALL: Very philosophical.

MR. NEARY: I am not being philosophical.

MR. MARSHALL: The warped philosophy, we have heard enough of it.

MR. CHAIRMAN: Order please! To that point of order: While the
honourable member's explanation of what he was doing would certainly
lead one to believe that he was in order, his explanation of what
he was debating and what he was actually debating may in fact be
two different things. I suggest in fact that they were. He was
into a philosophical dissertation on conflict of interest and just
what it was or what it was not and his explanation was in order. If he
should want to proceed he may proceed as he thought he was proceeding
when he explained what he was saying.

MR. NEARY: I do not know how I am going to sort that one out
Your Honour but I will try to do the best I can.

Sir, the Minister of Rural Development came into this honourable House this afternoon with two or three documents that were prepared over the weekend. Now, Sir, the minister did not tell us whether he approached the Chairman of the Water Committee or if the Chairman of the Water Committee came to the minister.

Now the minister mentioned in his earlier remarks, Sir, let me see what he said -

Tape No. 1378

MR. REID: Inaudible.

AN HON. MEMBER: God forbid!

MR. NEARY: People, he said, are hurt and very disturbed about the remarks that I made in this honourable House on Friday that appeared in Saturday's, 'Evening Telegram.' The people are hurt and very disturbed. What are they hurt and disturbed about? There was no reflection, there was no criticism of the Water Committee, there was no criticism of the allocation of money that they received, Maybe the minister tried to convey that impression that I was criticizing the allocation of the money to the Water Committee. That is not so, Sir. God bless them! I would say, the more money they get the better and I hope they get water and sewerage over there running out of their ears.

But that is not the point. Sir, the point that I made was the way that money was disbursed and the involvement of the minister's own company in receiving a large portion of that money, and there are other invoices available, Sir. I do not have them with me. There are other invoices available.

MR. REID: How does he think I lived these last seven years if I did not have -

MR. NEARY: Well, Sir, the minister may have worked as hard as anybody in this honourable House. He may have built up a \$1 million company but so what? That is not the point, Sir. Hundreds of Newfoundlanders have done that. The minister is prospering certainly better under the administration since he became a member of the government than he was before.

MR. REID: That is more than he could ever say.

MR. NEARY: Mr. Chairman, I do not have -

MR. CHAIRMAN: Order please! The import of what the honourable member has just said is certainly a matter which the Chair cannot let go unchallenged. Does the honourable member remember what he just said, indicating that the honourable minister has prospered more since he became a member of the government than before?

MR. NEARY: His company, I said his company.

MR. CHAIRMAN: Or his company.

MR. NEARY: Yes, Sir.

MR. CHAIRMAN: I suggest that that remark either has to be substantiated or withdrawn.

MR. NEARY: Well, Sir, it would appear that the minister's company has prospered more since the minister became a member of the administration than it did heretofore, than it did prior to January 18, 1972.

AN HON. MEMBER: Withdraw it. Withdraw it. Withdraw it.

MR. NEARY: Mr. Chairman, okay, if Your Honour wants me to withdraw it, I cannot substantiate it but I can think what I like. I will withdraw it. I will withdraw it, Your Honour.

MR. CHAIRMAN: The honourable member also knows that when the Chair rises all honourable members resume their places. I realize that the honourable member may have for the moment forgotten that.

As the honourable member says, he can think what he likes but in the parliamentary system people cannot always say what they like.

MR. NEARY: I do not have the rules in front of me Your Honour, so therefore I do not have the documentation. That is why I am suggesting to the minister, Sir, because everybody is talking about it. I do not know whether the minister realizes that or not. I have got a document here in front of me. Conflict of interest is not signed and I am not going to read it. I do not deal with letters that are not signed. But I have one here that is signed, Sir, when the minister got a part of his anatomy caught in the wringer, from Greens Harbour to Old Shop, he sent out a circular letter to all the residents

over there,dated February 8, 1974, to all residents from Greens
Harbour to Old Shop in connection with the letter that my
colleague just read, that the minister wrote to the Public Utilities
Commission. There was an adverse reaction. It stirred up controversy.
They were ready to linch the minister over there so he decided
to send around a circular letter. It did not do him any good,
Sir.

Just listen to this, listen to it, you would not know but he was God Almightv. "I am writing this letter in order to clear un any misunderstanding with respect to the application of Mr." (So and So) to the Board of Public Utilities to have his taxi licence amended. Attached is the photostatic conv of a letter, dated June 13, 1973, which I have written to the Public Utilities in reply to a letter I received asking if my company had any objections to Mr. Pretty amending his certificate. As is clearly stated in that letter, I had no objection to Mr. Pretty operating a taxi service but I could not agree, the minister says, "I could not agree to a duplication of the bus service." Why? Recause to minister operates the bus service?

MP. REID: I have the franchise.

MR. NEARY: Oh, he has the franchise. I see. "I could not agree to a duplication of the hus service for reasons which I outlined in my letter."

MR. NFARY: One or the other had to go and the poor old cripple, invalid, semi-invalid that was trying to get an eight-passenger bus, he is the one who had to go.

One or the other had to go.

MR. REID: Inaudible.

MR. REID:

MR. NEARY: Yes, he was a semi-invalid, it savs right in the letter. What does it say here? A man whose only form of livelihood." However, things took a peculiar twist when the minister discovered that this gentleman wanted to get an eight-passenger bus to support his family, to get a little more money to support his family.

AN HON. MEMBER: He said, he was not going to read that.

MR. NEAPY: No, I am not going to read it but here is the letter the minister wrote. He said, "On September 25, Mr. "(the gentleman's name) "published an notice in the 'Newfoundland Gazzette' to again have his certificate of public convenience amended. I then wrote the Board requesting a hearing so that I could discuss the matter with the board and with the gentleman, as well as in order to find out what type of service he was proposing. I heard nothing further from the hoard, in the meantime I did hear a rumour that a petition was being circulated

by the Society of the United Fishermen to get a taxi service for the area. This is why the honourable gentleman was so worried about it, they were circulating a petition over there. However, since so and so and some members of the S.U.F. visited me at my home to discuss the matter and I told them the same as contained in these letters.

As I have said many times before, I think such a service is badly needed in that area and I would be the last person to say otherwise. "Only a taxi," a taxi because he is not in competition with the minister, can provide the proper service for the infirm, the elderly and others who would be unable to wait for a bus. My sincere wish that these letters clarify the situation."

Well they did not clarify the situation. The minister is still in dutch in his district over that as well as with some of the other matters that have been raised in the committee by myself and my colleague who just spoke in this debate. I submit to the minister that it would be in his own best interest and in the interest of his administration to lay his cards on the table, to level with the people of this province. That is not the only contract the minister's firm got from the government either directly or indirectly. That is not the only one. The minister's equipment is popping up everywhere, over here at the Health Sciences Complex.

MR. REID: It is not allowed to go there.

MR. NEARY: Yes, it is allowed to go there but do one thing or the other.

AN HON. MEMBER: Inaudible.

MR. NEARY: No, Mr. Chairman, I would not, Thank God I have more ethics than that, I have more principles than that. God only knows in thirteen years in this honourable House that I have had the opportunity, believe me I have. The honourable member does not have a twisted mind but I know who does have a twisted mind and warped mind, I am looking straight at goggles over there now.

MR. EVANS: Inaudible.

MR. NEARY: But, Sir -

MR. CHAIRMAN (STAGG): Order, please!

Perhaps the exchange has now ended and my interruption is superfluous but I suggest to honourable members that to carry on a debate between two honourable members neither one of which -

MR. CHAIRMAN (STAGG): Neither one of whom are directing themselves to the matter supposedly under discussion. It is completely out of order. For the fifth or sixth time this afternoon, I bring this to the attention of honourable members.

'R. NFARY: Thank you, Your Honour. Would honourable goggles be in order, Sir?

But, Sir, in all sincerity I do think in the minister's own best Interest and in the interest of the administration that he should get this matter cleared up, rot only with this contract but with a number of other contracts referred to hy my colleague, the Member for Hermitage. This can only be done, Mr. Chairman, by a public accounts committee, by a select committee of the House, through a judical enquiry, or through the Auditor General, Sir. I would submit, Mr. Chairman, that the most obvious route to take would be via the Auditor General's Department. The Auditor General, Sir, is the watchdog of the treasury. The Auditor General is also the watchdog of the conflict of interest legislation. I think the Auditor General should be called in, and the Auditor General as a servant of this House, Sir, should be called in to do a thorough investigation into this whole matter. I hope that the minister comes up smelling of roses. I hope so, Sir, because we have made no charges on this side of the House, no insinuations, as was suggested by the Minister without Portfolio.

We are just genuinely, Sir, trying to do our jobs. We are asking questions. Remember the Minister of Finance when I caught him on the \$407,000 write-off. Remember what the minister said -

The honourable member is very persistent in his desire to introduce irrelevant debate into this 1601-01. The honourable member knows full well that any dealings between himself and the Minister of Finance or these things which are now history are irrelevant to this

particular debate.

MR. NEARY: The point I am making is that we were told to ask questions, what we have to do is ask questions. We have to raise these matters, we were told by various members, ministers on the government benches, "Ask questions," they said, "and you will get the answers." Well now we are nutting questions and putting suggestions of how the minister can deal with this, to the Minister of Rural Development, but the minister is obviously going to sit there, Sir, and not going to do anything about it. If he should not, the minister - I will venture you a bet, Mr. Chairman, if the minister should do nothing about it, about holding an impartial investigation, that somebody will accuse the minister of trying to hide something. Somebody - it will not be I, I am not going to do it.

MR. RFTD: Inaudible.

MR. NEARY: I beg your pardon!

MR. REID: Inaudible.

MR. NFARY: No, I certainly have not. I have more scruples than that.

I am giving the minister an opportunity to lay his cards on the table.

MR. RFID: I have laid some of them on the table -

MR. NEARY: Ah, some of them, that is not enough. Some of them are not enough. I can see the minister over there on the weekend going around in his big limousine trying to get affidavits, "Here boys, sign this quick, I am in trouble in the House."

MR. REID: That is his style not mine.

MR. NEARY: Well, Mr. Chairman, there was no accusations made against that board over there about the allocation of funds. That is incorrect. If the Chairman of the Board got the notion that we were worried about the amount of money they had, then I will set his mind at rest; we were not. But we were certainly worried about the minister's involvement, being on the receiving end of a substantial amount of that money. That is the question we are raising, not the allocation that the waterline committee got, more power to them. I hope they will get more. I hope the "Telegram" will pick it up and spell it out that there was no criticism of the waterline. The criticism of it was of the minister, acting in a dual capacity, wearing two hats- one as the owner of James

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Reid and Sons.

AN HON, MEMBER: (Inaudible)

MR. NEARY: The other as the Minister of the Crown responsible for the allocation of the waterline money in the minister's own district.

Now, Sir, if that is not conflict of interest, well then I do not know what is.

MR. CHAIRMAN (Stagg) Shall 1601-01 carry?

MR. ROBERTS: Mr. Chairman, the minister may want to say a few more words. I think he was rising, Sir.

MR. REID: I shall answer later.

MR. RERTS: Well, Mr. Chairman, if the minister - I ask him to reconsider because his silence or his not saying any more would certainly lead me - I have been listening to the debate.

AN HON. MEMBER: (Inaudible)

MR. ROBERTS: Sure.

SOME HON. MEMBERS: (Inaudible)

MR. ROBERTS: I did not say guilty. I will yield for a second but just to deal with the schoolboy debater. His silence, Mr. Chairman, certainly would leave one unhappy. I would like him to answer if he should wish to.

MR. REID: He has the floor. He has the floor.

MR. ROBERTS: No I shall yield the floor. I can get it back.

SOME HON. MEMBERS: (Inaudible)

MR. ROBERTS: Mr. Chairman, I want to talk about the Rural Development
Business as a whole. Does the minister want to say anything more on this?
MR. BARRY: (Inaudible)

MR. ROBERTS: I am sorry! Well the minister very graciously consents to go ahead. That is fine! Perhaps I should say a few words then on this conflict of interest thing since the minister has nothing more he wishes to say on it, I gather.

I think, Mr. Chairman, that the gentleman from Bell Island and the gentleman from Hermitage between them have made out what appears to be a very strong conflict of interest situation. I was not in the committee on Friday but I have been here this afternoon and I have heard the debate for two hours now or an hour and a bit. I did read the

"Telegram's" account and it seemed fairly full. I must say that
I find the "Telegram's" reports rather accurate so in the absence
of any evidence to the contrary, I assume it is accurate. I heard
the minister's statement on this matter when the committee began
its work an hour or (whatever it was) an hour and a-half ago.

The minsiter to me, Sir, has admitted, as I understood him,
I may have misheard him, I may have misunderstood him, but as I
heard his statement and I gather it was (I do not know if it were fully
written out) it was certainly a prepared statement, it was not an
off-the-cuff one. The minister had at the very least and quite
understandably so, had very full an copious notes.

The minister admits baldly and boldly that he has been acting in what appears to be a conflict of interest situation. It is that simple. The minister owns or controls, I am not sure, but the minister I believe is the major owner of this James G.Reid Limited, firm. Is that correct? The minister owns, really he is the only owner. There may be a couple of other shareholders. There is nothing wrong with that.

The minister, as he has told us, has pointed out that this firm began its corporate life seven, eight or nine years ago. The business itself has gone on I suppose for twenty or thirty years and the minister certainly can say with justice that he built the business on his own. There is no argument with that. There is no quarrel with that. I think the minister is to be admired for having started in a small way as so many people have and having by the sweat of his brow and so forth, hard work, labour and all that, built up a big business. I suppose the minister is now running one of the bigger business of its kind in this province.

That has nothing to do with the point before the committee,

Mr. Chairman. That has nothing at all to do with the question of
conflict of interest. Conflict of interest, Sir, quite simply is a
matter of whether or not a person in a position of power, and a
minister of the crown is certainly such a person, whether that person
uses his position or allows it to be used, Sir, to benefit him. To

benefit his private interests. That is all that conflict of interest is and the minister seems to have admitted this. He seems to have admitted that he is acting in a conflict of interest. Here is this firm and they are getting business from the government and the minister has not dealt with the allegations or whatever word one wants to put it, that my colleagues have raised.

I want to know, Mr. Chairman, and I think the committee is entitled to know before we are able to decide whether or not this minister should have his salary voted by this committee, or whether some members should vote for it. Some may or may not have already may up their minds. I want to know how much business the Reid Firm, the James G.Reid and Sons Limited or whatever the official incorporated name of that firm is, how much business the Reid Firm have done with the government directly or indirectly?

Indirectly: A year or so past the parkway was being ripped up because tunnels were being put underneath it. One day I had occasion to go around because one could not go through because there was a big hole in the ground, it was barred off and one had to drive around a little detour, and there was equipment there as large as life, "James G.Reid and Sons Limited." That equipment was not working for the government as such. I doubt if there were any (to use the lawyer's term) privity of contract between the Reid Firm on one hand and any agent of the crown on an other. The minister can prove it, that is quite correct. No cheque was issued out of the treasury to James G.Reid and Sons Limited but, Sir, that work was being paid for out of public funds. The contractor, I think it was Seabord, but I am not sure, whoever the contractor was had hired the honourable gentleman's firm.

That is fair enough, Sir. That may or may not be a conflict of interest. Nobody in the committee, Sir, is a child or naive. I want to know how much business the minister's firm (The minister is the one who keeps bringing his firm into this) how much business the minister's firm - the minister has already written a letter about his private affaris and signed it; "James G.Reid, Minister" My colleague the

gentleman from Hermitage read that letter out, my colleague from Bell Island has a copy of it there and is that is not using one's position to benefit one's private interest I know not what is.

MR. DAWE: If he were a doctor -

MR. ROBERTS: Mr. Chairman, a doctor is not a minister of the crown.

AN HON. MEMBER: So what?

MR. ROBERTS: "Teddy Bear" does not understand that. The "Teddy Bear" does not understand that a minister -

MR. CHAIRMAN (Stagg): Order please! The honourable the Leader of the Opposition is relevant to the point under discussion and has the right to be heard in silence.

The new rule placed in the rules about needless repetition I find applies more to the Chairman in his having to rise needlessly to repeat this ruling having done it seven or eight times this afternoon.

AN HON. MENBER: Do not overrule yourself.

MR. ROBERTS: Thank you, Mr. Chairman. The gentleman from Harbour Main, the senior member asks: "Could a doctor do it?" That is not a fair nor relevant analogy. A minister of the crown is a minister of the crown whether he is a doctor or a lawyer or a candlestick maker or whatever may have been in the case of the gentleman from Harbour Main.

The point is: Is the Minister of Rural Development, the gentleman whose salary we are now discussing, using his position or allowing it to be used for his personal benefit? It would seem that there is some substantial evidence emerging that he is. He has done nothing to rebut it. All he did in his opening statement, Mr. Chairman, was read some letters from the gentleman on the Lead Cove, Sibley's Cove Water Committee who are no part of any quarrel between us and the honourable gentleman, he read some letters that the honourable gentleman's firm was hired to do the work by them.

There is no argument about that just as there is no argument that is was Seabord Construction and not the Minister of Public Works

or anybody else who hired what James G.Reid Limited equipment was over here.

Who hired the equipment in Gaultois last fall? The equipment there in November last? Who hired all the equipment that has been used around? I do not know. I want to know and I think the people of Newfoundland are entitled to know. It might as well be said, Sir, that most people (not most) but many, many persons in Newfoundland are asking the same questions. They have had their interest piqued. That is P I Q U E D, piqued. I say that not for Your Honour's benefit but for the Hansard. There are two words piqued. Each would be a propriate but the one I had in mind was p-i-q-u-e-d. They had their interest piqued by no less a figure than the Premier, who when the conflict of interest legislation came into discussion, into being, and the "Telegram" which I suspect was as accurate here as it was in reporting the other day the Member for Hermitage's speech in the House, the "Telegram reported that the gentleman from Trinity South then went in to see the Premier and said; "Premier I am going to have to resign. My private business is such that I cannot stay in." The Premier then went on the television and said; "There is no conflict of interest if the gentleman from Trinity South is in the cabinet and his firm's business comes up. All he has to do is step out of the cabinet for the day." He sort of resigns on Wednesday and on Thursday morning he is sworn in.

Of course that is arrant nonsense but it only confirmed it.

Confirmed the thoughts that the gentleman from Trinity South is allowing himself to be put in a conflict of interest position. I want to know, Sir, how much work his firm have gotten directly or indirectly from the Government of this Province? I want to know what influence, if any, was used? Influence, Your Honour, does not have to be the minister ringing up his colleague the minister of this or the minister of that. A cabinet is a group of men, Sir, who were oath-bound and who are sworn to stand together or to fall together.

Are they trying to help one another? What pressures if any were brought to bear

upon all of the agencies that hired the honourable gentleman's firm.

Here is a man now, Mr. Chairman, here is a transaction. There is a

committee of citizens, not a council. A water committee is very

vague, it is not incorporated. It is essentially an interest group

that has come together under a policy statement adopted I believe

when my friend from White Bay South was the Minister of Community

and Social Development. Here they are. They are looking for something.

They want some water, a pretty reasonable request.

So that is on one side. On the other side we have three separate bodies. We have the government which pays for this, quite properly. We have the firm which does the work and who are payed by the government, again, quite properly. We have the member for the district who is entitled quite properly and indeed would not be doing his job if he did not assist that committee and help that committee with advice and getting on to the public service to talk to officials and get some information and make representations. But in the case of this one, Sir, we have not three bodies, we have one because the gentleman from Trinity South was also the Minister of Rural Development, was also the prime owner of the firm who did the work, James G. Reid and Sons Limited. That is a little much. It is a little much. It is only \$700 or \$800, I know but, Sir, you cannot be a little bit pregnant. You are either in a conflict of interest position or you are not.

The gentleman from Trinity South, I asked him if he will put it to the test. That is all I want to know, if he will. The Auditor General may or may not be an appropriate person or body or agency to make this investigation. I am not quite so sure he is. All the Auditor General can do, Sir, I suppose he could do whatever we ask him to do as a House but all he does by law is he checks the accounts to make sure that money is spent for the purpose for which it has been voted by the legislature. If the money were voted by the legislature for water supply committees —

MR. CARTER: Mr. Chairman, on a point of order. The honourable gentleman, the Leader of the Opposition said, and I would be the first one to stand for his rights to say it but I would urge him to say it a little faster. He is being unnecessary long-winded. If he does have a point to make, let him say it and be done with it.

MR. ROBERTS: Mr. Chairman, the honourable gentleman's points of order are about as relevant as his points of debate and these are not very relevant.

Now, as I was saying, Sir, the Minister of Rural Development
I think has an obligation to explain this. He has not met that
obligation. It has nothing to do- he dragged in everybody he could
think of, the Sibley's Cove Committee and whoever the people are
who are running his company. Then the gentleman from St. John's
East got up and he has a new theory. Now, not only does he want
to muzzle the committee, the amount of time limited, seventyfive hours rule pushed through by the dead and the dying, politically
at least but now he wants to dictate the subject. Now he has gone
further. Now that he has limited the time he has to dictate the
subject and he says he does not think this is relevant.

Well, I can say, Your Honour, that the people of Newfoundland think this is relevant — the people of Newfoundland. The minister had his opportunity to make his statement. He made a statement that only confirms it. Then when my colleague said, improperly as Your Honour subsequently ruled, but when he did say that the gentleman from Trinity South has done very well since the government have come in, the gentleman from Trinity South said, "Yes, that is more than you did." I know that it is unparliamentary and I am not repeating it but it is there. It is on the record. I have reported accurately the debates. The press have that privilege and surely I have that privilege.

So I think it is incumbent upon the gentleman from Trinity

South to- he is not in the committee. I mean if he should want to say

something, he should have every opportunity to do it or one of his colleagues. I was not here on Friday but I gather we had what was like a Punch-and-Judy show. We had them all popping up, one after the other, to defend the gentleman from Trinity South.

Well after hearing his defence of himself today, I know why he needs help but I think he should stand up and he should say that he has nothing to fear from any enquiry. It could be a select committee. It could be a commissioner. This government have appointed enquiries for far less than that. We have had a judge of the Supreme Court sitting for two years now and merely because the welfare expenditures on Bell Island rose but the gentleman from Bell Island and the gentleman from St. John's East Extern, new-found bosom buddies, united at that time in a request prompted by the gentleman from Bell Island for an enquiry. Well, let the gentleman from Trinity South make the same request. I am sure his colleagues would honour it. If they do not, if he does not make the request, Sir, then the obvious inference shall stand that he has something to hide.

So I do not know where he has gone. Is he - he has not gone home?

AN HONOURABLE MEMBER: He has gone up -

MR. ROBERTS: Well he may have gone to sleep too. Maybe he has gone to a director's meeting at James G. Reid and Sons Limited, I do not know where he has gone. He is not in the committee.

I have some other points that I want to make on some other aspects of this but I think, you know -

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Well, I do not know where he is. Where is he? He has gone, has been scared off has he? Well, Mr. Chairman, let me talk about a number of other points relevant to the honourable gentleman's administration of this department. That is the head on which we are and this is the vote on which it should be discussed.

I think, Sir, the honourable gentleman's administration of the Department of Rural Development has been a shame and a scandal and a fraud. I think the department at the top is shot through with political patronage. My friend from White Bay South, my friend from Bell Island, my friend from Springdale, all made different points on this on Friday in the committee. I do not propose to repeat what they have said, at least not in any detail, but I think the points are worth making.

First of all, this Rural Development Programme is run by a committee composed of political hacks. We have three Ministers of the Crown who are obviously politicans first and foremost. We have three other private citizens, each of whom in his right is an estimable gentleman but each of whom is also a strong and an ardent Tory. We have Mr. Archibald from Harbour Grace, a very good and very long time friend of the Premier. That is no offence, of course. He runs a hotel in Harbour Grace which has received a substantial loan from the government, a \$200,000 or \$300,00 guaranteed loan for Archibald's Inn where Mr. Archibald is a major shareholder. He is certainly the operator. That is one of the nonpartisan people.

Then we have Mr. Christopher Pratt, probably one of the greatest graphic artists Newfoundland has ever produced or will ever produce, a man with a Canadianwide reputation as an artist. His paintings are going for thousands of dollars and people are queuing up for the opportunity to buy them. If Your Honour has any interest in collecting this type of art, this type of work of art, Your Honour would be lucky if Your Honour weregiven the opportunity to buy one of Mr. Pratt's paintings because they are very much in demand and they are superb pieces of work.

Sir, we are not asking Mr. Pratt here, the government and the people of this Province are not asking him here to judge works of art. We are asking him to sit on business decisions, to sit in on a Rural Development Authority. I am not aware that competence as an artist confers upon one any competence for rural development. I suggest the reason that Mr. Pratt was picked for this was that he is an ardent and an out—and—out Tory, campaign manager or a senior campaign worker for the gentleman from St. Mary's. So that is two of the three.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: It is perfectly true, not scandalous, perfectly true.

Mr. Pratt was interviewed recently by "McLeans Magazine" and he boasts.

He is entitled to boast if he wish. He boasts about his Tory

affiliation. More power to him, but let us not pretend that this

Rural Development Authority -

AN HONOURABLE MEMBER: Would the honourable member permit a question?

MR. ROBERTS: I will not permit anything from the honourable gentleman. The government boasts about the nonpartisan nature of the Rural Development Authority. I am merely pointing cut that it is filled with political figures. Now that is five out of six, three ministers, Mr. Archibald, Mr. Pratt. Now who is the sixth? Some nonpartisan figure? Maybe we should get a school teacher who has not been involved in politics and that is what we have. At least the first half, we have & school teacher, a gentleman who lives in Milltown, in Bay D'Espoir and Hermitage district, Mr. Albert G. Meede. Now that should be a familiar name, a very good loser, a gentleman who honoured himself and his friends by his style, but that is beside the point. He is the nonpartisan third member.

Now, true, he was on the authority before he sought elective office with a certain lack of success, but who could pretend that this is nonpartisan, Sir? We have a Tory candidate, unsuccessful, a Tory campaign manager and one of the Premier's closest friends and the government pretend that this is nonpartisan.

Then when we look at the results of the administration of this

programme by this nonpartisan body, what do we see? Lo and behold! The Tory districts are getting about twice as much per capita as the Liberal districts.

The gentleman from Hermitage, when he spoke in the debate on the amendment to the Address and Reply, made that point at some length. It was a valid point. It has not been rebutted. It can not be rebutted because the argument was based on an analysis of the facts pried out of the minister, the facts which the minister had to make public. So it is being used.

I went through the list today while waiting for Your Honour to call the committee-no less than four Tory candidates and my list is only January 15. That was three months ago, no less than four Tory candidates, past Tory candidates, have received grants from this or loans from this beneficent organization, this nonpartisan organization-no less than four. Nonpartisan? Hompartisan, my foot! It is shot and rife—

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: It may to the gentleman from Harbour Main, Sir.

All I am saying, Sir, is that this minister is administering this programme in a partisan fashion. That is not a crime. That is not an offense to my knowledge of any of the criminal codes or laws of the country.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: No, Sir, I am not. The honourable gentleman may be taking it as such but I remind him of the old motto; honi soit qui mal y pense which has been adopted by the British royal family among others and which means, evil be to him who evil thinks. If the honourable gentleman choose to think evil, I cannot stop what he thinks. I am just grateful that he does think once in a while. I wish he would do it more often.

The point is, Mr. Chairman, that this is a partisan programme. It is being run on a partisan basis. It is being run by partisan figures. That is the programme being administered by the minister. We should just look a little at it. Some of the points which were made in this debate earlier - the gentleman from Bonavista South - I do not mean the member from Bonavista South, I mean a gentleman, a citizen of Bonavista South who came and asked for a loan. He asked originally for \$10,000 and he was told that he could have \$5,000. He said, "That is not enough." He wanted to go into the sawmilling business like most of these things are. He said, "That is not enough." "Well," they said, "Go ahead and start."

So, when he comes back the next year and says, "I need more money as I told you I would to get into operation, to get a planer to get my operation going." They say, "Fine but to give you more money, you will have to repay some. Give us back a thousand to make your debt \$4,000 and not \$5,000. We will give you \$6,000 then. You are only asking for \$5,000. We will give you \$6,000 so

you will still have \$10,000 outstanding."

Why? I will tell you why, Mr. Chairman? An attempt to cook the books. An attempt to have it appear that monies are being repaid. Well, Sir, in that set of facts the gentleman came to see me. I would not hesitate to reveal his name to a properly constituted committee of enquiry. He put his statements to me in writing.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBEPTS: No. We will have our enquiries in due course, the Bank of Montreal and all sorts of things. We will have them, solicitors therefor.

Mr. Chairman, the programme is being run fraudulently in that sense because if the government come in and say, "Look, money is being repaid by these people," how many of these are there? Is this the only case of this? Did we happen by chance that among the hundreds of people who call us or write to us or come to see us in the course of a given day, did we happen to get the one person in all Newfoundland to whom this has been said? I doubt it. There may well be tens or dozens or scores or hundreds of people who have been told that to get loans they appear to repay it and are promptly given it back. Even one case is one case too many.

We have been told time and time again by this nonpartisan board, Mr. Chairman, by the minister and by people in public statements that the maximum grant is \$10,000 or the maximum loan. I say both because the statement supplied to us is headed, "Loans and Grants made to January 15, 1974." I suspect most of these are loans. In case after case, Sir, some are given \$20,000 or \$15,000. I just marked off some of them.

One in Bay D'Espoir was given \$20,000. I wonder if that was before last November. It certainly was not after November.

A gentleman in Winsor given \$15,000. A gentleman in Head of Bay D'Espoir again given \$20,000. A gentleman in Labrador given \$20,000.

A gentleman in Gander Bay given \$19,000. A gentleman in Salmonier,

St. Mary's district, \$12,600. A gentleman in Springdale given \$20,000.

A gentleman in Notre Dame Bay given \$15,000. A gentleman in Bonavista Bay, in Dover, Bonavista North district, given \$17,000. It is two gentlemen. There are two names here. That was not the one sawmilling? That was not the one who got the \$6,000 and went to Toronto on it, was it?

Well, Mr. Chairman, the gentleman from Harbour Main not being able to deal with the facts, is trying to confuse the issue. I am not saying these people should not have gotten it. What I want to know is why some people are told they can have only \$10,000 and these people get more than \$10,000. That is what I want to know. Why make chalk of one and cheese of another?

AN HONOURABLE MEMBER: Most people do not want any more.

MR. ROBERTS: Most people do not want any more? That is nonsense.

That is completely incorrect. The limit is supposed to be \$10,000.

The government's programme —

MR. CHAIRMAN (MR. STAGG): Order, please! Order, please!

The honourable the Leader of the Opposition has the floor, honourable members to my left, and has the right to be heard in silence.

MR. ROBERTS: Thank you, Mr. Chairman. They cannot take it. That is the trouble.

The question I will repeat. The programme as announced and laid down was restricted to loans or grants of not more than \$10,000. Now, I want to know why some people are made exceptions to that programme. That is what I want to know. Was there political favoritism or was there not? The board is shot through with political people. Every person on it is political. No person on it has any expertise in Rural Development, not one of the six. They are all about as relevant as the gentleman from St. John's East would be. He thinks, Sir, that a trip overseas is going to Bell Island.

Chalk of one and cheese of another, why? That is part of the minister's administration of this department. I want to know, Sir, why the cost per job has been rising steadily, very steadily. That shows, I think, that the programme - Oh! Great boasting by the government, how many jobs they had created and how

there is a new Jerusalem being created in this preen and pleasant land of Newfoundland by this Pural Development Authority, a great, new world, a brave, new world.

What has happened, Sir, is that this programme is coming to the end of the road unless they make some major changes in it and I will suggest some major changes because what they have done is given nearly everyhody who wants to get into the sawmilling business some help. I suppose eighty ner cent of these loans are for sawmilling operations. The Task Porce Peports say most of them should be put out of business. The government are going to have an interesting task tiere. The Task Force peports says that these operations should not be encouraged.

MR. ROPPPTS: No. Sir. It must be a treat to sit in a cabinet with the gentleman from Marhour Mair because he has an uncanny ability.

is that these people have been given help. That is well and good.

They have been given help. They had -

AN HON. MEMBER: Inaudible.

 $\underline{\mathsf{MR. POBERTS:}}$ No, Sir, what I am saying is that from now on there will be very few new sawmills -

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Mr. Chairman, does the gentleman have -

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN (STAGG): Order, please!

The Minister of Provincial Affairs and Environment has on numerous occasions this afternoon caused the Chairman to have to rise and suggest that the member to my right be allowed to be heard in silence. Now continual abuse of this privilege is not one that is particularly—it certainly does not add anything to the honourable member's contribution to the proceedings in committee. I suggest to the honourable member that he has his chance to be heard in this debate and do so in the proper way.

MR. ROBERTS: Thank you, Sir.

The point that I was making is that the government claimed that it created, according to the Throne Speech, 2,285 jobs under this Rural Development Authority Programme. Now maybe they have, even the Throne Speech says it, I believe the author of the Throne Speech. It was not the Governor, he just reads what the government ask him to readbut let us accept that fact.

Now I say that we are going to see the rate of increase disappear. I ask the minister, I ask him, I must say of all the contemptuous things done by ministers to be absent from a committee when his own estimates are up. Now it is one thing to nip out for a call of nature, so-called, or a cigarette or a -

AN HON. MEMBER: Inaudible.

MR. POBERTS: When the Minister of Finance's estimates were on, Sir, he was never more than outside of the door. If he wanted a cigarette he would stand outside of the door, but the minister is either scared or cannot answer or is contemptuous. It is one or the other.

But I am going to suggest to him, in all candour and in all sincerity that he have a look at this programme, with a view to seeing if it can be restructured, to use a favour word of the government. It is no longer — I am not sure if it ever worked, but it is no longer working. The cost per job, Sir, started at \$1,500 per job. That was a figure taken — less than \$1,500 a job — that was a figure taken from no less than an authority than the Premier, speaking at the St. John's Rotary Club on 18th. of January 1973.

The Bural Development Authority statement that they made on the 4th. of May, 1973, revealed that the cost per job has gone up to \$1,70. On the 11th. of September, 1973, the Premier surfaced again and spoke to the Kiwanis Club here in St. John's and the cost then had gone up to \$1,846 per job created. Now these were the government's own claims. I think that is so much hot air but these are the government's own figures.

AN HON. MEMBER: Inaudible.

MR. ROBFPTS: Speaking of hot air, the gentleman for Burgeo wants to say something?

MR. EVANS: Inaudible.

MR. ROBERTS: These are not what the men get out of it, Sir. The gentleman for Burgeo annarently thinks these are the wages maid. These are not. These are the government's cost per job, the government's own figures.

MP. EVANS: The cost escalates.

MR. ROBERTS: Of course, they escalate, from \$1,500 to \$1,708 - \$208 is about a fourteen per cent increase. The next one \$1,846, that is another \$150 that is a little under ten per cent. It is costing more and more to create whatever jobs there may be. On the 24th. of October, the minister surfaced by means of a press release. Has the minister made a policy speech since he went out to Stephenville and announced a great ARDA Programme—that was so much hot air because no agreement was then or has been since—signed with Ottawa on it.

That was eight or nine months ago. But on the 24th. of October 1973, he surfaced and he made a statement. He made a press release. It revealed that 2,423 jobs had been created at a cost of \$2,009 each, another ten per cent increase in the cost per job.

The Throne Speech interestingly enough does not agree with the minister's figures. The Throne Speech only claimed 2,285 jobs, that is thirty-nine less and it claimed it had been done for \$1,973.00 each, which is \$46.00 per job less.

Sir, this programme, for the reasons I will go into, was never a good one. I do not think it ever met the need. I think it was conceived in a political panic and implemented in political haste and has been administered with political chicanery. The programme is not one aimed at meeting the needs of rural Newfoundland. It is not one aimed at developing our rural communities. It is a programme, it is designed solely and only to try and win a few votes for the government.

That is why, I would be willing to bet, if you take the Bav
D'Espoir Area, the grants that were made, were made down there during
the period when there was no member, when a by-election was coming up.
Any grants that have been made in Burgeo, Sir, have been made too when
there was no member, since 1972.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: The minister, I saw him walking up and down outside.

MR. NFAPY: I thought he was gone to the Governor to mass in his resignation.

MP. POBFRTS: He has to go to the Premier to mass in his resignation.

But, Sir, the point is that this programme is in real trouble. The cost per job is going up. I will go further and say that jobs created per month are going to drop. We have seen by the government's claim, and I stress the word "claim". Your Honour, the government's claim is 2,300 jobs, in round numbers, created. I do not think there are anything like 2,300 jobs but let us say there are. Let us say in two years they have created 2,300 jobs, 100 jobs a month. I am willing to bet there will not be half that number created in the next year because how many more sawmills are we going to have? That is all they have done is

helped a few fellows to get into sawmills. That is good. That is well but does the honourable gentleman for Harbour Main know what the subsidy is on a sawmill? It is about \$95.00 a thousand board feet. We had some figures worked out \$95.00 a thousand board feet is the rough subsidy that the people of Newfoundland are paying.

AN HON. MEMBER: We will help the importers -

MR. ROBERTS: The honourable gentleman savs, "We will help the importers." Let them help the importers if they want. I care, Sir, about the lumber industry. I also care about the price a man pays, the price a man pays for the lumber that goes into his home. The gent 1 man for Harbour Main obviously does not.

Now, Sir, the programme is in trouble. The cost per job is going un. The number of jobs which will be created is going to drop precipitously. Indeed, Sir, it may have fallen off to a standstill.

The reason it is in trouble is the way in which it is being administered and the way in which it was conceived.

My friend for White Bay South yesterday, no, vesterday in parliamentary terms, Friday, the last day the Committee sat, took the minister's list and I gather that is the merriment in nointing out the rural development's aspects of it, a bakery, a very rural thing, Excavating. Ah! There is a great development - excavating. A man in Carbonear was given \$7,000 loan for excavating. Now a fellow down in White Bay North, to show that this is not political, Sir, to show that this is all above board, was rejected. A man in St. Anthony East wanted \$7,000 to nurchase a back digger, rejected because the project was neither job creative nor resource oriented. That is in White Eav North but in Carbonear District, excavating is apparently resource oriented and job creative because the man got \$7,000 loan. Interesting, Sir, a nonpolitical thing and very rural.

An auto body shop that is taking advantage of our rural resources.

That is a cottage industry, Your Honour. Your Honour has heard of cottage industries? Well an auto body shop, a cottage industry, rural development.

Pulp wood transport, a very valuable thing. A very valuable thing indeed,

but hardly rural development. Machine servicing, there is another cottage industry. That is home handicrafts, Sir. That is a fisherman coming home after a day at the trans and carrying on, maybe he should put it in for the celebration of work skills or whatever it is that Mr. Nutbeem and his merry men are up to.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Celebration of work skills, you know, Newfoundland creative work skills, Sir! Machine servicing: Why, Sir, down in Whooping Harbour and Little Harbour Deep they would be doing that tonight if they had not left their seven or eight years ago. They would be sitting around in the store, somehody having an accordion, somehody else would probably have a fiddle.

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There might be, Sir, some medicine being passed around. What would they be doing? They would not be singing or dancing a jig or playing forty-fives, they would be machine servicing. I can see it now, Sir. It would make a great subject for a painting. Here is another one now a sewing centre in Harbour Grace. That is a very magnificent programme but very rural. I wish they would sew the honourable gentleman's mouth from Burgeo and La Poile; that Sir, I would support.

Now, Sir, we have in Job's Cove, which is over on the shore of Conception Bay as I recall it, mechanical servicing but in Job's Cove mechanical servicing is only \$3,700 and in Trinity, in Trinity Bay, in Trinity North District, it is \$1,473. So it costs twice as much to mechanical service on the north shore of Conception Bay as on the north shore of Trinity Bay.

In Gander, a well known rural community Gander, it is something like Spotted Island in Labrador South or Black Tickle, a rural community Gander. In Gander, Sir, where we the people are assisting the following rural enterprise, machine servicing. Now we come out to Plum Point in St. Barbe South District, the northern end of that district, car body repair, now that I approve of. The state the government have let the roads get into, Sir, that should be a thriving business. Indeed if one man could ever make a million he could make it by having a car body repair shop now on the Northern Peninsula Highway. But rural development, Sir, it is pretty hard to take.

We got a carpenter shop down in Burin getting \$10,000 of a loan, rural development.

AN HON. MEMBER: Bay Roberts?

MR. ROBERTS: What about Bay Roberts? What is this about Bay Roberts?

MR. WM. ROWE: Bad road.

MR. ROBERTS: The only thing I know about bad roads in Bay Roberts is where the honourable gentleman will not send his bus up to Juniper

Stump except during the election. In Burgeo we got mechanical servicing underway. In Victoria we have got, Victoria, Carbonear I assume, Carbonear District, a very great rural thing, construction. How many others were turned down?

A man in Roddickton was turned down because he wanted to build a warehouse. Reason given by the government; business would not supply any jobs, develop any resources, it would create unfair competition. Well how many hundred construction companies have we got in Newfoundland and I do not mean Necco and Seabord and that size, I mean little fellows who built a house or two or three, who are not getting interest free loans? \$10,000 a year interest free is worth \$1,000 or \$1,100 or \$1,200 gift right now. The bank charging eleven and twelve per cent interest, probably more to a man without a great deal of security, but a gentleman in Victoria in Carbonear gets construction, a grant or a loan.

In Port au Port East, Your Honour would doubtless be familiar with this, we have an appliance repair shop. Actually, Sir, it is an old French speaking custom. That is one of the reasons why that area should be declared an enclave in the bilingual sense.

Appliance repair shop, I assume that is in French, because if it be in English it certainly does not mean anything at all about rural development.

Now in Gander Bay South we have got a very great rural development programme underway. Gander Bay South is a rural area. We have television repair and servicing. Now how many thousand people are there in Newfoundland who want to get into television repair business? Let them come up. The fellow in Main Brook could not get into mechanical repair, that was deferred. "rejected it says, "subject to later consideration" not deferred but rejected. "We are not in that business," they said to the man from White Bay North. The gentleman from Gander Bay South, which is in Fogo District, represented by a Liberal member, gets a loan of \$6.075 for television repair and servicing.

Now here is another interesting one. We have a fisheries

loan board which puts out a lot of money on longliners and boats on very generous terms, I think it is three per cent interest. But fishermen no longer need pay any interest, Sir, because there is a man up in St. Jacques in Fortune Bay who was given a grant of \$1600, I am sorry, a loan. Well I do not know what it is. A grant or a loan, because they do not break them down here, to purchase a longliner.

Now the Fisheries Loan Board will not do that. A fisherman from Hermitage District who wants to go into St. Barbe North ony other district, who wants to get a loan, can get his loan from the loan board, but he has to pay interest on it. But not this gentleman in St. Jacques, in Fortune Bay District. I wonder if that was a political one or not. That is the only longliner in the whole thing.

A gentleman in Glovertown, a fairly rural area, has been given money for a handicapped project, an electrical shop. We will be knitting generators down there now, and we will be singing alternators. A man in Jerseyside, down in Placentia East, has been given a grant or loan of \$5,000 for electronic servicing. Placentia used to be the home of saints and scholars and I hope still is saints and scholars, but also now they have got the rural virtues, the old Newfoundland reliance, Sir, self-reliance, electronic servicing. They use it. It may well be for fishing boats. I do not know. I have no doubt the project is perfectly sound but what is it doing in a rural development project? AN HON. MEMBER: I was down last week, I did not see it. MR. ROBERTS: How about in Bonavista, Bonavista Town -AN HON. MEMBER: They should have a shrine. MR. ROBERTS: They have a shrine in Bonavista Town? AN HON. MEMBER: No, Placentia. MR. ROBERTS: They have a shrine. Well, I do not know if the gentleman should have a shrine or not. They have got the honourable

member. I guess they may need a shrine.

In Bonavista, Sir, we have another old Newfoundland art form, handicraft, a native skill, one that our people got over the years, Sir, making their living in the fishing grounds, metal products manufacturing.

Now we come to Musgrave Town in Bonavista South District still. The gentleman there has got a rural development project. He got a \$2500 grant or loan for it, mechanical installation.

Does that mean all the people now who are in the business going around Newfoundland and installing insulation in mechanicals can get a grant or a loan?

MR. MARSHALL: Mr. Chairman, perhaps we will call it six o'clock.

MR. ROBERTS: Sure, I mean we will come back after supper.

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



THIRTY-SIXTH GENERAL ASSEMBLY OF NEWFOUNDLAND

Volume 3

3rd. Session

Number 58

VERBATIM REPORT

MONDAY, APRIL 29, 1974

SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The Committee resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order, please!

Shall 1601-01 carry?

MR. ROJEPTS: Your Honour was being - No, no, I asked the Minister of Fducation to come and have a word with me. Pe is not being a wolf in sheep's clothing or even a sheep in wolf's clothing.

AN HON. MEMBER: A goat.

MP. PORFPTS: The honourable gentleman may be a goat.

Well, Sir, I trust Your Ponour has dined well. Perhaps Your Honour could give us the count.

MR. CHAIRMAN (STAGE): Twenty-nine hours and twenty-seven minutes.

MR. POBFPTS: Twenty-nine hours. It seems but an evening gone, but a moment or two.

Well I had mentioned one or two selected rural development projects.

I had not mentioned the florist shop in Mindsor nor the trucking business in Marbour Breton nor the truck body manufacturing which is listed as Topsail Poad, City, nor the newspaper in Springdale.

AN HON. MEMBER: Polar bear

MP. POBFPTS: They billed the polar hear in St. Anthony the other day. They have a problem, Mr. Chairman; they cannot nelt it. Even the honourable member could go down and help them to pelt it. Also they need some help stuffing it. Maybe the bonourable gentleman could help them stuff it as well. They did; they got a polar bear. They did get a polar bear; a couple of others they sent back.

We also had the metal products manufacturing business in Mount
Pearl, a well known rural development skill. We had the lady in Harbour
Grace. a clothing manufacturer. We had another construction business in
Indian Bav. That is down in Bonavista North. We have had a plumbing
and heating business in Clarenville. We have had a shoe repair shop in
Placentia. Now Fear This, as an Open Line Moderator would say, this
one rings a hell, we have a tuna boat operation. The government are now
in the business of - and it is not the Powdyman. There is no name
given on it but it is a gentleman in Topsail, who got a loan of \$10,000.

As Your Honour will agree, a loan of \$10,000 is a gift of \$1,200 a vear because the minimum rate of interest would be twelve per cent Twelve per cent on \$10.000 is \$1,200. So it is a minimum gift of \$1,200 a year.

MR. W. N. ROWE: Assuming the tenants pay it back.

MR. ROBERTS: That is assuming the tenants pay it back and the Premier has led us to believe that will not be so, and indeed I would suspect in most cases we will not get it back unless we get it back the way the gentleman for Bonavista South, not the member but the citizen from Bonavista South was asked to pay it back. "Give us back \$1,000 and we will end you another \$5,000." It may have to come back that way.

There were a number of other rural development projects. There is an arts and crafts project in South Dildo. That is in a well known constitutency. There is a shoe manufacturing and repair business, there is a heauty salon. Now that, Sir, is the very heart and pith and essence of the rural development programme, a beauty salon.

MR. MARSHALL: On a point of order, Mr. Chairman. I understand that the Hon. Leader of the Opposition was not here on Friday last. There is a rule about unnecessary repetition. It is not really, I do not think it is repeating, one member repeating what another said but because the Fon. Leader of the Opposition was not present perhaps he ought to be reminded of the fact that for the past hour and a-half he was really repeating in substance what was already said two or three times on Friday last.

While I realize that the opposition do not communicate too well these days with the various ambitions which are shown between the parties from time to time, it is I think quite pertinent and I think I should inform the Leader of the Opposition, because he is really repeating himself and masting valuable time that could be spent in the examination by the opposition of estimates, in accordance with the rules, which are before the committee.

MR. ROBERTS: On that point of order, Mr. Chairman, I have no idea what needless repetition means. I submit is it is a subjective thing at best. The honourable gentleman for St. John's East is the last one in the world

to lecture us on the rules. He wrote them, forced them through the committee or through the House and still cannot have them bis way. If we could get some information from the minister, who I am glad to see has returned to the committee from his stroll or wherever he was. We would be happy to carry on. I am not repeating myself. I do not know if I am repeating anybody else or not. I am making the noints that I think are relevant. If the honourable gentleman for St. John's East do not like them, he is the one who has forced this railroad process, this seventy-five hours this vicious, unprecedented, low, scandalous, spavinish, quislingish restriction of debate, this gagging of the Democracy process, this incredible — I am not repeating anything, I am just merely listing the rural development projects, Sir.

I got to the heauty salon in Fastport. I was going to talk about -MR. CHAIRMAN: (STAGG): If the Hon. Leader of the Opposition would permit me, there is a point of order before the Chair. At the present time, in the absence of precedent or whatever, I am not prenared at this time to create precedent with regards to what is needless repetition. I think one of the main points in debate is that a person may repeat what he said for an emphasis or whatever. Whether it is needless, at this point it is not my intention to adjudicate on that subject. Maybe over the course of years we may find what is needless and what is not.

MR. ROBERTS: Thank you, Your Honour. I trust the House Leader was learning. He certainly has a great deal to learn.

projects funded by the authority, directed so ably by the minister, include an artifical wreaths manufacturing business. An old Newfoundland handicraft. There is a great snapping demand for them all over Newfoundland, Sir.

AN HON. MEMBER: The Member for Harbour Grace.

MR. ROBERTS: The people on the Northern Peninsula do not want paving, they want an artifical wreaths plant. Well a gentleman in Conception Bay got \$3,329.91 for an artifical wreath or two, maybe even three. A firm in Stephenville got a loan or a grant for a prefabrication of pipe business. We have a mortuary in Carbonear, competition with the gentleman

Now we got to the beauty salon in Fastport. Other rural development

for Harbour Grace. We have another mortuary in Harbour Grace, It is not the Member for Harbour Grace, it is another one. The Tories are really developing the country, Sir, they are building mortuaries. It is very interesting, Mr. Chairman, that those two should be funded because one of the points I am making is that the administration of this programme is so inconsistent, so deviates from any principle laid down by the minister or any member of the administration that it can only be explained on grounds of political partisanship.

Now a gentleman in Carbonear got a grant or a loan, whatever they are, I think they are probably loans, subject to sort of being out repaid, but \$10,000 to enable him to start a mortuary. Now I do not - MR. H. YOUNG: Mr. Chairman, on a point of order please! I do not know if it is a point of order or not but I think it is misleading. Sir, and no one in Carbonear - the man in Carbonear owns his own funeral home now, owned it for years. This is a casket manufacturing company which got a loan in Carbonear. So probably it is very misleading for the person who owns the funeral home in Carbonear.

MR. ROBERTS: It is not a point of order.

MP. YOUNG: Well whatever it is.

MR. ROBERTS: Mr. Chairman, I am only reading from a list sent to me by the Minister of Rural Development. I am grateful to the honourable Member for Harbour Grace for correcting me because the list I have, I will not read the gentleman's name but the member would know - Carbonear mortuary is a listed industry, and that mortuary amounts to \$10,000. I was glad to know that because -

AN HUN. MEMBER: Inaudible.

MR. ROBERTS: Well, Mr. Chairman, the minister can blame his staff but one of the oldest priciples of responsible government is that the minister answers for his staff. I may say if he is going to blame his staff for all of this he is going to have a throughly disillusioned and demoralized department. The minister sent out the document not I. But I find it very interesting that they are funding mortuary businesses, Sir, if they cannot look after them in life, it will be the slogan. I can see George McLean now in the next election. "If they cannot look after them in life, we will look after you in death."

So, Sir, they funded two but down in St. Anthony, a gentleman: and there is no mortuary in St. Anthony, you have to die without any help from the Tory Party, Sir.

AN HON. MEMBER: (Inaudible)

MR. ROBERTS: Yes, maybe there will be. I hope the Premier will get hold of it because a gentleman from St. Anthony - I am acting on information sent to me by his colleague, the minister, in response to a request on April 2, 1974. On December 12, 1972, a gentleman applied for a funeral home. That is all I know, an industry funeral home, the purpose, to establish the business. Reason rejected or deferred statement. "Rejected, outside the scope of the development authority." Now that was true of St. Anthony. Why was it not equally true of the gentleman in Harbour Grace

and the gentleman in Carbonear? There is no more principle, Sir.

It either has to be patronage ridden, the gentleman from Carbonear and the gentleman from Harbour Grace were receiving patronage. When I say the gentleman, I do not mean the member. I notice my cousin looking over his glasses. The gentleman in Harbour Grace who got the loan and the gentleman in Carbonear who got the loan either have friends in the Tory Party or there is something we do not know about. They applied, they got their loans. The gentleman from St. Anthony, in White Bay North, was rejected because it was outside the scope of the Development Authority. It could only mean, Mr. Chairman, that the Development Authority do not give loans for funeral homes but they do give them for mortuaries. Now what the devil is the difference? The answer is that there is none.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Mr. Chairman, I would be the first to second the motion that the honourable member show us.

Now, Sir, the programme was announced as a Rural
Development Programme. It is obvious from looking through a partial
list of the projects that it is no more a rural development than my
great grandmother was King of England. It just is not. At best it
is just a small business programme, at best. It is being run on a
patronage basis by a corporation which has three ministers on it (They
admittedly are partisan and so they should be) and three avid, ardent,
active Tories. There cannot be any pretense that they are not a partisan
body when one looks through the list.

The authority has time and time again violated its own guidelines. It says in one case that it will not give out loans to buy timberjacks. That was the reason given for turning down one in Main Brook, White Bay North. Yet they turn around and they give a gentleman in Roddickton and another gentleman in Main Brook money for

timberjacks. They give a gentleman in Roddickton to repay for the purchase of sawmill and timber, and the word is "repayment" in the list the minister sent me. Another gentleman in Roddickton is turned down. He wanted money to pay off a loan on a timberjack and was rejected. Reason: "Repaying previous loans outside the scope of the authority."

Now how can the minister explain these? He has made no effort to. I gather my colleague, the gentleman from White Bay South, (I gave him this information) presented it to the committee. The minister has made a liar of his own mouth. This is simply by him, not by anybody else.

A letter: "Dear Mr. Roberts; In reply to your recent letter concerning applications for Rural Development Authority loans in your district, I am enclosing a list outlining the status of such applications."

Now, Mr. Chairman, how does he explain that? How does he explain the \$10,000 limit that allegedly was established as the uppermost ceiling for these loans when in case after case, as I read to the committee this afternoon, people have been given \$15,000 and \$20,000? How does he maintain that an artificial wreaths manufacturing business is rural development or that a project in Gander is rural development? Really, Mr. Chairman, it boggles, it is too much.

The plumber and heating business: Are we going to finance all the plumbing and heating business now? They turned down others because they will not go into the retail business. What about the construction companies and Rural Development? Only the favourite few get them, eh? What about rustic fencing? It may be rural, I would like to see the feasibility study on it. How about blueberry farming? I thought the Farm Loan Board took care of blueberry farming. Yet a gentleman in Victoria, Carbonear, got a \$10,000 loan for blueberry farming. Contractors, blueberry farmers, fishermen's loans—what is this Rural Development Authority? Has it any rhyme or reason?

There are no guidelines published that I know of. There are statements. The minister has made speeches or remarks. It is a shambles. It is a give—away to get sawmills going. If they would only create permanent jobs, well and good. They have run out of steam on that. The cost per job is going up, ten per cent a speech. I listed them this afternoon, the speech in 1973 was \$1,500 up to \$1,708; \$1,846 to \$2,009. The cost is going up. No, Sir, I think it is a frightful indictment of the way in which the minister is running that department.

These, Sir, are facts that come from his own hand, as ' were. He can blame his officials. I did not think the minister was that cowardly.

MR. REID: (Inaudible).

MR. ROBERTS: Now, Sir, I am glad to hear that he is not going to be cowardly. He said earlier that some official made him. I am glad that he retracts that now and understands the principle that he is responsible for his officials. When he gets up to speak - he did not deal today with the remarks that my colleague made, let him deal with them now.

MR. REID: I have not had a chance.

MR. ROBERTS: He did not have a chance? He had all weekend, time enough to get down to Sibleys Cove and get some letters.

MR. REID: (Inaudible).

MR. ROBERTS: Probably this years, Sir. How about the commercial cleaner in Portugal Cove? A commercial cleaner got a loan of \$3,300. Some cleaning:

Mr. Chairman, how about the Concrete Products Manufacturing business? That is a well-known rural development thing. Are we going to finance all the concrete products plants now? All I am saying, Sir, is do not make chalk of one and cheese of another. Can any contractor now - let the word go forth. A gentleman in Brigus got a loan of \$5,500 for painting and contracting. Now let the word go forth,

Mr. Chairman, that any painting contractor in Newfoundland, let him apply,

if that be the case. If not, how came a grant or a loan to be made to a firm in Brigus for \$5,500 for painting and contracting? Are we going to finance? I am all for it. The government are going to finance every painting contractor.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: If the government are going to finance every painting contractor in Newfoundland, let them. But then they turn down persons on the grounds that they are not in the contracting business. Let them be consistent, Sir. When they are not, they are open to the charge, which has not been rebutted, of political patronage.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: An organization staffed by partisan figures at the top and ridden with patronage.

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

MR. ROBERTS: Now, Sir, my colleague on television mentioned three Tory candidates - there are four Tory candidates.

MR. W. N. ROWE: Four? Another one?

MR. ROBERTS: Mr. Joe Noel who has been a Tory perennial candidate in the Harbour Grace Area.

AN HON. MEMBER: I said Joe Noel - N-o-e-1. He is a well-known citizen.

He is a very fine citizen of Carbonear. He owns a garage there on the

road, this side of Carbonear, on the hill. He is a very fine man.

MR. ROBERTS: Now, Sir, I think that the Rural Development Programme which the minister administers, if that is not too high a value on what the minister does, is a political and an intellectual fraud. I do not think there is a rural development programme. I do not think the minister and his colleagues have thought one through. I do not think they have thought one through and worked one out. They have a loan programme for small business which has helped to get a number of sawmills going because lumber is now worth roughly as much as gold. Hopefully, it will pay off. Well and good, I am all for it. I would like to hear the minister speak to reconcile that with the Task Force on Forestry's

I think that has to be reconciled because the Minister of Forestry is bringing in a programme that allegedly will be based on the Task Force Report. It is one government - I think they should deal with that.

We cannot be one and the other. It is a programme that is being run in defiance of their own guidelines, a \$10,000 limitation violated in case after case, turning down one lot because a project is outside the scope of the authority in the case of a mortuary and approving two others. Now how is the scope different? Is there a different scope for the Northern Peninsula or does one draw a line say from Gander across to Corner Brook? If one be north of that, the scope is different than if one were living in Conception Bay. Is that it? Let the minister answer these questions.

AN HON, MEMBER: (Inaudible).

MR. ROBERTS: Let him also - let me say some of the elements that I think should go into a rural development programme and let him deal with these as I put them forth in the hope that he will deal with them. If they are good, as I believe they are, let him do it. Let him get a rural development programme, Mr. Chairman, that is committed to the development of the resources of our rural area, human and physical. We do not have that now. We can say that it was not done for twenty-three years or for two hundred and twenty-three years or it was not done when the Vikings came to L'Anse-au-Meadows nine hundred and seventy years ago, Mr. Chairman.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, it was not done then either.

AN HON. MEMBER: Four years ago.

MR. ROBERTS: No, it was not done four years ago, three years ago, two years ago, one year ago or yesterday. The gentleman has now held the portfolio longer - well he is the only one to hold that portfolio and he has not done a damn thing in it. Let him talk about twenty-three years

if he should want to. He has not done anything. He has done nothing, except talk about James Reid and Sons, an estimable company but nothing to do with rural development, nothing to do with rural development.

MR. REID: (Inaudible).

MR. ROBERTS: Let him speak in a minute.

Now, Sir, I would like to hear the minister make a commitment in behalf of the government. I would like him to get a survey underway, not a great task force report (we have seen what a pile of balderdash they amount to) but a survey of the resources and the potential of rural Newfoundland. That is the sort of thing that should go into a rural development area. That is just it,

MR. REID: (Inaudible).

MR. ROBERTS: That is just it.

Maybe some of the money that is going into state banquets like the great one they had in St. Anthony the other night when the gentleman from Ferryland and the gentleman from Burin were kind enough to come down and the people there were glad to see them, the favorite few who were asked and the couple of hundred who met them the next morning at a meeting they were good enough to attend, let us take some of that and put it into surveys of the resources of rural areas. Let us not wait for people to dream up mortuary schemes and artificial wreath manufacturing schemes and some contractors, the lucky few, the one painting contractor who gets it. There must be hundreds of men in Newfoundland who want to be painting contractors, but one knows the magic cue, one knows the magic words. One does and he gets it.

Let us set up a programme of management help. This is what most of these people need. It is not an original suggestion by me and I do not put it forth as being the Sermon on the Mount or the two tablets with the Ten Commandments on them. Let them set up a system of management help and advice. We have a lot of high-priced specialists down there who are not doing very much as far as anybody can tell me. Maybe the minister can tell us more. They seem to be buzzing around the province doing remarkably little of anything. That is what I get from people in the Rural Pevelopment Field who are dissatisfied, disillusioned. disappointed, dejected and feeling cast down by the minister. The minister led them up on the mountain and showed them the green valleys below but he could not get them there.

Then let us get some proposals drawn up. Do you know, Mr. Chairman, this government, the great planning government, has yet to make a policy statement on rural development of any substance. Oh, sure, the famous meeting in Seal Cove where the Minister of Justice drove the Tory vote from fifty-nine down to six. He said, "We have a rural development scheme", as only the Minister of Justice can. That is just vague generalities. The Premier has yet to make a statement of rural development policy. The Minister of Rural Development is conspicuous by his absence from the intellectual discussions.

We can go through the Throne Speech and the speeches and everythine but no statement of rural development policy. All we talked about in the Rural Development Authority and they have not even lived up to their own words, their own commitments. Then let us get together and co-ordinate this development process with the Department of Transportation and with Municipal Affairs and Housing because rural development is not just giving the favorite few or even everyhody who wants it a loan. Rural development is getting water systems and not just in Sibleys Cove. Let them have it by all means but all over Newfoundland water and sewer systems and adequate housing and adequate municipal services and getting roads fixed up.

The Premier met a delegation from Point Leamington the other day. He had little choice except to meet the delegation from Point Leamington but he did meet them. The Premier shakes his head; no, he did not have to meet them. They would have picketed him but he did not have to meet them, but he did meet them. I heard the Premier on the radio the day after or the next day or two days later saying that they were a great crowd and he would see what could be done for them. One of the reasons something should be done is that a lot of pulpwood is being moved out over that road. That is a good thing but that just goes to show the need for the Rural Development Programme or a Forestry Pevelopment Programme. That is not an access road, that is public highroad. That is an ordinary, travelled, public road. They have to be linked together and they are not. All the preat committees and structures set up in this povernment, Sir, have failed to produce any coherent attack upon the rural development needs of this province.

Then let them take their programme, Mr. Chairman, and let them do something that they said they would do and they have not yet done. Let them take it to the people and get some advice and some comments. Why can we not have all over this island a series of hearings on proposals? Let us have development proposals for an area. Then why not down in the Goulds or down in the Southern Shore or elsewhere in Newfoundland or even in St. John's East if the honourable idiotic looking

gentleman wants it? It is about as consistent as some of the things they have done.

Let us say to people, "Here is a proposal that does not have to be in -

MR. CHAIRMAN (MR. STAGG): Order, please!

The honourable the Leader of the Opposition, while the tone of his voice would lead one to believe that he is not really being insulting, it is certainly a very insulting expression which he directed I believe to the honourable the member for St. John's East.

MP. SHALL: And he did not speak the truth, Mr. Chairman.

MP. CHAIRMAN (MR. STACG): Whether that is so or not, it is something else.

I suggest that the honourable member direct himself
MR. ROBERTS: Is there any need for classification? The member
says that I am not speaking the truth. I am advised by my colleague
that it poes what? Idiot, moron and imbecile?

MR. W. ROWE: No, idiot, imbecile and moron.

MR. ROBERTS: Idiot, imbecile, moron. So, we will need a classification
restructuring process for the member before we can be accurate. Sir, I
will let the matter stand there.

Let them produce a plan. It does not have to be a 400 page document. Indeed there should not be a great mass of the verbage of the plan that is produced. The experts, so called, let them produce a simple outline of what the Rural Development Programme and proposals would mean to an area. Let them get people at a meeting and all the other proper means there are for testing public opinion and getting public reaction. Let the men get some advice and get the reaction of people and the guidance of people, because the planning is still being done in Confederation Building. There is not enough being done with the Rural Development Associations around the island, not nearly enough. We hear that from every hand.

That is the sort of programme, Sir, that we should be seeing in rural development in this province. I am not being very specific,

now because I do not have the advice of the experts. I do not have full time to put on it. The minister assures us that he does. Well, Sir, if he has put full time in this, I accept his word that he has, I am extremely disappointed because he has produced so little. It is really not worthy of a man's full time to have done as little as he has done. He has got some expert civil servants, some expert advisers. I have no doubt that they are giving him good advice but if this he the result of what he has done with their advice, Sir, then I think he should rethink what he is doing.

Now, Sir, what is the future? The total vote of this department is down. It is decreased. It is one of the few departments in the government which has decreased. The total last year requested by the minister, Sir, was \$3.874 million. The total request of this year is \$3.634 million. It is quite revealing that the minister is coming -

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: I am reading the estimates put forth by the Minister of Rural Development, Sir. As a matter of fact, last year they spent \$3.4 million, in round figures. This year, at equally round figures, they propose to spend \$3.6 million. Maybe up a little on actual expenditure. In their request, Sir, it is down. It is one of the few departments in the government, perhaps the only one although I have not looked from this point of view through all the estimates. Here the request is down. That shows the priority. That shows the degree of weight they are going to give to it. That shows how much the minister's programme counts. The votes are down.

Let me just say one other thing, Sir. I have another of the famous invoices here from the Water Line Committee at Lead Cove and Sibleys Cove. This is invoice number 339%, from James C. Reid and Son Limited. It turns out that the money that they got, as revealed by the gentleman from Bell Island, was not all the money that this committee got from the department. This one totalled \$1,175 even, Sir.

MR. W. ROWE: How many more of them?

MR. ROBERTS: J do not know how many more there are but apparently an LC80 - is it POCHANE or POCANE or POCLANE? Some kind of back-hoe.

MR. EVANS: Beauchesne.

MR. ROBERTS: Beauchesne, is it? I must say that the gentleman from Burgeo for once has said something half witty, or witty as opposed to half witty but certainly, Your Honour, that is the way he does approach Beauchesne, with a back-hoc. It shows in his points of order.

Anyway this back-hoe, Beauchesne or otherwise, on April 23, 1973, well after the minister became the minister, punched in common down there in Lead Cove, Sibleys Cove. It is very relevant, Sir. but the committee I know will be interested in certain public events in the neighboring province.

In a certain province not far from here, a certain island province, the good guys have elected three and are leading in one.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Oh, have elected three, leading in seventeen. The New Nemocratic Party have zero and zero and the other party which were the opposition before is leading in eight and is elected in none. Am I right? The computer, for what it is worth, has predicted the election of Mr. Campbell and his administration. Those are two Liberal governments which have gone back in this year, and no Tory.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: We have a leader. We have a hundred leaders. That is our strength.

Now, Sir, eleven hours on April 24.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: No, there are seven here now. You tell me who is the leader over there, Mr. Chairman. I see one and I see two and then the gentleman from St. John's East is in there waiting, vaiting, just waiting.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Well, that is fair enough but on the other hand then
I will have survived it and where does that leave

the Premier? Now Sir, eleven hours on April 24, eleven hours on April 25, eleven hours on April 26 and six hours on April 27, a total of fifty hours at \$23.50 per hour - \$1,175.

That is April 30, 1973. I would like to hear the minister say a few words on that. He very carefully in his statement today, Sir, did not deny the facts. He could not. He argues about the interest from them but that, Sir, is a matter that we shall allow the people of Newfoundland to judge. The minister certainly is not the last word on that.

So to try to sum up these few brief remarks, Sir, the rural development programme is a programme that is desperately needed in this province. It could have been one of the real milestones of the administration; instead it has become a millstone. They went astray by appointing a group of political partisan figures to run it. Every one of the six men who are running it is a partisan figure. Sir Archibald, Mr. Pratt, Mr. Meade -

MR. MARSHALL: On a point of order, Mr. Chairman. Look, we have changed the rules on needless repetition. I do not think that extends to one member repeating what another member says but the Leader of the Opposition has repeated this over and over again: Also, I am rising on this point of order for another reason. It is quite obvious from the expression on the faces of the colleagues of the Leader of the Opposition that he is becoming a very acute embarrassment to them and I think he should end this little speech right now.

AN HON, MEMBER: Inaudible.

MR. MARSHALL: They deny it now but their faces belie it.

MR. MOORES: Mr. Chairman, can we have a standing vote on that do you think?

MR. ROBERTS: Let us have a vote on it, sure. Is he going down to see Jack Harnum tonight? You will not need Bill Saunders this time, "Frank." Do you want to rule on the point of order, Mr. Chairman?

AN HON. MEMBER: Inaudible.

MR. ROBERTS: By God no, I had him and you got him! You are welcome to him!

MR. CHAIRMAN: Order please! Again I struggle to my feet to make the same point I have been making for some time. The point of needless repetition again is a very difficult one for the Chair to judge. Although I do recall having heard the honourable member make his points on a couple of occasions whether the repetitionis in fact needless is a decision that I am not prepared to make at his time. It is again the same answer to the point of order which I made earlier and probably is prompted by the member for White Bay South. If it be in fact summing up, then of course the repetition will soon be over.

MR. ROBERTS: Thank you, Sir, and I am glad Your Honour has drawn attention to the fact that repetition is not necessarily needless. If it were the gentleman from St. John's East would be out of order because he has yet to say anything original in the House.

Now as I said, summing up, the authority went astray at the start when to advise the three ministers. Maybe the ministers are the nonpartisan part of it, I have not thought of that. But anyway they put on three estimable gentlemen, fine people, each with a contribution to make, Mr. Archibald, Mr. Pratt and Mr. Meade and each of them an active, ardent, open and really quite blatant Tory. There is no other word to describe them.

MR. EVANS: Wonderful people . They are Tories.

MR. ROBERTS: Well the gentleman from Burgeo now says that
Mr. Meade is a wonderful man. That is not what he told a number
of people. I think it is time we told the story of how the
gentleman from Burgeo and the gentleman from St. Georges, when
Mr. Meade was chosen the Tory candidate, had gotten on the phone
to a number of people in Bay D'Espoir. The gentleman from Hermitage
and the gentleman from St. Barbe North could confirm it.

MR. CHAIRMAN: Order please!

MR. ROBERTS: Is that out of order?

MR. CHAIRMAN: The honourable member should be discussing Head 1601-01.

MR. ROBERTS: Thank you Your Honour. If I cannot tell the story

about the gentleman from Burgeo and Mr. Meade I shall not tell it

but it is quite a story and one that I am sure the Premier would

be delighted to hear. The names will be changed to protect the

guilty.

Now, Mr. Chairman, that is where the authority went astray. It has no clearly thought out policy. There is no document of which I am aware. There may be a document and I am not aware of it. It is possible, not likely but possible. No statement of policy such as the Newfoundland and Labrador Development Corporation have put out. They put out a nice little booklet. It is about that size and it has got fifteen or twenty or thirty pages in it and it tells the sorts of services they provide and the types of financial assistance they will provide. Maybe the Rural Development Authority have it. Maybe they do. The minister is taking something out of his drawer. He has kept it very much to himself. Maybe it is distributed only to James Reid and Sons Limited and to the favoured few.

Their own guidelines are inconsistent, Sir. It is not a rural development project. It is not a resource oriented scheme as we were told when it was brought in. It is going to be nothing but resource development and beauty parlours, mortuaries, artificial wreaths, electronics, engine repairs. These are great resource development schemes? Balderdash! Balderdash! I could be stronger except it is not parliamentary but balderdash is a parliamentary term, and more balderdash.

Then they say \$10,000 is the maximum grant or loan and in case after case \$15,000 and \$20,000 given out. To whom? The favoured few. The minister confirms it. Right? That is right. It is right. The favoured few. And then the contractors - there are hundreds of men tonight now I hope hear what I have to say. I hope the press

carry it, that plumbing and painting businesses now come under the Rural Development Authority. I hope they get it. I would love nothing better, Sir, than to have them all get the same treatment, and God go with them! I hope they do very well. But if you give it to one, Mr. Chairman, you have to give it to them all not chalk of one and cheese of another. This is public money. This is not James Reid and Sons' Limited money. The minister can do what he wants with James Reid and Sons Limited money. He can do what he wants with that. He is subject only to the tax peorle and the shareholders. But this is public money he is spending and he cannot make chalk of one and cheese of another.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Not doing it? His own words show that he is doing it, his own words, as I have proven at some length and proven it up to the hilt. So, Mr. Chairman, let the minister develop a positive programme. They have got some sawmills going and that is a good thing and they have got some other businesses going and that is a good thing but it is not a rural development programme, it is a small business loans programme. Sure there have been some inconsistencies in administering it and there have been some mistakes. What about the chap from Bonavista North who got his \$6,000 and went off to Toronto and has not been heard from since? That is great rural development.

MR. WOODWARD: He took the bulldozer.

MR. ROBERTS: Yes, he has got an artifical wreaths business up in Toronto now or he is running a back-hoe business up in Toronto. But let them come up with a positive programme, Sir.

MR. WM. ROWE: Inaudile.

MR. ROBERTS: Yes, Bloor and Eglington, a well know rural area.

Maybe, Sir, I know what he is doing. They are building a new subway in Toronto and he has got his back-hoe now up there in Toronto and he is hard at it, Sir, in rural Toronto. Maybe he has gone as

far north as say Broadway Avenue, which is three blocks north of Englington.

MR. NEARY: Send the invoices back to James Reid.

MR. ROBERTS: Send the invoices back to James Reid and Sons Limited and they will be paid without question; a good way to do it. But, Sir, a little more seriously -

MR. MOORES: - from Elizabeth Drugs right about now.

MR. ROBERTS: In that case the Premier would get very good drugs at a very reasonable price. His wife by the way buys there and not only that, Sir, Elizabeth Drugs, I was pleased to hear, are even granting her credit. Now if that be not a Christian act. AN HON. MEMBER: Inaudible.

MR. ROBERTS: I have no idea what kind of - I think that is something that perhaps I better not comment upon.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: No, I am not insulting any company with which I am connected. The minister without portfolio -

MR. CHAIRMAN: Order please! Order please! The honourable member is being irrelevant at this point. While he may have been assisted in the irrelevance by honourable members to my left, nevertheless he has the floor and has the duty to be relevant.

MR. ROBERTS: Thank you, Sir, I would be quite relevant because the gentleman from St. John's East tried a low, scurvy, underhanded attack on me a couple of years ago and got his comeuppance on Elizabeth Drugs. There were no invoices, it turned out, paid by the government from Elizabeth Drugs, unlike the gentleman from Trinity South who has invoices paid by the government. That is why I was not in a conflict of interest position and why he is.

So let him deal with these, Sir. We will obviously now have the whole - the Punch-and-Judy show, eight and ten and twenty of them up. We may even be favoured by the gentleman from Harbour Grace and the gentleman from Port de Grave another great spokesman. The Minister of Finance is poised to leap to his feet, and then we will have one of his performances.

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MR. CROSBIE: Slander and libel -

MR. ROBERTS: Unfortunately I will have to miss part of it, Sir, because I was up at five this morning, to leave St. Anthony and come here, so if I leave it will not be the gentleman's speech that does it, it will just be the knowledge that there is more to come from him. If I do not hear it all, I shall not hear it all. But, Sir, let the minister deal with it and gather his friends and God knows he needs them. The more friends he can get the better and the more help he can get the better. But, now, Si, let the minister defend himself. He does not have anything to fear in the committee. Let him come clean, let him answer the questions, let him deal with the - Maybe there are more involces.

MR. REID: If I came clean he would not understand it.

MR. ROBERTS: No, Sir, I probably would not understand it if the minister came clean and neither would the people of

Newfoundland and that is what we are trying to do, to get him to come clean. I say to him, "Let him come clean." and if I do not understand it, that is fine. It is not I he has to convince, it is 10,000 or 11,000 or 12,000 people in Trinity South. They know what is happening. So let the minister come clean, to use his phrase. Let him come clean. Let him put it to the test. Let him answer. There may be more to come. The minister should not leap too quickly. There may be more invoices to come.

There may be more committees. There may be more tobs.

MR. RPID: They are that high.

MR. BOBERTS: Yes, they may be that high. The minister is a tireless worker, as he himself tells us. So my final word, Sir, is let him bring in a programme. Let him bring in a good programme and then let him come clean. The minister owes himself that duty and he owes this House that duty and he owes his colleagues that duty and he owes the neople of Newfoundland that duty. So let him come clean. Let him level with the committee. By his own words he has not done so yet.

AN HON. MEMBER: Hear! Hear!

MR. MAPSHALL: Before the honourable gentleman sits down, will he permit a question?

MR. ROBERTS: No.

trp. ROWF, W.N. Put it on the Order Paner.

MP. POBFPTS: Put it on the Order Paper.

MR. CHAIRMAN: (STAGG): The honourable Member for St. Barbe North.

MR. F. B. ROWE: Mr. Chairman, does the minister want to react, to speak? Mr. Chairman, the honourable minister said more while not speaking or on his feet this week than he has during his speech so far. So I thought he might like to react to the Hon. Leader of the Opposition.

AN PON. MEMBER: Inaudible.

MR. ROWE, F. B. What I have to say, Sir, is very short. I am not the spokesman on this side of the House for the Denartment of Rural Development. However, Sir, I had taken the last week off to visit my own district and to visit some other parts of the province upon the advice of the Minister of Finance.

Sir, I am deemly saddened indeed for this reason, Sir. I had met with a number of Rural Development Associations on the Northwest Coast.

I was in no way tinkering with the honourable Member's District of St.

Barbe South but I did have the opportunity of meeting with a Pural

Development Association in St. Barbe South. I had met with three

Rural Development Associations in St. Barbe North.

Sir, these Rural Development Associations were extremely enthusastic. We had four meetings on the Great Northern Peninsula -

AN HON. MEMBER: In what districts?

MR. ROWE, F. B. In the District of St. Barbe South and in the District of St. Barbe North. The real intent of these meetings, Mr. Chairman, was to get co-operation amongst these Rural Development Associations, to bring good and fight for the common need, such as the upgrading and having of the Great Northern Peninsula Highway. But the real intent was to get the Rural Development Associations to work together with a united front, for the common good of the Great Northern Peninsula.

But, Sir, one of the things that struck me about these Pural Development Associations was their enthusiasm and their willingless to come out to these meetings. Not only that, these were mostly public meetings and they were attended by very large crowds, Sir. I can assure you, Mr. Chairman and this committee in this Pouse today, that the expectation of the Rural Development Associations in this province are very, very high indeed. And the expectations as to what they expect to get from the Rural Development's Department in the way of guidance and direction and assistance and positive policy is very high indeed.

Now, Sir. to my sadness I came back to the Pouse the first time today, in over a week, I heard what the honourable Member for White Ray South said, what the Leader of the Opposition has said, what my colleague the Member for Bell Island has said and what my colleague the Member for Hermitage said about the Rural Development Department and in each case, they have documented their speeches with, in most cases, written statements and lists supplied by the minister or officials of his department.

I can tell you, Mr. Chairman, that if the people of Newfoundland, if the people on these Rural Development Associations had heard what I have heard here today that they would be very saddened, they would be very demoralized and their enthusiasm would be shot, because these people are honestly getting together to work for the common good of their communities or their region, and the Great Northern Peninsula in the particular cases I am talking about.

Sir, it has been proven conclusively here today that the activities of the Department of Rural Development are inconsistent, to say the least

inconsistent with respect to the granting of loans. It has been proven that the department lacks policy — lacks policy completely. It has been proven that the department, as far as the granting of loans is concerned and as far as the Rural Development Authority is concerned, is riddled with patronage. There are no guidelines.

MR. RFID: Prove it!

MR. ROWE: (F.B.): There are no guide. The names of the individuals were given, Mr. Chairman, and they certainly were not nonpartisan personalities in this province - seven members of the Pural Development Authority.

AN HON. MEMBER: Six.

MR. ROWE, F. B. Six members of the Rural Development Authority were not nonpartisan personalities in this province.

Guidelines, Sir, if they do in fact exist, are not being kent in the granting of these loans. Guidelines for one part of the province are different from guidelines for other parts of the province or different districts or different individuals. Sir, it has become for all intents and purposes, and it probably should be renamed, A Department of Handouts. But, Sir, I still feel that the intention of the department and it may well he the intention of the minister himself is good. The concept of a Rural Development Department is certainly good. The concept of Rural Development Associations is certainly good but, Sir, the way it is being practised according to what I heard so far today, Sir, add that the minister has had ample opportunity, Mr. Chairman, to answer the criticism not of him personally but the criticisms of the policies and actions and activities and style and everything else of his department. The minister was asked on a number of occasions by the Fon. Leader of the Opposition this afternoon, if he would like to reply to my colleague, the Member for Hermitage.

MR. AEID: He never gave me a chance -

MR. ROWE, F. B. The Hon. Leader of the Opposition asked three or four or five times, Mr. Chairman. In fact I. myself, Mr. Chairman, asked

the minister of the particular department a guestion. If he would like to reply to the Leader of the Opposition before I make my short point? The minister refused to get up.

AN HON. MEMBER: He cannot answer it.

MR. ROVE, F. B. Either the minister is shellshocked, he cannot answer or he will not answer or he is hiding something.

MR. REID: I am not shellshocked.

MR. ROWF, F. B. It is as simply as that. I will remind you. Mr. Chairman, that when a member is standing to speak he does have the right to be heard in silence.

AN HOL. "FIBPR: Hear! Hear!

MR. ROWF, F. B. The honourable minister as I have mentioned before has said more sitting in his seat today than he has standing up to speak. I would certainly like to see him stand up to speak and answer some of the questions that have been legitimately raised by members in this honourable House or in this Committee, and stop taking it as a personality attack.

I was ashamed of mv friend, the honourable, my personal friend, the honourable Member for St. John's East this afternoon, that learned gentleman, a lawyer -

AN HON. MEMBER: Your friend!

A personal friend of mine and a distant relative by marriage. So I really have problems.

Rut, Mr. Chairman, I was extremely disappointed when the Member for St. John's Fast, having being a part of an administration that have conducted witchbunts, investigations of certain land deals, like the AN HON. MEMBER: Your relative.

MR. ROWE. F. B. Holiday Inn deal, the liquor store business, having been part of an administration that have launched an enquiry into the honourable Member for Bell Island, he stands up in his seat, Mr. Chairman,

AN HON. MEMBER: It is not relevant.

MR. ROWE, F. B. It is very relevant. The House of Assembly and this Committee are for debate and that is exactly what I am doing, I am replying

to the honourable Member for St. John's East's statements. Having been a part of an administration that have specialized in enquiries and witchhunts, he questions the opposition for asking questions of the Hon. Minister

for Pural Development. No personal charges were made, Mr. Chairman.

It sounded very much to me like there was a possible conflict of interest. In the documentation which was presented by my colleagues here this afternoon. The least that we can expect from the Hon. Minister of Pural Development is for him to stand in his place and to defend these charges.

AN HON. MEMBER: Fear! Hear!

MR. BOWE. F. B. The Hon. Minister of Rural Development read out a letter that he managed to collect over the weekend and there were further points made by my colleapues and the Minister did not answer that.

But, Sir, that is not the noint that I wanted to make. I wanted to ge. ack to the point that these Pural Development Associations, at least to the extent that I had the opportunity of speaking with them, are a sincere group of hard-working Newfoundlanders who are willing to co-operate with any member, whether he he P.C. or Liberal. As far as the Northwest Coast is concerned, they are willing to co-operate from one district to another. St. Barbe South is willing to co-operate with St. Barbe North and White Bay North and vice versa. The government are quite willing to co-operate with them as well. I would certainly say that the Pural Development Associations are excepting the government's co-operation but, Sir, their expectations are very high indeed.

What I would like to know, Sir, are a counle of things: if the minister could try and answer these questions: In my dealings with these Pural Development Associations I notice that some of them have, their structures are different. If the minister just could take a note of this. The structures of some of the Rural Development Associations are different. For example, some of the Rural Development Associations have been set up with a maid fieldworker without the seminar having been held. In other cases the seminar has been held I understand but the fieldworker has not been appointed.

The other understanding - that I got any way is that you have your seminar first and then you have your field worker appointed. In some other cases the executive of the Pural Development Associations have not been elected although the fieldworker is appointed. In some other cases where you have a Rural Development Associations -

MR. REID: May I ask one question of the honourable member?

MR. ROWE, F. B. Yes, certainly.

MR. REID: I feel a field member, a field member is a man who goes out into the field. He has very little to do with the development association. He helps to form development associations. Certainly the fieldman can be there and working with the field and start to organize but a fieldman is a man who helps to get the development association off the ground.

MR. ROWE, F. B. Yes, Mr. Chairman, is this the gentleman or a person or a lady or man who is being paid \$10,000 a year as a field worker?

MR. REID: Then the Development Association usually finds one of their top people in that Development Association to work in that area. In twelve or fifteen communities, then he works for those twelve or fifteen communities and brings it all to his Development Association.

MR. ROWF., F. B. As a fieldworker?

MR. PEID: That is right. Well not as a fieldworker. He can call it a fieldworker if he wants - a local worker.

MR. ROWE, F. B. I think the minister is helping me to make my point in that there is a certain degree of confusion with respect to, you know, who is a fieldworker. Is he the person who is going to be employed and working with the Development Association? What is the exact role of the executive? I said that in some cases there is no executive and there is a fieldworker and in some cases there is a fieldworker and no executive - and in other cases - well just let me trv and finish my point of view. In another case, for instance where we have a Rural Development Association spreading over two districts, say the northern part of St. Barbe South and the southern part of St. Barbe North, the executive is all from one district. This is very unsetting to the people, obviously, in the other districts. I could go on, Sir, In other cases the various communities within the jurisdiction of the Rural Development Associations have a number of representatives. For instance, in the central St. Barbe South Rural Development Association there are two representatives from each community. Lo and behold! In the St. Barbe Rural Development Association there are five representatives from each

community and in the Straits of Belle Isle Rural Development Association there are two representatives.

What I am trying to say, Mr. Chairman, is this, that the structure of the Rural Development Associations is not consistent from one area to another. I might also add, Sir, that one Bural Development Association of the Northwest Coast represents a very small geographical area and a relatively small population and another Bural Development Association represents a great, long geographical area with a great number of communities with a fairly high population.

Sir, what I really am asking the minister is this what attemnts are one made to explain to the people in the area the function of the various people of these Rural Development Associations, the purpose of the Rural Development Associations? is there any standardization of the structure and of the geographical and nonulation area that such Rural Development Associations have to cover?

So, Sir, I know the minister can explain to me the answer and I would think that I might be canable of understanding it. That is not my concern, the minister explaining to me. My concern is that the minister and his department get this message out into rural Newfoundland and have as smooth a machine as nossible to get these Bural Development Associations working smoothly.

T sincerely hope, Mr. Chairman, that this is the last point I will make - I sincerely hope that this is not window dressing, that this is not camouflage, that this is not just a department that is setting up associations with fieldworkers with an executive and representatives from various communities giving the apperance that something is going to be done or may be done, when in fact it is just the setting up of an associations with the payment of a fieldworker and very little being done for these various areas. I certainly did detect in my travels last week this utter confusion.

AN HON. MEMBER: Inaudible.

MR. ROWF. F. B. Oh, ves. Yes, completely new. There is a certain amount of confusion but they are full of enthusiasm and after what I heard today

I am a little bit disappointed in the department. I sincerely hope that what I heard today has no affect on the functioning of the Rural Development Associations throughout the province because I firmly believe in the concept, I hope it works.

MR. CHAIRMAN: The Hon. Premier.

HOW. F. D. MOORFS (PREMIER): Mr. Chairman, I have listened to the debate on the estimates this afternoon and again tonight. First of all, I would like to comment on the remarks by the Member for St. Barbe North. He commented on what he thought were legitimate worries, legitimate problems based on the sort of questioning one could expect in estimates and finding out what a department does and not to my knowledge at any time talked about James G. Reid and Sons or conflict of interest or personal attack in any way. For that I would like to say that

in some cases of fieldworkers, after the previous performance,

I am a little surprised but I am also glad to see that a

person could take that position.

We listened, Mr. Chairman, to the Leader of the Opposition particularly and the member for Hermitage, who is the official opposition spokesman, talk about the Department of Rural Development. The Leader of the Opposition Party talked as vaguely vaguely about when Mr. Hickman was in Seal Cove he brought down the vote from fifty-nine to six. That is only guess work, Mr. Chairman, because the fact is that the Leader of the Opposition, which is a known fact about the Liberal Party, is down in this House from thirty-nine to eight. So much for ability.

Mr. Chairman, the strategy in this particular department and in this debate, as far as I am concerned, is totally and absolutely dastardly when they name the Minister of Rural Development as being in conflict of interest. If there be any corruption or if there be any conflict of interest on this side of the House from any minister, I shall be responsible.

Mr. Chairman, there is no man that I know who is more honourable and more sincere than the Minister of Rural Development.

We gets lots of talk about what this department does, it is rural, it is not resource orientated." We hear tell that Conservative sympathizers are getting lions' share of the loans. The fact is, Mr. Speaker, the member for Green Bay behind me says that is not true, I do not know if that is or not. I would think off hand that out of every hundred loans sixty-five should be Progressive Conservative and thirty-five should be Liberal, as a round figure, because, Mr. Speaker, that was the average of the vote in the last election.

So one would think that if one take that sixty-five per cent of the adults in this province who voted Progressive Conservative, one would think that normally sixty-five per cent of the people in this province that apply for loans will also be Progressive Conservative; but that is something you never know.

But when we talk about what districts got treated in which way: Mr. Speaker, in Hermitage, of the applications received fifty-three point six were approved; in White Bay South, fifty-eight point three; in St. Barbe South, forty-four per cent. It is most peculiar, Mr. Speaker, that fifty-eight point three are in a Liberal member's district and forty-four per cent in a Conservative Minister's district. Bonavista South, fifty-six per cent, Trinity South, the district of the minister, fifty-four per cent.

MR. THOMS: Fifty-four per cent of what?

MR. MOORES: Of applications approved. Yes, Mr. Chairman. In St.

Barbe South, for instance, there were sixty-four applications, twentynine approved. In Bonavista North, for instance, sixty-nine applications,
forty approved, and on it goes.

Mr. Chairman, we hear a lot about the type of jobs that have been created, but possibly before I talk about the type of jobs

I should comment on the member for Hermitage when he opened this debate with the minister's salary and what he had to say about jobs. He said, "Jobs are not what is important." He said, "Jobs that stay, that are permanent are what is important. You just do not create jobs for the sake of creating them." It is typical, Mr. Chairman, of the past record and the attitude of the member for Hermitage. "Do not create the jobs, wait we will plan it for you when we can guarantee ten years, then we will allow you to get the job." Such absolute unadulterated theoretical consense as I have never heard.

MR. SIMMONS: You do not believe that.

MR. MOORES: I thought this was, Mr. Chairman, this was the man, this was the member who said when someone was speaking, "You must keep quiet because if you do not keep quiet you will disturb me and if you disturb me I will get upset. So please keep quiet." This is the member for Hermitage.

Mr. Chairman, he talked about what is being done in rural development. Rural development for the first time has only been going for two years, two years only, when, Mr. Chairman, 2,700 jobs have

been created. He is dissatisfied. He thinks it should be more specific. In his expert opinion he thinks, as I say, we should plan better, do it better and guarantee longevity to the type of work it is.

Mr. Chairman, it is amazing to me that the opposition can criticize what never was before. The first time in history that we have taken, this government, to the people an opportunity to work in their own towns, wherever they may be. This is not something we are going to apologize for, this is not something we are going to be led off the track by when the member from Hermitage the other day said the 'ifs" in our announcements and the two examples he gave, Mr. Chairman, were the Burgeo Plant, regarding the DREE negotiations and the sawmill at Bay D'Espoir. It is funny, even since he opened his mouth that both these things have been approved by the Department of Regional and Economic Expansion.

AN HON. MEMBER: Inaudible.

MR. MOORES: Of course, I give the federal government full marks but we had made our position clear on what we were prepared to do many months ago and I said if DREE come through these things will be done. DREE did come through and those things were done. The big difference, Mr. Chairman, is that for twenty-three years the ifs never did come through.

AN HOW. MEMBER: Inaudible.

MR. MOORES: They did. A supporter of the last twenty-three years, the campaign manager for the Minister of Justice in the Leadership Convention, Mr. Chairman, how can he be such a hypocrite here tonight? Here he was in the Leadership Convention of the Liberal Party, campaign manager for the Minister of Justice, and tonight he agrees with everything that went on for twenty-three years.

AN HON. MEMBER: No, Sir.

MR. MOORES: Well make up your mind. He said, Mr. Chairman, that when I was in Montreal that I said that we did not care if any of this money were paid back. That, Mr. Chairman, is untrue. The statement I made when I was in Montreal and I did not realize that the member for

Hermitage was there as well but the statement I did make in Montreal was that if fifty per cent of that money were paid back the rural development programme, to give the people a chance in rural Newfoundland, would be a good thing. That, Mr. Chairman, I will still say.

The type of jobs that this development authority and the department have created are worthwhile. Contrary to the Leader of the Opposition who talks about giving loans for making artificial wreaths, this is academic, because a rural development, Mr. Chairman, contrary to what some of the people on the other side of the House may think, is not necessarily only resource orientated. It is rural orientated and people in rural Newfoundland have a great many interests other than just resource interests. There is nothing wrong with a person in a small town wanting to develop an industry that that town may have not had before or would not have the opportunity to have if this money were not available, if it created jobs and provided a service.

They talk about this, Mr. Chairman, as if the rural development programmewere not resource related but in fact even though they illustrate by a few examples what the situation is, the fact is, Mr. Chairman, that most, virtually all of the loans are geared to resource industries. If we take the ones that are not, beauty salons and harber shops, there were two, there were three jobs; a concrete and stone products manufacturing, there were six with ten and a-half jobs average; construction general, seven and eleven jobs; footwear manufacturing and repair, four applications with six jobs; industrial products manufacturing, one with one job; mortuaries which got a play by the Leader of the Opposition, four applications with four jobs; newspapers one with one job; servicing and repair general, four with eleven jobs.

MR. WOODWARD: Was that "The Daily News?"

MR. MOORES: I have no idea, Mr. Chairman, if it be "The Daily News" or if it be a leaflet on behalf of the member for Labrador North, I have no idea.

The fact is, Mr. Chairman, that of the 2,705 jobs the opposition are talking about eleven, twelve, sixteen, twenty-two, thirty-two, thirty-three, forty-three, fifty-three, fifty-six, fifty-nine, sixty jobs. Sir, that they think are not the type that should be given when 2,705 have been created.

Wood working and wood products manufacturing, forty-three applications, 101 jobs, more than all the rest they are talking about put together: Pulpwood barvesting, 105, 580 jobs: Sawmilling, 400, 1,257 jobs: Fish processing, thirty-two, 223 jobs. No we hear them talk about these, Mr. Chairman? Agricultural farming projects, fifty-three applications, seventy-eight jobs: Boat building, thirteen firms, seventy-six jobs. No, Mr. Chairman, we do not hear them talking about these things. We do not hear them talking about them because they want to be political about everything that is being talked about in this House. I mean political, Sir, as opposed to being constructive.

We have heard here an attack on the minister regarding his own firm. We have heard an attack on him regarding the conflict of interest. We have heard an attack on a government department that never existed under the previous administration. The member from Hermitage gets up and gives a few examples, not naming names, of what could be done or what should be done. Has he gone to the department to report this? No. It is for political expediency. Has he come out with a constructive programme as to how it can be done better, where it can be done better, what method he would use to do it better? No. It is a criticism of the department and there. Mr. Chairman, in such a general analysis and such a general way as to really not make a great deal of sense.

So, rural Newfoundland is, as I said before, very diversified. The Pural Development Programme has never been done before. Or course, there are going to be mistakes. Of course, there are going to be problems. The fact is that the management that the member from St.

Barbe North mentioned is something that is being taken into consideration as being augmented as quickly as possible. The fact is that rural Newfoundland is to the opposition, I think, a place to be elected

rather than be concerned about.

The statistics hear out. Mr. Chairman, that we have and will continue to build up rural Newfoundland. Mr. Chairman,

I will say in this House contrary to any slander, any attack or anything else - I think it is important that this be said - that, in my opinion, the present minister of that department is the man for that job.

One other point that was made was, 'What percentage of the loans are being repaid and not being repaid?' To listen to the opposition one would think most of them were a giveaway or that we were putting pressure on people, if we listen to the member from Hermitage, to drive them out of business into bankruptcy or whatever. The fact is that the total percentage of overdue accounts, Mr. Chairman, is twenty-seven per cent. In other words, seventy-three per cent are paying back their loans on a normal basis no, sweat.

purgatory for people. That is not the idea. What we want to do
is help people, Mr. Chairman. If they go under, of course we will
be forgiving but the fact is that what we want to be is a humane
government and at the same time give the people, in those areas where
they never had a chance, a chance in the future.

MR. SIMMONS: Mr. Chairman, first of all, of course, I would certainly
like to respond to two or three things the Premier said. I was not
in Montreal, Mr. Chairman, at that time. I was relvine on a
Canadian Press story of which I have a copy here, a Canadian Press
story that I did not hear the Premier either outside the House or
in the House refute or deny or correct.

He is quoted, not in any way being paraphrased but the actual quotation marks are around the items that are relevant. It quotes and at one point quotation marks, "We have spent \$2 million to create those 1,500 jobs and we will be lucky to get even half that back." That is a quotation from CP. Now, either CP misquoted him in which case he should have certainly not waited over a year, a year and a half to refute it. It would have been common decency to inform the people of Newfoundland and the members of this House that

that was a wrong statement and that he did not say that.

Here it is in his words, 'We will be lucky to get even half that back." Now, Mr. Chairman, I took that for what it was worth. I took that as being gospel. I took that as right from the horse's mouth. The quotation marks were around it. Now I am told that perhaps it was not meant that way or that is not what he said. If he did not mean it that way, I wish he had used the earlier opportunity when I spoke about this and referred to this quotation two months apo, to enlighten me. He sat there and he did not at that time choose to enlighten me on the subject.

Now I hear tonight that it was different. We did not mean to say it. Well, that is fine. Now, the recople of Newfoundland know.

AN HONOURABLE **EMBER: Inaudiblo.

MR. SIMMONS: I have been asking that for two months because the minister was saying one thing and the Premier something else. The minister is saying we are being diligent, we are policing this thing, we are regulating it, we are collecting the money. The Premier was quoted as saying something different and waited eighteen months before he cleared up the matter. I think that is not good enough. Mr. Chairman but at least we have it. better late than never.

Mr. Chairman, the other day or I think it was Thursday night when I talked on this subject, I again was not putting words in the Premier's mouth at all. I was quoting and I gave my source at that particular time. I can find it once again. Yes, I do not know where this document comes from. I understand it is a draft of the speech, the text that he used at that time. So, again I have to rely on this until he seeks to refute it. It is notes for a speech hy honourable Frank R. Moores, Premier, to the Rotary Club, St. John's, at the Newfoundland Hotel, on January 18, 1973.

At that time, as I quoted him the other night: 'My colleagues and I began this exercise in political science with a number of basic principles. One of them was that we would not make great announcements of things that might bappen, that are to bappen

sometime far in the future or that will be happening if some other factor is present." I think there is the operative clause there, Mr. Chairman, 'That will be happening if some other factor is present." It is for that reason, Mr. Chairman, that I choose to refer to the proposed sawmilling operation in Ray D'Espoir as an 'If Project' and the Burgeo fish plant expansion as an "If Project" because at the time they were made in one case by the Minister of Industrial Development, that of the Burgeo situation, and the Minister of Forestry and Agriculture, that of the Bay D'Espoir proposed sawmilling operation, at the time these announcements were made, they were "If Projects". They would happen if another factor were present, if federal financing were present. At the time that these announcements were made by the Ministers of Industrial Development and Forestry and Agriculture respectively, they were "If Projects", they were still depending on the outcome of the negotiations at Ottawa.

Mr. Chairman, my point the other night and it stands again tonight and it is just as valid, is that the Premier's colleagues have gone and done what he said his colleagues would not do, would not make announcements that would happen only if some other factor were present.

Mr. Chairman, the Premier chooses to talk about the twentythree years and defending everything that went on and managed in the
process to tag me with the label of hypocrite. I can make speeches
on where I stand on the twenty-three years when it is the relevant
point in time to do so. I have not said at any time that the Premier
should not do this because it was done by the other administration.
He did not say on January 18 that he was not going to do it because
other people had done it although he inferred that, I would suggest.

I do not care if the other administration or administrations did it for twenty-three years, that does not make it right. I am talking about the subject of consistency. The Premier has been most inconsistent on this. On January 18 he says, "We will not do it." His colleagues proceed to do it. Then he stands tonight and denies that they are doing it. Well, the record is there, Mr. Chairman. I think it is a pretty open and pretty -

MR. MOORES: Would the member permit a question?

MR. SIMMONS: Sure, Mr. Chairman.

MR. MOORES: I am just wondering, Mr. Chairman, what announcements this government have made in the area of Industrial Development or in any projects that have not at this time been backed up or will not be.

AN HONOURABLE MEMBER. Out in Corner Brook there a couple of weeks

MR. SIMMONS: Which one is that by the way?

MR. MOOPES: Yes, hurry up tell him.

MR. IMMONS: Mr. Chairman, I believe the Premier missed the whole point of what I was saying about the "If Projects." I never said - AN HONOURABLE MEMBER: Inaudible.

MR. SIMMONS: Well, he did for sure.

Mr. Chairman, the schoolboy debater is back attending one of his greatest meetings in the last few weeks. There are more than thirty-five here today.

AN HONOUPABLE MEMBER: Inaudible.

MP. SIMMONS: I may. I was looking into it. I may come down. I am looking forward to it.

Mr. Chairman, as I was saying, the Premier missed the point because

I was not saving that the Burgeo and Bay D'Espoir proposed industries were items that did not or would not or could not come true. I was saying at the time the public pronouncement was made they were "If" projects. They were depending on a factor, the outcome of which was not known. As it happened the Premier was saved by Ottawa, as he has been so many times. Ottawa eventually came through. I was maintaining fairly close contact on the one that affected my district, the Bay D'Espoir project. I was aware that things were going pretty well and I was aware of that when I made the statement on Thursday night. Indeed, I was aware of that - it was coming so close that we could expect an announcement fairly soon.

Rut at the time I made that statement on Thursday night and for weeks previous, it was an "If" project. It was a project that could only go ahead if another factor were present. If federal financing were present, at the time the Minister of Industrial Development, the Minister of Porestry made those statements that factor was not present.

MR. CHAIRMAN (STAGG): Order, please!

I do not know if the honourable member is going to pursue this particular speech for any length of time but he does appear to be irrelevant to the Rural Development at this point. We may in fact he responding to a question from the Hon, the Premier. However, nevertheless, it is irrelevant to Rural Development.

MR. SIMMONS: Thank you! I would have given the Premier examples, as he asks for examples of his aluminum plant announcement and his caustic soda plant announcement, but I am irrelevant on it so I shall not pursue that one. So I am sorry on that subject.

Mr. Chairman, I attempt to be a little more relevant on the subject, be mentioned. I had not been in Montreal on that occasion. No,I was not, Mr. Chairman, indeed stories I hear and again they are only rumoured, Mr. Chairman, the stories I hear arethat sometimes when he is sunpose to be in Montreal, like the Monday before last, he may well be shopping in Hamilton, Bermuda. It is fairly rural by Newfoundland standards.

HON. MEMBERS: Inaudible.

MR. P. S. THOMS: You people do not have anything!

MP. SIMMONS: Mr. Chairman, in reply to the Premier: Of course, there is nothing wrong with jobs related to resource industries. I just cannot sit here and have the Premier put words into our mouths, which were not there, we have not said that any time. Of course that is the whole point really, that there ought to be guidelines. There ought to be guidelines so we do not have the situation which prevails in this document right here, for instance, where on June 7, 1973, someone is rejected a loan application for \$10,000, because it would not develop any resources. Then four months previous to that, on February 20, 1973, someone received the identical same amount of \$10,000 for the same purpose, retailing.

Now. Mr. Chairman, this is what my colleague the Member for White Bay South has been saying and this is what we are saying, that is not that we are against jobs that are not related directly to resource industries, we are against having this hodgenodge, where there are no guidelines, where there are conflicting guidelines. What is sauce for the geose is not sauce for the gender, where one fellow can get \$10,000 for retailing and the next fellow three or four months later cannot get it and being told the reason is it will not develop any resources.

We are not against the jobs, the fifty or sixty jobs that the Premier counted up there when he was speaking a moment ago. We are against this hodgepodge, this lack of guidelines which as I said a minute ago, means that what sauce is for the goose is not for the gander, which means that some neonle can get a loan for a purpose and another guy can come in three months later and he cannot get a loan for the same kind of purpose.

MR. REID: Inaudible.

MR. SIMMONS: We are dying, Mr. Chairman, to know the reasons. We have given the minister a dozen opportunities today to stand un and give us the answers to some of the points that we have raised. Fverybody else has come to his defence except him, himself. We are wondering if there are any guidelines and we would like that question answered as well before the evening is out or before these estimates are passed.

MR. REID: I am waiting for you fellows -

MR. SIMMONS: Mr. Chairman, we have been waiting for him to stand up and if he is not going to stand, we will stand and make some more noints

on the subject.

MR. REID: Inaudible.

MR. SIMMONS: No that is nothing personal. He is the man who asked us not to be personal, so he would not be for sure. In no way, he does not get personal that fellow.

Mr. Chairman, the Premier asked when speaking a few minutes ago, the following question: "Has he (referring to me) come out with a constructive proposal?" His answer was, "No." My answer to that one is "Yes." I will remind the Premier that he was sitting in the House, I helieve one of the few times he has been sitting in the House. He was sitting in the House when I talked about the Rural Development Authority a counte of months ago, in the amendment to the Throne Speech motion. At that time I suggested what I feel is a very constructive proposal that the first sten to get this back on the rails, to take away the appearance of skulduggery, the appearance of patronage, the first step is to put the authority, the six man authority into the hands of six nonpartisan people. The Leader of the Opposition has already dealt at some length on this subject but in passing quickly—

MR. EVANS: Inaudible.

MR. SIMMONS: The Member for Burgeo will not be one of them. Thank God!

MR. ROWE, F. B. ... human being.

MR. SIMMONS: Mr. Chairman, the three cabinet ministers are political people, as I pointed out earlier. The three other men are so partisan and so publicly partisan, recognized as such, that not even the appearance of fairness is done with six such people serving on the authority. There is my proposal which I think is very constructive, that povernment ought as its first step to take all six of these people off the authority and appoint a new authority with people who are not known throughout the country for their political aims but rather for their ability to deal with the subject at hand.

The Premier said I have not given examples. Well his memory is shorter than mine. I stood here and I gave specific examples. I have given two or three specific ones tonight. Certainly goodness he does not want me to use names in the House or if he should, I do not intend to use

Thave used on Thursday night and Friday and today and tonight. I have offered him now, this will be the third time I have offered those names to the minister. He has not taken me up on the first two offers, Thursday night and Friday. So let not the Premier stand there and say I am giving vague examples. I have given specific examples to every last detail except the name of the individual concerned. I have in front of me the name and the address, including a mailing address, a hox number and all, of these people. I can give it, but I do not think it would be right to give it in the Pouse, to give it publicly. I would be happy to give it to the Premier and I would be happy to give it to the Vinister of Rural Development, the name as it relates to every example I have given. I do not think the Premier can say with a straight face that is being vague.

MR. RAPPY: Those are his examples of political patronage, are they?

MR. SIMMONS: What does the minister mean by "Those are?" Those are
I have given them numbers, some about political patronage and some about
the shimozzle insofar as the lack of guidelines are concerned. Some of

my examples have been about political patronage, yes.

MP. BARRY: Inaudible.

MR. SIMMONS: Again, Mr. Chairman, the attempt to twist what has been said. I have not said, indeed the Member for Green Bay and I have just been privately discussing a number of people that he and I both know, who have received rural development loans. It my oninion and certainly in his opinion too, if I may speak for him on this point, the matter of patronage is not involved or to the test of my knowledge is not involved. I know the individuals concerned and I know the process that was involved.

I am not saying, I have not said, I do not intend to say because it would be hypocritical to stand here and say. The Member for White Bay South did not say it either. We are not going to stand here and say that every last loan was made for political reasons. We have not said that. We have given, Mr. Chairman, enough examples to raise doubts about the imparticulity of that six man authority. That was our whole point. We are not maintaining that all or even half of these or whatever number is the percentage, we are maintaining that enough, enough appeared to be

lent nolitically, that that is reason enough to appoint an nonpartisan authority which we maintain we do not have now by virtue of the six neonle who make up that authority at the present time.

AN HON. MEMBER: Inaudible.

MR. SIMMONS: Pardon?

AN HON. MEMBER: Inaudible.

MR. SIMMONS: No, Mr. Chairman,

MR. ROWE, F. B. Do not be so touchy.

MR. SIMMONS: No. Mr. Chairman, the Minister of Provincial Affairs -

AN HON. MEMBER: Could you do anything about that. Mr. Chairman?

MR. SIMMONS: Nothing can be done about that.

MR. P. S. THOMS: Everybody likes a teddy hear, Mr. Chairman.

MR. ROWE, F. R. Can you get the Animal Console Division

up, Mr. Chairman?

MR. SIMMONS: Mr. Chairman, I would like to come to one or two other noints. My colleague for St. Barbe Morth has mentioned the Rural Development Associations.

AN HON. MEMBER: Fleven - zero.

MR. SIMMONS: Mr. Chairman, the P.C.s have not elected any yet.

AN HONOURABLE MEMBER: No, none.

MR. SIMMONS: There is some hope for them. There is some hope for them in that Province anyway.

MR. W. DAWE: Mr. Chairman, on a point of order. I do not know if it is permissible to have electrical devices brought into the Chamber. I do not think that you can bring in recorders. I do not know if you can bring in transistor radioes. Perhaps you can bring in a transistor radio if it would not tend to interrupt the debate but I suggest that right now the transistor radio which the honourable member from Bell Island has is interrupting the debate. I would like to have a ruling on it, Mr. Chairman. MR. L. BARRY: Mr. Chairman, I submit that the honourable member for Bell Island should be permitted to keep his electrical device because that is the only way we will get anything of substance going between those particular two (Inaudible).

MR. CHAIRMAN: The citation, if there is a citation, referring to electrical devices in the House of Assembly escapes me. If the honourable member should wish to research the subject and bring forward citations, certainly will entertain it but at the present time, in the absense of any authority, I think the honourable member will be permitted to keep his earnhone in his ear.

AN HONOURABLE MEMBER: (Inaudible) - We will have a short circuit.

MR. NEARY: I am trying to be a nice fellow.

MR. EVANS: It is better than listening to the member for Hermitage anyhow.

MR. SIMMONS: Mr. Chairman, I must say the faltering scholar from Placentia West is improving all of the time, all of the time.

AN HONOURABLE MEMBER: Inaudible.

MR. SIMMONS: Faltering, the hesitant, faltering scholar. Mr. Chairman, AN HONOURABLE MEMBER: Inaudible.

MR. SIMMONS: The honourable gentleman would know. He would know the type to falter after being in that meeting of thirty-five, what a great

crowd, thirty-five persons.

MR. NEARY: Any chance of a debate, Mr. Chairman, I rise on a point of order, Sir. Your Honour, my colleague here is trying to make a speech and he is continuously interrputed by members on the government benches. Now, my understanding, Mr. Chairman, is that this is against the rules of the House. I would like for Your Honour to enforce the rules. They have been getting away with murder all night, Sir. It is time to check them. If they cannot restrain themselves they should go out somewhere and have a coffee. This is not a tavern we are running here, you know.

MR. EVANS: I think he is being interrupted by the reports from the election on Prince Edward Island.

MR. CHAIRMAN: The honourable member may have noticed that I smiled as he made the point of order. It is rather strange coming from the honourable member who is one of the people who abuses that particular rule most.

However, the point is certainly well taken. The honourable the member for Hermitage does have the floor and does have the right to be heard in silence. However it is also a tradition, to my knowledge anyway, that honourable members on occasion prefer to engage in a certain amount of repartee across the floor and indeed may encourage it. I think each situation has to be judged on its own merit. This particular situation, it appears that both honourable members were enjoying what was going on.

MR. SIMMONS: Thank you, Mr. Chairman and thank too my colleague from Bell Island. The fact is I was rather enjoying the opportunity as an old teacher of doing anything I could to educate the dragged-towards-high-school graduates and the reluctant scholar from Placentia West.

Mr. Chairman, I was coming to the point of rural development associations of which there has been a very encouraging growth in the past few years around the Province, say, a development that was given the initial impetus by the former Liberal administration during the period that my colleague for White Bay South was the Minister of Community and Social Development, that much maligned department that was supposed to do nothing but resettle. I know,

having had first hand knowledge with that department in my capacity as a president of one of those rural development associations for a number of years that that department in its day did take considerable leadership in the area of rural development.

The strides that have been made in more recent time, of course, can in part be attributed to the extra input of federal funds, and this is a good sign indeed. The point I really want to make is that first of all it is very encouraging to see the rapid growth of rural development associations. They constitute, I believe almost without exception throughout the Province, they constitute the very first real organized local involvement by people in matters affecting their way of life. It has given people in those communities where these development associations exist very clear and a golden opportunity to involve themselves in development, in having a say and taking some action with respect to what goes on in their communities and influencing the direction within their communities.

It is a very encouraging step and one that I have been very proud to be associated with over the years. I found in my involvement with one of these development associations that they succeeded to the degree that they continue to be bosses in their own households. They succeeded to the degree that they were able to look to government for guidance, for liaison but they fail, they are into trouble, they run out of steam when the government involvement with them becomes too direct and too overbearing.

I have been watching with some interest and some alarm the involvement, the increasing involvement of the Department of Rural Development with respect to rural development associations in the last year or so. I say with some alarm. I still reserve judgment except to add a caution that government, the Department of Rural Development in particular, watch that its involvement does not become so intense with these organizations that the organizations (1) tend to rely on government for leadership, (2) are hesitant to take action without the full endorsement of government for the plan concerned.

If these development associations are allowed to be reduced to other agencies, just another twenty, thirty agencies of government, then it would be a sad thing indeed for the communities concerned.

I maintain, Mr. Chairman, at this point they are pretty close to becoming victims in that way. The danger is close at hand. The time is close. The rate things are going with the increasing involvement, the time is very close at hand when these rural development associations, if some of them have not all ready ceased to do so, when some of these rural development associations will cease to be independent, viable locally or in grass-roots organizations or, to use another term, stage area organizations, organizations which reflect the concern of the people at the local level, they stop being that and take on the role of an appendage. Just another appendage, just so many more appendages of the Provincial Government.

I say that that is a very real danger and it is one that we may all ready be dabbling in. I certainly hope not. The word of caution I want to add on this point, Mr. Chairman, is that government must not be so eager to help, so eager to meet, so eager to organize or so eager to take advantage of these associations for its own political reasons. It must not be so eager that it starts inhibiting, starts intimidating, starts compromising the role of these associations.

I say in some cases it has reached that point. In most cases it is very near that point. I certainly appeal to the minister and his officials, not his officials so much as his fellow politicans in the government, not to compromise these associations. It will effectively destroy them. They started out to be a remarkably good thing in that we had input at the local level, at the grass-roots level, but the danger is there that they are going to become dependent appendages of government. It is fast coming to that point.

Mr. Chairman, the Leader of the Opposition mentioned, as did my colleague from Bell Island, the Lead Cove, Sibley's Cove incident and I was shocked too, shocked perhaps depending on what the outcome is. I am waiting for answers and I will let you know

whether I was shocked or unduly alarmed as the case may be but I must say my suspicions were raised by the invoices that were referred to by the member for Bell Island, a couple, I believe two, and then the one from Bell Island.

MR. NEARY: No, the Leader of the Opposition had one.

MR. SIMMONS: I am sorry, and the one from the Leader of the Opposition and I have another invoice here which bears on that job and the Lord knows how many more there are but this is -

MR. NEARY: Another one?

MR. SIMMONS: This is one for hire of the Evans Beauchesne back-hoe,

I think that is the name of it. This one is for \$351.50.

MR. NEARY: They are floating around all over the place.

MR. SIMMONS: Invoice number 3397. This is now the fourth invoice that we have presented, that we have mentioned here in respect of this job and one wonders how many more there are. Perhaps the minister when he rises will give us a detailed breakdown of what is going on and how much money is involved. There is one for \$351.50. The Leader of the Opposition had one earlier for \$1172, \$1,200. The member for Bell Island had a couple.

MR. NEARY: Yes for \$776 and \$926.

MR. SIMMONS: \$776, \$926, \$1175, \$351.50 was that all? Obe could somehow absorb it but one wonders how many more there are. There is at least one more. I have it here, dated May 15, invoice number 4036, again to hire back-hoe - \$23.50 an hour, ninety-nine hours altogether, from April 30 to May 11 and totalling \$2,326.50, plus \$1175 takes you up to \$3501.50, \$3850 - \$5500 right there in five invoices, probably only five random invoices when one thinks of what might be involved altogether. Certainly the minister owes it to the committee to indicate what is going on here and how much money was involved altogether. The nearest thing to an explanation I got today and I did listen intently to the minister when he spoke, the nearest thing I got to an explanation was that there had been three contractors and two backed out. From there he lost me but perhaps he will explain it a little more,

of course when he gets up.

Mr. Chairman, I was saying here on this subject before we get on to the rest of the estimates in the minister's department, what we are saying here is that there are reasonable grounds for suspicion here and they have not been laid by any of the ranting and roaring of the minister or by the surprising entry into debate of the Premier who has chosen to speak very little in this session but he chose to get in tonight and defend his colleague. One would expect him to do it as he did, and that is decent of him. One would expect him to do it with some more documentation than he did. I am none the wiser as a rule about what the Premier said except that I know for sure that he stands by the minister. I would have presumed so but at least the Premier has said it and now we know for sure he does stand by the minister.

Mr. Chairman, in closing for the time being, I certainly appeal to the minister to address himself to the several questions that have been raised in this debate, many questions, questions that have not been answered. I ask him in so doing to certainly address himself to the subject at hand and avoid the temptation of his to get personal. He has tried on a number of occasions, from his seat, as my colleague the member for St. Barbe North has indicated, I appeal to him to be the gentleman that he wants us to be and to address himself to the subject, the subject of the questions we have raised about this matter and to avoid the temptation, what is for him a pretty present temptation, to get personal on the subject. MR. WELLS: One learns, Mr. Chairman, to be quick in this committee otherwise the member for Bell Island would be on his feet again and we would be treated to another dissertation, and not a bad dissertation perhaps but still. Mr. Chairman, I think it is necessary in this debate in the committee on rural development to consider one or two aspects which have not been mentioned up to now, because though it is necessary and perhaps wise to examine the details of the rural development programme, as we have known it for the past year and a half that it has been in existence, it is also necessary to examine the concept of

rural development as this government has undertaken.

Now once the outports of Newfoundland were settled, the tiny fishing communities, and very little of course in the centre of the island at all, but once that took place, all development of Newfoundland as I recall reading about it and hearing about it and in my own time seeing it, all development was geared toward taking people out of rural Newfoundland and putting them in large centralized areas. We speak of the concept of centralization which came to flower under the previous administration but that idea of intralization emanated from the people in the tinv isolated places They saw economic opportunity wherever it occurred themselves. and the people were thus by this natural process, drawn into the larger centres and created larger centres in Newfoundland. I think the classic examples would be the development of Bowaters - or it was not Bowaters, it was the International Pulp and Paper Company I believe it was and in the beginning in Corner Brook and the group in Grand Falls. These were classic examples of what happened when people were drawn out of the outlying communities - the AND, the Rothermere people, out of the rural communities and into larger communities. So the Newfoundlanders, not only of our age in this House but Newfoundlanders much older, when they thought of development in the province, thought always in terms of industry which created the larger centre and which drew people from the smaller communities where the traditional way of life of Newfoundland was borne from these communities to the larger communities.

Now as I say, this process flowered after Confederation and it flowered with some beneficial results and some results which were not beneficial at all because whereas in the past when you had a Corner Brook developed or a Grand Falls developed or an American air base developed or the growth of St. John's, when you had that you brought people in or they came themselves, I should say, and they got jobs, they put an economic basis under their lives and it was good development. But after Confederation when the idea came into

government's head, the idea that this process should be assisted and encouraged, another idea crept in also and it was not the idea of development as such but it was the idea that by bringing people into larger centres or by creating larger centres, you could avoid the problem, the expense and the cost of giving services to people in smaller centres.

So whereas when you came to the development of Grand Falls and Corner Brook it was a natural development with people coming in to earn a living, in the fifties and the sixties you had a different kind of resettlement because they did not come naturally to earn a living in the places to which they were resettled, they came there to get services which they knew that they could not get in the smaller places. To that end, and I know whereof I speak, services were curtailed in some of these smaller places. It was made clear to the people who lived in them that they were not perhaps going to get an increase of school teachers, a larger number of school teachers, they were not going to retain a post office, they were not going to get a doctor or a nurse or the other things which in this day and age make life tolerable.

So you had an artificial kind of resettlement which contrasted with the kind of resettlement that has been going on in Newfoundland for the last seventy or eighty years. So I think we have to recognize that and we have to recognize also, and I think this is ... why this resettlement programme was initiated by this government, we have to recognize that in the late fifties and early sixties and particularly in the mid-sixties, it was recognized by those of us in the Conservative Party that this approach to resettlement, that the approach to rural development or the lack of approach to rural development of the previous administration made it necessary for us to give some thought to the outport Newfoundland,

to whether or not the outport Newfoundland was going to survive and if it were going to survive, how it was going to survive. I recall those of us who were in the Progressive Conservative Party in the sixties when we went around this province, when we made speeches, when we talked to neople, one of the fundamental and important criticisms of the administration of the day was that the administration of the day had turned its back on the outports. This was surprising because this is where its support came from. It had turned its back on these communities, not entirely, I would not be foolish enough to say that, but to a large extent had turned its back on them and was waiting for them to die and was encouraging the process of dying for a great many.

Party at that time got the opinion and retained the opinion and have retained it to this day, that the outports of Newfoundland were viable in many respects, they had contributed practically everything to the growth and development of the character of the people of this country, this province and that it was worth-while making an effort to save them, worth-while making an effort to allow the people in these small outport communities to develop, not only their communities but to develop themselves. This, Mr. Chairman, as I see it and as I understand it and recall it, is the basis of this policy which has culminated in the Department of Rural Development.

Now, what is the Department of Pural Development doing?
What is its concept? What is its idea? Obviously, Mr. Chairman,
it is to develop rural parts of Newfoundland. Now, how does one
go about that? How can one draw up a blueprint and say, "If we
follow these steps slavishly, we will make these tiny places
and some of the larger places in the outports - how will we make
them metropolises?" One cannot do that. What one can do is by
spending given amounts of money, such as are called for in these
estimates - I should say lending amounts of money - one can go to
small businesses or have small businesses come to one and tell one,
as government or as a department or as a Rural Development Authority,

that the loan of a certain amount and not a large amount will employ three, four, five, ten people and will benefit the community concerned.

I know in my travels in Newfoundland I have talked to many people who operated small industries, and I am thinking of travels within the last five years, who have said to me. "I col." if only there were some institution, if only there were some group, if only we had a government that would lend us"- this is the individual, the man talking - lend me \$10,000, \$5,000, I see where I could employ ten men, where I could do this, that or the other thing and where I would have a viable business or at least a chance of a viable business."

So, when this government established the Department of Rural Development to do just that, to brine about that sort of thing, I for one, Mr. Chairman, was all for it. I supported it completely and I still support it. My feelings and my views as a Progressive Conservative today in this House of Assembly are no different than they were as President of the Progressive Conservative Association in 1964, that we must continue with rural development.

Now, the member for Bonavista North or the member for Rell Island or the member for St. Barbe North in what I thought was a thoughtful speech this evening, may have had different ideas how this can be gone about. They may offer suggestions that perhaps the department -

AN HONOURABLE MEMBER: Inaudible,

MR. WELLS: No. I cannot do too much in one night.

AN HONOURABLE MEMBER: Inaudible.

MR. WELLS: That is what I said, I cannot do too much in one night. Tomorrow I will give them a little - but anyway, Mr. Chairman, this idea, this conception is a part of this party and has been a part of this party for at least ten years. It was developed by this party and is being but into effect by this party. This is excellent and fine and right and for my part I am just as much for it as I was for it ten years ago.

Now, if someone in the opposition, if someone out in the

country, if someone anywhere in Newfoundland can come along and give suggestions as how better to go about it, I would be the first to listen. The government would be the first to listen and the minister would be the first to listen and his officials. That is one kind of criticism but it is another kind of criticism to say. 'Oh, yes, we agree with rural development but this is all heing done wrong, this is senseless, this is not achieving anything, this is a millstone around their necks.' That is not true.

The decision as to whether or not such a programme is a millstone around the necks of this government or this minister or rois party is not going to be made in this House but it is going to be made out in Newfoundland where people in the rural areas will access how effective, how excellent or otherwise this programme is.

Mow, I have to make a point. Mr. Chairman, about the course of this debate on the minister's salary. Certainly in my experience in the nast two years and three sessions, almost three, in this House, I have found and I think every member here has frund that the honourable James Reid, the man who holds the portfolio of Minister of Pural Development, is one of the finest members, one of the most conscientious members, one of the most approachable members and one of the most decent members in this House. I am not being funny, Mr. Chairman. This is important. This has to be said.

Now, the minister, and anybody who has followed his progress as minister in this department, has been aware that this man has much or more than any other minister in the government. He goes out to rural Newfoundland. He goes to the people. He can talk the language of the people who are dealing with him and he can make an impact and he can do good and he has done so. This point also should be made.

Now, the minister in private life, after he came out of the Second World War, established a business which I believe is called James Peid and Son Limited or whatever it is. He has efficiently and properly run this business for the past twenty-five years or whatever it is. Now, when a man goes into public life and comes into

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this House, I do not expect him and I do not think anybody should expect him to go out of business, to lay it all down, to forget it, to turn off half a lifetime's work that this man has built into a company.

The point about conflict of interest is - which would be wrong if he did it or if any minister did it, the point shout it is if he used his position as minister, if he used his position and influence as minister with the government or with other agencies controlled or connected with the government, to get work for himself. In other words, if he went to a local council and browheat them or if he said, 'I can get you something, if you will give me work.' If this were the sort of thing that was going on, I would be the first to stand in this committee and condemn it but there is no suggestion and there never has been and I have never heard it that this minister, the honourable Minister of Pural Development, has done anything like this. All that has been brought forward in this committee are a few invoices totalling perhaps \$3,000 that over the past year or so his company has been paid for normal, legitimate work done by his company for people who were doing whatever sorts of jobs they were doing around Newfoundland, and that the government paid for this particular work.

Well, Mr. Chairman, we are not living in Ontario and we are not living in London and we are not living in New York.

Government here in Newfoundland is one of the biggest employers insofar as public works and services - I use that term not in the sense of a department but public works and services in the broad sense in Newfoundland - it is virtually the only body, the government and the creatures of it who are the municipalities are virtually the only people who do any worth-while projects, any large projects, particularly the sort of projects which would employ a man who, for instance as the honourable minister is or his company, is in the business of earth moving or whatever.

I would expect that both government departments, where

they did not have and use the equipment themselves, municipalities, water committees, whatever they are, I would expect them to go not only to him but to the other people who rent equipment, who do this sort of work. As long as no one is coercing them and driving them and directing them and saying, "You must go to James Reid and Son", then it is perfectly all right. It does not seem to me to matter a damned, Mr. Chairman, that the opposition or anybody bring in a receipt or a bill for five, six or seven hundred dollars or nine hundred dollars for work that is properly done and properly paid for.

If someone were to bring in an invoice of work that was spurious, work that did not exist, work that was not done, work that was exorbitantly charged for because the monies paying for it were perhaps coming from public sources, then I could see a criticism.

Then I could see a criticism but I cannot see any criticism, any legitimate criticism in what has been brought against this minister who is one of the most bard working, diligent ministers, a man, as T say, who can take his programmes to the people of Newfoundland and has done so and is doing so and I hope will continue to do so.

AN HON. MEMBER: Hear! Hear!

MP. WELLS: Now, Mr. Chairman, to come back to the concent of Rural Development: We have heard a lot this last day or two about beauty parlours, sawmills, machine shops and all this sort of thing.

Yes, I forget my friend for Harbour Grace. But we have heard a lot about this and somehow the implication has crept into the debate that it is not good to start up these industries. I refer, Mr. Chairman, this committee to one of the fundamental things about Pural Development.

Pural Development as I see it does not mean simply a development of a sawmill. It does not mean simply the development of a natural resource, like wood or whatever you might have in the ground. Rural Development goes further. Rural Development is in addition to the development of resources and other things, the development of our people, the helping of our people to develop and learn skills so that if someone on the Northeast Coast or on the South Coast or on the West Coast learn how to tie flies, if they learn how to make wreaths or whatever and if they use that skill afterwards in Toronto or Montreal that is not a public dollar thrown away. This is something that is fundamental.

If a man learn or a boy or a voung fellow learn his trade in a machine show on the Northwest Coast, this is nothing to be ashamed of, it is nothing for the government to be ashamed of nor the minister to be ashamed of. This is what it is all about. There are many things in the development of a country. This is an important thing in the development of a province and a country, the teaching of people skills, so that if I happen to live in St. Barbe South or St. Barbe North and I horrow \$10,000 to establish a machine show and I train two or three young men in that work, they, Mr. Chairman, will next year go to Come By Chance or to the Lower Churchill or to the Upper Churchill or maybe they will go to Tennessee

and work in the paper mills down there. It does not matter what it is, it means that the expenditure of this sort of government money in these sorts of amounts will develop and benefit our people to use their skills not only in Newfoundland but in the rest of this country. That is part of the contribution that we make to the country and to our province.

So, Mr. Chairman, that is what lies behind Rural Development.

Pural Development is the development of people not merely the development of things. Therefore, the lists which are read in this committee are the work of this denartment, they do not distribute me, in fact I am pleased and proud to see them being done because this is the sort of thing that we to ned our backs on for awhile in Newfoundland. Now we see, Mr. Chairman, that we must turn again to them if we are going to develop this country as I feel and those of us over here feel that it ought to be developed.

MR. CHAIRMAN: The horourable Member for Green Bav.

Mr. A. B. PFCKFORD: Mr. Chairman, to follow upon the remarks of the honourable Member for St. John's South: This administration made one mistake hased on the last paragraph —

wonder if you could tell us how much time we have left?

MR. CHAIPMAN (DUNTHY): To answer your question, we have consummed thirty-one hours and twenty-six minutes.

MR. PFCKFORD: To continue, Mr. Chairman, this administration made one mistake in its development of a rural development policy narticularly in the establishment of the Rura! Development Authority. Following upon the remarks of the honourable Member for St. John's South. as he articulated, rural development means more than just those things that come out of the ground like minerals or trees or related industries. But our mistake was, our colossal error, the error which we will be held responsible for two centuries from now when history is recorded, is that when we developed the policy called the Rural Pevelopment Authority, we, this administration said: (How wrong we were. How terribly wrong we were) we will put in the word "Resource" based industries shall be assisted under this authority. Now on the basis of that one word the opposition are now holding

us responsible for expanding other kinds of industries in this province.

First, when this Rural Development Authority started it was more or less the intention of this administration to relegate the loans to various individuals or industries around this province, to industries that were related to resource development. I hazard to guess, Mr. Chairman, that up to this date, by far the majority, if not eighty per cent - I would be very surprised if at least eighty per cent of the applications approved to date are not based directly on resources in rural Mewfoundland. Perhaps and only merhaps twenty per cent, if that many, have been relegated to other industries.

Now as the honourable Member for St. John's South amply pointed out, although it was not developed, after this programme began and suddenly you get an application from some gentleman, perhaps in Green Bay District, I do not know, or from anywhere else, down in Trout Piver or Sally's Cove or down in Grev Piver or whatever or Jackson's Cove or Jackson's Arm, some gentleman who can show without reasonable doubt, can show pretty conclusively that he has some kind of an industry, whether it he wreath making or whether it be what, that can employ for the foreseeable future three or four individuals for an outlaw by government; in the way of a loan, "r. Chairman, not a grant, in the way of a loan that has to be paid bac!, \$3,000 or \$4,000 or up to \$10,000 - that he will create by the infusion of these funds three or four jobs in that community; well then the Rural Development Authority say that not in every case, not in every single case, not in one hundred per cent of the cases were they going to approve loans or money that was based on resource industries but there were circumstances whereby may I say, in the goodness of their hearts, in looking at all the circumstances surrounding that application that it would be worthwhile, it would be in the interest of the economy of that given area to approve that \$3,000 or that \$5,000 or that \$9,000. Mr. Chairman, I ask what is wrong with that?

If our mistake be simply that we did put on that Authority that they must be resource-based industries. Now, that this administration are to be held responsible for loans that were granted, that were not directly on

resource based industries, T think that is pretty low of the opposition. I think that is pretty low because, as the honourable Member for Sr. John's amply points out. Pural Development in this province means more. Even though coming from Green Bay District the major thrust in the economy of that area is mining, forestry and agriculture, mostly resource based industries, there are areas in the province where a good case can be made and has been made no doubt and this is why various loans have been given to individuals or commandes that are not based directly on the soil. This has been worthwhile. That is the first point, Mr. Chairman.

Secondly, the District of Green Bay received, I do not know what it is now but I hazard to guess that the District of Green Bay has received as many loans from the Rural Development Authority as any other single district in the province. Perhaps there might be one or two exceptions.

AN HON. MEMBER: Inaudible.

MP. PECKFOPD: That is right. That is what I am coming to.

Now the District of Green Bav has received as many loans or in total dollars almost as much as any other district in the Province of Newfoundland and Labrador. Now, Mr. Chairman, I am going to challenge and I have facts to prove it: I can prove what J am saying and I have no hesitation in doing so. If the opposition want to prove that this is a partisan operation, this Rural Development Authority —

MR. NFARY: Speak un, I cannot hear him, Mr. Chairman.

MR. PECKFORD: Well he will have to leave.

If they want to prove that this is a partisan lending institute that this administration have initiated and remembering that the District of Green Bay has received in total dollars as much as any other sincle district in the province. I know and I can prove. Mr. Chairman, that if it be partisan, that this Rural Development Authority be partisan. It is partisan against the government and not for it as it applies to the District of Green Bay. I am talking somewhere in the neighbourhood of — I do not know what it is now, Mr. Chairman but I am just taking a

figure out of a hat. It must be somewhere around \$400,000 in the district of Green Bay alone. There must be somewhere around \$400,000 spent in Green Bay District or lent to individuals in Green Bay District.

Now. I have a list here that I made up after the member for Hermitage sat down because I went over just after I was talking to him across the House and he brought up a couple of names in Green Bay where he thought there was partisan influence shown towards the Tory Party. Now I just made up while I was waiting, Mr. Chairman. to get up to speak, and I can prove and I can get the confirmation from all the gentlemen I have here on that list - I do not know how many I have got here now, fourteen or fifteen offhand right now, which would amount to close to \$140,000 right there; just off the top of my head. I know that out of that fourteen or fifteen I have here at least ten of them - I am willing to take everyone of the members of the opposition or any representative thereof to Green Bay tomorrow or on the weekend and get affidavits and cite them and that they will say - I know it to be true - that they are supporters of the Liberal Party. More power to them if that is whom they want to support.

Some of these gentlemen who are on there, who are supporters and continue to be supporters, are some of the gentlemen that I have suggested to them that they should go to the Rural Development Authority and make application. Now, if there be any partisanship in this authority - we are talking about a fair chunk of the money that has been put out by the Rural Development Authority over the last two years, \$400,000 or \$500,000 at least - not one dollar, not one cent, not one penny of that money put in my district, and that is a Tory district and I work in the Premier's office, Mr. Chairman, and I have a good chance if I wanted to show favors - not one copper of that money was done in any partisan way. I will stand on my seat, resign tomorrow morning if anybody can prove lifferently. Not one!

In the majority of cases in Green Bay district, if you went down over the list of all the individuals or firms, these gentlemen or firms will be the first to agree to it. I know them all personally,

no problem. I could give their names here now, Mr. Chairman, if need be. They have called me and told me their political affiliations, many of them, and thought that I was going to hang up on them after they told me that they would be only too willing to prove with me that of that \$400,000 or \$500,000 not one dollar of it, not one cent, not one copper had anything to do with politics in this world.

Now, I can account for \$400,000 to \$500,000 of the money spent by the Rural Development Authority. I will do it. Mr. Chairman, Seeing the innuendo, the subtle way in which the opposition tries to contend suspicion of corruption on behalf of this administration.

I am willing, Mr. Chairman, in coolness, in total sanity to lay my seat on the line on that \$400,000 or \$500,000 right now.

AN HONOURABLE MAMBER: Inaudible.

MR. PECKFORD: That is quite all right. I challenge any member of the opposition. starting with the member for Labrador South, all the way through on the opposition. I challenge any member or all of them collectively to prove or to come with me if they want to. I shall prove just the opposite anyway if they want to take me up on it. If they want to make charges about partisanship with the Rural Development Authority, they have an opponent here. They have a man who will go along with here, Mr. Chairman, right now, starting today, I will prove beyond any shadow of a doubt, beyond question, that every single application that came from the district of Green Bay where we are talking about \$400,000 to \$500,000, that every dollar, every cent had nothing to do with me as a member nor anything to do with the Tory Party, that it was done coolly, collectively by the board without anything from me.

Now, if it so happened that there were a Liberal member at the same time from some other district who knew that gentleman, who put in a word for him, that could very well be. I do not know anything about that. As a matter of fact, Mr. Chairman, I know very little about all the loans that were given. It is only through visiting my district, because I happen to live out there and go out

there every weekend that I can name them off the top of my head; because I know them all so well. Some of them even called me after the loan was approved and said that they had their loan approved. I did not even know anything about it, tens and tens of them the same way.

I am willing to take the honourable member for Hell Island.

if he still think that I am not telling the total truth, or any member over there out to prove every bit of it.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: No. it is not. Oh, I thought he said rubbish.

So, Mr. Chairman, for my part as a member of this administration and as a worker in the Premier's office, I can account. I can say unequivocally before anybody that that \$400,000 to \$500,000 that was spent in Green Bay and it could be \$600,000, every cent was allocated without any partisanship, without any politics involved whatsoever.

So, if the opposition wants to try to make a case on that \$500,000, I challenge them right now.

MR. CHAIRMAN: Order, please!

MR. BARRY: Mr. Chairman, I am very concerned because of the lack of any consistent policy that I can find coming from the other side of the committee. The only thing I can say, Mr. Chairman, is that all of the potential leaders for the Liberal Leadership Campaign are our to urterly distroy the Member from Hermitage. Of course, they do not have to go that far but consistently and constantly throughout the course of this debate the honourable member has had the legs cut right out from underneath him.

AN HONOURABLE MEMBER: The honourable member cannot say that now.

MR. BARRY: Well, I am even forgetting about the honourable member for Bell Island getting up and praising the honourable minister minutes after the member for Hermitage sat down after criticizing him for about an hour, an hour-and-a-half. I have to compliment the honourable member from Bell Island for being a man and admitting-

AN HONOURABLE MEMBER: For being a snake.

MR. BARRY: - that the honourable Minister of Rural Development has done a lot of good for the district of Bell Island just as he has done a lot of good for other districts in Newfoundland.

MR. SIMMONS: A point of order. I just heard the member for Harbour Main use the term snake. Is that parliamentary?

MR. BARRY: He was out of order anyway.

MR. DAWE: Mr. Chairman, I was talking to my colleague here and if the honourable member overheard my conversation, then that is just too bad. I am allowed to speak, I think, to my colleague if I wish, and I may use certain words. It was not referred to the committee MI. NEARY: Inaudible.

MR. CHAIRMAN (MR. DUNPHY): On that point of order. The Chair at least from this end of the committee did not bear anything said. I heard noises down there of words but I could not hear or distinguish what was said. So, I would rather not rule on it.

AN HONOURABLE MEMBER: Mr. Chairman, I would -

MR. CHAIRMAN (MR. DUNPHY): Order, please!

I think it would be in order if we could have attention and silence from both sides of the committee when an honourable member is speaking and it will not be necessary to make these points of order. Everybody will get their opportunity in turn to speak. I think it is only fair to the members speaking that they be heard in silence and be afforded this courtesy.

MR. BARRY: Mr. Chairman, the judicial responsibility that you show when bringing down your decisions are a credit. I would say, Mr. Chairman, that once the membership of the Court of Appeal has been considered, I think that Your Honour is going to be right in the forefront. A judicial performance unparalled, Mr. Chairman.

AN HONOURABLE MEMBER: Inaudible.

MR. BARRY: No, that is sincere, Mr. Chairman.

Mr. Chairman, I can understand the honourable member for Rell Island, the man he is, cutting the legs out from underneath the member for Hermitage but then I see the honourable member from White Bay South doing the same thing. We have the member from

Hermitage spending an awful lot of time in his initial speech on the minister's salary, talking about how the minister's department was inveigling and encouraging people around our province to get involved in financial arrangements with the Department of Pural Development that was going to lead them into bankruptcy, Mr. Chairman.

The honourable member said that the minister and his department and the board, the Rural Development Authority, should use more discretion, should be more selective in

in deciding who should get a rural development loan. The thrust of the honourable member's speech was that, Mr. Chairman, there were people, they were Newfoundlanders who wanted to start a business, who wanted to improve their lot, who wanted to become independent, viable contributors to the economy of Newfoundland but there were many of these who were coming to the Rural Development Authority and did not have the confidence to look after their own business affairs. The thrust of the honourable member's speech was to the effect that the Rural Development Authority should tell many of these people, many of these citizens of our Province that t'ey did not have the confidence to know what was best for them.

Mr. Chairman, what a patronizing attitude, what a patronizing attitude we have. The honourable member obviously has been measuring the shoes of a previous leader of the Liberal Party and has decided that the time has come, Mr. Chairman, for another little dictator to tell people what is best for them, to tell people, "No, it is too risky for you to go into that business venture. You are just a poor, uneducated individual, you are to incompetent to stand up on your own two feet and earn yourself a living."

Mr. Chairman, this is what the honourable member for Hermitage said. I must say, Mr. Chairman, that it took great willpower on my part not to lose my dinner all over this honourable House when these statements were made because it is symptomatic, it is symptomatic, Mr. Chairman, of the basic philosophy of the honourable member. Just imagine if he happened to make it to the leadership of the Liberal Party! I must say he has a pretty fair campaign going already. I noticed down in my district some of the prominent Liberals there are already discussing the lack of leadership on the part of the present shadow leader, the interim leader. Some of the staunch Liberals are saying that they are looking to the honourable member for Hermitage to take over in October.

MR. CHAIRMAN (Stagg): Order, please! Again the honourable minister as many other members in the House have done in the past, the honourable

minister is directed to the rule of relevancy.

MR. BARRY: Mr. Chairman, getting back to my point: The point is that if the honourable member did make it to the leadership of the Liberal Party then you would see that philosophy -

AN HONOURABLE MEMBER: Which Liberal Party?

MR. BARRY: It is difficult to say. I think it is the new reform Liberal Party, the new reformed Liberal Party.

You would have a philosophy as they had, Mr. Chairman, for fwentythree years, telling people what to do, telling people what is best
for them, telling people how they should be earning their living,
telling them that they should get out of Placentia Bay and get in
to the mainland, they should give up the honourable methods they had
for making a living and their fathers before them had for making a
living, telling them, "That is no good, burn your boats. Get away
from such an honourable occupation," because the Leader of the Party
did not believe, did not respect that occupation.

Mr. Chairman, that is not the philosophy of this party. The philosophy of the P.C. Party and the philosophy is exemplified in the Department of Rural Development, is to let people decide themselves what they want to do for a living, to let people decide for themselves how to better their lot, how to improve their financial position.

Mr. Chairman, the P.C. Party is willing to take a chance on the common sense of the people of Newfoundland. We are willing to take a chance on people having integrity and having the capability of determining what is in their best interests. We are willing to take a chance and put our money where our mouths are, Mr. Chairman, which was more than the honourable members on the other side of the House were ever prepared to do.

They are now mouthing about; "Oh! we had great things planned for rural Newfoundland." We did not see very much money follow those great words, Mr. Chairman. Is that the consistent policy of the honourable members opposite? No, Mr. Chairman, there are as many policies over there

on the other side of the House as there are members. You have the honourable member for Hermitage saying that the Rural Development Authority should be more selective, more careful about who they give loans to because a lot of these people are not able to look after their own affairs and they are going to get into financial difficulty.

On the other side you have the member for White Bay South saying that the committee is being too selective, it is discriminating against some individuals. You cannot have it both ways, Mr. Chairman, you cannot have it both ways.

AN HONOURABLE MEMBER: The member for Bell Island says both at the same time.

MR. BARRY: Yes, the member for Bell Island says both.

Another point that has been made time after time in the course of this debate, Mr. Chairman, is that there is something wrong with the Rural Development Authority because the members forming this body are, some of them, P.C.s. Mr. Chairman, that is just an indication that they are responsible men because anybody who did not come out as a strong, rabid Progressive Conservative supporter over the past few years in Newfoundland and particularly in the October, 1972 election and the March, 1972 election, was not being a responsible individual, was ignoring, Mr. Chairman, the dangerous paths that the honourable —

AN HONOURABLE MEMBER: Inaudible.

MR. BARRY: Where was the honourable gentleman in October, 1972? Where was the honourable gentleman in October, 1972? He was not putting his money where his mouth was.

AN HONOURABLE MEMBER: Inaudible.

MR. BARRY: Promoting the Liberal team, supporting Mr. Smallwood, supporting Mr. Smallwood, staunch Mr. Smallwood supporter.

MR. CHAIRMAN (Stagg): Order, please! Order, please! The rule of relevancy again.

MR. BARRY: Mr. Chairman, to get back; what I am saying is that the fact that these gentlemen were supporters of the P.C. Party and came out publicly and did their civic duty as they saw it to promote the type

of Newfoundland that they wanted to see, to support the policies that they felt were in the best interests of all Newfoundlanders, the honourable members opposite are now saying that these gentlemen should be penalized for doing this, they should be penalized for taking an interest in the public life of Newfoundland, they should be penalized and not given an opportunity to continue their involvement in public life.

Mr. Chairman, better a rabid P.C. than a passive Liberal prepared to follow blindly a leader who was on a

dangerous course.

AN HON. MEMBER: Inaudible.

MR. BARRY: And he was prepared to support Mr. Smallwood in 1972. I say God help us if he ever gets in a position to be of any influence! God help us! God help us!

But relevancy again, Mr. Chairman, just a few more comments, Mr. Chairman, I want to say that again we have had not as bad as it has been on previous occasions in this committee but again over the past few days we have seen what I consider fairly dirty pool. Mr. Chairman, we have seen an attempt to attack the character and integrity of the Minister of Rural Development by irresponsible charges of conflict of interest when the honourable-members opposite know, they are intelligent enough to know that the examples proposed were not examples of conflict of interest, Mr. Chairman.

MR. SIMMONS: Mr. Chairman, on a point of order. The member attributed motives to members on this side and I think this is quite out of order and I ask you to rule on it.

MR. BARRY: Mr. Chairman, I wonder if we could have the honourable member elaborate further on that point?

MR. SIMMONS: Yes, Mr. Chairman. The speaker, I cannot quote him word for word but the essence of what he said was that we were making attempts to attack the integrity of a member of this committee and that is attributing motives to us as speakers and I say it is out of order and I ask you to rule on it.

MR. BARRY: To that point of order, Mr. Chairman, I would not go on such a wild goose chase as to try and find any motives in the actions of the honourable members opposite, particularly the actions of the member for Hermitage. All I am saying is that the actions and the statements and the examples brought up by the honourable members opposite lead to certain inferences -

MR. WM. ROWE: Just like the invoices lead to certain inferences.

MR. BARRY: Just like the invoices do not lead to the inference that the honourable members are claiming it does lead to but,

Mr. Chairman, there is the thing called the big lie, the McCarthyite —

AN HON. MEMBER: Mr. Chairman, on a point of order, Mr. Chairman —

MR. WM. ROWE: Is this a point of order?

MR. CHAIRMAN: Is the honourable minister speaking to a point of order?

AN HON.MEMBER: Oh I am sorry, I thought it was a point of order.

MR. CHAIRMAN: Well, the attributing of motives or the imputation of bad motives or motives different from those acknowledged, misrepresenting the language of another and so on, these are unparliamentary phrases or unparliamentary actions. However,

I do not recall that what the honourable the minister said falls within that prohibition. If the honourable member should want to get the tapes and bring them to me at a later date to maintain it. However they were not of such a gross nature as to —

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Yes, they did not immediately arouse my interst.

MR. BARRY: Mr. Chairman, if I happen to impugne the motives of any honourable members opposite just save the time of the committee and the officials of the House and the Hansard Editor and everything else, Mr. Chairman, you know how much activity is wasted in these frivolous points of order and this nonsense about calling for tapes on such trivial points.

Mr. Chairman, the tactic that we have seen here in the last day or so and the tactic that we have seen previously in this House was well developed by a gentleman in the United States by the name of McCarthy. He went on a rampage through the states, smearing public officials, using the tactic or on the assumption that people will say where there is smoke there is fire and flinging out charges right, left and centre of conflict of interest, graft, corruption —

AN HON. MEMBER: Communism.

MR. BARRY: Communism.

MR. SIMMONS: We have not heard that one here yet but we will I guess,

MR. BARRY: Mr. Chairman, this is the tactic that we see being used.

I say to the honourable gentlemen opposite, remain vigilant, remain ever vigilant against any conflict of interest or any activities that could be considered corrupt on this side of the House but do not destroy your credibility by crying wolf too often.

MR. WM. ROWE: Mr. Speaker, is this relevant?

MR. BARRY: This is very relevant, Mr. Chairman. People of
Newfoundland know, they know Mr. Reid, they know the honourable
Minister of Rural Development. He is a minister who has spent a
reat part of his time going out and meeting the people. He has
travelled all over Newfoundland. He has worked hard.

MR. NEARY: Inaudible.

MR. BARRY: Well it is a liberal government. But, Mr. Chairman, I do not like to see a man who has decided to go into public life being subjected to this type of attack and I want to say, as a person who knows the honourable minister, that I have not seen him do anything at any time that could be considered a conflict of interest or an abuse of his office and, Mr. Chairman, I do not think it is fair, I do not think it is right that because he has decided to go into public life that he should be subjected to this type of attack.

I want to say that the Rural Development Authority is one of the things that I believe our government should be proud of setting up. I think it has done a lot of good for the people of Newfoundland and I think the people of Newfoundland appreciate it. Thank you.

MR. CHAIRMAN: The member for St. John's South.

MR. CARTER: Mr. Chairman, I am going to be different. I am going to be brief. It is a terrible death to be talked to death. But we now know the opposition tactics are to waste time on a couple of departments, the seventy-five hours will run out before very long.

MR. WM. ROWE: There have been more speakers on that side than this side.

MR. CARTER: Yes, but they have been a lot briefer.

AN HON. MEMBER: Inaudible.

MR. CARTER: They have been a lot briefer. Then of course when only two or three departments have been dealt with the opposition will cry, "Oh, Closure! Unfair!" Now all the points have been made over and over again and I would respectfully suggest I do not intend to be long.

MR. WM. ROWE: On a point of order, Sir, I respectfully suggest to Your Honour that the present gentleman who is speaking is not being relevant. Would Your Honour mind ruling so that we will not waste any more time in the debate? Five or six members of the government side have spoken at tedious, ad nauseam length since our supper break. Nobody here has spoken. Perhaps Your Honour can rule at least if they must speak they be relevant to the topic under discussion.

MR. MARSHALL: Mr. Chairman, on that point of order, that is the point that the honourable member for St. John's North was actually making as far as the speaking time goes. The few people who have spoken on this side have been incisive, direct and certainly to the point, as usual, certainly they have not consumed two hours, as the Leader of the Opposition did repeating what happened on last Friday.

The point that the honourable member for St. John's North was making was that this debate has gone on long enough. Surely, Mr. Chairman, that is certainly relevant and certainly one that has been made time and time by members on this side and certainly one the member for St. John's North should be able to make unmolested.

MR. CHAIRMAN: I feel I must have a few words to say on this. While I suppose it is any honourable member's right to comment on the quality of debate or whether or not the debate has been proceeding in an orderly manner, nevertheless I do not think that any honourable member can carry this to any great length and I would suggest that the honourable member get on with 1601-01 or matters relevant thereto.

MR. CARTER: Thank you, Mr. Chairman. The point I was about to make

was that when this House is in committee surely an honourable member is allowed to get up several times, can get up for a few moments, make a few points then sit down and listen to the reply and get up and make -

MR. WM. ROWE: We cannot get a reply. The minister will not speak.

MR. CARTER: There are certainly enough replies from this side and

I am sure the minister would like to put in a few words but -

MR. CARTER: But this applies -

MR. NEARY: It is my understanding, Mr. Chairman, that it is not permissable to speak from the doorways, you have to speak from your seat in this honourable House.

AN HON. MEMBER: Inaudible.

MR. NEARY: Could Your Honour please enforce that rule?

MR. NEARY: He made a fool of himself the other day.

AN HON. MEMBER: I will stand up and say exactly what I just said then.

MR. NEARY: Is that the answer we are going to get.

MR. CARTER: Mr. Chairman, if I may

MR. NFARY: If the honourable member is yielding the floor, Sir. I would not mind having a few more -

MR. CARTER: No, No, I am waiting for the point of order.

MR. NFAPY: I will withdraw the point of order, Sir, and I will carry on with a few remarks.

MR. CARTER: Fair enough. Thank vou. He has withdrawn the noint of order. Then I sunnose. Mr. Chairman, we might as well let the opposition have their say because otherwise they will only write it all over the walls.

The point should be made though, nuite seriously, Mr. Chairman, that Newfoundland unfortunately is closed to small manufacturing industries. In all cases, if you think of any manufactured article there is always a plant on the Mainland or in the United States where the product can be produced in much greater quantities and much more cheaply and also be given immediate access to a large domestic market.

So the kinds of industries that we are going to look for that are viable here are going to be of the service type of industry. Now I, for one, have my own ideas about what industries will succeed here and what ones will fail here but I had hoped that this debate on the minister's salary, which is really the debate on the Department of Rural Development, could have been directed towards all kinds of very productive and creative suggestions as to the type of industries that might or might not succeed in Newfoundland. Certainly looking around me I can see that all the honourable members here could if they put their minds to it bring in all sorts of very fruitful suggestions but unfortunately it has been restricted to, nit-picking -

AN HON. MEMBER: Inaudible.

MR. CARTER: Certainly, delighted. I have already given the theory behind it, I do not think that -

AN HON. MEMBER: I will give some and he will give some.

MR. CARTER: Fair enough.

AN HON. MEMBER: Inaudible.

MR. CARTER: Mr. Chairman, the honourable member has the manners of a pig. The manners of a pig:

HON. MEMBERS: Inaudible.

MR. CARTER: Perhaps I should withdraw that, Mr. Chairman. He has not got the manners of a pig.

AN HON. MEMBER: Inaudible.

MR. CARTER: I was waiting for that one.

In any case, Mr. Chairman, I have made a few simple points and

I do not think there is much point with the present feeling in the committee
of trying to encourage serious debate but just to hope that the Committee
will get into the subheads and get on with passing the minister's estimates.
Thank you!

MR. CHAIRMAN: The honourable Member for Port de Grave.

MR. G. M. WILSON: Mr. Chairman, I rise to sneak in the debate. One of the good supporters of rural development, I rise to speak, I think myself there has been a great injustice done this evening to the Minister of Rural Development, also to the meople who have received loans to foster this rural development.

Take one instance alone, when people themselves are told by the opposition that their rural development is a failure. Listening to the Member for Hermitage. I know, as far as sawmilling is concerned, he has not been around anywhere to be blinded by sawdust. But I am here to inform him that he knows very little about it. In this day and age when you take a stick, ten feet long and five inches on the it is worth today \$3.00 on the market, I think that our resources should be developed. When you take that even before Pural Development was started that you had to pay as high as \$274.00 to get one thousand lumber from the Mainland, and now they are trying to sell it to you, it is down to \$221.00, all because of Rural Development, because it was a dumping ground — the Province of Newfoundland.

We heard the opposition on the other side of the House talking about the cost of building materials and the cost of homes in this province. They are against rural development. Fifty-two sawmills on Random Island, when we entered Confederation it ended up with six. Jamestown, Winter Brook, all of these places, people finished up and they are all back in

action.

AN HON. MEMBER: What about Juninter Stumm?

MR. VILSON: Yes, Junioter Stumn also as well. That hrings me back to this - that every honourable member in this House that was producing or putting something into the province was attached by the opposition. The honourable member who is standing now was attached first when he came here, about school buses. They attacked every member who was over here.

I would like to inform the opposition that I am not one standing here who had any loans from Rural Development and do not need any but I am going to fight pood and hard to find out for a man who got the preference and the knowledge to go ahead to do something to get rural development. I have six rural development men in my area and five of them are Liberals. I do not worry, so long as they make money and bring it into the community to be spent here and into the province to try and build up something that has been torm down for years.

But I can tell them the kind of industries, if they want to know, that the past administration started. They started one in Holyrood where every rubber was made was made for the left foot. That is what they started. They had to hurv the machinery afterwards. Another one that was started in Bay Poherts, they made a chocolate and when it got that hig they had to shove it out with the bulldozer and bury it. That is what they started. Then another one, when Valdmanis was coming here he hooked all of the money out of it, they carried him out and out him into a fishing lodge and a jeep to bring the whiskey and heer to him, and the fishing rods and the maps. This is the rural development that the opposition had.

It is no good to tell me as far as known about rural development.

When I started out with nothing, I went down to Bonavista Bay and set up, without any help from the government, eight or ten sawmills; people got back to work and got on their feet. It was all right when Uncle Samwas around, he was pouring in money and all the rest of it, and we got Confederation, when everything slacked up. What was there to be done, if we never had rural development? What is the matter with building caskets?

Newfoundland than importing them from the Mainland? It is using our own resources. We have heard everything here this evening, everything about even setting un for hair styling. As far as I am concerned it is just as well to go down the street, here on Water Street or out in mv district, and get your hair done as to buy a wig and pay \$100 for it because it come from the Mainland. What is wrong with that?

If I were to put timber on the floors of this honourable House, the bonourable Member for Hermitage with all his education and all the rest of it, he would not be able to tell me about how many board feet are in a log, ten feet long, five inches on the top. He knows all about rural development. I challenge him to do it now. He knows all about it and he is going to show all the rural development and all the rest of it.

MR. NEAPY: Sit down hov, before he has a stroke.

MR. WILSON: He knew nothing at all about it. We got Confederation. Where was he to? He knows nothing about hard times. He knows nothing about nothing. He went into the NTA, he fooled up that and they threw him out of it. That is what the honourable Member for Hermitage did for rural development.

MR. SIMMONS: Mr. Chairman, on a point of order. I requested if
the Member for Port de Grave refers to my constituency, he pronounce the
term properly "Hermitage".

AN HON. MEMBER: What is the difference

HON. MEMBERS: Inaudible.

MR. WILSON: I know every member in this honourable House was expecting a member, when he came into this House with his education, to bring in something feasible and to do something good to help out the government whether he is in opposition or not.

AN HON. MEMBER: Sir, thanks a lot!

MR. WILSON: I am going to tell you that the people from the district which he came from are very sadly disappointed with him.

Not only now but if he continue the tactics he has before this House is finished, they will know all about him - he will not be able to go back to even walk into his district any more.

MR. CHAIRMAN(STAGG): The Honourable Member for Bell Island.

MP. S. A. NFARY: Mr. Chairman, I have a ministerial statement to make. Sir. Campbell - twenty-six; P.C.'s - six. A solid support of the people in P.F.I., Sir, for Mr. Campbell and his Liberal Government re-elected. Two down, Mr. Chairman, and one to go.

AN HON. MEMBER: Inaudible.

MR. NFARY: Go ahead John - No, Mr. Chairman, we have to wait for the minister.

MR. W. N. ROWE: Mr. Chairman, you know we can carry on, a joke is a joke and we have had some levity here tonight but some serious questions have been raised concerning the Department of Rural Development. Now really, Sir, are we

how much public funds, since he became a minister, the government has paid to his firm of which he is presumably a majority shareholder.

AN HONOURABLE MEMBER: And how many times does he beat his wife.

MR. W. ROWE: No, Mr. Chairman, there is nothing in the Conflict of Interest Legislation about beating wives, nothing in there at all.

Now, if there were a Conflict of Interest as to beating a wife we would say, yes, let us have the evidence about wife beating. There is nothing in it.

What there is in the Conflict of Interest Legislation is a statement that a minister disclose his interests and that therefore if any unseemly activity may appear to arise - it may in fact not have arisen at all but may appear to arise - we can make comment on it publicly. The comments we have made is that this is suspicious. Let us see if there is any more of this stuff. Let us see if the minister has nothing to fear and I do not think he has anything to fear. If he has nothing to fear and to allay our doubts, let him table in this House a list of public funds paid out to his firm. I mean, that is a simple request.

While he is at it, let us see - maybe none of these exist at all, maybe he got no contracts from the government or any government agencies but if he did, let us see if they were done by public tender or whether they were negotiated contracts or what.

Let us see what the terms of reference were and whether he was paid a fair price for it, and let us make that kind of a judgement. That is all, Mr. Chairman.

Now, it is unfortunate that the honourable minister has been singled out for this. I mean, personally I do not like it. I find it kind of distasteful, since there have been half a dozen or five invoices produced which, as the Leader of the Opposition stated, show one man occupying three different positions, three different roles which would ordinarily be occupied by three different persons. The minister was in three different roles himself. It just gives rise to certain suspicions that there may have been a conflict of interest. Well, there was a conflict of interest. Whether it was

taken advantage of is the question.

These are only the simple questions asked but we have not heard anything from the minister at all. Everyone else on the other side has risen. We have heard no spirited defense by the minister of his own integrity. I have no doubt —

AN HONOURABLE MEMBER: Inaudible.

MR. W. ROWE: He presented a letter, Mr. Chairman, which was obviously a letter which was written following the statements made in this House, obviously. When was the letter dated? Prior to it?

AN HONOURABLE MEMBER: No, it referred to the "Telegram" article.

MR. W. ROWE: It referred to the "Telegram" article. I mean, that to me, Mr. Chairman, is nothing, no evidence whatsoever.

MR. NEARY: Mr. Chairman, a point of order, Sir. The member for Harbour Grace is not the Premier vet. He has to speak from his own seat if he speak in this honourable committee. Is that true, Your Honour? Mr. Chairman, I ask you to enforce the rules of the committee, Sir. Mr. Chairman, would Your Honour enforce the rules of the committee, please?

MR. CHAIRMAN (MR. STAGG): Well, the point of the honourable member is twofold really. No honourable member has the right to speak from his place or from another's place, unless he actually has the floor.

I see the honourable member has now vacated both the seat and the chamber.

On motion that the committee rise, report progress and ask leave to sit again. Mr. Speaker returned to the Chair.

MR. STAGG: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have instructed me to report having made progress and ask leave to sit again.

On motion report received and adopted.

MR. MARSHALL: Great progress, Mr. Speaker.

I move that the House at its rising do adjourn until tomorrow, Tuesday at three o'clock and the House do now adjourn.

MR. SPEAKER: This House stands adjourned until tomorrow, Tuesday at three of the clock.