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VERBATIM REPORT

TUESDAY, APRIL 6, 1976

SPEAKER; THE HONOURABLE GERALD RYAN OTTENHEIMER

The House met at 2:00 P.M.

Mr. Speaker in the Chair.

STATEMENTS BY MINISTERS:

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, I wish to inform the House on the progress of the Norma and Gladys. The boat arrived in Barcelona on March 18 and during its visit some 7,500 people visited it, large crowds, line-up crowds requiring police to control them. All in all a very successful visit. It arrived in Genoa on March 27 and clocked a speed of somewhere between eleven and twelve knots. Genoa, Mr. Speaker was the best, or the most successful port, some 8,500 people or an average of something like 2,700 per day visiting.

It left Genoa and went to Monaco at the request of the -

MR. SMALLWOOD: Does the minister know who was a native citizen of Genoa?

MR. HICKEY: A native citizen?

MR. SMALLWOOD: Yes, born there.

MR. HICKEY: John Cabot.

MR. SMALLWOOD: Yes, and who else? Columbus.

MR. HICKEY: Columbus. Yes, that is right.

Mr. Speaker, Genoa was by far the most successful port. It went to Monaco at the request of Prince Rainier and it is the first time in the history of that principality that a Canadian vessel made an official visit. I might add, Sir, that one of the reasons for the vessel visiting there was because there is a gentleman there - I believe his name is Jacques Cousteau- who is an expert on underwater filming and who has made a great number of films of the sea and the seabed, who is violently opposed to the establishment of the 200 mile limit. While he was not in the area at the time his staff visited the vessel and viewed the exhibit and was very interested in it.

The vessel left Monaco and went from there to Toulon, a very short stop of something like eight hours. Crowds of people again turned out. I do not have a count. It left Toulon and is presently in Marseilles. The first day it has been open to the public

MR. HICKEY:

something in the order of 2,600 people visited the vessel, indicating a very successful visit there as well.

For the interest, Mr. Speaker, of the people who were concerned and have been for so long about the seaworthiness of the vessel, the Captain reports to me today that yet another record was set by the vessel reaching thirteen and a half knots between Monaco and Toulon.

SOME HON. MEMBERS: Hear, hear!

MR. HICKEY: So I think, Mr. Speaker, there should be no doubt at this time of the seaworthiness of the vessel or indeed the safety of the crew. I wish to report as well that the captain and the crew are all well, with the exception of one gentleman who has had some trouble, some heart trouble. We knew it before he left. He is presently hospitalized in Monaco but is expected to be released within a week or two and hopefully will rejoin the vessel.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I would like to draw to the attention of hon. members and to welcome to the visitor's gallery Reverend Brother Wood and a number of Grade VI students from St. Bonaventure's School, and certainly to the young men from St. Bonaventure's, to express to them on behalf of all hon. members how pleased we are to have you here today and the hope that your visit will be enjoyable and instructive.

SOME HON. MEMBERS: Hear, hear!

PRESENTING PETITIONS

MR. SPEAKER: The hon. member for Bellevue.

MR. W. CALLAN: Mr. Speaker, I beg leave to present a petition on behalf of the residents of North Harbour, in Placentia Bay. The prayer of the petition reads as follows: We the undersigned of the community of North Harbour, in Placentia Bay, do hereby present a petition to the Government of Newfoundland and Labrador requesting that the road from the Burin Peninsula Highway to North Harbour covering a distance of five miles be upgraded and paved in this year 1976.

Mr. Speaker, there are 186 signatures on this petition. And, of course, this petition is similar to the one that I presented yesterday on behalf of the residents down in the Hillview area, and similar to other petitions presented by other hon. members from their constituencies.

Mr. Speaker, at the risk of getting into the realm of debate, I think I might say that it is pretty easy, I believe, for the hon. member for St. John's Centre (Mr. Murphy) and other such hon. members, it is pretty easy for them to be jovial and funny and comical and so on. They do not have to fight for artesian wells, water and sewer, reconstructed roads, paved roads and so on -

MR. NEARY: Hear, hear!

MR. CALLAN: - because the City Council does all of that for them.

SOME HON. MEMBERS: Hear, hear!

MR. CALLAN: So, Mr. Speaker, without going into detail of course regarding the prayer of this petition, let me simply say that I thoroughly support the prayer of this petition and I ask that this petition be tabled and referred to the department to which it relates.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: It gives me great pleasure, Sir, on behalf of all the independent people in this Province to support the prayer of the petition so ably presented by my hon. friend and learned friend the member for Bellevue (Mr. Callan). The prayer of the petition, Sir, is a reasonable one, and I do hope that the government will give it a sympathetic hearing.

ORAL QUESTIONS

MR. SPEAKER: The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, the Minister of Education last week indicated, he took notice of a question that I asked him concerning a province-wide educational T.V. system. I wonder if the minister could indicate to the House what the status of that system is at the present time now, please?

MR. SPEAKER: The hon. Minister of Education.

HON. W. HOUSE: Mr. Speaker, the problem of television in schools have been under active consideration, of course, and it is going to be dependant on cable T.V., and I think there will be educational stations when the cable T.V. comes about, and that is going to be a little bit into the future. Also we have been trying to get time on the satellite, we worked with the University on that, and we are trying get two hours time on that, but we have not gotten any time on that particular unit. That is as much as I can say on it.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde.

MR. ROWE: Sir, in view of the fact that the Premier in 1971 indicated that the P.C's, presumably the government, would institute a province-wide educational T. V. system, is the minister now saying that they dropped that idea and they are going to make it come under the jurisdiction of cable T.V. companies or what have you?

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: Mr. Speaker, I was not aware of the 1971 promise or anything of that nature. So I cannot comment on it. The only thing I am saying is that with cable television coming about, we are hoping to have television into the classrooms when it can serve a purpose.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, there has been a gentleman in the galleries quite often during the last couple of sittings and he asked me to put a question to the Minister of Education. He is a retired schoolteacher, and the question that he wants asked is whether or not there is any provision in this year's budget to increase the salary of retired teachers?

MR. ROWE: Salary? Pension.

MR. CALLAN: Pension.

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: That matter, Mr. Speaker, will be discussed when the Education estimates are discussed, and that will be in this sitting.

MR. SPEAKER: The hon. member for Fogo.

CAPT. WINSOR: Mr. Speaker, a question to the hon. Minister of Fisheries. Would the minister inform the House if he has received the agreement which was suppose to be signed between Ottawa and the Provincial Government - a double-barreled question - and how much did the Provincial Government request from DREE for fisheries this coming year?

MR. SPEAKER: The hon. Minister of Fisheries.

HON. W. CARTER: Mr. Speaker, the agreement could very well be in my office, I was not there this morning because of a Cabinet meeting. But certainly I did hear the news release on it, and I am looking forward to receiving it soon. The second part of the question I shall take as notice.

Mr. Speaker, maybe while I am on my feet you would allow me to answer a question that was asked last week by the hon. member for Fogo. (Mr. Winsor),-

MR. ROBERTS: No, this is not the appropriate time to respond to questions asked previously.

MR. W. CARTER: - concerning the calling of tenders.

MR. SPEAKER: Order, please! In order to answer that question now the minister would need unanimous consent, and it is my understanding that he does not have it.

MR. MEARY: By leave! By leave, Mr. Speaker!

MR. ROBERTS: A supplementary, Mr. Speaker.

MR. SPEAKER: The hon. member may answer it by leave, but that would mean unanimous consent, and it is my understanding he does not have it.

MR. ROBERTS: No, Mr. Speaker, I for one will not give him leave. He should have been here at the appropriate time on the Order Paper. He has had a week to answer the question.

A supplementary, Mr. Speaker. Can the minister tell us whether the government of this Province are prepared to enter into the agreement with DREE, which apparently is in the mail, and I appreciate the fact that the minister may not yet have seen the today's -

MR. W. CARTER: I will take notice.

MR. ROBERTS: - he can take notice if he wishes. I want to know whether the government are prepared to enter into the agreement on fisheries with DREE?

MR. W. CARTER: Of course we are. Mr. Speaker, it goes without saying, of course we are.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. J. NOLAN: Mr. Speaker, a question on information which I would like to address to either the Minister of Provincial Affairs or possibly to the House Leader. I wonder would they tell us if the Department of Provincial Affairs has been abolished? I ask that question because if you examine the budget, or if you look at the salary details released, you will find that it is listed as the Department of Consumer Affairs and Environment. Now has the Department of Provincial Affairs been abolished? Has there been an official name change? What is the situation regarding that department at the moment?

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: Mr. Speaker, the intention of the government is as the Premier has announced, to make changes in the department and the changes that are intended of course will reflect the new name. But

Mr. Wells:

the department has certainly not been abolished, and all the legal requirements are still in effect, And of course the name of a department cannot be changed without an act passing through this Legislature, and likewise the functions cannot be changed. So the status quo is in effect as of now and until such time as it is changed by an amendment.

MR. SPEAKER: I will recognize the hon. member for Burgeo-Bay d'Espoir for a supplementary, and the hon. member for LaPoile.

MR. SIMMONS: Mr. Speaker, following up the question from my colleague would the Government House Leader not think that in view of the fact that the name of a department legally is Provincial Affairs and the Environment, is it not improper for the estimates to contain a term which is not the name of any department? I would understand it, Mr. Speaker, as a legal document in every sense of the term. We are being asked as the House of Assembly to approve estimates for a department that does not exist on paper, or legally.

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: To answer that question, Mr. Speaker, the department which legally exists, of course, as of now is the Department of Provincial Affairs and Environment, That is the present name. I do not think there is anything improper in using the name Consumer Affairs and Environment in the estimates, as it is the intention of the government, and obviously the government will bring an amendment in to authorize and to confirm the use of that name.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, my question is for the Minister of Mines and Energy. Would the minister tell the House whether or not a contract has been let as yet for the 138 KVA transmission line to be constructed from Churchill Falls to Happy Valley-Goose Bay? If it is not let, would the minister indicate to the House when he expects the contract to be let?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. CROSBIE: No contract has yet been let, Mr. Speaker. Tenders were called and they have been received and they are being evaluated now.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: A supplementary question, Mr. Speaker. In the event that the contract should be awarded to a firm outside of Newfoundland, can the minister assure this House that Newfoundlanders will get preference for employment on the project when it commences?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. CROSBIE: Yes, Mr. Speaker.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: A supplementary. Will that be a part of any agreement for a contract that is let?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. CROSBIE: The part of the administration of the contract -

MR. NEARY: But will it be binding? How will it be enforced?

MR. CROSBIE: It will be just as binding, Mr. Speaker, as anything that was binding on the Upper Churchill or any other contract ever let in this Province.

MR. NEARY: In other words, you cannot guarantee it.

MR. CROSBIE: I just guaranteed it.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. NOLAN: Mr. Speaker, a question for the Minister of Industrial Development. I realize it will be difficult for the minister to be specific on perhaps any one item or two, but in view of the job situation in this Province at the moment and what we see for the immediate future, I am wondering to what extent the minister is

MP. NOLAN:

successful in dealing with federal departments. I know something about what he is attempting to do through his own department. But I am just wondering if there is any real initiative coming towards him or towards any minister who is involved in the creation of jobs, if you like. What I am saying jack blunt, in fact, is what is the relationship at the moment between the federal government on the one hand, whether it is DREE or whatever, and the provincial government on the other? I mean, do we have enough going for us to assist the minister in obviously what I would think he is attempting to do?

MP. SPEAKER: The hon. Minister of Industrial and Rural Development.

MP. LINDPICAN: Mr. Speaker, that is a very difficult question to answer in a nutshell. I suppose it is fair to say that the federal government are working with us in any kinds of projects and programmes we are putting forward. Some of the projects which have been talked about in recent weeks my colleague, the Minister of Fisheries, has articulated on, and the Premier. Joint ventures and matters of broad significance are being worked on. I think there will be announcements at a later date of significance. In terms of working relationships that are to be developed, especially with the Minister of Trade and Commerce who is in a marvellous position today to help the Province as a result of his tremendous international linkage and his overseas involvement that he has, his trade ability as a departmental head.

DREE - I do not think I should make any derogatory comments. It is up to the Province of course to continuously put forward programmes that can be responded to by the federal government. But I will take notice of the question to expand on it when the estimates are up.

MP. SPEAKER: The hon. member for LaPoile.

MP. NEAFY: A supplementary question, Mr. Speaker. I think my supplementary is to the Minister responsible for Intergovernmental Affairs. Is there anything definite yet from DREE or the Government of Canada concerning the Burgeo Road, the Loop Road in Bonavista North, the Bay d'Espoir highway and the Great Northern Peninsula?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. CROSBIE: Mr. Speaker, there is an agreement up before the Government of Canada now in which of course this Province is fighting valiantly to have continued all roads that were included under the DPPE programme last year. The Department of Regional and Economic Expansion, as members know and as I told the House, are only going to spend in this Province this year the same amount as they spent last year. But they have not agreed to spend the same amount on roads in this Province this year as they spent last year. There is now before them a suggested two year agreement, cut back to accord with their dictates as to what they are willing to spend. That includes a number of roads in the Province, but there will be no point in saying what is included until an agreement is signed.

Now we understand that an agreement should be signed within the next couple of weeks. As soon as an agreement is signed there will be an announcement. Certainly we want work to continue on all the roads the hon. gentleman mentioned.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde.

MR. F. DOWE: Mr. Speaker, a question for the Minister of Education. In view of the fact that the president of the University has announced his intention to institute cutbacks because of the \$2 million or so short-fall in the university budget, could the minister indicate the status of the government's announced intention to establish regional colleges in various sectors of the Province? This was in the 1972 Throne Speech.

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: Mr. Speaker, I am not fully aware of the status of that right now. All I can say is there is nothing in the estimates this year to my knowledge for any expansion, but I will take the question and bring an answer back later.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. NOLAN: Mr. Speaker, a question for what I believe is the Minister of Tourism. I believe the minister is responsible for parks generally, is he not? I would not expect an immediate answer to this question now. I raise it at this time because we are getting into the season when parks will be opening and so on. My point is that some years ago, I believe, the people of Topsail were promised a park in view of the situation regarding Topsail Beach. I am sure the minister is very, very familiar with that situation although he was not minister responsible at the time. That is that the people who live on the road going down to that beach is really a savage situation there in the Summer. They are about the only people I know who pray for bad weather and the Mounties obviously cannot handle the situation. I am sure the Minister of Justice has been familiar with it.

I believe the minister's department or his parks division have been looking at the situation. I wonder would he undertake perhaps to be able to come to the House shortly with whatever information is available. I have talked to some of his officials, I might add, and I know they are very aware of the problem. If we could have an updating on it at the minister's convenience it would be very much appreciated.

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, I can inform the hon. member right now that my department has been interested and anxious to do something with the Topsail Beach area for quite some time. One of the reasons it has not been successful to date is because of problems in acquiring land. Those problems are still not sorted out. Therefore I cannot tell him when any activity will commence. Certainly my staff are pursuing the

MR. RICKEY:

matter quickly, with all the speed they can. I have no indication as to when the matter will be resolved, but when it is certainly we will continue our plans to develop that area.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEAPY: Mr. Speaker, I have a question for the Minister of Rehabilitation and Recreation. Would the minister tell the House what becomes of wards of the court, juveniles who are placed under the responsibility of the minister by the court? How are they supervised? Are they placed in foster homes? Could the minister tell us what responsibility the government would then have for these juveniles who are placed under the minister's department by the courts?

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: Mr. Speaker, anyone who is made by the courts a ward of the Director of Child Welfare or any official of the department of course would be cared for by the department. The department or the official named would have the legal right to guide and care for that child. Of course that is done in a variety of ways, in institutions or homes or wherever the child might be put. But there is no question that when the court makes such an ward the responsibility for that person rests with the officials.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEAPY: Mr. Speaker, a supplementary question. Would the minister then tell the House in the case of property damage or theft of any kind, would the government then be responsible for that damage because the juveniles are wards of the department of the government? To what degree would the minister and the department be responsible for any damage that may be done by juveniles who are wards of the minister's department?

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: That would be covered by the general law of the land, Mr. Speaker. As I recall the position, if we assume for a moment that the director or whoever else is appointed would be in the same

MR. WELLS:

position as a parent - and the law as I recall it on that point is that a parent is not liable for the torts of his children, tort being damage caused to somebody else unless, and I think the wording is, unless he counsels or procures the tort. In other words, if my child goes and breaks a window and I have nothing whatsoever to do with it, then I am not liable for the broken window. This has been decided in courts in Newfoundland all over the years. On the other hand if I give a small child a rifle or some sort of gun or slingshot or something and allow him to go shooting all over the place without caring what he does, then under the civil law I could be held liable.

So I would feel, Mr. Speaker, without having researched this, and I am speaking now from my memory of the law on this point, that the position vis-a-vis someone who is a ward of a government department or an official would be exactly the same as a position of the parent. It would be a case of proving in an individual case whether there was counselling or procuring on the part of the official. In other words, negligence or carelessness allowing damage to happen.

MR. NEARY: A supplementary question to the minister, Mr. Speaker.

MR. SPEAKER: I will allow one further supplementary.

MR. NEARY: Mr. Speaker, in the case of the fire, Sir, at the Curtis Academy where two juveniles were involved, has the minister investigated this particular case to see if the children were properly supervised? They were under the minister's care, I understand. If so, who in this case would be responsible for that damage, for the burning down of the school?

MR. CROSBIE: The minister would.

MR. SPEAKER: The hon. Minister without Portfolio.

MR. R. WELLS: My hon. colleague says the minister, Mr. Speaker. No, I have not investigated that case. The investigation was undertaken by the Department of Justice. I cannot conceive that anybody in any department of government could be responsible for someone going and doing something, if in fact they did what the hon. member has suggested. I certainly do not accept the fact that anyone under the care of the department actually went and did this. This is something that would have to be proven. But certainly I will look into it, Mr. Speaker, to see what the position is vis-a-vis the Department of Rehabilitation.

MR. SPEAKER: The hon. member for Fogo.

CAPT. E. WINSOR: Mr. Speaker, a question to the hon. Minister of Tourism. In light of the statement which the minister made just previously, the Norma and Gladys having attained a speed of thirteen and a half knots, can he assure the House that no additional power has been installed in that vessel since he left here? How did she attain that thirteen and a half knots?

AN HON. MEMBER: She is gone with the tide.

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: I am very happy to explain that, Mr. Speaker. The speed was thirteen knots, so that we are completely accurate, because I would hate to misinform the House.

MR. WINSOR: Sorry if I gave her a half a knot extra.

MR. HICKEY: I am told that gusts of winds up to seventy to eighty miles an hour so of lended a hand.

CAPT. WINSOR: No way could she carry her canvas!

MR. HICKEY: That is what the equipment aboard the vessel clocked her at, thirteen knots.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, a question for the Premier. Could the Premier indicate to the House, Sir, what the status of, or where the two foreign firms are who were examining the possibility of constructing huge offshore concrete platforms in this Province?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: No, Mr. Speaker, I cannot give the exact detail. The status is that there are only two firms in the world at the present time have major involvement in them. I know one of them is Mr. Alpine and the other is a Norwegian that I cannot enunciate unfortunately. But the fact is that they both have their people in Newfoundland looking at the potential here. This is one of the few places in the East Coast of America, North America where it can be done. Now one of the greatest problems is if they are built here, how do you tow them to where the oil has been found as opposed to where it may be found. The situation is that this is still a considerable distance away. It is still not something that is going to happen tomorrow morning. It is something that when it does happen it will be of such magnitude that certainly this House will be informed.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde. A supplementary.

MR. F. ROWE: Mr. Speaker, has the Premier been in consultation with these two companies since he first made the announcement back in January, 1975?

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: The answer is yes, Mr. Speaker.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Can the hon. the Premier tell the House what is happening in connection now with the Julianne Lake iron ore deposits, what the chances are of having the iron ore in Labrador, these great reserves of iron ore, having them developed? What discussions have taken place, what discussions are

MR. NEARY:

taking place? Give us a progress report on what is happening to Julienne Lake.

PREMIER MOORES: Mr. Speaker, there are several issues before the courts and other places. We have talked informally to people about the potential of Julienne Lake, but there is nothing specific decided as yet.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: A supplementary question, Mr. Speaker. Would the hon. the Premier be in a position to table the names of the firms that the hon. the Premier and the government have been dealing with in connection with this development?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: No, Mr. Speaker.

MR. SPEAKER: The hon. Leader of the Opposition. After I will recognize the hon. member for Stephenville (Mr. W. McNeil).

MR. ROBERTS: Thank you, Mr. Speaker. There is time for two questions, I take it?

MR. SPEAKER: I would think so.

MR. ROBERTS: Okay. A question for the Minister of Tourism, Mr. Speaker. A week or ten days ago I asked him if he would be in a position to table details of all contracts entered into between his department on one hand and the Cabot Group 4 Limited on the other hand, and he said he would take it as notice. Was the minister yet had an opportunity to look into that question with a view to giving us a definitive answer?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, I agree with the Leader of the Opposition, that question was asked and I said that I would take it under advisement. Since then his colleague the member for Burgeo-Bay d'Espoir (Mr. Simmons) asked the same question. I informed him that I would do the same thing. I informed him yesterday that for the most part, with the exception I believe of two very small projects, all work done by that company, whether there were contracts or purchase orders or whatever the case may be, was entered into through the normal channels of Public Works and Services. I have no authority or indeed no records of whatever contracts there might be. Therefore the question would be more appropriately directed to that department.

In relation to the other two items, when my estimates are being discussed minute details will be supplied if necessary. I am not sure what the hon. gentlemen across the way have in mind, but I assure them they are barking up the wrong tree.

MR. SPEAKER: The hon. Leader of the Opposition.

MR. ROBERTS: A supplementary. Then I believe the gentleman from Stephenville (Mr. W. McNeil), Your Honour had sort of intended to recognize him after. The minister, if ever we call his estimates, we will be able to tell what we are after. My supplementary obviously is directed to the Minister of Public Works and Services. Would the minister - the acting minister, I am sorry, in the absence of the gentleman for Humber East (Dr. Farrell) - would the acting minister undertake to look out and then to table details of the contracts that have been entered into between the government through the department and this Cabot Group 4 Limited firm?

MR. SPEAKER: The acting Minister of Public Works and Services.

MR. ROUSSEAU: I will take that question under advisement.

MR. SPEAKER: Order, please!

There is time for only one further question. I had indicated the hon. member for Stephenville (Mr. W. McNeil) and I would be remiss not to recognize him.

MR. MCNEIL: Mr. Speaker, a question for the Minister without Portfolio.

MR. MCNEIL:

When will the proposed repairs on building 214 begin and will these repairs be complete before the commencement of the Newfoundland Summer Games? Building 214 is the provincial West Coast Training Center dormitories, the Training Center at Stephenville.

MR. SPEAKER: The Minister without Portfolio.

MR. WELLS: That of course I will have to get the details from the department and would hope that I could get them and give an answer to the member tomorrow.

OPDEPS OF THE DAY

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

COMMITTEE:

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

The Minister of Mines and Energy was speaking, the hon. Minister of Mines and Energy.

MR. CROSBIE: I will try and reply to some of the remarks that were made.

MR. SMALLWOOD: The minister was not speaking when the debate adjourned.

MR. CROSBIE: Yes, I was.

MR. CHAIRMAN (MR. YOUNG): He was replying to a question. That is what I understood.

MR. SMALLWOOD: Now? Replying now to a question?

MR. CROSBIE: When the Committee adjourned, Mr. Chairman, I was replying to some point that had been made.

MR. NEARY: We are in Committee of the Whole. The member for Twillingate (Mr. Smallwood) was on his feet first.

MR. CROSBIE: I do not mind, Mr. Chairman.

MR. CHAIRMAN (MR. YOUNG): I recognize the hon. member for Twillingate.

MR. SMALLWOOD: Mr. Chairman, yesterday in the debate on this matter the hon. member for LaPoile (Mr. Neary) made reference to an incident that had occurred in St. John's in the home of the hon. member for Trinity - Bay de Verde (Mr. Rowe). I understand that this matter was referred to on an earlier occasion, but I would not be permitted under the rules to deal with it now in this present debate but for the fact that it was referred to in this debate, and that is the story of a meeting that was held in the home of the hon. member for Trinity - Bay de Verde.

I propose to tell the Committee precisely what happened as I recollect it. If other hon. members who were present at that meeting recollected otherwise, that is their affair. I can tell only what happened as I recall what happened. What happened was that the hon. member for LaPoile (Mr. Neary), who was then the member for Bell Island, called me on the telephone - no, I called him and we discussed the Churchill Falls matter. The Churchill

MR. SMALLWOOD: Falls matter had not at that moment been announced in the House by the hon. the Premier. It had however been announced outside the House and it was common knowledge that the government were taking over Churchill Falls.

I was asked by some newspaper, I believe The Evening Telegram, and also by some radio and television stations what I thought of it, and I had made a declaration to the effect that it was the greatest blunder that this or any government had ever committed in Newfoundland. I was absolutely opposed to it. I thought it was a very, very bad move indeed; morally, constitutionally, financially and bad in every other way. I had made this public statement. And this fact was well known when the hon. member for Bell Island, then, and I discussed it on the telephone. And I asked him what the Opposition were going to do about it. He said he did not know. Well, I said, it is one of the most vital matters ever to come before Newfoundland, ever in its nearly 500 year old history, and the Opposition should fight it; that Churchill Falls, BRINCO, Churchill Falls Power Corporation were all the creations of the Liberal administration of which some members of the Opposition, as it was then, had been members, had been ministers, three or four of them, or two or three of them: The hon. member for Labrador North (Mr. Woodward); the hon. member for Fogo (Capt. Winsor), who is still the hon. member for Fogo; the hon. member for White Bay North, who is still the member for that district under another name and other boundaries; there were at least three -

MR. ROBERTS: Mr. Bill Rowe.

MR. SMALLWOOD: There were four, at least four members of the then Opposition who had been members of the preceeding administration led by me.

MR. ROBERTS: The gentleman then for Bell Island.

MR. SMALLWOOD: And also the hon. member then from Bell Island. There were five ex-Cabinet Ministers helping them to form the Liberal Opposition of that time and either

MR. SMALLWOOD:

I volunteered or the member for Bell Island, the present member for LaPoile(Mr. Neary) suggested, either he or I suggested that I should, if I were willing, I should speak to the members of the Opposition. He asked me if I were willing to do so and I said I was. It ought to be a private meeting, a confidential meeting and we should be able to talk plainly and confidentially. He said, "Will I find out if the Opposition would be willing to have you speak to them?" I said, "Yes, if you like, find out." He called me back and said that he had spoken with the Leader of the Opposition and that the Leader of the Opposition had agreed that it would be all right for me to go and speak to them. He had only one condition to make and that was that before I spoke with the members of the Opposition I should first speak with him, that he and I should have a brief personal conversation to be followed then by a meeting of all of the members of the Opposition. To this condition I agreed without hesitation. The meeting was set, I believe, for the following morning and I believe that the following day was a Thursday, morally certain that it was a Thursday. It was set for nine o'clock Thursday morning in the home of the present hon. member for Trinity-Bay de Verde. I had not been in his home previously and had some little difficulty finding it. But I found it. I went in and I did meet with the Leader of the Opposition briefly, for a matter of three or four minutes, maybe five minutes, very briefly, whereupon the host, the owner of the home, ushered the other members, his colleagues of the Opposition into this basement room which if I recall it right is sort of a rumpus room, is it perhaps or a -

AN HON. MEMBER: A recreation room.

MR. SMALLWOOD: - a recreation room.

MR. DOODY: A rumpus room indeed!

MR. SMALLWOOD: All right, rumpus room, recreation room. At all events there was no rumpus on that occasion nor were there any ructions nor was there too much recreation. It was a sensible, business-like discussion, I thought, friendly and interesting, and I thought extremely valuable, extremely

MR. SMALLWOOD:

valuable, I thought, from the standpoint of Newfoundland, Newfoundland's long-range interest, from the standpoint of the Liberal Party of Newfoundland, a very valuable meeting. I think all members of the Opposition were present with the exception of Mr. Woodward, who was in Labrador at the time, I believe with that sole exception they were all present. Now I made the remark that in my opinion what the government were doing was a popular thing with the people of Newfoundland. I said that you might as well face it gentlemen, that if you oppose it you will be taking the unpopular position, that the government's decision to nationalize Churchill Falls was a decision that was meeting then, at that time, up to then - and I might add, parenthetically, continued for some time afterwards - to meet with general public approval. I pointed this out to them and pointed out that if they took a contrary stand, a stand in opposition to what the government were doing, and had announced unofficially they were doing, and which the Premier was understood to be planning to announce officially that very afternoon here in the House of Assembly. However, I said, unpopular as it is, in my opinion, for you to oppose it, unpopular as it is, it is the right thing for you to do. You will be doing the right thing to oppose it and you ought therefore to oppose it, and you ought not to refrain from opposing it merely because it would be unpopular to oppose it. We discussed it back and forth very amiably, Mr. Chairman. Very amiably,

Mr. Smallwood:

in a most friendly fashion, we discussed it back and forth. I made one promise to the group, to the Liberal Opposition, I said, "Gentlemen, you have doubtless, all of you heard, I know some of you heard, and I doubt not that you have all heard that I have plans to launch a new political party, a new Liberal party." And they all nodded, they had heard that. They were not alone. A lot of people at least had heard that I was talking, thinking strongly of forming a new Liberal party in this Province.

I said, "If you men will take the right stand on this Churchill Falls thing, if you will take the right stand - the unpopular stand, but the right one - if you will do that, you can forget that you ever heard any hint of suggestion that I will form a new Liberal Party. On the contrary, instead of forming a new Liberal Party, I will support the Liberal Party, your Party. I will campaign the length and breadth of Newfoundland when the election does come. I will do all in my power to help you get re-elected, to get elected to power, to become the government." And there was very considerable satisfaction on the faces and in the voices of everybody as far as I could judge, every person present. And one member of the Opposition spoke up and said, "Well, that is wonderful, but would you yourself run as a candidate with us?" To which my answer was, "No, No I will not be a candidate. But I will campaign for you, I will campaign Newfoundland and throw whatever weight I have, whatever influence, what campaigning ability I have behind you to get you elected to be the government, if you will fight this Churchill Falls thing now."

Well, I have met many groups of men in my life, I have talked with many groups of men in my life, big and small. I knew every individual member of the Liberal Party who was there present in the home of my hon. friend from Trinity-Bay d'Veerde (Mr. Rowe). I knew them personally. Five of them had been in my Cabinet, I had invited them to enter my Cabinet. I knew them intimately and knew them well. Those who had not been Cabinet

Mr. Smallwood:

ministers I also knew very well. I knew them all. I think there were eight of them or seven, seven or eight, one absent. If I could judge, they were very pleased, they were very pleased with my offer. And the Leader of the Party, who is still the Leader of the Party, the same hon. gentleman said, "Now, look this is fine. But," he said, "you would not suggest that I will get up in the House this afternoon and go aboard it and attack it, would you?" I said, "Go on." He said, "This afternoon would be the wrong time for me to oppose it, because what will happen is that the Premier will make his statement, and that is what will get all of the attention." Naturally the Premier of a province makes a statement of province-shattering importance, not only would he get all of the headlines and radio and television attention that afternoon and that night, not only that, but he will get attention from coast to coast in our nation. And not only that he will get attention in England, he will get attention in the United States.

And so the Leader of the Opposition was quite right, he was quite correct to point out that it would be wrong, technically wrong, for him to make his statement for the party that afternoon following the Premier's announcement, because it would be lost. All the attention would be centered on the Premier's statement. I said, "That is good tactics. That is good common sense." He said, "Now I will make my statement tomorrow, Friday." And he said, "I will get the weekend publicity," which again made even better sense. That made good sense. The Premier would make his statement on Thursday in the House here, it would obviously get tremendous attention throughout much of the world,

MR. SMALLWOOD:

because the company they were going to buy out was one of the world's important companies. It was a company in which the Queen of England was a shareholder. It was a company in which the great Churchill was a shareholder. It was a company in which five or six of the greatest corporations and banks, eight or ten of the greatest corporations in the whole of the United Kingdom were shareholders, and in which great banks, two great banks in Canada were shareholders, a great company in which the Suez Canal Company was a shareholder, one of the world's great companies. And naturally enough if the Premier of a little Province, Newfoundland, that had coaxed and beseeched that company to come into Newfoundland, if the Premier of that little Province were now to announce publicly to the world that this little Province was going to take them over, buy them out, it would inevitably arouse enormous interest and attention in and beyond the shores of Newfoundland.

So it was a very sensible suggestion made by the Leader of the Opposition, that he would defer his statement to the following day, Friday. And I concurred. I said, "Yes, I agree absolutely. You are perfectly right." So I left very pleased that the Liberal Opposition, which, remember, Mr. Chairman, was the very party that had created Churchill Falls - not the Falls - but the Corporation, the very party or the very government that had brought that vast assembly of world-wide companies to come to Newfoundland, to come to Labrador, to develop this Province without this Province having to spend a single dollar to have it done, the very party that had brought that about and the party whose government when they were in office had brought it about. It was completely appropriate and right. Even though it was an unpopular thing at the moment, at that moment, among the people, it was perfectly right that they should take the stand that they were to take on the following day, on Friday.

Everybody in that gathering as far as I could judge was a happy man, pleased and happy, happy to have a strong stand to take. Not just

MR. SMALLWOOD:

be a "me too", yes, yes, Mr. Premier, yes, yes Mr. Government, we are with you and we are eight strong and we are all for you and we think you are doing right," - as for instance we have heard already in this chamber within recent days about Come By Chance - "Yes, Mr. Government. Yes, Mr. Minister, yes, we agree with you, we approve you, we think you have done right-unless Joey is going to produce some documents that the minister did not produce. Barring that we think you have done right."

So it would have been wrong for them to say, "Yes, Mr. Government, you are perfectly right. It is true we built Churchill Falls. It is true we had the help of Churchill himself. It is true we did this, but you are going to undo all that. You are going to go out and borrow nearly \$170 million and you are going to buy it out so that you can develop the Lower Churchill." Do not forget, Mr. Chairman, do not forget, I plead with you not to forget that when the Premier did make his statement of the government's intention to nationalize, or in effect nationalize Churchill Falls, when he made that statement it appeared a column long in The Evening Telegram, a statement saying that the reason they were doing it, the reason they were going to take over the Upper Churchill, Churchill Falls, the reason they had to do it, the reason that left them no choice was this, that this was the only way they could get the Lower Churchill developed. Now that was factually not so, but that is the statement that the Premier made.

It was so that they could get the Lower Churchill developed that they were going to take over the Upper Churchill and borrow the money to do it. I left my hon. friend's home that forenoon. We were there I think not much more than an hour altogether.

Mr. Smallwood:

It was a perfectly simple matter: "I will support you. I will go out and campaign for you when the election comes. I will canvass the whole Province for you. No, I will not be a candidate. You will not need me as a candidate." I could not serve in a Cabinet under a man that I had brought into my office and brought him up through one job after the other. I cannot go in and serve under him or serve under anyone. I could not serve under the present Premier in his Cabinet. I could not do it. He would not blame me. He would understand that. Having been your lover, I cannot become your friend, Having been Premier, I cannot be just one of the boys in a Cabinet waiting on the initiative of the Premier who remember - and the hon. gentleman ought to remember, and if he makes perhaps a mistake at all, the mistake he makes is that of forgetting, of failing to remember that the Premier is the source and arbiter of public policy, the source and arbiter. Now in becoming the source and that arbiter, if he is a sensible level-headed man, he will seek advice, he will seek guidance, he will seek information from his colleagues. He will seek for it outside the circle of his colleagues. He will seek for it wherever he can get it, because he is the source and the arbitrator of public policy.

So I could not sit in any Cabinet unless I were the source and the arbiter of public policy. And if I did not have that kind of faith in myself I would not be fit to be Premier. No man ought to be Premier who has not got the absolute conviction that he, he more than any man, is the one to be Premier. That is the sine qua non. Without that a man is a failure as a Premier. So I suggested, "I will campaign for you, I will go through this Province and do everything in my power to get the Liberal Party back in power, back in office." And I left feeling happy and feeling that the hon. gentleman were happy. And on Thursday afternoon the hon. Premier made his classic and historic announcement, and the following day, "Now we were going to hear the Liberal Party's attitude!" "But we did not. We were to hear it, but we did not. The following day was Friday, which would give the good weekend coverage

Mr. Smallwood;

to the Leader of the Opposition's statement, but no statement from the Leader of the Opposition.

I ring the member for Bell Island, and I say to him, "What has happened? Ed did not say a word! He did not make any statement!" "No", he said, and he was pretty angry and annoyed by it. And he said, "Not only that, but he has told us all to shut our mouths and say nothing". "Well", I said, "now look Steve, he did not tell you to shut your mouths." "Well he said the same thing, to be quiet, that any statement to be made he would make-and no one else in the party. The Liberal Party statement would be made by him and no other." And he had made this abundantly clear to the members of his party according to the present member for LaPoile (Mr. Neary).

No word on Friday. No House, of course, Saturday. No T.V. Friday, no T.V. Saturday, no T.V. Sunday, no statements Sunday. Monday comes. Not a word from the Leader of the Opposition. Tuesday, no word. Wednesday, no word. Thursday, no word. Friday, no word. Saturday, no word. The Leader of a party! No position, taking no position on the mightiest thing that had hit Newfoundland since the creation of Churchill Falls, Here was, in effect, its destruction. Not a word Friday, Saturday, Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday again, Sunday again and on Monday night, lo and behold! he does come on T.V. with the Liberal Party's declaration.

Now this is not exactly a declaration that will go down in history, except maybe the history of infamy. This is not one that will be in the textbooks for school students, for students at the University fifty years from now to read and study, you know, a brave and heroic and farsighted, wise statement of a wise statesman. No! That has to wait a couple of years. That has to wait a couple of years in this House for the same Leader to make a statement, which ought to have been made two years ago on the occasion to which I referred!

Now it was not that kind of a ringing declaration of faith, not that kind of a ringing declaration, noble, ringing declaration of

Mr. Smallwood:

deep seated Liberal pride and Liberal philosophy. No. What was it? The whole Province had waited for nearly a fortnight to hear from the alternate Premier, the other Leader of the people, the other Leader of Newfoundland. There are two. The one who had spoken, and the people waited nearly a fortnight to hear from the other, and at

MR. SMALLWOOD:

last they heard it on T.V. We have a lot of questions we want to ask when the House reassembles. We have a lot of questions to ask. When the House opens we have got some questions to ask the Premier about this Churchill Falls thing. His ringing declaration was that they had a lot of questions to ask. That was thrilling. That was a deeply moving statement. We have a lot of questions to ask about Churchill Falls. That was the beginning and that was the end of his declaration. That was his offer of leadership, leadership of thought, of thinking to the Newfoundland people. We have a lot of questions we are going to ask when the House reassembles. We are going to ask some questions. We are going to ask the Premier a number of questions. We have some questions to ask when the House reassembles. That was his ringing declaration of leadership. I did not vomit, Mr. Chairman. I did not throw up. But I made up my mind that I could not support the party that would tolerate that, because you can blame the leader all you like but if his followers follow his injunction to be silent and say nothing, let him be their only spokesman, if they disagree with what their spokesman says they have a cure, they have a remedy. They did not adopt the remedy. So I was left with no choice. I could not go Tory. There are so few Tories in Newfoundland this afternoon. There might be one in this Chamber. He is not present at the moment. Torism is gone. It is dead. There is no such thing left in Newfoundland today as Torism. So I could not go Tory anyhow because there was no Tory Party to go to. If there had been I could not. Psychologically how can I, my whole life devoted to Liberalism. It is my religion almost. It is my philosophy, that is for sure. Yet I could not support the Liberal Party as it was. I could not. What could I do? It brought to me a fresh, with overpowering effect, it brought to me this great lesson, that the Liberal Party in Newfoundland, my beloved Liberal Party that I had served for twenty-three years as its leader and long years before that as a follower of the great leader, Sir Richard Squires, that the great Liberal Party was Liberal no more except in name. It had the name Liberal. That is why I did not support the Liberal Party. That

MR. SMALLWOOD:

is why I have made and I continue to make an effort to restore the great basic principles of Liberalism to the Liberal Party that I continue to try to make the Liberal Party more than Liberal just in name alone.

Now there was no document signed at that meeting in my hon. friend's house. There was no treaty written out and signed and witnessed. It was not put in writing. But it was as clear-cut as it could be. If they would fight the Churchill Falls thing, if they would fight it, if they would oppose it, though it was unpopular to do it among the people - what the government were doing was popular. I suppose the Premier knows that. If he did not know it before he made the decision he soon learned that it was a popular move at that time, Not now! There is a lot of water under the bridge since then, and a lot of tens and tens of millions of dollars lashed out since then to pay the interest on the big debt that had to be contracted to borrow the money to buy out the Churchill Falls shares.

MR. SMALLWOOD:

But at that time it was unpopular, what I wanted the Liberal Party to do was the unpopular but the right thing, and this was agreed. Now it is no use for the hon. member for Trinity-Bay de Verde (Mr. F. Powe) to say there was no agreement, there was no treaty, there was no bargain struck. It was not put in any words or anything like that. But, Sir, I am no fool. I was not talking with strangers. I was not discussing this with men whom I could not measure, could not weigh, did not understand. I knew those men. Five of them I had invited into my cabinet. I know that we came to that, shall I say, agreement, shall I say, treaty, shall I say, understanding, shall I say, pact - put what word you like. It was not a written treaty, it was not a written anything, but it was understood and agreed that I would back them in the coming election, I would not take any part in launching a new Liberal Party but instead would campaign to get them elected to power and do all I could to get them elected to power, provided they would oppose the Churchill Falls desecration.

There and then, before I left, the then Leader of the Opposition, the present Leader of the Opposition, said, "It would be wrong for me to do this today, Thursday. The Premier will come in and he will get all the attention. I will wait and I will do it tomorrow, Friday. Then I will get exclusive attention and it will be the weekend and it will be much better coverage", which made good, practical, political sense. Now that is what was decided on. That is what was understood. That was the understanding we had. If all members who were present get up and swear on the Holy Bible that I have lied, that I have not told the truth, I repeat this is what happened at that meeting as I have here described it.

AN HON. MEMBER: Not true.

MR. SMALLWOOD: It is true. It is true. Do not get technical about it. There was no written agreement. There was not even a sort of summary saying, "Well let us see how far have we agreed. Let us see now. Now look, Mr. Smallwood, you have said that if we will oppose

MR. SMALLWOOD:

this Churchill Falls thing, you will not have anything to do with forming a new Liberal Party. Fight. Now then you have also said not only that, but that you will go out and campaign to help us to get elected to power if we will oppose Churchill Falls. Right. And the leader here has said that he will not attack the deal today. He will leave the day to the Premier but tomorrow, Friday, he will. Fight." Now it was not summed up in that way and in those words. But this was the clear cut and the unmistakable understanding that we came to that day.

Now, there is at least one hon. member who I believe will confirm that. But if there was not even one, if there was not even one to confirm it, I have here told the truth - simple, plain, unvarnished. I have not added to it. I have not taken away anything. If there is anything that is taken away it is unintentional. I have told all that I can remember. If some hon. member who was present says, "Yes, but do you remember so and so and so and so," if I remember I would say, "Yes, you are right. I had forgotten that." But all that I do remember I have repeated here now. There might be one or two little things. They are not important and they do not alter the case. If there is anything that I have not repeated here that I do not recall, it is not something in any case that would change the effect of this whole agreement, this understanding that we came to.

Now, I have - I do not know, I suppose I have a few minutes left, have I?

MR. CHAIRMAN: Ten.

MR. SMALLWOOD: Ten minutes left. I do not think I want even all the ten. I have through my life done things that were wrong to do at the time I did them, and they turned out subsequently to be right. In my life too I have done things that seemed to be right when I did them, and turned out to be wrong. This is life. Every human being has this kind of experience. You do what you think is right and it turns out to be wrong. You do what you think is right and everybody says you are right and it turns out to be wrong, or everybody says you are wrong and it turns out to be right. But whatever

MR. SMALLWOOD: people think, especially if you are a political party, if you have the temerity, if you have the gall to want the Newfoundland people to make you the supreme government of the Province, if you have the gall to ask people to make you their Premier, then you must be a man surely who is willing to go through anything to be on the right. What was the classic saying that Diefenbaker quoted once or twice? What was it? "I may not always be right but I will always be in the right, on the side of right." How does it go? Anybody remember?

MR. LUNDRIGAN: That is the gist of it.

MR. SMALLWOOD: It is to that effect. "I may not always be right, but you will never find me on the side of wrong." I wish I could remember the precise words. And that is surely, surely that is the duty of a Premier, surely that is the duty of a would-be Premier. what a glorious thing it would be if today the Liberal Party, my old friends, some of them are dear friends of mine-politically we are separated, by this distance at any not; ideologically I do not know how far we are separated - but some of them are dear friends of mine for whom I have profound respect and affection, but Sir, I say that a political party owes it to itself, owes it to the people, owes it to politics, owes it to the parliamentary institution, owes it to democracy itself -

MR. NEARY: To the two party system.

MR. SMALLWOOD: Yes, and it owes it to the two party system, it owes it to everything, to go out and take an unpopular stand if they believe it to be right. Because if they had done that today they would be in the position that I am in, I am the only one, except for one other, Mr. Andrew Crosbie, He told me some months ago, six or eight months ago in my home, on a visit to my home, he made no bones about it; I said, "Andrew, I am the only man in Newfoundland who fought this Churchill Falls thing," "No," he said, "you are not, Mr. Premier," I said, "Yes, I am." "No, you are not." "Well," I said, "who else?" He said, "I did." I was surprised, I said,

MR. SMALLWOOD: "You did?" He said, "Yes, I did." "Well," I said, "I never heard of it." "Well," he said, "I did. I opposed it. I said it was wrong." "You did?" He said, "Yes, I did." "Where?" He said, "On radio. "You did?" He said, "I did!" I said, "Thank God for you, Andrew if you did." Now it was his own brother who bulldozed it through.

MR. NEARY: It must be on VOWR.

MR. SMALLWOOD: It must be well known that the hon. gentleman in that administration who bulldozed through the Churchill Falls thing was the present hon. Minister of Mines and Resources, just as he bulldozed through the nationalizing, the stupid, mistaken, blundering nationalizing of the paper mill in Stephenville, and is greatly responsible—but I will have a better opportunity if they do call the debate again on Come By Chance, I begin to wonder if they are going to recall this debate again. I wonder are they going to have the debate or have they decided just quietly to bury it.

You know, nearly a fortnight after Come By Chance closed, or the announcement was made, nearly a fortnight after the Minister of Mines gets up and makes a two day speech here, then nearly a week passes — was it? — a number of days before the debate is called again. The Leader of the Opposition and I compete for the Speaker's attention, The Leader of the Opposition gets the attention, he speaks for an hour and a half and comes back at it another day, and you have not heard a word of the debate since. That will be all over and forgotten by the time I get a chance to state what, what am I going to state? Am I going to defend closing Come By Chance? Am I going to accept the hon. minister's statements, the letters that he tabled and the letters that he did not table, some of which I have? Is that what I am going to say, as the Leader of the Opposition did?

The Leader of the Opposition got up and he read out balance sheets, the loss in this month, the loss in that month, the loss — as if we did not know about the losses.

MR. NEARY: He said the minister made a strong case.

MR. SMALLWOOD: Now so far as I am concerned I stated the truth about this meeting at the hon. gentleman's home. If hon. members who were present want to go on talking about it, well and good. I have said my say and unless I am forced and driven by debate to go back at it I do not intend to. I have stated my case. I have stated it with simple truth. That is exactly what happened. I am sorry to God, I am sorry to God today, Mr. Chairman, that they did not keep the understanding. I would have been out working like a Trojan to elect the Liberal Party to power and working like a Trojan to make them a genuinely Liberal Party. But it did not happen that way, but not from my doing. I was prepared to keep my side of the understanding and it was the other side that did not.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Mr. Chairman, having listened to the remarks of the gentleman from Twillingate (Mr. Smallwood) it would have - and I am sorry if I was out of the Chamber for a moment, but I assure the hon. gentleman that I was listening although I was at another place doing there what he was doing in here, namely, voiding myself. Mr. Chairman, the speech made by the hon. gentleman is one that obviously requires some comment from me. It would be easy, Sir, to say what I feel I should say in anger or with passion, because I have just sat and listened to myself being attacked quite violently and very unfairly. But I do not think that would be right or appropriate. What I have to say I say more in sorrow than in anger. I think the hon. gentleman from Twillingate (Mr. Smallwood) is telling the truth as he sees it or as he recalls it, as he believes it to be. It is a matter of regret that the facts do not support him. It is a matter of regret that he has completely misremembered what happened at a meeting, a private meeting, until it was revealed, and not by me or by any of my colleagues. I think he believes it. But if he looks back over the record, as I have, he will find out that he has just forgotten completely the entire sequence of events.

So let me take a moment of so of the Committee's time, Sir. I am not sure what it has to do with the estimates of the Mines and Energy Minister.

MR. ROBERTS:

But since we have been off on this tack, and I am sorry I was not here yesterday when it began, but I was down at the, what? - the wreckage of the Come By Chance thing where it turns out the creditors are going to get one cent on the dollar if they are lucky.

MR. NEARY: You went to collect your \$100.

MR. ROBERTS: Yes, I was there. Actually I did not even get to the meeting. I sat through the first meeting, Mr. Speaker, of Provincial Refining Company Limited which went on for until well about six o'clock. I sat at the press table and listened and then I had to go on home. I am not so much worried about the \$100 the Liberal Party of this Province are owed as I am about the companies that are going to go bankrupt because they believed that they were dealing with a financially solid enterprise at Come By Chance. Of course in the event it was not - whatever it was - it was not a financially solid enterprise.

Mr. Chairman, the position is this - and I am not for the moment going to touch on what passed at the meeting, although I shall come back to that. I am just going to point out for the benefit of the Committee, the hon. member for Twillingate (Mr. Smallwood) his memory has failed him. Now I will -

MR. NEARY: Do not be so foolish.

MR. ROBERTS: Mr. Chairman, the gentleman from LaPoile (Mr. Neary) has already gone too far in another place in the House. If he wishes to speak in this debate he has of course the same right as we all do. I would ask him, Mr. Chairman,

MR. CHAIRMAN: I would ask the hon. member for LaPoile if he would refrain from interrupting, please.

MR. ROBERTS: Thank you, Mr. Chairman. The hon. member from Twillingate's memory - and I am being kind, Sir. I do not think he has deliberately misrepresented it. I do not think this attack comes just on me. Oh! I could make out a case in support of that because of course the hon. gentleman has been somewhat inconsistent in his political actions over the last

MR. ROBERTS:

year or so; running for the leadership of the Liberal Party, which was his right, and getting trounced, which was the Liberal Party's right; and then starting his own party after all sorts of under-the-table, behind-the-scenes negotiations to try to attempt to do by a so-called coalition what could not be done by the convention. But that is another story and I do not believe - although many people do, Sir - let me say I do not believe that is what motivated the hon. member for Twillingate. I think that he is stating the truth as he remembers it. The tragedy, Sir, is that he does not remember it accurately and he has not taken the trouble or the effort to look up the facts.

Now, Sir, the facts are this. The meeting in question was held on March 21 which was a Thursday morning. The hon. member has given us a rather one-sided version of it. I suspect he and his colleague, the gentleman from LaPoile (Mr. Neary) will probably have the same version of it. All I say -

MR. NEARY: I was there.

MR. ROBERTS: I agree. The hon. gentleman was there. All I say, Sir, is that there were eight or nine men present at that meeting -

MR. NEARY: Seven.

MR. ROBERTS: There were eight or nine men present at that meeting, Sir, of whom there are still sitting in the House the gentleman from Fogo (Capt. Winsor), the gentleman from Trinity-Bay de Verde (Mr. F.B. Rowe), the gentleman from Burgeo-Bay d'Espoir (Mr. Simmons), the gentleman from LaPoile (Mr. Neary), as he now is, and the gentleman from Twillingate (Mr. Smallwood), as he now is. And each of these men can give their version of the truth and each will tell the story as he sees it, and we will let the people judge.

I might add that the one independent examination there is of it, to my knowledge, was in a recent issue of the Canadian Magazine, a publication which is not circulated in this Province, but a publication of repute nonetheless. I am not sure if every hon. member in the House has seen that. I have a copy or two for anybody who would like to read it. It is a most interesting examination of the events by an independent journalist, a gentleman from Toronto who came down and I think made quite an exhaustive study. I know he spoke to a number of other people who were at that meeting including my friend and colleague Mr. William Rowe, who was there. I am not sure if he spoke to Mr. Paul Thoms or - no, Mr. Woodward was not there - Mr. Paul Thoms or Mr. Herb Gillett, at that stage, respectively the members for Bonavista North and Twillingate. But if he did not he is, of course, at liberty to do so.

MR. CROSBIE: Is that the one with the stingers?

MR. ROBERTS: Yes. Yes. The one where I am sitting on the hon. gentleman's knee and it says, "When Joey went down for the third time he took Roberts with him." Well I am not sure whether the hon. gentleman has gone down for the third time, or the fourth or whether it is his last or not, and I am not sure he has taken me with him, but anyway, that is the article in question, A most entertaining one, A good piece of writing.

Mr. Speaker, the facts however are these:
The hon. gentleman seems to have two points in what he considers

MR. ROBERTS: to be his crushing indictment of me. And, of course, the crushing indictment is mainly because of the fact that when it was put to a ballot both in the convention and in the country, the hon. gentleman did not come out on top. But, Mr. Chairman, the meeting was held on Thursday morning and I have here - I do not keep a diary but I do keep a brief note. I think it is a habit I picked up from the hon. gentleman when I worked as his executive assistant and as his parliamentary assistant, as I did for a number of years - just a brief note of where I have been on a given day or any events. The entry for Thursday March 21st, in my very own crabby handwriting - my colleagues in the caucus told me they cannot read my handwriting but I can read it - says, "Met J.R.S" and then, "Caucus." J.R.S., a very famous set of initials, the hon. the gentleman for Twillingate (Mr. Smallwood). Then it goes on, and this refers to the statement the Premier made in the House that afternoon. The hon. gentleman's memory has completely left him. I did not think it would ever happen but on this point and this event it has.

"BRINCO to be expropriated." And the statement the Premier made here in this House on the afternoon of Thursday the 21st. of March, 1974 - and I have a copy of it here - was that the Government of this Province intended to acquire - and I think any hon. member opposite can confirm this - intended to acquire the assets of BRINCO Limited and if they could not acquire them any other way they would ask the House to authorize their expropriation. And indeed, I believe legislation was put on the Order Paper although it was never called for debate.

MR. ROWE: That is right!

MR. DOODY: We had a bill ready.

MR. ROBERTS: The bill may have been ready for all I know but I never saw the bill. I know that the notice was put on the Order Paper and I know this was the statement made by the Premier.

So let us recollect, Mr. Chairman. On the morning we had a meeting - and I will come back to my recollection

MR. ROBERTS: of what passed at that meeting and it is substantially different from the hon. gentleman's. But all I want to point out is that I think his memory is going. I do not think he remembers. I think it is coloured by what he wishes to remember and by subsequent events. I believe he is being truthful, there is no question at all there. I think he is telling the truth as he sees it, as he recalls, as he believes it to be. You can say as he knows it to be, although his knowledge is not correct - but on the morning there was a meeting and at that meeting certain measures were agreed. What was agreed must be a matter for everybody to judge for himself but I say again that my colleagues who were there are at liberty to stand and say what they wish as to their recollection of the meeting, and I know each of them will give a truthful account.

I took a certain position there, which was that the Liberal Party - which was the feeling of my colleagues - would fight expropriation but that we would not be prepared to fight a purchase.

MR. SMALLWOOD: That is not true.

MR. ROBERTS: Mr. Chairman, the hon. gentleman - will he withdraw that remark, please? He has no right to say that, as I understand the rules of this House.

MR. SMALLWOOD: It is not correct.

MR. CHAIRMAN: I would ask the hon. the member for Twillingate (Mr. Smallwood) to withdraw that remark, please.

MR. NEARY: I would like to verify that it is not correct.

MR. SMALLWOOD: I withdraw the word 'untrue' and substitute the words 'not correct'.

MR. ROBERTS: That is fine, Mr. Chairman. I thank the hon. gentleman for his withdrawal, and again we will let -

MR. NEARY: And I second the motion.

MR. ROBERTS: I have already shown that the hon. gentleman's recollection of events is just gone. He just does not remember things,

MR. ROBERTS:

because he had the Premier's statement that day as being one of purchase when in fact that was the Premier's second statement. It was made on a Thursday the week after. I have both statements here in front of me. One was made on March 28, 1974 in this House. That was the one where it was announced that Brinco had agreed to sell certain of their assets including their shares in CFI,Co and including their rights, whatever they might be, to the Lower Churchill development to the government. That was the second statement.

The first statement, Mr. Chairman, was made a week previous on Thursday March 21 in which it was said - and I read, I believe this is the relevant portion - page 15 quoting a telegram which the Premier sent to Mr. P.D. Mulholland, Mr. Robert Mulholland, not Mr. William Mulholland, and sent also to Mr. Bill Mulholland in addition to Mr. Robert Mulholland, and to Sir Val Duncan, who are, I assume, the three principal agents or men involved in the Brinco-RTZ, Rio Tinto-Zinc organization.

"Thank you for your telex", the Premier said, "received at 9:10 P.M. March 20." That was the day before this statement was made in the House. "Your offer is unacceptable to the Province. I propose to announce to the House of Assembly and the people of Newfoundland tomorrow the full details of our negotiations. At that time legislation will be introduced to vest the shares of Brinco in the Province at the price of \$7.07 per share." The next day the Premier, true to his undertaking in this, did make that statement in the House and did, as I understand it, - notice was given. The Minister of Mines and Energy tells us bills were prepared. They were never tabled in the House. They were never debated.

Well, what happened in the interim? I just want to tell the hon. gentleman because he has never done me the courtesy of asking me why no statement was made. I will tell him why. On Thursday morning there is a meeting. The timing is important because the hon. gentleman's memory - and all we are talking about is memory here -

MR. ROBERTS:

there are no records of this unfortunately. I wish there was. I wish there was a tape recording because then we would soon see who was correct and who was not. But in the morning a meeting is held and certain things are agreed. We can all agree that it was resolved by everybody that we would fight expropriation. There is no argument on that part of the recollection.

MR. SMALLWOOD: Oh, come on, come on. Stop splitting hairs.

MR. ROBERTS: Mr. Speaker, the hon. gentleman from Twillingate (Mr. Smallwood) may say what he wishes in the debate, but in his turn. I have sat and listened to him give his version. I am being charitable and kind to him when I say that I believe it is his memory which has failed him because -

MR. NEARY: You have not got it in your heart to be unkind.

MR. ROBERTS: No, I do not have it in my heart, Sir, to be cruel or unkind to the gentleman from Twillingate (Mr. Smallwood). Sir, I do not have it in me. I feel sorry. I think he is a walking political tragedy, but that has nothing to do with the point I am making.

MR. NEARY: You are a political disaster.

MR. ROBERTS: And I might say the hon. gentleman for LaPoile (Mr. Neary) -

MR. NEARY: Here we go with the nastiness again.

MR. ROBERTS: The hon. gentleman for LaPoile, Mr. Speaker -

MR. NEARY: All through the session so far -

MR. ROBERTS: The hon. gentleman for LaPoile (Mr. Neary), Mr. Speaker, throughout this entire debate voted with the Liberal Party, stayed with the Liberal Party, and ran for nomination in the Liberal Party, so I think it is fair to say either he agreed with what the Liberal Party was doing or he was -

MR. NEARY: I make my own statements.

MR. ROBERTS: Mr. Chairman, he can make his own statements.

MR. NEARY: I have made them by the thousands, all my own statements.

MR. ROBERTS: Mr. Chairman, I am just pointing to the facts. The hon.

MR. ROBERTS:

member did not leave the Liberal Party on this issue. Indeed he did not speak on this issue against the position the Liberal Party had taken.

MR. NEARY: I made my statement.

MR. ROBERTS: Therefore I believe, Mr. Chairman, it is fair to say that the hon. gentleman on the record agreed with the position. Be that as it may or not, he can make his own statement and we will listen to what he has to say. I am dealing with the gentleman from Twillingate (Mr. Smallwood).

On Thursday afternoon the Premier made a statement in the House and his statement, I have referred to the gist of it. It is there if anybody wants to read it. It was quite a lengthy statement, quite an important statement and he said, "Brinco were to be expropriated and they were to be expropriated by virtue of the legislative power of this House."

Now, what happened then, because Brinco were not expropriated, Brinco have not been expropriated. Brinco sold. Sold what? They sold a large part of their assets. They did not sell all. Brinco are still active in this Province. They were down in

Mr. Roberts:

Makkovik the other day in the district of my hon. friend and colleague, the gentleman from Eagle River (Mr. Strachan, They are talking of developing the uranium mine there because Brinex, the BRINCO subsidiary, has certain rights to uranium there. They have spent a couple of years trying to develop out in the district of Port au Port, represented by my friend and colleague from Port au Port (Mr. Hodder), the cement industry based on the limestone deposits in the Aguathuna area. And indeed the only thing that has prevented that was a sudden turnabout in the economic facts as they apply to the cement industry of the world. And what was an economically attractive proposition became an economically

impossible proposition, and therefore the great cement development out in Port au Port has been postponed, I hope no more than that.

But BRINCO were not expropriated. BRINCO sold. I stood in this House and I said I thought BRINCO got too much for their money or, I am sorry, too much for what they were paid. The government paid more than they should have, and I still believe that to be correct. That is only my opinion. The fact remains that BRINCO sold their shares in CFLCo, and BRINCO sold their rights. And that sale -

AN HON. MEMBER: Under pressure.

MR. ROBERTS: I am sorry?

AN HON. MEMBER: Under pressure.

MR. ROBERTS: Yes. But they could have said, no we will not sell.

MR. SMALLWOOD: They were bulldozed.

MR. ROBERTS: The hon. gentleman can say what he wants. But I say, Sir, BRINCO sold, and I have had conversations with principals of BRINCO since in the normal course of my day's work, not this day, of course, and while they may not have been - certainly they did not want to sell. They wanted to make that great development themselves. They sold, and they may not have done so willingly in the initial instance, but when they realized that they had no choice, that this House had the right to acquire those assets. And that is our right,

Mr. Roberts:

Mr. Chairman, whether the hon. gentleman from Twillingate (Mr. Smallwood) likes it or not, it is the right of this House, Sir, under the constitution of this country to acquire these assets if we wished, and every hon. member could stand in his place and speak whether aye or nay, and then could vote either aye or nay. Whether the gentleman from Twillingate likes it or not the fact remains that the people of this Province have consistently denied him political power since 1966. And that is a fact. They may not have given me political power either, and that is a fact. But I am not bemoaning it. I accept that, and we will see what time brings.

But the fact remains, this House had the right, and BRINCO knew that. And BRINCO said, all right, we will sell, and they did sell. And they have continued to do business in this Province since, as far as I know amicably. They have certainly given no indication of the contrary. Whether or not we should have bought CFLCo. that is another story. And we should debate that, and if it is wished to be debated I am all for debating it. But what I did and what my colleagues did, we did.

The point I am making, Sir, for the benefit of the gentleman from Twillingate, whose memory seems to be going, at long last seems to be going, is that that afternoon the Premier made a statement saying expropriation. But why did I not respond to that? Why did I not respond? Well, I will tell you why, Mr. Chairman, and there is no secret in this, I knew at that time when the Premier made the statement that BRINCO were prepared to discuss sales, because the day before the meeting in my colleague's home and there is no secret about this; the Minister of Mines and Energy knew it, I think he knew it at the time, there was no secret about it. I had been in Montreal at the request and invitation of BRINCO, and with the knowledge of the gentleman from Twillingate -

MR. NEARY: Not your caucus.

MR. ROBERTS: Not? True! True. But with my colleague and

Mr. Roberts;

the then House Leader, the gentleman from White Bay South, as it then was, Mr. William Rowe, and we had had a long meeting with Sir Val Duncan, who has since died a great loss, a great loss - with Sir Val Duncan and Mr. William Mulholland. And at that meeting BRINCO made it quite clear that they realized the Legislature had the power to expropriate BRINCO, not CFLCo, ironically enough, because CFLCo was incorporated under the authority of Federal law, But BRINCO was incorporated under Newfoundland law, and this Legislature had the power at law, and Brinco, I have no doubt, had the best lawyers they could obtain, and they would be good indeed, and that was their opinion. And nobody could challenge that, it is a solid opinion, that if this Legislature had passed an act saying, all the shares of BRINCO are vested in them, the minister of this or that, that law would have been good. And BRINCO, Sir Val Duncan and Mr. William Mulholland, who has since become Chairman of the Board of the Bank not Chairman, I am sorry, President and Chief Operating Officer, I believe is his title, of the Bank of Montreal, the Province's main bankers, have been - what? - since the bank crash of 1894, as far as I know still are, an amicable relationship, lend the Province money every day to finance the

Mr. Roberts:

on-going bills. I knew then as did my colleague, Mr. William Rowe, as did the caucus when we returned, that BRINCO were considering selling, and that is why we made no statement, nor did we make a statement until the following week when the Premier came in and announced that in fact BRINCO had sold.

So the hon. gentleman from Twillingate's (Mr. Smallwood) entire case, Sir, with respect to my willingness or unwillingness to make a statement founders on the simple fact that he forgot there were two statements one week apart. It is that simple, Sir. And he can say what he wishes, he has that right, and I believe he is saying the truth as he believes it to be or he sees it to be. But, Sir, the facts do not support him. And these are not matters of recollection, these are matters, Sir, the records of the House will confirm it, the journals of the House will confirm it, any member of this House who was in the Cabinet at that time will confirm it. I have copies of the statements here. March 21, the afternoon of the meeting at my friend's house on Taylor Place, BRINCO to be expropriated. That is what my note says. And then the following Thursday that the Premier made a statement that BRINCO were not going to be expropriated after all. That BRINCO after some intensive negotiations in Montreal, that BRINCO had agreed to sell CFLCo's shares and had agreed to sell the Lower Churchill rights that the House was to be asked to authorize the loan and the expenditure. And that was done, and in due course legislation came through. And as I recall it no hon. member of this House voted against that legislation. Not one. I know I did not. And if I knew then, only what I knew then, I would do it again. And let that be quite clear. Mr. Chairman, that is the fact.

What went on at the meeting hon. gentleman can give their own versions. The gentleman from LaPoile (Mr. Neary), who has conceived an intense dislike for his former colleagues -

MR. NEARY: Not true.

MR. ROBERTS: Well he says - I accept it. I accept it.

MR. NEARY: A point of order, Sir. Mr. Chairman, you are not allowed to impugn motives in this hon. House. Sir, I love and

Mr. Neary:

adore my former colleagues, I cannot say the same about the Leader of the Opposition.

MR. ROBERTS: Well, Mr. Chairman, I do not think there is much point of order there, unless Your Honour wishes to make a ruling.

MR. ROWE: Love squabbling now.

MR. ROBERTS: All I can say is that if politics makes strange bedfellows, lovers makes strange speeches.

But, Mr. Chairman, the fact remains -

MR. NEARY: Would you rule on that point of order, Mr. Chairman?

MR. CHAIRMAN: I do not perceive a point of order has been raised that I could rule upon.

MR. ROBERTS: Thank you, Mr. Chairman.

My recollection of what went on at the meeting is quite simple, and it differs from the hon. gentleman from Twillingate's in two important respects. And let me say that he is piously parading. He knows that his view is not shared by others. He knows his recollection is not shared by others, and so he attempted to head that off at the pass by saying, "Oh others will disagree". Well, Sir, I say the word of any hon. member is every bit as good as any other hon. member's. And I say to the House, to the Committee, or to the people of this Province, go ask the men who were there, and then every man there will say his recollection of what happened and we will abide by the results.

My recollection differs diametrically from the hon. gentleman's on two important points. First of all, Sir, there was no mention of a second Liberal Party or a splinter party. No mention at all!

MR. ROWE: True! True!

MR. ROBERTS: The hon. gentleman conceived that thought only when - and if there was, Sir, why did he seek the leadership of the Liberal Party quite publically six months after the events in question, and went through the entire campaign without once mentioning what he now conceived to be such a terrible thing? I mean, Mr. Chairman -

Mr. Roberts:

- how the hon. member from Twillingate could - I know that consistency, I know that consistency, Sir, -

MR. NEARY: The Leader of the Opposition sounds like he has mental menopause!

MR. ROBERTS: - I know that consistency, Mr. Chairman, is the hobgoblin of small minds. Mr. Chairman, the hon. gentleman from Twillingate, you know, his public career explodes what he is attempting to say. Mr. Chairman, the fact remains that there was no mention of a second party as I recall it.

MR. ROWE: That is right.

MR. ROBERTS: And my other colleagues can say what they wish as to what they recall.

And secondly, Sir, there was no agreement, absolutely none, as to what would happen if BRINCO agreed to sell. And BRINCO did agree to sell, Sir. You could say it was a happy or an unhappy sale. We all know the circumstances. But the fact remains that BRINCO agreed to sell. They

MR. ROBERTS: were not expropriated. And there is a picture down in the office of my friend, the Minister of Mines and Energy. I was down there the other day with my colleagues from Port aux Port and Stephenville, the three of us went by appointment to see the minister, to talk about some problems at the Linerboard mill in Stephenville. My colleagues representing the area had an obvious interest and they asked me to accompany them and I did, and there is a picture on the wall of the hon. gentleman's office, a picture of him and I believe is it Bill Mulholland, Mr. William Mulholland. Mr. Mulholland happily smiling like the Cheshire cat, except that all you see is a bit of paper but I am told it was a cheque for one hundred and sixty-odd millions of dollars, and the minister confirms that in fact is what the picture portrayed.

So BPINCO may not have been anxious to make the sale but they were damned happy, Sir, when they got the price of the sale. And the fact remains that BPINCO, an honourable and a fine company, have continued to do business in this Province and I hope they long will. Whether or not the assets should have been acquired, that is another story. But that is not what my friend rose to debate. My friend rose to make what amounts to quite a strong attack on me. I am not worried about that but I do want to set the record straight. Because my hon. friend's memory, Sir, is failing him.

And let me also say one other thing, Sir, The hon. gentleman feels that I somehow should have rushed into print, or rushed into words, Well I have explained why I waited a week and why I would do it again.

MR. NEARY: I wish you had told the caucus at the time.

MR. ROBERTS: The hon. gentleman says he wishes I had told the caucus at the time. All I will say, Sir, is he served in that caucus, he remained in that caucus, he served in this House, he sought a Liberal nomination, and it was only after he lost the Liberal nomination that he went off as a so-called independent.

MR. ROBERTS: So his career gives the lie to that statement as to what he felt.

Sir, he says he cannot be silenced and I believe him. God knows, everybody in this House knows he cannot be silenced. We have seen that. He cannot even silence himself. And I say I agree he cannot be silenced and in that case how does he explain his silence unless he acquiesced, obviously he acquiesced, Sir, and there is nothing more need to be said. He can say what he wants but he cannot get around that fact.

Now, Mr. Chairman, why did we delay a week? Well, I knew full well what was happening. I knew full well what was happening. I knew that BPINCO and talks were on. I was not privy to the negotiations. My hon. friend from Twillingate (Mr. Smallwood) might have been. And I could say something if my hon. friend wants about how that meeting was arranged and who spoke to him in addition to the gentleman from LaPoile (Mr. Neary). But, Mr. Chairman, the fact remains, Sir, that the reason I did not speak was it would have been wrong to speak until the facts were known. It would have been wrong to shoot from the lip, which is what the hon. gentleman from Twillingate seems to want. Sir, our job as an Opposition is to oppose, and we do oppose, but to oppose responsibly and to oppose as we see it, and by heavens we will answer to the House, to our constituents, to the Province and above all to our own consciences. And my conscience is clear and I know that that of my colleague's is. The hon. gentleman from Twillingate, Sir, I believe in his own mind is equally clear in his own conscience. He would not have said the things he said otherwise.

Now, Sir, I could go on but I do not need to. I think I have shown that on the facts the hon. gentleman from Twillingate, whatever his motives, and I am not allowed to question them, I am allowed to believe what I want, but I cannot question them.

MR. ROBERTS: my exposition of the facts, I believe, shows that the hon. gentleman's memory is failing him. He just forgot. I say that charitably because otherwise I have to say he ignored the facts, and I do not believe for a moment he would ignore the facts. I do not believe for a moment he would misrepresent. As I said I think it is a tragedy. I really do. I followed the hon. gentleman happily and proudly, Sir, served in his Cabinet, served on his personal staff, and when he retired sought election to succeed him as Leader of the Liberal Party and was elected leader. Then when he asked me to stand aside for the Draft Smallwood Movement, I demurred, and I guess it was as of that moment that the hon. gentleman's affection for me began to evaporate, and of course it has evaporated now to the point where he is sitting in this House trying to sabotage this party. Well that is his right. He spoiled the election, but that is another story. And whenever the Premier gets around to calling those three by-elections, I hope he will shortly, those people in Bonavista North district and in Ferryland district -

PREMIER MOORES: Not for this reason.

MR. ROBERTS: No, I hope not for this reason. But one of the things we will see, of course, the hon. gentleman will have candidates, the Premier will have candidates, the Liberal Party will have candidates chosen by nominations, and we will let the electorate decide, Sir, and it will be very interesting to see just what the people - and the interesting thing about those three districts, and I know the Premier will agree, is that they are a microcosm of this Province -

PREMIER MOORES: I would like to have those by-elections so that you -

MR. ROBERTS: The only way the Premier can win any of the three, Sir, is to have only his own candidate in it.

PREMIER MOORES: We will have play-offs.

MR. ROBERTS: Mr. Chairman, maybe we should have the play downs. The Premier knows a lot about playing off and played down but, Mr. Chairman -

PREMIER MOORES: I have not said a word.

MR. ROBERTS: Mr. Chairman, the Premier knows a lot about - he was active in the Cee Bees, was it not? The Cee Bees are the team. The Premier was very active for years in sponsoring them, I do not know if he coached them, but very generously supported, very generously on the North side of Conception Bay.

AN HON. MEMBER: The grasshopper from Carbonear.

MR. ROBERTS: I am sorry.

PREMIER MOORES: The Cee Bees before the P.C.'s.

MR. ROBERTS: The Cee Bees before the P.C.'s. Well, I believe Newfoundland comes before both.

MR. ROWE: Look what happened to the Cee Bees!

MR. ROBERTS: Yes, the Cee Bees have since gone out of business - have they? - or gone downhill steadily. But, Mr. Chairman, that is all by the by-the-by, The hon. gentleman from Twillingate (Mr. Smallwood) for whatever reasons, you know, I do not know what his reasons are, and we can all speculate

MR. ROBERTS: for ourselves, but it is a shame in a way that the limited time of the Committee has to be taken up by personal vendettas from the gentleman from Twillingate (Mr. Smallwood). I do not think anybody is the least bit interested in what he has to say on the point because it is not new. The gentleman from LaPoile (Mr. Neary) will probably say a few words, and that is of course his right, and we will listen. Some of my colleagues may wish to. But I think it is a matter of regret that an important topic, the Mines and Energy Estimates, are waiting. And even more to be regretted, that the limited time which the Committee have under the rules - seventy-five hours - is running, and it is running with personal vendettas I thought had been resolved at the ballot box by the Liberal Party a year past, or a year and-a-half - well, what is this? - a year and-a-half past, at a convention here in St. John's, a convention that the whole Province saw on television, when the hon. gentleman, as was his right, sought re-election to the leadership and was defeated by - what was it? - 400 votes to 300 on the second ballot, in round numbers. He was defeated. And the hon. gentleman could not accept that. He could not accept the verdict of the Liberals. He thought it was somehow not representative of the country. He went to the country with his own party, got himself elected and three of his colleagues, cost the Liberal Party enough seats to cost them the government, and as a result put the Tories back in office.

Well, history will judge him and I know he is content to bide by the judgement of history. It is to be regretted that he insists on raising the matter in Committee, delaying the work of the Committee, delaying the work of the House on what is at best an intramural difference of opinion. But since he raised it, Sir, I had to answer. The hon. gentleman's entire attack was founded on mistaken facts. Because I am being quite charitable, because I have a residual affection for the hon. gentleman and a deep respect for what he has achieved for this Province in the

MR. ROBERTS: past.

MR. F.B. ROWE: Hear, hear!

MR. ROBERTS: I chose to believe that he was mistaken in his facts, not that he chose to ignore them.

But, Sir, let me say again that what I did and my colleagues did in the month of March 1974, or any other time with respect to the Churchill Falls and BRINCO thing, I would do again. I would do what I believed to be best for the people of this Province, and I will answer to my constituents for that, and I will answer to my conscience for that, and I will answer to this Province for that, not to the gentleman from Twillingate (Mr. Smallwood) or anybody else. And I answer, Sir, to my party for what I do as leader of this party. And I do that gladly, Sir, time and time again. And the only - no, I was going to say the only man to be re-elected leader, but the hon. gentleman was re-elected leader of the Liberal Party, and we all know what went on at that time. But he was not man enough, Sir, to accept it this time; he left and chose to set up his own party and let it be said.

MR. NEARY: Do you think -

MR. ROBERTS: Mr. Chairman, the hon. the gentleman from LaPoile (Mr. Neary) can say what he wishes and so can any other hon. member. Let them say what they wish and I will listen to it. But, Sir, the facts are there, the facts are as recorded, and the facts show that the hon. gentleman's attack is ill-founded, indeed, completely baseless.

Mr. Chairman, that is what I have to say. If other hon. gentlemen wish to speak I will listen with interest and if they say anything that needs, in my view, to be responded to, then I will respond, of course. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the member for Burgeo-Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, I do not think it is a matter that ought to take very much time from the time of this Committee, but since it is bearing on the government's involvement in purchasing the shares of BRINCO, I would just like to say a few words,

MR. SIMMONS: particularly as the subject relates to the now famous meeting in the Rowe residence back in March, 1974. As I said, I do not think it is the kind of thing we need dwell on very long, Mr. Chairman, but as I have sat here during the last hour or so, I am amazed at the difference, the variance in at least two versions of what went on at that meeting, the version that I know and the version that we have heard from the member for Twillingate (Mr. Smallwood). The Leader of the Opposition has given his version of parts of what went on and I did not find anything in anything he said that I disagree with.

Mr. Simmons.

I listened very carefully to the member for Twillingate (Mr. Smallwood) as he told us about the meeting back in March, 1974, and I noted that he say that he relate it as he recollected it, and I have no doubt that he did recollect it in a way that he told it. The Leader of the Opposition has dealt largely with the discussion at that meeting insofar as the Brinco issue is concerned. I would like to move very quickly to another matter which was alleged to have been discussed there.

I must say, as the Leader of the Opposition has said, I recall - I might have been napping, I do not think so, I believe I was conscious during the whole period I was there - but I do not recall, Mr. Chairman, any mention whatsoever, in an allusion, a direct reference, an implication, no reference what so all to this poppycock about a second party, a second Liberal Party. Not one dot, not one phrase, not one sentence at any time during my presence while I was conscious - and I swear, I believe, I was conscious all during the session - do I recall the member for Twillingate (Mr. Smallwood) or for that matter anybody else in that group refer by implication, directly or by allusion in any way, shape or form to the possibility, the dream, the fantasy or the possible reality of a third party or a second Liberal Party - no way.

Now, Mr. Chairman, I do not know why this has been introduced into the debate. I do not know why, if it is a red herring, or what it is meant to prove, or if it is meant to be just a fuel for a good emotional debate. But I say this, Mr. Chairman, that whatever it is meant to be, it is not a recital of what went on. It is not one of the items on the agenda at that particular meeting while I was there. It was never discussed, Mr. Chairman, in any way, shape or form. I cannot say this strongly enough, because were I dealing with a matter that was discussed, and we had a different nuance, a meeting on it or a different emphasis, then I could appreciate that one might well have

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a different opinion of what went on than my opinion or someone else's opinion. But for a member to stand in this House and to make very pointed references to a subject that to my knowledge was not even discussed, and I sat within eight or ten or twelve feet of the gentleman as he participated in that meeting, and the matter was not discussed, Mr. Chairman. It just was not discussed. And I question why this whole matter is being introduced into the debate this afternoon. I am puzzled as to why it was even thought a proper item to be introduced into the debate. There was no mention, none whatsoever.

Mr. Chairman, that having been said, I am puzzled as to how my face and the faces of the other persons present can demonstrate pleasure at something we did not hear. I heard the member for Twillingate (Mr. Smallwood) express considerable pleasure when the bargain was put, and we were duly pleased with this bargain as it were, got delighted, smiles all over our faces. Mr. Chairman, I find myself grinning absently at times, and that might have been one of the times. But I assure that member that if I were grinning, it was not in reaction to something I did not hear. And I did not hear any reference by him to any second party or any bargain about what he would do if we would do certain things. That is nonsense, Mr. Chairman. I find it unfortunate that I have to stand and say that, but it is utter, complete nonsense, nonsense, nonsense!

The member in speaking - and I quote him - said, "If I could judge they were pleased with my offer." Mr. Chairman, do I make myself clear? One, there was no offer. Two, there was no mention of any second or third or fourth Liberal Party reformed, deformed, usual, unusual, no reference at all, none. So if I am included in that 'they' - the quote says, "If I could judge they were pleased" - again, Mr. Chairman, I beg for an explanation. How in the name of goodness could I look pleased on something I did not hear anything about? How could I react

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with pleasure? Poppycock, nonsense, nonsense of the highest order, Mr. Chairman, nonsense, the kind of which is unworthy to be introduced in any debate in this particular committee or in this House at all.

Mr. Chairman, I do not know about the rest of the members at that meeting. If they want to talk about it they can. But I can tell you where I stood when it comes to this whole discussion, and perhaps this is what explains our different versions. Perhaps it was said, Mr. Chairman, and perhaps I did not hear; perhaps it was so unreal that I refused to hear. I tuned him out when I heard such an unreal proposition. Because, Mr. Chairman, one, I never saw any need for the second Liberal Party. Secondly, I did not share any particular great fears that somehow it was necessary to grab at this kind of a straw, this kind of a bargain to avoid being annihilated. Mr. Chairman, that gentleman could have formed three additional Liberal parties

MR. SIMMONS:

so far as I am concerned. I felt then as I feel now. The difference now is that the Province last year has shown proof that my feeling was correct. The Province in the general election on September 16 showed that a second Liberal Party headed up by the gentleman from Twillingate (Mr. Smallwood) would not get the twenty-two or twenty-three or twenty-four - I think the figures was twenty-eight at one time in the rumors just before the election - did not get twenty-eight, Mr. Chairman, or even the bare majority of twenty-six. My information, Mr. Chairman, is that they got four. I am told they got four in that election, Mr. Chairman.

So I had no particular fears in March, 1974 about the possibility of a second Liberal Party. I never did have any fears about the member's ability to head up a second Liberal Party. I never said I did not respect his ability. I said his ability to form a second Liberal Party. Mr. Chairman, I was aware of his ideas about this second Liberal Party. Indeed he called me, the member for Twillingate (Mr. Smallwood) called me on the morning of June 30 past, eight thirty in the morning, he called me. Now, Mr. Chairman, if we want to talk about various versions of stories I will give you a version of another meeting, a meeting on the telephone.

MR. ROBERTS: The time of the great coup.

MR. SIMMONS: It happened last June 30 at eight thirty in the morning. I was called at my home out West of Grand Falls at Kona Beach. The member for Twillingate (Mr. Smallwood) called me, I presume from his home on Roaches Line. I am not sure where from, either there or St. John's. He told me among other things, Mr. Chairman - and he named the people off - Mr. Woodward is coming down to see me, Mr. Paul Thoms is on his way down now, Mr. Fred Rowe is coming down, and so he rhymed off several other people who were coming down to the house and, would I come too? - the implication being that I would be awfully silly not to, because I would be the only fellow in the Liberal caucus left out.

Well, Mr. Chairman, I thanked him for calling me and I told the

MR. SIMMONS:

gentleman that I would not be interested in attending. I told him I would not be attending. Needless to say immediately I completed that conversation I tried to call my colleague from Trinity-Bay de Verde (Mr. F. Rowe) to say to him, what in the name of goodness is going on, did you actually agree? But I could not get through to him, so I called a third party who is not in the caucus, so I will not mention him, and that third party subsequently got hold of my colleague and subsequently got back to me and assured me that the member for Trinity-Bay de Verde was indeed not going to Roaches Line, and indeed at least one other member mentioned in the conversation, Mr. Woodward, had no intention of going. Indeed I spoke to him on the phone within an hour after I had spoken to the member for Twillingate (Mr. Smallwood).

Now, Mr. Chairman, I have no doubt that when the gentleman from Twillingate (Mr. Smallwood) gives his version of that telephone conversation it may well be quite different than my version. I care not. I care not.

MR. F. ROWE: According to Ed there might have been a meeting starting. I was going but I found out others were not.

MR. SIMMONS: I see. All right. The member for Trinity-Bay de Verde (Mr. Fred Rowe) tells me something I had no way of knowing unless he had volunteered it, before indicating that he had agreed to go to such a meeting but that he subsequently found that the information he was being given by the member for Twillingate (Mr. Smallwood) to the effect that other people were going was not correct. Then he backed out as well.

Well, Mr. Chairman, that is a tangent, that is a diversion. I did not particularly want to get into that except to say that I was aware for some time of the attempts of the member for Twillingate (Mr. Smallwood) to form a third party. This is the twist, Mr. Chairman, that I think I resent most, the suggestion that the meeting in March, that one of the agreements there was for us to become party to an

MR. SIMMONS:

offer which would prevent another Liberal Party, as though the member for Twillingate (Mr. Smallwood) were attempting to avoid setting up another party. Mr. Chairman, any of you who have watched the developments in this Province at all in the last few months knows the opposite is true, that the member for Twillingate (Mr. Smallwood) was attempting by any ruse, any excuse, any trick in the book to find a reason to start a second Liberal party. I had the conversation with him on the morning of June 30 and many hundreds of others have had conversations. I see people sitting in the gallery today who have told me they have had similar conversations with him about that time. I see people sitting in this House who had conversations with him at that time.

Now, Mr. Chairman, back to that famous meeting. The member for Twillingate (Mr. Smallwood) says that they - I presume I am included in that - were happy to have a strong stand. Indeed we were. On that, Mr. Chairman, I agree with him one hundred and five and a half per cent. We were very happy to have a strong stand. What he neglected to tell the Committee, Mr. Chairman, is that that strong stand did not emanate along from him. He was not the father of that strong stand. He was not the originator. I will say that he, by his advice, so kindly given to us at that meeting, helped formulate that stand but the suggestion that we were like a ship without a rudder, that we did not have a click on this whole thing, we had no reading on this Upper Churchill business, this Brinco situation until the father or the originator of the idea comes along, that is poppycock, that is nonsense too, Mr. Chairman. We had had a number of discussions on this particular issue. When the word came to me as one member of the caucus that the former Premier, the former leader of this party was willing and ready to sit down with us and discuss this issue, I jumped at the chance - I do not know about the rest - I jumped at the chance to have some firsthand advice from the gentleman, the one man who was at the very center of the whole Brinco development from the day one, from

MR. SIMMONS:

the word go, back twenty years before, Mr. Chairman. We would be fools, even if he wore a different political label or he had - no matter what the other circumstances were, the fact that the gentleman who had offered his advice, the gentleman at the very center of this whole development for twenty years, if we refused that kind of advice we would be crazy.

I was happy to listen to it, happy to enter into an exchange. We got some good advice at that particular meeting, Mr. Chairman. But the suggestion that someone came in, namely the member for Twillingate (Mr. Smallwood), with this "strong stand" on a platter and said, "Here it is boys, And if you take it holus-bolus, do not change a dot, do not uncross a 't' and for that I will not start a second party," if I had heard it that way I would have added some other items to the agreement. If we took it holus-bolus on the platter, would he also promise us he would not start an eighth church? Would he also promise us he would not introduce new colors into the spectrum? Would he also promise us he would not start a new bank? What a deal! What nonsense!

I was happy, Mr. Chairman, to participate in that discussion because we were availing of the advice of the man who knows more than any other gentleman alive about the Upper Churchill development. I read with considerable interest the book put out recently, I think written by a Mr. Smith, The Brinco Story, a tremendous story. I learned a lot about it that I had not known before, obviously. I was very pleased to see that Mr. Smith among other things gives full and proper credit to the gentleman from Twillingate (Mr. Smallwood) without whom, Mr. Chairman, we would not be discussing Brinco today, without whom the letters which make up Brinco would be just another nonsense word. For these reasons I was happy to avail of the advice, as I hope I can again, Mr. Chairman.

But it needs to be said in the context of this debate that "advice" and "dictate" are two different matters.

Mr. Simmons:

It is one thing to advise, it is another thing quite apart from that to think that your advice is automatically a dictate. I always understood advice to mean, Mr. Chairman, something you could take or leave. I always understood a dictate to mean something which was an order, a command. I sat there that morning, I did not talk much, I never got a chance, others were doing too much of it. I was a fairly new member, but I was learning and I was listening so I had no real reason to talk even if I could get a word in edgewise.

But I took what was said, and a lot was said. I was surprised to hear that the meeting only lasted an hour, because I fully thought the member for Twillingate (Mr. Smallwood) had talked at least for an hour himself. He had given us a fairly extended, an extensive analysis of the BRINCO situation, for which I am grateful to him. But I, Mr. Chairman, perhaps naive, perhaps not knowing the inner goings on of this kind of a discussion, I came away, Mr. Chairman, naive as I guess I was, thinking that we had just gotten advice. I did not think that we got orders or ultimatums - if you do this, if you do not do this, I am going to do this. I took it as a meeting of friends, men who shared a common philosophy, a Liberal philosophy, men who shared a common concern for the development of the Province, and in particular the future of the Churchill development. I saw it as a meeting of friends, not some kind of a negotiating session between unreconcilable enemies where we bargained in white and black, and crossed every 't' and dotted every 'i'. I actually thought, Mr. Chairman, it was a meeting of friends. We were going to get some friendly and valuable advice from a friend of the Liberal Party. He ought to be; he headed it up for so many years. I did not see it as a dictate, Mr. Chairman, I did not see it as a threat. I did not see it as an ultimatum. Now I hear today that is what it was. "You either do this, you either take this that I presented to you on this "strong stand on Churchill" or I will get you. I will work against you," Mr.

Mr. Simmons:

Chairman, I perhaps overstate, but I want to point out just how improbable that version is.

Mr. Chairman, perhaps, perhaps, Mr. Chairman, the evidence that really puts this whole dispute about who is telling the correct version, the evidence that really puts it to the acid test is a reference that my colleague, the Leader of the Opposition, made when he said, "On the one hand we hear the member for Twillingate saying, 'Look, I came to a meeting in March and I said if you do this I will not start any second party'." That was in March 1974. And so the implication you can get from his statement, and I stand to be corrected by him, the implication you can get is that we did not do what he had given us on the platter. So the implication there is that he was then relieved of his commitment, and therefore could go off and start the third parties, or second Liberal parties, whatever you want to call it. Now the question is, Mr. Chairman, why did he knowing in March 1974, late March, the 28th. of March or so, the 30th. of March, 1974, he was absolved of his so-called commitment to us, why did he not rush out then and start the party, if that was his burning desire, his only alternative? But instead of that, Mr. Chairman, he did something else that I believe is in the public record. I believe most of us here in this House know that he also ran for the Liberal Party leadership six months after that fact. How does he reconcile that, Mr. Chairman? Was that just an interlude, a pastime for two or three months?

Mr. Chairman, the member for Twillingate criticized the handling of this issue by the Leader of the Opposition, the fact, in particular, that he held off for some time after the Premier's statement, the second statement, the one on the 27th. of March, I believe. He criticized the leader's handling of it, in the sense that the statement had not been made or had not been made quickly enough.

Mr. Simmons:

Now, Mr. Chairman, you know, we accept that if the member for Twillingate had been the Leader that time, it would have been done differently; if my friend from Port de Grave (Mr. Dawe) had been Leader it would have been done differently, if I had been the Leader it would have been done differently, if the member for St. George's (Mrs. MacIsaac), it would have been done differently. What does that say? It only says that God had the good sense to make us all a little differently, to put us all together a little differently. Are we suggesting that we are all rubber stamps of each other? And that because the Leader of the Opposition did not do it the way the member for Twillingate would do it, that one of them has got to be wrong? Any person, Mr. Chairman, I put to you in that situation at that time would have introduced his own personality, his own vantage point, his own consensus or analysis of what went on. And these factors, Mr. Chairman, would have meant that the Leader of the Opposition did handle this differently than I would have, than the member for Twillingate would have, than anybody would have had he or she been leader at that particular time. But that does not mean, Mr. Chairman, that every time your leader does something a little differently you do, you kick a tantrum and you go out and start another party.

Mr. Chairman, if I could have sat here this afternoon and interpreted the comments of the member for Twillingate as the assessment of an impartial, but an interested and informed observer, I would have been happy to sit, I would not have even wanted to enter into the debate. Mr. Chairman, unfortunately I have to say that I feel that these comments this afternoon were not so much, did not so much represent the assessment of an impartial observer as perhaps the emotional spewings, if I may use that term, the emotional spewings of a man who unfortunately, and it is sad to have to say this, has become quite consumed in a personal vendetta with the Leader of the Opposition. I do not know if it is hatred, I do not know if it is

Mr. Simmons:

jealousy, I do not know what it is, Mr. Chairman. But it is unfortunate for whatever reason that that kind of factor enters into what should be the rational debate of this Committee.

MR. CHAIRMAN: Order, please!

I do have to point out to the hon. member that the questioning of motives is quite unparliamentary. And I would ask him to withdraw and apologize.

MR. SIMMONS: Thank you, Mr. Chairman, I certainly withdraw any imputation of motives. I was I guess wondering out loud, Mr. Chairman, because I have been looking for some rationale for this. I cannot understand, Mr. Chairman, the whole set of events, the version that has been presented by the member for Twillingate, and I have been looking for a reason. Perhaps I have, you know, delved too far, for which I apologize to Mr. Chairman, to the House and particularly to the member from Twillingate.

Mr. Chairman, had I been able to sit here this afternoon and receive the comments of the gentleman from Twillingate as the comments of a seeker after truth, one who wanted to lay into the record the version of what happened as he saw it-- and I am not implying he did not do that. I believe he told it as exactly as he saw it - but the real issue that I am wanting to point out here, Mr. Chairman, is, what motivated? I cannot answer that question, because I may again get into the area of imputing motives.

Mr. Chairman, I wonder if we are not kind of living in the past just a little bit here on this one, and I do not say that in any reference to chronological age or in reference to the distant past, but I wonder if we just have not moved the clock back just two or three or four years. I wonder if we are not really fighting the October, 1971 election all over again. I wonder really, Mr. Chairman, if these comments as they relate to that version of the famous meeting at the Rowe residence would he even have been made, Mr. Chairman, were

Mr. Simmons.

the member for Twillingate (Mr. Smallwood) reconciled to accept the realities of 1975 that in 1976 he is not the Premier any longer. I wonder would we be hearing this approach to the item under debate if the gentleman levelled with himself and levelled with all of us and gave us his own realistic assessment of what he feels we ought to be doing in 1976. Because, Mr. Chairman, we are in 1976. We are not in October, 1971. We are in March 1976.

MR. WOODROW : April, 1976.

MR. SIMMONS: Well, at least I am a month off, Mr. Chairman. It is April, 1976. I thank my colleague my friend from Bay of Islands (Mr. Woodrow). He always keeps me on the straight and narrow, and we are waiting to see, Mr. Chairman, when he is coming across the floor. The only disadvantage, Mr. Chairman, of having him over here is that we will not be able to sit back and look at him as he makes some of those tremendous speeches he has been making in Committee and in the House. And I am looking forward very much to his getting into this debate. I have been watching, Mr. Chairman, and I think even his own Premier, the Premier of the Province, is enjoying considerably his contribution to the debate, and I hope he will be back into it fairly soon. Indeed I was disappointed to see him sit down the other night after forty-five minutes, Mr. Chairman, because we were quite prepared to give him leave.

MR. WOODROW: The opportunity will come again.

MR. SIMMONS: Okay, all right. Well, Mr. Chairman, he has my commitment now that I will give my leave to his having an extended period, because I have much interest in what he has to say to us.

Mr. Chairman, just in concluding here on the member for Twillingate's (Mr. Smallwood) comments about that meeting. And as he was concluding, I believe himself, Mr. Chairman, he made a statement

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that I could not restrain myself from writing down, because I heard him say - I am sure I heard him say this - "I had to restore the principles of the Liberal Party." Well, Mr. Chairman, I will be honest with the House. I was about to screen some information from you, but I will be honest with the House. The note that I wrote down as the immediate reaction to that statement was two words, underneath my quotation of him, "I had to restore the principles of the Liberal Party," I wrote two words, "What nonsense!"

Mr. Chairman, the member for Twillingate (Mr. Smallwood) has spent a considerable amount of time this session pointing across the floor. He points to my very good friend from Menihek (Mr. Rousseau) and reminds him he was a Liberal. I remind him of that too, and remind him he still is a Liberal. He points at other members across the floor, and points out that he was a Liberal. Indeed last year, Mr. Chairman, when I had little else to do I happened to have been down at Liberal headquarters at one time, and they were throwing out the old Liberal membership cards.

MR. ROUSSEAU: Was mine there?

MR. SIMMONS: I will come to that.

They were throwing out the membership cards, and I had a malicious moment, and I said to one of the ladies there, "Look, would you mind looking up a group of names?" And she took down the names, and I rhymed them off and, lo and behold! she found cards signed by various people; Fintan Aylward, who used to be member of this House, a number of gentlemen who are now members, and still members, the member for St. John's West (Mr. Crosbie), the member for Grand Bank (Mr. Hickman) and others. She came up with fourteen applications,

Mr. Simmons.

Liberal membership applications signed in 1969, signed by men who were then sitting at that time last year, before the House was dissolved, sitting on that side of the House. And, Mr. Chairman, that was fourteen. But as my friend from Menihek (Mr. Rousseau) points out there were really fifteen, because he was not one of the fellows who signed that. I do not know what the Minister of Mines and Energy was doing at that time. He did not see to it, when he was going around the country, he did not see to it that the member for Menihek (Mr. Rousseau) did not sign one of those cards. But he is and was, Mr. Chairman, a Liberal nevertheless. So here we had it, fifteen, fourteen of them had signed their name, the other fellow obviously so Liberal that he did not even need to prove it on paper - fifteen of them, Mr. Chairman.

And, Mr. Chairman, I was saying that the member for Twillingate (Mr. Smallwood) has spent a fair amount of time during this session doing what I am now doing pointing at various members across there and saying, you were a Liberal, you were a Liberal. Indeed they were, Mr. Chairman, indeed they were. And I would submit, Mr. Chairman, and I relate this to the member for Twillingate 's (Mr. Smallwood) comment about his having to restore the principles of the Liberal Party, I ask him the question that all Newfoundland was asking him for a number of years, and I put it in the form of a statement, I say this - had the principles of the Liberal Party been inviolate in 1969, he or I would not be able to stand here and count fourteen or fifteen on the other side. They are there, Mr. Chairman, because in some respects the Liberal Party under his leadership had gotten away from some of the basic principles that may of us believe in. We hear a lot about public tendering, about reforming of election expenses. I heard precious little about it, Mr. Chairman, in 1968 and 1969, I regret to say.

Mr. Simmons.

I do know the other side of it, and my friend from St. John's West (Mr. Crosbie) will have a recollection of an event I am about to refer to, and I believe a specific incident I am about to refer to. I refer in general to the leadership campaign of 1969, and he and I, and the member for Grand Bank (Mr. Hickman), with whom it was my privilege to work at the time in his campaign, will remember, Mr. Chairman, some of the details of that particular convention. The one that stands out for me, Mr. Chairman, is that I ran into a gentleman - I could name him, you would all know him, but it is not fair - I ran into a gentleman on the floor of that convention, and you will recall, Mr. Chairman, that I was the campaign manager for the present member for Grand Bank (Mr. Hickman) in his leadership bid, and they were having the election of officers, president and so on before they were having the election of leader, and I had not announced that I was going to run for president, indeed I had no intention of doing so, but somebody in another camp - let me just say I understood by checking out that it was not the Crosbie camp, it was ~~not~~ the Vince Spencer camp - somebody speculating that perhaps -

PREMIER MOORES: Was it the Randy Joyce camp?

MR. SIMMONS: No, it was not the Randy Joyce camp.

- somebody, Mr. Chairman, speculating that I just might announce I was running for president and just might wind up coming first on the ballot, somebody speculating it as wildly as that said, "We cannot take any chances." Now, Mr. Chairman, remember I had not announced I was running, and I had no intention of running, but yet I ran into a gentleman and that gentleman, Mr. Chairman, without naming names is within the hearing of my voice right now. I ran into him, and as I walked up to him I saw him scabble, or as we say, poke a piece of paper into his pocket all in a hurry, and I knew it was something I was not supposed to see so I was a little discourteous, and I put my hand down in his pocket and called him by name and said, "What have you got now?" And on the paper it read -

MR. HICKEY: You mean you picked his pocket?

MR. SIMMONS: I picked his pocket, Mr. Chairman. I picked his pocket. I saw him put the paper in, and I pulled it out, and it read simply this, and it was being passed up and down the delegations, "Do not vote for Roger Simmons for president."

Now, Mr. Chairman, I just quote that little incident, Mr. Chairman, because there are others that we could all quote, but we will not bother. The Minister of Mines and Energy can get up and quote some little stories like that, too, but I just quote one that relates to me. I mentioned it, Mr. Chairman, because that kind of going on in 1969 - and that is only the tip of the iceberg, That is a silly little example I agree, and there are much bigger ones we could be giving. But, Mr. Chairman, when I hear someone talking about restoring principles or when I hear somebody parading his principles, Mr. Chairman, instinct tells me to look at the record. Instinct tells me when that person was in charge of the principles, if you like, when that person was in a position to do something about really restoring principles, what did he do? I have my own answer. I had opportunities. The member for St. John's West (Mr. Crosbie) in my home in Springdale on one occasion invited me to get actively involved in politics. I am glad that I eventually took his advice. The member for Twillingate (Mr. Smallwood) also invited me on a number of occasions, including once or twice in his own home at Roaches Line to get involved in politics. I always had an itching desire to get involved, Mr. Chairman. I restrained that desire until the present member for Twillingate (Mr. Smallwood) had retired as leader of the party, not because I had any personal animosity towards that gentleman. There is no gentleman in this Province for whom I have greater respect and admiration. It was not for those

reasons, Mr. Chairman, but just simply because I did not subscribe to his style of leadership, and I do not now. I did not subscribe to his use of power, and I do not now. That is not to say I dislike the man. I like the man very much. That is not to say that I have no admiration for his contribution. Indeed, Mr. Chairman, his contribution to this Province and in particular to the Churchill development and to the Province as a whole is unmatched, Mr. Chairman, unmatched by

MR. SIMMONS: anybody in the history of this Province, and when we start building monuments, the biggest monument, Mr. Chairman, ought to be reserved for that gentleman. I will go so far as to say I will head up the fund raising, I will head up the fund raising for that particular monument, Mr. Chairman.

But, Mr. Chairman, I will not stand by and have history distorted, have the facts misrepresented, have the wrong inscriptions put on the monument. That gentleman deserves no credit, Mr. Chairman, on the inscription, no credit, no credit for what he has done, what he has inflicted upon the two party system in this Province, deserves no credit.

On the other hand, the monument, Mr. Chairman, could not be large enough to contain the paeans of praise that need to be written about his contribution to the development of this Province and to bringing to fruition the Upper Churchill Development. They sing a song in the Salvation Army and one of the verses goes something like this, I will not sing it, I promise, "Could we with ink the ocean fill and were the skies of parchment made/ Were every" - Brother Lush, what is it? "Where every quill on -

MR. MURPHY: You need the band for that.

PREMIER MOORES: You need the band.

MR. SIMMONS: I need the band for this. I need the band for this.

MR. LUSH: I do not know it.

MR. SIMMONS: I will start all over again. "Could we with ink the ocean fill and were the skies of parchment made,? Were every twig or something on earth a quill and every man a scribe by trade." And I will paraphrase from here: To write the phrases of the gentleman from Twillingate (Mr. Smallwood), to inscribe on that monument all the credit, as I say, would drain the oceans dry, nor could the scroll contain the whole though stretched from sky to sky.

MR. HICKEY: Did you write that, 'Roger'?

MR. SIMMONS: Did I write it? Do you mean the original or the beefed up version?

MR. HICKEY: Either.

MR. SIMMONS: Mr. Chairman, let us not get too totally separate issues all mixed up here.

MR. MURPHY: The estimates of the Liberal Party.

AN HON. MEMBER: Right. Right.

MR. SIMMONS: Mr. Chairman, you know that is the first time that my very good friend from St. John's Centre has listened to me enough to get the drift of what I am saying. Before that he has been so busy, Mr. Chairman, so busy retorting or wanting to belong to my band -

MR. MURPHY: Roger, look -

MR. SIMMONS: - but today, Mr. Chairman, today Mr. Chairman, he has touched me, really touched me, Mr. Chairman, and I am grateful. Now if the member for St. John's Centre wants me to talk for a half hour he can harrass me, if he wants me to finish in about two minutes, as I intend to do, he can sit there quietly by.

MR. MURPHY: I do not care if it takes you two years.

MR. SIMMONS: I must say, Mr. Chairman, with all due respects, he always looks to me a lot better than he sounds, and if I could just look at him he would be inspiration. He would be inspiration.

MR. MURPHY: No wonder your band left you.

MR. SIMMONS: That is another story. My band did not leave me. I am just looking for a bagpipe for the band and I think I have the bagpipe, the member for St. John's Centre (Mr. Murphy).

MR. MURPHY: If I could squeeze you there would be more wind.

MR. SIMMONS: Now he is talking about squeezing me, Mr. Chairman. What kind of an affair do we have going on here?

MR. CHAIRMAN: Order, please!

MR. SIMMONS: Let us not, Mr. Chairman, confuse here what are two totally separate issues. One, we are talking and must continue to talk, not because he is present, not because the member for Twillingate (Mr. Smallwood) is here. I have said things equally praising in their tone in his absence and I have said things equally critical of him in his absence as I have said today and will

MR. SIMMONS: continue to do so. But let us not get two completely different issues confused here. One, Mr. Chairman, is the continuing-not only obligation, but the continuing desire that we as Newfoundlanders have to pay homage to our greatest living legend, the member for Twillingate (Mr. Smallwood). I shall do that. I shall continue to do it.

At the same time, Mr. Chairman, and that is the one issue, and at the same time let us not be intimidated into compromising our concerns and our feelings and our sense of direction for the future of this Province, be it the Lower Churchill Development, the Upper Churchill shares,

MR. SIMMONS: or the financial future of this Province, let us not be intimidated into compromising our concern for the future of this Province and the kind of action we take to manifest that concern, because at the same time we have in the same gentleman who happens to be the legend I just spoke about, also a person who like ourselves is human, has his weaknesses, and yields to these weaknesses publicly sometimes.

Had I gone through the set of events, Mr. Chairman, that he has gone through over the past three or four year, I think that I would probably be standing in my place today as he did and would have been saying some of the things that he said in reference to the Leader of the Opposition. Had I had twenty-five or twenty-seven years of experience preceeded by a long and distinguished career in journalism and in the public life of this country generally, had I such an awareness of the concerns of the average Newfoundlander as he has been able to garner through his involvements in the Barrelman Show, and his involvements in writings, his involvements travelling around this Province, walking across the Island, doing so many things that many of us have never had the privilege or perhaps the courage to do, had I those factors in my background I too would be standing here today, Mr. Chairman, I am sure. Because I am human and I have my weaknesses too and I would have been giving vent to some of my frustrations as he did today.

So I am hoping, Mr. Chairman, that we shall not allow ourselves either in this committee in the House or generally in our relationships with each other as all men and women in public life, I hope we will not get sidetracked into the issue, the scapegoat, the red herring issue of who is most frustrated towards whom, of who thinks less about whom. I think it is time for us to rally on this particular point, forget the versions about what went on in the member for Trinity - Bay de Verde's basement, a very plush basement I might say, Mr. Chairman. I wonder how a member on a salary can afford such a plush place.

MR. MURPHY: Got a royal commission now to investigate.

MR. SIMMONS: I was surprised to hear the member for Twillingate (Mr. Smallwood) could not find it because it is the most imposing house on the street, Mr. Chairman, and I congratulate him and Central Mortgage, not necessarily in that order.

MR. MURPHY: Long grow 'Fred's' fief.

MR. ROWE: Second mortgages.

MR. ROBERTS: The political catacombs.

MR. SIMMONS: Mr. Chairman, I believe it is time to put behind us who is telling the truth or the correct version about what happened in that particular recreation, rumpus room, as my friend from St. John's West (Mr. Crosbie) chooses to call it. I have given you what I think is my honest assessment of what went on. My memory might have failed me. It has failed me before. I believe the member for Twillingate (Mr. Smallwood) when he says that he has given what is an honest assessment.

We used to in school, in one of the games you used to play when you wanted to demonstrate understanding or interpretation to a bunch of youngsters in grade seven or eight was to put them all in a circle, about twenty-five or thirty, a class of them, and the first person in that circle would be given something on paper to say to the second person, and the second person would say it to the third person, and the third to the fourth, all around the circle, and then it would come back to the first person and by the time that person heard what had been repeated twenty-nine times there was no comparison between what he said and what he heard thirty repetitions later.

MR. CHAIRMAN: Order, please! I do have to remind the hon. member that his time has now expired.

MR. SIMMONS: Mr. Chairman, I can just clue up in one sentence if you do not mind. I think in the same way, Mr. Chairman, the versions we have heard are all correct in terms of our ability to hear, but what is more important is that we realize that our frustrations on this matter are not of paramount importance, but rather that on the Churchill development,

MR. SIMMONS: on any other public development in this Province, that we all address ourselves to the overall question, how can we best develop it, not for our own egos or to prove we were right, but for the good of the Province.

MR. CHAIRMAN: The hon. member for Twillingate.

MR. SMALLWOOD:

I would like to reply to one or two points made by the hon. gentleman who just sat down and then come to reply to the main point, and there was only one main point made by the hon. Leader of the Opposition. In reply to the hon. gentleman who just sat down, may I remind him of the fact that when I did telephone to him on the same occasion when I telephoned to four or five or six other MHA's, Liberal MHA's, on that occasion he did not refuse to come and visit me. He did not refuse to come and visit me. He explained that he and his wife had been planning for weeks to go off on a long holiday and he was going that very day. Does he not remember?

MR. SIMMONS: That is right.

MR. SMALLWOOD: Well, that is not a flat refusal to come and see me.

MR. SIMMONS: You had that too, Sir.

MR. SMALLWOOD: No, there was no flat refusal. There was not.

Now, in the next place I thank the hon. gentleman from Trinity-Bay de Verde (Mr. F. Rowe) for admitting that he had agreed to come and meet me that day.

MR. ROWE: Under what circumstances?

MR. SIMMONS: Under false pretenses.

MR. SMALLWOOD: No false pretenses. The fact of the matter is I had been given a private tip that there was to be a dissolution and a general election. That tip had come from - well, it turned out to be right. That tip was a good tip. I telephoned to six or seven MHA's inviting them to my home to discuss the problem of an early election, and what was the Liberal Party going to do about it. They all agreed to come except Mel Woodward who was down in Labrador and he was too far away.

There was one man however, not a member of the House -

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

MR. CHAIRMAN: A point of order.

MR. SIMMONS: A point of order, Mr. Chairman. Mr. Chairman, just for the record -

MR. SMALLWOOD: Is this a point of order?

MR. SIMMONS: I think so, Mr. Chairman. Mr. Chairman can rule as Mr. Chairman will. For the record, Mr. Chairman, I have already stated that Mr. Woodward was here in St. John's. He was not in Labrador. He was in Elizabeth Towers on ~~that~~ particular day. He was quite available.

MR. SMALLWOOD: All right. Well, that is not a point of order. That is a difference of opinion.

MR. SIMMONS: A difference of information not opinion.

MR. SMALLWOOD: Whether he was in Labrador or not I did not succeed in getting hold of him. But all the others I did get in touch with and they all agreed to come to this meeting. I told them why. I told them of the news I had just received. But there was one man, not a member of the House, a man who took an active part in the election, and could not resist going to Twillingate district to campaign against me down there though he was not a candidate. He is the one who got in touch with the various MHA's, and he is the one with whom some of the MHA's got in touch. I do not want to name the man. He is not part of this picture so I do not need to name him. That is point number one.

The hon. member for the South Coast who just spoke told me, explained that he was sorry he could not come, could not possibly because he and his wife for some weeks past had been planning to go on a holiday that very day and I understand they did in fact go on their holiday that day. That is not the way he just told it. It sounds altogether different from the way he just told it.

Now, I have a very good memory notwithstanding the attempt of the Leader of the Opposition to hint, very delicately, in a very subtle way, very subtle, very delicate, that this poor old codger had lost his mentality and lost his memory. In spite of that I have a good memory. I have an excellent memory, and my memory tells me that the hon. gentleman standing in the doorway there was not present at all of that meeting in the hon. member's home, that he

MR. SMALLWOOD:

was not present at all of that meeting, that he came in late at that meeting, later than all the others. He was the last to be there. The others were there except for Mr. Woodward, who was in Labrador, the others were present in the home of the hon. member for Trinity-Bay de Verde (Mr. F. Rowe), all but one, one in Labrador and one other, and the one other is the hon. gentleman who just finished speaking. He was late coming in. So he is not a good, reliable witness of what was said at that meeting. He was not present at all of the meeting.

Now, next point I want to reply to is this, despite his effort - I have too vivid a memory and too good a memory and too vivid a recollection of that meeting. I ought to because my life's blood was at stake there, Churchill Falls.

MR. SMALLWOOD:

When I die will somebody in this House or in the press or somewhere please remember just put 'Smallwood' and then the next word 'Churchill'. I was very proud of Churchill Falls. I think I had good reason to be proud of it, no reason to be ashamed of it. And here it was being crucified, it was being murdered, it was being butchered. That is why I agreed to go and attend that meeting.

Now the hon. member says I laid down an ultimatum, and they were not allowed to erase any dot over an 'i' or to erase any cross on a 't'. It was an ultimatum. They had to take it lump sum, lump, sinker, line everything just as I had laid it down because it was an ultimatum. Now his own favourite word is 'nonsense'. 'What nonsense!' There was no ultimatum, Mr. Chairman.

I said to those gentlemen, "Gentlemen if you take a stand against what the government are going to do, have announced they are going to do, if you take a stand against that, you will be taking an unpopular stand because the people are with the government in this." And so they were.

MR. CROSBIE: They are.

MR. SMALLWOOD: They were.

MR. CROSBIE: They are.

MR. SMALLWOOD: Well, whether they are now or not, they certainly were then. They were with the government in the government's nationalizing or taking over or expropriating, getting hold of, taking possession of - I will not split hairs as the Leader of the Opposition did - about buying shares, acquiring it, nationalizing it. All these words and any others you like to apply is what you would use to describe what the government were doing which was to grab Churchill Falls. That is what the government were doing. Their means of doing it was to say to them, "We will make you an offer you cannot refuse." Their way of doing it was to say, "We will give you so many million dollars. If you do not take it, we will take it from you anyhow." And they admit that by saying they had a bill prepared to bring into the House here. It was force majeure. It was force. It was compulsion.

MR. SMALLWOOD:

Brinco had no choice in the matter. They had to do as the government intended and as the Leader of the Opposition so rightly said, "This House had the right to do it anyway." Not the government, but the House did.

The government could bring in the bill, and the bill, if it were passed by the House, would give the government all the authority in the world they could possibly want to take over Churchill Falls and they intended to take it over. They were determined to take it over. They did take it over, and you can split all the hairs you like as the Leader of the Opposition did in describing oh, the motion on one day and the motion on another day. On one day it was to expropriate, on another day it was to buy the shares. What kind of nonsense is that? What kind of lawyer-like splitting of hairs is that?

The fact of the matter is, Mr. Chairman, the fact of the matter is that it became known to all Newfoundland that the government were going to take over Churchill Falls. Right or wrong?

AN HON. MEMBER: Right.

MR. SMALLWOOD: Right. It became known in the entire Province of Newfoundland that the government were going to take Churchill Falls. That became known. That was public. Now the rest is technicality. The rest is hair splitting. The rest is lawyer talk about what the Premier said on that first Thursday and what he said on that second Thursday, lawyer talk, hair splitting. The fact of the matter is that before the House met on that Thursday afternoon, and before the Premier opened his mouth that Thursday afternoon, that Thursday morning all Newfoundland knew that the government were going to take over Churchill Falls. I knew it. The members of the Opposition knew it. All the people knew it. The newspapers knew it. It was public knowledge.

The public were not talking about expropriation, nationalization, purchase of shares, bringing a bill into the House. That was not it

MR. SMALLWOOD:

at all. That morning when I met those members of the Liberal caucus, when I met them that morning, they knew, I knew, everybody knew that the government were going to take over Churchill Falls. Most of the people in Newfoundland agreed with it and approved it. The Opposition I felt - I did not know, but I felt - that they approved it too. Well, at least they had not said a word against it.

MR. SMALLWOOD:

I had come out publicly and denounced it, said it was wrong, wrong as wrong could be. I had said that. I had denounced it. But the Opposition had not said a word about it. and they are the alternate government. Where are the government of this Province, Your Honour? They are sitting on your left and they are sitting on your right. They are the government. Here are the alternate government. They had not said one word to the Newfoundland people. They had not given them a lead. They had not given them a hint as to what they thought, as to what was their policy, as to whether they agreed with the government or disagreed with the government; no lead to the people, no hint, not a word, dead silence from the alternate government, from the alternate Premier, dead silence!

That morning I did not lay down an ultimatum. I said to them, "Gentlemen, if you come out against the government in their taking over of Churchill Falls, if you come out against the government you will be going against public opinion but you will be doing the right thing." Was it Lincoln who said that he would rather - no, it was Stephen Douglas, Lincoln's opponent, who said that he would rather be right than president. The Opposition, the Liberal Party, should have had the same feeling, they would rather be right than support what the government were doing, and go against the popular sentiment of the people.

But I said, "If you will take a stand!" I said, "God in heaven, gentlemen, do not forget it was your party in power just a short while ago that created Churchill Falls, that vast, greatest power project on the face of God's earth." When I argued with Kosygin about that, we drove from Gander to Grand Falls. We passed a couple of little water power developments and I got to telling him about - he asked me about that and I told him about Churchill Falls, the biggest in the world. And he spoke rapid Pussian to the Russian Ambassador who translated and said, "No, the Premier says that it is not the biggest in the world." I said, "Oh, it is the biggest in the world." And it

MR. SMALLWOOD:

turned out that the biggest was in Russia, and the one that he was talking about in Russia was not one falls, not even one watershed, it was a whole series of watersheds. And in the aggregate there is more power there in the far Eastern Russia, in Siberia somewhere, there is more power there than there is on the Churchill River, yes. But that is a whole series of rivers.

Here was this vast accomplishment of the Liberal Government on which the Newfoundland people had not been asked to spend one dollar. But \$1 billion, \$1,000 million had to be spent, had been spent to develop the Upper Churchill, \$1,000 million, \$1 billion, and the Newfoundland people not a single dollar, and the Newfoundland people were going to derive from it hundreds upon hundreds of millions of dollars in the life of the contract with Hydro-Quebec. They were to draw \$400 million or \$500 million, the treasury of this Province, without putting a dollar in it. They were to draw more cash out of Churchill Falls than were all the shareholders of Brinco and of Churchill Falls Power Corporation. All those shareholders combined after subscribing and borrowing and spending a total of \$1,000 million, they were to get less out of it than our treasury, which is fair and square, which is right enough. It is as it should be.

But this story that has been told of the appalling, the degrading sell-out of Churchill Falls by the Smallwood Administration, the Liberal Government -

MR. CROSBIE: A colossal blunder!

MR. SMALLWOOD: Colossal blunder, selling out the divine, the God-given precious heritage of the people. What are they doing now? What are they doing now? All right, we will leave that. We will be debating that in another debate and we will leave it until then.

So naturally when I went to the members of the Opposition that morning in the hon. gentleman's home, when I did so, I spoke as a Liberal. I spoke to men that I took to be Liberals. I spoke as a

MT. SMALLWOOD:

former leader of the party and a former Premier of the Province. I spoke as the father of Churchill Falls. Churchill, Sir Winston Churchill and I and Eddy de Rothschild and fifty or sixty others, between us all we created

MR. SMALLWOOD:

Churchill Falls, but I had a part in it. And as one who had that part in it I spoke to men that I had every right to assume were Liberals, every right to assume were proud of Churchill Falls, and proud of what the Liberal Government has done to create it.

Now there was no question, there was no doubt, there was not a word of doubt expressed, Mr. Chairman, by any one of those men present there that day, not a word, no doubt, no dubiousness. Although I had been very honest about it, I had said, "You will be going against the grain. The public are with the government on this, but the government are wrong. Come out against it. Attack it." I did not say, come out and attack confiscation. I did not say, come out and attack nationalization. I did not say, come out attack purchase of shares. I did not say, come out and oppose this or that or the other bill. I did not go into any details. I did not split any hairs. They knew what I was talking about. I was talking about the Newfoundland Government taking over Churchill Falls. Not BRINCO. To start with BRINCO did not own Churchill Falls. There was a time when BRINCO did. But BRINCO had formed a subsidiary company, Churchill Falls Power Corporation, and they had some of the shares in that corporation. The Newfoundland Government had some of the shares in that corporation. The Government of Quebec had shares in that corporation. There were, I believe, three shareholders - is that what it would be? - three shareholders in Churchill Falls power; Newfoundland Government, Hydro-Quebec and BRINCO. There might have been one or two others, and subsequently became to be more than one or two others, of course.

MR. CROSBIE: Just three shareholders.

MR. SMALLWOOD: Three shareholders, exactly. Newfoundland Government - I am the one who got the Newfoundland Government to become a shareholder, and we had to go out and bum \$10 millions that we did not have to invest in Churchill Falls Power Corporation, who owned Churchill Falls now because they had acquired it from BRINCO, and the three

Mr. Smallwood:

shareholders. The government were going to take it, not take BRINCO, they were going to take Churchill Falls. And this is what I wanted to oppose. This is what I asked the Liberal Opposition caucus to oppose. Not one of them spoke up and said, "We cannot. No, no." Not one of them threw any doubt on it, not one of them put any question mark against it. And I was straight about it. I said, public opinion is with the government right now on this. I am not even sure that I said, right now, probably did not. I did not qualify it at all, probably. I said, "The public are with the government on this. You will not be doing a popular thing, but you will be doing the right thing."

Now there was no argument. They did not argue with me, not one of them. The member for Trinity-Bay de Verde (Mr. Rowe) did not argue with me on it; the member for Fogo (Mr. Winsor) did not argue with me on it; the member for LaPoile (Mr. Neary) did not, nobody, the Leader of the Opposition did not argue with me on it, nobody argued, nobody objected, nobody said, "Not!" Nobody put any question marks against it, my proposal.

Now what was my proposal? Or as the member for Burgeo-Bay d'Espoir (Mr. Simmons) calls it, my ultimatum, which they were not allowed to touch. They either had to take it or leave it. They could not change a dot of an 'i' or a cross on a 't'. It was an ultimatum from me. "I had not gone there", he said, "to offer advice." Advice is something you can take or leave. No, I had gone there to lay down an ultimatum. In fact what I did was to go and plead with them to oppose the government. And I said, "Look, this talk about my forming a third party", and that talk had been going on for about a year, and continued to go on for maybe a year after that, I do not know how long after that. "Forget it", I said. "You come out now and defend the great Liberal accomplishment of Churchill Falls. You come out now and back it and support it and," I said, "there will be an election, in a year or two there will be an election, a year or two or three." and I said, "I will campaign for you."

Mr. Smallwood:

Now I did not guarantee that we would win every seat. Is there anyone here on this side of the House today or that side - I do not expect you to answer it, because you may be due to answer it according to party loyalty; answer in your own heart: If I had campaigned for the Liberal Party and followed the Leadership of the Leader of the Opposition, the Leader of the Liberal Party, if I had done that in the general election, and

MR. SMALLWOOD: there had been no Liberal Reform Party and I had backed that party to the limit, who would be sitting to the left of you, Mr. Chairman, now this afternoon and who would be sitting to your right?

MR. CROSBIE: The same people.

MR. SMALLWOOD: Not the same people, no, if -

MR. CROSBIE: Yes.

MR. SMALLWOOD: No. Look, I have analyzed the figures. I know the districts. Is there any member of this House who knows the districts of this Province better than I do?

MR. CROSBIE: These facts are not important.

MR. SMALLWOOD: Is there anyone who knows the people of this Province better than I know them. I would like to meet him. It is not the Minister of Mines. I say if the Opposition of that time had kept the understanding arrived at at that meeting that morning, if they had kept that understanding and if that Thursday afternoon, no matter what the Premier had announced, if the Leader of the Opposition the next day, Friday, as it had been agreed he should do, if he had attacked the whole idea of the government taking over Churchill Falls, never mind this splitting hairs now, then I would have been campaigning for the Liberal Party where my heart was and where my heart is.

Do hon. members doubt that? Do they doubt it? Is there any hon. gentleman here who thinks he is more of a Liberal than I am, that he understands Liberalism and shares it and feels it in his mind and in his heart more than I do? Is there any hon. gentleman on this side who has had such a long record with and in and for the Liberal Party as I have had?

I think it was the Leader of the Opposition made one point, I said I was going to reply only to one of his points, He only made one apart from the very subtle, clever, very clever, very subtle, a suggestion that this poor old fellow had sort of lost his mind, his mind was gone, you know. He did not dare come out and say that. But you know the strong, subtle hint that my memory

MR. SMALLWOOD: was gone. My memory is not gone, Mr. Chairman. I have a very vivid memory, very live, very lively, very accurate, very dependable, believe me I have. And I said I was going to reply only to one point that the Leader of the Opposition made, and he made really only one, that the poor old fellow has lost his memory and I will prove that he has lost his memory.

On the Thursday, the first Thursday, such a date, the Premier got up and he said so and so, and on Thursday a week later he got up and he said so and so. I did not promise, we never promised, we never undertook at that meeting that if they would nationalize BRINCO that we would oppose it. They did not nationalize BRINCO. BRINCO was not nationalized, he reminds us. BRINCO is still here. They are still operating. They are going to operate at Monkey Hill down inside of Makkovik, a great uranium mine. incidentally they did some drilling out for limestone out in the Port, they are still here. There is the proof. The government did not nationalize them so we did not break our word. Now what is hon. Leader of the Opposition saying when he argues thus? He is saying that what Smallwood said to us that morning was this, if the government started to nationalize BRINCO then we would oppose it. But the government did not start to nationalize BRINCO so we did not break our word. Now what kind of lawyer talk is that? That is not what I went in to see them about. That is not what I put to them.

The Leader of the Opposition said one other thing. He said I was trying to suggest that there were other versions, and that I was sort of protecting myself by going along in a certain direction here in my talk today. Is he not forgetting that earlier in this present session, on a day when I was absent, by the way, I was in Florida, it was in December,

MR. SMALLWOOD:

after the middle of December, I left here on the morning of December 16, and a day or two after that there arose a dispute between the hon. member for LaPoile (Mr. Neary) and the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) wherein the member for Trinity-Bay de Verde (Mr. F. Rowe) completely contradicted the member for LaPoile (Mr. Neary). And I was not here. I was not in then. I cannot go and deal with the matters that were dealt with in that debate. But I became aware of the statement of the hon. member. I became aware of that. I knew that he had done it. That is why I said at the outset of my speech that I was going to tell it as I remembered it. I was going to tell the story as I recalled it and I had good recall.

Others may tell it as they recall it. Why would I not say that because I was very conscious of the fact that at least one who was present at that caucus, our host who owned the home where we held the meeting, had already here in this chamber in December contradicted the same account that I have been giving here now, although I was not giving it then. It was given by the member for LaPoile (Mr. Neary).

I thank the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) for the eloquent and doubtless very sincere tribute he paid to me. You know, the only living father and a great monument, a legend in his time. Indeed, Mr. Chairman, it was eloquent language and doubtless every word sincere, every word. I had another tribute paid to me in talking about the principles of Liberalism. I, to talk about the principles of Liberalism, I. But where were they when I was the Leader of the Party for twenty-three years? Where were they when I was the Liberal Premier for twenty-three years? Now he stopped short at that point, not having been a member of my cabinet, not having been a member of this House. He of course could say, "Well I am not responsible for anything the Liberals did before I came in office." But he suddenly would have to remember that there are men here sitting, hon. gentlemen here sitting who were in this House as Liberal MHA's, who were in the Liberal cabinet. And an attack on Liberalism

MR. SMALLWOOD:

as it was under my leadership is an attack on them. So he did not go on.

Here is a tribute that I deeply appreciated, "The contribution of the Premier of Newfoundland, the hon. Joseph Roberts Smallwood B.C.L., LL.D., D.Litt. towards the Province's educational progress is both extremely significant and highly inspiring. In fact it has been largely his dynamic leadership and conviction of Newfoundland's ultimate destiny which have mobilized the current forward movement in education, this distinguished commoner, fired with the determination" so and so and so and so. A very eloquent tribute made by the same hon. member of this House who paid me another great tribute here today.

MR. SIMMONS: Both meant.

MR. SMALLWOOD: Both were meant, but the same hon. gentleman in his speech today, not in this written tribute but in this speech today, the same hon. gentleman manages to convey the thoughts to the Committee either (a) that I am a poor imbecile who has lost his mind and his memory, or (b) that I am a downright liar. You pay your money and you take your choice. You have your choice, which to believe as the alternatives were set up by the hon. gentleman, when he said that he was present at that meeting and there was nothing spoken at that meeting about the

MR. SMALLWOOD: possibility of another Liberal Party. Now either I made that up here this afternoon, in which case I am a consummate lawyer, or I only imagined and my mind is gone. He who was there every moment of the meeting - so you might have inferred from his speech, because he did not say that he was absent from the meeting part of the time - he who was there, he knew, he could attest, he could tell you, Mr. Chairman, and he could tell all the members of the Committee here that this matter never came up at that meeting.

MR. SIMMONS: That is right. That is right.

MR. SMALLWOOD: He repeats it now. So either I am a liar, I am a liar, deliberately deceiving this House, this Committee, and deceiving anyone else involved or concerned or interested, either I am a liar who has simply made up that story, I have cooked it up, I have invented it, I am a liar, or, perhaps not quite as bad, a poor old codger, a poor old codger who has got so old that his mind is gone, his memory has become defective. Now you pay your money, you take your choice. The Leader of the Opposition gave him the lead. He led. He provided leadership this afternoon in his speech. He provided leadership to the hon. member for -

MR. SIMMONS: Burgeo - Bay d'Espoir.

MR. SMALLWOOD: - Burgeo - Bay d'Espoir (Mr. Simmons). And the leadership he provided was to suggest not that I am a liar, because the Leader of the Opposition went out of his way to say oh he believed that Joey is, what he is saying he believes, he is sincere about this, he sincerely believes it but, you know, his memory, you know he is getting old. He gave the lead. For once he led and for once the follower followed. Because he echoed and re-echoed his Leader's words. So you take your choice, Mr. Chairman; I am a liar, a consummate liar, not even a clever liar, because if I had been clever at it I would have assumed that somebody following leadership would have denied it completely, not once, not twice, but thrice.

I remember -

MR. ROBERTS: That is another chore.

MR. SMALLWOOD: I cannot remember which hon. member of the caucus that morning was the one who said to me, "Well, will you run with us as a candidate?" I cannot remember who that was.

MR. SIMMONS: Somebody did.

MR. SMALLWOOD: Yes someone very well did, because that was apropos the idea, "Gentlemen, about this second Liberal Party."

MR. SIMMONS: Never. Never.

MR. SMALLWOOD: "Forget it!" - Well that is fine, "And I will come out, not only that but I will come out and I will support you, and I will campaign for you, and I will try to get you elected to be the government." And then one speaks up and says, "Yes, but would you run for us as a candidate?" I said, "No, that I will not do." That was all part of the one conversation. And I have a feeling, and it is only a vague feeling, that the member who said, "Would you run for us as a candidate?" was the same member from Burgeo - Bay d'Espoir. I believe he might have been the one who asked me. I would not swear to that.

MR. ROBERTS: You will be discharged now, will you, 'Roger'.

MR. SMALLWOOD: I would not be sure of it, who it was.

MR. SIMMONS: I do not think so but I believe that somebody, I remember that somebody did. It is one thing, I submit, to ask the gentlemen will he run and quite another subject to talk about second parties.

MR. SMALLWOOD: Yes, I know that.

MR. SIMMONS: That subject was not talked about.

MR. SMALLWOOD: That subject was talked about, and I am not a liar.

MR. SIMMONS: I am not either. Is the member suggesting I am a liar on the point?

MR. SMALLWOOD: I am suggesting (a) I am not a liar and (b) the hon. member suggest to this Committee that I am, or that I am a poor blank old fool.

MR. SIMMONS: Neither. Neither.

MR. SMALLWOOD: Neither. Then what is the third possibility?

MR. SIMMONS: There is another choice. There is another choice,

MR. SIMMONS: that the member's own bias on the matter has somewhat clouded his memory of the event.

MR. SMALLWOOD: Yes, memory, that is it again, memory. The hon. gentleman is not without tedious repetition, which is not to make that point any better than his leader made it.

MR. SMALLWOOD:

His leader also talked about what a wonderful man I am, my accomplishments, my achievements, and who can deny it. It would be something for a young fellow that I took into my office - I am looking in the direction of another young fellow who came into my office, but who turned out quite differently - it would be something if he now said, "Well, look here, do not pay any attention to this old woman's talk, this gossip about accomplishments. He never really. It was always somebody else, you know. He took the credit for it but he did not really accomplish anything. He is not really one of the fathers of Confederation. He is not really one of the fathers of the Trans-Canada Highway, or the building of 1,000 new schools, or the creation of a university, or the building of Churchill Falls. That is just political rumor that was spread around. He spread that around himself, in fact. He is the father of all the stories about his greatness and his accomplishments."

But that does not stop the hon. gentleman from getting up here this afternoon and talking about all my accomplishments, and his follower followed him and echoed and re-echoed what he said. That did not stop the hon. Leader of the Opposition from suggesting that my memory has gone blotto, and that did not stop his follower from faithfully echoing the same argument. Going on a holiday with his wife, turning up late.

MR. SIMMONS: It was a good holiday. I did not turn up late, by the way.

MR. SMALLWOOD: Did not -

MR. SIMMONS: No, did not turn up late for the meeting. I arrived later than anybody else but the meeting had not begun.

MR. SMALLWOOD: The meeting had begun.

MR. SIMMONS: The meeting had not begun.

MR. SMALLWOOD: The meeting had begun.

MR. SIMMONS: It had not begun.

MR. SMALLWOOD: Well, the hon. gentleman says it had not and I say it had.

MR. SIMMONS: Okay. It is my word against yours.

MR. SMALLWOOD: That is right.

MR. SIMMONS: And I will believe me anytime.

MR. SMALLWOOD: And the Committee will make its choice -

MR. SIMMONS: And I believe me anytime.

MR. SMALLWOOD: - as to whom they believe. They will make the choice.

MR. SIMMONS: That should be an easy one.

MR. SMALLWOOD: Yes, I would say that would be easy. I would say that the great majority here on both sides of the House, whatever they do or say publicly and audibly, privately in their hearts they will have no difficulty making a choice as to who is telling the truth and who is not.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: They will believe one of us.

MR. SMALLWOOD: They will believe one of us yes.

Mr. Chairman, it is time for me to stop. The probability is that the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) will be speaking in this debate. He will probably make his contribution. I do not know if the hon. member for Fogo (Capt. Winsor) will. I do not see him in his place. I do not know if any other hon. members on this side were present. The hon. member for LaPoile (Mr. Neary) has had to go out for a few minutes. I dare say he will be back. He said he would be back, and he told me to say by the way that if he is not back and the debate is over by the time he returns that he backs me 100 per cent in what I have said here, not what I have said now, because he was not here, but what I said in my main speech.

Mr. Chairman, as I happen to be a Liberal, by conviction, by record in my ideas, my ideology, my philosophy, my beliefs, my programme, my platform, my manifesto, every way you can approach it I am a Liberal. The last thing that I want in this world is to see the Liberal Party of this Province cease to be a Liberal Party. What would that mean, ceasing to be a Liberal Party? It would mean ceasing to be a party

MR. SMALLWOOD:

that was an exponent and champion and practitioner of Liberalism, the ideas and the philosophy and the beliefs and the tenets of Liberalism. If it ceases to do so, then it ceases to be a Liberal Party. It may remain so in name, just as the Tory Party over there, no more a Tory Party than I am, are still calling themselves a Tory Party. Or sometimes they change it around a little and call it Progressive Conservative, the yes-no party, the up-down party, the white-black party, the coming-going party, Progressive Conservative. Beautiful contradiction. But they are not. I would say, Mr. Chairman, that the hon. gentlemen over there now, man for man, hon. member for hon. member, are just as much Liberals as those on this side, hon. member for hon. member.

MR. SMALLWOOD: They do not call themselves that and we do. But calling yourself a Liberal does not make you a Liberal. Somebody else calling you a Tory does not necessarily make you a Tory. Maybe this will help to clear the air. I would hope that some of the younger honourable gentlemen who are in here for the first time as members of the House, having got elected by their constituencies and finding me in the same boat Chamber with them, but perhaps slightly, a little bit disappointed that I am not one of their comrades, political comrades, party comrades, may be a little bit disturbed over that, I hope that they will look a little beneath the surface, just the name Liberal, I hope that I can be a means of - I said here the other day or other night that I was between two minds whether I would stay in this Chamber. I will stay, all right. You would have to dynamite me out. But I do have my moments when I wish the devil had me, that I was anywhere but here. Because it is pretty sickening the condition our Province is in today, the condition Newfoundland is in, the condition the Newfoundland people are in, the state of our public finances, and we up here chattering. And I am guilty. Today I am guilty. But maybe I am doing a good thing. Maybe I am making hon. gentlemen on both sides of the House begin to re-examine their political philosophy. What do they really believe? I hope they do not come to the conclusion that they do not believe anything, that they have no political beliefs, no political philosophy, no political ideology. I hope they do not come to that conviction, because then we are only a bunch of power seekers, office seekers trying to get jobs, if we have not got them, trying to hold them if we have. And that is the ultimate degradation of politics. That is the ultimate. Then the way is paved for a genuine party with genuine beliefs.

There is a party out there breathing down our necks, and if the Newfoundland people - they only have to go another few steps when they will reject. "A plague on both your houses," they will say, "A plague on all of you, you that call yourselves Liberals and you that call yourself Tories. A plague on all of

MR. SMALLWOOD: you. Six of one and a half-dozen of the other. Tweedledee-Tweedledum. No difference between you. Do not come around here pretending to be this, pretending to be that," and turn from both of us, from us Liberals. Do not ever try to deny that I am a Liberal. I am not a member of the Liberal Party but I am a Liberal. They may reject both us Liberals and you Tories, so-called, pretended Tories, camouflaged Tories. I might even put a worse word on it, false Tories. Liberals with masks on.

MR. SIMMONS: Pseudo Tories.

MR. SMALLWOOD: Pseudo Tories, imitation Tories, pretended Tories, fake Tories. Pretended Tories, that is the word. I think there is only one Tory that sits on that side of the House. Only one.

AN HON. MEMBER: Who is it?

MR. SMALLWOOD: Oh he sits very near the hon. gentleman.

AN HON. MEMBER: Here he is.

MR. SMALLWOOD: Yes. I believe he is an honest-to-God sincere Tory. The only trouble with him is that he has tremendous trouble controlling his violent admiration for me. He has to control himself not to be expressing it on his feet in this Chamber.

I hope if I stay here in this Chamber that I can be a means -

MR. J. CARTER: Point of order, Mr. Chairman.

Mr. Chairman, all of this is very amusing but I would like to know what this has to do with the minister's salary. Would the hon. gentleman please inform me?

MR. SMALLWOOD: You know, the minister with the generosity of spirit for which he is famous, except when he is against you, generously and graciously sat down here so that I could speak. He was eager and anxious and impatient to hear me speak. And the more he hears me apparently berate my comrades, my fellow Liberals,

Mr. Smallwood:

the happier he is, because, of course, being himself a political renegade, he does not want to see Liberals praised, although to tell you the honest truth, Mr. Chairman, let me make a confession to you, before the hon. gentleman became a politician he was a college boy. He came to see me one day and asked me for a job, and I gave him a job.

AN HON. MEMBER: Him too?

MR. SMALLWOOD: Yes, him too. I gave him a job. And not only him on that side, there are others on that side, and then on this side. I gave him a job. And he went and did a magnificent job of it. It was with the Minister of Municipal Affairs to go out and make some studies of the problems of Municipal Government. Maybe the minister who is nodding may have his report down in his office now. He did a first-class job.

Then he got into an argument with me one day about the I.W.A. To my astonishment he talked like a left-winged Liberal. He was an I.W.A. man, and he was a pro-labour man, and he was a pro-union man, and he did not think that I was enough to the left. He did not think that I was enough of a leftist-Liberal. Except when his diabolic temper gets in the way, when his diabolic determination to have his own way is working, except then I think the hon. gentleman is as much a Liberal in spirit and at heart and up here in his head as anyone sitting over here, with the possible exception of one or two. Just sheer modesty, sheer modesty stops people from seeing who it is.

MR. CHAIRMAN: Order, please! I have to remind the hon. member that his time has expired, except by leave.

The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Chairman, it is quite a coincidence that this whole business of the controversial meeting came up in the House this afternoon, which took place in my home. Because this morning I rang my company, mortgage company and asked them for a reappraisal of the house, for purposes of refinancing. And I am sure as a result of this afternoon's proceedings, Sir, the House has jumped in value,

Mr. Rowe:

and I might be able to realize, to free up more money as a result.

MR. ROBERTS: Get the Minister of Tourism to finance it.

MR. ROWE: But, Sir, to get more serious -

MR. SIMMONS: I think you are running a house of ill-dispute.

MR. ROWE: - but to get more serious, Sir, I am extremely sorry that this whole matter has come up this afternoon. It is almost like a sort of an internal battle between the previous Leader of the Liberal Party and the present Leader. And it is the previous Leader who has seen fit to bring this matter up this afternoon. And, Sir, the government -

AN HON. MEMBER: It was brought up earlier.

MR. ROWE: - the government, Sir, must - this afternoon, I said.

MR. SMALLWOOD: It was brought up -

MR. ROWE: I said, this afternoon.

MR. SMALLWOOD: I know, but it was brought up earlier.

MR. ROWE: I do not care if it was brought up last year or last week or last month -

SOME HON. MEMBERS: Oh, oh!

MR. ROWE: - last Sunday, Good Friday, I am talking about this afternoon.

MR. CHAIRMAN: Order, please!

MR. ROWE: We are on the estimates of Mines and Energy. And, Sir, the hon. members opposite, the government must be laughing their heads off when they see the previous Leader of the Liberal Party slashing out at the present Leader of the Liberal Party.

Now, Sir, I feel compelled to speak on this because this meeting was not only held in my house, but it was held as a result of some initiative taken by myself and the member for LaPoile (Mr. Neary). That morning while -

MR. ROBERTS: It was also your -

MR. SIMMONS: At your initiative?

MR. ROWE: At my initiative.

MR. SIMMONS: He did not mention this at all.

MR. ROWE: No, I am going to bring this up now. While the present Leader of the Opposition, leader of the Liberal Party was in Montreal

Mr. Rowe:

along with my brother, who is no longer a member of the House, getting some very important facts from BRINCO, the story was out that the government was about to move with respect to expropriation or nationalization, whatever you want to call it, of BRINCO. And if I can just relate the conversation in the Common Room, the hon. Member for LaPoile was in the Common Room with me that morning, and we got there and we said, well I cannot repeat the language we used, but we said, "You know, this is really something big that is going to happen, or is likely to happen, the possible expropriation or nationalization of BRINCO."

MR. F. ROWE:

Do you not think we should get the man who knows more about Brinco than any other living person in Newfoundland together with the caucus and discuss this whole thing, not come to any great agreements but get the expert, get the man who created Brinco in and talk the whole situation over?" I said, "I will undertake to try to track down" - we did not even know where you were at that point.

MR. ROBERTS: Scandalous!

MP. F. PONE: Scandalous, scandalous! Not because it was a secret but because it took place overnight, and I am not used to staying up until two or three o'clock in the morning wondering what the hon. Leader of the Opposition is doing or where he is. But the fact of the matter is I took the initiative to see to it that the Leader of the Opposition and my brother got back into town in time to meet with the creator of Brinco in order to get some advice. So it was not a matter of the hon. member for Twillingate (Mr. Smallwood), Mr. Chairman, ringing up the hon. member for LaPoile (Mr. Neary) and asking for a meeting, or the member for LaPoile (Mr. Neary) taking the initiative and ringing the member for Twillingate (Mr. Smallwood) and getting him in for advice or an agreement or an ultimatum or what have you.

Two of us genuinely believed - that is the present member for LaPoile (Mr. Neary) and myself - honestly believed that we should get some advice from the creator of Brinco as were of course the hon. member for the Straits of Belle Isle (Mr. Roberts). They were up there getting some information from Brinco. They were taking a very responsible course of action as we felt we were doing at the same time back here in Newfoundland.

Now, the hon. member for Twillingate (Mr. Smallwood) tells it as he saw it or heard it or said it. I would like to remind this Committee, Sir, that I am a Liberal, just as much a Liberal, not as long a Liberal, but just as much a Liberal as the hon. member for Twillingate (Mr. Smallwood). I am just as honest and I feel that I

MR. F. ROWE:

have just as good a memory. I do not have as many facts in my head, because I have not been around so long but I have just as good a memory as the member for Twillingate (Mr. Smallwood). I may not be as eloquent because I have not had the practice. But I am just as much a Liberal, I am just as honest, I am just as sincere and I feel that I have as good a memory. I have not been in the classroom for five years, in the university for seven and here for four and a half without a half decent memory.

I can assure you that the topic under discussion that morning at that meeting in my home was what would happen if the government nationalized or expropriated Brinco.

MR. SMALLWOOD: Not Brinco.

MR. F. ROWE: Churchill Falls or Brinco or -

MR. SMALLWOOD: Not Brinco.

MR. F. ROWE: Okay. Who is splitting hairs now?

MR. SMALLWOOD: The hon. gentleman -

MR. F. ROWE: I have sat here in silence, Mr. Chairman, and listened to the hon. gentleman. I did not interrupt the hon. gentleman and I would like to continue my remarks, Mr. Chairman.

MR. ROBERTS: Only Brinco was mentioned.

MR. F. ROWE: Right, Brinco, and I will stick with it. The only thing that was mentioned was the nationalization or the expropriation of Brinco. I believe the hon. member was right. There was some agreement on that. We would oppose that. Am I correct? I mean this is my feeling. We would oppose that. Now it is no good for the hon. member to say that we were splitting hairs because if ever there was a hair this has to be the biggest hair on the face of the earth because there is one heck of a lot of difference between expropriation or nationalization and the acquisition of the shares of Brinco, one heck of a big difference.

MR. SMALLWOOD: Tell us. What is it?

MR. ROBERTS: "Fred" ignore him, ignore him.

MR. ROWE: Mr. Chairman, I stood here yesterday in the House of Assembly trying to make a point and I was harassed by the hon. member for LaPoile (Mr. Neary) to the point where he was able to get up and twist a few words around and accuse me of saying something that I had not said. Now I will not allow the experienced member for Twillingate (Mr. Smallwood) to stand there and harass and argue with me while I am trying to make a point and try to trip me up. I will just ask the Chair to ask the member to accord the same courtesy to me as was accorded to him by me when he was speaking in this debate. Could I ask the Chair to do that, Sir?

MR. LUNDRIGAN: What a way to treat a fellow Liberal!

MR. ROBERTS: In exactly the same sense as you are a fellow Liberal.

MR. CHAIRMAN: Order, please! The hon. members, I am sure, well realize that if a member asks to be heard in silence that he has the right to demand this privilege.

The hon. member for Trinity-Bay de Verde.

MR. ROWE: Now, Mr. Chairman, that is the essential difference, and it has been adequately explained by the Leader of the Opposition, official Opposition, and it has been explained by my colleague to his right and for me to repeat it would be needless repetition. Let me go on record as simply saying that the agreement was on the issue of expropriation or nationalization.

MR. SMALLWOOD: Of what?

MR. ROWE: Will the hon. member who is going on about it, it, it, it, what was it? That was it. Expropriation.

MR. CHAIRMAN: Order, please!

MR. SMALLWOOD: Of?

MR. ROBERTS: Ignore him, 'Fred', ignore him.

MR. CHAIRMAN: Order, please!

MR. ROWE: In the meantime the hon. member -

MR. SMALLWOOD: You will not get away with that.

MR. ROWE: Mr. Chairman, do I have to ask for a ruling again?

MR. CHAIRMAN: Order, please!

MR. ROWE: You know, I thought the hon. member with his experience

MR. ROWE: knew the rules in this House.

MR. SMALLWOOD: Be a man.

MR. ROWE: I am being a man, every bit as much of a man as the hon. member for Twillingate (Mr. Smallwood). Now where was I?

MR. SMALLWOOD: Nationalization of - of what?

MR. ROBERTS: Mr. Speaker, to a point of order.

MR. CHAIRMAN: Point of order.

MR. ROBERTS: The gentleman from Trinity - Bay de Verde (Mr. Rowe). Sir, has asked that the gentleman from Twillingate (Mr. Smallwood) try his best to restrain himself, and Your Honour has pointed out the rule that the member speaking has the right to be heard without interruption. The gentleman from Twillingate (Mr. Smallwood) apparently, I know not for what reason, but apparently is intent on trying to interrupt and interject, would Your Honour please direct him to observe the rules? My colleague has made it clear that he wishes the same courtesy accorded to him which all of us accorded to the gentleman from Twillingate (Mr. Smallwood), namely, to hear him without interruption or interjection.

MR. CHAIRMAN: Order, please! In view of the request made I feel it is my duty now to call order if there are any interruptions of the hon. member for Trinity - Bay de Verde, unless he indicates that he will give way.

The hon. member for Trinity - Bay de Verde.

MR. ROWE: Thank you, Mr. Chairman. Now as we all know events took place over a relatively short period of time where the government acquired the shares of BRINCO. It was a whole new ball game, Sir, a completely new ball game. And the hon. member from Twillingate (Mr. Smallwood) can have his opinion. He has every right to express his opinion that he is upset over the fact that the Leader of the Opposition was late in going on TV or making a public statement. He has every right to be upset about that. But we happen to think that the hon. Leader of the Opposition was quite correct in looking at the facts, in studying the situation, thinking about the matter before shooting from the hip,

MR. ROWE: and instead he came on with his, according to the hon. member for Twillingate (Mr. Smallwood), late release, with a rational, sensible statement. It is as straightforward as that.

Now, Sir, the one thing that I want to say that is quite incorrect with respect to that meeting in my home; and that is that the subject of a second Liberal Party or the formation of another party by the present member for Twillingate, did not come up. It did not come up. It is as simple as that. It did not come up. Now I am not a liar either, and

MR. F. ROWE:

I have pretty good recall. My only sorrow in the whole matter, my only regret, is that I did not ask permission to turn on my tape machine which was sitting right in that room. But that did not come up, the whole business of a second Liberal Party. It is as simple as that.

Now, Sir, I do not know what to say. I want to dismiss it altogether, because obviously the hon. member has his opinion and we have our opinions. I am sure the people of Newfoundland are not the least bit interested in what went on in that basement that morning.

MR. MURPHY: I think it matters very much.

MR. CHAIRMAN: Order, please! Order, please!

MR. F. ROWE: Now, the only thing that I can say is that certain facts or certain events have taken place over the last few months, certain activities have been carried out by the member for LaPoile (Mr. Neary) and by the member for Twillingate (Mr. Smallwood) that lead me to feel - I am not saying this is intentional; I am not saying that this is intentional - but certain activities and certain speeches made by both these gentlemen leave me with the feeling that they are not doing the Liberal Party any good. As a matter of fact I feel - and I cannot say this is deliberate or intentional - that they are knowingly or unknowingly sabotaging the Liberal Party of this Province.

MR. ROBERTS: No, trying to. There is a big difference.

MR. ROWE: Or trying to, as my colleague suggests to me, trying to. The hon. member for Twillingate (Mr. Smallwood) asks who would have won the last election if he had campaigned with the Liberal Party in the last election? I ask the hon. member for Twillingate, who would have won the last election if he had not formed a second Liberal Party? It is as simple as that. Now, Sir, let us throw that out the window. People in this Committee do not want to hear about - well, to me it appears to be another Liberal convention, leadership convention. Let us get back to this whole business of Mines and Energy -

MR. ROBERTS: That is where we began.

MR. ROWE: - where we began.

SOME HON. MEMBERS: Hear, hear!

MR. F. ROWE: I think everything that has been said would be - nothing new can be added to the situation. It would be needless repetition and, to put it mildly, a difference of opinion between two or three or four or five members. I told it as I heard it, witnessed it and saw it. I hope that it is laid at rest. It is as simple as that.

Now let us get back to the hon. Minister of Energy. Sir, I thank the minister, by the way, for straightening me up on this business of the Light and Power Company. I was quite in error in suggesting that the shares were valued at \$4 million or \$5 million or \$6 million. That is what the shareholders were paid last year. The minister straightened me up on that. I asked the simple question, has the minister or his government ever entertained the whole business of acquiring the Light and Power Company and making the Newfoundland and Labrador Power Corporation retailers as well as wholesalers, and whether it would mean a saving to the electrical consumers of this Province? That was the question I asked. Now I did not get an answer from the minister. But instead I got the accusation thrown at me that I was advocating the nationalization of the Light and Power Company.

MR. CROSBIE: You got it on the mind.

MR. ROWE: I have not got it on the mind.

MR. CROSBIE: That is all you have talked about today.

MR. ROWE: I got lots of things on the mind, Mr. Chairman, and that is not one of them. But I would put the question to the minister again: Has the government entertained the idea or conducted any studies to see whether the consumers of electricity in this Province would benefit from the acquisition of the Light and Power Company or making the Light and Power Company a part of the Newfoundland and Labrador Hydro? Would it benefit the consumers or would it just simply cost too much to do so? I make it quite clear that I was not advocating expropriation or nationalization of the Light and Power Company. I was simply pointing out to me it appeared that the Light and Power Company was a middleman. They were doing in Newfoundland what Quebec is doing to us outside of Newfoundland. They purchase the power from Newfoundland and Labrador

MR. F. ROWE:

hydro and they retail it, or they resell them. You cannot tell me that the middle or second middleman or a third middleman or company does not cost the consumer extra money because it has to, by virtue of the fact that it is there it has to cost more to the consumer. But it may be too expensive to acquire them. I do not know. But I would like the minister just to, without trying to score political points and saying I am advocating nationalization of the Light and Power Company, to answer the question.

Now, Sir, the hon. minister also accused me of being bilingual yesterday, bilingual, talking out of both ends at the same time. That was his final phrase, talking out of both ends at the same time.

AN HON. MEMBER: A noisome method.

MR. F. ROWE: Is that parliamentary?

MR. PECKFORD: They are really airing their views now.

MR. SIMMONS: The earlier line was best, I think.

MR. F. ROWE: Sir, what he wanted to hear was quite different from what I in fact said. He picked it up from the member for LaPoile (Mr. Neary) when I was trying to make the point that, you know, it is too bad that we are tied up with this fuss with Ottawa over the ownership of the offshore resources in this Province, it is too bad. It is too bad that we have to talk control and ownership. It is too bad that we cannot talk development, exploration, management and exploitation. Then for some reason or another the member for LaPoile (Mr. Neary) went absolutely berserk, went wild down there, and accused me of advocating that we drop our claim to ownership of the resources off the Province.

Well, Sir, I cannot understand why he said that and I cannot understand why the minister accused me of it. I can assure him that it did not come from a mouth. If he heard it, it must have come from the other part of the anatomy he was speaking about.

MR. CROSBIE: It is Liberal policy.

MR. F. ROWE: Mr. Chairman, if I can ask you to look at Orders of the Day, motion No. 12. Just listen to this, private member's motion.

MR. F. ROWE:

BE IT RESOLVED that this House reaffirms that Newfoundland and Labrador owns, and possesses jurisdiction in respect of, the resources of the seabed, including mineral and hydrocarbons, in the area extending to the edge of the Continental Shelf and margin adjacent to Newfoundland and Labrador or to a limit extending two hundred miles from the inner limit of the Canadian Territorial Sea, whichever is the greater;

Sir, do you know who moved that motion?

AN HON. MEMBER: The Leader of the Opposition.

MR. F. ROWE: No, no. It is under the name of Mr. Rowe (Trinity-Bay de Verde) - To move:

MR. CROSBIE: You changed your mind.

MR. F. ROWE: I did not change my mind for one second.

MR. RIDEOUT: It would be a foggy day in November before we did.

MR. F. ROWE: Not one second.

Now, Mr. Chairman, let me just read this little article and ask hon. members opposite whether they agree. Now this is at the end of a speech. "These are objectives which any Newfoundlander is eager to promote, but they along with the objectives of alleviating regional disparities will only be achieved if the federal government and provinces work in partnership. It is such a partnership which our Province wishes to see the development of the offshore resources." Do hon. members agree with that statement?

MR. CROSBIE: That is the Liberal convention.

MR. F. ROWE: Do hon. member agree with that statement?

MR. CROSBIE: When we get a chance to speak we will speak our mind.

MR. F. ROWE: Well I asked do hon. members - well a Liberal convention, is it? That is a statement by Mr. Leo Barry.

MR. CROSBIE: In that case we agree.

MR. F. ROWE: Okay, you agree. Well, in that case that is exactly what this hon. member said yesterday. The hon. member was thinking over whether he would agree with it or not because he did not know where it came from. The fact of the matter is that no hon. member in the

MP. F. ROWE:

House would agree with that statement by itself and neither would they agree with this statement.

"Canada has one of the world's largest continental margins and the margin off Newfoundland which comprises a large portion of Canada's total contains the greatest potential for oil and gas in Canada." In Canada! This was a

Mr. Rowe:

statement made by Mr. Leo Barry which leaves one with the impression that it is Canada who owns the offshore resources.

MR. CROSBIE: Nonsense!

MR. ROWE: Oh, nonsense, the hon. member says. The hon. member opposite was quite eager as well as the hon. member down there from LaPoile (Mr. Neary) the other day to jump on one sentence that I uttered yesterday and take it out of context, and accused me of backing off on this motion that I made, or being taken out in the corridor by my colleague and given a few belts, kicks, knees and brought back in here and have to retreat.

MR. NEARY: You are not in the Rover Crew now.

MR. ROWE: That did hurt.

But the fact of the matter is, Sir, that both hon. gentlemen took a sentence out of context, and tried to twist it around and said that I was advocating giving up ownership of this whole question of resources. Do not be so foolish!

Now if I read this whole statement by Mr. Leo Barry, who has now been chartered by the government on occasion to do some research, I understand, if I can use the word 'chartered'.

AN HON. MEMBER: Tendered.

MR. ROWE: Tendered. Yes, were tenders called? If I read all of this the fact of the matter is, Mr. Chairman, that the points I was making yesterday were completely in line with this very speech. As a matter of fact, I could be accused of plagiarism in this particular case, because essentially what I was saying was exactly the same thing as is contained in that speech.

Now let me stand here and reaffirm my stand on this motion and my party's stand on the the offshore thing.

MR. CROSBIE: You were against it. You were like a Whirling Dirvish.

MR. ROWE: The hon. member sees more Whirling Dirvishes over there than any other member when he wants to see them. Whirling Dirvish.

MR. CROSBIE: All of us are a bit -

MR. ROWE: Listen to who is talking about Whirling Dirvishes, he was Whirling and Dirvishing back and forth across the House for years, three and four times, Liberal, Independent Liberal, Reform Liberal,

MR. SIMMONS: A Deformed Liberal.

MR. ROWE: Oh, no. That is not parliamentary.

MR. ROWE: Conservative, and now he is over there, talk about Whirling and Dervishing, he is so Whirling and Dervishing now I understand the hon. member is having a look at St. John's West for the Federal election. He wants to get out of that mess over there.

MR. SIMMONS: No. What? No Cabinet post?

MR. ROWE: But, Sir, that is not Mines and Energy.

MR. CROSBIE: They deserve better than this.

MR. ROWE: That is not Mines and Energy.

So to get back: I must say I was a little bit political then, but I was reacting to a political accusation.

MR. CROSBIE: You are upset, 'Fred'.

MR. ROWE: No, I am not upset, You should see me when I am upset, Sir.

Now would the minister kindly inform the Committee, Mr. Chairman, you know, what is the story on this Gull Island site? He has not clarified it one bit at all.

MR. CROSBIE: I cannot get a chance to release it.

MR. ROWE: No? Well I am asking the minister now to answer the questions. The Premier says, you know, very shortly, the minister says he does not know when. I realize the government are in negotiations with Quebec over the sale of, or the recall of power, or the possible sale of power with the Lower Churchill. But, Sir, it was not any hon. minister on that side who told the Newfoundland people that if they were going to recall any electricity from Quebec that Quebec expects something good in exchange for it, good in exchange.

PREMIER MOORES: The word 'good' was not used.

MR. ROWE: Well, something substantial, Well, what was used? Probably a more powerful word.

PREMIER MOORES: Reasonable.

MR. ROWE: Reasonable? No it was not reasonable.

MR. CROSBIE: A bonbon.

MR. ROWE: Something substantial. But anyway something was expected in return.

Now I was not a member of the Cabinet, nor a member of government, nor of Opposition when the great battle raged between the previous Premier and Quebec over trying to get power out of Labrador to the mainland of Canada and through Quebec. But when you are dealing with Quebec, and I almost hesitate to use the phrases, I do not think they believe yet that they lost that war, certain elements, certain elements.

MR. CROSBIE: The first being the Liberals.

MR. ROWE: And certain elements do not realize that they do not know Labrador. There are certain elements in Quebec who refuse to believe that they do not own Labrador. And I would like to know, and I think that this Committee deserves to know, and the people of Newfoundland deserve to know what it is that Quebec wants in exchange for the recall of that power or any possible sales of hydro power to Quebec as a result of the future development of the Lower Churchill. I would like to know what the story is in respect to the tunnel. I brought up the whole business of alternate sources of power. That is the colossal blunder, not developing that at the same time. And probably -

MR. J. CROSBIE: Let me reply. Let me reply.

MR. F. ROWE: Okay. The minister is anxious to reply. I yield to the minister.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: Mr. Speaker, I have a large number of points here and I am not going to be able to reply all in one forty-five minutes. But I think we have seen quite a demonstration here this afternoon of pseudomnesia, which for the knowledge of the hon. gentlemen opposite is spelled p-s-e-u-d-o-m-n-e-s-i-a and it means a memory for things that never happened.

AN HON. MEMBER: Hear, hear!

MR. CROSBIE: Now this may be the explanation. It is not either/or but somebody is suffering from psuedomnesia.

AN HON. MEMBER: A handy word, that.

MR. CROSBIE: That hon. gentleman who just spoke, Mr. Chairman, has got to be very careful because as far as I am concerned he is infandous, and if anyone wants the translation that means too horrible to mention according to this dictionary here.

MR. ROWE: I will not rise on a point of order, Mr. Chairman.

MR. CROSBIE: The hon. gentleman has to let us relax a bit. We have just listened to the washing of the dirty laundry of the Liberal Party for three and a half hours, Mr. Chairman. I am sure that we could probably go three and a half months. But we have gone three and a half hours. What it reminds me of, Mr. Chairman, - now I listened carefully and attentively to every word that was said opposite and did not interject, although it was -

MR. SIMMONS: On a point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. member for Burgeo-Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, the gentleman is -

MR. CROSBIE: Infandous.

MR. SIMMONS: Mr. Chairman, is that a noun or an adjective. Are we infandouses or what?

MR. CROSBIE: I do not know.

MR. SIMMONS: Mr. Chairman—you mean, we are infandouses or is that an adjective or what? Mr. Chairman, on a point of order. The minister is doing a great injustice to the Committee. He came up with another new word, another contribution to the English language. I think he should spell it out again. I would like to hear the word. I would like to learn all I can from the member. How does he pronounce it? How does he spell it? And what does it mean? I think he should take it more slowly for some of us over here because it is a word that contributes greatly, Mr. Chairman, to the English language and I commend him for it but invite him to explain more fully.

MR. CROSBIE: To that hon. gentleman, Sir. I say that hon. gentleman is guilty of a quetch. That means a twitch. They are all twitching across the House after the last three and a half hours. It has inspired me to poetry, Mr. Chairman. My little poem goes like this: If we could keep our heads while all around us/ Liberals are losing theirs in Fred Rowe's roost/ How far ahead we would be. Well, I think it is interesting, but we have not got much time, Mr. Chairman.

MR. HICKMAN: You have got to spell that word for "Roger". He wants that word spelled out.

MR. CROSBIE: Quetch.

AN HON. MEMBER: Pseudomesia.

MR. CROSBIE: Pseudomesia - a memory for things that never happen. I give that with my usual pudency which means - I will translate that - which means modesty. If anyone else interrupts, Mr. Chairman, I am going to call them a quagga, which means a wild ass. I do not think we have very long to answer any points, Mr. Chairman. So could I move that we adjourn until the usual time at eight o'clock.

MR. CHAIRMAN: Order, please! I think the last point of order has been adequately dealt with. It is moved that I do now leave the Chair. Is it your pleasure to adopt the motion? All in favour "aye", contrary "nay" carried.

On motion Mr. Chairman left the Chair until 8:00 p.m.

The Committee resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order, please!

The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I apologize to the Committee for having to leave so early this afternoon, but I had an appointment with my solicitor who was leaving St. John's on urgent business and I had to have a consultation with the gentleman before he left.

MR. SMALLWOOD: Have you got a law suit?

MR. NEARY: I have got the law suit in my pocket. I do not know if the hon. member has ever seen one. Delivered, I might say, Mr. Chairman, in the presence of my four young children. However, that is another matter. We will deal with that in due course.

MR. J. CARTER: Would you permit a question?

MR. NEARY: Permit a question? No, Mr. Chairman, neither will I be harrassed by the hon. member for St. John's North. So I regret, Mr. Chairman, that I had to miss probably the most valuable, the most important part of this afternoon's debate. But I am sure, Mr. Chairman, that hon. members of this House know where I stand in connection with that secret meeting that took place in my hon. friend's basement, and I am not going to belabour the point, Sir, because I have got more important things to bring up.

Well, Mr. Chairman, I want to say to all hon. members of this House that every word uttered by my hon. friend, the member for Twillingate (Mr. Smallwood) this afternoon, to my knowledge, to the best of my knowledge, was true. It was true, Sir. And I want to say this too to hon. members of the Committee, Mr. Chairman, that the Leader of the Opposition of the old-line Liberal Party must feel rather ashamed of himself this evening, Sir, for the ridicule that he heaped upon the only living father of Confederation this afternoon in this hon. House.

We have seen the Leader of the Official Opposition in action before in this hon. House, and he kind of took a backhanded swipe at me this afternoon for shooting from the hip. He said the hon. member

MP. NEARY: for Twillingate (Mr. Smallwood) likes to shoot from the hip, but he does not like to shoot from the hip. Well, does he remember- he must have a short memory in this hon. House - when he shot from the hip at the member for St. Georges in the last sitting of this hon. Legislature?

Mr. Chairman, the hon. Leader of the Opposition did not fool anybody in this House this afternoon. He heaped ridicule on my hon. friend. I am quite proud, Sir, to be able to say to members of this hon. House that since the 1971 election, when the government changed, on January 18, 1972, that I have managed through thick and thin to maintain an excellent relationship with the former Premier of this Province, and I am proud of it.

And I remember, Sir, talking about shooting from the hip, I remember

MR. NEARY:

when a certain report was brought into this hon. House, the Leader of the Opposition said, "This is a sorry day for Newfoundland." Do hon. members remember that, referring to the former Premier of this Province? Who was shooting from the hip then? Mr. Chairman, how long before the newer members of his caucus wise up to the game that the Leader of the Opposition plays?

I have been around the Liberal Party for fourteen years and sometime, probably in another debate at a more appropriate time, I will tell the House the kind of game that is played by the Leader of the official Opposition and his snarky remarks and the little digs that he gets in about people. This afternoon we saw a perfect example of his nastiness. He kept referring to the memory of the only living father of Confederation. "He must be losing his memory", he said. He kept referring to it. He kept repeating it so often. I thought the member himself, the Leader of the Opposition, was suffering from political menopause.

I wish, Sir, that the memory of the Leader of the Opposition was as sharp as my hon. friend's. He is as sharp as a tack. I would like to see the member for Hogan's Pond when he is seventy-five years of age going on seventy-six years of age, as alert and in as good a condition and as physically fit and as mentally alert as the member for Twillingate (Mr. Smallwood) who has been in this House for the last week or so with a fractured rib. I am not saying this out of pity for the hon. gentleman.

MR. J. CARTER: Who has a fractured rib?

MR. NEARY: The hon. former Premier has a fractured rib and has had it for a week and did not know he had it. It is now strapped up.

MR. J. CARTER: Not true, is it?

MR. NEARY: That is true, Sir, as true as I am standing here because I was the one who encouraged the hon. the former Premier to —

MR. SMALLWOOD: Who was questioning?

MR. NEARY: The hon. member for St. John's North (Mr. J. Carter).

MR. SMALLWOOD: Would the hon. gentleman like to see?

MR. MURPHY: You can expect a bunch of roses tonight.

MR. NEARY: Mr. Chairman, the hon. Leader of the Opposition has brought nothing but disgrace and shame to the Liberal Party. Then the hon. leader said, "Oh, the member for LaPoile does not like the members of his caucus." Well I want to tell the members of his caucus, especially the newer ones that I have absolutely nothing - this is the way the Leader of the Opposition works; divide and conquer, stick his darts in - I have nothing against any hon. gentleman in that caucus, nothing whatsoever. Sometimes I call the shots as I see them. Sometimes they may not like the way I call the shots, but that is the way I am built. But I want to tell these hon. gentlemen that I have nothing against any of them.

But, Mr. Chairman, perhaps I could give them a word of advice. The hon. the member for Twillingate (Mr. Smallwood) hit on this this afternoon, that they are the official Opposition in this hon. House and the people of Newfoundland are looking for an alternative to this government. All I can say, Sir, is too bad this afternoon that this afternoon sitting of the House was not televised so the people could see what the alternative, if that is in fact the alternative -

AN HON. MEMBER: I hope the alternative is not you.

MR. NEARY: Ah, Mr. Chairman, I will just let that slide by, Sir, let it slide, by because I know the hon. member can be pretty nasty.

But, Mr. Chairman, we saw today ridicule heaped upon the only living father of Confederation,

MR. NEARY? the senior gentleman in this hon. House, unwarranted, unexpected and unjustifiable! And I want to get off this topic now by telling hon. gentleman that I was at that meeting and what the hon. the former Premier stated this afternoon to his knowledge about that meeting was ninety-nine point nine per cent correct. And now they have got a little gimmick now they have developed, "Oh, we only agreed if the government was going to nationalize BRINCO." No such thing, Sir! There was no such thing!

Mr. Chairman, if you are going to become the government of this Province you have to be a group of hon. men. The people, Sir, in this Province today are becoming disgruntled, discouraged, disillusioned with politicians and with politics, and do you blame them, Sir? Do you blame them, Mr. Speaker, when they have to look at reports that are coming out of the Legislature that would give the appearance to the people of this Province, reported through the news media that somebody is lying, and that is what came out of this House today, Sir, somebody is lying. And I am prepared, Mr. Chairman, to swear on a stack of bibles that I am not the one, neither is my hon. friend the member for Twillingate (Mr. Smallwood) the one who was lying. I hope these hon. gentlemen can live with their conscience, Sir, because I can.

Now, Mr. Chairman, having dealt with that matter I want to just swing around to a couple of other matters that are tormenting me that are of tremendous importance to the people of this Province. And I want the minister when he stands in his place to clarify certain situations that he has been confronted with, the minister has been confronted with over the last couple of days and questions that have been put to the minister.

I want to find out from the minister what led up to the kicking out of this Province of Canadian Javelin, of kicking them out, taking back their concessions in Julianne Lake. I want to know what led up to that and I want to know from the minister if at the time Canadian

MR. NEARY: Javelin was kicked out of the minister and his administration, the Premier's administration, the Moores Administration, were taking back Canadian Javelin's rights to the Julienne Lake iron ore deposits to turn them over to another operator, did they have somebody in mind or were they just taking it back and putting it on the open market hoping that somebody would come along and pick up the iron ore deposits at Julienne Lake? And the reason I am putting this question to the minister, Sir, I may as well tell him why, I will be perfectly frank, is that the government is faced with an \$800 million law suit. Now most hon. members of the House when they look at where that law suit originated may say, "Oh, this is John Doyle up to his old tricks again. This is John Doyle trying to get revenge, trying to hit back at the government." Well, I want to tell the minister that I could not care less about John Doyle or his company, but what I am concerned about, Sir, is the fact that this government is faced with a law suit of \$800 million and Mr. Speaker, the Minister of Finance is not in his place in the House, but the Minister of Mines and Energy, the former Minister of Finance, Sir, may be able to tell me what effect this is having on the bond market.

Is this having any effect on the government's borrowing? The law suit is there, Sir, I would like to ask the minister - and I do not want the minister to pass judgement on it, I know the minister will tell us it is before the courts and he cannot deal with it in great detail -

Mr. Neary:

but I want to know what the government are being sued for, because I am very concerned, Sir, about the effect that this may have on the credit of this Province. It concerns the iron ore deposits in Labrador, and the Minister of Finance had to do some pretty fancy footwork recently when he went to the bond market to float a loan of \$50 million. He had to change the prospectus, and I have the old prospectus and I have the new prospectus. And one of the reasons it had to be changed was because of this outstanding law suit. And I want to tell the hon. minister right now that I have here in my files a copy of that Hansard that he accused me of passing over. It is here, I have all the pertinent parts of it underlined in red, and I will deal with it at a later date. And it did not come from me. The hon. minister withdrew the other night, it had appeared in the newspapers, but the newspapers did not say that the minister had gotten up and withdrawn the accusation that he made towards me. I have it here if the minister wants to see it. He can have a look at it. My friend, the member for Conception Bay South (Mr. Nolan) was in my office when I underlined the sections in red that I wanted to talk about, when we are doing the Throne Speech or the Budget Debate, and I still have it there and it is underlined in red.

And so, Sir, I think it is very, very important to this House and to the people of this Province to find out why the government are being sued. Did they violate, in actual fact, violate an agreement? Why did they kick out Canadian Javelin? Was it because the hon. minister said so often that Mr. Doyle is a shyster and a rogue? Is that the real reason Canadian Javelin was kicked out? I would like for the minister to straighten me out, because I am very concerned.

I was told by the Minister of Finance one day - I said I heard on the radio where you have to change your prospectus - and he said, yes.

MR. DOODY: It would be interesting to be able to straighten out the hon. member.

MR. NEARY: Well, I am going to try and straighten the minister out now, and I might straighten the government out before I am finished on this one. And the minister can laugh all he likes. Do not worry, I know whereof I speak. And, Mr. Chairman, the minister told me that changing the prospectus was not for the reasons that I thought it was being changed, it was because of these outstanding law suits. He told me they were devastating, savage on the credit of the Province. So I want to find out why, why it was so urgent? Why Canadian Javelin got the boot so fast in Labrador, in connection with the Julianne Lake deposits?

Mr. Chairman, when the minister is at it also he might straighten me out on another matter that I do not seem to have straight in my mind, and that is in connection with the oil refinery at Come By Chance. The minister, Sir, I do not know if he left me with the wrong interpretation of his remarks or not, but I cannot somehow or other, I cannot get it down in my gut, I cannot get it down in the pit of my stomach that the minister did not hear tell of Ataka or did not know anything about the Japs or the big debt that they had until, I think it was around June, 1975. How could - Mr. Chairman, how could a company as big as the Ataka Company, how could they be involved with the oil refinery at Come By Chance and provide \$265 million or \$300 million of unsecured credit to the oil refinery without the minister knowing about it? He did not find out about it until June, 1975. No, I am wrong. I have to get the minister straight. The minister found out about Ataka being owed \$25 million or \$55 million or something around June, 1975, but really did not find out how serious the situation was until October, after the election. Sir, how could this happen? I mean, is the minister coddling us? Did anybody in the government know anything about it? How could this Ataka Company all of a sudden just appear right out of a clear blue sky? They just appeared in June, 1975; the minister heard of them for the first time,

MR. NEARY: heard of Attaka for the first time. And then it was only peanuts compared to what he found out in October. And the minister was over in England, I think in April or May, some time before that, where he became very concerned and went to see the ECCO people to tell them that he thought it was time for the government to take over -

MR. SMALLWOOD: Klienwort-Benson.

MR. NEARY: Klienwort-Benson, to tell him he thought it was time for the government to take over the oil refinery, hit the panic button.

MR. CROSBIE: I never said it.

MR. NEARY: The minister never said it. Well, okay the minister can clarify it when he gets on his feet.

MR. CROSBIE: Mr. Chairman, is this relevant to this debate. There is already a resolution on the Order Paper dealing with the oil refinery which is being debated there. There is no money in these estimates dealing with the oil refinery whatsoever, and I do not think that this is germane to this debate at all. I do not think the subject should be pursued. It is not relevant.

MR. NEARY: Mr. Chairman, to that point of order, Sir, we are doing the estimates of the Department of Mines and Energy and before we pass the estimates of this department, Sir, I want to ask the minister a few questions about the Come By Chance oil refinery that the minister is responsible for. I think that is perfectly in order, Sir. I do not want to debate it. I am not entering into a debate, Sir.

MR. SMALLWOOD: Mr. Chairman, to the point of order, with deep regret I have to agree with the minister. There is a special order on the Order Paper providing for a special debate on just Come By Chance alone. So we really should not be debating it.

MR. NEARY: I am not, I am asking a couple of questions. I am not debating it.

MR. SMALLWOOD: Yes, well they can be asked on the estimates and they

MR. SMALLWOOD: can be asked -

MR. NEARY: Well, that is what we are doing, the estimates.

MR. SMALLWOOD: No. We are having just a general - there is no estimate called yet, there is the general introduction to the estimates.

MR. NEARY: Well that is when you ask questions and raise points.

MR. SMALLWOOD: No, the questions are asked on the items, are they not?

MR. NEARY: Yes, but the oil refinery is not listed.

MR. POWE: To that point of order, Mr. Speaker. Probably the minister could clarify where the estimates for that would come up. Would it come up under Industrial Development or some other department? It is obviously not in Mines and Energy.

MR. WELLS: To that point of order, Mr. Chairman.

MR. CHAIRMAN: Order, please! If the House Leader would permit me, I did not understand that the hon. minister had actually raised the point of order, I understood that he rose to make a comment and the hon. member for LaPoile (Mr. Neary) gave way.

Is a point of order at issue?

MR. WELLS: The point of order is now at issue, Mr. Speaker. It is my understanding that what can be discussed under the general heading of the minister's salary are matters which arise generally out of expenditures provided in the Department of Mines and Energy. There are no expenditures in the Department of Mines and Energy for that oil refinery. There is a specific debate on the Order Paper, and for both reasons, Mr. Chairman, therefore debate on the oil refinery, and debate means questions in this context, is out of order, Mr. Chairman.

MR. NEARY: Mr. Chairman, to that point of order, Sir, 11-04, energy resources; I would draw attention of the hon. the House Leader to item 11-04 which is wide open. It covers just about everything.

MR. WELLS: To the point of order, energy resources, I would take to mean in the context of these estimates, Mr. Chairman, energy resources indigenous to the Province of Newfoundland, not the commercial enterprise such as this which deals with energy resources

MR. WELLS: outside of the Province of Newfoundland. That is where the oil comes from.

MR. CHAIRMAN: Order, please! I have before me chapter 239 in Beaulieu, the first sentence of which states, "The whole management of a Department may be discussed in a general way when the Committee of Supply is considering the first resolution of the Estimates of that Department, which reads as follows: 'General Administration'," and it goes on from there. Now I realize that the first item in our estimates for the Mines and Energy Department is not labelled 'General Administration'; it is labelled 'Minister's Office'; but I think in the meaning of this chapter the important point is considering the first resolution of the estimates of that department. So I would take it from this if we are to use Beaulieu as a guide that the whole management of a department may be discussed in a general way, but I would like to point out to the hon. member that this should not get into any great specifics.

MR. NEARY: I have

MR. NFAPY:

no intention of debating the oil refinery at the moment. I am just merely asking the minister, Sir, if he would provide me with certain information when he rises in his place to answer questions that have been put to him. One of the questions that I want to put to the minister is why the government or the minister did not hear or know about Ataka's involvement in the oil refinery until June, 1975 and then again in October. I think that is a fair question, Sir, and I look forward to the minister's answer.

Again I want to repeat, Sir, a very important question that I put to the minister yesterday, and I am sure the minister has a note of it and I will probably get the answer when he stands in his place, that is in connection with the royalties from the Upper Churchill. The question is simply this; will the government get enough royalties from the Upper Churchill this year and for the next twenty-five years to pay the interest and the principal on the money that they borrowed to kick Brinco out of Newfoundland and the forced takeover of Churchill Falls? I want to get the answer to that one.

Again, Sir, I have to call upon the House to support me in this matter because, Sir, this is a matter that the people have a right to find out about. That is the position of Mr. Denis Groom in relationship to the Newfoundland Hydro Corporation and the Churchill Falls Corporation. I call upon the minister now in this hon. House to tell us what Mr. Groom's positions are and what salary this gentleman is getting from the public treasury of this Province. The taxpayers are paying Mr. Groom's salary, Sir, and the taxpayers have a right to that information. Whether the minister gets up or not and says, "Oh, if I give out the information it is just going to be bandied about!" I say to that, "So what?". If Mr. Groom does not like that, then he can always pack his bags and go back where he came from. He is a public servant. I have nothing against the gentleman but, Sir, I think I have a right to stand in my place in this House and to ask for Mr. Groom's salary without being ridiculed by the hon. minister. It is my duty and my right and my demand on behalf of the people of

MR. NEARY:

this Province to know. The minister refused to give me the information yesterday. The minister told me that he was not going to give me Mr. Groom's salary because all I wanted it for was to go out and bandy his name about. That is what the minister told me.

MR. SMALLWOOD: He was kidding.

MR. NEARY: The minister was not kidding. The minister was dead serious.

MR. SMALLWOOD: He was only joking.

MR. NEARY: Well, I hope he was only joking. We will find out in a few minutes.

MR. SMALLWOOD: Well we can refuse to vote the money.

MR. NEARY: Well here is one who is going to refuse to vote the money until I find out what Mr. Groom's salary is and what positions he holds down and what other considerations he is getting.

MR. SMALLWOOD: We know the Queen's salary.

MR. NEARY: Well Mr. Groom is higher than the Queen. He is God Almighty to the hon. minister. All I am asking, Sir, is the minister to reveal the salary that is being paid to that hon. gentleman, not so his name can be bandied about, so that the people of this Province will be able to see what the head of their Newfoundland Hydro Corporation is receiving from the public treasury. That is all.

The hon. member for St. John's North (Mr. J. Carter) said, "Oh, he is paying most of it in taxes." He almost had me in tears. That is beside the point, Sir, whether he is paying it in taxes or not. The people have a right to know and I want the hon. minister to tell us tonight, or I will not be voting for the minister's salary if he does not tell us what Mr. Groom's salary is, Sir.

I ask the minister also to tell us if Mr. Leo Barry is under contract to the minister's department and what are the arrangements, contractual arrangements, if any, that he has. Not that I have anything against Mr. Barry. I think he is a fine, upstanding honourable gentleman who did a magnificent job when he was Minister

MR. NEA?Y:

of Mines and Energy and would probably do a good job for the government as a consultant. But I would like to know what relationship he has with the minister and the department at the moment and what remuneration he is getting. That is all I am asking, Sir.

Mr. Chairman, I have to go back for a moment to the negotiations that are currently going on between the government of this Province and the Government of Quebec,

Mr. Neary:

in connection with the recalling of power from the Upper Churchill and an attempt by the administration to buy any surplus power that Quebec-Hydro may have to their own needs at the present time, and to purchase it back at a reasonable price. It is rather unfortunate, Sir, indeed that we have to go with hat in hand to the Province of Quebec and to Quebec-Hydro to try and buy back our own power. And I saw a cartoon in the paper the other where Premier Bourassa was reaching out his hand shaking hands with the Premier of this Province, and he got a terrific shock, you could see the electricity going out of his hand to indicate we are just poking fun at this whole situation. Here we are begging Quebec-Hydro to sell us back some of our own power.

I tell you what it would almost do to me, Mr. Chairman, and I am sure that members will cringe in their seats when I say this, and I am sure the hon. former Premier will cringe when he hears me say it, and it may sound irresponsible, it may, Sir; but what I would like to do is to shut off their source of power altogether if that is the kind of a game they want to play.

I do not know what the repercussions of that would be. I do not know if they have any recourse through the courts to sue us for violation of an agreement. But if they want to play rough, let us play rough. Let the word go out to the Province of Quebec that they have no right, no moral right, to play around with our resources. We negotiated an agreement, a sixty-five year agreement with the Province of Quebec in good faith.

AN HON. MEMBER: You gave it away!

MR. NEARY: I beg your pardon?

AN HON. MEMBER: You gave it away!

MR. NEARY: I gave nothing away, Sir. I do not think I was even in the Cabinet then, The present Minister of Mines and Energy was in the Cabinet. I was sitting in that corner over inside the rail, and that is all beside the point, Sir. That is beside the point. I mean,

Mr. Neary:

hindsight is foresight. I do not know what the hon. member would have done at that time. But the government are in tremendous trouble now over the development of the Lower Churchill, and the building of the transmission lines and the tunnel, and they cannot go ahead. They say it is not feasible to go ahead with the tunnel unless they can purchase power from Quebec-Hydro, and Quebec-Hydro appears, at least from the press reports, to be giving the government the back of their hand. That is what it appears to be, Sir, to be like. And I would say to Mr. Bourassa, "Look, Premier Bourassa, if you do not sit down and negotiate with us in good faith we might even consider cutting off your sources of supply." Pull the plug!

And I know the minister will get up and say. That is irresponsible, and there will be lawsuits." Well, they get an \$800 million lawsuit slapped on them now. It could not be any worse than that, it could not be any more devastating and any more savage on the credit of the Province. And I hope the message goes out tonight from this Legislature to Quebec-Hydro and to the Government of Quebec that there is one member in the hon. House who would not put up with any nonsense from that hon. crowd up there in the Legislature in Quebec or Quebec-Hydro. It would not take me very long, Sir, to tell the Prime Minister of this country of Canada, to tell the Prime Minister to lay down the law to that crowd, or cut off their funds for the bilingual programme that they are sponsoring in Canada, costing the taxpayers of the Canadian nation millions and millions of dollars, "useless, waste, extravagant!" You would pick up a phone, you would call certain Federal departments, government departments in St. John's, and the fellow would pick up the phone and answer you in English and in French, but that is all he knows! Strike up a conversation with him in French and he is lost. Bon jour Monsieur, Comment allez-vous, Tres bien, merci, and that is it, end of conversation. He does not know any more. And yet the Government of Canada are paying the Province of Quebec millions and millions of dollars to push this programme down our throat.

MR. NEARY:

I would say to the Government of Quebec, "Au revoir, goodbye and so long unless you are prepared to sit down and negotiate with us in good faith. We want to get back another 350 or 400 horsepower to look after Newfoundland's needs, and that is the least you can do. You got the James Bay up there developed. You got a surplus of power. Why not sell us back our power at a reasonable rate? We are not asking you to give it to us. Sell it back to us at the same rate that we are getting the recall power for." So I would like for the minister to give us an explanation and give us a progress report, bring us up to date on the negotiations between the government of this Province and the Government of Quebec. Tell us how things are going. Lay it on the line. Tell it as it is. Do not beat around the bush. Give it to us straight and let us know what the possibilities are of getting that tunnel underway this year, getting the transmission line built, not only the transmission line into Happy Valley, into Goose Bay but the transmission line across to the Island of Newfoundland where we are going to be faced with a shortage of power by 1985. In connection, Mr. Chairman, - I hope the minister is making a note of these questions - in connection with that transmission line that is being built to Happy Valley, I put a little innocent question to the minister this afternoon during the Oral Question Period and I wanted to find out if a contract had yet been awarded for this 138 K.V.A. transmission line that is going to be built into Happy Valley that is likely to cost around \$18 million or \$20 million. The minister said the tenders were in, the officials were looking over the documents, and in due course in the next couple of days the contract would be awarded. Then I asked the minister, Sir, what happens in the event that the contract is awarded to a firm outside of Newfoundland, could he guarantee that Newfoundlanders would get the employment on that transmission line. And the minister said, well, whatever happened in the case of the Upper Churchill, that is what would happen in the case of the transmission line. Not good enough, Sir, for me, because I have the strangest feeling, Mr. Chairman, and in two or three days we will find out, but my usual sources of reliable information - and hon. members know, especially the ministers, that I have not yet been wrong - that that

MR. NEARY:

contract is going to go to a Montreal firm, I want it built into that contract that Newfoundlanders get preference for the employment on that transmission line. I could tell the minister the name of the firm that is going to get the contract. A Montreal firm is going to get it. What they will do, Mr. Chairman, they will come into Newfoundland, they will bring in their superintendents, they will bring in their foremen and then the foremen will bring their buddies in, and then their buddies will bring their buddies in, and Newfoundlanders will get the job of cutting the right-of-way. They will get the low class jobs. I want to see it built into that contract if it goes to a company outside of this Province that Newfoundlanders will get jobs as foremen on that transmission line. If they want to bring in a couple of superintendents, their top men, well, let them. But we have got all kinds of technicians, qualified people unemployed in this Province, men that helped build the Upper Churchill, men who have worked on the one down in Bay d'Espoir and all kinds of other projects. Sir, there is no need to bring in foremen into this Province to work on that transmission line. The jobs should all go to Newfoundlanders except maybe three or four of the top jobs. That is why I put that question to the minister. I want the minister's assurance tonight, not just to say oh, the usual policy will be followed, or we will try to see to it that they hire Newfoundlanders. I want it written into the contract that they will not try to sneak their buddies in. Once they get the thin end of the wedge in, once they get the door opened we will have a similar situation, Sir, that happened in connection with the Upper Churchill that happened down in my own, my colleague's district there a couple of years ago, in Wabush, I think it was.

MP. NEARY:

I have nothing against outsiders coming into Newfoundland, but where you have the worst jobless situation in Canada and in our whole history. the only way, Sir, that we can protect these jobs for Newfoundlanders is to have it written into the agreement.

MR. ROUSSEAU: Nobody is disagreeing with you.

MR. NEARY: The minister is saying nobody is disagreeing with me.

MR. ROUSSEAU: You said that ten months ago.

MR. NEARY: The minister is saying nobody is disagreeing with me. Well during the Oral Question Period today when I put the question to the minister.-

MR. ROUSSEAU: Then he gave you a satisfactory answer.

MR. NEARY: The minister did not give me a satisfactory answer. The minister said the same policy would be followed that was followed on the Upper Churchill. That is not good enough, to my way of thinking. Because I am sure, Sir, as soon as they get in they will have their buddies in. Allow the foreman to come in and the next thing you have an assistant foreman, then you have the journeymen and -

MR. ROUSSEAU: No, they will not.

MR. NEARY: Well I know that if that hon. minister was heading that department I would say probably that that is what would happen.

MR. ROUSSEAU: The Minister of Mines and Energy said that today unequivocally.

MR. NEARY: The Minister of Mines and Energy did not say it today unequivocally. I should know. I am the one to put the question to the hon. minister and I did not get a satisfactory answer. I want to get it now, tonight, because I want to see all these jobs go to Newfoundlanders. It may be difficult to police the situation, Sir, unless it is written into the agreement. So these are a few questions that I hope that the minister will answer when he stands in his place.

I want to find out about mineral exploration and mineral development in LaPoile Bay. I do not know if the minister has had a chance to get me that information. I also want to know about Petro-

MR. NEARY:

Canada. They are off our shores, or they will be in the next two or three months, drilling without a provincial permit. Again I put a question to the minister the other day, and asked him what steps the government have taken to alert Petro-Canada to the fact that they have to have a provincial permit before they were allowed to drill off our shores, off our coast. The minister brushed it off.

MR. SMALLWOOD: They do not need one.

MR. NEARY: Well, the government think that they do.

MR. SMALLWOOD: No, they do not.

MR. NEARY: Well, the government think that they do.

MR. SMALLWOOD: No, they do not.

MR. NEARY: Well, I say it. I think they should have a provincial permit. What right do they have to drill off our shores? Are they ignoring the fact that we have a legal dispute and a legal claim?

MR. SMALLWOOD: It is not established.

MR. NEARY: I know it is not established, Sir. But as a matter of courtesy if nothing else they should come to this government, to the Minister of Mines and Energy and say, "We are going to drill off your coast", and tell the minister what plans they have, and say, "Look until this matter is settled, whether it is settled in the courts or through negotiations with the Government of Canada, until it is settled then we are going to ask you to give us a provisional permit."

MR. SMALLWOOD: Have the Government of Canada -

MR. NEARY: Ask the Government of Newfoundland.

MR. SMALLWOOD: - asking the Government of Newfoundland to evade the whole question and give in now by giving them a permit.

MR. NEARY: Give them a permit, that would not be giving in. That would be establishing a right. We would be asserting our right. If they do not come and ask for a permit, they are ignoring the fact that the Province has any rights. Get a permit the same as every other company, get one from the Government of Canada and one from the Government of Newfoundland until this whole matter is -

MR. SMALLWOOD: Would the hon. member permit?

MR. NEARY: Yes, I certainly would.

MR. SMALLWOOD: I do not know of any company that has come to this Province and has got any concessions offshore other than those that came in under my administration.

MR. NEARY: Well, I do not either.

MR. SMALLWOOD: I do not think that there is any company that has come in since. Now -

MR. CROSBIE: That is not so.

MR. SMALLWOOD: It is not so? Well the answer to my question has not come to me yet. I have had a question on the Order Paper for three months or four months. I have no answer to it yet. I asked for that information. Some of the companies that came in came in under permit issued by the Newfoundland Government. Some of them came in under permits issued by the Canadian Government. Some of them came in with permits from both, from the Newfoundland and the Canadian Governments. But there are companies that had concessions only from the Government of Canada alone and not from our government.

MR. NEARY: Well I thank the hon. gentleman for the information. I think, Mr. Chairman, the hon. minister now has enough on his plate for the next half hour or so and depending on his answer, Sir, I may have to field a few more questions later on.

MR. CHAIRMAN: The hon. the Minister of Mines and Energy.

MR. CROSBIE: Mr. Chairman, one rather hesitates to join this debate because it has been a debate of the Liberals in the House, or the Reformed Liberals, or the Deformed Liberals, as I think it was the member for Burgeo -

MR. SMALLWOOD: The Deformed Liberals are on that side.

MR. CROSBIE: The member for Burgeo-Hermitage, I think, called them the Deformed Liberals this afternoon.

MR. SIMMONS: Correction! Burgeo-Bay d'Espoir.

MR. CROSBIE: Burgeo-Bay d'Espoir.

MR. SIMMONS: Right on!

MR. CROSBIE: This afternoon we had quite an exhibition of hon. gentlemen opposite flensing the Liberal Party. Flensing or flencing, Mr. Chairman, of course, means to strip the covering off. And the covering was stripped off the Liberal Party whether reformed, deformed, old-line Liberals, new-line Liberals or whatever it was this afternoon, it was certainly done.

It is hard to know where to start. The hon. gentleman from LaPoile (Mr. Neary) has been up on his feet again tonight ululating. I do not know if any hon. gentlemen here have seen anyone ululating, but in Africa they have a tribe of natives and the women ululate. I have never been able to ululate but what it means though, Mr. Chairman, is to howl or wail. And we have had the hon. gentleman from LaPoile (Mr. Neary) up ululating tonight for another forty-five minutes. I thought I missed him this afternoon but when he spoke tonight I realized I had not missed him, that it was such a pleasant surprise not to have heard him ululating this afternoon.

So to start somewhere I may as well start at the beginning and work back, and I figure it will take at least three to eight hours to answer all these ululations, flensings and all the rest of it. I will not say that the hon. gentleman from LaPoile is hercine because that is probably unparliamentary. We can ask me later what it means and I will be glad to tell him.

MR. CROSBIE: Now, to start with, the hon. gentleman who spoke last, first.-

MR. SIMMONS: That is no unparliamentary according to the definition here.

MR. CROSBIE: Is it not? Well, it means goatlike, especially in smell.

Now, Mr. Chairman, to start with the hon. the gentleman from LaPoile (Mr. Neary) first: He has more points than a compass. You cannot keep up with all his points. You would have to have a mind like a computer to keep track of them all. But anyway, to deal with some of the things he said tonight first and then work backwards.

Mr. Speaker, this government has not kicked Canadian Javelin Limited out of this Province, nor has it kicked Mr. Chairman, NALCO out of this Province, nor has it kicked any of their associated companies out of this Province. What this government has done is say to them that they should perform and live up to their agreements or they should surrender their agreements. In the case of Julienne Lake, there was legislation passed here last year by this House, unanimously, passed unanimously by the House, and the whole issue was debated last year and the information was given by the Minister of Mines and Energy of that day, Leo Barry. He gave the information to the House as to why we introduced the Julienne legislation. It was because it was one of the most outrageous deals ever entered into by any government. It was a mistaken deal. They had been given the concession back in - I have to go by memory now - 1957 or 1959 which read that for fifteen years they did not have to perform. In effect, that is what it said. They had fifteen years before time began to run, when they had to start developing a mine. And they had the Julienne concession from 1959 to 1975. They had it for three years while we were in office. They were not performing. There was no mine going to start there and they had it long enough.

But because of the way the original agreements were entered into, and the leases and the like, and these documents,

MR. CROSBIE: this deal which should never have been entered into, that area where iron ore was know to exist-given to them and held by them. Because there might have been some doubt as to whether time had expired by June 11, 1974, as to how long afterwards they might be able to hold that with delaying actions in the courts, and the like, this House was asked to pass legislation to terminate their concession and this House unanimously passed legislation to terminate their concession. That is all. And it provided compensation. It provided compensation of \$750,000 for them which was more than they had ever reported to the Department of Mines and Energy during the whole fifteen years they had ever spent on the concession or exploration in the concession. And it was more than generous.

Now Canadian Javelin has not been kicked out of this Province nor any of their other companies. And NALCO still has the concessions that NALCO was given whenever it was, eighteen or twenty years ago. And NALCO is still here, and NALCO has sub-concessions. I think Norando, for example, is working on a NALCO concession and so on and so forth. They are not kicked out,

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got at all! But Mr. John C. Doyle and his associates will never bully or terrify or frighten this government, never, and he has been attempting to do that for the last three or four years. Now to take this suit that the hon. gentleman mentioned for \$800 million or whatever it is, that suit is in connection with this legislation, this House passed to terminate their right here and there may be some other matters thrown in - everything but the kitchen sink. It is a ridiculous suit. I give my opinion that it is going nowhere. It will be turfed out, kicked out and dumped out by the courts, if it ever gets to trial. It is only another harassment tactic by Mr. Doyle of which we used too many of them. But a suit has been launched and, therefore, has to be reported and is reported in the prospectus we filed in New York a couple of months ago and had no effect on the \$50 million we borrowed then and has no effect now, But it has to be reported, and in that we give the opinion that this suit is not going to cost the Province anything. And as a matter of fact steps are being taken now. The suit was taken to the Exchequer Court of Canada, which was the completely wrong place to take it, in our view, and steps are being taken to have the Exchequer Court of Canada make a finding, which they may or may not do, that they do not have jurisdiction in the matter.

So Canadian Javelin has not been kicked out. And Canadian Javelin are welcome here. If they want to act like good corporate citizens they are welcome. But the devious tentacles of Mr. John C. Doyle are not welcome. They are not welcome, and he is not frightening us, and he is not bluffing us, and I do not want to say any more about it because there are various things going on in the courts in connection with him. So that law suit is taken by Canadian Javelin. Now who is Canadian Javelin? At the moment there are two groups who say they are Canadian Javelin. There are two separate Boards of Directors. One that Mr. Doyle is associated with, and another group entirely who say

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they control the company. So we now have got two groups saying they control Canadian Javelin Limited. I think Mr. Doyle's group had a meeting down in Central America somewhere, and they say they are the directors, And the other group are up here in Toronto and Montreal, and they say they are the directors. So there is a struggle for power control or something going on at Canadian Javelin.

MR. NEARY: There was no ulterior motive for kicking them out.

MR. CROSBIE: They are not kicked out.

MR. NEARY: But they are gone.

MR. CROSBIE: They are not gone. Some of their personnel are gone. Some of their personnel do not seem to want to come into the Province for various reasons. But Canadian Javelin are here, NALCO is here. They have their geologist here, and as long as they are going ahead with their work and their concessions and meeting these conditions they are -

MR. NEARY: There was no ulterior motive for taking back the Julienne Lake?

MR. CROSBIE: There is no ulterior motive. Not only that, nor did we have anyone else lined up to go in and take the Julienne Lake iron ore concession.

MR. NEARY: That is not what I am asking the minister.

MR. CROSBIE: It is open now for anyone to make proposals, and two or three or four groups have indicated that they are interested in making a proposal, but no one else has got the concession. It is now back in the hands of the Government of Newfoundland and hopefully some group will come in.

MR. NEARY: You had nobody in mind?

MR. CROSBIE: No, there is no one.

MR. NEARY: There was no ulterior motive?

MR. CROSBIE: Right! Good! Okay, that clears up that point, and I do not think it has any affect on our credit whatsoever.

Mr. Crosbie.

Now, Mr. Chairman, the hon. gentleman asked about Leo Barry. Well now, Mr. Leo Barry, the former minister of this department, and an excellent minister, is not under contract with the department, and he has no contract with the department. But a month or two ago he went to British Columbia with the legal assistant to the minister, Mr. Cabot Martin, because we intervened in a case in British Columbia which involves issues which might be relevant to our case for the offshore oil and gas and minerals in offshore Newfoundland here. The case in British Columbia is involving inland waters, and the Newfoundland Government has intervened in that case. A lot of the issues being argued will be relevant to our case when it goes forward. So we had British Columbian legal representation on the case, and Leo Barry and Cabot Martin went out to assist him and instruct him and hear the arguments. And I might say this, that if we go forward in the Supreme Court of Canada, as we may well have to to get this issue settled of the oil and gas jurisdiction off the coast and minerals, well then Mr. Leo Barry will certainly then be retained to assist this Province in its case, and I do not know of anyone who could be better suited to do it.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: But he is not retained at the moment, but if that goes forward he certainly will be retained, and he has gone to British Columbia on this other case for us.

Now the hon. gentleman from LaPoile (Mr. Neary) is getting certain elusions of grandeur in this House. He says, "I want it written in the contract. I, Steve Neary, the member for LaPoile, the flenser from LaPoile,

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want it written in the contract.' The hon. gentleman now thinks he is the government, that one member of this House, one independent member now thinks that he is the government. He has become infected with megalomania. It must be the part of the House in which he sits.

MR. SMALLWOOD: Is that word in that book?

MR. CROSBIE: No, it is not in that book.

He is getting infected with megalomania. The hon. gentleman wants it written in the contract. Now this is just publicity seeking, pure and simple. The hon. gentleman knows and was told this afternoon what our policy is. It is the same as the previous government's was supposed to be, and that is that that jobs are going to go to Newfoundlanders, people resident in this Province, as long as there are people capable in this Province of filling those jobs. And who the contract is going to go to that has just closed on the transmission line from Churchill Falls to Goose Bay, I have no idea. The tenders are called by Newfoundland and Labrador Hydro. Consulting engineers will make recommendations to them, and then they will discuss it with us, and if it is a company that is owned outside the Province that company will have to comply and employ Newfoundlanders the same as if they were a company that was resident within the Province. We call and those who bid get the job on the basis of the lowest tender. As long as they are a company that is considered to be fit and strong enough to do the job, it goes to the lowest bidder. What other system can you have? We cannot say that if there are four or five contractors bid, they are all capable of doing the job, two or three are from outside Newfoundland and the rest from Newfoundland that we are going to give the preference to a Newfoundland contractor, because what is the good of calling bids if you do. The other people will never bid, and we would be left to the mercy of the few contractors in Newfoundland big enough to do the job. And I am sure hon. gentlemen would not want that. So whoever gets that contract it will certainly be seen that they

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employ Newfoundlanders, and it may be a Newfoundland owned and operated company. But if it is not they will have to hire our people here in Newfoundland first, and make no mistake about that.

Petro-Can: The position on Petro-Can, Mr. Chairman, is that Mr. Maurice Strong, with whom we have no quarrel - Maurice Strong is a very fine gentleman, and I am sure he is going to give great leadership to Petro-Can - was here several days ago and saw the Premier and mentioned to the Premier that they were interested in doing exploration and drilling work offshore Newfoundland and Labrador this year. They have not been to the Department of Mines and Energy to ask for a permit. I believe that they are going to go in under permits granted to other people which is a normal procedure in these operations, because the cost of exploration and drilling is so expensive. You may have five people involved, and you may have ten people involved, and they farm out these things, and they all take a percentage. And I would imagine that Petro-Can is going in with one of the people who have already been out drilling offshore Newfoundland and Labrador and participating in their permit, which is doubtless a federal permit and also one that they have gotten from the Province of Newfoundland. They have not asked us for any permit yet. So we have no quarrel with Petro-Can, and in fact we are glad to welcome anyone who wants to spend money out exploring for oil and gas off the coast here. That is in everybody's interest. So there is no quarrel with Petro-Can as yet. There is always a possibility, of one if they attempt to insert themselves into the dispute between us and the Government of Canada as to who has jurisdiction.

Now the hon. member for Twillingate (Mr. Smallwood) has said that our claim is not established, the Province's claim is not established to the offshore area. That is true. Our claim is not

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established, but neither is the claim of the Government of Canada established. Their claim is not established off our coast either and anyone who wants to get a federal permit only takes the risk that if they made the wrong decision, and our claim is established, that they will have some difficulty if that proves to be the case. So most of them have taken permits from both of us, Mr. Chairman.

MR. SMALLWOOD: Would the minister explain a little more carefully what he means when he says that the Government of Canada have no claim?

MR. CROSBIE: That is right. They have no claim. I say that the Government of Canada -

MR. SMALLWOOD: Would he explain what it means? Not just say it again, but explain?

MR. CROSBIE: I say that the Government of Canada does not have a claim established to ownership of the offshore minerals, oil and gas, off the shores of Newfoundland and Labrador. They have not established their claim in law on this side of Canada. They had a case in British Columbia that dealt with different circumstances and different facts, which the Supreme Court of Canada found for them there, but the Supreme Court of Canada has not found for them off the shores of Newfoundland and Nova Scotia, Prince Edward Island and New Brunswick. So their claim

MR. CROSBIE:

is not established either to ownership and neither is our claim established to ownership. This is obviously, Mr. Chairman, a situation that cannot be permitted to go on indefinitely. As a matter of fact the next steps in this whole situation have to be decided by the Government of Newfoundland in the next few weeks.

I will come, perhaps further down in the estimates, to the question of permits because it is more detailed and will take me more time now as to who has permits and who has not. Those seem to be the principal points the gentleman brought up.

Now, Mr. Speaker, to go back to some of the other things that have been raised here. I have so many notes it is going to be a job to keep track of them all. Starting with the hon. gentleman from Trinity-Bay de Verde. It was a point he brought up and at the same time it was a point that was made by the member for Twillingate (Mr. Smallwood) earlier this afternoon. The member for Twillingate (Mr. Smallwood) said that the biggest blunder this or any government had ever committed in Newfoundland was the purchase of CFLCo.

MR. ROWE: I did not.

MR. CROSBIE: No, no! The hon. member for Twillingate (Mr. Smallwood) said that, and the hon. member for Trinity-Bay de Verde said it was a colossal blunder, the purchase of CFLCo shares.

MR. F. ROWE: You have it wrong.

MR. CROSBIE: All right. And Gull Island.

MR. F. ROWE: No, no. If I could just explain, Mr. Chairman, if the minister would permit me. What I did say was that it was a colossal blunder.

MR. CROSBIE: That is what I said you said.

MR. F. ROWE: If the minister would just listen for a minute: It was a colossal blunder for the government not to have developed alternate sources of electricity when it did acquire the assets or the shares of Brinco. Now there is the difference.

MR. CROSBIE: Okay. Well, I will deal then with the member for

MR. CROSBIE:

Twillingate (Mr. Smallwood).

MR. F. ROWE: Now as it happens, in hindsight, it might have been a colossal blunder.

MR. CROSBIE: Now, I say, Mr. Chairman, that the member for Twillingate (Mr. Smallwood) could not be more wrong, could not be, positively could not be more wrong! The greatest blunder that this or any government has ever made in the history of Newfoundland was the Upper Churchill contract, the contract between CFLCo and Hydro Quebec. That is the greatest blunder that was ever made by any government in this Province. Now I am not saying that at the time that blunder was made - we are looking back with hindsight - that it would be, you know, fair to heap unmitigated blame on the gentleman who is responsible for the entering into of that contract or who certainly had some control over it at the time. I do not think it would be fair because we are looking with hindsight, and because in 1962 and 1963 and 1964 and 1965 and 1966 there did not seem to be many people in the world who realized that the energy crisis was going to come, and they did not realize it in 1970 or 1971 or 1972. Then everyone started to realize it in October, 1973. So it has to be agreed that we are looking back with hindsight.

But the fact of the matter is, looking back with hindsight, that the greatest blunder this Province ever made was the entering into of the Upper Churchill Falls agreement which has given to Hydro-Quebec the right to purchase all of the power developed on the Upper Churchill, with the exception of 300 megawatts, for sixty-five years commencing in September of this year. So that we do not control, and under the contract only have the right to get 300 megawatts back forever - or for the sixty-five years. That contract is benefiting the people of Quebec by hundreds of millions of dollars a year now and will benefit them by billions of dollars over the next sixty-five years, dozens of billions.

They get the power now for about three and a half mils a

Mr. CROSBIE:

kilowatt hour, and in forty years time it goes down to two and a half. And in forty years time power from other sources will be costing - what? - fifty mils, sixty mils. We know that power is going to be costing - you know, the power being developed in James Bay now is going to cost at least twenty-four to twenty-five mils by the time that power gets to Montreal. Yet the power that they are getting from Churchill costs them three and a half mils, plus the transmission costs, maybe five mils by the time they have it to the Montreal area. Therefore what they will make on that power will be the difference between five mils and twenty

Mr. Crosbie:

mills because they are able to sell the power, that power will be sold for the same price as everything else on the system. So that the people of Quebec have got a benefit worth hundreds of millions of dollars to them a year now, and which will go up to billions of dollars. While we in this Province, now needing power, are faced with expenditures of \$2.3 billions to develop Gull Island and bring it to Newfoundland, and faced with a lot of obstacles to do it. Well, nothing ventured nothing gained.

The purchase of CFLCo was essential, not just for us to attempt to develop Gull Island and the rest of the hydro sites of Labrador - it was certainly essential for that - but it was essential if we were going to own our own resources. How could we even negotiate with Hydro-Quebec today and the Government of Quebec if we had to go through this third party, this private party, BRINCO and CFLCo to talk to them? We could not even be attempting to develop Gull Island today because BRINCO had the right to develop Gull Island, not us, and they would not develop it. If the power had to be brought to Newfoundland, they said, it was not feasible. That they would not be able to finance it. That they would not be able to do the job. They wanted to sell it to Quebec. Well, we did not want it sold to Quebec, we already had a whole load sold on the Upper Churchill. We wanted the power for Labrador and Newfoundland, BRINCO did not want it. They would not take the chance to try to develop it and take it to Newfoundland, so they had to be taken out of the way. What choice was there? And they were too stupid to see it. That is not our fault.

MR. SMALLWOOD: Would the minister tell the Committee what can now be done by the Newfoundland Government in any way whatsoever in connection with the Upper Churchill and the Lower Churchill that could not have been done by the same government in the same ways without having nationalized or compelled BRINCO to sell its shares, without having spent a dollar - instead of borrowing \$168 million, with heavy interest payments on that - without spending a dollar, what is it that they can now do that they could not then do?

MR. CROSBIE: Mr. Chairman, we could not then do -

MR. SMALLWOOD: I mean now the Sovereign Legislature of this Province with property and civil rights exclusively by the law, by the Constitution of Canada in the grip of this House here, all property and civil right are ours exclusively.

MR. CROSBIE: Mr. Chairman, now that is a long question. You know, what could we not do? We could not do anything -

MR. SMALLWOOD: But -

MR. CROSBIE: - without BRINCO's and CFLCo's co-operation and consent. And if they did not co-operate or consent this House had the power and that is why we got the shares back.

MR. SMALLWOOD: Right. That is why -

MR. CROSBIE: Because we exercised the power -

MR. SMALLWOOD: - they did not need the shares.

MR. CROSBIE: - that this House had.

MR. SMALLWOOD: This is why the shares were not needed, the power was here all of the time.

MR. CROSBIE: The shares were needed.

MR. SMALLWOOD: No.

MR. CROSBIE: Because the rights to all the hydro - I do not care, we have argued this - this has all been debated in this House before, two years ago. Anyone who wants to debate it again in these estimates -

MR. SMALLWOOD: I was not here.

MR. CROSBIE: I will go about seventy-five hours and debate it with them.

MR. SMALLWOOD: I was not here.

MR. CROSBIE: So this is redundant, but if you want to make the point we will argue it.

All hydro power in Labrador was given to BRINCO, and they had until 1985, so we could do nothing without their concurrence and consent. And it is BRINCO that controls CFLCo, and who was involved in the middle of the whole deal, and BRINCO who would pay no attention to our request that it be developed and brought to Newfoundland, and BRINCO who had to be in the middle everytime we spoke to Quebec.

MR. SMALLWOOD: That is just rhetoric! That is only rhetoric!

MR. CROSBIE: So BRINCO had to be taken out of the way -

MR. SMALLWOOD: Pay no attention.

MR. CROSBIE: - and they went. And they were not expropriated, but they would have been had they not agreed to sell the shares of CFLCo. And that, Sir, is one of the smartest things and one of the greatest things that any government in this Province ever did.

Whether or not -

MR. SMALLWOOD: Why not -

MR. CROSBIE: - Gull Island -

MR. SMALLWOOD: Why not answer that question, why not?

MR. CROSBIE: I answered the question, Mr. Chairman. I have already answered it.

MR. SMALLWOOD: No.

MR. CROSBIE: Now whether or not Gull Island goes ahead this year, is delayed for a year, is delayed for two years or three years or it takes ten years, it will still have been the right move. And Gull Island is not going to be done easily. It is not going to be done easily because of the complex negotiations we have with Quebec and with the Federal Government, a Federal Government that is not too anxious to spend any money for some reason in assisting great developments like this, when Canada should be spending and concentrating its efforts in developing hydro power, the assistance they offer us is paltry compared to what they should be offering.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: Loans for half the cost of the transmission line and the like!

Mr. Chairman, when you look at their national policy, it is ridiculous. And to go into Syncrude and become shareholders in Syncrude and put equity into Syncrude, something that has gone from \$750 million to a billion and a half dollars or \$2 billion they will do that to try to get synthetic oil out in Alberta, which may be helped in future years, and offer us next to nothing -

MR. SMALLWOOD: It is not synthetic.

MR. CROSBIE: - for a transmission line.

They will go and buy the Lockheed. All this foofaraw now about the Lockheed Aircraft Corporation, the billion dollar purchase of these eighteen planes which - if you read Doug Fisher's column in The Evening Telegram tonight it explains what is behind it - is to get activity, industrial activity for Montreal and Toronto. They are paying at least \$500 million more than they should because they bought two aircraft plants in Montreal and Toronto two or three years ago and they have to find work for them. So the billion dollar deal goes to Lockheed because Lockheed is promising that they will have certain work done in Montreal and Ottawa. That is their priorities, the industrial heartland of Canada!

MR. SMALLWOOD: Right! Would not the minister agree that it is the duty of the government to stimulate industrial activity and employment in the two cities that have between them one-fifth of all Canada's population?

MR. MURPHY: And let us starve to death?

MR. SMALLWOOD: No. Not let us starve to death, no. That is not the alternative.

MR. CROSBIE: I say let Montreal and Toronto worry about themselves. I am worried about Newfoundland, and I say that that is discrimination.

SOME HON. MEMBERS: Hear, hear!

MR. MURPHY: It is about time for somebody to worry about it, too.

MR. CROSBIE: Here is Nova Scotia and Prince Edward Island begging for power, wanting to get hydro power, and New Brunswick, and we cannot get it to them because we cannot develop our hydro because we cannot raise the money at the moment, because we have to deal with Quebec and all that, and the federal government sits back on its fanny and does nothing, except say that they will give us a loan for a half transmission line, once you get all problems settled and all the t's crossed and the i's dotted. So the federal government is inconsistent with its policy because the federal government is heartland of Canada orientated, and all they want to do is give us handouts down here and keep us happy with a drop of DREE and a drop of this and a drop of that.

MR. PECKFORD: No development policy.

MR. CROSBIE: No development policy. All this hogwash about Lockheed which is a welfare - and when I see people criticize our poor old linerboard mill which we have to pay \$25 million to keep operating and to keep 2300 people employed, and have it called industrial welfareism, and they are doing exactly the same thing, that great Canadian Government who are so superior, the Liberal establishment, the civil service ruined by years of Liberalism, they think they are God Almighty, they are never going to be moved out, and -

PREMIER MOORES: Hear, hear!

MR. CROSBIE: - and to see them doing exactly the same thing that they looked down their noses at us for, industrial welfareism for Canadaair and for the other outfit in Toronto - Avro, or whatever it is called - in Toronto and Montreal - exactly the same thing only it is \$500 million. They are prepared to pay too much!

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: So this little Province has a hard fight to get the Gull Island project going. And if it does not go this year then

MR. CROSBIE: there will be gentlemen opposite - I hope I am wrong - at least tempted to crow over it and think the government is in difficulty about it. But whether it goes this year or not, it will go.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: And it is going to go. And if we have the support of Quebec or not, it is going to go.

SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: But we cannot tell this House what our discussions are with the Province of Quebec until they are finished, until they have come to some conclusion.

MR. SMALLWOOD: Agreed! That is right. That is right.

MR. CROSBIE: And we have more than one string to our bow. You know, they are not the only answer. They have us by the throat, but not by the throat and at the other end also. There is one end free.

AN HON. MEMBER: To hang them up with.

MR. CROSBIE: That is right. Quebec can be a good neighbour or it can be the bully, it can be a poor neighbour. We do not know yet which it is going to be. We know they are very friendly and say they want to assist and so on.

MR. SMALLWOOD: Yes, but we know what they always have been.

MR. CROSBIE: The hon. gentleman had quite a tussel with them for a number of years. If we need any advice and the going gets rough I dare say we will ask for some of his advice, in the hon. the member for Trinity-Bay de Verde's basement. We will all assemble there again.

MR. NEARY: And do not be late.

MR. PECKFORD: The tape recorder will be on this time.

MR. CROSBIE: So, Mr. Chairman,

MR. CROSBIE: I can understand that the hon. gentleman for Twillingate (Mr. Smallwood) did not like the takeover of Churchill Falls, you know, his baby, or another one of his babies or the thing he was so closely associated with, and that was a great development and a great feat getting it done, although the contract is a bad one, looking back.

Sir, I can understand his feelings, but circumstances change. Now what might have been the right policy for Newfoundland ten or fifteen years ago was not the right policy for Newfoundland in 1973 and 1974, and it is not the right policy now. We have to be masters of our own destiny. There is no private enterprise body any longer in this world can develop an Upper Churchill or a Lower Churchill. They cannot do it any longer. The costs have gone beyond them. The costs have escalated so much. The Upper Churchill and the transmission line is now \$2.3 billion and for one third of the power of the Upper Churchill, Gull Island costs itself, the site itself, costs almost as much. In fact it costs more. It is around \$1 billion to develop just the site alone for 1800 megawatts, and then the whole thing on the Upper Churchill cost \$950 million to develop 5600 megawatts, or whatever the figure was. So no private company today can tackle these kinds of things. There is no longer room for private enterprise there. Only governments can do it. And this government frankly admits that it cannot do it alone. As I said in a statement last November, we cannot do it without more help from the federal government, and we cannot do it without certain help from the Government of Quebec, a certain agreement from the Government of Quebec, which we do not know yet whether we are going to get or not. But we intend to know in the next three or four weeks and then if we have to, we are not getting the co-operation, we got to wait a year or two and we have got to pull another bow line or take some other course of action, then we will tell this hon. House and the people of Newfoundland will just have to wait with us while we try another approach. That Gull Island should be developed, and the

MR. CROSBIE: Eagle River should be developed, and the rest of those rivers in Labrador should be developed. I mean it is just a fact that no one can deny. But the federal government for some reason wants to slough it off on the Provinces and say it is up to them to do these things.

The federal government is getting stronger and stronger, more and more power because it has got the taxing power and the money. But they are now getting tired of the game. They are going to snuff us out, you know, they are going to snuff us. They are going to take away the revenue guarantee, and they are going to change the tax equalization, and they are going to do all of these things because of their own misperformance in other areas. They are getting arrogant. They do not care any longer.

MR. SMALLWOOD: You mean the minister's popular hero has gone wrong?

MR. CROSBIE: Which one is that?

MR. SMALLWOOD: The minister went up and did everything in the world to help get Mr. Trudeau elected leader. With tears in his eyes he was up there, and the Minister of Justice, the two of them were up there with tears shedding for Mr. Trudeau.

PREMIER MOORES: That is because you had the onions.

MR. SMALLWOOD: Because what?

PREMIER MOORES: You had the onions to make the tears flow.

MR. SMALLWOOD: I did not need onions.

MR. CROSBIE: Mr. Trudeau disappointed me long ago, Mr. Chairman.

MR. SMALLWOOD: Trudeau had the onions.

MR. CROSBIE: Now, Mr. Chairman, then to move on to something else. The hon. gentlemen opposite in my view were quite rightly approached. They took the CFI Co takeover. The hon. gentleman for Twillingate (Mr. Smallwood), because of reasons that he was involved in the start, and his combative nature and so on and so forth wanted to fight it tooth and nail -

MR. SMALLWOOD: I am the most peaceful character in the House.

MR. CROSBIE: That would have been wrong. The Opposition took the right approach. They waited to see what it was all about, BRINCO

MR. CROSBIE: agreed to sell. We did not have to expropriate them.

MR. SMALLWOOD: Agreed to sell?

MR. CROSBIE: Yes, they agreed.

MR. SMALLWOOD: Said he unsmilingly, "They agreed to sell."

MR. CROSBIE: They smiled all the way to the bank. They were well paid. They got compensation. They were adequately compensated.

MR. SMALLWOOD: Yes, perhaps.

MR. CROSBIE: They sold because if they did not sell we were bringing the legislation in here.

MR. SMALLWOOD: Yes, so it was voluntary?

MR. CROSBIE: And we prepared the way carefully and we had the best of legal advice, and we would have brought it in and the House would have passed it, a majority would have anyway, if they had not did what they finally did do.

MR. SMALLWOOD: Yes. The minister is right there.

MR. CROSBIE: It was a sensible thing for them to do.

MR. CROSBIE:

But the Opposition of the day, the official Opposition took the right approach there, and they supported it and they voted for it. I say, more power to them. They were sensible in doing that.

MR. SMALLWOOD: Well, the Opposition agreed with the minister then, and they agree with him now on Come By Chance.

MR. CROSBIE: Yes, and they are right again.

MR. SMALLWOOD: Yes, they are right again. Right, sure.

MR. CROSBIE: Time after time they are right when they agree with the hon. gentleman who is now speaking.

MR. SMALLWOOD: Yes.

MR. CROSBIE: I have got to admit, when they agree with me they are right on.

MR. SMALLWOOD: Yes, yes.

MR. SIMONS: Ah, the humility!

MR. CROSBIE: But it is not that they are not uncritical. Now, Mr. Chairman, there is not much else you can say about this afternoon's debate - we will pass over that - except it is obvious that the Liberal Party fell in the wrong hands. How I remember that, the wrong hands. Remember the Liberal Party was the party that could not fall in the wrong hands. That was the slogan.

MR. SMALLWOOD: It did not then.

MR. CROSBIE: It did not then.

MR. SMALLWOOD: No.

MR. CROSBIE: Oh! But it has since in the hon. gentleman's opinion.

MR. SMALLWOOD: It is the hon. gentleman who is saying it.

MR. CROSBIE: He has got this hand fixation. If the Liberal Party is not in his hands it is in the wrong hands. That was obvious from what went on this afternoon and the less said about it, I suppose, the better. I do not know if I can really make much other comment on this afternoon's procedure except it was amusing to recollect that the Leader of the Opposition and the then government House Leader, Mr. Bill Rowe, and the Leader of the Opposition came back from Montreal in a jet, that terrible word, in a jet in connection with the whole proceedings that were going on with BRINCO and CFLCo. Sir Val Duncan had him flown up or down, one way - I forget which

MR. CROSBIE:

way it was - in the Bank of Montreal jet, both ways. The Bank of Montreal jet was sent down here to take them up and bring them down again, which I thought at the time was a most peculiar procedure. But the hon. gentlemen who have been talking and qualling in this House and - what is it? - twitching and screeching about jets and aircraft should remember that their own Leader of the Opposition and their House Leader were flown up and down by BRINCO. When we were engaged in a struggle with BRINCO, BRINCO had those gentlemen flown up and they did not pay for the jet and they did not pay for it to come down. They flew both ways at the expense of BRINCO who were engaged at that time -

MR. ROWE: Was there anything wrong with their subsequent action?

MR. CROSBIE: Subsequent action is all right. I am just pointing out because I was reminded of it this afternoon that the jet age started for the Opposition in 1974.

PREMIER MOORES: As an Opposition.

AN HON. MEMBER: And ended then.

MR. CROSBIE: I do not know whether it ended then or not.

MR. SMALLWOOD: The minister must not leave me out. They sent a jet for me too and brought me back.

MR. CROSBIE: Well -

PREMIER MOORES: As you would.

MR. SMALLWOOD: And I was proud to do it.

MR. CROSBIE: Yes.

AN HON. MEMBER: We were left out.

AN HON. MEMBER: Never sent one for us.

MR. SMALLWOOD: I was not fighting BRINCO.

MR. SIMMONS: The Premier is about to get his own.

PREMIER MOORES: No, just to get free rides as opposed to information at the other end. Very different.

MR. SIMMONS: That is smart!

MR. CROSBIE: Yes. After listening this afternoon, Mr. Chairman, to hon. gentlemen opposite -

MR. SMALLWOOD: It was not BRINCO, Mr. Chairman, it was Churchill Falls.

MR. CROSBIE: After listening this afternoon to hon. gentlemen opposite attacking one another -

PREMIER MOORES: Churchill Falls sent down the jet -

MR. SMALLWOOD: Sent a jet down for me.

PREMIER MOORES: - at the time of the takeover?

MR. SMALLWOOD: Yes. They sent the jet down for me to go up and confer with them in Montreal and then flew me back in the same jet.

MR. CROSBIE: Precious good it did them. After listening this afternoon to hon. gentlemen opposite caterwauling back and forth against one another,-

MR. SMALLWOOD: He laughs best who laughs last. Do not forget.

MR. CROSBIE: I am not laughing. It is too serious a business.

MR. SMALLWOOD: No.

MR. CROSBIE: We took the right step and the hon. gentleman should not have tried to sabotage it. His own party did not even support him nor his former party. But when I heard hon. gentlemen opposite this afternoon slamming one another back and forth, you know, and I heard one member say of the hon. gentleman from Twillingate that he was getting on with the emotional spawnings of a man -

MR. SMALLWOOD: Spewings.

MR. CROSBIE: - spewings of a man who has become consumed in a personal vendetta with the Leader of the Opposition and all the rest of it, it is the most incredible sight I imagine, Mr. Chairman, was ever witnessed in the legislature. Incredible! I think that they should be moving resolutions to put each other's salaries down to a dollar. The hon. gentleman from Twillingate (Mr. Smallwood) should move the Leader of the Opposition's salary go to a dollar. We can debate that. We could move that the gentleman from Twillingate's salary go to a dollar. It was the most incredible exhibition that we have ever witnessed in this House, not to say that it was not pleasurable in certain aspects.

PREMIER MOORES: But no more spewing.

MR. CROSBIE: But I do not know anything else that I can say about it.

MR. CROSBIE: The hon. member for Burgeo - Bay d'Espoir (Mr. Simmons) certainly made a bitter attack on the gentleman from Twillingate (Mr. Smallwood).

MR. SIMMONS: What?

MR. MURPHY: Terrible, I think!

MR. CROSBIE: He certainly did.

MR. MURPHY: It would really hurt your feelings.

MR. SIMMONS: What is going on?

MR. CROSBIE: It was a bitter attack on the gentleman from Twillingate, which he did not deserve. He did not deserve it.

MR. SIMMONS: A strange thing?

MR. CROSBIE: Yes.

MR. SIMMONS: You would hardly believe it.

MR. CROSBIE: And I do not believe that the hon. gentleman will forget it.

MR. SIMMONS: Not so!

MR. CROSBIE: Perhaps it was because he did not pass his delegates over at that famous convention in the Fall of 1974. He did not pass his delegates over, the gentleman from Burgeo - Bay d'Espoir (Mr. Simmons). Whatever the reason was, it was not very edifying.

Now, Mr. Chairman, to get back to some of the other points, the questions that have been asked, and there have been a lot of them. Some of the comments of the members for Trinity Bay de Verde (Mr. Rowe) were simply incredible. He asked, why not nationalize Newfoundland Light and Power instead of CFLCo? Were Newfoundland Light and Power in control of the hydro resources of Labrador? I mean, is there any comparison between the two? Newfoundland Light and Power is a company that has been in existence in this Island for seventy-five years, that generates some power and distributes power widely across the Island. There was no threat to Newfoundland. It does not stand between us and the development of our hydro resources in Labrador. Why would we have chosen to nationalize them rather than CFLCo? There is no comparison. And the hon. gentleman says that they are a middleman, and a middleman must be costing more. There are pros and cons. Newfoundland Light and Power are raising large sums of money every year on their own credit and so on and so forth to expand their facilities, and if we took them over we would have to do all that and so on and so forth so that you can put a large number of pluses as to why we might take them.

MR. SMALLWOOD: The same thing applies to Labrador.

MR. CROSBIE: The hon. gentleman, you know -

MR. SMALLWOOD: Yes. We took it over so we have to raise the money now.

MR. CROSBIE: We have taken Churchill Falls. The issue is all over.

MR. SMALLWOOD: No, it is not.

MR. CROSBIE: It is all gone.

MR. SMALLWOOD: Oh, no!

MR. SMALLWOOD: No, it is not.

MR. CROSBIE: It is all gone.

MR. SMALLWOOD: Oh, no!

MR. CROSBIE: It is never going to be in private hands again.

MR. SMALLWOOD: Well, if I can, it will.

MR. CROSBIE: Well, you cannot!

MR. SMALLWOOD: But, if I can.

MR. CROSBIE: The hon. gentleman no longer has the power -

MR. SMALLWOOD: If I can.

MR. CROSBIE: - to effect these events. He has no power now.

MR. SMALLWOOD: Right! But if I can.

MR. CROSBIE: Yes, but you cannot. You will not.

MR. SMALLWOOD: If I can.

MR. CROSBIE: And it would be wrong if you could.

MR. SMALLWOOD: No.

MR. CROSBIE: And that is why you cannot, and you will not.

MR. SMALLWOOD: It might save Newfoundland from an awful lot of trouble.

MR. CROSBIE: It would have saved Newfoundland a lot of trouble if certain things had not happened -

MR. SMALLWOOD: And a lot of money.

MR. CROSBIE: - during the last ten or fifteen years, but what is the point of talking about them now?

MR. SMALLWOOD: The hon. minister does not seem to realize that this is only the beginning of his troubles.

MR. CROSBIE: I do not mind debating history, you know. I can debate hour after hour if the hon. gentleman wants to debate history in this House, but we got the estimates to get on with. But it is a dead issue. It cannot be resurrected.

MR. SMALLWOOD: Oh, no!

MR. CROSBIE: It is as dead as a dodo.

MR. SMALLWOOD: No!

Mr. Crosbie.

Now Newfoundland Light is just not in the same category as CFLCo.

MR. SMALLWOOD: That is right.

MR. CROSBIE: It is not of the same importance to the Province.

MR. SMALLWOOD: That is right.

MR. CROSBIE: It is a middleman, but it is a middleman that performs a function. They still generate power. They buy power from Bowaters. They buy power from Hydro, and they distribute it.

MR. NEARY: What is the exact percentage?

MR. CROSBIE: I cannot remember the exact percentage, but a substantial percentage still comes from the others, from their own sources and from Bowater.

MR. SMALLWOOD: Somebody said seventy per cent here the other day.

MR. CROSBIE: Right!

MR. MURPHY: It does not make that much difference.

MR. CROSBIE: I do not think it is as high as seventy per cent, but no more than seventy per cent. So they are still generating power and they are distributing it, and they have to spend money to serve their customers, and, you know, they have an increasing demand for power and that takes the expenditure of capital, and they raise loans, and they sell share issues. And as I said the other day, it is not \$4 million or \$5 million. You know, if you just made a rough calculation of what their shares are worth you would probably go to \$52.5 million - \$37.5 million for the common shares and \$15 million for the preferred. So, you know, why would someone take and expropriate and nationalize Newfoundland Light and Power unless there is some great advantage or reason to it? They are regulated by the Public Utilities Commission, and it can only get the rates that they are permitted under its rules and regulations. So that is why we never nationalized Newfoundland Light, and there is no magic in nationalizing Newfoundland Light.

Mr. Crosbie.

We can nationalize Newfoundland Light tomorrow, but the result is not going to be lower power rates. Of if they are any lower, they would be minimally lower. We will still have to pay interest on the money we borrow, the same as they are paying.

MR. NOLAN: Would the minister permit a question?

MR. CROSBIE: Yes, sure.

MR. NOLAN: What would have been the advantage then for Nova Scotia buying out the Nova Scotia power company?

MR. CROSBIE: Well, I do not know why they decided, you know, to do that. I do not know what the situation there was. So I could not say what the advantage of it was. It certainly did not save the rates, because the rates in Nova Scotia are now going up tremendously this year.

PREMIER MOORES: Of course, you would have to pay the true price. You would not want to screw the people just for the sake of their payments.

MR. CROSBIE: Well, you would have to pay what their shares are worth. In Nova Scotia the rates are going up a lot in the last year or two, but the government kept them low for other reasons, and absorbed certain losses, and they were lucky enough to have a contract with Imperial Oil that they were able to keep them to it, but now it certainly has not saved them on the rates.

Now the offshore resources was brought up by the member for Trinity - Bay de Verde (Mr. Rowe), which I mentioned, and he was saying that he should forget about control of the offshore, and develop it and manage it and exploit it. Well that is all very good,
Mr. Chairman -

MR. ROWE: I explained that in the House this afternoon.

MR. CROSBIE: Just listen to what I am saying. You know, you appear to be changing your Liberal policy but then you explained that, right? You were like a Whirling Dervish, remember? You had a resolution on the Order Paper and then you had this opposite -

MR. ROWE: I cleared it up.

MR. CROSBIE: But the hon. gentleman did say, let us forget about control of the offshore, the real questions are developing it, managing it, exploiting it. Let us look at that.

MR. CHAIRMAN: Order, please!

Before the hon. minister gets into another major point I should point out that his time has expired.

SOME HON. MEMBERS: By leave.

MR. CROSBIE: Am I not on a good point?

MR. CHAIRMAN: By leave.

MR. ROWE: By leave. Well I stand to speak, but if I am recognized after the minister I will be willing to yield, if that arrangement can be made.

MR. CROSBIE: What is that?

MR. CHAIRMAN: I do not know if the Chair can make an arrangement along those lines, but if the House wishes by leave the hon. member may continue.

MR. CROSBIE:

I will just finish this point, if you do not mind, on the offshore and then there are other points but I will be speaking again later. That is the importance of this whole issue to us. The importance of this whole issue to Newfoundland and Labrador as to whether we have jurisdiction or ownership or not is that question of who is going to decide about development, management and exploitation. It is no good, for example, the people of Labrador making representation to this government about what is going to happen offshore, and how fast the rate of development is going to be, and what circumstances there are going to be, if the Government of Newfoundland does not have jurisdiction. If the Government of Canada has jurisdiction, you are going to have to deal with the Government of Canada. That is a couple of thousand miles away. If they have jurisdiction and ownership it is not a question just of revenue - that is important enough - of what revenue the government might get, but of the rate of development and the kind of development and when it comes and the kind of management.

That is why we feel that we must, if we have any chance at all, establish that we have ownership and jurisdiction, because otherwise we will control nothing in connection with it. We will have no control over it, of how fast it develops or how it develops and how it gets exploited. Not only that but a whole lot of it will pass away from Newfoundland. They will have their offices in Halifax, they will have their offices in Montreal and Toronto if we do not control and own it. They will spend no more time in Newfoundland and Labrador than they have to.

MR. HICKMAN: They will refine it in Montreal.

MR. CROSBIE: Yes, and they will refine everywhere but in this Province.

The only way we will get really substantial benefits from this development that is coming, is if this Province, the government of this Province, owns the resource. Sir, as long as we

MR. CROSBIE:

have got any chance to establish that we have to try to establish it. Now the negotiations with the federal government have broken down for one reason, because at no point will they concede that on anything we must have a final say or that we have any veto power. They say that they will allow us to advise them and they will consult with us, but at no point will we have a final say, or will we have to agree with them so that both parties will have to agree to some particular thing being done.

So they are not prepared to agree to Newfoundland having in any area dealing with offshore oil and gas, a final say on anything, or that we would have to agree as well as them. All they will agree is that we can advise them and that they will consult us. What good is that if all the control is with them? So as long as we have got any chance at all at law, we have to take that chance. The only way for this to be settled is by a court. The hon. gentleman for St. John's East (Mr. Marshall) does not think it should be the Supreme Court of Canada, but it certainly has got to be a court.

If the odds were 1,000 to one against us, I would still want to go to court, if they were 2,000 to one, 500,000 to one, I would want to go to court. We cannot get any meaningful agreement with them. Whatever chance we have got, we have got to go there and we have a decent, respectable chance and this is probably where we will have to end up going. The government has made no final decision yet.

MR. SMALLWOOD: Is the minister, if you will allow me, is the minister satisfied now and are his comrades in the cabinet all agreed that the chances of getting a political settlement with the Government of Canada are minimal or virtually nonexistent and that therefore the only recourse is to the courts?

MR. CROSBIE: This is the way it appears to be, unless there is some change because if you did decide to go to court you would have to work in terms of reference and the like and there might always be some change while that is happening. But the political route,

MR. CROSBIE:

for the reason that I have mentioned, has not been successful because we are not prepared to say that the only role we will ever have is advisory, and they are not prepared to agree that at any point we would have to agree to certain things.

MR. SMALLWOOD: Of course as the minister knows - excuse my voice, I did too much shouting today - as the minister knows I failed, just as notably as he did and his leader did, in getting a political settlement on this question with the Government of Canada. The Government of Canada just refused point-blank to have a political settlement.

MR. CROSBIE: That is right. Well, it appears that we have reached the same impasse, Mr. Chairman. To me

Mr. Crosbie:

It is peculiar the way the Government of Canada acts in this matter, because they are suppose to want to overcome regional disparity, they are suppose to want to help the have-not provinces and the like. And when we have some asset that might put this Province on its feet and make it self-sustaining, and save them a barrel of money, and which is more convenient and better that it be controlled and dealt with locally, they would still have control over external affairs, still have control over pollution and the environment and all of these other respects, when they got a chance for the Province to get - well, it is our only main chance to be self-sustaining and stand on our own feet, they went to fight us to the death on, and not concede that we should have even a minimal veto power on the matter. They are ready to concede us that we will have some of the revenue or even a major share of the revenue. But they are going to decide what the revenue base is, and how much revenue there is and the like. They treat us like peons and peasants! That is their attitude! They look on us as a nuisance, fools, idiots, people with our hand out, people who engage in disastrous schemes, they laugh at us, not to our faces, they do not dare do it to our faces. They treat us with contempt. Because they are smug. They can only see Ontario and Quebec, this is their Canada. That is why they treated Alberta and Saskatchewan as they have in the oil and gas business, and British Columbia. They think we all exist to serve Ontario and Quebec and Central Canada. That is their view. That is the way they are brought up. That is the impression they get when they watch the T.V. and see that filthy programme, The Filth Estate or The Fifth Estate.

MR. WHITE: The Fifth Estate.

MR. CROSBIE: They had that programme on, that knife job on Newfoundland there several weeks ago.

AN HON. MEMBER: Like St. John's.

MR. CROSBIE: That is the way they think of us up in Ontario and Quebec. "Look of that bunch of Newfies disaster after disaster, haw, haw, haw! But after all we are sending them down the family allowance,

Mr. Crosbie:

the unemployment insurance." Any Newfoundlander that mentions the family allowance, the unemployment insurance and any of that stuff on the mainland of Canada should be shot. They do not deserve any credit for it. Everyone in Canada gets it. And that is what they think of us. And that programme was a typical example of how they look at the rest of Canada, "These people who are not contributing anything to Canada, who are down there with their mouths open and their hands out."

MR. ROWE: Was that produced by the Government of Canada or the CBC?

MR. CROSBIE: I am saying the Government of Canada and the CBC and those people in this country lucky enough to live in Quebec and Ontario, that is what they generally think of the outlining areas of Canada, and this is reflected in how they treat us. So that is how they are treating us on oil and gas. Oil and gas: The Province of Newfoundland are not smart enough down there; they are not clever like we Upper Canadians; they will not know how to handle it; they will not know how to deal with it. Talk about Indians and Eskimos, I do not think they will get a look in. They do not think any of us down here in the Maritimes or in British Columbia are smart as they are in Central Canada. And when it gets developed, if they control it, it will be developed at the rate of which they want it developed.

PREMIER MOORES: Right.

MR. CROSBIE: They will develop the gas to bring to Montreal when they finish using up the gas from the MacKenzie Valley or from the Northwest Territories or from wherever. And when that is all done, in thirty or forty years time, they may start to allow the gas off Labrador to be brought there.

You know, what they say is they are looking at it from the national viewpoint. Well the national viewpoint is not to give this area a boost up before the other areas, it is to do what is in the interest of Central Canada, because they think Central Canada is

Mr. Crosbie:

a nation. And that is their attitude there. Now we do not have to succumb it, and we are not going to succumb to it. And we do not have to go to them with our cap in hand, and we do not go to them with our cap in hand. And our Finance Minister does not bow and say, "Thank you, Don," when Don gives all of the provinces a boot in the pants.

PREMIER MOORES: MacDonald, not Jamieson.

MR. CROSBIE: Don MacDonald,

MR. CROSBIE: not Don Jamieson. We are up there fighting for our rights. They get us into Medicare and then they pull the plug and so on. I will not go into all that now. But that is why the oil and gas issue is important, Mr. Speaker, because if we want that developed for the benefit of this Province it will have to be controlled by the Province, and we have got to do everything we can to establish that. My time is up so I will -

MR. NEARY: Before the minister takes his seat, I wonder if he would answer my question in connection with the oil refinery and Ataka, was it in June the minister said that he first learned of the Japanese and their involvement in the oil refinery? Can the minister set me straight on that?

MR. CROSBIE: Mr. Chairman, I do not know why this is of such great momentum for the hon. gentleman. The first time I knew there was a Japanese associated with the oil refinery was when the first oil tanker came in down there.

MR. NEARY: When was that?

MR. CROSBIE: I do not know. That was in the Fall of 1973 or early 1974. I went down with the Premier and some other people from the Cabinet and, lo and behold! the whole tanker had a crew of Japanese.

MR. NEARY: No, but excuse me, I just want to get -

MR. CROSBIE: So I knew that there was some Japanese connection with the oil refinery.

MR. NEARY: No, I want to get the minister straight. The minister told us the other day, I believe, he first learned of Ataka was it May or June of 1975? Am I correct in this?

MR. CROSBIE: Mr. Chairman, I forget what I said exactly the other day. The first time that I had any knowledge that the Japanese were involved in financing the crude oil shipments to the oil refinery was, I believe I said, in July

MR. NEARY: Of 1975.

MR. CROSBIE: Of 1975, and that they were owed substantial sums of money.

MR. NEARY: All right. Okay.

MR. CROSBIE: As a matter of fact on a visit to Japan in April of 1975 I met Mr. Tagaki and Mr. Furmark, who had us out to dinner. I was there on other business and they had us out to dinner. So I mean I knew Mr. Tagaki had something to do with the oil refinery.

MR. NEARY: I thank the hon. minister.

MR. CHAIRMAN (MR. YOUNG): The hon. member for Trinity - Bay de Verde.

MR. ROWE: Mr. Chairman, it is not my intention to carry on very much longer with this particular subhead of the minister's office of Mines and Energy. We have already consumed I think approximately fifty hours in estimates, one thing and another.

AN HON. MEMBER: We have only used twenty.

MR. ROWE: I am sorry. We have approximately fifty hours left. We have consumed approximately one third of the time devoted to the estimates and we are still on the first head of the first department that is going to be considered under the estimates.

MR. MOORES: We did not have a heading for the Liberal Party.

MR. ROWE: As it turns out there might well have been a heading for the Liberal Party, and I expressed my dissatisfaction and displeasure and sorrow over the fact that this whole thing came up this afternoon but it had to be dealt with, and the hon. members opposite must have had the thrill of their lifetime. Sir, at least it was interesting from their point of view.

MR. MOORES: Where is your romper room?

MR. ROWE: I am sure my recreation room, Sir, is not quite on a par with the hon. Premier's recreation room.

MR. MOORES: I do not have the same guests.

MR. ROWE: Now, Mr. Chairman, if I can get back to the point at hand, just let the record show, Mr. Chairman, that this committee has not received answers to questions put to the Minister of Mines and Energy.

MR. CROSBIE: I had to sit down.

MR. DOWE: The hon. minister has had so far, I believe, two forty-five minute sessions, and instead of answering questions put to him by members on this side of this House, the minister has used the old lawyer tactic of twisting a question into a statement, then accusing the hon. member who asked the question of having advocated a particular course of action. Now I ask the Minister of Mines and Energy, you know, within the rules of at least political consistency, economic consistency and philosophy, why they did not consider acquiring this Light and Power Company, which is a retailer and which buys, I understand, approximately seventy per cent of its power from Newfoundland and Labrador Hydro, why they did not consider using the manpower, expertise, etc., of that company or acquiring it, and having Newfoundland and Labrador

MR. ROWE: Hydro as retailers as well as wholesalers of electricity. But the minister turns around and makes a great big roar that the member for Trinity - Bay de Verde has suggested that they should nationalize the Light and Power Company, or expropriate it. And nothing was ever suggested, the suggestion just was not made. It is as simple as that. But I ask for a reasonable and sensible explanation of why the government in its acquisition activity of BRINCO for the purpose of gaining ownership of her hydro resources and natural resources in the area, did not take a look at the Light and Power Company and sort of blending it together with Newfoundland and Labrador Hydro to make the whole system more efficient and presumably - why would a government wish to do this, Mr. Chairman? - just to have one Crown corporation instead of a Crown corporation and a Rural Electrical Authority. We got a Rural Electrical Authority now, a Light and Power Company, and Newfoundland and Labrador Hydro. It is not just because we want all to come under one name; the purpose of the question was to find out whether it would mean a savings for the consumers of electricity in this Province. And the hon. the minister I must admit has failed to answer that particular question and has seen fit to suggest that we are now advocates of nationalizing everything in sight.

MR. MURPHY: Would the hon. member agree that as each item is called a question be asked and then the minister could answer it, rather than the general discussion that we have been having.

MR. ROWE: Well, like I said to the Chairman, and this Committee, Mr. Chairman, was that it is not my intention to prolong this. There will undoubtedly be some questions asked about the various heads and subheads, but under the minister's office we do have general debate and we have general questions and we do expect general statements of principles or philosophy or of direction from the minister who is responsible for that particular department, and I would hope that we would not spend too much longer on this particular department. But let the record stand, Mr. Chairman, that

MR. ROWE: the minister did not provide this Committee with answers to that particular question with respect to the Light and Power Company.

Now let the record also stand or show that we did support the government's acquisition of the BRINCO shares. In the short haul, in the short term, it is very easy for us to stand here and say that it is a colossal blunder, and in fact I have referred to it, even though this party supported it, as a colossal blunder because of the fact that we assumed that the government knew what it was doing, number one, had the markets, had the finances and had the expertise to develop the Lower Churchill without bouncing us into a heavy debt situation. We felt that way, and I can remember standing up in this House and I can remember the Premier sitting right across from me, and I can remember saying to him that we hoped that this legislation was in the best interest of the Province and I sincerely wished the government the best of luck and the best wishes when this Crown corporation was formed. And we sincerely hoped that we have gotten the full story and the true story from the government with respect to markets, financing and technical expertise, and that we would not find ourselves in the position that we find ourselves in today.

At this point in time it is a colossal blunder, but I want to re-emphasize that the bigger colossal blunder was the fact that the government did not discover this problem since September 16th. They must have known what they were getting into, so why did they not develop our other hydro electrical potential areas in this Province, on the Mainland and on the Island part of our Province. That answer

MR. F.B. ROWE: has not been forthcoming to the Committee by the Minister of Mines and Energy. And may I point out, Mr. Chairman, that the hon. the member for Twillingate (Mr. Smallwood) and this party may differ on whether or not the acquisition of the BRINCO shares was a colossal blunder - at this moment it looks pretty sick - I would say that in the long haul it was the right thing for this Province to have done.

MR. ROUSSEAU: You were in favour of -

MR. ROWE: Yes, and I really mean that.

MR. ROUSSEAU: You are in favour of doing the Lloyds River then?

MR. ROWE: If the hon. minister wants me to talk about the Lloyds River, I will get to that in one moment. But as the hon. minister suggested earlier, what was true five, ten or fifteen years ago may not be true today, or in five or ten or fifteen years time. Now I do not want to get - he is gone. Thank Heavens! - I do not want to get my colleague the member for Windsor-Buchans (Mr. Flight) all terribly excited, but may I suggest - and he should probably be in his seat to hold me back in case I am going to get all twisted and turned and pulled out in the corridor and knocked around again - but there may well be the day when this Province will have to look at the Lloyds River diversion and weigh and balance the environmental effects against the other benefits that could accrue to the Province. There may well be the day.

MR. CROSBIE: The hon. member is not here tonight.

MR. ROWE: I was hoping he was in sight so that he could restrain me in case I am wandering out of caucus philosophy.

AN HON. MEMBER: The Terra Nova next.

MR. ROWE: Look! Look! Read a few reports and stop remembering a couple of rivers. There are sixteen rivers in Newfoundland and Labrador that have - well, on the Island itself 445 megawatts, and on the Labrador there are somewhere between 2,000 and 3,000 megawatts in round figures. What I am saying is that the colossal blunder is the government must have had some

MR. ROWE: indication of the tremendous expense necessary to develop the Lower Churchill, the tremendous technical problems, the problems with the market, and knowing that for the future development of this Province acquisition was the answer, ownership of natural resources was the answer, if they knew, with all the reports that they had. thirteen reports, thirteen studies and all the experts they had in their various departments - it is gone. I have them all written down here. I will not name all the companies involved, but fiscal and engineering firms and what have you - with all that information, as it turns out, they must have been hiding something. The fact is that the Lower Churchill was not going to be developed overnight.

Because before the election, Mr. Chairman, and I hesitate to repeat this because it is repetition, but I feel that it is my duty to bring to the Committee's attention the fact that up until September 16, 1975 this government gave the people of this Province the distinct and undeniable impression that the Lower Churchill was ready to go straight ahead. And I do not have to go on with trying to paint the pictures of the Premier with his sticks of dynamite on both sides of the Straits.

PREMIER MOORES: I knew you would bring up that.

MR. ROWE: I know he does not want to be reminded of it.

PREMIER MOORES: Sure I do. Why not?

MR. ROWE: Well I would not want to be reminded of it if I were the Premier.

PREMIER MOORES: Why not? Why?

MR. ROWE: I would not want to be reminded of the fact that he deceived the voters of Newfoundland.

PREMIER MOORES: You are against progress, good P.C. progress.

MR. ROWE: I would not want to be reminded of that.

PREMIER MOORES: Do not be so foolish boy, you would be only too glad to do it.

MR. ROWE: If the hon. the Premier would only get up and say something once in awhile he might add something to the debate,

MR. ROWE: or he might subtract something from the debate, but these little utterances coming from him now do not add anything to the debate.

PREMIER MOORES: I will have a go at you in a minute.

MR. ROWE: Okay! Good! I am looking forward to it and I cannot say that I will have a go at the hon. the Premier, Mr. Chairman. But, Sir, this was the greatest crime of all.

MR. F. ROWE:

The hon. member for Twillingate (Mr. Smallwood) may think that the greatest crime was the acquisition process. I think the greatest crime was the fact that the people of this Province were led down the garden path by this administration during the election campaign, and given the impression that everything was A-OK with respect to the Lower Churchill. The Premier cannot deny that that was the impression that was left by the political activity during the election campaign.

PREMIER MOORES: Some people are soft in the head!

MR. F. ROWE: The hon. the Premier was not present when his loyal Minister of Mines and Energy was speaking. If he wants to see an exercise in political maneuvering, it was when the minister was speaking. I am not quite as good at it at the present time. I might develop the art.

AN HON. MEMBER: You did alright this afternoon.

MR. F. ROWE: Do not remind me of this afternoon. It sickens me. And I have asked the Minister of Tourism if he would declare my home a provincial historic site and probably arrange for royalties that would meet my mortgage payments.

PREMIER MOORES: How about tours?

MR. F. ROWE: And tours, daily conducted tours at the little Winegate.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order, please!

I would ask the hon. member to continue on.

MR. F. ROWE: Yes, I would love to continue on, Mr. Chairman, if I am not distracted, harassed and maneuvered off the particular subject in hand.

Now, Mr. Chairman, the Minister of Mines and Energy indicated in reply to the member for Twillingate (Mr. Smallwood) that it appears that a political settlement with respect to ownership of the offshore mineral, oil, gas, etc. resources, a political settlement is out of

MR. F. ROWE:

the question now. That is the impression that I got. Am I correct?
Does the Premier agree with that?

PREMIER MOORES: Get on with it.

MR. F. ROWE: Well, this is the problem we have had over here, Mr. Chairman. We cannot seem to know whether the Premier and the Minister of Mines and Energy are on the same wave length. Apparently at this point in time -

PREMIER MOORES: We will let you know if we have a change of mind.

MR. F. ROWE: Well, okay. The minister has indicated, and the Premier is shaking his head, that a political settlement with respect to the offshore ownership or control, or what have you, question, that is out of the question now.

Could the minister indicate where we go from here and when we go from here with respect to court action? Now I am not a lawyer. I do not know what the minister was suggesting when he pointed to the member for St. John's East (Mr. Marshall) that the Supreme Court is not the answer. I do not know if there is another court that is the answer. But when is the government ready to go to court.

MR. NEARY: This crowd are court happy over here.

MR. F. ROWE: You should know. When is the - now if the hon. minister, Mr. Chairman, will pay attention. Every now and then a little glimmer of intelligence comes from this member when he is asking a question, when is the government going to start moving in the direction of trying to get some sort of a settlement if it is not going to be settled politically, if we cannot reach a political -

MR. COSBIE: Presently by leave.

MR. F. ROWE: Presently by leave. Well that is a very intelligent answer, and probably the minister when he gets up and replies can attach a date to that for the information of the Committee and the people of Newfoundland because, Sir, we do have a situation where Petro-Canada are now involved, apparently, in exploratory work, or plan to become involved in exploratory work off the coast of Newfoundland. Now how

MR. F. ROME:

they do it is going to be a very interesting question. The minister indicated probably through another company, which is not an unusual thing. Well if that is so, obviously they do not have to get a permit from the Province, because they can do it through a federal permit, or through the company that already has a permit through the Province, or through the federal government.

But, you know, what exactly is going on here? Is this a ploy by the federal government? Is it a test activity? You know, it is not a court testing case, but are they testing us out, pulling our bluff or what are they doing? Or is there going to be - I guess what I am trying to really get at, Mr. Chairman, is, is there going to be a confrontation or is there going to be co-operation with Petro-Canada with respect to this whole business of oil off our shores?

While I am on that subject, and if I am not out of order, could the minister bring us up-to-date with respect to any interest that Petro-Canada might have in the Come By Chance oil refinery, because apparently the Premier has indicated that there are other private companies interested. Probably this might be one of Petro-Canada's greatest contributions. It might be, I am not saying that it is, but it might be, it might be one of Petro-Canada's greatest contributions and display of faith in the future of this Province in getting involved in rescuing this oil refinery and keeping it or getting it back into operation. Petro-Canada may not be the answer. They may not want to get into the oil refinery business at all. But it is worth looking at because we are talking about, you know, a pretty big refinery out there. If we do not get it back in operation soon, obviously the only people who are going to lose are the people of this particular Province.

With respect to the federal government's attitude, Mr. Chairman, you know, I am not going to stand here and defend or

MR. ROWE:

attack Ottawa, but there is something screwball somewhere. There is something screwball somewhere when we have—and I go back to P.E.I., Nova Scotia and New Brunswick—there is something screwball somewhere along the line when these provinces are paying exorbitant electrical rates, and we have all of the hydro resources that we do have in this Province. You know, it is an ironical, strange, weird, almost sinister kind of situation.

Now I do not know whether it should all be blamed on the Federal Government, I have to again come back to Quebec and, you know, what is their attitude in this whole situation?

PREMIER MOORES: Not bad.

MR. ROWE: Not bad! Not bad!

PREMIER MOORES: No. Not on what you just said now.

MR. ROWE: In other words, they are going to let power flow through Quebec from Labrador?

PREMIER MOORES: If it is the overview you are talking about, if the Federal Government and a few others would take their mind off oil and gas, and concentrate on hydro instead of oil and gas, we would be a lot better off and so would Canada.

MR. COLLINS: This is why you are getting ahead.

MR. ROWE: In other words - look I am not - there is nobody trying to get ahead here.

PREMIER MOORES: No, no, I am answering that very sincerely here

MR. ROWE: Look the Minister of Health is playing politics again. I am trying to get some information out of the Premier and the hon. Minister of Mines and Energy with respect to the ironically situation that exists in this Eastern Seaboard today where we got loads of hydro power, we have Quebec surrounding us, and we got three other Atlantic Provinces dying out of electrical hunger, if I can use that expression, from electrical hunger, and here we are sitting with these resources. And the hon. Premier suggests that Quebec's attitude is not that bad. Well, I find that, you know, refreshing,

Mr. Rowe:

and whilst it is refreshing I find it quite astounding. Because I know of the tremendous battles that the hon. member for Twillingate (Mr. Smallwood) had with the Quebec Government in trying to get electrical power through Quebec, and they ripped us off. There is no doubt about that. They ripped us off. And it was either not go ahead with the Upper Churchill or go ahead with the circumstances that existed at that time, and not knowing energy crisis, of course, that was going to hit the world since the initiation of the development of the Upper Churchill. But now that the - I do not know, they are in the middle of negotiations, Mr. Chairman, the Provincial Government and the Quebec Government are in the middle of negotiations, so I guess it is a bit much to ask them to start making public, you know, how things are going at the present time.

But I find it a little bit disheartening when we ask questions in this House during the Question Period, and when we raise questions in Committee of Supply and do not get answers, I find it very disheartening to hear the Minister of Mines and Energy of Quebec - Cournoyer, is it? - saying, "Oh yes, we are having a yarn. We are in negotiations, and we are thinking about, you know, allowing the government to buy back 300 or 400 or 500 megawatts of electricity. We are thinking about other things, the Lower Churchill Development, but we want something in return." And the way it sounded to me, they wanted something pretty substantial. And looking at the history of the activity of Quebec in recent years with respect to their attitude towards Newfoundland, I am wondering about whether they want a piece of Labrador back. Because I am convinced that there are people in Quebec who do not yet realize or will not appreciate the fact that they do not own Labrador.

PREMIER MOORES: It is true. They want it back.

MR. ROWE: They want it back?

PREMIER MOORES: Why do they want it back if they already own it?

MR. ROWE: They own it? Well they are bleeding us, they are bleeding us.

MR. SIMMONS: They believe they own it, too.

PREMIER MOORES: I think, you know -

MR. ROWE: Yes, they believe, some people believe that they own it, you know, some unreasonable people believe they own it. Some reasonable people wish they owned it. But what is the deal, you know? What do they want in return?

Now if the minister suggest that by revealing this information negotiations will be jeopardized, I will accept the minister's answer.

Now I said I was not going to be long, I shall keep to my word. But I simply state that a lot of the questions that we have raised have not been answered. For example, why not reveal this whole business of - what is so religious, what is so secretive about Crown corporations that the deals of their estimates cannot be brought into the House and considered? And I am not interested in an individual's salary.

MR. F. ROWE:

I know it must be substantial. It might be very revealing. But I would like to know just how the money is being expended by that particular corporation. I would like to know what the salaries are and I would like to know what these gentlemen are in fact doing. Have we recruited a great number of people and then ground to a halt, and do we have a number of members in Newfoundland and Labrador Hydro sitting making huge salaries doing essentially nothing? Do we have a situation like this? Because I know people have been brought into the Province, people have been recruited. In recent months we have heard about drastic slow-downs, big question marks on the transmission line, big question marks on the tunnel, big question marks on the Gull Island site, big question mark, period. So do we have people biting their fingers and reading the Daily News in the Newfoundland and Labrador Hydro making huge salaries? It is conceivable that this is possible. It is quite conceivable. I think the minister should consider bringing the estimates of this Crown corporation before the Committee. Probably it is unprecedented, but it certainly should be looked at.

There was another point that the minister did not answer that I have forgotten. Oh, yes! This is a specific question that the minister may want to deal with when we come to the appropriate head, this whole business of where did the \$6 million - rounded off - for Newfoundland and Labrador Power Corporation go last year when it was revised to zero, and where did the \$4.4 million, I think, come from this year, and what is the purpose of that \$4.4 million? He may want to deal with that at the particular moment. But to clue up, Sir, unless some of my colleagues who have specific questions on this subhead, we are quite prepared to settle for the answers or lack of answers that the minister has provided during the consideration of vote 1101. I can stand here for hours and badger the minister, and appeal to the minister, and plead with the minister for further answers. This is the third time now I have asked him. I have repeated myself the third time to try to get answers out of the minister. I consider that any further appeals to the minister would be a needless consumption of the time that is spent in estimates. We have one third of the time consumed

MR. F. ROWE:

already and we are only on the first subhead of the first department called. Obviously it is an indication of the blunder that the then House Leader got this whole House and Committee into by slapping on a time limit for the consideration of the estimates. It has been a complete disaster, a complete disaster, and it will continue to be a disaster as long as we have time limits.

MR. LUNDRIGAN: How many months do you want?

MR. F. ROWE: Well, Mr. Chairman, if the Chairman will allow me to answer the question, when it comes to the expenditure of money, the peoples' money -

MR. LUNDRIGAN: We would be here until Christmas, I suppose.

MR. ROWE: Look, the hon. minister asked me a question, Mr. Chairman. If he would close his buccal cavity and let me answer he might learn something for a change.

MR. LUNDRIGAN: I never saw the like in my life.

MR. ROWE: No, that is right. You have not seen the like. And we have not heard the likes of the hon. minister.

MR. RIDEOUT: It was always unlimited, was it not?

MR. ROWE: It was always unlimited. Now if the hon. minister would allow me to reply to his own question: When it comes to the expenditure of the peoples' money I would say that I do not care if we spend 365 days of the year discussing it and debating it. I think it is that important. Any time limit placed on consideration of estimates is a crime. Now the press are up there - sometimes they are up there - and hon. members are up there and

MR. ROWE: we are accountable for our own actions. As far as I am concerned what was brought up by the hon. member for Twillingate (Mr. Smallwood), what was brought up this afternoon with respect to a foolish old secret meeting -

PREMIER MOORES: Some secret!

MR. ROWE: Well, yes. I am just using the terms that were used. You know, it is some secret. This must be the most publicized secret meeting ever -

MR. MURPHY: The most secret meeting ever to be held in Newfoundland.

MR. ROWE: But anyway as far as I am concerned that particular point, all this garbage about what was agreed to and what was not agreed to was quite irrelevant, quite irrelevant. Now the hon. member for Twillingate (Mr. Smallwood), the people will judge his actions, and the people will judge our actions with respect to how we treat the estimates. If we make buffoons fools, clowns, idiots, imbeciles of ourselves -

MR. CROSBIE: Accurate so far.

MR. POWE: I must say, Mr. Chairman, the minister, you know, does have a twinge of humour. I do get a kick out of him. You know, he is so jovial and funny I cannot even attack him anymore. I am reduced to asking simple little questions.

AN HON. MEMBER: Ataka him!

MR. ROWE: I cannot attack him anymore, particularly after Ataka and the oil refinery business.

But in answer to the minister's question, you know, I am sorry that these rules limiting the time of debate on estimates were brought in. We did not support it at the time, and as far as I am concerned there should be unlimited time. And we will stand and we will be judged by the people of this Province, and if I have made a fool of myself I am sure the people in Trinity - Bay de Verde will vote accordingly in the next election. If the hon. Minister of Mines and Energy has made a fool of himself, and has not acted responsibly, I am sure the people of St. John's West will vote accordingly.

MR. ROWE: I think the hon. the Minister of Mines and Energy is a sincere and hard working minister. But I am tremendously disappointed in the lack of information that he has provided to this Committee during the consideration of his estimates. And even if I do not receive replies to the questions that I have asked, I will tell the minister that I will not get up and waste the time of this Committee on this particular department, because we are most anxious to get down to other departments.

MR. CHAIRMAN (MR. YOUNG): The hon. the Premier.

PREMIER MOORES: Mr. Chairman, I am only going to speak for a very few minutes, not the forty-five that everyone thinks is automatic when they stand up. But I think that there is a few things that should be pointed out to the House and to the public and anyone else who may be involved.

We talk about wasting or using the people's time, the people whom we represent, or the House's time, which is basically the same thing, and so far we have had twenty-one hours, after tonight, of the seventy-five used up on Interim Supply, basically general debate which could be easily done in the Budget debate or the Throne Speech debate as opposed to any department which should have gone through.

MR. SIMMONS: If the government would allow.

PREMIER MOORES: Now, Mr. Chairman, the hon. member for Burgeo - Bay d'Espoir says if the government would allow. The government had nothing to do with the internal fracas that went on for four hours today, Mr. Speaker. We had a situation where, as himself the hon. -

MR. SIMMONS: A point of order, Mr. Chairman. If the Premier is going to quote me he should do so correctly.

MR. MURPHY: Sit down, 'Rodger'.

MR. SIMMONS: Mr. Chairman, I would like to make a point of order if I may, if the member for St. John's Centre does not mind.

MR. MURPHY: Sit down, 'Roger'.

MR. CHAIRMAN: Order, please! A point of order has been made.

MR. SIMMONS: Mr. Chairman, that is what has made a shambles of this House, Mr. Chairman, that kind of nonsense. Mr. Chairman, I would like to raise a point of order, If the Premier is going to quote me he do so correctly, I ask, and I mention that if not -

PREMIER MOORES: I was not quoting you - yet.

MR. SIMMONS: Mr. Chairman, I heard him refer to the member for Burgeo - Bay d'Espoir.

PREMIER MOORES: Yes, but I never got out what I was going to say about you.

MR. SIMMONS: Mr. Chairman -

MR. CHAIRMAN: Order, please!

MR. ROWE: You referred to the hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, my point of order is that I believe that if a member is going to quote me

MR. SIMMONS:

he do so correctly. And what I have asked is that he call the debate, he allow his House Leader to call the debate on the budget, to call the Throne Speech and we can then speak to it. But if he procrastinates and puts off the calling of those two debates, how can we address ourselves to the subject?

PREMIER MOORES: Mr. Chairman, that is not a point of order.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Do you want me to speak on that point of order, Mr. Chairman.

MR. CHAIRMAN: I feel it is not a point of order.

PREMIER MOORES: Exactly. Thank you, Mr. Chairman. Of course it is not a point of order. The hon. member had not even been quoted. I was just going to use of his lighter remarks when he referred to his colleague's house today as a house of disrepute.

MR. SIMMONS: No, ill-dispute.

PREMIER MOORES: Ill-dispute, sorry, as opposed to ill repute. I am sorry about that. That is what he said today.

MR. ROWE: My house not, not the House.

PREMIER MOORES: No, I am talking about the debate this afternoon that was going on, that we really did not have very much to do with, Mr. Chairman.

The fact is, Sir, we were here today and we were talking about the estimates. Now the calling of the Throne Speech or the calling of the budget debate will have to come. It has to come and it can be spoken to. The fact is we were here today and we were a witness to basically the same thing in estimates. Now there are seventy-five hours allocated in estimates. In those seventy-five hours the Opposition, in effect, has the right to dictate in which manner they are spent by the amount of time they take on each subhead and each department. So far we are on the first department and the salary vote in that department. That, Mr. Speaker, is not a good use of the time of estimates when you consider it has taken them twenty-one hours

PREMIER MOORES:

so far out of seventy-five to get to that position.

Now the Opposition can say all they want that it is a matter that they really had no control over. As I say, we heard today about leaders, almost leader, potential leaders and even political anarchists, if you listen to them as to which point of view you wanted to listen to, that was the issue today. It was between members of the Opposition. There was no member of the government spoke today except for the last five minutes when the minister got up and tried to answer just a few of the very few questions that had come out of them at that stage.

But the fact is, Sir, that there has been a great deal of wasted time here, based on the personalities and the principles, political, as opposed to the facts which estimates are supposed to deal with. Now, Sir, today - and I must speak on a few things from a government point of view and the hon. minister can do this. But there has been so much innuendo slashed out about hydro and offshore oil and gas that I think it is only fair that I have just a few words, and they will be very few. The fact is, Sir, that contrary to what the member for Trinity-Bay de Verde (Mr. F. Powe) said, we will not develop Lloyds River no matter how much he encourages us to do it, because environmentally I think it is wrong and I am sure the member for Windsor-Buchans (Mr. Flight) will agree.

SOME HON. MEMBERS: Hear, hear!

MR. F. ROWE: Mr. Chairman, on a point of order. I do not have the citation right in front of me, Mr. Chairman, but it is quite unparliamentary to distort or misrepresent the language of another hon. member.

PREMIER MOORES: Well, we are not going to do it anyway, 'Fred'.

MR. F. ROWE: Now, I did not suggest that we develop the Lloyds River, and the Premier knows full well that I did not suggest it. He is finally learning the art of the Minister of Mines of Energy, and I ask him to withdraw that statement without qualification, because this

MR. F. ROWE:

is the third time now when I have asked a question that has been distorted and put in the form of a statement and I am not going to stand for it any longer.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Mr. Chairman, before the hon. member self-destructs, I will certainly withdraw anything that will suggest that this government is going to develop the Lloyds River because it is not.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Despite any comment to the contrary, Mr. Chairman.

MR. F. ROWE: Without qualification.

PREMIER MOORES: Without qualification we will not be developing the Lloyds River. However if ever there was a change of government the hon. member for Windsor-Buchans (Mr. Flight) may have to contact the member for Trinity-Bay de Verde (Mr. F. Rowe).

However, Sir, talking today about the estimates, the Gull Island project, as has been said by the Minister of Mines and Energy, is something that this government very badly wants to develop for the energy resources of the Province. We also want to talk about the other rivers in the Province, that includes the Island and Labrador, as to what our potential is, which ones are environmentally wise to do, which ones cannot be done because of the salmon fishery, or which ones can be done from an energy point of view in the Canadian context.

Mr. Chairman, there is one very important thing that has come out of all energy negotiations. If our friends across the way want to know what Ottawa thinks regarding energy, I think it is very important to note one particular fact. Mr. Maurice Strong from Petro-Canada was here a few days ago and I spent

PREMIER MOORES:

a few hours with him, a man of extraordinary ability, in my opinion, a man who has the good of the energy requirements of Canada at heart.

But the terms of reference for our Petro-Canada is primarily oil and gas exploitation. The fact is that Ottawa, or the Federal Government, or the authorities that be, still not have come to grips, Mr. Chairman, with the fact that hydro is by miles the best opportunity that Canada has to become sufficient and secure in energy requirements. That fact is, Sir, that between Quebec and Newfoundland and Labrador there are some 35,000 megawatts of hydro still undeveloped, still not touched, still where the water is running into the oceans, whether they be Ungava Bay, James Bay or the Atlantic Ocean, the fact is there are 35,000 potential megawatts undeveloped. The Upper Churchill is 5,000 megawatts, seven times the power of the Upper Churchill is still available to be developed for the use of all Canadians. Our Province could never use only a very, very minor part of it when you consider we only use 1,000 megawatts today in total. The fact is that Petro-Canada or whoever that the Federal Government sets up, should be looking at hydro at the same time as they are looking at oil and gas.

We are looking at an undeveloped potential of hydro in Canada today where some 350 million barrels of oil per year equivalent, that is, 35 per cent of all Canada's energy requirement, and it is still undeveloped. Somehow, somewhere, Quebec, the Federal Government and ourselves have to realize what our responsibilities really are, and that is to harness the hydro potential that we have in our mutual provinces and in country. Because with hydro you are talking about a very different thing than the oil and gas of Saskatchewan or Alberta or offshore off Labrador. It is not an undepleting and an unrenovable resource, it is a totally renewable resource. The water flows forever, not like oil and gas which once you take it out is gone. Here is an opportunity to develop 35 per cent of Canada's requirements. It is now just flowing away into the

Premier Moores:

oceans, as the Federal Government and the provincial governments are developing syncrudes for more oil and gas, trying to salvage a bit of oil and gas, but with no priority, and, Mr. Chairman, I say no priority -

AN HON. MEMBER: Hear, hear!

PREMIER MOORES: - for that thing that can develop Canada more than any other, and that is hydro power.

You can go to the markets in New York, the financial markets, Quebec-Hydro is my source on this, if you are borrowing money for hydro there is no problem; if you are borrowing money for nuclear development, thermal power, there is a great deal of problems because they are dealing in a world of inflation, in a world that changes as does the products that go into them.

Now, Mr. Chairman, referring to the Upper Churchill for a moment the fact is that we have to the Regional Grid incorporating the Maritime Provinces -

MR. SIMMONS: Would the hon. Premier permit a question?

PREMIER MOORES: Sure!

MR. SIMMONS: I am interested in what the Premier has said about no trouble getting money for hydro. Would the Premier indicate whether he is saying that his government is having no problem getting money for the purpose?

PREMIER MOORES: Not at all, Mr. Chairman. I was trying to talk in the Canadian context and I was quoting the Chairman of Quebec Hydro. I am saying for Newfoundland to borrow the money for Gull Island, I would say is possible, but to borrow the money for Gull Island and the transmission line is very, very difficult, because we are talking about \$2 billion as opposed to \$1 billion.

MR. SIMMONS: That is not what the Premier said a moment ago though.

PREMIER MOORES: Oh, no. I said, hydro only for the development of hydro facilities is easier than any other form of energy that is what I said.

MR. SMALLWOOD: Would the Premier allow a question?

PREMIER MOORES: Of course.

MR. SMALLWOOD: Does he not mean when he quotes Hydro-Quebec authorities as to the ease of raising funds, capital funds for hydro development, does he not mean, always provided those who are asked to lend the money are satisfied that the project in question, wherever it is, has a market and profitable rates.

PREMIER MOORES: Of course. Yes, Mr. Chairman, of course that goes with it. And with Quebec-Hydro, of course, that is much easier than with Newfoundland Hydro that either has to go through Quebec or have that transmission line built to the Island part of the Province. And that, Mr. Chairman, is one thing that I would like to be very definitive on. If this Province's power is going to be developed in the future, there is going to be a clothesline from that source to the people -

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: - so that those people can use it.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: It is the easiest thing in the world, Mr. Chairman, to develop the rivers of Labrador and sell it through Quebec Hydro into whatever market there is, whilst the people of the Island part of the Province pay for oil and gas to develop thermo power. The same thing as our friend from Eagle River said the other day, the easiest thing in the world is to develop the offshore oil and gas and have a tanker come and take it away, or a pipeline into a site far beyond, but the people themselves not benefiting from it.

Mr. Chairman, I just want to re-emphasize one thing; that developing Gull Island, Brinco could have done it. No question, no argument. But, Mr. Chairman, Brinco would not - and they specifically said it - would not develop it to bring it to the Island part of this Province. That was not good enough.

MR. SMALLWOOD: Even if there was a market here for it?

PREMIER MOORES: The market was academic because, Sir, they did not believe that we had a market. That is the very simple fact.

Now, Mr. Chairman, we are on the matter of hydro electricity. The hon. member for Twillingate (Mr. Smallwood) who has played an increasingly prominent part for increasingly different reasons in this House in the last few weeks - he can honestly say that I have played no part on many occasions, and that is quite correct - he said the other day that he does not think I like my seat in this House. Sir, on many occasions that is true. But, Sir, the seat one floor below I am enjoying very much, thank you.

Mr. Chairman, regarding the Upper Churchill: The fact is that at the time it was done the Upper Churchill was I suppose, and I agree, the most magnificent engineering achievement in hydro or in most engineering criteria in the world. The fact is also, Mr. Chairman, that under the conditions the sale of that power to Quebec was all that could have been done and at the maximum rate at that time. I

PREMIER MOOPES:

will say everything in that agreement was as much as could be done at that time. But, Mr. Chairman - and this is the one where the member for Twillingate (Mr. Smallwood) and I will disagree - to sign a sixty-five year contract without a reopener clause, to sign any resource of this Province for sixty-five years away without reopeners! Now do not let anyone look at me and say the reopeners, the trustee would not abide by it. The trustee would always abide by it if it was for more. But sixty-five years, Sir, as a firm situation was too long to commit the generations of this Province.

The fact is today - and I know hindsight is easy - but we are selling power now to Quebec Hydro for over sixty-five years, from three mils to two and a half mils, descending almost to two, the same time Con Edison in New York is buying power at forty-five mils, the cost of developing power in Quebec is twenty-five mils at the bus bar in Bay James, twenty-five mils, Mr. Chairman, as opposed to three mils, twenty-two mils difference for creating power today. Each mil to Newfoundland is \$35 million. That, Mr. Chairman, is \$770 million that Quebec is getting, that they are paying for replacement power today. The reason they do not have to pay it for Newfoundland and Labrador power is because they have a sixty-five year contract and, Mr. Chairman, that is not good enough.

The fact is, Sir, that we are now negotiating with Quebec. We are not negotiating with Quebec under any circumstances to give away any, not one inch of Labrador. We are not talking about asking for something that we in this Province do not have a right to. Sir, we are not talking about one thing that Quebec, if they want to challenge us in the courts or in the backrooms or anywhere else where we will step down and not defend and reclaim or do whatever we have to do to benefit the people of this Province and the resources we have.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Mr. Chairman, I talk about offshore oil and gas, which has been mentioned, and in the matter of jurisdiction

PREMIER MOORES:

I half agree with the first comment that the member for Trinity-Bay de Verde (Mr. F. Powe) made. I think what is important is that the benefit for our Province and the people of Labrador, particularly as outlined the other day in an excellent speech by the member for Eagle River (Mr. Strachan), by the way, as he led up to what happened in the Shetland Islands. and I am only sorry he did not go to Norway because I think there even more so there has been a tremendous approach to it, I would like to say, Sir, that regarding the offshore oil and gas there is a great deal more will be said in this House before anything is done, before any

PREMIER MOORES: position is taken. But I wanted on that hydro position to stand up, to stand up just for a very few brief moments and make my position clear.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. the member for LaPoile.

MR. NEARY: Mr. Chairman, first of all I want to thank the Minister of Mines and Energy for providing me with some of the answers to the questions that I put to the hon. minister during the evening. I am not quite as satisfied at the member for Trinity - Bay de Verde (Mr. Rowe) to the answers to the questions that were put to the minister from this side of the House. But I do want to thank him, Sir, for clearing up a couple of things that have been bothering me. For instance, I want to thank the minister for setting the record straight and putting it on the public record, entering it into Hansard, that the first time that the minister ever heard tell of Ataka was in July, 1975. The minister told the House that he knew the Japanese -

PREMIER MOORES: What is the nonsense?

MR. NEARY: If I were the hon. the Premier I would just sit in my seat for a moment because I have something to say that -

PREMIER MOORES: No smoking in here, so I am going to get one.

MR. NEARY: No? Well the hon. the Premier may be interested in what I am going to say. Mr. Chairman, the hon. minister put on the public record, on the record of this House, that to his knowledge the first time that he ever heard of Ataka was in July, 1975. And I repeated the question to the hon. minister and he confirmed for me that the first time he heard of Ataka - he had heard of Japanese before, the minister told me, coming in and bringing the oil in in tankers to Come By Chance but he had never heard of Ataka until 1975. And I accept the minister's word for this, Sir. It is a matter now of public record.

I also want to thank the minister for giving me the information in connection with the Julianne Lake iron ore deposits. The minister told me and told the House that Canadian Javelin were not kicked out of this Province, that they are still here, that they can carry on

Mr. Neary.

exploration, and they may still have people on their payroll. They were not kicked out. The minister said they did not perform, they did not live up to their agreements and legislation was passed in this hon. House in 1975 to take back the rights that had been allocated to Canadian Javelin. The minister also indicated to the Committee that the Canadian Javelin Company had held these rights for fifteen years and they did not perform. They had held the rights to the Julienne Lake iron ore deposits from 1959 up until 1975. They were not performing, the minister told the House. They had it long enough, that sufficient time had expired and it was time to terminate their concession. Am I quoting the minister correctly?

MR. CROSBIE: I think so, yes.

MR. NEARY: I mean, there is no argument, no disagreement on that? The minister said that there was some doubt whether or not they had performed and their time had expired and it was time to terminate their concessions. Is that correct? Basically that is correct. And the minister said they were provided compensation of \$750,000, more generous, he said, than the amount of money they had put into the exploration. And the minister nods his head in approval and says that is true.

Then he went on to explain about the suit of \$800 million against the government as a result of the termination of Javelin's rights to the Julienne iron ore deposits, and the minister had some doubt whether or not this would ever go to trial.

Well now, Sir, I want to thank the minister very much for putting that information on the public record, for having that information recorded

MR. NEARY: into Hansard. I do not necessarily agree with the information, Mr. Chairman. I want to point out, Sir, to this hon. House and I am not apologizing for the time that I am taking on these estimates because I have a feeling, Mr. Chairman, that these estimates were put up number one on the hit parade deliberately. Because the Government House Leader and the government strategist felt that this would be a very controversial department, and it would take some time before the estimates would get through the House. So they would get rid of this one first, let the Minister of Mines and Energy take all the flak, let the Opposition use up as much time as they could, and everybody would be happy.

Well, Sir, I am not apologizing one bit for the amount of time, because I want to tell this House right now, here and now and I will just show the hon. Minister Without Portfolio how I can bounce back when he thinks he can slam me with a writ, a frivolous writ! Well, I can bounce back and I am going to bounce back, and I may get another one before the night is over because I want to point out to this hon. House, Mr. Chairman, that it is a breach of privilege, it is a breach of privilege of the hon. House for a minister to lie in this hon. House. I am not saying the hon. Minister of Mines and Energy lied, Sir, I am merely pointing out to members the seriousness of lying to this House.

MR. CHAIRMAN: Point of order:

MR. WELLS: A point of order has been raised. We are dealing with the estimates for Mines and Energy, if a minister, or the minister, has lied to the House, or any minister has lied to the House, then it should be brought out and dealt with before the House.

MR. NEARY: Mr. Chairman, to that point of order, Sir, my statement is purely academic at this moment, Sir, purely academic. I am merely reminding hon. members, not only minister, but it could apply to any member of the House, if a minister or a member lies to the House then then he has to pay the price. The consequences are he has to resign. I am just merely pointing this out. It is academic, Sir.

MR. WILLIS: Apologize.

MR. NEARY: Apologize for what?

MR. CHAIRMAN: Order, please! Up to this point in time I think the hon. member's statement was a hypothetical one in that he indicated what the point of lying to the House would mean. He did not name names nor implicate anyone up to this point.

The hon. member for LaPoile.

MR. NEARY: One thing I am learning over the fourteen years in this House, Sir, is how to skate around, how to get around the little - I am learning from the lawyers, Sir. I have had enough of experience in it now, and I am getting more experience, and before I lay a charge I have to think the case through very carefully.

But, Sir, I think I can make a prima facie case in this particular information that has been put on the public record by the Minister of Mines and Energy, that the information was incorrect, the information given to the House by the minister was incorrect. Whether the minister did it innocently or did it deliberately is not for me to say, but the information basically, Sir, is incorrect. And I asked the minister when he was giving it to me, I said to the hon. minister, "Do you mean to tell me when the legislation was introduced in this House in 1975 to take back the Julianne iron ore rights in Labrador that the government was not wheeling and dealing with another company?" The minister said, "That is correct. We did not have another company in mind." The minister is saying, yes, it is true. But I am saying it is incorrect. The information given by the minister is incorrect.

MR. CROSBIE: I mean, I know you are referring to that foolish affidavit of Shaheen. He is incorrect. You know, you are wasting your time and it is a big blow about nothing.

MR. NEARY: Is that so? I have the affidavit here, Sir.

MR. CROSBIE: It is trash.

MR. NEARY: It is a trap? I see, that is a trap. There is the affidavit!

AN HON. MEMBER: He said trash.

MR. NEARY: Trash? I see. It is trash.

MR. CROSBIE: But you get on and I will answer you. You are wasting the House's time.

MR. NEARY: Well, Sir, let me put this to the - and the minister told us that he did not know anything about Ataka -

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

MR. CHAIRMAN: A point of order!

MR. CROSBIE: We will save the House a lot of time if the hon. gentleman would ask me has Mr. Shaheen alleged that he was involved in the Julianne deposit and so on, and I will give him the answer and all this foolish kerfuffle and what not will be over with. Because you are going by a statement that Mr. Shaheen made, an affidavit he filed, and it is all hogwash and can be explained in a few words. Do you want me to explain it now? It would save you a lot of time.

MR. NEARY: Mr. Chairman, to that point of order, Sir, I am not referring to an affidavit made in the New York Supreme Court, I have more concrete evidence than that to throw at the hon. minister. I would not bring in the affidavit to use as evidence in this hon. House. I have got more concrete evidence than that.

Mr. Neary:

And I suggest, Sir, that I am perfectly in order, and the minister should just leave me alone and let me present my case.

MR. CHAIRMAN: On the point of order, I would state that the hon. minister is offering information to the House.

The hon. member for Lapoile.

MR. NEARY: Mr. Chairman, we were told at the time the legislation was brought in to this hon. House, Sir, that the government had nobody in mind to develop the Julienne Lake iron ore deposits, and it was confirmed here again tonight. Can any member, can any minister, can any member of the House deny that the hon. Minister of Mines and Energy made that statement? Correct me now. Can the hon. Minister without Portfolio deny it? I do not know if the hon. member was in the House or not when the statements were made. I wrote down some of the comments that were made by the hon. Minister of Mines and Energy who said, "beyond any doubt that there was no ulterior motive to the government taking back the Julienne deposits. No ulterior motive. They were not negotiating with any other companies. There was nobody on the horizon. The government had taken it back, hoping that somebody would come along and offer to develop it." Is that not correct? Is that true or false? It is a true statement.

Well, Sir, let me read a telegram sent to Mr. Takagi, the hon. minister's buddy, Ataka and Company, Tokyo, dated September 26, 1974, September 26, 1974! the minister never heard of Ataka until July 1975! The government did not know about this great Japanese company until 1975, and yet here is a telegram sent to Mr. Takagi, Ataka and Company. Listen! Mr. Chairman, I want members to listen carefully to this telegram. "We have delivered by hand privately to the Prime Minister your excellent presentation on iron ore project. Prospect most optimistic."

MR. CROSBIE: Signed John M. Shaheen.

MR. NEARY: "The government will advance subordinated loan for \$65 million with reasonable amount of equity should assure placement very large first mortgage loan with E.C.G.D. based upon take or pay

Mr. Neary.

contracts for pellets. This judgement is a valid one as it comes from our own department in London which as you know has had commitments from E.C.G.D. for over \$600 million. Matter goes to the House of Assembly next session which will begin in October 26. Signed John M. Shaheen."

AN HON. MEMBER: What year?

MR. NEARY: 1974.

And, Mr. Chairman, there is a silence, a complete silence coming over the House now, Sir.

AN HON. MEMBER: What are you getting at?

MR. NEARY: What am I getting at? I will tell the House what I am getting at. I accused the minister of providing this House with incorrect information. And I submit to the House, Sir - I am going to make it a little stronger - that the hon. Premier had been negotiating with the Ataka Company as far back as September, 1974. Maybe he did not tell the hon. Minister of Mines and Energy about these negotiations.

Here is a piece of correspondence that may be of some interest to the Committee. It is written to Mr. John M. Shaheen, Chairman of Shaheen Natural Resources Company Incorporated, 90 Park Avenue, New York, New York. "Dear Mr. Shaheen: I am enclosing a general proposal together with estimates, maps and mining operation flow-sheets

MR. NEARY: for the development of the Julienne Lake iron ore deposit which we discussed at Hotel Champlain on August 6th. with Premier Moores."

Mr. Chairman, this is the hon. crowd that never heard of Ataka until July, 1975. And then it goes on, Sir, to state, "To meet the deadline of Mr. Furmark's conference with Premier Moores in Canada the early part of the month, a rush, rush job has been made and translated from Japanese to English. I do hope this will be a little helpful for the Premier to bring it to the attention of the Parliament."

"I am enclosing two sets, one for you and one for the Premier, If you have any question on this matter please be free to let us know. With best wishes for a successful meeting, I am, your sincerely, S. Takagi, Managing Director, Ataka and Company Limited. September 2, 1974."

And the hon. Minister of Mines and Energy tells the House when I put the questions to him that are now recorded in Hansard that there were no negotiations, that everything was on the up and up when the legislation was brought into the House, the government was not dealing with anybody to develop the Julienne Lake iron ore deposits, there was no ulterior for taking the rights away from Canadian Javelin! And here is concrete evidence, Sir, that negotiations were going on full speed ahead on a large scale in St. John's and up in Montreal in which the hon. the Premier was involved. I wish the hon. the Premier was in his seat so the hon. gentleman could set me straight in these negotiations. Did he not tell his Cabinet about it? Did he not tell the minister about it? Are there any Orders in Council confirming the \$65 million as a loan to get this iron ore deposit developed?

MR. HICKMAN: We do not owe \$65 million there.

MR. NEARY: Mr. Chairman, the Government of Newfoundland, Sir, is alleged, according to this document that I have in front of me, is alleged to have agreed to give Ataka, and another company that I will come to in a few moments, \$65 million as a loan to get

MR. NEARY: the project off the ground so they could negotiate the financing with ECGD.

Mr. Chairman, only an hour and a half ago, and I kept repeating the questions because I wanted to make sure I was getting the answers correct, an hour and a half ago we were told in this hon. House there was no ulterior motives for kicking Canadian Javelin out and, Mr. Chairman, I want to make it abundantly clear to the members of this Committee that I could not care less about Shaheen Natural Resources or Canadian Javelin, I am concerned about this Province of ours. What happens to these companies? All this is a matter that will be thrashed out in the courts. There will probably be a long-drawn-out legal wrangle in the courts. Well, that is their problem, but my problem, Sir, is to get the record of this House set straight.

You know, Mr. Chairman, I am told that a deal had been made that the hon. the Premier is familiar with, whether or not he reported it to his Cabinet only he can say in this hon. House, whether he told the Minister of Mines and Energy or whether he was negotiating behind the minister's back, behind the government's back, it is not for me to say, only the Premier can say. The member for St. John's North (Mr. J. Carter) can tut tut all he wants. I am laying out a pretty strong case here, Sir.

MR. J. CARTER: It is sordid.

MR. NEARY: It is not sordid. I have got the documents here that can be put upon the table of the House.

MR. J. CARTER: Then table it.

MR. NEARY: I am prepared to table them.

MR. J. CARTER: Do it now.

MR. NEARY: I am told, Sir, that agreement had been reached in connection with the concessions in Labrador to set up a company in Liberia, set up a company in Liberia where forty-nine per cent of the capital stock would be owned by Ataka and fifty-one per cent owned by Shaheen Natural Resources. It was supposed to be called - no, this particular company, I do not know the name of the

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MR. NEARY: Liberian company. But then under the laws of Prince Edward Island, under the Companies Act of Prince Edward Island - listen to this, it should be enough to bring hon. members across the House or resign!

MR. J. CARTER: Table it.

MR. NEARY: I am tabling it. I have to deal with it first. I only have one copy in front of me. If I table it, how am I going to read from it? You know, I do not have eyes in the back of my head. Sometimes I wish I did. They were going to then organize under the laws of Prince Edward Island a corporation to be known as Eastern Canada Resources Limited, Eastern , Eastern Canada Resources Limited, Eastern . Why under the laws of Prince Edward Island? Why not under the laws of Newfoundland? Why a Liberian company? God only knows! The hon. minister himself has told us enough about Liechtenstein in this hon. House. Mr. Chairman, why were we not given this information when I gave the minister an opportunity to put the information on the table of this House and on the record of this House?

Did the hon. Premier in actual fact in September, 1974 -

MR. CROSBIE: Mr. Chairman, would the hon. gentleman permit me to answer this foolishness before eleven o'clock?

MR. NEARY: No, I will not. I am not finished laying out my case yet.

MR. CROSBIE: You are not laying out any case. You are getting on with all this nonsense, and I would like to answer it before eleven o'clock.

AN HON. MEMBER: Name him. Name him.

MR. NEARY: Name what?

MR. CROSBIE: Will the hon. gentleman sit down for a minute?

MR. NEARY: No, I will not sit down. I am not finished yet.

MR. CROSBIE: That is right. You want to talk on until eleven o'clock so that the truth cannot come out before eleven and we will have to wait until Thursday.

MR. NEARY: Mr. Chairman, I already have the minister on the record of this House.

MR. CROSBIE: These foolish documents he is quoting from are filed in the court.

MP. NEARY: It is not foolish talk, Sir. Mr. Chairman, I have a right, Sir, to be heard in silence in this hon. House.

MP. CROSBIE: - down in the United States -

MP. NEARY: I have a right, Mr. Chairman, and I ask Your Honour to enforce my rights in this House.

MP. CHAIRMAN: Order, please!

I understand the hon. member is not voluntarily yielding. Unless the hon. minister is bringing up a point of order I must ask if he will allow -

MP. CROSBIE: Not a point of order, a point of courtesy. That is the one.

MP. CHAIRMAN: The hon. member, if he does not wish to yield, may continue on.

MP. NEARY: Mr. Chairman, I ask the hon. minister -

MP. J. CARTER: Mr. Chairman, a point of order. This whole business is intolerable. Surely this House is the master, not the hon. gentlemen from LaPoile (Mr. Neary) or wherever the devil it is he comes from. Mr. Chairman, this House ought to right now ask him to sit down, in fact force him to sit down, so that this matter can be disposed of before eleven o'clock. Either that, or else this House should sit until the matter is disposed of, one or the other. It is intolerable.

MP. NEARY: Are we living in Russia or what? Mr. Chairman, are we living in Russia? Is it a dictatorship, just set up by the hon. member? That is not a point of order, Mr. Chairman.

MP. CHAIRMAN: Order, please!

My understanding is that in a matter of privilege the hon. member bringing up the point should table documents and make a formal motion. I do not understand that the hon. member has yet done this. So that his right to comment further is in order.

MP. NEARY: Mr. Chairman, about, I would say, 9:45 P.M. this evening I put a number of questions to the Minister of Mines and Energy in connection with the taking back of the Julianne Lake iron ore deposits.

MR. CROSBIE: And all answered correctly and truthfully.

MR. NEARY: . And the minister told me that there were no negotiations going on at the time. There were no companies into the picture. There were no ulterior motives.

MR. CROSBIE: Absolutely correct.

MR. NEARY: Well, then what was the Premier doing up in Montreal in the Hotel Champlain on September 2, 1974?

PREMIER MOORES: When?

MR. NEARY: September 2.

PREMIER MOORES: Sit down and I will tell you.

MR. NEARY: Mr. Chairman, I will sit down when I am good and ready.

MR. CROSBIE: You do not want the truth.

MR. NEARY: I want the truth.

MR. CROSBIE: You do not.

MR. NEARY: Oh, I see. I do not want the truth.

MR. CROSBIE: You want this foolishness to continue.

MR. NEARY: Mr. Chairman, the minister gave the House incorrect information.

MR. CROSBIE: Sit down.

PREMIER MOORES: That is not true.

MR. NEARY: It is so.

MR. CROSBIE: You make me ashamed.

MR. NEARY: Mr. Chairman, I would like to suggest to Your Honour that Hansard, the tapes, be sent for, Sir, and that Hansard be printed and the transcript be brought to this hon. House tomorrow. I put the questions two or three times to the hon. minister.

MR. CROSBIE: Sit down.

MR. NEARY: Oh, I have really got their goat, Sir. I have really got their dander up now.

MR. CROSBIE: The hon. gentleman got their goat, yes. That is right, hercine, goat like, especially in smell.

MR. NEARY: Oh, that is great. That is very, very funny.

What I want to know, Mr. Chairman, was the hon. Premier negotiating

MR. NEARY:

with this company?

PREMIER MOORES: No.

MR. NEARY: The hon. Premier says, "No".

PREMIER MOORES: Fight.

MR. NEARY: I accept the hon. Premier's word. But I would certainly like to have a clarification, Sir, and an explanation.

MR. CROSBIE: Sit down and you will get one.

MR. NEARY: The hon. member is anxious to get up. Look, I have forty-five minutes. Just take your time.

Mr. Chairman, August 29, 1974 a letter from Ataka and Company Limited, a company which the government never heard tell of until July, 1975.

MR. CROSBIE: Mr. Chairman, on a point of order. I have let that incorrect statement go by, but I will not let it go by at this point. I never said that Ataka was not heard of. I said that I did not know that Ataka was involved for such large sums of money until July, 1975. I have already said I met Mr. Takagi in Japan in April, 1975 and I met him on a tanker down in Come By Chance harbour in the Fall of 1973. Nobody has said that Ataka was not heard of. Ataka's financial involvement in financing crude oil and the extent to which they were involved was not known by us, or by me certainly, until July of 1975.

MR. NEARY: What about the Julienne Lake iron deposits? When did the minister become aware of their involvement in that?

MR. CROSBIE: Never heard of it.

MR. NEARY: Never heard of it. All right then. Now the hon. the Premier need not prompt the hon. minister, because I have got a letter here addressed to the hon. the Premier which I am going to read: "August 29, 1974, Mr. Frank D. Moores, Premier of the Province of Newfoundland, St. John's, Newfoundland. Your Excellency Premier Moores."

PREMIER MOORES: As you would.

MR. NEARY: I would like to take the liberty of submitting to you a general proposal for the development of the iron ore resources of the Julienne

MR. NEARY:

Lake deposit as attached herewith." And the hon. minister just told us there was no proposal!

MR. CROSBIE: Never take me seriously.

MR. NEARY: Now the hon. minister is trying to weasle his way out of it, Sir. It was taken seriously when the government obviously according to the document -

PREMIER MOOPES: Mr. Chairman, on a point of order. The document the hon. gentleman is now mentioning was the result of a conversation in Montreal. But ironically enough the first time we saw a copy of that letter was when it was filed in the court case in New York. Mr. Shaheen forgot to deliver it. Now, carry on.

SOME HON. MEMBERS: Hear, hear!

MR. WELLS: I move that the Committee rise, Mr. Chairman.

MR. NEARY: What was that, Sir?

On motion that the Committee rise, report progress and ask leave to sit again. Mr. Speaker returned to the Chair.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply reports they have considered the matters to them referred, made progress and ask leave to sit again.

On motion report received and adopted.

On motion Committee ordered to sit again on tomorrow.

MR. WELLS: I move that this House do now adjourn until tomorrow, Wednesday at three o'clock in the afternoon.

MR. SPEAKER: It is moved and seconded that the House do now adjourn until tomorrow, Wednesday, at 3:00 P.M., carried.

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