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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GERALD RYAN OTTENHEIMER

The House met at 3:00 P.M.

Mr. Speaker in the Chair

MR. SPEAKER: Order, please!

STATEMENTS BY MINISTERS:

MR. SPEAKER: The hon. Minister of Industrial Development.

MR. LUNDPIGAN: Mr. Speaker -

MR. COSBIE: Mr. Speaker -

MR. LUNDPIGAN: I am delighted to have the opportunity to have outdone the hon. Minister of Mines and Energy for a change. He went right at it too, by the way.

First, Your Honour, I would just like to say it is a pleasure for me to be able to table a report in a minute, a few minutes time, of the brief study which was done by some professional engineers and Mr. Frank Spencer on the Burgeo fish plant situation. I would like to, before doing that at a later moment, make a brief statement. After government purchased the Burgeo fish plant we sought to interest the private concern to purchase and/or manage the operations. Although this was at a time when the fishing industry was buoyant, National Sea Products was the only company which showed any interest in becoming involved and only on the condition that substantial improvements and refurbishing were carried out on the plant. The cost of modernizing the plant was determined and in view of the significant expenditures involved a second option was studied, namely, to construct a new fish plant at Burgeo utilizing the redundant facilities comprising the Natlake herring reduction plant.

Due to the nature of the Regional Development Incentives Act, a much larger incentive would be obtained for constructing a new plant. Hence the net cost to government was determined to be less by having a new plant constructed rather than modernizing the existing plant despite the difference in capital cost. The concept at the time was to construct a new plant costing \$6.4 million of which 50 per cent was to be provided by way of a DPEE grant. National were to manage the plant and were given the option to purchase the plant

MR. LUNDPIGAN:

at any time within a five year period. Assuming the plant were profitable, and at that time it was generally agreed it would be profitable, all of the government's investment in the operation would have eventually been recovered.

On December 30, 1973 an agreement was signed with National to the effect that National assume the management of the existing fish plant and plans for the construction of the new plant awaited only the receipt of a formal DPFE agreement. The DPFE grant was not forthcoming until the Summer of 1974. By that time two distinct trends had emerged: First the problems which later beset the fishing industry began to become visible; secondly the beginning of the period of greatly accelerated inflation had already set in. New estimates of the cost, the capital cost of the plant were obtained and revealed capital costs in the order of \$12 million as opposed to the original estimate of \$6.4 million.

After further discussions with National the design of the plant was changed somewhat so as to bring the capital cost down to \$9.1 million. A new application was made to DPFE on the basis of the new capital cost of \$9.1 million and this revised application to DPFE was submitted in June of 1974. Because of the dramatic problems in the fishing industry during the subsequent period no consideration was given to the application until May of 1975. It was not until September, just a couple of months ago of this year, that a revised development incentive was forthcoming in the amount of \$3.5 million. By that time the capital cost of the new plant had escalated from \$9.1 million to over \$11.5 million which is the present estimate.

The net result of all this was that the project, which initially required an investment by the Province of \$3.2 million in recoverable funds to be applied against capital costs, had escalated to the point where the investment by the Province would be in excess of \$7.6 million to be applied against capital costs. Further, full

MR. LUNDQVIST:

recovery of this large investment is doubtful. In any event it will be extended over a much larger period of time. With this consideration in mind and as well in view of the general restraint programme initiated by government under which many communities in the Province have had to sacrifice needed public works projects, the government felt a responsibility to ensure that before irrevocably committing itself to a new fish plant all other options had to be finally explored.

Consequently I appointed

MR. LUNDRIGAN:

a team of three engineers and Mr. Frank Spencer from within the government to carry out an assessment of the Burgeo Fish Industries plant at Burgeo and report to government as to the expenditures which would be required to convert the existing fish plant into an efficient modern operation. This study group has now completed its report and has determined that the cost of the modernizing of the existing plant at Burgeo would be in excess of \$7.6 million. In addition to this maximum direct cost, during certain phases of the modernization programme the existing plant would have to cease operations involving about a six week down-time - I am sorry, a six month down-time period. Cost associated with this down-time has not been included in the above figure of \$7.6 million. The report further shows that even with modernization the resulting new facility would be somewhat less than ideal because of physical constraints placed upon it by the site location itself. The ability of the modernized plant to be flexible enough to reflect new processing techniques and needs in the future is severely hampered by the fact that the plant is located, as hon. members who are familiar with the site are aware, on the side of a hill which makes the expansion in the future difficult and costly possibly, if not impossible.

During the past several weeks in conjunction with National Sea Products we have also undertaken, which is a crucial point I would like hon. members to recognize, we have also undertaken a detailed review of the design and cost estimates for the new plant facility. We are confident that these costs will not exceed \$11.5 million, and it may even be possible to achieve significant cost reductions with the new plant. I can give some facts and figures on this at a later date when we have more up-to-date information from our engineers. Considering, therefore, the much larger federal incentive available for constructing a new plant, we have concluded that modernization of the existing fish plant at Burgeo does not represent a viable alternative. Hence I have today instructed my officials to immediately conclude the necessary arrangements to commence construction of the new plant at the earliest possible date.

SOME HON. MEMBERS: Hear, hear!

MR. LUNDRIGAN: I hope, Your Honour, that this new facility, the first

MR. LUNDRIGAN:

phase of it, the initial contracts, can be called sometime in March or April. Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. R. SIMMONS: Mr. Speaker, let me just say on behalf of my colleagues, and in my own behalf and on behalf of the people of Burgeo, that I am delighted beyond words to hear the announcement from the minister. It will be certainly very welcome news in Burgeo. There has been considerable apprehension, particularly since the time the minister made the announcement of the study. That is understandable because studies normally involve long periods of time. The minister in this context is to be congratulated because he must have the record in this government for having produced the study in so short a time lapse. I was a bit apprehensive myself when I heard about the study, particularly in the context of the time that might be involved in the further delays. The plant as it now stands, as the minister will know and others will know, is in such condition that it cannot stand many further delays. So I am sure he can well appreciate having been there a week or two ago, can well appreciate the apprehensions, the concerns expressed not only by me but by the workers at the plant and the other people of Burgeo.

Let me just say then, Mr. Speaker, that again I am delighted beyond words with the announcement. I congratulate the minister for the expeditious way in which he has handled this matter. On behalf of the people of Burgeo I thank him for the way he has handled it. Many of us were puzzled with the need for the study in the first place, because it was fairly common knowledge as to the condition of the plant and so on. I do not say that in criticism at this point, because it is not pertinent to the issue now. I do at the same time recognize that with the cost restraint programme and with the escalation in construction costs, certainly there was an onus on the minister to insure that we were getting the best possible return for the fewest possible dollars. In that

Mr. Simmons.

context, and particularly in view of the outcome of his study and the expeditious way in which it has been delivered, finalized, I can well understand now the need to have it reviewed once more in the interest of cost saving, reviewed once more the overall proposal for Burgeo. I am delighted to hear the minister indicate also that the first phase of the project will be going ahead without further delay. Did I understand the minister to say that March or April would be the operative date for the calling of tenders for the first phase? Again, Mr. Speaker, on behalf of my colleagues and the people of Burgeo, my congratulations to the minister. We are delighted to hear the good news. It is good news. It ensures the future of Burgeo, and I thank the minister.

SOME HON. MEMBERS: Hear, hear!

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

MR. CROSBIE: Mr. Speaker, I would like to announce or tell the House that we received the sad news today that Sir Val Duncan, the president or managing director of Rio Tinto Zinc Corporation, who were the principal owners, or the largest shareholders in BRINCO Limited, died in London this morning suddenly. Sir Val Duncan, Mr. Speaker, was certainly an international business genius. He took over the management of Rio Tinto Zinc Corporation when it was known, I think, as the Rio Tinto Corporation and owned and had owned a mine in Spain for some seventy-five or ninety years or some period of time like that. He took over the management of it just after the end of World War II and from that small company, which owned a Spanish mine which was pretty well played out, he built it into one of the greatest companies in the mining field in the world now known as Rio Tinto Zinc Corporation, which, as I say, were heavily involved in BRINCO. Sir Val Duncan was also closely associated with BRINCO in their development of the Upper Churchill project. On November 11, 1969

MR. Crosbie.

when the manager of BRINCO or of the hydro project, Mr. Don McParland and other top officials of the company were killed in a plane crash at Wabush, Sir Val Duncan came to Canada and assumed the role that Mr. McParland had been performing for the company until they secured other management to carry on the project.

The achievements of Sir Val Duncan, as an entrepreneur in the mining field in particular, are legendary. He operated on every continent, including Canada and, of course, had a particular association with Newfoundland. The Premier has asked me on behalf of himself and the rest of the cabinet to send our regrets to his family in England and to the Rio Tinto Zinc Corporation. I am sure that the Acting Leader of the Opposition or the Government House Leader will join me in moving that the House express its sympathy to his family and to Rio Tinto Zinc Corporation in the usual way by passing a resolution of the members. I would move that, and I anticipate the hon. gentleman would second it.

MR. F. ROWE: Mr. Speaker, on behalf of my colleagues I would like to share the sorrow or the sad news of the death of Sir Val Duncan, and I am only too happy to second the motion as put by the Minister of Mines and Energy. Sir, as we all know, Sir Val Duncan was chairman or managing director of Rio Tinto-Zinc Corporation, and it was that corporation that owned forty-five, or something in excess of forty-five per cent of BRINCO until quite recently. Sir Val Duncan was undoubtedly a man of great vision and leadership,

Mr. F. Rowe:

a very successful international entrepreneur, and, Sir, it is only because of men like Sir Val Duncan that the Upper Churchill development was achieved on schedule within the estimates laid out many years earlier, and we have to remember that much of the technology for development of the Upper Churchill had to be developed right on the spot, new technology had to be instituted in order to create that great project. Sir, it was a great pioneering effort and many men can share in the achievement of the Upper Churchill. I myself had the pleasure of flying over and walking in the area of the Upper Churchill Falls at a time when it was flowing uselessly over that great falls or cliff, precipice and now, Sir, we see this power harnessed for the good use of Newfoundland and hopefully, Sir, this is only the beginning, and I hope that any further developments in Labrador with respect to hydro electric development will be obviously in memory of men such as Sir Val Duncan, Sir. I can only repeat that we are sorrowed indeed and we are only too happy to second the motion put by the Minister of Mines and Energy.

MR. SPEAKER: The hon. Minister of Education. Before recognizing him I should say that it has been moved, seconded and agreed that an appropriate resolution expressing the breavement of the House of the passing of Sir Val will be drafted. The hon. Minister of Education.

HON. W. HOUSE: Mr. Speaker, I rise to make a statement, to table a report regarding the remarks from the hon. member from Exploits (Mr. Mulrooney) in this House yesterday. I said, when I spoke following what he had said, that I was unaware of any improper actions of the Department of Education and the teachers in the marking of public examinations. I did not know about the incidents, and I did relate a little bit of my own experience. I think the hon. gentleman related his own experience when he was working on the Marking Board and was an employee of the government, in fact, and I think he downgraded and degraded both the Department of Education and especially the Supervisor

Mr. House:

of Public Examinations at the time, Mr. McCarthy, -

AN HON. MEMBER: Hear, hear!

MR. HOUSE: and to some extent the teachers of Newfoundland who were on the Marking Board, -

SOME HON. MEMBERS: Hear, hear!

MR. HOUSE: especially the teachers in the English section. Mr. Speaker, for the benefit of the English section of the Marking Board, Mr. Speaker, the figures that were used like the quota of 864 or 860 papers; there were thirty-four readers in that section and it represented an average of roughly twenty-five papers per person per day, and which was not a quota that was unreasonable. So the outburst was, I think, a little bit damaging, and the publicity that it is getting is not doing any good for education, the department, or for the teachers.

AN HON. MEMBER: Irresponsible.

MR. HOUSE: So I am tabling, Mr. -

MR. NEARY: Tell us the whole story.

MR. HOUSE: Now I am tabling a report, Mr. Speaker, because it is a five page report that was done by the Chief Reader, who was a very respected educator, and was the Chief Reader, and he was representing, of course, the Marking Board that year, and it adequately answers to my satisfaction the outbursts of yesterday and it refutes and throws a very different light on the statements. I would like for the hon. members of this House to read the report, as I said, because it will clarify the situation for the members and for the Province and give us the idea and the impression at least that the evaluation of our pupils in this Province is taken seriously and with professional competence.

MR. NEARY: Do you have copies for everybody?

AN HON. MEMBER: Hear, hear!

MR. HOUSE: I want copies for everyone. Thank you.

MR. SPEAKER: The hon. member for Exploits (Mr. Mulrooney).

MR. MULROONEY: Mr. Speaker, I do not intend to debate. I merely wish to point out that I did not -

MR. NEARY: Your Honour, is this in order?

AN HON. MEMBER: Yes it is.

MR. SPEAKER: Well it is not in order for the hon. gentleman to debate. It depends on what he is going to point out.

MR. MULROONEY: I did not state anything about the integrity of teachers nor the -

MR. WELLS: A point of order.

MR. MULROONEY: - Irresponsible nature of the teachers.

MR. SPEAKER: A point of order has been raised.

MR. WELLS: Mr. Speaker, this sounds like debate to me. It is an explanation and an argument being presented by the hon. member, which is totally out of order.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde (Mr. F. Rowe).

MR. F. ROWE: To that point of order. I submit that the hon. Minister of Education did in fact level a number of charges at my colleague and he should be afforded the opportunity at least to respond to these charges and try to point out a very serious situation in this particular case. I think some latitude should be given to this particular situation. It is very difficult to, you know, suggest what is debate and what is not debate, but the minister in fact has levelled a charge and has attacked my colleague -

MR. SPEAKER: Order, please! Order, please!

I have heard the hon. gentleman's submission on the point of order.

MR. F. ROWE: He should be allowed to reply.

MR. NEARY: Mr. Speaker, to that point of order, Your Honour. If Your Honour will recall in another ruling in another sitting of this hon. House, Your Honour ruled that only those who are leaders of parties or spokesmen for that particular department, whether it is in

MR. NEAPY:

the shadow cabinet or not, can speak on ministerial statements. If Your Honour would recall, Your Honour ruled me out of order because I did not represent a group. Well, Sir, I do not think that the hon. gentleman who is trying to speak now is a leader of a party or speaks for education for that particular group.

MR. SPEAKER: Order, please!

To deal with the latter matter first, the ruling at that time was the only members permitted to make any comment after a ministerial statement, to ask questions or to ask for an explanation, would be the leader of a recognized group or someone speaking on his behalf. Now if an hon. gentleman to my right rises I have to presume that he is speaking on behalf of, in this case, the Leader of the Opposition. Anybody else in that caucus, including the Leader of the Opposition, would be precluded from any further statement.

With respect to the initial point of order, the rule is very clear, and that is that a member who is entitled to speak to it may ask some questions, ask for clarification or explanation, but he may not debate it in any way. He may not debate it in his reply to a ministerial statement. That does not mean, as was half suggested, that the matter therefore cannot be debated. When an hon. member speaks on some motion where there is quite a broad relevancy, then obviously he may debate any number of things.

But in his comments upon a ministerial statement the rule is very clear, that he may ask questions, ask for an explanation or make brief comments but may not debate it.

The hon. member for Exploits (Mr. Mulrooney).

MR. MULROONEY: Mr. Speaker, the point that I was trying to bring out was the seriousness of this situation which does exist. I am sorry that the Minister of Education merely interpreted it as a statement about the integrity of teachers, because that was not my point in bringing it up.

MR. SPEAKER: Order, please! Order, please!

The hon. gentleman is in debate.

Any further ministerial statements?

The hon. Minister of Mines and Energy.

MR. CPOSBIE: Mr. Speaker, last night the Government of Canada—the Prime Minister announced certain actions that were being taken by the Government of Canada in connection with federal government spending and wage and price guidelines. To date we have not received the detailed regulations under the wage and price guidelines, although I imagine we are receiving them now or we will have them this afternoon.

Well with reference to the Prime Minister's statement generally, the government of the Province, Mr. Speaker, takes the position that there is need for governments to restrict spending or certainly to restrict increase in spending at this time if inflation is to be tackled in any way that is meaningful. We have recognized and stated for some time that one of the prime causes of the present inflation is government spending, particularly that of the Government of Canada, which also controls our monetary system, the currency and can print currency, the Bank of Canada, and so on. So that in general we certainly do not quarrel with the concept that the Government of Canada has got to cut back its rate of growth and spending.

Insofar as the announcement last night is concerned, Mr. Speaker, until we have full details, and until we have full knowledge it would be, I think, silly to enter into detailed criticism, except to say that our position is and certainly will be that the priority in expenditures should be given by the Government of Canada as well as our own government to job creation or employment opportunities in this Province which is the area of heaviest unemployment in the Dominion of Canada. We have

MR. CROSBIE: put that position to them. As far as I know they do not disagree and therefore we proceed under the assumption that when their detailed estimates of spending for next year are brought down that it will fulfill that concept, and we are therefore expecting the Government of Canada to increase their spending on public works or the construction of marine facilities and the like in this Province to help overcome the unemployment situation. I notice they say that although LIP programmes are going to be cut back on, they will not cut back on them in areas of high unemployment, which certainly includes this Province. They have stated that DREE spending will not increase next year. Well, we cannot say what effect that has until we see exactly what that means in practice, or whether the agreements we have suggested to them will be carried out next year, and we will certainly argue and will argue that DREE spending is not an area that should be cut back if there is any attempt to overcome regional disparity.

We feel that the priority must be given to spending that creates employment and we certainly have not been informed that the Government of Canada disagrees with that. So, Mr. Speaker, we will be watching closely in the next several months, because it will take that long to find out what is really meant in detail, and we will put the position of this Province strongly to the federal government that there should be no cut back in expenditures in a high unemployment area that would further increase, or tend to increase, the unemployment in this area. This Province is doing all it can with its inflexible borrowing and financial situation and as yet we have no reason to think that the Government of Canada disagrees with that policy.

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

MR. ROUPE: Mr. Speaker, I am extremely happy that the minister is in support of the Prime Minister's statement last night, although he has not had an opportunity to analyze it fully. The Government of Canada is setting a good example in the expenditure of their own money, and hopefully other governments, and other local governments as well as

MR. POME: provincial governments and people will see fit to follow that example, Sir.

We agree entirely with the minister in this business of as long as the priority is on job creation and, Sir, I would like to ask if I may, the minister in any negotiation that he will have or his colleagues will have with the federal government that they point out not only this factor of the high unemployment areas but also try to match up the high unemployment areas with areas that need public services, take that into account as well so that the provision of these public services will in fact provide employment for the people so that basically two birds are being caught at the one time. And, Sir, I sincerely hope and I am sure that we on this side will fight with this present government to see to it that we will continue to progress and that the restraint programme will not too adversely effect any progress in this Province because we are still just a little bit behind with respect to the national average when we look at the provision of social services and public services and other amenities of life in this Province.

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

MR. CROSBIE: I do not want to be misinterpreted. I have not said that I agree with the Prime Minister's statement. I have said that we agree with the concept that government spending must be restricted and controlled, whether we agree or disagree with what the federal government is doing and we can only say once we know what the real details are but the general approach that there has to be restrictions on expenditure we certainly agree with. We have already heard of several items including increases in ferry rates or fares between Newfoundland and the Mainland and other areas that we would have to object to because of their effect on the cost of living in this Province. But we agree that there has to be this approach.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES:

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Mr. Speaker, I have the approval of the House to table a special Lieutenant-Governor's warrant. I do not think this is one the House will object to since it is an amount to pay the members' salaries. Because of the redistribution there are some extra amounts involved. There are also several sets of regulations. Section 34 of the Public Service Pensions Act requires that the following regulations be tabled in the House, Public Service Pensions Newfoundland Liquor Licensing Board Regulations, the Public Service Pension Laundry Services

MR. DOODY: regulations and there is another set of regulations here too, Sir, but I am sure the hon. members - oh! The Gasoline Tax amendment regulations - I am sure the hon. members will be delighted to have some reading material over the Christmas Season.

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

MR. CROSBIE: Mr. Speaker, I would like to table three copies of each of the following financial statements of Labrador Linerboard Limited. First the financial statements for the year ending March 31, 1973 - three copies of those - the financial statements for the year ending March 31, 1974 and the auditor's report on the financial statements for the year ending March 31, 1975.

Commercial production commenced at the Linerboard mill on April 1, 1974, Mr. Speaker. I have been hoping that we would be able to debate this whole subject at this session but I guess we will not, Mr. Speaker, but if any member has any questions or any explanations they want in connection with the financial statements - or the press - I will be only too happy to try to explain any item they might want further information on.

I certainly do want to see, Mr. Speaker, in this session, or when we come back again this winter, to have a full examination of Labrador Linerboard Limited's operations because I can assure members of the hon. House that there is no reason for anything to be hidden, and I will be glad of a chance to show how much has been done. These are the financial statements.

SOME HON. MEMBERS: Hear, hear!

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN (see index)

MR. SPEAKER: The hon. the Minister of Finance.

MR. DOODY: I have a number of items here, Sir. Question 143 by the hon. the member for Twillingate (Mr. Smallwood), Nos. 145, 150, 151, 175, 152, 222. I will not read them out, Sir, there are a whole lot of statistics that I am sure will prove valuable to the editor of the new volumes. And one question, No. 612, asked by the member for LaPoile

MR. DOODY: regarding the subsidy paid to Newfoundland Transportation Company during the months of August and September.

MR. NEARY: How much was it?

MR. DOODY: \$91,500.

MR. NEARY: What?

MR. DOODY: \$1,500 a day for sixty-one days. There were no other expenditures involved in the programme.

MR. NEARY: \$91,000!

MR. DOODY: \$91,500 for the year.

MR. SPEAKER: The hon. the Minister of Health.

MR. COLLINS: I undertook to get some information for the hon. the member for LaPoile concerning the number of hospital boards in the Province: The number of boards, twenty, and the number of hospitals operated under boards, twenty-five. The reason for the anomaly there is that the IGA, the International Grenfell Association, is regarded as one board but they operate several hospitals.

MR. SPEAKER: The hon. the member for Mount Pearl.

MR. NEIL WINDSOR: Mr. Speaker, I should like to table the answer to a number of questions directed to the hon. the Premier by the hon. the member for Twillingate (Mr. Smallwood). Questions Nos. 73, 74 and 87 which are similar questions, and 75, 93 and 80.

MR. SPEAKER: The hon. the Minister of Municipal Affairs and Housing.

MR. PECKFORD: Mr. Speaker, I wish to table the answers to questions put on the Order Paper of November 24: Nos, 459, 460, 461, 462, 463, 465, 466, 467 and 470, all asked by the hon. the member for Port de Grave.

I might point out, Mr. Speaker, in relation to Question No. 467, the question being; what the St. John's Housing Corporation, or how many houses have they developed over the last few years. It might be interesting for hon. members who live in the city or hon. members who represent constituencies in the city, to point out that the St. John's Housing Corporation does not develop units but develops building sites for contractors to build units upon, and

Mr. Packford.

that in 1970 they developed 104; 1971, 117; 1972, 43; in January 1973 to March 1974, they developed 811 and from April 1974 to March 1975, 348 for a grand total of 1,423 in the last five years. I thought hon. members might be interested in the reading out the statistics on that particular corporation that comes under yours truly.

There was one other one here that might be of some interest. Of course, all of them are, and most of them have to do with housing. There is one on sewage disposal plants in the Province. At present there are sewage treatment plants in the following places in the Province: Appleton, Badger, Baie Verte, Bonavista, Cow Head, Gander, Holyrood, Labrador City, Lumsden, Millertown, Norris Point, Red Harbour, Rocky Harbour, Seal Cove, White Bay, Spaniard's Bay, St. Anthony, partially, Victoria, Wabana, partially, Wareham, Wedgewood Park, Whitbourne and Glenwood. Mr. Speaker, I table the remainder answers along with the ones that I have pointed out.

ORAL QUESTIONS:

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

MR. SIMMONS: Thank you, Mr. Speaker.

I would like to direct a couple of questions to the Minister of Tourism. The time ran out yesterday, and I never got down to all the questions. Some of them were answered for me in the paper today. I have some others. First of all, Mr. Speaker, a question for the Minister of Tourism. Would he indicate whether the Cabot Group Company has performed its contract with the Department of Tourism, its contract or contracts? Well, first of all, how many contracts were involved? Are the contracts fully performed?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, I cannot give the hon. member the exact number. I do not think there are very many. Two comes to mind immediately. To the best of my knowledge the work was performed and was acceptable. There was not any problem there. Payment was made. As a result of the hon. gentleman's

MR. HICKEY:

questions yesterday and also some rumours with regards to the same issue, I have asked my staff to prepare for me a list, and also to prepare for me the dates when payment was made to the company. I might also tell my hon. friend that no contracts, no work, was awarded or no contracts were entered into with that company since June, I believe, of the present year.

MR. SIMMONS: Mr. Speaker, a supplementary: Mr. Speaker, it is my understanding from the minister's comments and otherwise that the work performed was printing. Both contracts were printing various pamphlets for government. I also understand that Cabot Group 4 is not a printing company, and I wonder if the minister would indicate how this group or this company was initially allowed to bid on a printing tender?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, you know, I could very well refer my hon. friend to the Minister of Public Works and Services or the Acting Minister of Public Works and Services, but that would be arrogant, I would suggest, so I will answer it myself. Neither the Minister of Public Works and Services, whomever he might be at the time, nor myself or any other minister has any control over who bids on any particular job or any particular project the government might find itself involved in. It is a free country.

MR. SIMMONS: Unless it was a selective tender.

MR. HICKEY: Pardon?

MR. SIMMONS: Unless it was a selective tender call.

MR. HICKEY: I suppose that might very well be, but, Mr. Speaker, when services are required by government and a tender is called, any company, and I have stated this in relation to this company before in this House in debate, any company, all they need to do is to contact Public Works and Services, have their name put on a list, and they may then proceed to tender on anything that comes up. With regards to the award of the tenders, the

Mr. Hickey:

award of contract that the hon. member refers to, I have said before, and it probably bears repeating in view of the seriousness of the situation at the moment, that it is not necessarily required by my department or any other department, I suppose, that a firm producing a service or producing work for the government that they in fact themselves do it. Really the department in question, and certainly my department, insofar as my staff were concerned, were interested in two things; first and foremost, the lowest tender; secondly the delivery date of the material required and the capability - reasonable assurances of the capability of the firm to meet that deadline, and, of course, the quality of the work.

I might point out also to my hon. friend with regards to the award of contract for road maps: Yesterday, I think, he raised a question, and in asking the question mentioned the fact that they were printed outside of the Province. In discussion with a gentleman from Robinson Blackmore, a well known Newfoundland firm, in fact one of the firms who bid on this particular tender, who came in second by quite a large amount of money, something like \$15,000 or \$16,000, the gentleman informed me that even his firm, which is the largest one in the Province in terms of printing, could not have produced that map. Had they been awarded the contract they would have certainly done some work, but a certain aspect of production of that map would have had to go outside of the Province. So there is nothing unique or unusual about the fact that the map was done outside of the Province, it could not be done in the Province anyway.

MR. SIMMONS: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary, then I will recognize the hon. member from LaPoile (Mr. Neary), after this supplementary.

MR. SIMMONS: Mr. Speaker, first of all for clarification. Did the minister just say that the firm, the local firm he named was the second lowest bidder or?

MR. HICKEY: Yes.

MR. SIMMONS: Yes. Mr. Speaker, a supplementary then for the minister: Will he confirm that Cabot Group 4 was not the lowest bidder, but the second lowest bidder on both contracts which they were awarded, they were the second lowest in both cases, and another local firm, which I could name, was indeed the lowest bidder? Will he confirm this?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: No, Mr. Speaker, I certainly will not confirm it, and if the hon. gentleman has any information to substantiate that statement then I would certainly like to have it because I would like to know who have misled me, because those are not the figures that I have knowledge of. The only information that I have and what comes to mind - and I am talking back now something like seven, eight, maybe nine months ago - to the best of my knowledge, and I will be delighted to dig out this information for the hon. gentleman because there is really nothing to cover or to hide about it, it all has been trashed out before, to the best of my knowledge this company was the lowest. I can recall quite vividly the contract with regards to road maps because that was one, and the fact that the maps were going to be printed outside of the Province did not make myself or my officials happy, to say the least. There was a differential of approximately \$16,000. The price quoted by Cabot Group 4 on that contract, in rough figures, was eighteen thousand some hundred dollars. The quote by Robinson Blackmore on that same tender was thirty-five thousand some hundred dollars. Now it does not take a mathematician to figure out the difference in between. And I as minister in recommending to Public Works and Services - and that was my only input, a recommendation, I did not award any contracts, I do not have that right, but we do comment on the tenders when they come to us - and my recommendation was that I felt I had no alternative but to recommend the award of a contract to the lowest bidder. I certainly do not have the authority to wash \$16,000 of public money down the drain.

MR. SIMMONS: A further supplementary?

MR. SPEAKER: I indicated that after the latter supplementary I would recognize another member, The hon. the member from LaPoile (Mr. Neary).

MR. NEARY: Mr. Speaker,

Mr. Neary:

Is the Minister of Finance aware that in a written answer that was given to a question that I asked recently that an analysis of the total arrears of the Retail Sales Tax in his department is \$2,185,000? If the minister is aware of it, does the minister not think that he owes the House and the people of this Province an explanation of why this arrears is so big? What is being done about it?

MP. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Sir, there are certainly arrears and certainly the amounts that the hon. member mentioned are the accurate amounts. This is why I answered the question which the member asked. The amount is large and it continues to be large. The staff - as we try to get staff who are competent and capable, we are increasing at the rate that we possibly can, within limits. We are trying to chase after these accounts and keep up with them. The Province is big. The auditing staff is relatively small. Everything that is possible is being done to collect the delinquent accounts. The pressure is being applied as rapidly and as fervently as possible. I have every confidence that the department is doing a good job. Certainly its efficiency is increasing year by year, but the job gets bigger year by year.

MP. NEARY: Call in the Auditor General.

MP. DOODY: The Auditor General has access to all the books of every department of government even in the days of the hon. member's ministry, fortunately for the public.

MR. NEARY: Why was that?

MP. DOODY: I have no idea, Sir. I can only assure the House and the people that the department and the officials of it are doing the best possible job to collect the amounts that are in arrears.

MP. SPEAKER: The hon. member for LaPoile (Mr. Neary).

MP. NEARY: Mr. Speaker, I would like to ask the Minister of Justice, Sir, to his knowledge is there any telephone bugging going on in Newfoundland either by the Newfoundland Constabulary or the RCMP?

MP. SPEAKER: The hon. the Minister of Justice.

MR. HICKMAN: Mr. Speaker, there is a question to that same effect

MR. HICKMAN:

on the Order Paper, and I pointed out very clearly at that time, I have forgotten the section of the Criminal Code of Canada, that that matter can - no, no, it is a federal matter in one sense-but under the provisions of the Criminal Code of Canada I am obliged to table in the House that information annually as I did last year and I will do it again this year in 1976.

MR. SPEAKER: The hon. member for Windsor-Buchans (Mr. Flight).

MR. FLIGHT: I wish to address this question to the Minister of Manpower and Industrial Relations. In view of the recent events in St. Lawrence whereby the union have rejected a new contract offer, and the company's statements something to the effect that this places the future operation in very grave doubt, what is this government's approach to the situation as it now exists in St. Lawrence?

MR. SPEAKER: The hon. Minister of Manpower and Industrial Relations.

MR. MAYNARD: Mr. Speaker, as far as conciliation or mediation services are concerned, we have gone the limit on that one. We have gone through every procedure we could go through. What we will do from here on, I do not know. It will have to be a government decision, and I cannot make a decision on behalf of the government.

MR. SPEAKER: The hon. member for LaPoile (Mr. Neary).

MR. NEARY: Mr. Speaker, I would like to ask the Minister of Manpower how he is making out with the arrangements to try to get the representatives of the paper companies and the unions together to try to resolve the dispute in the paper industry in Newfoundland?

MR. MAYNARD: Mr. Speaker, there has been a meeting arranged for tomorrow afternoon in Corner Brook whereby we will meet representatives from all three mills, that is the unions in all three mills. Myself and the hon. Minister of Industrial Development and the hon. the House Leader will meet with some officials, with the union people, to explore the situation and see whether or not since the Anti-inflation Board ruling has been made, there is any basis for a settlement at this time.

MR. SPEAKER: The hon. member for LaPoile (Mr. Neary).

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

MR. NEAPY:

Would the minister tell the House what action is being taken by his department or by any other department of government to try to avert a strike in the Waterford Hospital and Exon House as scheduled to take place in the New Year?

MR. SPEAKER: The hon. Minister of Manpower.

MR. MAYNARD: Mr. Speaker, that question can be more adequately answered by the President of Treasury Board. His officials, I understand, have been in constant contact with the union and I would assume that they have made some progress.

MR. DOODY: I answered that question a few days ago, Your Honour. The officials of Treasury Board are in communication on a regular basis with the officials of the union. The Conciliation Board report which was signed by the president and by the government representative, but which the union representative did not sign, is in the hands of government. With one or two minor exceptions government is quite prepared to accept the Conciliation Board Report. Other than that we have asked them to be reasonable and to respect the responsibilities that they have. As I said, we are quite willing to talk to them at any time. Indeed, as I said, the officials of Treasury Board are talking with the officials of the union almost on a daily basis. Indeed yesterday when I checked with them, they had had conversation that day with the union people.

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

MR. SIMMONS: Mr. Speaker, I would like to get back to the Minister of Tourism. I have a couple of other questions for him on the same subject. I wonder would the minister confirm whether the first tender call in respect of the two jobs for which Cabot Group 4 subsequently received a contract, whether the first tender call was cancelled on the deadline day for the receipt of tenders and that a second tender call was put out subsequently? Is this correct information or not? I understand it is. I would like for the minister to confirm if this is the case.

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, again to the best of my knowledge - and I will be glad to check back, because the same information, the same question, the same information was provided to the House during the last sitting - to the best of my knowledge there was a recall of a tender, certainly with no authorization from me, with no knowledge by me, because there was no need for me to be involved. It was a decision taken between Public Works and Services and my officials because there was an error made with regards to the number of pages in a booklet. I find nothing unusual about that, I would say to my hon. friend. I do not know what he might be told, but this whole issue has been taken out of context from way back when. I simply want to say, Your Honour, that there is nothing unusual about any tender or any work that was awarded this firm. There was nothing unusual at all. I noticed today again in the paper that there is a reference to a Mr. Brown being a close friend of mine. Now I would like for someone to define what a close friend is. Certainly if someone, or if the gentleman who writes this piece in the paper today, is implying in any way that Mr. Brown, being a friend of mine, would cause me to do something unusual or not improper then I am afraid again, as usual, this gentleman as well as some others connected with The Evening Telegram are barking up the wrong tree, because

MR. HICKEY:

I did not know that I was not permitted to do business with people whom I classed at the time as friends. But if for the benefit of hon. gentlemen and for the hon. House, Mr. Speaker, if somebody considers that a great friendship, then the honeymoon is long over.

MR. SPEAKER: Order, please!

I should perhaps ask the hon. gentleman to confine his remarks to answering the question. I realize that might necessitate certain explanations, but I am not sure that all of the references were indeed in answer to the question.

I recognize the hon. gentleman for a supplementary.

MR. SIMMONS: Mr. Speaker, I understand from the minister that there was a recall. Would he confirm that Cabot Group 4 did not submit a bid on the original tender call?

MR. HICKEY: I am unaware of that situation, Mr. Speaker. I will gladly check it out, and I will be more than willing and delighted to co-operate with my hon. friend. I refer to one contract, or certainly a certain project, with regards to covers for brochures where public tendering, in the strict sense, was not adhered to, and that is with regards to art work and price. When the hon. gentleman indicated earlier that this company was awarded work while not having the lowest price, this is true. There is one particular instance where this firm was awarded a contract, as such, if you want to call it a contract, or was contracted to do certain work. This was with regards to the cover of brochures which is based on pure art work, not cost, not unit price or anything of that nature. In fact it really should not have been tendered for. It should have been done through proposals, but as it turns out there had been a tender call, or something that was close to or would be considered a tender call, and in this particular instance my officials recommended to me that we accept the proposal or what have you by

Mr. Hickey:

Cabot Group 4, it being the best art work for the covers of the brochures. I concurred, and as I recall, and I do not have the figures, that price was not the lowest, but the second lowest, and to the best of my knowledge it amounted to \$450. per cover, a total of four, I believe, which was something like eighteen hundred and fifty some dollars.

MR. SPEAKER: The hon. member from LaPoile.

MR. NEARY: Mr. Speaker, I would like to ask the Minister of Justice if there is currently a waiting list for admission to Her Majesty's Penitentiary?

AN HON. MEMBER: Are you waiting to get in?

MR. HICKMAN: Mr. Speaker, there is not a waiting list.

MR. DOODY: We could arrange for accommodations for him, though.

MR. HICKMAN: The Penitentiary and the Salmonier Institution as of yesterday were operating at maximum capacity. There will be some releases, the customary early releases prior to Christmas. There may be a few convicted persons who are presently awaiting transportation to the Penitentiary, but the superintendent told me yesterday that he does not anticipate any problems there.

There is a significance in all of this, Mr. Speaker, and the significance is this, that obviously the law enforcement agencies in this Province and our courts are working very, very effectively and they are to be commended for it, -

SOME HON. MEMBER: Hear, hear!

MR. HICKMAN: - as are the - in fact the Administration of Justice has never been functioning as well as it is functioning right now, -

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: nor have the law enforcement officers ever been held in higher repute than they are right now, Mr. Speaker.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: After this supplementary, I will recognize the hon. member from Conception Bay South (Mr. Nolan).

MR. NEARY: A supplementary question, Sir, to the minister. Is it a fact that Her Majesty's Penitentiary is operating at maximum capacity?

MR. NEARY:

Is this fact forcing the magistrates and courts in this Province to grant suspended sentences rather than jail terms?

MR. HICKMAN: I am fully aware of the hon. gentleman's views on law and order and his right wing attitude towards that. Mr. Speaker, it most assuredly is not. The courts do not take into consideration, nor should they take into consideration, nor is it a relevant consideration when deciding on a sentence as to what the capacity to accommodate is at Her Majesty's Penitentiary. I would hope that the courts - and I have confidence in our courts - in arriving at a sentence they take into account several facts; one, the deterrent feature that is so necessary; two, the convicted persons record; and three, which I know is not popular any more, and number three in fact I think it is number one the possibility of rehabilitating the convicted person and to ensure that he or she will not again run afoul the law. And if that can be done without incarceration I hope that that is the philosophy that is accepted by our courts even though in today's right wing society, nail-them-and-jail-them seems to be the order of the day.

MR. NEARY: Well, Mr. Speaker, a supplementary.

MR. SPEAKER: I had indicated that I will recognize the hon. member for Conception Bay South next, If the hon. gentleman yields, that is his decision, because I can only recognize one at a time.

MR. NEARY: A supplementary question to the minister?

MR. NOLAN: I think I will yield, yes.

MR. NEARY: Mr. Speaker, I want to ask the minister a supplementary question in connection with jails throughout Newfoundland where prisoners are merely to be kept overnight; are there any instances in Newfoundland where prisoners are being kept in these jails for several weeks on a stretch?

MR. CROSBIE: Only at their request.

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, not for several weeks, but there are instances, particularly in one or two of the larger areas, where convicted persons have had to wait for several days, sometimes in

Mr. Hickman:

excess of a week, maybe even two weeks, unfortunately, in the custodial facilities that are provided in these other parts of the Province.

MR. NEARY: Are these jails equipped?

MR. HICKMAN: They are not penitentiaries, We have fairly large facilities in Corner Brook in the new public building there,

MR. HICKMAN:

and anyone who finds himself or herself in custody there gets very excellent treatment, at least food-wise and as far as the custody is concerned, unfortunately there is not the same recreational facilities as one would find at the penitentiary.

MR. CROSBIE: Discrimination against St. John's, is it not?

MP. SPEAKER: The hon. member for Conception Bay South (Mr. Nolan).

MR. NOLAN: A question for the Minister of Transportation and Communications, Mr. Speaker. Could the minister tell us if any contracts for snow clearing for the district of Conception Bay South have been awarded and were tenders called for same?

MP. SPEAKER: The hon. Minister of Transportation and Communications.

MR. MORGAN: No, Mr. Speaker, there have been no contracts, but we have hired a number of individual pieces of equipment in areas where we do not have sufficient equipment owned by the department. Normally the people who are interested in having their equipment hired submit their names to the department and the department then checks it out to make sure the equipment is in good condition, number one; and that they have reliable operators. If so, they hire them on that basis.

MP. SPEAKER: The hon. member for Burgeo-Bay D'Espoir (Mr. Simmons).

MR. SIMMONS: Another question for the Minister of Tourism, on another subject, he will please to hear. Would the minister indicate whether any selection of this Heritage Community has been made yet or what the progress is on that subject?

MP. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: No, Mr. Speaker, no selection has been made. There is a steering committee set up, Mr. Speaker, made up of federal officials, such people as the parks people and the people from historic resources and Heritage Canada, my own staff. This committee, their terms of reference is to determine just what the basis would be for such a decision, what things would be taken into account to establish the mileage from a large center, or whatever the case may be, whether the Heritage Village would be a live village, partially live, or a reconstructed village.

MR. SPEAKER: The hon. member for Burin-Placentia (Mr. Canning).

MR. CANNING: Mr. Speaker, I have a question for the Minister of Fisheries. Referring to the pending sale of the fish plant at Marystown, is it the intent of the government to sell the plant, druggers, all in one package, the druggers, plant and gear to the same concern that will buy the structure, buy the plant?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CAPTEP: Mr. Speaker, we have received two proposals for the purchase of the fish plant. In both cases the druggers were part of the deal.

MR. SPEAKER: The hon. member for LaPoile (Mr. Neary).

MR. NEARY: Mr. Speaker, would the Minister of Finance tell the House, Sir, what action he or his department have taken to collect royalties in arrears from Labrador Mining and Exploration Company?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Off the top of my head, no, Sir, I cannot. I can get the information for the hon. member. I assume that the normal, you know, route has been followed. I really do not know. I can check it out and find out. Is there a reason for this one exception?

MR. NEARY: Yes, it was in the Auditor General's report.

MR. DOODY: Oh, in that case it is being studiously pursued, Your Honour.

MR. NEARY: Mr. Speaker, right off the top of the minister's head, could the minister tell the House what is being done about Lundrigan Concrete (East) down in the White Hills? Have they come to any settlement or any agreement, and if so, would the minister agree to table the terms of the agreement or the settlement if they have come to any agreement?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: I will take it under advisement and find out. I did not know that Lundrigan's Concrete (East) had a problem but if they do, I will certainly look into it for the hon. member.

MR. NEARY: You do not read the Auditor General's reports?

MR. DOODY: I only read the sections dealing with my department.

MR. NEARY: Mr. Speaker, off the top of the minister's head again, could he tell the House what steps he has taken to get the Arts and Culture Center in St. John's to comply to the Financial Administration Act, 1973 as recommended by the Auditor General?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Appropriate steps have been taken, Sir, We have instructed the management to comply with the Financial Administration Act.

MR. SPEAKER: I should point out this will be the last question and answer because of the passage of time.

MR. DOODY: That was off the top of my head, Your Honour.

MR. NEARY: Mr. Speaker, would the Minister of Finance tell the House if it is the custom or the policy of his department upon request to send cheques for payment to ministers of various departments when the Department of Finance is asked to do so? If so, if this practice is being followed by the department, would the minister indicate under what circumstances cheques would be sent to ministers to be paid out for various work that is being done for the government?

MR. SPEAKER: The hon. the Minister of Finance.

MR. DOODY: I do not quite follow the -

MR. NEARY: Well, let me put the question simply.

MR. DOODY: Yes, can you try to unscramble it?

MR. NEARY: Well, would the minister tell the House whether cheques are paid directly from the Department of Finance to people who are owed the money or are they sent to ministers and then paid out by the ministers of the various departments?

MR. DOODY: To the best of my knowledge the Department of Finance mails the cheques out to the various accounts that are due the money. There may have been exceptions but certainly not that I am aware of, Your Honour. I do not know. I assume that they are all mailed out. Maybe some ministers deliver them to save postage. I do not know.

MR. NEARY: Well would the minister undertake to check to see if, say, in the last year if any ministers have asked to have specific cheques delivered to them so they can personally deliver the cheques?

MR. DOODY: I cannot - yes, as a matter of fact, I myself have delivered several cheques during the past year. During the mail strike I delivered one to Harbour Main and one to Conception Harbour.

MR. NEARY: I am not talking about the mail strike. Later on the minister will find out what I am talking about.

ORDERS OF THE DAY:

MR. WELLS: Motion 4, Mr. Speaker.

MR. SPEAKER: Motion 4.

Motion, the hon. the Minister of Municipal Affairs and Housing to introduce a bill, "An Act Further To Amend The Assessment Act," carried. (Bill No. 16).

On motion Bill No. 16, read a first time ordered read a second time presently by leave.

On motion Bill No. 16, read a second time, ordered referred to a Committee of the Whole House now by leave.

On motion that the House resolve itself into a Committee of the Whole on said bill, Mr. Speaker left the Chair.

A bill, "An Act Further To Amend The Assessment Act." (No. 16)

On motion clauses 1 and 2, carried.

Motion that the Committee report the bill without amendment, carried.

MR. WELLS: Mr. Chairman, I move that the Committee rise and report having made progress and ask leave to sit again.

On motion that the Committee rise and report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. CHAIRMAN (Dr. Collins): Mr. Speaker, the Committee of the Whole reports having considered the matters to them referred and having passed Bill No. 16 without amendment, and ask leave to sit again.

MR. SPEAKER: The Committee of the Whole reports that they have considered the matters to them referred and have directed him to report Bill No. 16 passed without amendment.

On motion report received and adopted.

On motion bill ordered read a third time now by leave.

On motion a bill, "An Act Further To Amend The Assessment Act," (Bill No. 16), read a third time, ordered passed and title be as on the Order Paper.

MR. SPEAKER: Motion (1).

MR. WHITE: Mr. Speaker, when I was concluding my few remarks the day before yesterday, I think, I pointed out to members that I was dealing with the BRINCO takeover and the company and the Upper Churchill project, because there had been a number of things on my mind before I came into politics that I wanted to express now that I am into it. I was pointing out, Sir, that the \$3 million study undertaken by BRINCO on the Lower Churchill project was probably a little more realistic in the sense that a private company usually uses its own people to conduct a study of that magnitude, and the private company, I maintain, has to make sure that its feasibility studies are in the best interests of that company, and they are not going to go into something head on and lose a barrel of money and bungle the project in the meantime.

But, Sir, at the time there was some suggestion that the Lower Churchill-or BRINCO would not make the study available to the government, the study on the Lower Churchill. There is good reason, Sir.

Mr. White.

Although the gentleman who wrote the book on BRINCO does not know the real reason, I would like to remind this House about a company known as North Power, and I wonder how many hon. gentlemen remember that particular company. I am sure some people will probably remember the formation of North Power. It was formed, Sir, back a few years ago when the then Executive Assistant to the Premier, Dr. Stuart Peters, left the Premier's office to go to work for North Power. It was rumoured at the time, Sir, and a rumour that I am sure BRINCO was probably aware of, that North Power would probably be the Shaheen subsidiary that might eventually develop the Lower Churchill project, and I suggest this is probably why the \$3 million study that BRINCO had done on the Lower Churchill was not made available to Teshmont-Zinder nor to the government.

It all adds up to my contention, Sir, that this government was determined to pick apart the Churchill Falls Labrador Corporation no matter what the cost. Then the government wonders why the \$3 million BRINCO study was not made available. How could BRINCO make such studies available when it stood the chance of losing the project after investing money into it up to that period? It strikes me, Mr. Speaker, as a government three years in office, or almost three years in office still playing checkers when they should have been playing chess.

Mr. Speaker, when they tried to change around the moves and shift around the checkers on the industrial checkerboard of the Province I am not so sure that the moves they made were as good as the ones that had been made before. Was there also a desire, Sir, on the part of this government to play with putting together a major corporation in terms of Newfoundland Hydro, such as had been done before by the previous administration - again an example of the government trying to flex its muscles. Did they want to play around

Mr. Whitd.

with a major corporation, Mr. Speaker, a corporation with an executive jet, apartments in Montreal, among other things? Sir, I want to bring up the subject of unnecessary expenditures by Newfoundland Hydro. Up to this point I do not think anyone else has mentioned it. The Minister of Mines and Energy is going to conclude the debate, and I want him to answer some questions with respect to what kind of control is maintained over Newfoundland Hydro with respect to expenditures of that particular corporation. How much money is being wasted on jet flights back and forth to Montreal and other unnamed spots? Who has control over this executive jet? I would like to see the log of Newfoundland Hydro executive jet, Sir, tabled in the House for all hon. members to see. Are the stories that we hear true? I do not know if they are, Mr. Speaker, but I have been told some things since I came into the House in reference to the executive jet. I was told one story about an official of Newfoundland Hydro not being able to go to Montreal on a certain business matter because there was a wife of a cabinet minister on the executive jet on that particular occasion. I am asking the question, Sir. I am making no remarks or saying anything about it. I just want an answer to the question.

MR. CROSBIE: Point of order, Mr. Speaker.

MR. SPEAKER (Dr. Collins): Order, please!

MR. CROSBIE: That is not a suggestion, that is a piece of slander in addition to which Newfoundland Hydro

MR. CROSBIE: employees travelling on business use passes on EPA.

There is no wrongdoing whatsoever.

MR. F. ROWE: Mr. Speaker, to that point of order. It is not a slander, it is a stated question put by my colleague from Lewisporte (Mr. White) and it simply asked the minister when he closes the debate on this bill to answer that particular question. There is a question being asked. It is not slanderous in any way whatsoever.

AN HON. MEMBER: Oh, oh!

MR. CROSBIE: Mr. Speaker, how can anyone answer an unsubstantiated, undetailed allegation that a jet plane was held up one day because some cabinet minister's wife wanted to go on it? What cabinet minister's wife and so on? You know, you have to have some detail before you can answer a loose -

AN HON. MEMBER: That is right.

MR. CROSBIE: - piece of slander like that.

MR. WHITE: Mr. Speaker, it was not meant as a piece of slander, it was meant as a question and if the hon. member wants me to get details I can probably get it for him.

MR. CROSBIE: Yes he should.

MR. WHITE: And which I will probably do, Sir.

MR. SPEAKER (COLLINS): Well the Chair would deem therefore that there is not a point of order before the Chair at the moment, but that further details will be forthcoming if the hon. member wishes to pursue the matter further.

MR. WHITE: No, Mr. Speaker, I do not want to pursue that particular matter any further, not at least not in this particular debate at the present moment. But in future debates it may come up again. So I maintain, Sir, that it was a matter in connection with the takeover of the Upper Churchill, or the Churchill Falls Labrador Corporation, a matter of improper research, and a matter, Sir, of not seeing the forest of facts for the tree of political enmity that existed, and the desire to pick a part a major corporation. I also maintain, Sir, that in retrospect the Upper Churchill project may not have gone ahead, and the over \$1 billion poured into that project, uplifting

Mr. White:

the economy of Newfoundland if it had not been done the way it was done in the first place.

And what about the takeover, Mr. Speaker? I recall as a newsman the developments on the Canadian Press printer on March 11, 1974, I think it was a holiday or a snow storm of something, Sir, I do not remember, but I think the stock market tipped the press off in those days, and even then a chill went up my spine when I realized the magnitude of what this government was undertaking and the way in which they were doing it. Are not matters of this magnitude, Sir, carried out during the process of negotiations? Could not this government have carried out far better negotiations with BRINCO and maybe come to a deal that would have seen BRINCO maintaining an interest in this Province and going on to great development in years to come?

AN HON. MEMBER: Hear, hear!

MR. WHITE: I remember, Sir, the major publicity campaign put on by this government when the takeover occurred, and I might say it was one of the better public relations campaigns that I have seen this government undertake since they came into office.

Now the administration of the Province, Sir, finds that it would be an exorbitant cost to undertake the Lower Churchill development, as was pointed out by BRINCO at the time of negotiations. I think it was suggested then, Sir, that the cost of bringing power to St. John's would be such that it would result in the tripling of the price tag on the Lower Churchill. That was only a few years ago.

SOME HON. MEMBERS: Oh, oh!

MR. WHITE: It still seems to me, Sir, that some way should have been found to carry on negotiations with BRINCO, have them develop the Lower Churchill back in those days, and to have made an arrangement for the retention of some power so that we could have brought it to the Island for future generations, then we could have accessed bringing it to the Island, Sir, by way of a tunnel in future years.

Mr. White:

Mr. Speaker, an even more important aspect of this undertaking by the government might be the long-range effects that it had on future prospects for major developments in Newfoundland. It must be remembered that the buy out of BRINCO was very unlike similar negotiations of similar projects undertaken throughout Canada, as I mentioned in my speech earlier. One of the differences, Sir, was that the project was being taken over before shareholders who had risked capital and placed investments in this project had received any dividend. Why did not the government choose to take over a company like the one in Buchans, Sir, that had been indirectly ripping off this Province for long, for so many years? I am not even so sure, Sir, that the government's belief at the time that it was a popular political move in Newfoundland was well-founded. I am sure that the former Premier (Mr. Smallwood) remembers well how when he suggested the takeover of Bowaters prior to the 1971 election that it might have cost him thousands of votes and maybe even the election at that time. I am not even sure,

Mr. WHITE:

Sir, that the government would have won the polls had it gone to the people on the basis of that takeover bid as some people suggest they would have. People are suspicious of government-run corporations I maintain, Mr. Speaker. They have had too many bad experiences with such things as the post office, Canadian National, Air Canada and now you can probably add others to that as well.

It is a different case, Mr. Speaker, with the potash industry in Saskatchewan. There you have a clear-cut case where corporations, some of them owned by non-Canadians, have been taking untold millions from the provinces resources, much of it leaving Saskatchewan altogether. That was not the case of the Churchill Falls Labrador Corporation, Sir. There they had not even gotten around to the start of taking money out. It is not a popular move in this day and age, Mr. Speaker, to be nationalizing corporations and taking over well run institutions. David Barrett, late Premier of BC, found that out only too well just last week.

It is not just a matter, Mr. Speaker, of nationalizing for the sake of nationalization, as the Premier of the day was forced to justify back when the decision was made to buy out Churchill Falls Labrador Corporation. Contradictory statements were what we heard at the time, Sir. The Premier said that on the one hand the government must run the Province's resources, but on the other hand he was saying that this was not to be taken as being indicative of a nationalization policy on the part of his government. Who was he trying to convince, Mr. Speaker? Was there any need to convince major corporations throughout this world of the kind of treatment that Brinco had received on this deal? Why do financial experts-or who do financial experts and industrialists throughout the world believe? Do they believe government ministers and Premiers who make statements sometimes for political reasons or do they believe the scuttlebutt within their own corporate circles?

What have we done by driving out Brinco from Newfoundland,

Mr. WHITE:

Mr. Speaker? Despite what the gentleman, Mr. Smith, says in his book - I disagree with him - Brinco was crippled by this deal and may not be revitalized. It was put out of action, Sir. It may be revived but it is doubtful at the moment. What happened to the great experts, Mr. Speaker? Bill Mulholland went back to the Bank of Montreal where the first Brinco president, B.C. Gardner, came from. Harry Macdonnell went back to practicing law and Harold Schneider came to Newfoundland on a unique project. With them, Mr. Speaker, I suggest that a great deal of dream power went as well, the possibility of \$100 million limestone development on the West Coast of this Province and the future possibility of a uranium enrichment plant in Labrador. Did these two projects go with Brinco, Mr. Speaker, and if so how many other projects went out the door when that particular company was driven from our shores? How many other companies will stay their hand with respect to development in Newfoundland because of the treatment of Brinco? I am sure some of them must be saying, Sir, what would they do to us after what they did to a company that finished one of the world's largest hydro development projects ahead of schedule and within budget?

It must also be remembered, Mr. Speaker, that at the time Brinco not only had to put together the financing for the project, but in many respects had to develop a technology which did not exist in the world back in those days. And what about the prospects for the Lower Churchill development, Mr. Speaker? It seems to me that in order for this project to go ahead, and in order for it to be financed in terms of bringing the power to the Province, that this government must first find markets for the power. Where are the markets? Where are the new industries that are going to be set up in Newfoundland as a result of bringing Lower Churchill Power to the Province? What kind of sales force does this government have to bring industry into Newfoundland? Is there anything else besides the suggestion that an aluminum plant would be set up on the South Coast of the Province? If there are other projects in the wind, then

MR. WHITE:

let us here about them. I suspect there are none, Mr. Speaker.

What the Minister of Mines and Energy must do now, Mr. Speaker, is use as much salesmanship with respect to bringing new industry into Newfoundland as he did in convincing the Premier to take the route they did back in 1974. That is the only hope for the Lower Churchill project at the moment, Sir, all the other avenues of markets have been explored now. According to the minister's statement they have wound up back talking with Hydro-Quebec. Well let them try the route of bringing the power into the Province. We are going to need that power partially for homeowner consumption during the next few years but mainly to develop Newfoundland. My advise to this administration is to get out and to sell Newfoundland power, to make sure major industries around the world are aware of the fact that we can bring power into Newfoundland that will keep their factories going.

I was

Mr. White.

reading an article a couple of days ago, Sir, where something like enough industries had moved out of New York City, because of the difficulties there, and there are something like 300,000 workers who have been relocated and some of them have left the industries altogether because those industries had moved out of New York. Are people in New York who want to move to better places aware of what is available for them in Newfoundland should they want to come here?

It is okay to listen to the member for St. John's East (Mr. Marshall), Mr. Speaker, and the member for St. John's North (Mr. Carter), but I am afraid they do not represent districts in this Province where nineteen out of twenty communities do not even have adequate water. We need new industries in this Province. We need new industries in this Province to provide badly needed revenue and badly needed revenue that will provide services to our people so that we will not have to continue the borrowing programme of the past few years, so we can get a few dollars to put into capital account.

I say to this government, get out and do some selling for a change. Sell Newfoundland and see if you cannot get some industries to come in, even those that may be reluctant to do so even after the treatment that BRINCO received at the hands of the administration. If necessary, Mr. Speaker, let us consider various incentives to bring new industries in. In order to sell properly you must develop a strong sales pitch, and you got to have something in a sales pitch to attract people in. But, Sir, I get the feeling that the guts have gone out of the boys opposite. As I sat here in the House and listened to them during the past few weeks, a speech by the Minister of Mines and Energy last week on a private member's resolution with respect to the economic prospects for Newfoundland gave us a good indication of what he foresaw in terms of industrial development here. The minister is a capable one,

Mr. White.

Mr. Speaker, and I suggest he change his thinking and devote some time to selling. Creative thinking is what we need back in government in Newfoundland, Sir, people who will roll up their sleeves and exert their energies into enticing developers to come here and to expand our present economic base.

There was some suggestion, Mr. Speaker, in a speech by another hon. member that to vote against this resolution by the Minister of Mines and Energy would give Ottawa the impression that we are a House divided against itself. That is utterly ridiculous. The federal ministers in Ottawa know what politics is all about, and they know how politics is in this Province as well as other provinces and in Ottawa as well. If this administration wants us to back a resolution calling on Ottawa to get involved in the Lower Churchill development then let them bring such a resolution before the House. This resolution has nothing to do with getting support from Ottawa, and we will be glad to support a resolution that would call upon Ottawa to get involved in the Lower Churchill development. As it stands now, Sir, I am going to vote against this resolution. Thank you.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER (Dr. Collins): The hon. member for Naskaupi.

MR. GOUDIE: Mr. Speaker, I would like, before I get into my particular remarks on this motion, to agree with the hon. member who just spoke with the point he made about the need to sell this Province of Newfoundland and Labrador and that some improvement should be made in the action taken thus far in moves in that particular direction.

I stand to speak on this motion for one reason, because I want to, and secondly because I do not think I have any choice. Being the member for Naskaupi, and Gull Island being a part of my particular district, I have interest in this that perhaps other members of this House may not. In any event I am not qualified to speak on this in any technical manner, or financial

Mr. Goudie.

manner for that matter, but perhaps on the psychological or social effects that the deferment of this particular project has had so far and perhaps speculate a little bit about what effects the project would have in the area should it continue. But before I do that I would like to take exception, if I may, to a comment or a phrase that has been used during this particular debate, and I would expect or suspect, probably in other debates before this, and possibly will happen in the future; and that is the phrase used on both sides of the House by members from both sides, "Newfoundland owns Labrador." That gives a very, very scary feeling to people in my district, to people all over Labrador, I think, to think

MR. COUDIE:

that there are people in this Province who feel that they have to own Labrador. Labrador is a part of the Province. It is not owned by the Island portion of the Province. It never will be owned, I do not think, by the Island portion of the Province. As a matter of fact, if you want to talk about resources, then the roles might just very well be reversed. I just wanted to make that point clear.

SOME HON. MEMBER: Hear! Hear!

MR. COUDIE: The attitude I feel behind that particular phrase is much more important, or detrimental in this particular case, than the phrase itself. I would suspect that that particular attitude may have developed right from day one when fishermen travelled from the Island portion of the Province to Labrador to reap the harvest from there, and it has continued right on down through until the present day.

I hope and I feel that this government will reflect a change in attitude in that particular sort of a situation. I would like to point out one other thing as well, that I am not speaking about that particular phrase because of my ethnic background or because of any ethnic tokenism. Sir, as I mentioned, I can speak only about psychological or social aspects of this particular project. No doubt every member of this House and many people throughout this Province are now aware of a recent meeting held in Happy Valley. The Premier and some of his cabinet met with people from that area. It was an undesirable type of meeting, I suppose, from some points, but desirable from others. I was a part of that meeting. About the only thing I can compare it to was a meeting which took place in 1968 when the famous Christmas Day announcement came out by the now member for Twillingate (Mr. Smallwood). But anyway I will not rehash that particular situation.

At this point in time in the Naskaupf district in Labrador there is disappointment, anger, frustration with the government for having deferred this particular project. I think the explanations put

Mr. COMPTON:

forth have helped to some degree to relieve, or not perhaps relieve but at least clear the air, if you will, for lack of a better term, about why this particular project is not going ahead at this point in time. In addition to this particular deferment there is fairly strong evidence I think that the American Air Force will be pulling out of Goose Bay-Happy Valley, which adds to its insecurity. There are problems with Labrador Linerboard on the Island portion of the Province which adds to the insecurity of the area because of the harvesting operations going on in Goose Bay-Happy Valley at the moment. Business is affected by it and every member of the public has been affected by the deferment.

But I think the deferment has one - at least one, perhaps many others - but one positive effect that I feel. That is with the deferment having taken place this should now give government more time for - I was going to use the term better planning - perhaps additional planning would be a more suitable term to use. Obviously there has been a lack of exchange of information both coming from our part of the Province into the government and vice versa. Perhaps with the establishment of a regional government center in our area it might help to improve these particular communications and this deferment may give us more time to work on that type of thing. It would add stability to a particularly unstable situation at the moment in terms of people's feelings, in terms of feelings about the future of our area. I think it is very important that this government add whatever it can to get rid of that feeling of instability. It would also, I think, help alleviate the landlord-tenant type of concept which comes out of this sort of a situation. We are there to stay in Labrador. I do not think there are any plans for people leaving. The government, I hope, will show recognition of that type of principle.

Mr. Speaker, I agree to a point with the hon. member for Twillingate (Mr. Smallwood), unfortunately he is not here today to hear my remarks, but his final statement before leaving for his holiday, I thought, was well taken. I do not know if I would go so far as to

Mr. Goudie:

agree that resources should be developed within Labrador only. I feel that Labrador has a lot to offer to this Province, Obviously it has, and all parts of the Province should benefit from it, but not at the expense of the people or benefits which should come to Labrador. This no doubt has been said during the last number of years by other members. I am sure what I am saying now is not new.

The side effects of development in Labrador, of course, is population. There is the concept right now or perhaps the thought in some people's heads that benefits are not brought into the area because there is no population. You are talking about 35,000 to 40,000 people in an area of 124,000 or 128,000 square miles. Okay, we are underpopulated for the space we have. But with an increase in industry in Labrador the services of every day life that other people enjoy could be brought in and justly so brought in, not given as appears to have been done so far in the past. All sorts of side effects - highways, tourism, right on down the line.

The hon. member for LaPoile (Mr. Neary) and the gentleman who just finished speaking a few moments ago, I thought made strong points about selling this particular Province, what it has to offer. Obviously it has a lot to offer. A need for a strong, unified stand is obvious, I think. Whether a committee being selected to go to Ottawa is the way to do it, as the member for LaPoile (Mr. Neary) suggested, I do not know. I do not want to evaluate that particular thing. But the idea of selling, I think, is a good one.

The Churchill Falls development has been classified in the past as a sell-out. Possibly so, I do not know. Perhaps one way to, if indeed that is what it was, perhaps one way to overcome that would be for the provincial government to renegotiate the rates being received from the Quebec Government at this particular point in time. I realize, Mr. Speaker, there is a risk involved over the next year period, as two hon. members pointed out, in spending \$55 million and not having the commitment of the Federal government as to what their involvement in this particular project is going to be. There

MP. COUDRE:

is a risk obviously. But what are the alternatives? Thermal or some other source or type of power I suppose.

I support this motion that we go ahead and spend the \$55 million over the next year and that we continue with whatever means we have available to ensure that the federal government plays its part in this whole development, because it is important not only to this Province but to the whole nation and to the future energy requirements of this nation. I think it is vitally, vitally important in all these particular areas. If we do not develop we are going to regress, not progress, and that I do not think leaves us any choice at all.

SOME HON. MEMBERS: Hear! Hear!

MP. SPEAKER: The hon. member for Baie Verte-White Bay (Mr. Rideout).

MP. RIDEOUT: Mr. Speaker, having carefully checked through the, read through the motion that the hon. gentleman has on the Order Paper here, and having listened to the debate thus far, I have a few remarks, brief remarks that I would like to make on this motion.

MR. RIDEOUT: A number of hon. gentlemen in this debate so far have been talking about ownership. I do not think that is the issue that fits into this particular motion. To me ownership is not the particular issue at this point. That was settled in this hon. House long before my time so I am not too interested in that as an issue. The thing we have to consider is that for the future development of this Province it is essential that the Lower Churchill, or I feel it is essential, that the Lower Churchill Falls power be developed. It is unfortunate, however that things have turned out the way they have over the past few months, and that the government cannot see fit to proceed as they were telling us only a few months ago they would be proceeding, full tilt ahead with this particular development at this time. That is one thing that sort of irks me with respect to this particular motion.

All along, all during the Summer and indeed into the Fall we were all under the impression that this thing was going to go full tilt ahead. Now I know there are problems involved with it and I do not want to be referred to continuously as being negative and criticizing and that type of thing, I know there are problems involved. But that particular point irks me to no end, that there was full tilt ahead and now obviously there is not.

I also want to make some mention with regard to our particular stand on this resolution. It has been suggested in this House that we do not have a stand. Now to me that does not make sense. We certainly do have a stand. We are for, and unequivocally for, the development of the Lower Churchill.

SOME HON. MEMBERS: Hear! Hear!

MR. RIDEOUT: That is our stand. To go through this motion as it stands right now, though, is a horse of a different colour. It is another matter altogether. To say that we agree, wholeheartedly agree, with the way that this administration has handled the development of the Lower Churchill at this point is something else altogether. We do not agree with the way the development has been handled and that is why some of us are speaking as we are in this particular resolution. It is not with respect to being critical.

AN HON. MEMBER: Are you for it.

MR. RIDEOUT: Yes, we are for it, unequivocally for the development of the Lower Churchill but the motion asks us to pat the government on the back for the steps they have taken in the development of that project so far and we cannot do that.

AN HON. MEMBER: What is wrong with it?

MR. RIDEOUT: Because we do not agree with what you have done so far. It is as simple as that. We are for the development of the Lower Churchill but we do not agree with the steps taken by this administration so far. And I think we have pointed them out. The other gentlemen from this side have pointed them out in the debate. It has also been -

MR. W. CARTER: Mr. Speaker, will the hon. member permit a question I wonder?

MR. RIDEOUT: Yes.

MR. W. CARTER: I wonder would the hon. member then tell the House, he says he is for developing the Lower Churchill, will he tell the House just exactly how he and his colleagues would go about developing it?

MR. RIDEOUT: Mr. Speaker, you know that is certainly not for me to say, how we would go about developing the Lower Churchill.

MR. ROWE: You are the government.

MR. RIDEOUT: Yes, you are the government over there.

MR. ROWE: And do not ever forget it.

MR. RIDEOUT: All we are saying is that yes, we agree with the development of the Lower Churchill as soon as possible and you know things of that nature but ask me how I would go about developing the Lower Churchill.

MR. NEARY: You have no authority.

MR. ROWE: You do not have a Department of Energy.

MR. RIDEOUT: I am not the Minister of Mines and Energy. I cannot answer that for you. I do not have a department of experts to tell me how to go about doing it. That is not the point. We are for the development of the Lower Churchill. We have said that. But what I am saying is that

MR. RIDEOUT: some hon. gentlemen in this House keep saying that we do not have a stand. But we do have a stand. It is a clear stand, that we are for the development of the Lower Churchill. Anything else I suggest is just, to borrow a phrase from other gentlemen, is just drawing a red herring across the issue.

But we disagree with the way the government has handled the development of that project to this point. Now to suggest that voting against this motion at this particular time would indicate to Ottawa that this House is divided, that this Province is divided against itself, I think is utter nonsense. If the government wishes they can bring in a resolution asking the unanimity of the House to proceed to Ottawa. We would be all for that, and we certainly would look at it favourably at that time. But to suggest that being critical of this particular motion at this time, suggests to Ottawa that we are divided against ourselves to me makes no sense whatsoever.

MR. NEARY: Go back to your kindergarten my son.

MR. RIDEOUT: The hon. gentleman down in the corner is flapping again, Sir.

MR. ROWE: Super lip.

MR. RIDEOUT: Super lip. So these are just a few remarks that I want to make in this particular debate.

MR. SPEAKER (DR. COLLINS): The hon. member for Windsor-Buchans.

MR. RIDEOUT: And I was glad to have you back here!

MR. NEARY: Academic fool!

MR. SPEAKER (DR. COLLINS): Order, please!

MR. ROWE: Mr. Speaker, is it parliamentary, on a point of order, Mr. Speaker, for a member to call another member a fool?

AN HON. MEMBER: No, an academic.

MR. NEARY: No, not a fool, Sir, an academic now.

MR. SPEAKER (DR. COLLINS): On that point of order, I am afraid the Chair was paying attention to the hon. member for Windsor-Buchans who is to speak and did not hear any other remark.

The hon. member for Windsor-Buchans.

MR. FLIGHT: Mr. Speaker, it is not my intention to add any great new revelations to this debate, and I have considered very much as to whether I would even speak in the debate. However, one has got to answer to one's own conscience, and I think that whether or not the Lower Churchill is developed, by the way the Minister of Mines has indicated, is probably

MR. FLIGHT:

as important a thing as will ever come before this House. For this reason I felt that I owed it to my own conscience, if to nobody else, to at least say how I feel about it.

The first thing I would like to do is to assure the member from Naskaupi (Mr. Goudie) that I am in complete agreement with the situation he finds himself in. I had the privilege of living in Gull Pond in Happy Valley - Goose Bay for six months approximately three years ago and I can assure this House that in that six - that was the period that the people of Happy Valley - Goose Bay were in - the rumor was going around that the Americans would be pulling out and it was the looking to the development of the Lower Churchill that they were placing a fair amount of their future hopes. I can imagine the letdown when it becomes apparent that the Lower Churchill will at least be deferred and it does not take a great imagination to think that it might not be done at all. My fear, Sir, - I am not aware of the technical aspects. I do not pretend to be aware of the financial. However, I have to question this and the hon. Minister of Fisheries will probably get up and ask me how I would go about developing the Lower Churchill. But I will tell you what I will do, Sir, I will tell you how I would not go about developing the Lower Churchill. The minister has indicated that, number one, we have to have a customer for that power. Quebec is not at this time a customer and there is no guarantee that Quebec will ever be a customer and there is no guarantee in the minister's statement that he is prepared to have Quebec as a customer. So we spend approximately \$1.25 billion in building a tunnel and power lines. Now already I have learned enough in this House to know that the financial situation of this Province is stretched to the limit. We can only handle the commitments we have. If you project that a little farther, Mr. Speaker, let us assume that we follow the lines recommended by the Minister of Mines, proceed at full speed with the building of a tunnel, build the power lines down from the Upper Churchill to the Gulf and we commit this Province for another \$1.5 billion. Then let us assume that the Lower Churchill development is not possible to develop, the Province cannot find the financial means to develop that Lower Churchill,

MR. FLIGHT:

the customer is not there. Would then that tunnel - and I again, you know, it is academic, everybody would like to see a tunnel to Labrador. I do not want to be nailed on that point - but would then, this Province then, you know, would they be in a position to accept that kind of a debt to meet the interest and principal payments on that type of debt, would that in effect be the type of financial ruin that we have heard talked so much about in this House if in event that the power never comes from the Lower Churchill? Now, I think that is a legitimate question, Mr. Speaker.

So I would like, as I said, I would like to point this out to the House that this is where my concern lies. I think this is where the concern of a great many people in Newfoundland lies. Now I would like to refer to one thing, I do not intend to go very deeply into it, and that is the unforgettable Lloyds River diversion. I have heard it mentioned in this hon. House a great deal since I have come in. The first time I walked into the Chambers and met the various members for the first time, when they said, "Ah, what is your name?" "It is Graham Flight," "Oh, yes, you are the Lloyds River diversion." I guess that is the only thing I must have had going for me. But, Mr. Speaker, I assure you this, that sitting listening to the minister's statement, the original statement, it became very obvious to me that the government was well aware of the decision not indeed to develop the Lower Churchill, their inability to develop the Lower Churchill because around February of last year there was a mad rush to divert Lloyds River. It was obvious to the Minister of Energy at the time and to the government that they needed and would need extra energy. I think that their decision had been made. They were aware - and again we talk about misleading or not bringing out the full facts, I think the people who were defending the diversion, who were recommending and pursuing the diversion of Lloyds River had come clean with the people they would have made a simple statement that we have to divert Lloyds River or other rivers in the Province because we cannot and we do not know when we will be able to bring the power from Churchill Falls or the Lower Churchill into Newfoundland.

Mr. Flight:

That in itself is enough, Mr. Speaker, for me to justify my voting against this resolution.

AN HON. MEMBER: Oh, oh!

MR. FLIGHT: We have heard a lot about coming clean, coming clean with the people. Now I intend to refer later in this hon. House to the Lloyds River diversion, not in the light of what it would or would not mean to the Lower Churchill development or the Gull Island development or the lack of power that we will have in the next year or two.

MR. J. LUNDRIGAN: May I ask the hon. gentleman a question now, please?

MR. FLIGHT: Yes, Sir. Go right ahead.

MR. LUNDRIGAN: I did not get the hon. member's point that he made immediately before when he indicated that that was sufficient reason for him to vote against the resolution. I am interested in that remark if he could repeat it?

MR. FLIGHT: Yes, Sir, yes. I will answer the hon. member from Grand Falls (Mr. Lundrigan). There was quite a controversy at the time, as he is probably well aware, there were some people defending the division of Lloyds River, some people were saying it should not be diverted under any conditions or any cost. Now the people who were saying, let us divert Lloyds River were saying it on the basis that we need the Lloyds River power while we are waiting for the Lower Churchill to come on stream. And I submit to you, Sir, that was a red herring because they knew that the Lower Churchill power would not be coming on stream in the foreseeable future, and I say it only in the context of that they did not come out clear with the people. Does that answer it, Mr. Speaker?

MR. LUNDRIGAN: I just have another very simple question. I wonder would he agree or would it be in agreement with - in view of the fact that the environmental work which is being done there in the area also involve the Exploits Basin, I believe he called it, where there is a tremendous fishing potential as the hon. member is aware, hopefully which will be developed into something very positive. But does he

Mr. Lundrigan:

feel it is in the best interest of the whole area to look at the total environment and the kinds of potential that we have there in the whole Exploits system and the Basin which results from the Exploits River itself?

MR. SPEAKER (COLLINS) Order, please! I do not wish in any way to interfere with the House's wishes or debates, certainly, but we do have to maintain reasonable relevance. I think the relevance can be quite broad as we are dealing with energy matters but I do not think the debate should be totally directed away from what is stated in the motion towards other issues.

MR. FLIGHT: Mr. Speaker, in answer to - I will make one observation on the minister's statement. That at the time that the Lloyds River was being debated as to whether or not it would have been - it was proper to divert it, I would like to have had people in this Province asking the kind of questions that the minister just asked me, because we based our whole argument on the non-diversion against the diversion on the type of questions that you just asked, Sir.

MR. LUNDRIGAN: In other words you did not have sufficient information.

MR. FLIGHT: We did not have any information. And I doubt if it is possible to bring enough information before this House to justify the division of the Lloyds River for any reason. The only other relevant thing about the Lloyds River diversion in context with this, Mr. Speaker, is, I think, the justified end of everything is the cost of everything, and the people of Newfoundland were being told that in order to divert Lloyds River it would save the Newfoundland taxpayers \$28 million, that is what they were saying it would cost to divert Lloyds River. They are now telling the people of Newfoundland that it will cost \$1.5 billion to develop the Lower Churchill. The fact is, Mr. Speaker, it would not if - you know, this whole debate centers around energy, and what is happening to our energy in Newfoundland, and the fact is that the people who are using our power today in Newfoundland, maybe the whole system should be revaluated, you know, We are subsidizing every, every,

Mr. Flight:

and I say every commercial user of electricity in this Province today, every one. It was documented that every horsepower, kilowatt or volt or whatever you want to take, that would have been generated by the Lloyds River Diversion would have been used by Price (Nfld.) in the next five years and the people of Newfoundland were being told that it is going to cost you \$28 million. Why should it cost the people of Newfoundland \$28 million, if indeed it was going to be used by a company that is here for no other reason than to make a profit.

MR. HICKMAN: Would the hon. gentleman agree to the diversion of the Lloyds River if Price had paid for the development?

MR. FLIGHT: No, Sir, I would not have agreed to it under any circumstances. I disagree with the camouflage that was being used by the people who were defending the diversion of the Lloyds River.

MP. FLIGHT:

So, Mr. Speaker, I realize that I have not added any great - shed new light on the situation. I had no intention of debating it from a technical or a financial point of view. I would like to submit to this House that the people of Newfoundland, who want this thing aired, their greatest concern is whether or not this government is going to commit them to something that they indeed will not be able to stand up under. If we go ahead and do as the minister asks, and if in two or three years time we find that as a result of doing that this Province cannot maintain its level of social services, or indeed any other level of services because we have found ourselves loaded with the burden of building that tunnel and building those power lines, then I suspect that it will be an unhappy day for this government or any other government that brings that lot to the people of Newfoundland. That is all I have to say, Sir.

AN HON. MEMBER: You are against it?

MP. FLIGHT: I am against it.

MP. LUNDRIGAN: What are you for?

MP. FLIGHT: May I hold the Chair, Sir? I will tell the hon. member what I am for. I am for the minister coming into this House and saying that we want to commit \$1.5 billion for the building of that tunnel. We have a commitment from Quebec-Hydro, on our terms, that we can sell that power to Quebec-Hydro or we have a commitment that when that power is brought into that Island that we can develop the power, bring it into the Island, because we have commitments from industrials who will come here and use that electricity. I got no desire at all to bring all the power -

MP. LUNDRIGAN: What about the taxes?

MP. FLIGHT: Well that is what I am for. You asked me what I was for.

MP. LUNDRIGAN: We are only committing a little bit of money.

MP. FLIGHT: \$1.5 million? A little bit of money for a Province like Newfoundland?

MP. LUNDRIGAN: \$1.5 billion -

MR. FLIGHT. \$1.25 billion, escalation \$1.5 billion.

So I am going to keep going since the hon. member - I am for, let me say very clearly, Mr. Speaker, I am for the development of the Lower Churchill. I am for the building of a tunnel and the necessary power lines. However, I am not for that happening while there is any question as to the doubt, if there is any doubt that the Lower Churchill power will indeed ever flow through that tunnel or over the lines being built, I am not for that. I am for the government of the day going out and making arrangements with Hydro-Quebec or with Quebec, the type of arrangements that are in the better interests of this Province or else bring before this House the means that if the power from the Lower Churchill is brought to Newfoundland that indeed there will be industry, there will be markets here in the Province to use that power. If they cannot make that commitment to the people of Newfoundland, then I should suggest that they go very slowly on committing the \$1.5 billion that it will take to build the tunnel and build the lines. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Dr. Collins): The hon. member for Bay of Islands.

MR. WOODROW: Mr. Speaker, I would like to make just a very few brief remarks about the motion. I want to say what I said in my maiden speech. I have every confidence in the government of this Province, that is in the members whom I see sitting here before me. I have confidence in the Minister of Mines and Energy. I have extreme confidence in him, and he really would be a fool, he would be a fool, in fact, if he were not doing this without first knowing what he was doing. I am sure all this has been debated, it has been talked over by this party, and my glory be to God, in fact, he would not lead, in fact, Newfoundland down the drain. That, in fact, to do that would be acting as a traitor, and I know, in fact, the government of Newfoundland is not going to do that. So, therefore, as I said, just to have a few brief remarks on this, I admit that I have not studied.

Mr. Woodrow.

completely the whole history of the Lower Churchill Falls, but I am basing my argument on authority. I am taking, for example, I am taking for granted that the people on this side of the House of Assembly know what they are doing, and I am going to give my unqualified support to this motion.

SOME HON. MEMBERS: Hear! Hear!

MR. WOODROW: This week in fact I would like to say I was suffering from a heavy cold. The waters of the Lower Churchill were metaphysically running in my head whilst the water from my head was running physically out of my nose. So really at least I had been thinking about it. I hope and I might say I pray that everybody, I think everybody, since this project is of so much importance to Newfoundland, I would like, in fact, to join in what the member from LaPoile said; I think we should have a united front.

MR. NEARY: Hear, hear!

MR. WOODROW: Imagine if we could go to Ottawa with a united front on this thing, I think we would have much better support from the Government of Canada than by going with a House split. So I wish it every success. I may not be in the House to vote on it but I guarantee you I will be here in spirit.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Dr. Collins): The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, the hon. member who just spoke has raised, once again, this whole point of a divided House on this particular motion and what effect it would have on any negotiations with Hydro-Quebec or with the Federal Government. Now, Sir, let me put it plain and straight to hon. members of this House. This motion has nothing whatsoever to do with negotiations with the Federal Government nor Hydro-Quebec or anything else. And voting against this motion, this double-barrelled motion will not jeopardize in any way the need for the development of the Lower Churchill, in any way whatsoever. It simply will not jeopardize it because this motion, Sir, put in one phrase is 'pat me on the back', Sir. That is what the hon. Minister of Finance is asking this House to do, to have all members pat the Minister of Mines and Energy and the government on the back for the steps that they have taken since they acquired the shares of BRINCO and the water rights in Labrador, pat them on the back for the action that they have taken since acquisition and to pat them on the back and give them approval for what they are likely to do over the next year or in the future.

MR. SIMMONS: Never!

MR. ROWE:

Sir, we have no idea in this world what is going to take place and what is going to be done with respect to the Lower Churchill in the immediate future or in the far future. I got a number of points that I want to make on that later on.

MR. SIMMONS: Do not feel bad! The minister does not know either!

MR. ROWE: We just simply do not know. I would submit, Sir, that my colleague is right, that the government nor the minister really knows what is going to happen to this whole project. So, Sir, we are not in any way, and let me repeat this, jeopardizing any future negotiations or weakening our case in going to Ottawa for financial assistance whether it be by way of loan or by way of a grant. We are not weakening the government's case whatsoever.

MR. NEARY: You cannot have it both ways.

MR. ROWE: Let me put it - Mr. Speaker, if the government wants the full support of this House to go to Ottawa, to raise loans or to get a grant or to get financial assistance of any kind for the purpose of developing the hydro resources of this Province, be it the Lower Churchill project, the Gull Island project, be it the Naskaupi River, be it any other river in Labrador or any other river in this Province, on the Island portion of our Province, if this government wants strength and wants support to go to Ottawa to get financial assistance for that purpose, then let this government, Sir, bring that motion before this House and I am sure they will get the unqualified support of every single member on this side of this House. Now, Sir, let me just put that one to rest right away.

MR. HICKMAN: Will the hon. member yield for a question?

MR. ROWE: No, Mr. Speaker, I will not yield for a question. I have more to say than I can fit in in forty-five minutes on this particular project.

MR. HICKMAN: Do you promise no more phone calls to Ottawa?

MR. ROWE: Mr. Speaker, I have no idea in the world what the hon. minister is talking about.

MR. HICKMAN: 'Steve' spilled the beans.

MR. ROWE: Well, if the hon. Minister of Justice wants to consult with the member for LaPoile (Mr. Neary) let him do so, Sir. Now, -

MR. SIMMONS: But beware of the facts he gets.

MR. ROWE: Now, Sir, that is that on that particular point. Now, Sir, I listened to the Minister of Mines and Energy with a great deal of interest. The Minister of Mines and Energy, Sir, has to be complicated - complimented.

MR. SIMMONS: He is that too. He is complicated.

MR. ROWE: He is complicated, Mr. Speaker, but he has to be complimented and I commend him for the excellent job that he did

MR. F. ROWE:

in disclosing the weaknesses that were contained in the agreement on the Upper Churchill. He made an excellent résumé of the types of clauses and the types of concessions that we should attempt to avoid at this particular point in time. Now, Sir, we have to remember that this was given in hindsight. The hon. Minister of Mines and Energy, Sir, spoke with heavily tinted goggles and he did not at all refer to any of the advantages and good aspects contained in the original agreement for the Upper Churchill. Nor, Sir, did the hon. Minister of Mines and Energy refer to the great political and historical factors that had to be considered in our relationship with Quebec. This was the basic problem, Sir, the political and historical factors and the complications because of the fact that Quebec had us completely surrounded and had us by the whatnots on this particular issue. It is as simple as that. We were surrounded by Quebec and there was no other way of getting the power out, not to mention the technological difficulties that had to be overcome for this project.

But, Sir, the minister did point out some things that were a part of the original agreement that I feel should not be a part of any new agreement if Brinco had to have carried on. They did a good job and that but, like I said, it was spoken with tinted glasses. Now, Sir, the Leader of the Opposition gave an excellent disclosure as well of the weaknesses and the strengths of the original agreement on the Upper Churchill. These were supported with documentation, with facts and figures. Sir, he also made a thorough analysis of the advantages and the disadvantages of the government's acquisition of the Upper Churchill and the other hydro rights in Labrador. Sir, he was very revealing in the documentation that he gave in support of the weaknesses and disadvantages of that acquisition.

But, Sir, the hon. Leader of the Opposition also revealed with astounding accuracy the bungling of the present administration with respect to the way in which they have handled the development of the Lower Churchill. He simply took the government to task for

MR. F. POWE:

saying one thing before the great day of September 16 and saying a completely different thing after September 16, after the election was held. Sir, he did what was expected of any responsible Leader of the Opposition. He raised many, many questions which the Minister of Mines and Energy has yet to answer before we make a decision as to whether or not we fully support or reject the motion. But what we have heard so far, Sir, - and let me make this abundantly clear - we do not support this motion at the present time.

MR. NEARY: You are all Tories.

MR. F. POWE: For anybody, Sir, for anybody like the member for LePoile (Mr. Neary), who is lipping off down there again, Sir, -

MR. NEARY: The Tories are all on this side.

MR. F. POWE: - for him to suggest that we have not taken a stand is beyond comprehension, Sir. What is the purpose of debate in this House if it is not to get facts, dig out information, and then you stand and you vote for or against a resolution or a motion. Where is it in the parliamentary doctrine of any society where you have to get up and say, I am for this or I am against this and then you give arguments and then you listen to arguments? It is an absolute exercise in stupidity, Sir, for a person to get up and say, you have to make up your mind before hearing all the facts. The Leader of the Opposition unreservedly said that he was against the first part of this motion and he

MR. ROWE: said he was quite prepared to listen to argument before making up his mind. On the second part of the resolution and some of my colleagues have already made up their minds.

MR. NEARY: It is not a Model Parliament, you know.

MR. ROWE: The hon. member for LaPoile (Mr. Neary) should well know, Sir. Now, Sir, the member for Twillingate (Mr. Smallwood), spoke with a great deal of passion and sincerity and a strong conviction, and, of course, he has a great deal of experience to support his feelings and his stand. And, Sir, I think his stand is quite understandable. You do not slave, Sir, you do not slave for seventeen years and put together the manpower and the finances and the markets and the technology in creating one of the greatest hydro-electric developments in the world, private enterprise risking \$1 billion and see it wiped out before the whole project is really completed. This is why the hon. member for Twillingate (Mr. Smallwood) took the stand that he took.

Sir, BRINCO was the child of the former Premier. It was his creation and obviously any attempt to harm the child would bring on the wrath of the present member for Twillingate (Mr. Smallwood).

Sir, but this is a very complicated issue before us today, this development of the Lower Churchill. And let me say, Sir, I am not foolish enough and partisan enough to suggest the Minister of Mines and Energy (Mr. Crossie) is all wrong, nor can he be all right. The same thing holds for the government. And neither, Sir, can the former Premier nor the member for Twillingate (Mr. Smallwood) be all wrong or all right. Sir, we have to look at this, take the pros and take the cons and vote accordingly.

Now, Sir, let me make it abundantly clear that we support the principle of ownership of our hydro resources in this Province. And let me also make it abundantly clear and without any qualification whatsoever that we do support the concept of the development of the Gull Island site, Lower Churchill, and any other hydro resources in this Province provided that it is in the best interest of this Province and the people of Newfoundland and Labrador.

MR. ROWE: Sir, no other proof can be offered other than the fact, or no greater proof can be offered than the fact that we voted with the government when they brought in legislation to acquire the BRINCO shares and the other water rights in Labrador. And, Sir, we did so with the full knowledge that such a step would be a very brutal blow and a very dismal disappointment, in fact a fatal flick, almost, to BRINCO, the company.

MR. NEARY: You double-crossed the member for Twillingate (Mr. Smallwood).

MR. ROWE: Sir, I will not stand for that kind of language in this House of Assembly. We did not double-cross anybody and I restate once again, and I will say it for the last time, because I am not going to waste my breath on it; there was no deal and no agreement between the Liberal caucus and the former Premier of this Province.

AN HON. MEMBER: What about the meeting?

MR. ROWE: There was a meeting and I said that. And any responsible group of people, Sir, would call on the expertise of a former Premier of this Province when such an issue arises.

Now, Sir, as I said we supported the principle and we continue to support the principle, and how could we do otherwise.

MR. WELLS: Point of order, Mr. Speaker.

MR. SPEAKER: Order, please!

MR. WELLS: I would like to mention to Your Honour and to the hon. member that the Lieutenant-Governor has arrived, if my friend would adjourn the debate for such time as the Lieutenant-Governor can sign the assent to the bills.

MR. ROWE: Mr. Speaker, I will be glad to adjourn the debate.

SERGEANT-AT-ARMS: Mr. Speaker, His Honour the Lieutenant-Governor has arrived.

MR. SPEAKER: Admit His Honour the Lieutenant-Governor.

MR. SPEAKER: May it please Your Honour, the General Assembly of the Province has in its present session passed certain bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

A bill, "An Act Further To Amend The Retail Sales Tax Act, 1972." (No. 3)

A bill, "An Act Further To Amend The Income Tax Act." (No. 4).

A bill, "An Act To Ratify, Confirm And Adopt An Agreement Entered Into Between The Government, Wabanex Energy Corporation Limited And Power Corporation Of Canada Limited With Respect To The Conduct Of A Survey Into The Feasibility Of Using The Disused Iron Ore Mines At Bell Island For Hydrocarbon Storage And, If Feasible, To Lease Land And Pertinents Therefor, And To Make Statutory Provisions Respecting Matters Connected Therewith." (No.5).

A bill, "An Act Further To Amend The Summary Jurisdiction Act." (No. 9).

A bill, "An Act Further To Amend The City Of St. John's Act." (No.62).

A bill, "An Act To Empower The St. John's Municipal Council To Raise A Loan For Municipal Purposes By The Issue Of Bonds." (No.6).

A bill, "An Act Further To Amend The Minimum Wage Act." (No.11).

A bill, "An Act To Provide For The Restructuring Of The Anglican Diocese Of Newfoundland." (No. 8).

A bill, "An Act Further To Amend The Highway Traffic Act." (No.12).

A bill, "An Act Further To Amend The Assessment Act." (No.16).

HON. GORDON A. WINTER (Lieutenant Governor): In Her Majesty's name

I assent to these bills.

Mr. Speaker, and the hon. members of the House of Assembly, before I take my leave may I extend to you my best wishes for a Merry Christmas and a Happy New Year.

MR. SPEAKER: The adjourned debate.

MR. F.B. ROWE: Mr. Speaker, the point that I was making, Sir, is that I wanted to make it quite clear that we supported the principle of the acquisition of the BRINCO shares and the water rights in Labrador and therefore the ownership of the hydro resources

MR. ROWE:

of our Province, and I gave reasons for that, Sir. At that time there were other very significant reasons why we supported that piece of legislation.

Mr. Rowe.

Sir, we the people of the Province were told on March 1974 that everything was technically feasible for the project, that financing did not appear to present a problem, that the government had parties interested in developing the Gull Island site, that markets presented no problems. Sir, we were told this, and the people of Newfoundland were told this by the government of this Province. I do not know if you would call it the supreme authority, but it was certainly an authoritative source in this Province that would not require sworn affidavits. But, Sir, slowly but surely the magnitude of the government's actions, the unbelievable degree of mismanagement and the miscalculations came to a head. Sir, it started to become relatively obvious, and I think it has become obvious now that the government are simply in over their heads with respect to the development of the Gull Island site or the Lower Churchill. Sir, there are a number of critical factors that have to be considered before the final release of this project and the work on this project. There is the cost of the project itself that is not settled, the cost of the project. I cannot see any reason why it is not continuing to escalate. The technical feasibility; I will have some questions, Sir, on that, particularly with respect of the tunnelling. Resultant energy rates are still a question mark. Environmental concerns, we thought, Sir, with this big fat study that there would not be too much in the way of environmental concerns, but the native peoples in Labrador are starting to ask questions with respect to that factor. There is what to do with the surplus energy factor. There is the labour agreement. There is the ability to finance and there is the markets. These are eight factors, Sir, most of which still have a great huge question mark behind them.

Sir, we assumed, and it should go without saying, that the government, before acquiring the responsibility for the development of this project, should have had these eight factors completely analyzed

Mr. Rowe.

and under control. Sir, we know on this day, at this very moment, that the cost factor is not under control. The technical feasibility, we still have questions to ask of that. Resultant energy rates, environmental concerns, surplus energy, the labour agreement, the ability to finance and the markets are certainly not under control. They might have been analyzed and studied to death, Sir, but these problems have not been solved. Sir, as Nero fiddled while Rome burned, Sir, the government of this Province bungled and blundered and told the people a story that was not quite accurate before the election. All this was going on, Sir, while costs were escalating very, very heavily with respect to this development.

Sir, what do we hope to get out of the Lower Churchill? One-third of the power of the Upper Churchill. Am I correct on that? Approximately one-third. One-third of the power we will get out of the Lower Churchill as compared to the Upper Churchill. The Upper Churchill cost approximately \$1 billion. We have witnessed this one-third of the power project, if you want to call it that, escalate from \$1.47 billion to \$1.8 billion, to \$2.1 billion, to \$2.3 billion and, Sir, I would submit

Mr. F. POWE:

that before this project cost is finally added that we will have in excess of \$3 billion. I am not trying to paint a picture of gloom and doom on this, but I am afraid that in the final analysis we will be looking at a figure in excess of \$3 billion for the development of one-third of the power. Now I do not know whether you want to look at that geometrically or arithmetically. But it is certainly a factor of six times the cost for the same energy as was developed in the Upper Churchill.

Sir, I can remember very clearly speaking in the House of Assembly last year supporting the ownership of our hydro resources. I mentioned at that time and I predicted that there would be an escalation factor of six times when you compare the amount of power to the amount of cost of this project. Sir, I expressed concern over the fact that ownership of a developed resource is a completely different quintal of fish from ownership of an undeveloped natural resource. I can remember very, very clearly, Sir, asking the questions; "What about the financial burden, what about the technology for the development of this, did we have the markets?" Sir, I can also remember very, very clearly my first session - not the first sitting but the first Assembly for me and the second or third session, I guess - but the first general Assembly when I still considered myself a rookie and some hon. members may still think I am acting like a rookie. But I felt like a rookie then, Sir. I can remember being scoffed at and laughed at when I voiced concern over these factors and expressing the opinion that the government may find itself in trouble because of the fact that they had acquired the ownership over an undeveloped natural resource rather than the ownership of a developed natural resource.

I can remember very clearly, Sir, wishing the Premier and the government members at that very time all the best with respect to the success of the project, and I simply hoped that they knew what they were getting themselves into. Now, Sir, where are we today on

MR. POWE:

this project? Where are we today? The latest government position as far as I can see it is something like this: They will continue the work on the HVDC line, transmission lines, the tunnel and the terminals spread over a longer period of time. That is my understanding. It may be necessary to install 150 or is it a 75 megawatt unit at Holyrood. What are the units at Holyrood? Seventy-five or 150 megawatts?

AN HON. MEMBER: One hundred and fifty.

MR. F. POWE: Yes, 150. So the government has to install an additional 150 megawatt unit at Holyrood, and I have some serious questions to ask about that. Full release on the transmission line, tunnel and terminals is not yet decided. There is a minimum, a minimum delay of one year on the Cull Island site project itself. It may be two years. It may be three years. It may be longer. The exact nature of the work on the transmission lines, tunnel and terminals are not completely resolved - on 150, thank you, 150 - because this is all, Sir, pending on recall in excess of 300 megawatts from Hydro-Quebec. That is the transmission line, the intertie.

Sir, also all this is contingent upon \$142 million approximately.

Mr. Rowe:

\$143 million by way of a grant from Ottawa for the tunnel, and a quarter of a billion dollars, \$258 million for half the cost alone on the HVDC transmission line. Sir, nothing is definite. To say that it is in a state of flux is putting it mildly. We just simply do not know where we are going on this project. And the government comes before us and asks us to give them a pat on the back, a vote of confidence for not knowing where they are going. Sir, we are simply not going to do that.

Now the hon. minister when he stands may indeed provide us with the answers. If he does, Sir, -

AN HON. MEMBER: No he cannot.

AN HON. MEMBER: What if he looks up Hansard -

MR. ROWE: - no I am not going to repeat, Sir, I have not got time to look up Hansard, Mr. Speaker, look up the Hansard and see the depth of quality and questions that I am raising at this particular point in time.

Sir, nothing is definite. And I just listed off the six points, the six points that categorize where the government stands with respect to the power development on the Lower Churchill. Now, Sir, why are we in this terrible mess at the present time?

MR. PECKFORD: We are not in a terrible mess.

MR. ROWE: Not in a terrible mess, Mr. Speaker, not in a terrible mess! We only got a minimum delay on the Gull Island site -

AN HON. MEMBER: Of one year.

MR. ROWE: - of one year, a minimum delay.

MR. CROSBIE: The original was seventeen years ...

MR. ROWE: Oh now, Mr. Speaker, I was waiting for that to come up. I was waiting for that to come up -

MR. CROSBIE: You will hear it again.

MR. ROWE: - and this is the last time I will reply to any interjections from the other side. Seventeen years of a battle to put together the finances, the markets and, Sir, above all, the technology. Sir, at the time they were talking about harnessing the Upper Churchill there was

MR. ROWE: not even the technology to take the electricity over these distances.

MR. CROSBIE: They did not have to invent the technology.

MR. ROWE: There was - Sir, what was it, a \$1 million truck to take - a \$1 million truck had to be built to carry the generators, and a road had to be built to carry the generators. The BRINCO people, Sir, had to develop the technology in order to produce the very project that we see before our eyes. Sir, if it was not for the Upper Churchill we would not even be able to look at the Lower Churchill. It is a repeat - it is a one-third repeat of the Upper Churchill this is! The technology was there, the experts were there, BRINCO was there, and, Sir, we assumed that the government knew what they were doing when they took over.

MR. CROSBIE: There will be power everywhere, just wait!

MR. ROWE: Sir, let me just state quite emphatically that I, you know, really feel strongly that the government sincerely and honestly tried to do the right thing back in 1974.

SOME HON. MEMBERS: Hear, hear!

MR. ROWE: The operative word, Sir, is "tried", tried to do the right thing.

AN HON. MEMBER: What is that?

MR. ROWE: And, Sir, for that they got our loyal and sincere support at that time.

AN HON. MEMBER: Oh, oh!

MR. ROWE: Sir, I think they had a dream, they had a vision.

MR. DOODY: That is why he is in the House before Joey came in, Mr. Speaker. They put Joey back in the House.

MR. ROWE: Mr. Speaker, I thought I had the floor, you know.

MR. SPEAKER: Order, please!

MR. ROWE: Sir, I think that the government, they cannot even take a compliment seriously. I think that they had a vision, they had a dream in the ownership of our hydro resources just as the former Premier (Mr. Smallwood), Sir, had a dream and a vision with respect

Mr. Rowe:

to the development of the Upper Churchill. But, Sir, there is a big difference in a Liberal Government and a P.C. Government.

MR. CROSBIE: You can bet on that!

MR. ROWE: The Liberal - ho, ho, ho - The Liberal Government, Sir, the dream and the vision became a reality.

MR. CROSBIE: A nightmare.

MR. ROWE: Notwithstanding, Sir, notwithstanding the serious political obstacles put forward by Quebec. On the other hand, Sir, the P.C. dream and vision remain just that, a dream, and if anything it is what the hon. Minister of Mines and Energy (Mr. Crosbie) said, it has become a nightmare. Now why is this so? Why is this so?

MR. DOODY: Because you were on the phone.

MR. NEARY: It is your fault.

MR. ROWE: Sir, this is a standard joke between the hon. member for LaPoile (Mr. Neary) and the hon. members opposite which is getting me vicious at this point, Sir, because I do not know what they talking about, I simply do not know what they are talking about.

Now, Sir, why are we in this particular situation? Now this is the important point that I want to make, Sir. Somewhere along the line, now I have just said that we feel that the government was sincere in what they did and they felt that they were doing the right thing and in our view they did the right thing in acquiring these rights, but something went wrong along the line. Now, Sir, what was that? Sir, I submit that the government lost sight of the forest for the trees. Sir, they acquired the fatal disease or sickness, whatever you want to call it, or attitude of tunnel vision, and I am not referring to the tunnel across the Straits of Belle Isle tunnel vision and Sir~I will substantiate that as I go along.

Sir, let us look at, now the key point is what went wrong along the line, and my submission is that they lost sight of something very important. The government, Sir, acquired tunnel vision. Sir, if we refer to page five of the ministerial statement of November 28, 1975, page five, was, "While numerous forecasts," and I am quoting the minister's statement, "While numerous forecasts have been prepared, based on a variety of assumptions, the most realistic forecast available, in the opinion of the management of Newfoundland and Labrador Hydro, projects the Island's industrial load growth at an annual compound rate of 5.6 per cent and the Island's utility load growth at 9.6 per cent, giving an overall average

MR. ROWE: system load growth of 8.1 per cent per annum for the period 1976 to 1990."

Now, Sir, 8.1 per cent per annum 1976 to 1990 means an approximate need of 75 megawatts per year compounded, 75 megawatts, 75 megawatts per year. So we agree with the minister's forecast of the need. Now, Sir, we understand from experts that the non-industrial, the domestic electrical need at this very point in time is at the critical stage in this Province, and we can expect the crunch, Sir, in 1976.

MR. CROSBIE: That is not correct.

MR. ROWE: Sir, I am giving my considered opinion having spoken with certain experts, probably not the same experts, and maybe the same experts.

MR. CROSBIE: I just want to reassure you.

MR. ROWE: Sir, I am saying that I am led to believe in consultation with people who seem to know who they are talking about, that this Province is facing a critical electrical need at this very moment.

MR. CROSBIE: Do not ride the elevators.

MR. ROWE: Sir, and that we will be facing a very serious power shortage on the Island

Mr. Rowe.

in two or three years. Now, Sir, the minister seems to think this is funny. I have only talked about the domestic need. This is not taking into consideration any industrial need. It has not taking the industrial need into consideration.

Now, Sir, if we do not develop electricity in this Province, there are only two choices; raise the prices or limit -

MR. CROSBIE: And the Liberal policy is do nothing.

MR. ROWE: I would like to say, limit the hon. minister.

MR. MARSHALL: On a point of order, Mr. Speaker.

MR. ROWE: - raise the prices, Sir, of electricity or limit -

MR. MARSHALL: On a point of order, Sir.

MR. SPEAKER: A point of order has been raised.

MR. MARSHALL: Has the hon. member's time expired yet? I think it has.

MR. ROWE: No, it has not.

MR. MARSHALL: The hon. members in the House are almost expired, I think.

MR. ROWE: To that point of order, Mr. Speaker. I asked that that time be put back on my time, because the hon. member, if he wishes to use up my time, can do so by questions like that, or if he really wants to find out the information, he can go to the clerk and get it.

MR. SPEAKER: Add on fifteen seconds.

MR. ROWE: Now, Sir, with this serious power shortage, if electricity is not brought on stream, within the next two or three years, we will either have to raise the prices in order to cut down on the consumption or limit the amount of power that is available to our people. It is as simple as that.

Now, Sir, what are the solutions to the problem? We are facing a critical power shortage because of the shortsightedness or the tunnel vision of this administration. What are the solutions, the Gull Island site? The solution is not the Gull Island site, Sir. One reason is that we do not have the final release on it yet. We are

Mr. Rowe.

encountering problems. We are going to have delays. The other reason, Sir, is that we get zero watts or 1,800 megawatts of electricity from the Gull Island site. You get one or the other. It is as simple as that. We cannot use, at the present time, 1,800 megawatts of electricity on this Province. This is why we have the problems that we have with the Gull Island project.

Now, Sir, why do I say that the government was shortsighted or had tunnel vision on this? And before I get to that there is an alternate source of power that has been mentioned by the Minister of Mines and Energy and that is a third unit at Holyrood, and I think the minister had something to say about that on page six, if I remember correctly. No, Mr. Speaker, he does not have anything to say on that, but there is the thermal plant -

AN HON. MEMBER: Carried.

MR. ROWE: No., it is not. The third unit at Holyrood is going to cause serious thermal pollution in Conception Bay, and I am led to believe, Sir, that -

AN HON. MEMBER: Oh, oh!

MR. ROWE: I am led to believe by certain experts who I have been speaking with that the increase in temperature of the water in Conception Bay causes disease in the fish which can spread seriously throughout the bay and the surrounding waters of this Province.

MR. CROSBIE: That is a red herring.

MR. ROWE: Now, Mr. Speaker, look, I am serious. The hon. minister, when he closes the debate, can answer these questions.

MR. NEARY: It has given trouble over on Bell Island.

MR. CROSBIE: That is hogwash!

MR. ROWE: Well, Sir, it is not hogwash because the hon. minister says it is hogwash.

MR. PECKFORD: Why do you not ask him to provide the information?

MR. ROWE: I asked the hon. minister to answer the question, Sir.

MR. J. CARTER: Point of order.

MR. ROWE: Will a third unit in the Holyrood generating thermal plant for the generation of electricity create serious thermal pollution -

MR. SPEAKER: A point of order has been raised.

MR. J. CARTER: A point of order, Mr. Speaker. I would ask if you would enforce Standing Order 51 (b). I will read it out for you, Your Honour.

MR. SPEAKER: In what particular document?

MR. CARTER: The Standing Orders.

"Mr. Speaker or the Chairman, after having called the attention of the House, or the Committee, to the conduct -

AN HON. MEMBER: Sit down!

MR. J. CARTER: May I read it out, Mr. Speaker?

MR. SPEAKER: Yes, please do.

MR. J. CARTER: "After having called the attention of the House, or of the Committee, to the conduct of a member who persists in irrelevance or needless repetition, may direct him to discontinue his speech, and if the member continues to speak, Mr. Speaker may name him, or, if in Committee, the Chairman shall report him to the House."

MR. SPEAKER: I do believe the hon. gentleman has suggested a most drastic measure. The hon. gentleman is in order, and is invited to continue.

MR. F.B. ROWE: Thank you, Mr. Speaker. How much time do I have left, Mr. Speaker?

MR. SPEAKER: Five minutes.

MR. F.B. ROWE: Five minutes.

Now, Sir, the point that I made or am trying to make - with a bit of interruption from the other side - is that the government had its sights set on only one thing and that was the development of the Gull Island site, and they excluded and they blotted out completely other alternative sources of power in this Province. Because, Sir, when we look at the thermal plant at Holyrood, the lead time for that is, what, two or three or four years? How long does it take to get a unit in that particular plant?

AN HON. MEMBER: Four or five years.

MR. F.B. ROWE: Four or five years, Sir, and we have the environmental or the thermal pollution to consider. Sir, also with respect to other sources of power in Labrador and on the Island, we have value judgements to make with respect to the development of them. For example, the Terra Nova River, -

MR. PECKFORD: That is out.

MR. F.B. ROWE: - there is a value judgement to be made.

MR. PECKFORD: Out, out.

MR. F.B. ROWE: The Lloyds River Diversion, there is -

MR. PECKFORD: Out.

MR. F.B. ROWE: The minister is confirming what I am saying here.

MR. PECKFORD: Out.

MR. F.B. ROWE: But, Sir, the hon. crowd opposite -

MR. PECKFORD: Out.

MR. F.B. ROWE: That is it, Mr. Speaker, they ruled everything out. They did not look at the other alternatives so we are stuck now at this point of the game with zero megawatts or 1,800 megawatts and what is the result? A delay.

MR. PECKFORD: You are all mixed up, "Fred".

MR. F.B. ROWE: The hon. member may be mixed up, Mr. Speaker.

AN HON. MEMBER: Rennie's River is down there.

MR. F.B. ROWE: Sir, I think we have to consider both issues or both parts of this motion separately. It does not mean you have to vote for and against in that particular order, Sir, but I would like to move an amendment seconded by my colleague from White Bay-Bay de Verde or Bay de Verde-White Bay.

MR. PECKFORD: Baie Verte. You are in Bay de Verde.

MR. F.B. ROWE: Baie Verte, to amend the motion, Sir, by deleting all words after "on November 28, 1975". Sir, this effectively splits the motion in two in order to delete - to amend the motion by deleting all words after "on November 28, 1975". Sir, this effectively splits the motion in order that we may consider it in two parts and I guess Your Honour would like an opportunity to look at the motion before accepting it or shall I continue on, Mr. Speaker?

MR. SPEAKER: If I accept the motion, the motion being moved by the hon. member, seconded by his colleague to omit all of the words after "November 28, 1975", which is, in looking at the motion, the third line up from the bottom -

MR. WELLS: On a point of order, Mr. Speaker.

MR. SPEAKER: Yes.

MR. WELLS: Will we have an opportunity then to debate whether this amendment is in order or not?

MR. SPEAKER: If hon. members wish to make submissions then I will hear them.

MR. F.B. ROWE: To a point of order, Mr. Speaker. I do not know it is in order to debate whether the amendment is in order or not.

MR. WELLS: Well, make submissions.

MR. F.B. ROWE: I think the member can rise on a point of order. If the Speaker wishes to take the amendment under advisement and have consultation with either side that is acceptable, but to debate whether or not the amendment is in order is something, I think, that is unprecedented in this House.

MR. WELLS: No, Make submissions is the thing.

MR. SPEAKER: If an hon. member wishes on a point of order to suggest that the amendment is out of order and to give his reasons I

MR. SPEAKER: would certainly hear them.

MR. WELLS: Well that is the position, Mr. Speaker, and as it is now six o'clock, or practically six o'clock, perhaps when we resume on Monday we could debate this point of order.

MR. SPEAKER: I certainly would be guided by the sense of the House there. Another possibility would be that hon. members if they wish might put forward their argument now: if not, obviously, we will wait until the House next sits.

MR. WELLS: Mr. Speaker, I think -

MR. MARSHALL: You know - if I may -

MR. WELLS: I am sorry!

MR. MARSHALL: It is all right. On the point of order there is one quite obvious, as I see it, point of order that the hon. member for Trinity - Bay de Verde proposes a motion seconded by somebody who has already spoken in this debate and, of course, this is entirely out of order as it is. That in itself disposes -

AN HON. MEMBER: Mr. Speaker -

MR. MARSHALL: I am not through yet, Mr. Speaker. I believe I have the floor until I am through with the point of order. That makes the motion out of order, out of hand and cancels out the hon. member's amendment. I think that -

SOME HON. MEMBERS: Hear, hear!

MR. WELLS: Point of order.

MR. NEARY: To that point of order.

MR. SPEAKER: Well, the hon. gentleman to my left has been recognized.

MR. WELLS: To the point of order, Mr. Speaker, that, of course, is quite correct. The other thing is, of course, that this negates the entire motion, this particular amendment and, of course, these are the two arguments.

MR. NEARY: You have no choice but to leave the Chair, Your Honour, it being six o'clock.

MR. WELLS: These are the two arguments and I would now move the adjournment of this House until Monday at three o'clock in the afternoon.

MR. SPEAKER: I can certainly dispose of the matter on the

submission made by the hon. the member for St. John's East and that is that the hon. gentleman who seconded it has, in fact, spoken in the debate, and so the amendment cannot be made.

MR. MURPHY: Nice try.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. F.B. ROWE: I take it that I still have the floor.

MR. SPEAKER: That depends on whether the time has expired. I would have to check with the officers at the table.

MR. MURPHY: The time has expired.

MR. F.B. ROWE: No it has not.

MR. WELLS: The position is that time has expired and I think the record will show that, Mr. Speaker, and I would move the adjournment of this House until Monday at three o'clock in the afternoon.

On motion the House at its rising adjourned until tomorrow Monday, December 22, 1975, at 3:00 p.m.

I N D E X

ANSWERS TO QUESTIONS

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DECEMBER 19, 1975

DEC 19 1975

Answer to Question 143 on Order Paper of Monday, November 24, 1975 asked by Honourable Mr. Smallwood directed to the Honourable Minister of Finance.

Question: For the estimated total amount received and to be received by the Government from the Government of Canada in the current financial year.

Answer: \$210,695,000.

DEC 19 1975

Answer to Question 145 on Order Paper of Monday, November 24,
1975 asked by Honourable Mr. Smallwood directed to the
Honourable Minister of Finance:

Question: The names of the banks in the Province in
which the Government have accounts.

Answer: The Bank of Montreal
The Bank of Nova Scotia
The Canadian Imperial Bank of Commerce
The Royal Bank of Canada.

DEC 19 1975

Answer to Question 150 on Order Paper of Monday, November 24th., 1975
asked by Honourable Mr. Smallwood directed to the Honourable Minister of
Finance.

Question: The yield each financial year from the Provincial Income Tax
in the years 1965-75.

Answer: Yield from Provincial Income Tax For the Ten Year Period
Ended March 31, 1975.

<u>Year</u>	<u>Amount</u> (In Millions)
1965/66	6,153
1966/67	8,183
1967/68	11,763
1968/69	13,195
1969/70	19,347
1970/71	26,673
1971/72	28,041
1972/73	34,784
1973/74	47,266
1974/75	60,500

DEC 19 1975

Answer to Question 151 on Order Paper of Monday, November 24th., 1975
asked by Honourable Mr. Smallwood directed to the Honourable Minister of
Finance.

Question: The yield each financial year from the Provincial
Corporation Income Tax in the years 1965-75.

Answer: Yield from Corporation Income Tax for the Ten Year Period
Ended March 31, 1975.

<u>Year</u>	<u>Amount</u> (In Millions)
1965/66	9,295
1966/67	7,573
1967/68	5,500
1968/69	8,901
1969/70	9,463
1970/71	7,916
1971/72	8,951
1972/73	12,053
1973/74	16,447
1974/75	22,300

4010 1975

Answer to Question 175 on Order Paper of Monday, November 24th., 1975
asked by Honourable Mr. Smallwood directed to the Honourable Minister of
Finance.

Question: The amounts received under the Equalization Grants in each
financial year 1965-75.

Answer: Equalization Payments to Newfoundland for the Ten Year Period
Ended March 31, 1975.

<u>Year</u>	<u>Amount</u> (In Millions)
1965/66	22,163
1966/67	29,007
1967/68	67,866
1968/69	71,779
1970/71	90,369
1971/72	120,551
1972/73	114,447
1973/74	155,979
1974/75	186,631

DEC 19 1975

Answer to Question 152 on Order Paper of Monday, November 24th, 1975
asked by Honourable Mr. Smallwood directed to the Honourable Minister of
Finance.

Question: To ask for the Gross Provincial Product for the latest year
available.

Answer: The Newfoundland Gross Provincial Product for 1974 at
market price was \$1960.7 million.

DEC 19 1975

Answer to Question 222 on Order Paper of Monday, November 24th,
1975 asked by Honourable Mr. Smallwood directed to the Honourable
Minister of Finance.

Question: A statement showing the average cost of living figures
for the years 1960-73; the monthly figures for the years
1974-75 inclusive.

Answer: Consumer Price Index (all items) 1961 = 100

1960		99.0
1961		100.0
1962		100.8
1963		102.8
1964		103.9
1965		105.5
1966		108.0
1967		110.9
1968		115.9
1969		119.9
1970		121.6
1971		123.5
1972		129.7
1973		140.4
1974	Jan.	147.8
	Feb.	150.7
	Mar.	152.6
	Apr.	154.3
	May	156.4
	June	158.4
	July	160.0
	Aug.	160.8
	Sept.	161.9
	Oct.	164.3
	Nov.	166.1
	Dec.	167.2
	Yearly Average	128.2
1975	Jan.	167.7
	Feb.	169.2
	Mar.	171.1

DEC 19 1975

QUESTION: Number 459, Mr. Dawe (Port de Grave) - To ask the Honourable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information;

If he has an estimate of the numbers of sub-standard dwelling houses in each of the communities of St. John's, Corner Brook, Grand Falls and Gander?

ANSWER: There are various indicators of housing quality, related to provision of facilities, the structure itself, degree of crowding and so on. The primary source of data, unless special surveys have been conducted is the Census. No special studies are available for these four centers at present. I therefore arranged for indicators to be taken from the 1971 Census as follows:-

	St. John's	Corner Brook	Grand Falls	Gander
TOTAL DWELLINGS	20,320	5,593	1,742	1,790
No Piped Water	480	100	0	0
No Toilets	570	175	0	0
No installed Baths or Showers	1,755	510	0	20
Overcrowding, 1.1 persons or more per room	2,805	1,200	257	310

DEC 19 1975

QUESTION: Number 460, Mr. Dawe (Port de Grave) - To ask the Honorable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:

The numbers of family formations in each of the financial years 1970-75, and the numbers of housing units that came into existence in those same years.

ANSWER: I set out below the answers to the question as asked. I have also included marriages which are the base figure for Net Family Formations. The net figure results from calculations taking into account marriages, deaths, divorces and migration. Calculation of needs involves other factors. Information is not yet available for 1975.

	Net Family Formations	Marriages	Housing Starts
1970	3,085	4,466	2,636
1971	4,082	4,685	3,658
1972	3,998	5,106	3,901
1973	3,235	5,048	4,831
1974	3,644	4,892	4,911

DEC 19 1979

QUESTION: Number 461, Mr. Dawe (Port de Grave) - To ask the Honorable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:

If he has an estimate of the numbers of housing units that came into existence in each of the financial years 1970-75 by means of purely private enterprise, without financial assistance (except for the \$500 figure) from the Federal or Provincial Government; if he has, will he table it?

ANSWER: The available statistics indicate housing starts as follows:

DWELLING STARTS FINANCED BY PRIVATE FUNDS

	By Lending Institutions	Other	Total
1970	339	1,560	1,899
1971	626	1,986	2,612
1972	1,000	2,202	3,202
1973	1,732	2,558	4,290
1974	1,232	2,807	4,039
1975	NOT YET AVAILABLE		

DEC 19 1975

QUESTION: Number 462, Mr. Dawe (Port de Grave) - To ask the Honourable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:

If he has an estimate of the numbers of new housing units that need to be brought into existence annually in this Province

- a) to satisfy the need caused by growth of population, and
- b) to replace sub-standard housing accommodation.

ANSWER: Consistent with need and ability of the building trade to produce, a figure of 6000 units a year would meet basic needs.

DEC 19 1975

QUESTION NO. 463 BY MR. DAWE (PORT DE GRAVE)
ORDERS OF THE DAY DATED NOVEMBER 24TH, 1975

MR. DAWE (PORT DE GRAVE): To ask the Honourable Minister of
Municipal Affairs & Housing to lay upon the Table of the
House the following information:

QUESTION

Of the sewerage systems in the Province, how many have
sewerage disposal plants?

ANSWER

Of the existing municipal sewerage systems in the Province,
the following have sewerage treatment plants:

- | | |
|----------------------|-----------------------|
| Appleton | Red Harbour |
| Badger | Rocky Harbour |
| Baie Verte (Partial) | Seal Cove, White Bay |
| Bonavista | Spaniard's Bay |
| Cow Head | St. Anthony (Partial) |
| Gander | Victoria |
| Holyrood | Wabana (Partial) |
| Labrador City | Wareham |
| Lumsden | Wedgewood Park |
| Millertown | Whitbourne |
| Norris Point | Glenwood |

DEC 19 1975

Question No. 465. Mr. Dawe (Port de Grave) - To ask the Honourable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:

How many housing units, and at what cost were provided by the Federal-Provincial Housing Partnership in each of the financial years 1970-75, and what proportion of the amount each year was provided by each Government?

Answer: Under the Federal/Provincial Partnership, which is a 75%/25% cost sharing arrangement subsidized rental housing, and mortgage lending programmes the following units were provided, with Federal and Provincial monies as set out below:

<u>YEAR</u>	<u>NUMBER OF UNITS</u>	<u>PROVINCIAL SHARE</u>	<u>FEDERAL SHARE</u>	<u>TOTAL COST</u>
1969-70	-	-	-	-
1970-71	66	\$ 334,687	\$ 1,004,061	\$ 1,338,748
1971-72	26	146,366	439,098	585,464
1972-73	-	-	-	-
1973-74	117	867,000	2,601,000	3,468,000
1974-75	849	4,281,592	12,844,776	17,126,368
	<u>1058</u>	<u>\$5,629,645</u>	<u>\$16,888,935</u>	<u>\$22,518,580</u>

DEC 19 1975

Answer to question No. 467

(Mr. Dawe (Port de Grave) : How many units and at what annual expenditure were brought into existence by the St. John's Housing Corporation in each of the financial years 1970-75, whether any Federal Agency contributed to such annual expenditure and if so, how much?)

" The St. John's Housing Corporation has developed no housing units during the period 1970-75.

The Corporation has developed, serviced and sold building sites sufficient to support the construction of family units, single and multiple, as follows:

January - December	1970	104
do	1971	117
do	1972	43
January 1973 - March 1974*		811
April 1974 - March 1975		348
		<hr/>
		1423

(*Change in fiscal year)

These sites were sold to building contractors and to the general public and a very large percentage of them were built upon by purchasers who utilized Federal Government Assistance. However, the details of this assistance is information which is not available to the Corporation.

DEC 19 1975

QUESTION: Number 470, Mr. Dawe (Port de Grave) - To ask the Honourable Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:
If he has an estimate of the number of absentee landlords owning land or buildings in St. John's, their present addresses, and the value of the property so owned?

ANSWER: I do not have an estimate of the number of absentee landlords owning land or buildings in St. John's. I have asked my officials to provide this information if it is reasonably accessible.

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