

# THIRTY-SEVENTH GENERAL ASSEMBLY OF NEWFOUNDLAND

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# **VERBATIM REPORT**

MONDAY, DECEMBER 22, 1975

SPEAKER; THE HONOURABLE GERALD RYAN OTTENHEIMER

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

#### ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN:

MR. SPEAKER: The hon. Minister of Justice.

HON. A. HICKMAN: Mr. Speaker, in answer to question No. 99 on the Order Paper of November 24, 1975 asked by the hon. the member for Twillingate (Mr. Smallwood): That question is more properly directed to the Solicitor General of Canada.

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

HON. J. ROUSSEAU: Mr. Speaker, I have the replies to questions Nos. 270, 271, 272, 274, 275, 280 and 293 for the hon, the member from Twillingate (Mr. Smallwood). They are the last ones before Christmas. I am going to give my staff a Christmas boliday now.

#### ORAL QUESTIONS:

MR. SPEAKER: The hon. member for LaPoile.

MR. S. NEARY: Mr. Speaker, I would like to put a question, Sir, to the Minister of Tourism. In view of the fact that there seems to be a dark cloud now over this Cabot Group 4 situation, would the minister undertake to table all correspondence and all details in relation to any work or contracts that have been done, given by his department to this Cabot Group 4 advertising agency or whatever it is?

MR. SPEAKER: The hon. minister of Yourism.

HON. T. HICKEY: Mr. Speaker, I do not want to set any new precedent but

I am certainly prepared to take the notice of the question, and in saying
that let me assure the House there is no reason and there is certainly nothing to
prevent documents from being tabled. I will take it under advisement.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, a supplementary: Would the minister indicate in what time period he would do this? Will he do it before the House adjourns until February, or will we have to wait until February before we get the information?

MR. FICKFY: Well, Mr. Speaker, that is like asking me when the House is going to adjourn. I do not know. But certainly the first thing I should do in relation to this because obviously one does not table, every time the Opposition asks for documents to be tabled one does not necessarily respond. I should consult my colleagues on this matter. As I said and I repeat there is no reason why, certainly nothing to prevent us from tabling the documents. But I certainly do not want to respond in the affirmative and set any new precedent.

MR. NEARY: Mr. Speaker, -

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

MR. NEARY: Go ahead, John!

MR. NOLAN: I can wait.

MR. NEARY: No, no, go ahead.

MR. NOLAN: Mr. Speaker, a question for the Minister of Mines and Energy in reference to Wahanex and their intention to store oil or crude under Conception Bay: What studies, if any, are available to indicate what tests have been made in reference to pollution or the danger of pollution to Conception Bay? Would he or one of his ministers be willing to table such studies?

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

HON. J. CROSEIE: Mr. Speaker, I would have to take that question as notice. Of course, the Power Corporation of Canada is now studying the whole proposal and has to put in a proposal-or has to put in a report and a part of that report, of course, would he as to the environmental effects for the safety of the whole operation and that would be covered in the report. As to what studies there are presently available I would have to check on that.

MR. NEARY: Mr. Speaker, would the Minister of Provincial Affairs, who is responsible for consumer affairs, Sir, indicate to the House how many recommendations of the Food Prices Review Board Report, November, 1974 have been implemented to date? How many recommendations of the Food Prices Review Board Report, November, 1974 have been implemented by the Provincial Government?

MR. SPEAKER: The hon. Minister of Provincial Affairs and Environment. HON. A. MURPHY: Mr. Speaker, in answer to that question I would say every recommendation that is available within the jurisdiction of my department has been put into force. I do not know if there are any that we did not do. But we are doing everything within our power. I think the House must be aware, they are purely an investigative and information department because we have no jurisdiction in any way to establish prices or roll back prices, anything like this. We work very closely with the Federal Department of Consumer Affairs and basically I feel that in the last recent weeks particularly I think we have been very active in consumer affairs as evidenced by the many dozens of calls that we have received by telephone. I am very happy to say, Sir, that in conversation with-if I may at this time- with radio stations in Corner Brook yesterday that the matter we brought forward about the cost of gasoline in Corner Brook, the prices have now gone back, as far as I understand, because of the opening of a self-service station there and this has had the effect. We do not want to take all the credit but we think to some extent the Department of Consumer Affairs has some responsibility for affecting that change. MR. NFARY: Mr. Speaker, I am dis -144 MR. NEARY:

satisfied with that answer, Sir, and I wish to debate it on Thursday next, MR. NOLAN: He lost the paper.

MP. MURPHY: I will see you at Midnight Mass.

I'm. NEADY: I'm. Speaker, in view of the fact that, Sir, that - I presume, Mr. Speaker, that Thursday after the Nouse reconvenes we will be able to debate this matter - in view of the fact, Sir, that the House may adjourn today or tomorrow would the Minister of Tourism rell us what time we are going to get the long overdue snowmobile regulations?

I'm. SPEAKEP: The bon. Minister of Tourism.

timely because just today there is a group of interested parties representing various organizations and regions of the Province meeting in St. John's - I think their meetings have concluded, in fact - who have had an opportunity to take a final look at the proposed regulations. Thatever changes are recommended by those people will be considered and put in the form of a white paper and that paper will be issued. It will probably be distributed to the press, to members of the House and to interested parties throughout the Province.

MM. NEAPY: The Winter will not be over before we get the regulations?

MM. HICKEY: I hope not, Mr. Speaker, but that does not mean that

the regulations can become effective this year because, for example,

one of the regulations covers licensing of those vehicles and we

have known for quite some time that that is not possible this year.

MM. SPEAKEP: The hom. member for Conception Bay South (Mr. Nolan).

MM. NOLAN: Mr. Speaker, on the same subject, if I may. Is the minister

aware at the moment that an eight year old child can drive a forty

horsepower snowmobile? Surely we can bring in such a law to prevent

this? Is that possible do you think?

MP. CROSBIE: Do you mean can or may?

m. HICKEY: Yes, Mr. Speaker -

MP. NOLAN: Can, may - both.

have gone out of control, an eight or nine year old child has rolled off the vehicle, and this is all the more reason why that we are pressing to have the regulations put into effect. I can assure the hon, gentleman that there is a regulation covering this and when they do become effective certainly that will be unlawful. There will be a pretty stiff penalty for the people responsible for that child, or whoever might be operating, if they are under the age which is required.

PT. SPRAKET: The hon. Leader of the Opposition.

that is by way of almost being a supplementary to the one asked by my friend from Conception Bay South (Mr. Nolan). Since the minister is aware of the fact, and since the government has the authority to act will be bring in the rule immediately that no child may drive one of these snowmobiles? The government have the legislative authority, as I understand it, and nobody surely would defend the practice. Well is there anything to prevent the government from acting now, to pass the Order-in-Council just simply to make it unlawful for a child, say below the age of fifteen or sixteen, to drive one of these machines.

MT. SPEAKER: The hon, Minister of Tourism.

the Leader of the Opposition that just today I discussed with my officials the possibility of implementing certain regulations with regards to safety. Certainly this could be a very appropriate one which could very well become effective before the licensing and the more complicated matters are sorted out. I personally see no reason why that cannot be done. We will certainly endeavour to see that it is.

minister undertake to raise the matter with his colleagues at a very

#### Mr. Roberts:

early time with a view of getting immediate action?

MR. HICKEY: Mr. Speaker, I certainly will and I will do it on tomorrow.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, would the Minister of Intergovernmental
Affairs, Sir, tell the House if the government are getting together
a delegation to head for Norway sometime in the early New Year?
MR. ROBERTS: Take Wick Collins with them.

MR. NEARY: What will be the purpose of their visit and who will be going on this delegation to Norway?

MR. SPEAKER: The hon. Minister of Intergovernmental Affairs.

MR. CROSBIE: Mr. Speaker, you know, we have no firm information at the moment. The hon. the Premier is in the Grace General Hospital at the moment and will not be going anywhere. So we just have to wait to get the answer to that.

AN HON. MEMBER: Is Wick Collins going to be a part of the delegation?

MR. CROSBIE: Wick Collins is an expert and he could easily go there.

MR. MURPHY: He is going to be the chief pilot.

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

MR. NOLAN: Mr. Speaker, in reference to an earlier question, if I may, to the Minister of Provincial Affairs who is responsible for Consumer Affairs and in reference to the Prices Peview Board recommendations. If there were ten recommendations, about two of them, I understand, applied maybe to federal action. There were seven or eight that required provincial action. One was on warehousing, the type of brokerage that we have in Newfoundland as opposed to other provinces. It was indicated that this was responsible for some of the prices we have. Has the minister or his officials attempted to look into this and what, if any, action do they contemplate?

MR. SPEAKER: The hon. Minister of Provincial Affairs.

MR. MURPHY: I can only say the same thing as I answered the other question, Sir. It is all with regard to the report on the Consumer Affairs area and I can only say that as far as we are concerned we have done everything within our power, as far as I know. If there are any other things we have not done we will be only too happy to hear from any member of the House or anybody else.

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

MR. ROBERTS: Mr. Speaker, we are not short of time so, a question for the Minister of Manpower and Industrial Relations. Has the minister received any representations from some of the men at Labrador City who have silicosis and are forced to travel back and forth to St. John's for medical checkups, representations with respect to the amounts which they receive to enable them to pay their travel claims?

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

MR. MAYNARD: No, Mr. Speaker, I have not received any representations from anyone in Labrador City on that particular matter.

MR. ROBERTS: Mr. Speaker, I only got the last half of the minister's answer.

MR. MAYNARD: I said I have not received any representation, Mr. Speaker, from anyone in Labrador City on that particular matter.

MR. ROBERTS: Well, Mr. Speaker, I have received representations. I will send them to the minister and I think his colleague, the hon. gentleman from Menihek (Mr. Rousseau) also has received them. Would the minister undertake to look into this matter with a view to having the complaint investigated and if appropriate have it remedied?

MR. MAYNARD: Sure!

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I would like to ask the acting Premier why the unions in Buchans were ignored when the government was establishing a task force to look into local government for the community of Buchans, why it was a government-company-task force and not employee or union-government-company, why the unions were ignored?

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

MR. CROSBIE: Mr. Speaker, I would ask the Minister of Manpower and Industrial Relations to comment on that. I am not aware of a task force being appointed to look into local government. There is a task force looking into the future of Buchans but the Minister of Manpower and Industrial Relations (Mr. Maynard) could better answer the question.

MR. MAYNARD: Mr. Speaker, when the task force was set up the unions were represented. As a matter of fact the Vice-President of the union in Buchans is on the task force, the main body of the task force; and the task force itself recommended to me as to who should serve on the sub-committee on local government. Certainly the union representative was in on that decision and I said okay to the people that they recommended to me.

MR. NOLAN: Mr. Speaker, a question to the Minister of Industrial

Development. In reference to the unemployment situation in Newfoundland
which is expected to get worse, what programmes does he or the government
now have on the drawing boards to provide employment in the next
twelve months in Newfoundland, how many jobs are anticipated, and
can be provide us with any information on any such projects?

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

MR. LUNDRIGAN: Mr. Speaker, it would be impossible for me to give a
meaningful comment on that type of question during the Question Period.

MR. NOLAN: Will you take notice of it and answer it sometime?

MR. LUNDRIGAN: I will answer it now if you come in, 'John', and have a
discussion on it.

MR. SPEAKER: The hon, member for LaPoile.

MR. NEARY: Mr. Speaker, would the Minister of Municipal Affairs

care to clear up the situation in Wesleyville concerning the water and

sewer project proposed for that community and the dissatisfaction

expressed today by the Town Council in Wesleyville?

MR. SPEAKER: The hon, Minister of Municipal Affairs.

MR. PECKFORD: Mr. Speaker, I will have to take it as notice. I am not aware of any dissatisfaction.

MR. NEARY: Listen to the news.

MP. PECKFORD: I have got a lot more valuable things to do than listen to the news all the time, Mr. Speaker.

MR. NEARY: Mr. Speaker, would the Minister of Fisheries tell us if in fact it is the temperature of the water that is causing all the mackeral to die and wash ashore in various parts of Newfoundland?

SOME HON. MEMBERS: Oh! Oh!

MR. NEARY: Mr. Speaker, would the minister care to tell us what is happening to the mackeral?

MR. W. CARTER: I have no information on that, Mr. Speaker.

'R. SPEAKER: The hon, member for Conception Bay South.

'Another World.' Tune in for the next time.

Norma and Cladys spend Christmas and is it receiving guests?

Mr. Speaker, that is almost like the series

I am not quite sure, Mr. Speaker, I have come to the conclusion that I should not necessarily keep such accurate information or track of the visits or the ports of call. It could very well be Barbados or Antigua, one or the other.

MR. SPEAKER: The hon, the member for LaPoile.

MR. NEARY: Mr. Speaker, could the Minister of Mines and Energy, Sir, before he dashes out of the House, tell us how big the discovery of jade is on the Great Northern Peninsula, near St. Anthony? Would the minister care to bring the House up-to-date on this discovery and tell us if it is going to be beneficial to Newfoundland, if it is there in commercial quantities, and if the government will be setting up an industry there?

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

MR. CROSBIE: Mr. Speaker, I do not mind taking that question as notice, but I do not think this jade discovery is something new. I will have to look into it. I do not think we need expect a fantastic jade industry in the immediate, near future. The hon. gentleman has been jading this House for about five weeks now, Mr. Speaker, and I am getting very jaded myself, but I will check into this jade discovery. If it amounts to anything we might share it between us or whatever.

MR. NEARY: Mr. Speaker, the hon. minister jaded everybody in Newfoundland the other night on television.

MR. MURPHY: That is not so. I think he was outstanding.

MR. NEARY: Sir, would the same minister care to tell the House about the possibility of a new mining operation in the Gull Lake area?

MR. CROSBIE: In what area?

MR. NEARY: He has not done his homework, Sir.

MR. SPRAKER: The hon, the Minister of Mines and Energy.

MR. CROSBIE: I will have to check into this new discovery, Mr. Speaker.

What area?

MR. NEARY: The Gull Lake area.

MR. CROSBIE: Gull Lake. It may be guano, Mr. Speaker.

MR. NEARY: What about ashestos? What about the new discovery of ashestos? Does the minister know anything about that or is he too busy with the other jobs in his portfolio?

MR. CROSBLE: Mr. Speaker, is there any other mineral he can think of to ask one of these questions on?

MR. NEARY: These are all new discoveries!

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

MR. NOLAN: Mr. Speaker, I have a question for the Minister of Mines and Energy, before he escapes, Mr. Speaker. Could the minister be good enough to tell us of the energy produced for electrical power and heat in Newfoundland, how much does Newfoundland Hydro produce as opposed to, for example, what the Newfoundland Light and Power provide for themselves?

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

MR. CROSBIE: Mr. Speaker, I went to the trouble to table

in this honourable House last week ten or twelve copies of
a document that showed the total amount of power generated in
Newfoundland in the year 1974. I believe it also showed what
was generated by Newfoundland and Labrador Hydro and what was
generated by CFLCo and what was generated by Newfoundland
Light and Power and so on. So that information, I do not have it
right at hand now, but it has already been tabled here. Now
I may also have something further here, but I have to look through my
notes. Anyway the information has been tabled.

MR, SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, could the Minister of Justice, Sir, tell the House if he intends to act on a suggestion made by one of his employees, Magistrate Luther, recently when he spoke to the St. John's Northwest Rotary Club that he thought Newfoundland should have an all-year-round advertising campaign to help crack down on drunk drivers? Would the minister also react to the magistrate's suggestion that there should be more breathalizers in Newfoundland?

MR. DOODY: While you are at it, take the Norma and Gladys. She also keeps people off the roads.

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, I cannot react to it, because I am not familiar, and I was totally unaware of the statement made by the learned

#### Mr. Hickman.

magistrate. I saw where the learned magistrate made a very fine speech in which he made the statement that I have made so often in the House that fifty per cent of the deaths on the highway are attributed to - at least fifty per cent - impaired motorists and that he felt that the Parliament of Canada were moving in the right direction as they seek to amend the Criminal Code of Canada to increase the fines. These things I saw. The other I did not see or hear, and I will certainly read it avidly, quickly and with enthusiasm.

MR. CROSBIE: Mr. Speaker, could I elaborate on my answer to the second last question?

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

MR. CROSBIE: The table is filed here somewhere, but I have just come across it now. In 1974 the net energy firm and secondary generated by Newfoundland and Labrador Corporation was 2,663,000,000 kilowatt hours, leaving out the thousands, and the Newfoundland Light and Power generated 390,000,000 kilowatt hours. Bowater Power, 857,000,000; Price, 291,000,000; for a total on the Island of 4,202,000,000. In Labrador, Churchill Falls generated 23,000,000,000 kilowatt hours; Twin Falls 1,000,000,000; Mehihek Power, 112,000,000 for a total in Labrador of 24,490,000,000. The total generated on the Island and Labrador was 28,692,000,000 of which there was exported from the Province 22,000,000,000.

MR. CROSBIE:

But there is a table that gives all the details here somewhere. The clerk has it.

Tape 855

MR. NEARY: Mr. Speaker, could the Minister of Manpower, Sir, bring us up to date on the labour situation in the Province now, especially as it relates to the paper industry-pulp and paper industry - to St. Lawrence, Naterford Hospital and Exon House? im. SPEAKEP: The hon. Minister of Manpower (Mr. Maynard). MP. MAYNAPD: Mr. Speaker, in relation to the paper strike first, we have had meetings with the union on Saturday, the union committees. in Corner Brook, these Committees from all three mills, where we discussed the recent Anti-inflation Board ruling in the case of the Trying mill in New Brunswick. We were looking at the possibility or exploring with the union the possibility of having negotiations resumed. We had hoped to meet with the company heads this morning but due to weather on the West Coast and Central Newfoundland area they phoned me and asked me if the meeting could be postponed. I understand that some negotiations may be making place between the Price unions and the company in Crand Falls this afternoon and tomorrow.

The St. Lawrence dispute is the same now as it was a few days ago when they rejected the latest company offer. We have been and continue to be, in contact with the union and the company to see if there are any possibilities or anything that we can do to break the impasse. So far, I must say, we have not been all that successful with it.

In relation to the other problems that may or may not occur at Waterford and the Exon Pouse, again I refer the hon. gentleman to the president of Treasury Board.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary. Then I will recognize the hon. member for Fogo (Capt. Winsor).

MR. NEARY: Mr. Speaker, a supplementary. Would the Minister - Mr. DOODY: Are you asking a question, Sir?

"T. NEATY: Yes. Tell us what is bappening in connection with "laterford Hospital and Exon House? Has that been settled up yet?

"T. DOODY: Sir, there are two areas of problem here, I suppose.

One of them is, if the hon, member is worried about admittance over the Christmas Season, that restriction has now been raised, and —

"T. NEATY: No, the next election I am worried about. What is going to happen to all that hon, crowd over there after the next election?

"T. DOODY: Sir, we may take the same course the hon, member took and run for cover. The knows?

The truth of the matter is, Sir, that we are actively doing what we can to try to avert a strike. I do not think there will be a strile. I have said it here before. I have said it here in the House, I do not honestly believe that over what appears to be a relatively inconsequential matter that the public service people The are employed at these essential services at the homes, at the Waterford Wospital, Exon House and other places will go on strike. I cannot honestly believe that they vill. We have had a wonderful relationship with them during the current year. We have had pay increases in excess of 25 per cent in many cases during the past several years. Morling conditions and salaries have increased enormously. I do not really believe that a strike situation will happen. In the event that it does then government will do everything in its power to protect the people for whom we have responsibility, the inmates of these institutions. They are the first and foremost responsibility of the administration. We have absolutely no intention, Sir, of reneging on that responsibility or backing off. We will see to it that full and adequate services are maintained.

In the meantime dialogue is available. We are willing and able and anxious to talk to the union representatives and we will continue to do so.

Mr. NEATY: Hear! Hear!

MP. SPEAKET: The hon. member for Togo (Capt. Winsor).

CAPT. WINSOn: Yr. Speaker, I am not positive to whom I should direct this

#### Capt. Winsor:

question either the Minister of Mines and Energy or perhaps
the Minister of Provincial Affairs. However I will direct the
question to the Minister of Provincial Affairs. Would be undertake
to enquire or investigate why the cost of electricity has doubled
and almost tripled in certain areas of this Province, since November,
during the months of November and December?

AN HON. MEMBER: Hear! Hear!

MR. SPEAKER: The hon. Minister of Provincial Affairs,

MR. MURPHY: Mr. Speaker, I think the question has teen asked and many members of the House including myself, are very much concerned with the increase in the light bills. But what the reason is - I do not know if they are burning more kilowatt hours or it is the rates. But there is a Public Utilities Board and I will certainly - MR. NEARY: They want 75 per cent a month.

MR. MURPHY: Whatever it is. It is a matter - and I would suggest, as I have suggested before on recommendation of the Minister of Justice, that if any member of this House wants to appeal any of this, all he needs, is it five?

AN HON. MEMBER: Yes.

MR. MURPHY: Five of your constitutents and appeal to the Public
Utilities Board who, as I understand have almost the right of a court
to establish rates and whatnot. We have made dozens and dozens of
representations through different areas. We received literally
hundreds of phone calls about the same thing. The only advice I can
give them, Sir, is the same advice that was given by the Minister of
Justice here a short few weeks ago.

MR. SPEAKER: The hon, member for Fogo,

CAPT. WINSOR: Mr. Sneaker, would the minister undertake to carry out an investigation to see if we can get to the bottom of this?

MR. MURPHY: No, I am afraid I cannot undertake to carry out any investigation. I can only tell the hon. member the same as I have told everybody else. If there is any representations against any ruling I do not know how you would appeal it, but the Minister of Justice is the one responsible, or the Justice Department, or the Board of Public Utilities. I would say, if the members are doing their job, get together in their districts, organize committees and make an appeal againt them. If you get fifty-one members with ten or twelve or twenty or thirty of forty or two hundred neople appealing then there might be action taken by the Public Utilities Board but not by my department.

MR. NEARY: In connection with that question, Sir, would the minister of Mines and Energy tell the House whether or not his government are going to provincialize the Newfoundland Light and Power Company?

MR. DOODY: Would the hon. the member for LaPoile (Mr. Neary) permit the Opposition to have a question from time to time?

MR. CROSBIE: Mr. Sneaker, the Newfoundland Light and Power
Company are already provincialized. They operate here in this Province,
I think they are incorporated under the Newfoundland Companies Act
and they are as provincialized as you can get.

MR. NFARY: Does the government intend to take over?

MR. CROSBIF: If we were, Mr. Sneaker, we certainly would not reveal it to the House.

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

MR. NOLAN: Mr. Speaker, would the Minister of Mines and Energy indicate to us to what extent the Newfoundland Light and Power Company is merely a front for billing for the Newfoundland Hydro? They are the ones and Newfoundland Hydro will not appear before the Public

MR. CROSBIE: Mr. Speaker, I am surprised the hon. gentleman asked that question. He was Minister of Economic Development and must

Utilities Commission.

MR. CROSBIE: have had some connection with the Power Commission at some point. The hon, gentleman knows that the Newfoundland Light and Power Commany Limited stands on its own feet. It has its own investments, it has its own assets, it has its own distribution network. It can only charge the customers what the Board of Commissioners of Public Utilities allows it to charge to get a certain return on the amount that the company has invested. That is the Newfoundland Light and Power.

The Newfoundland Light and Power buys hydro power, hydro energy from Newfoundland and Labrador Power, which is now called Newfoundland and Labrador Hydro. It has to pay Newfoundland and Labrador Hydro at least what it costs Newfoundland and Labrador Hydro. It is not now paying Newfoundland and Labrador Hydro what it costs Newfoundland and Labrador Hydro, so members of this hon. House are asked every year to vote monies to subsidize the customers who are getting power from Newfoundland Light and Power, who have been receiving it from Hydro under cost.

At the beginning of this year Newfoundland and Labrador Hydro increased its rates to Newfoundland Light and Power which of course increased its rates for that reason and other reasons to its own customers. So they are two entirely distinct entities and the fact remains, Mr. Speaker, that Newfoundland Light and Power are getting power from Newfoundland and Labrador Hydro at less than the cost to Newfoundland and Labrador Hydro and we have to make up the difference by voting money in this House.

MR. SPEAKER: I shall permit the hon, member another supplementary and then the hon, the member for Bellevue.

MR. NOLAN: To the Minister of Mines and Energy again; would the minister consider bringing in the necessary legislation which will demand that Newfoundland Hydro like any other utility appear before the Public Utilities Commission and lay their books on the table?

MP. ROBERTS: Hear, hear! Hear, hear!

MR. CROSBIE: Newfoundland and Labrador Hydro is not like any other utility. It is a government owned, it is a publicly owned

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corporation responsible and reporting to the Government of this Province. Therefore it is in an entirely different position than Newfoundland Light and Power Company Limited.

We will consider anything, and I will consider the hon.
gentleman's suggestion, but the hon. gentleman when he was in
government his government did not take that action and we have not
vet decided to take it. Whether we will in the future or not, we
will announce when it is decided. So yes, we will consider
anything,

MR. SPEAKER: The hon, the member for Bellevue.

MR. CALLAN: Mr. Speaker, I would like to ask the hon. the Minister of Mines and Energy in connection with the Come By Chance oil refinery, which is in my district, some of the workers down there have been quitting their jobs recently because of the danger that the thing could close up and they are looking around for more secure jobs. I would like to ask the hon. Minister of Mines and Energy whether or not he could assure the House and perhaps these workers there that the thing will not close up and perhaps he can give us an up-to-date statement on what is the status of the thing now.

#### Mr. Crosbie:

Mr. Speaker, as I said before we are not in any position to give a statement on this matter because the matter is still under negotiation. It is under negotiation between certain Japanese interests, who are a large creditor of the oil refinery, have been negotiating now for some six to eight weeks with the Shaheen organization and with ECGD and Kleinwort-Benson and with the Newfoundland Government to see under what terms and conditions they will continue to support it, and what security they wish for doing that. Those negotiations are not concluded, Until they are concluded one way or the other it would not be reasonable or in the public interest for us to make any statement on the matter. Now I can only give an assurance to the people who are working at Come By Chance. insofar as it is within the government's power to see to it, we are endeavouring to see that there is no interruption in the operations of the Come By Chance oil refinery. But that primarily depends upon negotiations between other parties and not ourselves, Where we can play a part we will play it, and therefore that is all I can say at this time. These negotiations are still going on, the refinery is still operating and we are hopeful and expectant that it will continue to operate but I can give no assurance other than that.

MR. SPEAKER: The time has expired for Oral Question period time.

Now before calling Orders of the Day, first I notice in the gallery Mr. David Rooney, Member of Parliament for Bonavista-Trinity-Conception, I know hon. members welcome him here.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Also it was suggested to me by an hon. member and he asked that I thank on behalf of members of the Rouse Mr. Hellen's and the Conception Bay Region Band which played in the foyer during the lunch break, and I am certainly pleased to do that.

SOME HON. MEMBERS: Hear, hear!

#### ORDERS OF THE DAY

MR. SPEAKER: Motion 1. Order please! Before recognizing the hon. gentleman I should point out that when we adjourned on Friday there were a couple of matters to which members were directing their attention. The immediate one, or the one now, is that just a few seconds before the adjournment the hon. member asked whether he still had the floor, to which I replied that depended on whether time had expired or not. One hon. member said, it had expired. The hon. member for Trinity-Bay de Verde (Mr. Rowe) said it had not. Then we had the motion to adjourn, so that was left in a state of suspense. I have since checked with the officers of the House at the Table. It appears that while the regular proceedings were adjourned for the visit of His Honour the Lieutenant-Governor, the specific, accurate timing of that interruption was not in fact kept. There is, therefore, a question of doubt, and I give the benefit of the doubt to the hon. member rather than to the clock. I would suggest that the benefit of the doubt would be five minutes.

MR. F. ROWE: Thank you very much, Mr. Speaker. I do not think I will spend much of the five minutes at this point, Sir. I will simply move an amendment since the other one was dispensed with, and the amendment reads, to amend the motion by deleting all words following "On November 28, 1975" and this amendment, Sir, is seconded by my colleague from Terra Nova (Mr. Lush). Now, Sir, will I continue on or do you wish to consider that particular matter? MR. SPEAKER: I think at this stage this is identical to the amendment to which the hon. gentleman had the intention of moving on Friday, but which in fact was not in order then because the hon, gentleman who seconded it, or purported to second it, could not in fact second it. Before we got to that specific point of order which was quickly decided it was a question of fact whether the seconder could in fact second it a point of order had been raised with reference to the amendment itself, and it was raised by the hon. House Leader (Mr. Wells). I believe there were probably a few other comments on it, and I recall saying

## Mr. Speaker:

then that before making a decision I would be prepared to hear brief and relevant submissions, argumentation on it. We did not proceed

#### MR. SPEAKER:

I think that now I will be prepared to hear argumentation if there are those who wish to propose it.

The hon. House Leader.

Mm. WELLS: Yes, Mr. Speaker, I would refer to the fourth edition of Beauchesne at page 170, paragraph 15. "An amendment approving part of a motion and disapproving the remainder is out of order." They give the example there which I will read. "On the 20th of October, 1932, the Prime Minister moved that the House approve a Trade Agreement entered into between Canada and the United Kingdom. An amendment was moved that the House welcomed certain terms of the Agreement and condemned several features of it. The Speaker ruled it out because (a) the portion of the amendment which approved the Agreement was useless as it suggested no change in the main motion, and also, (b), an amendment to disapprove what the main motion approves is nothing but an expanded negative. Moreover, the amendment could not be a declaration of principles because the only motions on which such a declaration can be moved are motions for the Address in reply to the Speech from the Throne, motions to go into Committee of Supply or Ways and Means and for the Second Reading of Public Bills."

Now in this case, Mr. Speaker, we have a motion which is set forth on the Order Paper and the final sentence of it, which the hon. member is moving be stricken out - that is his amendment - is that "this hon. House of Assembly approves the plans announced by the Government of Newfoundland and Labrador for the phased continuation of the project during 1976."

Now, Mr. Speaker, our submission is that the amendment would approve part of the motion, everything that went before that sentence, and would disapprove the remainder. As such as that is not covered by our Standing Orders directly, we fall back on Beauchesne and the Standing Orders and precedent of the House of Commons, and

### MR. WELLS:

consequently, Your Honour, would argue that that amendment is completely out of order by virtue of that rule and that authority.

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

MP. ROBERTS: Thank you, Mr. Speaker. The hon. gentleman opposite has made a reference to Beauchesne, and I submit that his citation is not appropriate and not applicable to the amendment which Your Honour now has under consideration. The purpose of the amendment, Sir, made by my friend from Trinity-Bay de Verde (Mr. F. Rowe) is to delete part of the motion. The motion moved by the Minister of Mines and Energy has two separate and I submit almost distinct parts. They are related but they are quite distinct. One is to approve certain actions which the government have undertaken, that is part one of the motion. Part two is to approve certain suggestions which the government have put forth as their policy with respect to hydro development in this Province in the next little while.

Honour, would be to delete the second part of that motion and make it an entirely different - in other words, make the motion an entirely different one, thus meeting the first test of an amendment. The citation read by the hon. gentleman, Sir, is not applicable here in my view. It does not disapprove the main motion. First of all there is no suggestion of approval. The effect of the amendment is neither to approve nor to disapprove. The effect of the amendment is to delete. The citation, citation 15 of paragraph 202 is found on page 170 refers to a matter which approves and disapproves. There is no such intent, there are no words, there is no such effect here, Mr. Speaker. The effect of the amendment, the intent of it and the words are all the same, is to delete the second part of the motion.

So, I first of all submit that the citation is just not applicable and therefore gives Your Honour no ground on which to rule out this amendment, to rule it out of order. Secondly, if I could refer Your Nonour to page 168 of Beauchesne, citation 200 which is one of the main ones on this question of amendments,

MR. ROBERTS:

citation 200, sub-paragraph (4) - and I submit, Sir, this is directly in point. It is at the top of page 168 for hon, gentlemen who wish to read along with me. "A motion which contains two or more distinct propositions may be divided so that the sense of the House may be taken on each separately." I submit, Sir, that is precisely what we are attempting to do here. This is the only procedure open to us. The motion should have been separated by the government but that is not within our power.

What we are going to do,

MR. ROBERTS:

if the amendment is in order, is to permit how, gentlemen to vote, Sir, on each of these separately and the effect of this amendment will be to allow that by requiring two separate votes, one on the amendment, one on the main motion and thus allowing gentlemen and how, members of the House to record their opinions separately on each of the two questions; first of all the government's actions to date with respect to certain matters of hydro development; secondly, with respect to the government's proposals for further developments in these same matters.

So I submit, Sir, that citation 202-15 is quite imapplicable and does not govern in this case and that the one which should govern is 200-4 and that this motion should be separated. The amendment will do it. It is quite in order, in my view, to have the amendment stand and let the House determine its fate.

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: On a point of order, Mr. Speaker. I disagree entirely, of course, with what the hon. Leader of the Opposition said. If, and I would refer Your Honour back to page 170 of Beauchesne to sub-paragraph fourteen which says, "An amendment which would produce the same result as if the original motion were simply negatived is out of order." In this ease I suggest to Your Honour that to allow this amendment would really negative entirely the motion and that the real gist of this motion—the guts, I was going to say of this motion—is in that last sentence that "this hon. House of Assembly approve the plans announced by the Government of Newfoundland and Labrador for the phased continuation of the project during 1976." And to delete that, Mr. Speaker, would completely negative the motion itself.

MR. ROBERTS: Mr. Speaker, if I may respond to the secondary point made by the hon. gentleman from Kilbride (Mr. Wells) now that he has given up on his main point, the main point being citation 15 or sub-paragraph 15.

MR. WELLS: That is not so, not so at all.

MR. ROBERTS: Sub-paragraph 14, Sir, again in my submission, is not apt, does not apply. If one were to negative this motion, Mr. Speaker, if one were to negative the amended motion-and this is the test of whether the effect of an amendment can be achieved simply by voting no - if one were

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#### MR. ROBERTS:

to negative the motion as it now stands, Sir, one would be disapproving the government's conduct as well as the government's proposals, the two separate and distinct parts. If one were to accept the amendment, Sir, and the amendment were then to carry, and then the amended motion were to carry, one would have approved the government's conduct, the House would have, but would not have approved their proposals. I submit, Sir, the two are completely distinct. Therefore the effect of the amendment cannot he obtained simply by negativing the main motion. If one negatives the main motion, Mr. Speaker, one votes against both the government's conduct and the government's proposals. The effect of the amendment, Sir, is to allow a separate vote on each of the two questions. Indeed, Sir, this motion should never have been put by the government in the form in which it is. It should have been put as two separate and distinct motions- If the government prefer, if the government would agree to allow us to vote in that way, that is fine. All we want to do is to have the opportunity for hon, members of the House to vote on each of the two quite separate, related I grant, but quite separate questions embodied in this motion. MR. WELLS: To the point of order, Mr. Speaker. I do not want to carry this on all afternoon but I think my hon, friend has missed the point here, and that is that the government is not saying we have done such and such and we ask for approval of that, and we plan to do something else and we ask approval of that. The government has done-and that applies equally to the wording, the sentence at the end, the plans announced by the Government of Newfoundland for the phased continuation of projects during 1976 - the government has decided that. That is already decided and has been decided by the government, Mr. Speaker. The whole thing is one thing and the government has already decided from the time it bought CFLCo shares and the water rights, everything right to now including the phased slow-down of the project for 1976 has been decided. It is not something we are coming to the House and saying, "Give us the authority to decide this." The government has the authority. It has used the authority. The decision is over and done with. Therefore the whole motion, Mr. Speaker, is one whole and

MR. WELLS:

should be treated as such.

MR. ROBERTS: Mr. Speaker, if I may respond to the tertiary point raised by the hon. gentleman opposite now that he has retreated on his primary point and his secondary point, first of all, I would say, I could make the comment that if the government have already approved the course of action it is a farce to bring the matter before the legislature.

I mean that is not the way.

MR. WELLS: No it is not. No it is not.

MR. ROBERTS: But secondly, Mr. Speaker, the words of the motion itself as moved by the Minister of Mines and Energy twice contain, or the words are twice-the word 'approved', appears. There are two separate sets. They happen to be joined by a comma. This is

remains that the motion is one, that the House approve
the steps taken to date—it goes on to specify what those
steps are—and two, that this hom. House of Assembly approves
the plans announced. And Mr. Speaker, those are two separate
questions. It may be in order to consider them together, that
is well and good. Obviously it is in order. The motion has
stood and is being debated. All we propose to do, Sir, all that
the amendment seeks to do is to allow the House to record its sense
separately if it so wishes on each of those two questions. I submit,
Sir, the amendment is quite in order.

MP. SPEAKER: I have listened with interest to the arguments put up at my left and hon, members at my right on this point of order.

Qertainly the argumentation has been closely reasoned and what I will propose to do, since it is not a matter in which one can reserve an opinion for any length of time, is to adjourn for five minutes and to give my decision them.

MR. SPEAKEF: Order, please! I have considered with care the arguments put forward by hon, gentlemen on both sides of the House with respect to the amendment proposed by the hon, member for Trinity - Bay de Verde (Mr. Rowe), the arguments pertaining to whether the posed amendment was in order or not in order.

Without reviewing the entire argumentations put forward, I would look briefly at sections 202 (15) of Beauchesne, which was referred to by the hon. House Leader, and then 200 (4) referred to by the hon. Leader of the Opposition (Mr. Roberts). 202 (15) starts off with a very general statement," An amendment approving part of a motion and disapproving the remainder is out of order. The argument then goes on to give a specific example of an occurrence in the House of Commons with respect to an amendment approving terms of an agreement and disapproving other terms of an agreement.

I would suggest that while the first sentence in that citation

TE. SPEAKER: is quite clear, the specific example that Mr. Beauchesne gives is not completely applicable, completely similar to the case we have now. And with respect to 200 (4) quoted by the Leader of the Opposition (Mr. Roberts), "A motion which contains two or more distinct propositions may be divided so that the sense of the House may be taken on each separately," I would have to interpret Beauchesne as meaning there that when notice of it is given or when the motion is indeed given that it would be severed or that it might be done by the Chair.

I have not found either of those paragraphs totally decisive so what I have endeavoured to do is to go to section 201 Beauchesne where the overall general purpose and objectives of amendments is alluded to. It seems to be the most general part in a statement of basic purposes, and it says, "The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who, without such alteration, must either vote against it or abstain from voting thereon, or to present to the House an alternative proposition either wholly or partially opposed to the original question."

Now it appears to me that the purpose in this amendment coincides with the reference that Beauchesne makes in 201, that the object may be — and here it appears to me that it is, and I cannot read people's intentions obviously — to effect such an alteration in the motion that it could obtain the support of those with the alteration who without the alteration could not or would not support it. So it appears to me that it is within the general principle and purpose of amendments as referred to specifically by Beauchesne in paragraph 201. And that being the case, unless there is a specific technical or other rule broken, then if it falls within that purpose and is not null and void for some other reason then obviously it must be in order. I am not aware that it is null and void for any other reason. It is my opinion that it does fall within the purpose and category of amendment referred to by Beauchesne in 201 and it is my decision

MR. SPEAKER: that it is in order and the question before the Chair now is the amendment moved by the hon. gentleman and seconded by his colleague to amend the motion by deleting all words following on November 28, 1975."

MR. ROWE: Thank you very much, Mr. Speaker. Now, Sir, the reason we are voting for this amendment, or against the first part of the motion put by the Minister of Mines and Energy (Mr. Crosbie) which in effect deals with what the administration of this Province has done up to the present time, Sir, is that we feel very strongly that the government of this Province adopted an attitude of tunnel vision

#### Mr. Rowe:

with respect to their actions so far in the development of hydroelectric power on the mainland portion of the Province, in other words in Labrador.

And, Sir, in the minister's ministerial statement brought before this Nouse some days ago, the minister indicated that the load growth each year is increasing by 8.1 per cent - or 8.1 per cent per annum. And he suggested that this would be for the period 1976 to 1990. And this means, Sir, an additional need of electrical power in this Province of approximately seventy-five megawatts per year, Sir, and this is compounded. And, Sir, to make matters even more critical this is not taking the industrial need into consideration. In other words, in this Province of ours there is at least a minimum of seventy-five megawatts per year of electricity required for domestic consumption, and therefore we are facing a very serious energy crisis within the immediate future, within the next year or two or three, and this is not, I repeat, taking into consideration any new industrial need that may arise as a result of the government's effort to attract industry to this Province. And, Sir, there are only two ways out, two ways out, either to raise the price of electricity in order to limit use, or limit the amount of power made available.

Now, Sir, what are other solutions? Well the first, obvious one is the one that we are dealing with mainly and that is the Gull Island site itself, and we know already that has been deferred for a minimum of one year. It may be much more, And we know further that even if it were developed immediately that we simply cannot use up the 1,800 megawatts from the Lower Churchill or the Gull Island site.

Therefore, Sir, we had to look at other sources or alternative sources of power. And this, Sir, is why the amendment was brought in so we can focus in on the first part of that motion which we disagree with entirely. The government has failed absolutely, Sir, has failed absolutely to grapple, or to look at, and to develop the other alternative sources of power in this Province just in case things did not go ahead

#### Mr. Rowe:

quite smoothly on the Gull Island site which we have witnessed did not. They did not go ahead smoothly, and consequently we are stuck with looking at other alternative sources of power and not having taken action on it. And this is a point that I want to make. For example - and I will make very brief reference to this because we have already. I already mentioned it the other day, but if I refer to page 6. Sir, of a statement made by the Premier last year in this House of Assembly, the Premier indicated there, Sir, eight other rivers in Labrador, the Naskaupi River with 1,150 megawatt capacity; the Eagle River, 590 megawatts; the (I cannot quite pronounce this. Probably my friend from Labrador can help? Canairiktok River, 490 megawatts, the Paradise River, 175 megawatts; the Red Wine River, 153 megawatts; the Goose River, 148 megawatts; and the Fig River, 140 megawatts, and, Sir, on the Island itself we have the Terra Nova, 89 megawatts; Piper's Hole, 75; Cat Arm, 77; the Upper Salmon, that is the Lloyds River Diversion,62; the Main River,51 megawatts; Bay de Nord,36 megawatts; the Upper Humber, 32 megawatts; and the Hynes Brook, 27 megawatts. Sir, the hydro potential on this Island part of our Province adds up to 445 megawatts.

Now, Sir, some of these hydro-electric potentials are not particularly good for the Province, let us put it as simply as

MR. F. POWE:

we can. For instance, in developing the Terra Nova River we were talking about flooding that might affect the Terra Nova National Park.

The Lloyds River diversion, we have already gone through that. But what I am trying to say, Sir, is that out of that 445 megawatts of potential power in this Province, one, two, three, four, five, six seven, eight rivers and eight rivers in Labrador adding up in excess of 2,000 megawatts, this administration, Sir, should have paid more attention to putting these hydro-electric sources on stream which obviously would be much less expensive than the Cull Island site, put those on stream in order to take care of our domestic needs over the next few years.

AN HON. MEMBEP: Hear! Hear!

NR. F. EOWE: Sir, this is what we object to with the government's action of the past.

Now, it is obvious that some of these alternatives that I have put before the House are most undesirable. Now the hon. Minister of Mines and Energy said in one of his statements, because of the deferral of the Gull Island site for at least one year - and that may be more - and because of the length of time to get the intertie going and the transmission tunnel under the Strait of Belle Isle that he may have to bring in another unit into the - not Bay D'Espoir - AN HON. MEMBER: Holyrood.

MR. F. POWE: Into Holyrood, a thermal generating unit out there.

AN HON. MEMBER: Explain it.

MP. F. POWE: Now, Sir, there is a big question mark on that one. The two problems there are number one, the lead time on this thing is three to four years I am led to believe to get another unit in there.

That has only a seventy-five or is it 150,000 - I stand - 150 megawatts or seventy-five, I keep forgetting?

AN HON. MEMBER: One hundred and fifty.

MR. F. ROWE: One hundred and fifty. Another unit, 150 megawatts three to four years to get on stream, and by that time, Sir, we will be 300 megawatts short if we do not develop any sources because

MR. F. ROWE:

the minister has said himself that the load growth is 75 megawatts per year. That is one problem with the thermal generating unit at Polyrood.

The other problem, Sir, I am told by experts, strictly engineering experts, and also fisheries experts, is that a third unit in the thermal plant in Holyrood, the heat that would come out of that would be - Mr. Speaker, the hon. Minister of Finance can shake his head and wave his hands all he wants to. I have gone to considerable trouble to get the opinion of people who I consider to be experts. The minister when he closes debate can answer these questions that I am raising at this point. I am told that the amount of heat coming out of the third unit at the Holyrood generating station if it goes on stream, will be such that it would cause an increase in temperature of the water so as to cause a severe increase in the disease with the fish in the bay that would conceivably spread to other waters surrounding the Province.

MR. DOODY; Bunkum!

MR. F. ROWE: So therefore, Sir, we raise that question because we think it is a very serious problem. The other thing that we have to look at are the value judgements that have to be placed on other hydro potential areas in the Province.

Now, Sir, I mentioned that we are on the verge of a disasterous domestic power shortage. The reason is quite simple, Sir. The government for whatever reason, were obsessed in my view, in my opinion, with the takeover and the development of the Lower Churchill to the point where they had blinkers on. They could not see the forest for the trees. They did not pay enough attention to, and they did not take the precautionary steps necessary to develop these other hydro-electric potentials in our Province in the event of what could happen, in fact did happen, a deferment on the Lower Churchill development.

#### Mr. Rowe.

So, Sir, we are in no way going to support this administration for adopting the tunnel vision that they have adopted in this regard.

MR. HICKMAN: You think we should have done Piners Hole:instead of the Lower Churchill?

Mr. Speaker, the hon. Minister of Justice MR. ROWE: once again is trying to pick out one exception, or one little instance in order to try to disprove a generality, and the generality that I am making is this, and the charge that I am making is that the government closed their eyes and did not attempt to bring on stream other alternative sources of electric power in this Province to meet our domestic needs, and, if possible, to meet an industrial need if industry did come to this Province, Buring the period in which we were trying to develop the Lower Churchill. Sir, there are certain of these rivers that are undesirable to develop. There are some that are not quite undesirable. This, Sir, is why we think, in fact, that, you know, - well I will get to that point after about continuing on with the tunnel and continuing on with the transmission line and what should be done about it.

AN HON. MEMBER: It is very simple.

MR. ROWE: It is very simple. That is really the point that I want to make, that the government were simply steering a course into a very stormy sea with respect to the development of the Lower Churchill with no contingency courses of action and now, Sir, the ship of state is right in the eye of the storm, and it cannot get out of it, because it is zero or 1,800 megawatts and that is going to come with a delay, and we are looking at a three, or four, or five year lead time with respect to the development of these other sources.

Now, Sir, the proof is in the pudding, and it is in the revelation of the studies that the government have conducted, and

## Mr. Rowe.

I might add with great expense, to the people of this Province.

Sir, if one looks at the information that has been put out

by the Minister of Mines and Energy, and he did a very excellent

job in his one and one-half hour ministerial statement in giving

a historical review of the situation up-to-date. Sir, the minister

and the Premier, before him, in his statements, have referred

to no less than fourteen different studies conducted on behalf

of this Province; The Teshmont consultants, Zinder and Associates,

Shawinigan Engineering Company Limited, Montreal Engineering

Company Limited, Acres Consulting Services, Shawmont. Now, Sir,

some are technical.

MR. DOODY: They are not all in it.

MR. ROWE: Sir, if the hon. minister will let me finish my remarks, he will -

MR. DOODY: I would love to.

MR. ROWE: Okay.

Morgan and Stanley and Company, the fiscal agents,

Newfoundland and Labrador Hydro, Thurlow Associates on the
environmental studies, Environmental Control Consultants Limited,

Foundation Engineering of Canada Corporation Limited, Lower Churchill

Consultants, the Planning Task Force and Burns Brothers and Denton.

Sir, we have had at least a minimum of fourteen different studies,

some associated, some related, some purely in the financial area,

some purely in the technological area, some purely in the environmental

area and many like the minister said, crossing over. Now, Sir,

why so many studies conducted? I submit, Sir, - well the first answer

that jumps to mind is that the government was trying to get information.

Well that may be well so, Sir. But, Sir, why were so many studies

required if the government felt so safe and secure in acquiring

the shares of BRINCO and the water rights on the Labrador in 1974?

Why were so many studies required after the act had been committed?

## Mr. Rowe.

Now, Sir, to me the reason is quite obvious. Sir, the government had made up its mind. It had one course set. It had tunnel vision, for whatever reason. They were obsessed with developing the Lower Churchill. They neglected to take the alternative hydro potential into consideration, and the reason why we had so many studies, Sir, after the deed was committed is that the government was seeking desperately for a reason to justify or rationalize their decision to develop

#### Mr. F. Rowe:

the Lower Churchill and to - well, beforehand to acquire the BRINCO shares and the water rights. Sir, what better justification can you get than finding it in several such reports? What better justification? Sir, which leads me to page 5 of the Minister of Mines and Energy's ministerial statement down towards the bottom of the page, and I quote, Sir. "At the same time that negotiations were proceeding with BRINCO, a government initiated Planning Task Force Study Group on Energy was at work in May 1973. It was recommended that serious consideration be given by the government to regaining control of the Province's Labrador hydro-electric energy sources."

Now, Sir, let us look at that statement again. "At the same time that negotiations were proceeding with BRINCO a government initiated Planning Task Force Study Group on Energy was at work and in l'ay 1973. It recommended that serious consideration be given by the government to regaining control of the Province's Labrador hydro-electric energy." Now, Sir, is that so? Is that so? Was just serious consideration being recommended, or was it recommended outright? Sir, what else is contained in that report? What in fact did the report contain? Did the report contain a list of alternatives? And I ask the Minister of Mines and Energy that question because that is the most important question that has been asked to this point, because we have one little paragraph here out of that whole report. What does it say? That it was recommended that the government give serious consideration. It does not say that the government acoustre or gain control.

Sir, we want to know what that report recommended. Did
in fact the report recommend what is contained in the minister's
statement? Did it contain that? Sir, we cannot put aside the fact
that the government has not yet tabled to my knowledge that report
in this hon. House. That report has not been made public. Is the
government hiding anything in this respect?

MR. DOODY: Nothing.

MR. F. ROWE: Well, why is the report not made public? Sir, we have every reason to ask whether this statement made by the minister represents the true recommendation of the Task Force on Planning - the Planning Task Force on Energy. We are not questioning the honesty or the integrity of the Minister of Mines and Energy. Let me put that on the record. But we are asking what is contained in that report. Is anything being hidden? Did the report in fact recommend the actions that the government carried out when they acquired BRINCO shares and the water fights and since they have acquired BRINCO, their actions since?

Now, Sir, it is very interesting to note that in some questioning put to the minister during his introduction of this motion when my colleague, the Leader of the Opposition; asked some questions relating to the Planning Task Force on Energy - or the Planning Task Force Study Group on Energy, the Leader of the Opposition asked some questions related to that report and the minister - and I am accurate on this one and I am not going - because I wrote it down at the time - the minister replied that he had not seen the report for two years. The minister had not seen that report for two years. Yet on November 28th of this year we have this quotation in the ministerial statement. So it

MR. ROWE: is quite conceivable, Sir, that this statement taken from the task force report could be totally and completely out of context. So, Sir, we want to know what is contained in that particular report, and whether in face the minister's statement truly represents the recommendations of that report.

Sir, on page six of the same ministerial statement, "Simultaneously ShawMont Newfoundland Limited was commissioned to study alternatives to the Gull Island Development," Alternatives to the development! Now did the planning task force already study alternatives? But anyway, ShawMont Newfoundland Limited was commissioned to study alternatives to the Gull Island Development. "The results of these two studies" - and there is another one referred to by Teshmont and Zinder Associates earlier - "The results of these two studies, which were received in February and November, 1974, confirmed that the Gull Island hydro-electric project was both technically and financially feasible and the best source of additional energy available amongst all possible alternatives."

But, Sir, what else would you expect from ShawMont Newfoundland
Limited when they had a vested interest in the whole project to start off
with?

MR. PECKFORD: What do you mean?

MR. ROWE: What do I mean? It speaks for itself, Mr. Speaker. It speaks for itself. They were involved with this and they only say that it was technically and financially feasible, and the best source of additional energy available amongst all the possible alternatives, but it still does not deal with the question, what do we do with the immediate power shortage that is confronting this Province over the next two or three years? And the figures are there in the minister's statement. Seventy-five megawatts per year for domestic use and the lead time of three or four years for any alternative and still no word as to whether this - and I got to re-emphasize this, Sir - there is no guarantee that the Gull Island site will be on stream in the next two, three, four, five, six, ten, fifteen or twenty years Sir, it might even be that if the government had to develop those other alternative sources of electricity on the Mainland and on the Island part of our Province, if they had to develop these areas, we could have met our domestic needs,

MR. ROWE: we could have met some additional industrial needs, and we could have taken our time on the Gull Island site and in ten or fifteen years time the Gull Island site would be a gold mine with the escalating costs of fossil fuels throughout the world today.

So, Sir, we leave this question up in the air. What did that task force report contain with respect to other alternative sources of electricity? For example, Sir, I have already mentioned other smaller hydro electric sources in Labrador or the Island; and I have already mentioned the eight rivers on the Island and the eight rivers on the mainland portion, all of which cannot be developed, Sir, because of the reasons that have already been made public with respect to the Lloyds River, and certainly the Terra Nova River. But, Sir, you can develop other alternative sites in Labrador, and you can continue with the transmission line, and you can continue with the terminals, and you can continue with the tunnel, and you can build up cable capacity in steps, to take these other alternative sites, and the final step would be stepped up to the point where you can carry the Gull Island site, the 1800 megawatts.

Now, Sir, I have got one other point here, I cannot remember now, it has been so long ago since I looked at this quote on page forty—three of the minister's statement, something about, "given the need for a new energy source to be in a service by the end of 1980, any decision not to proceed with full Gull Island project had to be coupled with a decision on an alternative energy source. The major options open to the Province are; adopt the conventional oil-fired thermal-nuclear reute, or construct the transmission lines and pending the availability of Gull Island energy obtain energy required from Churchill Falls," Sir, this is the heart of the problem. They see this as their only options

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and they do not look at the possibility of building up the cable capacity from Labrador in stages and then coming in with the Gull Island site power later on. They just looked at these other alternatives. The government did not do anything about it, and this is where we take issue with the government. They looked at it. They did nothing about it in the way of action. I hope I am absolutely wrong, Mr. Speaker. I hope that the government has taken steps such that we can be guaranteed seventy-five megawatts per year until we can develop the Lower Churchill or any other sizeable source of electrical power in this Province. I am sincere in that, Sir, and I am not trying to deliver any pokes or hody blows or anything at the government on this one. But I will repeat it again because I think it is very important, that we are facing this power shortage and the government because of its tunnel vision, its obsession with and focusing only on the Gull Island site have forgotten and not developed —

MR. NEARY: Mr. Speaker, I do not see a quorum in the House.

MR. F. POWE: - the other alternatives.

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

MR. MURPHY: Can you ask for a quorum count and leave?

MP. SPEAKER: (Dr. Collins) On that point, should a member call for a quorum and then leave, a member may do so according to our rules.

MR. MMPPHY: Mr. Speaker, if I may, at this time. When the hon. member said there was no quorum I counted the House and there were fourteen in and the member was just walking out through the door. Your know, I mean can any member at any time disrupt a speaker just to say there is no quorum if there are forty people in the House? There must be some sense of responsibility.

MP. SPEAKER: (Mr. Collins): I will now ask the law clerk to count

The hon, member may continue.

the House.

MR. F. POWE: Thank you, Mr. Speaker. Now, where was I?

MR. NEARY: There were only twelve in the House.

MR. MURPHY: There were fourteen.

MR. F. ROWE: Now that all the -

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

MR. F. ROWE: - violence and turbulence has subsided - Mr. Speaker, we have raised the basic issue that the government has not taken the necessary steps to ensure that we will not have a severe electrical shortage within the next few years. But, Sir, there is one other thing that I may relate to, if I can, and that is the tunnel going under the Straits of Belle Isle. Sir, I am given to understand that we have two problems there. One is the fact that drill holes were not conducted substantially in the Straits section itself. We are further given to understand that there is a fault zone leading through the Straits of Belle Isle. There are two completely different formations of rock on either side of the Straits of Belle Isle.

We are also lead to believe that there is a strong possibility that there may be movement in that fault zone. Now it has not been proven, Sir, but it is suspected by geologists who have told me that movement is expected in that fault. Now without

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the proper drilling we can proceed part way across the Straits of Relle Isle at great expense only to find that we are flooded because some fault zones have this material whereby you can have severe fracturing and what have you, and you do get lealage of the sea water and other terrestrial waters in such a tunnel. But, Sir, that has already been mentioned by the Leader of the Opposition. There is another point that I would appreciate the minister relating to and that is this business of a slope, two slopes or a vertical shaft on either side of the tunnel. Now, Sir, it is more costly per foot to put a vertical shaft than it is to put a sloping shaft - that is point number one - per foot. But obviously a slope shaft would be much longer than a vertical shaft. Therefore the total cost for a slope shaft would be more than a vertical shaft. However, if you put in a vertical shaft, Sir, the cost of lowering that very heavy cable down to a depth of some 800 feet - is it - apparently causes grave technical problems because there is a tremendous strain and weight on the cable that could do injury to the cable and in the process of turning it horizontally from the vertical, that can also do damage. Now, Sir, however if you had a slope shaft you would not encounter these technical problems with respect to putting the cable in.

Now, as well it would be more suitable to have a slope shaft for purposes of transportation. If you are going to be using trains or trucks or other forms of vehicle, obviously in the long run, taking into consideration the technical problems in lowering the cable in a vertical shaft and the additional costs because of this, taking that into consideration and taking the benefits that would accrue from a slope shaft in terms of transportation between the Island section and the mainland section of our Province although in the final analysis the total cost may be greater, Sir, I submit that - and it may not be greater - but if it is greater I think it would be money well snent in terms of the benefits that would come to this Province in a reduction of the cost of bringing materials back and forth to the - and I am sure my colleagues from Labrador would certainly agree that one of the problems facing the Labrador area of our Province is the high cost of materials and goods and food and this sort of a thing, and presumably a tunnel would reduce that cost over the years, although at this point in the game it may be a little more costly.

MR. ROWE:

So, Sir, I would like the minister to give more serious consideration to this whole business of whether or not we should have a slope or vertical shaft on either side of the Strait. I was a little bit taken aback when the minister indicated that they were ready to go ahead in putting the collars in for these vertical shafts. I think this is a little bit premature. Sir, at this particular stage of the game.

Now, Sir, I realize that I have more time left and in fact I may have unlimited time. Rut I am as anxious as the Minister of Mines and Energy is to clue up this particular debate. I would like to reiterate Sir, that it is unfortunate we had to come back today. I did not see the need for having to clue up this debate before Christmas. I could not see why it could not have held over to after an adjournment or a recess because I think this is a very serious topic under discussion here.

There are a lot of questions that just have not been answered. I hope that the minister does not take this as a political or partisan attack at all from this side. But the purpose was to bring before the House certain actions that we think the government have taken since acquiring the shares of BRINGO that were not in the best interests of our Province and more devastating, Sir, certain actions that they have not taken

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MR. ROWE:

that are not in the best interest of our Province and that is coincident with the development of the Lower Churchill or the Gull Island site, that this Province make every effort to develop where economically feasible and environmentally desirable and technologically feasible, develop coincident with the development of the Lower Churchill and indeed before, develop the other alternative sources of power, both on the Island of our Province and on the mainland, and I would submit, Sir, that if they go ahead with the tunnel and the transmission lines, the tunnel across the Strait and the transmission lines, that they give very serious consideration to putting on stream - and this is something that they should have thought of two or three years ago - putting on stream these other rivers such as - now there may be reasons not to do it - such as; the Fig, the Goose, the Red Wine, the Paradise, the Eagle River, the Naskaupi. Well the Naskaupi is one of those 1,150 megawatt jobs again. So we can encounter the same basic problem there really as we would with the Gull Island project.

Sir, unless the government have done something positive and constructive with respect to developing a number of these other sixteen alternatives this government has waltzed this Province into a severe energy crisis and a severe electrical mess, I predict, within the next year or two in this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: Never in my life, Sir, in this hon. House have I heard such a weak-kneed, weak-hearted argument for supporting an amendment. Now, Sir, if the hon. old guard Opposition had brought in an amendment to this resolution to eliminate the first part of the resolution, Sir, then I think I would have had to vote for it. As

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I indicated to the House the other day, Mr. Speaker, I am very tormented about the first part of the resolution. But, Sir, to eliminate the second part of the resolution, the most important part of the resolution brought in by the Minister of Mines and Energy! The first part of the resolution, Sir, is just window dressing, just a little bit of self-praise for the administration. It does not mean anything at all. It is the second part that means something, Sir, and as I indicated when I spoke earlier in the debate, Mr. Speaker, that there is no point in crying over spilled milk.

The thing, Sir, that I condemn the administration most for in this whole matter of hydro development in this Province is the fact that they did not nationalize the Newfoundland Light and Power Company when they forced the takeover of Churchill Falls. They should have gone all the way. There is the biggest blunder of all, Sir, not the reason expressed by the hon. gentleman who just took his seat, who obviously was tilting at windmills, creating look! you know, Mr. Speaker, sometimes I wonder where the real Tories are in this House. You know, I am getting more convinced all the time that the Tories are on this side and the Liberals are over on the other side. The reason I say that, Sir, listening to my hon. friend there who just spoke in this debate, reminded me of the Opposition when they were over here, when the Tories were over here and the Liberals were on that side. That was the same kind of argument that you would get from my hon. friend from St. John's East (Mr. Marshall) and my hon. friend from St. John's North (Mr. Carter) and the hon. Minister of Justice and to a certain degree the Government House Leader. That is the kind of argument that you would get from these hon, gentlemen. They would start asking rhetorical questions. They would use the old Communist technique, ask questions, to try to create a little bit of doubt, to try to make you scared, to ask questions that they probably knew the

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answer to, but they would ask them anyway, just to try to create a little bit of doubt in the minds of members who are not engineers, who are not academics, who are not intellects, who are not geologists, and as well informed as my hon. gentleman, the hon. gentleman

who just spoke. So the whole nurpose of the exercise, MR . NEARY: Sir, is to create doubt, to try to justify their taking this position of voting against the continuation of development of the Lower Churchill by continuing the implementation, the construction of the transmission line and the construction of a tunnel under the Straits of Belle Isle. They are voting against that despite the fact that one hon, member in that caucus today got un and asked the Minister of Mines and Energy to outline to this House what makework projects - "What make-work projects" he said, "do you have to take care of the record number of unemployed in the Province?" And the Minister of Mines and Energy did not have sense enough to say, "Well look, one of the things we are trying to do is to build a tunnel underneath the Straits of Belle Isle and to build a transmission line and we have to go up and ask Uncle Ottawa to help us out. There is one thing we are going to do to try to create employment, badly needed jobs in this Province." An excellent make-work project, Sir, excellent, and the Covernment of Canada should pay the biggest share of the cost.

As I indicated, Sir, the resolution is in two parts. The first part I am tormented about, I would just as soon vote against it. I wish the official Opposition had brought in an amendment to wine out the first part and vote for the second part. Because if vou vote against the second part, Sir, it is like voting against motherhood. They are voting to stop, curtail, halt all work on the tunnel, on the transmission line, on the development -

MP. ROWE: That is not so.

MR. NEARY: It is so, Sir. That is what they are doing. Sir, they are voting to ston the work. They can try to camouflage it all they like with their little arguments and their rhetorical questions. They cannot justify it and that is why it is hard to understand the make-up of this House. I presume the Liberal Reform groun will vote in favour of the amendment because their leader has already stated that he believed that all the development should take place in Labrador. So I presume there is no change there.

MR. NEARY: The old guard Liberals are saying stop, halt the construction, we are against it, until you can dot every "I" and cross every "T". Now they do not believe in gambling. One time they were the biggest gamblers in Newfoundland, they were away ahead of Las Vegas. Now they are against gambling. We know, Mr. Sneaker, we know that there is a great risk involved in going ahead with this project, we may lose. You know, Mr. Speaker, we may end up losing that \$55 million or \$60 million. It would not be the first time we lost \$50 million or \$60 million in this Province. I am hoping that we will not, Sir, but certainly if we interrupt, stop the momentum on the development of the Lower Churchill in the way of the transmission line and the tunnel, if we ston that momentum, Sir, the cost will escalate. If you stop it for a year or two years the cost is going to escalate and it will cost the taxpayers of this Province and of Canada a lot more by the time you get her started un again.

Maybe the whole thing will grind to a halt in another year. Maybe it will, Sir, but I as a Newfoundlander am prepared to take that chance and I sincerely hope that it will not stop in a year's time. If it does, you certainly have to give the Minister of Mines and Energy and the administration credit for trying. My God! Mr. Sneaker, do these hon, gentlemen who are now arguing against this, do they not remember the great battle that took place over the oil refinery at Come By Chance? Do they not remember that? That was a gamble. We heard the same arguments from the then Opposition when they were on this side of the House. They told us that we were wasting the taxpayer's money, they were creating all kinds of mechanical arguments in their minds, they were throwing all kinds of obstructions in the way, they were asking all kinds of rhetorical questions, they were trying to create all kinds of doubt just the same as you are getting now, Sir. But those of us who were optimistic, who had faith in the future of this Province kept forging ahead

NE. NEARY: and as a result the oil refinery became a reality. I am hoping that everything in connection with the Lower Churchill will become a reality. If it does not, Sir, it will not be my fault. I will have a clear conscience. I will be able to point to the members of this hon. House who voted against this resolution and I will be able to say, there you go. And they will come in and they will pound their breasts and they will say, "Well we told you so. You are in over your ears. We told you so. We told you it was not going to work. We told you you are going to lose your \$55 million or \$60 million." Is that what they are looking forward to a year from now? Sir, as I indicated the other day, the most important thing that we have to do in this hon. House at this time is to show that we are united on this matter of the development of the Lower Churchill and the transmission line and the tunnel underneath the Straits of Bell Isle. If we are divided, Sir, we are going to defeat our own purpose.

Mr. Speaker, I have not changed my mind one iota since I spoke
the other day on this resolution. I am going to vote against the
amendment, Sir. I think the amendment is one of the most stupid, negative
exercises that I have ever seen in this hon. House. I would have been
glad, Sir, to vote for an amendment that would rule out the first part,
everything before November 28, 1975, But everything after November 28, 1975?
Sir, everything after following that that the Minister of Mines and
Energy (Mr. Croshie) and this House of Assembly approves the plans announced
by the Government of Newfoundland and Labrador for the phased continuation
of the project during 1976, they are voting against it, the Liberals.

I never thought, Sir, I would live long enough in this hon. House to see
a group of Liberals vote against developing a project as important as
the Lower Churchill in this Province. I never thought I would live
long enough. It would make you wonder where the Tories are in this hon.
House these days, whether they are over there on that side or on this side.

I am going to vote against the amendment, Sir, and I am going to vote for the resolution and as I said I am not happy about it. Actually the part of the resolution that I want to vote for is the part that my hon. Friend wants eliminated. It is the first part that I do not want to

MR. NEARY: vote against, and that is the part that the old guard Liberals want to wipe out, the part that deals with the development of the Lower Churchill. We cannot delay that great project, Sir, one moment longer with inflation rampant, the cost going up. If we delay it now, if we stop, halt the work, take away all the equipment, it will take years before you get her started up again. Whereas if you spend \$55 million or \$60 million to maintain the momentum, negotiate with Ouchec-Hydro, negotiate with the Government of Canada to try to get your financing arranged, the government itself has to get its own priorities in order. The Minister of Mines and Energy (Mr. Croshie) knows that. I heard him, I think it was either this morning or last night, on radio talking about how the Provincial Government has to get its own priorities in order.

And that is very, very important, Sir, when you are approaching the Government of Canada, because they are probably a little bit confused at the moment with the administration going looking for handouts from Ottawa, looking upon Ottawa as Santa Claus, asking for all sorts of things, all sorts of backing for projects when what they should do is make this the number one federal-provincial priority, make this project the number one federal priority. To do otherwise, Mr. Speaker, would just make a sham of the whole thing. You cannot go up and ask for a haulout, \$1 million; you cannot ask for a golf course, \$2.5 million; you cannot ask for infrastructure, which has not attracted one industry to this Province; you cannot ask for development of the Port of St. John's to take the business away from Port aux Basques; you cannot

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ask for this and that and the other goody. You cannot ask for it, Sir, and expect the Government of Canada to participate in this great project that is so important to Newfoundland. You have to make this the number one priority of the Government of Canada, of its joint funding of projects. Mr. Speaker, the Minister of Mines if he has no other justification in this world for proceeding and spending that \$55 million or \$60 million on the transmission line and bringing the transmission line up to Happy Valley, that is one thing that is going to result from this project and the continuation of the tunnel underneath the Strait of Belle Isle. He has the justification right in his own hand. It is a make-work project if nothing else. At least if you continue the project for another year or two so many hundreds of Newfoundlanders will get jobs, will earn wages, will not be forced to go on welfare, will earn wages to support their family, buy food and clothes and pay the retail sales tax on motor cars and televisions and washing machines, and they will pay their income tax, and a part of that will be passed back to the Province. Sir, it is a worthwhile venture no matter how you look at it.

Of course, the real justification for it is that
we cannot afford to halt that project at this particular time with
the way that the cost is escalating. It will soon be beyond our
reach. Mr. Speaker, I submit that the people of this Province will
never forgive members of this hon. House for voting against the
continuation of these three great projects. It is like voting against
motherhood, Sir. I do not intend to alter my position. I am going to
vote against the amendment, and I am going to vote for the resolution.
My fondest wish, Sir, for 1976, if I have one, is that this will be
a success, that it will not fail, that the prophets of doom and gloom
in this hon. House will be wrong. It is quite conceivable, Sir, that
they may be right. Well, so what! Some of these hon. gentlemen
were associated with gambling a few million dollars of the taxpayers' money

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of Newfoundland and of Canada, and they had no hesitation in doing so. Some of it worked out, and some of it did not. Now all of a sudden they are going to become cautious. They are going to be careful. They are not prepared to gamble. They are going to convert themselves into Tories. I presume, Sir, when the minister drafted this resolution he skillfully worded it so it would put fellows like myself on the spot, because the minister knew that any honest, sincere, genuine, any thinking Newfoundlander, would want to go along with the continuation of the Lower Churchill but the little bit of self-praise that is in there, well maybe they would like to be able to vote against that.

Newfoundland Hydro Commission before the Board of Commissioners of Public Utilities - a red herring, Sir, a red herring! We are producing the power in this Province. We are, the people are producing it. We own Newfoundland Hydro, the people, and this House are subsidizing the Newfoundland Hydro, but what we are doing, Mr. Speaker, is about one of the most foolish things that any House or any government could do. We are generating the electricity, we are producing it, and then we are turning it over to a private company to distribute, and they are the ones who make the dividends. They are the ones who make the profits. They are the ones who go down before the Board of Commissioners of Public Utilities, and get their i.7 per cent increase every month, and that is the reason for the big bills that people are getting now. They are made retroactive right back to April or May sometime.

MP. NEAFY: What good would it do to get the Newfoundland Hydro before the Public Utilities Commission? What good would it be? We would be fighting against ourselves. We own it. What we have to do, Sir, is to get that Newfoundland Light and Power Company provincialized and let the dividends, the profits, let the benefits go to the people of this Province and not to a little handful of shareholders scattered all over this Province. The profits should go back to the people.

Mr. Speaker, I have got a pretty good track record here lately. I have got the university now to at least come out publicly. They say they will not give the information to the members of the House, they will give it to the press. I got the Board of Commissioners of Public Utilities to halt the increase to Newfoundland Light and Power Company as of this month and maybe for January and February. My record, Sir - I am almost batting 1,000 right now and I would predict to Your Honour here and now that the day is not too far away when the Newfoundland Light and Power Company will be taken over by the people of this Province. It is as natural, Sir, as night follows day. It is the obvious thing to do. That was where one of the big blunders was made and I could tell this hon, House, Sir, I have discussed it with the member for Twillingate (Mr. Smallwood), the former Premier of this Province, and he told me that one of the big meetings that he had before the '71 election was with the then Chairman of the Newfoundland Power Commission, the hon. gentleman who recommended the forced takeover of Churchill Falls Corporation. They met over on Roaches Line- I do not think I am breaking any confidence when I tell the House this- and they met for the purpose of deciding the psychological moment, the opportune time to take over Newfoundland Light and Power Company and so the former Premier of this Province (Mr. Smallwood) had it all firmed up in his mind. I do not know whether he regrets today that he did not get an opportunity to do it, or he did not do it when he had the opportunity because the opportunity was certainly there, and there were those among us, Sir, who told the administration at that time to go all the way, do not produce the power and give it to these little handful of greedy individuals in this Province to get

MR. NEARY: the benefits, let the people who own the production of the power, who generate the power, let them get the benefits.

And I got knocked in the head at the time, Sir, I do not know why but I had my suspicions, Mr. Speaker, Some of the hon. gentlemen I was recommending this to were probably shareholders in the Newfoundland Light and Power Company. They are probably the ones that are getting their dividends. These hon. gentlemen are not sitting in the House now. Sir, I do not think they are. I do not know if there are any hon. gentlemen in the House now who are shareholders in the Newfoundland Light and Power Company.

AN HON. MEMBER: Not on our salary.

MR. NEARY: On your salary, no good. So, Mr. Speaker, I hope, Sir, that members of this House will throw aside partisan -

MR. ROUSSEAU: According to my last light bill I should be.

MR. NEARY: Well I guess we are all shareholders in that regard.

MR. DOODY: We should nationalize you and send up good cheer.

MR. NEARY: Oh, there! I was over on Bell Island yesterday and I did not get very good reports about the hon. gentleman, and the hon. gentleman had better start doing his homework.

MR. DOODY: Are you coming back?

NEARY: He may eat these words, Sir, he used on television on election night yet. He may have to eat these words,

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

MR. NEAPY: But, Mr. Speaker, if the administration made any mistake, Sir, there it is. That is the most unforgivable sin of all, that they omitted to go all the way and take over the Newfoundland Light and Power Company. I do not know whether they have it in their mind now but certainly, Sir, it is the obvious thing to do, the only way the consumer is going to be protected against these rip-off artists.

Mr. Speaker, I am not going to speak very much longer on this particular matter. We are almost up to Christmas Eve, Sir, not the time that you would be expected to be debating a matter as important as this in the House

MR. NFARY: of Assembly. I know members are anxious to get out of the House to get ready for Christmas but, Sir, we have the matter before us and we have to take the right decision. Whether it is a hasty decision, whether we are going too fast, too slow, we have to take a decision. It looks like we are going to be forced to take a vote and if we are, Sir, then I am going to vote against this amendment and I am going to vote in favour of the resolution.

I have only one piece of advice for my hon. former colleagues and that is to say how disappointed - you know, Mr. Speaker, I am not voting for it because it is a popular thing. I can tell you right now, Sir, that the unemployed and the people of this Province are looking to this House to come up with some makework projects, to come up with projects that will create jobs. There is nothing on the drawing board at the moment. This is the only ray of light they have, the only hope they have, and here are my former colleagues going to vote against it.

Why if you just went down there, Sir, and carried on for the next year and created 700 or 800 or 900 or 1,000 jobs and paid people wages and salaries it would be worth it even if the whole thing flooped and went down the drain, and I do not wish that for one moment. I am extremely disappointed, Sir, that the official Opposition, the so-called Liberals, are voting against development of this Province.

You will never get all the answers, Mr. Speaker. I could stand up here now if I wanted to and I could fire questions at the administration until Doomsday. You will never get all the answers. you have to go ahead, sort out the problems as they arise. That is the only way you will ever get it done.

I remember one time a certain gentleman, a clergyman on Bell Island used to say to me, the best committee in the world was a committee of three; one person dead, another one with one foot in the grave and the other one active. Well, Sir, I think in this case this principle should apply. Go ahead and do it. We could stay here until next Christmas, for that matter, asking questions, making statements, creating doubt and the project would never get off the

MR. NEARY: ground let alone get completed. So, Sir, my advice to my hon. former colleagues is to think this over seriously before they vote on it, because it will ever be recorded. Mr. Speaker, in the Hansard, in the records of this House, that a group of Liberals voted against the development of a major project in this Province.

I know now that there are those among them who cannot wait to get up and say oh no, the member for LaPoile (Mr. Neary) twisted and turned and weaved and bobbed and said we are voting against this, but that is what they are doing. Sir. They can camouflage it all they like, they can say oh, we have to have the answer to this and we have to have the answer to that and we have to dot this "I" and we have to cross this "T" and they can make legalistic mountains out of little political molehills but the fact still remains, Sir, they are voting against the continuation of the development of these three great projects. The people of Newfoundland, I imagine, will take note of that, Sir, when it is reported in the press and radio.

You have the Tory Government, who I never thought in my wildest imagination would nationalize the Churchill Falls
Corporation, a socialistic principle -

MR. DOODY: We never did.

MR. NEARY: I never thought they would do it, Sir.

MR. DOODY: We never did it.

MR. NEARY: They did not do it? They did do it, Sir. Whether they did it through negotiation or whether it was - well it was not through negotiation there was an -

MR. DOODY: We made them an offer they could not resist.

MR. NEARY: They made them an offer they could not refuse and then they put a bill on the Order Paper to force the takeover if they did not accept the offer. They nationalized the Churchill Falls Corporation, Sir, which was not a bad move although I still think it was ill-timed. Nevertheless, Sir, you would never think, Mr. Speaker, in your wildest imagination, Your Honour when he joined the Tory Party and led the Tory Party for awhile in this Hon. House,

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never thought for one minute that he would ever see his old buddies, the hon. crowd sitting over there now follow the socialistic tendencies and nationalize the Churchill Falls Corporation. It is too bad, Sir, they did not go all the way and also nationalize the Newfoundland Light and Power Company. Mr. Speaker, before I take my seat I have again to repeat, Sir, although this is not important and completely irrelevant to the debate, although my former colleagues thought it was most important, was the fact that there was a deal with the member for Twillingate (Mr. Smallwood). There was a deal, Sir, and that is why they made such a —

MR. ROBERTS: Did you write this, 'Bill'?

MR. NEARY: No, Bill did not write it. I do not need anybody
to write my speeches for me, and I spend my time in the House, Sir,
and I am not a little rich boy. I have common sense. I was not
sent away in knee pants to a boys' school somewhere on the mainland.
I am a Newfoundlander, Sir. Look! I even talk like a Newfoundlander,
and I act and look like a Newfoundlander. When I get on the television,
they understand the language. I do not look like I am from Ontario
somewhere.

# MR. SPEAKER: Order, please!

I would ask the hon, gentleman to perhaps marshall his remarks with respect to the amendment.

MR. NEARY: Yes, Sir, it has all to do with the amendment because no doubt, Mr. Speaker, we will be called upon in the months ahead and in the years ahead to debate this great matter on television. When I get on, Sir, the people of this Province will know where I stand. They will know that I have taken a position.

MR. YOUNG: You will have long pants on for working.

MR. NEARY: Well, Sir, I do not know, but I certainly will not look very scruffy looking. At least, I will comb my hair.

#### Mr. Neary.

Mr. Speaker, the hon. member for Twillingate

(Mr. Smallwood) has taken a position. The hon. member for St. John's

East (Mr. Marshall) has taken a position. The hon. member for

St. John's North (Mr. Carter) has taken a position. The government have taken a position, and I have taken a position. My position.

is, Sir, that I am going to join with the government as much as I 
AN HON. MEMBER: Hate them.

MR. NEARY: No, I do not hate them, but as much as I-grudgingly, Sir.

MR. DOODY: You do not show it.

MR. NEARY: No, grudginly I am going to vote with the administration, because I know this project is in the best interest of Newfoundland, and I know, Sir. Look! I want to make a statement now, Mr. Speaker, that on this matter of the development of the Lower Churchill that this administration have made numerous mistakes

MR. ROUSSEAU: You are taking this stand in case you become Minister of Finance.

MR. NEARY: No, in case I become Premier. I am aiming a little higher than that.

Mr. Speaker, they have made mistakes, and I know they are going to continue to make mistakes on this project. God only knows, I have never seen one yet. If you are developing a project, and it only cost \$10,000, you are bound to make mistakes are you not? This one is going to cost \$1.2 billion. There are going to be a a few mistakes. As long as there is no graft and corruption, as long as there is no dishonesty and no deceit, Sir - and I will be here acting as a watchdog to make sure that there is no favouritism in granting contracts, that the public tendering procedure will be used in all cases - there will be no favouritism, no friends of the government getting the contracts. As long as the work is done conscientiously, and everything is carried out according to Hoyle, as long as that is done, Sir, there will be no argument from me.

MR. CARTER: Sit down!

MR. NEARY: The hon, member for St. John's North (Mr. Carter) now would love for me to sit down. He is over there now, he is smarting under the attack. He is having pangs of conscience. If I stay on my feet long enough I might be able to convince him as a Newfoundlander to do the right thing.

So, Mr. Speaker, as I said earlier, I am going to - you know, Mr. Speaker, I just got a Christams card from a gentleman over on the opposite side of the House. I will have to read the poem before I sit down. Maybe this will encourage members, who are going to vote against this resolution, Sir, to vote in favour of it: "When shall all men's good, be each man's rule and universal peace lie like a shaft of light across the land." Alfred Lord Tennyson. I have to say this, Mr. Speaker, before I take my seat. Of all my years in public life, Sir, I have gotten more Christmas cards from ministers and members of that side of the House. I have yet to get one Christmas card, I think, from members on this side of the House. I do not know,

this card to me today.

MR. NEARY: Sir, if coming events cast their shadows before them or not, but I want to thank all the members who have sent me cards, including the hon. gentleman and his good wife who sent

So, Mr. Speaker, for the sake of Newfoundland, Sir, I hope that I have, if nothing else, knocked a little bit of sense into the people on this side of the House and that they will vote for continuation of these three great projects that affect the future so drastically in Newfoundland and Labrador.

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

MR. ROBERTS: Mr. Speaker, what I have to say will not take very long.

I believe it is worth saying so I shall say it. It is now twenty after five and I believe the only other hon. member who wishes to speak - there may be some of whom I do not have knowledge-but I think the hon. gentleman in whose name the motion stands, the Minister of Mines and Energy (Mr. Crosbie) wishes to speak either to the amendment or to close the debate. I assume one speech will do and I for one would hope that we would be able to conclude this matter this afternoon.

Before I launch into my few remarks may I in a spirit of Christian charity and it being Christmas and all of us being merry and believing as I do in the beatitudes that the meek shall inherit the earth, may I on behalf of all of us, Sir, wish the hon. gentleman from LaPoile (Mr. Neary) a very happy and Merry Christmas and a prosperous New Year. If he has not been sent any Christmas cards from here I humbly crave to beg apology and to beg pardon -

CAPT WINSOR: There are still some here.

MR. ROBERTS: I am sorry?

CAPT. WINSOR: There are still some here.

MR. ROBERTS: My hon. friend from Fogo (Captain Winsor) reminds me that some have not been sent out. But in a spirit of Christian charity and because it is Christmas and because we are all overflowing with good will, and some perhaps with good spirits, you know, a Merry Christmas indeed to the hon. gentleman.

Now, Mr. Speaker, there are one or two points, I think, which should be made and which I wish to try to make with respect to this amendment because, Sir, I intend to vote in favour of the amendment. I intend to

MP. ROBERTS: support the amendment and I intend to ask for a recorded vote on the amendment because I believe it is an immortant matter.

Now, Sir, the reason why we have put this amendment down was given by my friend and colleague from Trinity - Bay de Verde (Mr. Rowe) in what he said, and I do not know if he used these exact words but this was the gist of one of his points, that this is a way of separating the two questions and we believe there are two questions. I think even the hon, gentleman from LaPoile (Mr. Neary); who disagrees with so much of what anybody else says and agrees only with what he says, I think the hon, gentleman from LaPoile (Mr. Neary) would agree with that point that there are really two separate questions. And I would merely point out, Sir, to the House that a vote in favour of this amendment is a vote against the government's plans to proceed in the way they have outlined for the coming year with respect to the Lower Churchill development and its ancillary developments. That is the reason to vote in fayour of the amendment. You may say, Mr. Speaker, a vote against the whole motion is that but a vote against the whole motion is a very cleverly - I am sorry the motion has been put together in a very clever attempt to try to win the support of hon, gentlemen who feel that the government have not done the right thing but that the government are proposing to do the right thing which is the position in which my hon. friend from LaPoile (Mr. Neary) finds himself or equally the support of hon. gentlemen who feel that the government have done the right thing but is not proposing to do the right thing as is the case as they stated in the House of the hon. gentleman from St. John's North (Mr. Carter) and the hon, gentleman from St. John's East (Mr. Marshall), each of whom stood In the House and if I reproduce I think the gist of what they had to say they said, "We think the government have done well in what they have done, but we are not prepared to support what they propose to do." Now, Sir, the government refused to split the motion as I believe they should have, but in any event they did not, Accordingly we have put down this amendment because it is a way for members to record their feelings with

PT. ROBERTS: respect to the two separate and distinct matters in this one motion.

For my part, Sir, I intend to vote against the motion as amended or as not amended simply because I do not approve, nor do my colleagues here of the way in which the government have handled the Lower Churchill matter since they took it over. Nor do I approve of the plans which they have outlined in respect of the coming year. The arguments I do not need to go over. My hon. friend from Trinity - Bay de Verde (Mr. Rowe) made the argument. The hon. gentleman from Baie Verte - White Bay (Mr. Mideout) spoke, the hon. gentleman from Lewisporte (Mr. White) spoke, They all made it oute clear exactly where we stood and why. So I do not need to go over them now. The

#### Mr. Roberts.

hon. gentleman from St. John's West (Mr. Crosbie), the Minister of Mines and Energy will doubtless reply, and he will try to deal with some of these points and give us his side or the side he and his colleagues take, well and good, all to the good.

Mr. Speaker, for our part, Sir, we do not like
the way in which the government have handled the development since
they took it over, and we have made that clear. In every opportunity
we have had we voted against it. Nor do we like the way in which the
government propose to proceed. It is no difficulty for us to vote
against the entire motion, and we intend to do so, but hon, gentlemen
opposite, Sir, have made it clear that they are in some difficulty,
some of them, as is the hon, gentleman from LaPoile (Mr. Neary). He
has resolved his difficulty, well and good. Other hon, gentlemen
can resolve theirs as they see fit, and this gives them a way to do it.

Now, Mr. Speaker, let me deal with just one or two other points that I think are worthwhile. I would ask the Minister of Mines and Energy if, when he speaks, he could let us have the information as to the interest rate, the current interest rate of the loan made by the government, borrowed by the government and now in the hands of CFLCo in respect of the monies which they spent to purchase the shares. I would ask him if he would tell us just what the rate is. We do not know what it is. We know it is somewhere over ten per cent or we believe it to be somewhere over ten per cent at which stage it is our belief, and I outlined the argument at some length when I spoke on the main motion itself, Mr. Speaker, it is our belief that the shares, the investment will never pay for itself. Hon. gentlemen opposite may take a different conclusion, but they will do so only by adding in all the money which we get from Churchill Falls. I think we should add in only that money which we get as a result of the shares which we purchased. The money that we would have gotten with or without the purchase of the shares, Mr. Speaker, can hardly be taken to support the money we must pay to buy the shares. The only

### Mr. Roberts.

money that can be used or justifiably so used to pay off the cost of those shares, if they are to be a good investment in dollar terms, the only money that can be used for that, Mr. Speaker, is the money which those shares earn. As I understand it, at a certain rate of interest, that purchase does not become economical. All I ask is that the minister give us the rate of interest, and then we can see where we go from there.

Mr. Speaker, I listened with great interest to the hon. gentleman from LaPoile (Mr. Neary), and I do not intend to engage in the debate in the way in which he did, but he did make one or two points that I think are worthy of some comment, and so I shall say a word or two about them. Let me say first of all that whatever arguments there may be in favour of the Lower Churchill project going ahead this year, the argument which he made is not one of them. If it is simply to be a make-work project, Sir, then it should not go ahead ever on any terms. That is not the justification for it. It may be an economic development project. Indeed I believe it is. I do not like the way the government are handling it, but I think it could be and should be and will be and must be a very major part of the economic development of this Province. But a make-work project, Sir, that is an out-of-date idea. Franklin Roosevelt rejected that forty years ago in the new deal, and I am surprised that in this day and age a gentleman as economically sophisticated as the hon. gentleman from LaPoile (Mr. Neary) should put it forth for that reason. It is an outdated, misguided, discredited concept, a worthy one in motive, because the unemployment rate in this Province is staggering and the government are doing nothing about it. But, Sir, this is not the way to create jobs, not the construction jobs. That is not enough. To talk of it only in the sense of producing construction jobs, which is what the hon, gentleman meant and what he said in so many words, that is a completely weak and fallacious argument. To spend \$55 million. Sir, for the few hundred jobs, which will result if this work goes ahead

## Mr. Roberts.

this year the way the government outlined it, that, Mr. Speaker, to my way of thinking, is just the wrong argument in favour of it.

If I was tempted to vote for it that argument would have put me off.

Now the other point I think which the hon. gentleman made is that somehow by voting, as we intend to, we are voting against the project, we are voting to stop work. Well, Mr. Speaker, nothing could be further from the truth. Nothing could be further from the truth. We are voting against the present plans of this government as outlined in this House, and I will do it gladly, and I would do it again glady, and I shall do it anywhere in the Province gladly, because I think the policies and programmes which this government have outlined, with respect to the Lower Churchill, are wrong. Hon. gentlemen opposite may disagree. They do disagree. Well that is their right and their privilege.

MR. ROBERTS: As for the hon, gentleman from LaPoile (Mr. Neary) who somehow would like to paint us as being disloyal — and I think he used the word natriotism many times — may I remind the hon. gentleman of the very well known statement which I believe Doctor Johnson first made that natriotism is the last refuge of the scoundrel.

Mr. Sneaker, that is not an argument which should be used here. Hon, members in this House state their views, state their arguments, state their opinions and then state their nosition "ave" or "nay" on a question. That is the way it should be. I reject this argument completely and utterly. I intend to vote against this and if anybody thinks that makes any of us less a patriotic Newfoundlander, then, Sir, he is entitled to his opinion, But I repeat again, that patriotism is the last refuge of the scoundrel. That is the aphorism which comes to mind when that argument is used against how, gentlemen in this House. It is an unworthy argument for any member to use, Sir.

I do not need to say anything about the meeting which my
hom. friend from Trinity - Bay de Verde (Mr. F.Rowe) has spoken of
except to say that the version which my hom. friend gave is true
and the version which the hom. gentleman from LaPoile (Mr. Nearv)
gave is completely untrue. I do not know what his motives are and
I am not allowed to comment or reflect upon them but it is completely
and utterly untrue. There were ten people at that meeting, Sir,
anyone of them is quite free, now that the hom. gentleman from LaPoile (Mr. Nearv),
Sir, has, I do not know, broken his word - that is not an argument
that appeals to him - now that he has given his version of it other
hom. gentlemen who were there or other gentlemen who were there who
are not present in the House of Assembly -

MR. NEARY: Wait until the old master comes back.

MR. ROBERTS: Mr. Speaker, I have been waiting for the old master, as the hon. gentleman (Mr. Neary) calls him, to come back for years and years and vears. We had it out a year past just as the hon. gentleman and I had it out a year past. Of course, that is why he is sitting there today.

MR. NEARY: Do you want me to table the letter I wrote you

there in March?

MR. ROBERTS: Mr. Speaker, the hon, gentleman can table anything

he wants, Sir.

MR. NEARY: How about the phone calls to Ottawa?

MR. ROBERTS: He can table phone calls to Ottawa, messages to Ottawa, phone calls to anywhere he wants and so can the hon. gentleman from St. Mary's - The Capes.

AN HON. MEMBER: I will just turn the other cheek.

MR. ROBERTS: Mr. Speaker, what I said was that the version given by the hon. gentleman from LaPoile (Mr. Neary) is untrue. He was the one who raised it in this -

MR. NEARY: It is true.

MR. ROBERTS: The hon. gentleman may even believe it is true, I do not question that.

MR. NEARY: I know it is true.

MR. ROBERTS: I am just simply saying it is factually incorrect, untrue, inaccurate, wrong and not truthful.

MR. NEARY: He did not pay me \$10,000 to say that.

MR. SPEAKER: Order, please!

MR. ROBERTS: Mr. Speaker, if the hon, gentleman is suggesting that my friend from Trinity - Bav de Verde (Mr. Rowe) - Mr. Speaker, if he is suggesting that, Sir -

MR. F.ROWE: That is about as low as you can get you scum.

MR. SPEAKER: Order, please!

MR. ROBERTS: Mr. Speaker, let the hon. gentleman from LaPoile (Mr. Neary) have the courage to say what he believes in. If he is suggesting that the gentleman from Trinity - Bav de Verde (Mr. F.Rowe) made a statement simply because he is House Leader for this side then that says more about the hon. gentleman from LaPoile, (Mr. Neary) Sir, than it does about anything else. It also explains one of the reasons he is there and not here and why I am glad he is there and not here.

MR. NEARY: Come on Scrappy! Come on Scrappy! Come off it!

To see see seess

Do not get nastv.

MR. SPEAKER: Order, nlease!

MR. NEARY: Smarten up!

MR. ROBERTS: Mr. Speaker, I started in a feeling of christian

charity wishing the hon, gentleman a Merry Christmas -

MR. NEARY: The meople of Newfoundland will deal with you in

due course.

MR. ROBERTS: - and I would wish him another Merry Christmas.

Sir.

MR. NEARY: And a Cheery Christmas to you.

MR. ROBERTS: Mr. Speaker, the hon. gentleman is obviously

filled with good spirit or spirits.

Now, Sir, the point I was making, the point I was making,

Mr. Speaker, is that a version given by the hon, gentleman from

LaPoile (Mr. Neary) -

MR. NEARY: Is correct. True, correct -

MR. ROBERTS: Mr. Speaker, do I have the right to say what I wish, subject to the rules, without interruption from crackies in one corner or another?

MR. NEARY: No not lower the decorum.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! I suggest hon.

gentlemen allow the Leader of the Opposition to continue.

MR. DOODY: It is perfectly all right with us, Sir. We are

very quiet over here.

MR. ROBERTS: Thank you, Mr. Speaker. As I was saying - of course

it is all right. I agree the hon, gentlemen opposite are saying nothing.

They may be thinking a lot but they are saying nothing at all and that is fine.

The version which the hon, gentleman from LaPoile (Mr. Neary) gave I just say, completely and categorically, is untrue. It is not truthful.

MR. NEARY: Because you say so.

MR. ROBERTS: It is not correct, it is not accurate, it is not

worthy of further comment except simply to say that it is untrue.

Now the hon. gentleman can say it is true and he may believe it, I say,

Mr. Speaker, it is untrue. If the hon. gentleman from Twillingate (Mr. Smallwood)

when he comes back from his Southern vacation, wishes to enter into the

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MR. ROBERTS: debate on this, and if it is in order, I would be very happy to do it. And the other eight or nine men who were at that meeting would be equally happy I am sure to state their versions.

MR. DOODY: Can we get on to the Lower Churchill?

MR. ROBERTS: That is quite relevant to the Lower Churchill, really, but the hon. gentleman opposite at times finds it hard to understand and I must confess, so do I. But the hon. gentleman from LaPoile (Mr. Neary) insists on dragging it in so we must answer it.

Mr. Speaker, finally -

MR. MURPHY: He is your buddy.

MR. ROBERTS: Finally - no, no, Mr. Speaker, not my buddy.

Never my buddy. My political colleague at one stage but then

politics make strange bedfellows but bedfellows make even stranger

politics as the hon. gentleman should be aware.

MR. NEARY: They are all men. They do not have to be burped before they go to bed at night.

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

MR. ROBERTS: Mr. Speaker, as I was saying -

MR. LUNDRIGAN: Let us get things on a higher plane, Mr. Speaker.

Let us get off the ground.

MR. ROBERTS: I agree completely, and we will bring it up, hopefully, to the level the hon. gentleman from Grand Falls (Mr. Lundrigan) can understand.

MR. LUNDRIGAN: I am serious, you know.

MR. ROBERTS: I agree, I am quite serious. I talked about bringing it up to the level the hon. gentleman from Grand Falls (Mr. Lundrigan) would like us to be at. I quite agree. I quite agree.

Now as I was saying, Mr. Speaker, before the hon. gentleman from Crand Falls (Mr. Lundrigan) interrupted, the point quite simply is that a vote against this resolution is not in my view, others may differ, but in my view is not a vote against the project continuing. It is a vote against the project going ahead in the way in which the government outlined, and that I believe, Sir, is the way any person, who is concerned with the future of this Province, should vote. Other hon. gentlemen may hold contrary views, fine. That is their right and their privilege, more power to them. I shall hold my view and so shall my colleagues.

Secondly, Mr. Speaker, I would repeat, that a vote in favour of this amendment is a vote against the government's plans for proceeding against the way in which the government intend, according to the minister's policy statement, and the minister's speech, and I would think that when the minister closes the debate, he will repeat it. Sir, we reject that. We think it is the wrong way to go. We do not think the minister has outlined a case. Our arguments were put forth at great length by all the hon. gentlemen on this side who spoke in the debate.

Now, Mr. Speaker, it is 5:35 p.m.. I would suggest if the hon. gentleman from St. John's West (Mr. Crosbie), the Minister of Mines and Energy, is going to need more than twenty-five minutes, that

## Mr. Roberts.

perhaps the House might agree to sit a little beyond 6:00 p.m., and allow the hon. gentleman to conclude his remarks, and then we could vote on this motion and dispose of it one way or the other. I venture to predict that it will be passed because the government, you know, the government stand behind it, and they have the majority, and then we can presumably, if that is done, the House Leader will agree to let us adjourn until some time in the New Year whenever the government wish and that we can then carry on. So I would repeat simply, and we will consent for our part if the hon. gentleman wishes to go a little beyond 6:00 p.m. We could agree to allow him to make his remarks. I have only been fifteen minutes and the hon. gentleman surely would need maybe a half an hour or a little longer to make a case. I simply say, Mr. Speaker, that I am against the motion. I am going to vote in favour of the amendment, and I will be against the motion as it is amended. But, Sir, that is not why we have put down this amendment. We have put down the amendment, Sir, so that the hon. gentlemen, such as the gentleman from LaPoile (Mr. Neary) and other hon, gentlemen who spoke, who wish to distinguish between the two parts of this motion, may have the opportunity to do so. For our part, Sir, we think the way the government are proceeding is the wrong way. We think the way in which they have proceeded is the wrong way, and our votes will reflect our belief, Sir. Thank you. MR. SPEAKER: The hon, member for St. John's East. MR. MARSHALL: Mr. Speaker, I will only take a moment, no more than the three minutes of the quorum call while I was speaking in my first address, But because the hon. Leader of the Opposition has spoken, I feel that I have to, because the Leader of the Opposition does not speak for me, and I do not foresee that he ever will. So I have to explain, Mr. Speaker, very briefly, as to my position I am taking with respect to this amendment.

I feel obviously that this amendment has been put forth, and I feel obviously it is a better way to go, it is a better way

#### Mr. Marshall.

to deal with the question in two. I agree with the policies or with the steps that have been taken up until now. The Opposition does not agree, but I do agree. That is the other one distinction, but the other thing is I want to make it absolutely crystal clear that I am not backtracking, not weaseling one single iota, and I believe, and I believe very, very firmly that I cannot support the second part of that motion for two reasons: (1) The expenditure of \$55 million and to putting it at risk for the reasons that I have already given and if the people of this Province and of this legislature have become so immune to risks that they are going to take that on, the other ancillary question answers it as far as I am concerned that we may very likely be, as a result of putting \$55 million in now, which will make close to \$100 million, delivering this Province into the hands of Quebec Hydro and the federal government, the federal government already asking for equity, and I cannot in whatever form the question is, vote for that particular policy as set forth in the paper. So consequently for different reasons than the Opposition, I will not be voting with the Opposition I wish to make that crystal clear, but I shall be supporting the amendment, not for the same reasons as the Opposition does, and I will be voting against the resolution.

MR. NEARY: You are splitting hairs.

MR. MARSHALL: I am not in the slightest bit splitting hairs. What is underneath the hairs of the hon. member obviously has not got enough matter to be able to understand the distinction, but they are quite logical and quite easy to see, Mr. Speaker.

MR. SPEAKER: The hon. member for Carbonear.

MR. MOORES: Mr. Speaker, in sixty seconds or less, I would like to make our stand, that is to say the party's stand on the amendment.

We will be voting against it, because there is an implication in the

# Mr. Moores.

amendment that the entire development of Gull Island stop as of the passing of the amendment.

SOME HON. MEMBERS: Hear, hear!

## Mr. R. Moores:

However as expounded ably and emotionally by our party leader last week, the hon. member for Twillingate (Mr. Smallwood), we went the Gull Island development to continue but we do not want the transmission line to continue. We want the power to be developed for Labrador. Thank you.

MR. E. DAWE: Mr. Speaker, I am probably going to disagree with a division within our ranks. I am sorry that the hon. leader of our party is not here at this present time. But I have given this most serious thought— I have come to the conclusion that—I have been a member of this House on several occasions as was well pointed out by the hon. member for LaPoile (Mr. Neary) when we have taken risks that we have probably been condemned for in the past—but I have given this matter most serious consideration and I am not prepared to stand in this House and probably be a party to the delay of the development of the Lower Churchill.

SOME HON. MEMBERS: Hear! Hear!

It do not want to even give the impression that there is no solidarity in this on our side of the House, with our group here, or any feeling between the leader of our group and myself.

No one knows better than I do the personal relationship that we have had. This past few years there has been no man closer to him than I have been. I have given this serious thought. Actually I came in this afternoon to vote for the resolution. My conscience is quite clear in this regard, and I want it to go on the record that I will be voting for the resolution and this amendment.

SOME HON. MEMBERS: Hear! Hear!

IT. SPEAKER: Is the House ready for the question?

The question is on the amendment, those in favour "Aye".

Contrary minded "Nay". In my opinion the "Nays" have it. The motion is defeated.

Mr. POBEPTS: Mr. Speaker, I assume that one other will rise. 'Tom'. Could

we have a division please on this?

MR. SPEAKER: 'Call in the members.

## DIVISION:

MR. SPEAKER: Three minutes have expired I believe.

Those in favour of the amendment please stand.

Mr. Carter; Mr. Marshall; The hon, the Leader of the Opposition; Mr. White; Mr. Rowe; Mr. Nolan; Mr. Winsor; Mr. Lush:

Mr. SPEAKER: I declare the amendment lost.

MP. POBERTS: It is necessary to have two-sided voting here.

MR. SPEAKER: Oh, that is right.

MP. POBERTS: We insist that we do.

MP. SPEAKEP: Those against the amendment please stand.

The hon. the Minister of Municipal Affairs and Housing;
The hon. the Minister of Tourism; The hon. the Minister of Manpower
and Industrial Relations; The hon. the Minister of Health; The hon.
the Minister of Social Services; The hon. the Minister of Provincial
Affairs and Environment; The hon. the Minister of Justice; The hon.
the Minister of Mines and Energy.

## SOME HON. MEMBERS: Hear! Rear!

The hon. Mr. Wells; The hon. the Minister of Finance; The hon. the Minister of Industrial and Rural Development; The hon. the Minister of Fisheries; The hon. Minister of Forestry and Agriculture; The hon. the Minister of Education; Dr. Collins; Mr. Cross; Mr. Power; Mr. Young; Mr. Goudie; Mr. Windsor; Mr. Dinn; Mr. Patterson; Dr. Winsor; Mr. Dawe; Mr. Callan; Mr. Moores; Mr. Neary.

On motion amendment lost.

MR. SPEAKER: If the hon. Minister speaks now he closes the debate.

The hon. Minister of Mines and Energy.

MR. CROSBIE: Mr. Speaker, I may need a few minutes extra if the House does not mind not observing the clock when it reaches six for a while. I will try to be reasonable in length but this is a very important subject.

Now, Mr. Speaker, the way I feel about this subject and about this project is summed up by a poem in which I cannot remember the exact words but it goes something like this, "There is a tide in the affairs of man/Which taken at the flood leads onto fortune," or something similar like that.

AN HON. MEMBER: Shakespeare.

MR. CROSBIE: It is Shakespeare, yes. I meant to look it up today - because that is where I see this Province being and that is what I see the approach of this project being.

Now, Mr. Speaker it is not an edifying spectacle to see hon. gentlemen opposite, in the official Opposition, trying to straddle every side of this issue, trying to say that they are not against the Lower Churchill project proceeding but then attempting to carp and criticize and he as negative about it as they can and therefore moving an amendment that takes away the whole purpose of this resolution and so that we do not even go forward with the project during 1976. If the amendment had been passed, Mr. Speaker, this project would not proceed during 1976 because that part of the resolution would have gone and all the House would have been doing was approving what has been done in the past. It would not have approved what we plan for the project during 1976. The government would have to resign and the project could not continue during 1976. That is the effect of their amendment and there is no way of moving that amendment which takes away our plans for going ahead with the phased continuation of the project during 1976 and being for the project. So let the world be entirely clear in their minds, The electorate of Newfoundland, let them be entirely clear in their minds, the official Opposition is voting against the continuation of the

MP. CPOSBIE: Lower Churchill project, the Gull Island development and the government's plan is to carry on with it. That is what they are against. It does not matter what reasons they wish to give.

They can say it is because they do not believe in the government, or they do not have confidence in the government or they do not have faith in what the government has done or they are not going to have faith in what the government has done, or whatever the reasons but they are voting today against the continuation of the Lower Churchill project and let them not try to fool anyone about that. That is what they are doing.

T would like to thank the hon, gentleman from Bell Island whom I have not always agreed with -

19. DOODY: Thank you very much.

Mr. CROSBIE: - for LaPoile, formerly from Bell Island (Mr. Neary), for endorsing this project and the chance that we are putting before the House and the hon, member for Port de Grave (Mr. Dawe) who says be is poing to vote for it. Now what is the criticism that is being brought against the government in this matter, Mr. Speaker? There has been carping criticism that somehow along the way we have not done the right things. But what right things have we not done? God knows we have had the matter studied in every detail . It has been studied by six or seven of the largest and greatest engineering consulting firms in Canada . They have studied it. Have we proceeded too outrageously boldly? Have we been just carefree? Have we just been taking risks without any consideration? No, that cannot be the charge. At every stage we proceeded cautiously. The fact that we are now introducing an amended and slowed down programme to this House shows the caution with which we are approaching it. We are not about to take the future of the Province and risk it all in one flick of the dice. Because if we were taking that attitude we would be going ahead with the whole thing. We would go ahead now with the whole thing. We would say damn the torpedoes and go ahead with the Gull Hydro project, the transmission lines and the tunnel next year and risk \$400 million.

MR. CROSBIE:

And if it were my Province or I owned it that is what I would ask this House to do, Mr. Speaker. We were not risking the whole future of the Province.

SOME HON. MEMBERS: Hear! Hear!

MR. CROSBIE: If it were my money I would not hesitate for one moment to put the whole thing on the line. But we are not doing that because we have to have some sense of responsibility and caution because we represent the people of the whole Province whose future could hang in the balance were we to take that kind of a risk. So obviously we have to take a lesser risk. The lesser risk we are asking the House to approve is that if we go the whole of 1976 before we got outstanding matters resolved with Hydro Quebec and with the Government of Canada and with the Province of Alberta, who wants to help us, that if we go the whole of 1976 we are going to risk \$55 million of money that we have to borrow during the year, guaranteed borrowing by hydro. We will risk \$55 million if we go the whole twelve months. That \$55 million if we have to stop the whole thing will not be entirely lost. A good part of it would have been spent on facilties still useful, including the transmission line from Churchill Falls to Goose, which has not been stressed enough because we are proceeding with that anyway.

\$8.5 million. If the Government of Canada or Hydro Quebec turn us down by the end of March that is \$8.5 million we are risking. If they wait until the end of June before they put the blocks to Newfoundland then the risk will be another \$11.5 million or \$20 million all together by the end of June. If they decide to do us in by the end of June then it will be \$20 million. If they decide to keep us hanging in the balance until the end of August or the end of September it will be another \$17 million, practically \$18 million. So that is \$38 million we will be out by the end of September. If it takes the whole year to find out whether the Government of Canada

#### MR. CROSBIF:

will help this Province have a future or whether Hydro Quebec is going to assist its neighbour or whether Quebec is going to beggar its neighbour and say, screw our neighbour, if it takes the whole year to find those things out then it will be \$55 million we will have ventured in trying to get for the Island of Newfoundland the hydro power from Labrador to give ourselves some future so that we are not at the mercy of the Middle East oil or the Venezuelan oil or whatever oil that we are going to be at the mercy of if we have to go the steam nuclear route. That is what we are asking the House, a cautious, careful approach.

Now two of our own members, the member for St. John's East (Mr. Marshall) and the member for St. John's North (Mr. Carter) are so cautious and conservative and careful that they do not even want to take that risk. They say, "No do not risk another dollar, do not borrow another dollar until you have got the whole thing sewn up." Now that is a counsel of perfection which cannot be achieved. It is a counsel that no government could act by because it will be impossible for Newfoundland ever to have matters agreed with the federal government or ever to have matters agreed with Hydro Quebec. If we now stop the project cold and say, it is finished until these metters are concluded because them as the member for LaPoile (Mr. Neary) said the momentum is gone. There is no longer any reason for them to negotiate with us. There is no longer any urgency for them to agree with us as to what they will buy power for or sell us energy for or whatever. The federal government can sit back in Ottawa and say, there is now no reason or urgency to make any commitment to the Province of Newfoundland. They have stopped the project dead. That is why we cannot heed the advise of the member for St. John's East (Mr. Marshall) and the member for St. John's North (Mr. Carter). It is not practical advice because I suggest they are not practical men. I have no quarrel with them. They are both, I believe, friends of mine and I respect them, but they are not practical when they ask

MR. CROSBIF:

us, when they give us that counsel, that you are not to proceed, not to borrow another dollar, not to spend another dollar on the hydro until everything is wrapped up, until every angle is covered, until you have got Hydro Quebec agreed to, until you have got the federal government agreed to. That means, Mr. Speaker, you can never do this project.

If we are not prepared to take a risk ourselves, why should we expect answers or money or assistance from the Government of Canada or the Government of Quebec? We will never get it if we take that timorous, timid approach, never We will never - this project has no hope. So therefore we have to part company with our two colleagues on that because the advice they give us means that Lower Churchill power, Labrador power can never be brought to Newfoundland. It is

#### Mr. Crosbie.

not practical in what they have suggested. Now this is a democratic party. We have had two or three caucuses on this. We have had two or three cabinet meetings on it. Everybody on this side is just not an automatic gambler and risk taker nor am I myself. We have had to satisfy ourselves. We have been able to satisfy everybody in the caucus with the exception of the two gentlemen I mentioned. So we have go on without their support in this particular issue, but their views are their own genuine views. This is not all that great a risk, Mr. Speaker, when you look at what we are striving for, a \$2.3 billion project when we know that Canada - the total investment on energy is going to be \$50 billion in the next ten years. Is Newfoundland seeking or grasping out too far to attempt a \$2.3 billion project? I do not think so. I do not think it is too great a gamble. We may lose the gamble, and we may lose the risk, but you ask, who are the customers, which was one of the questions asked? The customers are you and I and the people of Newfoundland and the industry we have here now and the industry we may have in the future. That is who the customers are. SOME HON. MEMBERS: Hear, hear!

MR. CROSBIE: When BRINCO sold to Hydro Quebec, when BRINCO sold our power, Churchill Falls power to Hydro Quebec, who was the customer? Hydro Quebec. Who is the customer in Newfoundland? Newfoundland and Labrador Hydro.

## SOME HON. MEMBERS: Hear, hear!

MR. &ROSBIE: It is similar. But behind Hydro Quebec - here is
the difference - is the large Province of Quebec with a large
manufacturing and industrial base and better credit in the markets
than we have in Newfoundland. What is behind Newfoundland and
Labrador Hydro? All its customers and the people of Newfoundland and
the Government of Newfoundland, but we are a smaller unit. We are not
a big industrial base. We have not got the same credit. There is
no difference in principle between BRINCO selling to Hydro Quebec, giving
them a contract, the one customer, and we developing Gull Island power and

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Gull Island power selling it to Newfoundland and Labrador Hydro. There is no different except it is easier to finance, because then you got the whole credit of the Province of Quebec behind you when you sell to Quebec, but when you sell to Newfoundland, you only have got the credit of the small, little Province of Newfoundland. That is the difference. We are not doing anything different than BRINCO did. They are not any bigger or more clear sighted or more intelligent or brainy than we are. We got just as able people as they ever were, Mulholland and all the rest of them, and we are prepared to take the risk they were prepared to take. They had to risk their shareholders' money, \$80 million or \$90 million or \$100 million before they got it all tied up, and we have to risk our shareholders' money, the people of Newfoundland, if we are ever to get this off the ground, and we might fail just as BRINCO might have failed. So that is the risk we take. But if you are sowee timorous, cowardly beastie, or whatever the words Robert Burns used, you will not take the risk, And we are not just plunging ahead, we are not jumping off a precipice, we are taking a cautious approach to it. But if we do not take this approach we can forget Labrador Hydro power for Newfoundland. We can deliver it all, forget it, leave it there until Quebec is ready to have it and use it in Quebec. We will never use it here in Newfoundland, and that is why we have to go forward.

Now there were a lot of other questions asked. I will go very sketchily through the information. Our two hon. members by the way are not fence straddlers. They have put their position very clearly, Mr. Speaker, what their position is, but you would need to be an expert on algebra to understand what the position is of the Leader of the Opposition is.

AN HON. MEMBER: Mugwump.

MR. CROSBIE: He has straddled the mugwumpiest mugwumping ever seen in this House. They are not against the Lower Churchill project, but they are against it as long as we are doing it, and if they were here they would be for it, because it would then be theirs, and they are

against it for only one reason because it is the P. C. Government doing it.

SOME HON, MEMBERS Hear, hear!

MR. CROSBIE: If patriotism is the last refuge of a scoundrel then absolute lack of patriotism what is that evidence of! That is evidence of treachery to the Province.

SOME HON. MEMBERS: Hear, hear!

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MR. CROSBIE: That is what that is.

MR. MURPHY: He is just warming up.

MR. CROSBIE: To try to damn this project every way you can by asking snide questions, by suggesting this, by suggesting that the tunnel, there is something wrong with a tunnel, that us fools over here are going to do a tunnel and we do not even know what we are going to tunnel through or that we have not a group of incompetent engineers and there is something peculiar about the tunnel and on and on it goes, the denigrating little sneers at this project. My Godcan you imagine what a massacre the former Premier (Mr. Smallwood) would have made if the Opposition in the days of the BRINCO deal if these kind of snide attacks had been made on the project? And it is suggested that we are not providing, that we are going to have a brown out, brown - I am smothered with the brown stuff that we have been getting around here in the last couple of days, that is the brown out - that we are going to have brown outs after I outlining, Mr. Speaker, and I can only do it very quickly now, the projects that we have underway to ensure that we have sufficient power until 1982 which I read to the House a few days ago and now have further confirmation of it.

We have in our planning provided sufficient to meet our energy needs in the years to 1982 as long as Gull Island comes on by 1982. I do not know where I have got it all listed here now.

MF. MURPHY: Nail it to them, 'Johnnie'.

fifty megawatt gas turbine next year, a 154 megawatt; unit number seven at Bay d'Espoir in 1977, an eighty-five megawatt gas turbine in 1978, in 1979 a 150 megawatt Holyrood number three unit in 1980 a seventy megawatt gas turbine. These last three have formally to be approved by the government but will have to be to meet our demand for energy but we have got time for government to give its final okay or approval. That will keep us in sufficient energy up until 1982 until Gull comes on, if Gull comes on in 1982. If we discover in 1976 we cannot get Labrador power or Upper Churchill power or

MR. CROSBIE: whatever power to Newfoundland by 1982 then we will have to decide at the end of next year, do we go on to order another complete steam plant for Holyrood? Because you have to have five years lead time for a whole new steam plant. Not the unit, not just an additional unit for Holyrood as the 150 megawatts is, but an additional steam plant, a wholly new steam plant because we will be forced to go the steam nuclear route. If we cannot solve this complex conundrum in the next twelve months - What is the saying? The chicken and the egg, which comes first the chicken and the egg?

MR. MURPHY: The chicken or the egg.

MP. CROSBIE: That is the conundrum we are caught in, Mr. Speaker. Deal with Hydro Ouehec and they can say, "Look, deal with the federal government first and see if they are going to support you. Go to the federal government and they can say, "We will tell you whether we can support all this when you have got it all set with Hydro Quebec." We are in one of the most complex situations that has to be negotiated in the next six months that any government could possibly be in. You think we would have standing behind us the whole House of Assembly saying, "You are in a difficult position and we are going to back you all we can." But we are not in that position. We have got the official Opposition niggling us and opposing us and jeopardizing the Province's posttion or so it appears at the moment. They are not even big spirited enough to say, "Look, you have made mistakes and we do not entirely like what you are doing now, and we think you are going to make mistakes in the future but this is for Newfoundland so we will back you on the general concept, but we are free to criticize you whenever we catch you doing something wrong or making some kind of mistake." That would be understandable. "We are for your vision and we are for Newfoundland and we are for Newfoundland getting this project and we want to back you publicly and say we endorse your efforts and we will help you but where we find you wrong we will criticize." That would be understandable. But this kind of an approach where almost half the House and the official Opposition appears WP. CROSBIE: to be against it is not one that is going to help
us in the struggle when we go to Hydro Ouebec or when we go to
the Government of Canada who can well say, either one of them,
"Well if the Opposition comes into power in the next three or four
years what is their position going to be on the matter? We understand
they voted against." Did we hear of anybody in the Province of
Ouebec voting against James Bay? Information - we are told that the House did
not get much information. Never has a project with such detailed
information on any project been given in this House of Assembly,
\*\*r. Speaker, never.

SOME HON. MEMBERS: Hear! Hear!

MR. CROSBIE: Now, I have not the time now but I have a whole reasoned thing here. It is a system generation expansion plan for Newfoundland Hydro, and then it goes into energy and capacity and so on. I will just say this that I am satisfied by Newfoundland and Labrador Hydro that our planning is in order, to satisfy our energy needs until 1982.

MR. ROBERTS: Is the hon. gentleman going to table it?

MP. CROSBIE: I will look it over and if I see no harm in it I may be able to give the hon. gentleman a copy or table it. But we will have to go on if at the end of next year we have not got the transmission line and tunnels properly on stream and all the following arranged, we will have to go on to the steam plant that we do not want to go on to.

I will skip the Island hydro sites and so on and so forth. I can just say that I am satisfied. The last year you see, Mr. Speaker - just one note of explanation - if Gull came on in 1982 and we knew it was coming, our energy from Labrador coming in 1982, for the last year here on the Island you would let the water run down in Bay D'Espoir and that will give you your energy for the last year, your additional energy. But you can only do that for one year. You cannot do that for more than one year. Therefore you can only do it when you are sure that you have got the Labrador power coming on the next year.

Now, we were asked questions about the cost of the loan that was incurred to purchase the CFLCo shares. Well that loan was in U.S. dollars arranged with the Bank of Nova Scotia. We have five years commencing next year to repay the principal of it, our Newfoundland and Labrador Hydro has now, for the part that pertains to the shares. It has to be paid in five equal payments commencing next year. So next year they will start, they will borrow the amount that comes due next year and put it on a long term basis and put that term out as a long term loan. The rate of interest on the loan now, the loan is in

MR. CROSBIE:

three equal tranches, three equal parts. The first part of the loan, the interest rate from June 27, 1975 to December 28, 1975 is 8.3125 per cent. On the second tranche the interest rate from September 27, 1975 to March 26, 1976 is 9.4375 per cent.

MR. POBERTS: Are these slices equal?

MR. CROSBIE: Three equal tranches, three equal parts. The third part, the interest rate for the period August 27, 1975 to Pebruary 26, 1976 is 9.3125 per cent. Those interest rates will change as each six months expires and will then depend on what the London Interbank rate is at the particular time that each of those comes due.

AN HON. MEMBER: That is a higher rate?

MR. CROSBIE: Yes, it is three-quarters of one per cent above the London Interbank offering rate for deposits of similar amounts in turn. So that is the loan, guaranteed by the Province, and that rate changes.

Mr. Speaker, once the CFLCo becomes a Crown corporation the increased amount of the dividends and the return we get from CFLCo will pay that loan off in twenty-one years at 11 per cent interest. Now it is true had we gone on without taking the additional shares we would still have had part of that money, \$9 million of the \$25 million. So it is still costing us some money. But, Mr. Speaker, if we do the Pomaine, and the Pomaine will be done because it is to the advantage of Quebec and ourselves, what we will get from the Romaine alone, if we got 7 mils for the Romaine power, will pay off that loan in four or five years. If at any time that contract that now exists between CFLCo and Quebec Hydro is changed, as some day I feel sure it will be, there will be no difficulty in paying off that loan. But even if none of those things happen it will be paid off in twenty-one years even if the interest rate is 11 per cent.

MR. ROBERTS: Taking \$25 million each year to service it, is that correct?

MR. CROSBIE: Hm!

MR. ROBERTS: Taking \$25 million each year?

MP. CROSBIE: Taking \$25 million a year.

MR. ROBERTS: How long would it take to pay it off taking only \$16 million a year.

MR. CROSBIE: I have not got that here. I think it is something like thirty years. I have not got the exact.

Now, Mr. Speaker, there was also a point made about the prospectus of Newfoundland and Labrador Hydro, and the hon. Leader of the Opposition tried to make some point about a note about the purchase price of the shares. The purchase price of the shares was so much and the equity in book value was about half of that. It is a note. It is just an ordinary accounting explanation. Mr. Speaker, if I have a company and I bought a house this year for \$20,000 but the house is now worth \$50,000 and somebody buys the shares of my company, that is the asset in the company. They will pay me for the shares in the company, what the house is now worth, \$50,000. But when you

MR. CROSBIE: look at the balance sheets of that company the house will be valued at \$20,000. That is all this is. That is similar to what this is. This just says that we paid, let us say it was \$160 million for shares, that the actual equity in the book value of the company who shares you acquired, our share of it, is about half that. That is as shown in the books of the company, but you could not build a Churchill Falls, Unper Churchill again today for less than \$2 billion. It was built there for one and that has depreciated and so on and so forth, so the value of your shares continues to decline. So that note in the balance sheet affects not a whit what we paid for the shares and any impression given that we paid twice what the shares were worth, of course, is just a lot of nonsense.

There are a few other points that I had here to answer. The Leader of the Opposition tried to make something out of the fact that there is a court case going on. On August 2, 1974, there was a contract signed by Teshmont Consultants acting as agents for the Power Commission with Exploration Services Company Incorporated of Anchorage, Alaska for the drilling of holes in the Straits of Belle Isle at various locations designated by Teshmont. The company sent down a ship which was not successful in doing what it was supposed to do. We refused to pay them the remainder of what they were promised to be paid because they had not performed, their drill ship and the management was inadequate for the work that had to be undertaken and so on. They are claiming that they should be paid for the work that they did so they are suing us for \$526,000 and we are counterclaiming against them for a return of the downpayment we gave them of \$151,000. It is a straight commercial dispute. They are suing us and we are counterclaiming. We want the money back we paid them because we say they did not perform what they were supposed to.

It was heard before the Subreme Court of Newfoundland 
I am not sure before which judge - who now has the matter under

consideration. There is nothing sinister about it. We are not going

to pay someone - not that the government were ever asked, that is a

matter decided by Hydro - we are not going to pay somebody

MR. CROSBIE: for performing work when they do not perform it properly. But if the courts, of course, find for them then Hydro will have to pay the amount involved, but there is nothing sinister or unusual about it.

The tunnel crossing: People want to make cracks about the tunnel crossing; is it safe and so on? Who knows for sure? All we can do, Mr. Speaker, is go by what the experts tell us. We certainly have enough engineering consultants. And in addition to our ordinary engineering consultants there is Patrick Harris and Company Limited who are experts in tunnelling and tunnel contracts who are saying this is the way to go. The tunnel is being dug at the 1,700 foot level to be sure that it is down in the Precambrian rock so that there can be no difficulties with the tunnel. That is why it is lower than it was originally designed to be.

MR. DOODY: Maybe we can get the loan of a ferret from the other side.

MR. CROSBIE: That is true. And we are following the same pattern as the Grand Duke tunnel completed in 1966, of similar length and so on and so forth. So as far as anyone can tell us, Mr. Sneaker, the experts, everything appears to be all right in the tunnel. That is not to say when you drill that tunnel you may not find some problems. But if you do they can be overcome. All you can do is go on your engineering advice. There is no one going to guarantee you 1,000 per cent that you will not have some problem with the tunnel. There may or may not be a problem.

They think the way we are going is the way to go and that it is safe.

Now we cannot put slopes down because the tunnel is so low the slopes would have to be too far back - you would probably be half way across the Northern Peninsula to go down the slope to get to the 1,700 foot level and it would be more expensive. It is more expensive to go the slope way than to go the ad it way or whatever way it is they are going.

I have not the time tonight to go into too much detail on that, but all we can do - we have people known and respected in

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their field, in the engineering field, the tunnelling field who are supervising this. We are not just going to do a tunnel - I am not telling them how to do the tunnel, the government have not told them how to do the tunnel. We have said, "Do the tunnel whatever way it is recommended to you by the best people you can get and God help you if anything goes wrong with the tunnel." And they are proceeding on that basis, and I do not think they are fools.

Now there was another question brought up about the Bolyrood plant. You know, the kind of stuff that is brought up to obstruct what we are attempting to do. If the third unit goes on Holyrood we are led to believe that it will be like a ruddy volcano in Conception Bay, that with the thermal output of that water going into the Bay from this third unit, the Bay out there will be bubbling, and if the hon, the member for Conception Bay South (Mr. Nolan) is in that Bay swimming one day whoom! Whoom! he will go up in a sulphur bubble or something. That is what we are led to believe. Or that you will not have any ice between Bell Island and the mainland or whatever.

This is only a third unit going in at Holyrood and there had been many studies done when the plant went there in the first place. There has been minimum environmental effect from the Holyrood plant so far and the studies that were made before that installation, of the two units there now, indicate that a third unit will have a very, very minimal environmental effect. But it will still be studied and checked and monitored, Mr. Speaker, to ensure that it does have the minimum environmental effect. But putting a third unit at Rolyrood is not going to have any major environmental consequence.

Someone suggested to me, my

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hon. colleague, the minister there, that it would make the water warmer for the mackeral. It will have a good effect on mackeral. Well he checked with his experts.

Now what else is there to answer? The project is in slings because there are no customers for the power. I dealt with that.

The power needs of the project - we will have sufficient power for the people of this Province as the project goes on, but if it cannot go ahead, if we know that it cannot go ahead at the end of 1976, we will have to go on into steam. We were blamed for not acting with sufficient prudence. The fifty-three page statement filed here,

Mr. Speaker, shows the kind of prudence we are using. It is not sufficient prudence to satisfy the member for St. John's East (Mr. Marshall), who is a very prudent individual, and T do not quarrel with that, and I have had to consider this carefully myself, but I think it is worth the risk, and he does not, but we have proceeded with prudence.

I dealt with a customer for the power. The Task Force Report on Energy; we are not going to publish or to table the Task Force Report on Energy. These were task forces that investigated and reported to the government for the government's own use in certain fields and few of those task force reports have been tabled. The Task Force Report on Energy concluded that we should have a serious look at controlling the hydro power resources in Labrador and the Province generally, and that is what we did. I, in no way say that that Task Force, its chairman, or any member, is responsible for our nationalization of CFLCo. We would have nationalized CFLCo, whether that Task Force had ever existed or not, because every look we took at the thing from 1972 onward indicated we had to take these private individuals out of the picture if we were to have any hydro future in the Province. So the Task Force on Energy is not responsible for that decision, but it did conclude from its studies that we should have further other detailed investigations made as to whether

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it would be to the Province's advantage to go on and take over the various power concerns in the Province. The rate of interest on the shares I have given you, and the term of the loan is five years more from next year.

The hon, gentleman said, Mr. Speaker, that we have been less than candid. Less than candid, where? The difficulty in this Province is that we are being too candid. If you go to the Province of Quebec, you do not hear them debating the James Bay Hydro project. The Government of Quebec does not give any information on it. It is not in the public interest to give it. Yet here in this Province we are being more candid than any government ever was in the past. Certainly the past government never gave information out like this. We have laid it out in statements in the legislature, in annual reports. We tried to answer the questions. Yet we are told we are less than candid, and we frankly tell this House that we got a monumental task before us, and we do not know if we can overcome it, because although Ottawa sympathizes, I am sure they would be delighted not to have to put out \$1.3 billion over the next five years so they can go on with the McKenzie Valley trunk line or whatever. They are going to help us if we make the convincing case so that they have got no reason not to help us. But give them any excuse not to help us, and they will not do it.

MR. CROSBIE: Is that what Ottawa will give, \$1.3 billion?

MR. CROSBIE: If they will loan one half of the transmission —

I am not giving the exact figures — one half the cost of it. whatever it is, whatever we have asked them to do. We got a monumental task with them, and a monumental task with the Province of Quebec, because they have us by the throat, and we have not got them by anything but the toenail. We have got to ask them to be good neighbours. Is it policy in this day and age for one neighbour, relatively rich, to see

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another neighbour relatively poor, on whose resource they are taking nearly all the economic rent, or are they prepared to share some of that economic rent with their poor neighbour who entered into a bad deal with them a few years ago and all the circumstances have now changed? So we have to ask for their assistance and co-operation. These negotiations have all got to proceed. For them to

MR. CROSBIE: have any idea that a substantial portion of our body politic is against it certainly weakens our position.

There was no infamous blowing of things in the Straits of Bell Isle during the summer, Mr. Speaker. We all thought the thing was gung ho. The new cost figures did not come in until September 27, that is when the new cost came in and in August we were un blowing a bit of powder on each side of the Strait.

Can hon, gentlemen visualize an election coming up with Premier Roberts in the Chair and this project going along and everything seeming to be hunky dory that he would not be up in the Straits blowing up a bit of powder. He would have blown up half the Straits and he criticizes poor Premier Moores for blowing off the powder.

MR. ROBERTS: The biggest help I had was when he spoke in favour of Marlene. That night in Flowers Cove got me Moores votes.

MP. CROSBIE: "Tr. Speaker, if we can get a tunnel across those Straits and get the hon. gentleman busy between the Straits and the other side of that tunnel we will have done a worthy job.

MR. DOODY: He would ply the Straits.

MR. CROSBIE: Now let us see who will be -

MR. ROBERTS: I am glad I am not in the Straits the hon. gentleman is.

AN HON. MEMBER: A straightjacket.

MR. CROSBIE: I have got a note here, weasel tactics, but I will not use that. Mr. Speaker, the time has come to clue. I hope, Mr. Speaker - there was a serious charge made in this House a few days ago by the member for LaPoile (Pr. Neary) who said that it was a common tactic of the official Opposition when everything was going on to get on the phone to Ottawa and call Ottawa to make sure Ottawa did not assist because if Ottawa assisted us in anything it would reflect to the credit of the government.

Here is what he said in Hansard, tape 751, "We have to approach Ottawn with a united front because if we do not, Mr. Speaker, they will

MP. CROSBIE: just laugh at us and you will have one side like I have seen happen, Sir, and I have seen this happen like when the government is trying to do something and they have somebody on the phone calling up one of his buddies and saying, 'you cannot do that because if you do that the Tories are going to get the credit for it.' Now, Mr. Sneaker, I hope that - " There is not a word of truth in it. TR. CPASBIE: Good. I hope that is not true. That was said here in this House, "r. Speaker. I hope it is not true. I hope hon. gentlemen opposite no matter how they vote will be on the phone to their friends in Ottawa telling them, "No what you can for the Province of Newfoundland. We do not care whether it is the PC Covernment or whatever. We want help from the Covernment of Canada for a mighty project that is in the interest of this nation and in the interest of Newfoundland and that Newfoundland must be assisted and that we stand behind them." That is the approach we would like to have. No one minds, Mr. Speaker, being blamed for mistakes that you make or for information that we do not provide or any corruption appears or whatever, then we can take that. But the hon, gentlemen opposite have not suggested to us how the energy needs of this Province are poing to be met if we stop Cull Island now. They have not said they prefer the steam nuclear route, Mugwumping! They have not said what their route is, because they have no route except to be against any route that this present PC administration attempts to take and I hope, Mr. Speaker, that they will now change their minds. The public knows their criticism. The public knows they think we are poor fools and we cannot administer and we are not doing things properly but I think they should vote for us to go ahead in 1976 on this careful programme we have there and see can we work all those matters out. And I would expect the Opposition and I hope they will, to use any influence they have with the Liberal Government in Ottawa and the Liberal Covernment in Ouebec to attempt to get them to

MR. CROSBIE: help us by coming through in the areas where we have to have agreements with them so that by the middle of 1976 we can announce to the world that the whole thing is on, that it looks much hetter, that some of our major problems are solved and that we are going ahead with the full project in 1977.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: I shall now put the question on the main motion, those in favour "aye", contrary "nay", in my opinion the "ayes" have it.

SOME HON. MEMBERS: Divide.

MP. SPEAKER: Call in the members.

#### DIVISION:

MR. SPEAKER: Both sides ready. Three sides I should say.

Those in favour of the motion please stand.

The hon. the Minister of Municipal Affairs and Housing; The hon. the Minister of Tourism; The hon. the Minister of Manpower and Industrial Pelations; The hon. the Minister of Health; The hon. the Minister of Social Services; The hon. the Minister of Provincial Affairs and Environment; The hon. the Minister of Justice; The hon. the Minister of Mines and Energy;

#### SOME HON. MEMBERS: Hear! Hear!

The hon. Mr. Wells; The hon. the Minister of Finance; The hon. the Minister of Industrial and Rural Development; The hon. the Minister of Fisheries; The hon. the Minister of Forestry and Agriculture; The hon. the Minister of Education; Dr. Collins; Mr. Cross; Mr. Power; Mr. Young; Mr. N. Windsor; Mr. Dinn; Mr. Patterson; Dr. N. Winsor, Mr. Dawe.

## SOME HON. MEMBERS: Hear! Hear!

Those opposed to the motion please stand.

The hon, the Leader of the Opposition; Mr. Rowe; Mr. White; Mr. Lush; Capt. Winsor; Mr. Nolan; Mr. Callan; Mr. R. Moores; Mr. Carter; Mr. Marshall.

MR. SPEAKER: I declare the motion carried.

#### SOME HON. MEMBERS: Hear! Hear!

MR. WELLS: Mr. Speaker, I am sure all members of the House would appreciate my wishing a very Merry Christmas to the staff of the House of Assembly and the Legislative Library for their help during this session which we are pausing in as it were. I would also on behalf of us over here like to wish all members of the House a very Merry Christmas and all the people of Newfoundland.

## MR. CROSBIE: Hear! Hear!

MR. WELLS: Mr. Speaker, be it resolved that when this House adjourns today it stand adjourned until Thursday, the 4th day of March, 1976 at

MR. WELLS:

three of the clock provided always that if it appears to the satisfaction of Mr. Speaker or in his absence, the Chairman of Committees, after consultation with Her Majesty's government that the public interest requires that the House should meet at an earlier time, the Speaker or the Chairman of Committees, as the case may be, may give notice that he is so satisfied and thereupon the House shall meet at the time stated by the notice and shall transact its business as if it had been duly adjourned until that time.

MR. ROBERTS: Mr. Speaker, the motion is not debatable and I hasten to say I am not rising to debate it. I just merely want to say on behalf of all of us on this side - I regret that the gentleman from LaPoile (Mr. Neary) is not present but I think even he would allow me to speak for him on this occasion - to say that we wish to be associated with the sentiments expressed by the gentleman from Kilbride (Mr. Wells) with respect to the clerks at the table and the legislative staff in the House and outside and the library staff. They service far better, Sir, at times than any of us realizes. We should all be deeply grateful to them because without their help the House would not function anywhere near as effectively as it does.

May I also, Sir, on behalf of all of us wish hon. gentlemen opposite a Merry Christmas and a very prosperous and a Happy New Year. I think all of us, as we have said often in Newfoundland, all of us have the same interests at heart, the same goals in sight. We may and often do and perhaps often should differ on the means by which those interests should be achieved and those goals should be reached. But, Sir, let us have a good Christmas and a good New Year and let us come back hopefully before March to get on with the business of doing what we can for the Province of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: It has been moved and seconded that this House do adjourn until 3:00 P.M., Thursday, March 4, it being understood along with the provision indicated by the hon. Minister without Portfolio. Those in favour "aye". Those against "nay". Carried.

On motion the House at its rising adjourned until Thursday, March 4, 1976, at three of the clock.

ANSWERS TO OUESTIONS

TABLED

DECEMBER 22, 1975

Question No. 270. How many broilers were raised in the Province in each of the financial years 1970-75; their commercial value?

Answer:	Broilers			
	Year	No. of Birds	Value \$	
	1970	447,021	554,306.00	
	1971	869,863	1,043,835.60	
	1972	815,340	913,180.80	
	1973	965,048	1,254,562.40	
	1974	1.056.923	1,648,799,89	

Question No. 271.

Whether and what steps the Government have taken and are taking to induce the Government of Canada to install fee-grain storage facilities in this Province so that we will cease to be the only Canadian Province without them.

Answer:

This subject has been the matter of much study including a special study carried out at Government's request by the Canadian Livestock Feed Board.

Mr. Smallwood should be aware that one of the serious constraints to this problem is the special considerations in an agreement he entered into with the Robin Hood Company some years ago.

Question No. 272.

Whether and when the Government intend to enlarge the cold storage facilities of Fort Pepperrell and thereby allow the poultry and pork operations there to expand to meet the pressing demand.

Answer:

This matter is under consideration.

Question	No.	274.	
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What are the figures showing sheep population in each of the financial year 1950-75?

Answer:	Year	No. of Sheep	
	1950	N/A	
	1951	73,639	
	1952 - 1955	N/A	
	1956	79,466	
	1957 - 1960	N/A	
	1961	36,604	
	1962 - 1965	N/A	
	1966	22,410	
	1967 - 1969	N/A	
	1970	10,208	
	1971	9,384	
	1972	8,690	
	1973	7,455	
	1974	6,728	DEC 2 2 1975
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Question No. 275

What is the number of milk cows, the production of milk, number of dairy farms, volume of milk brought into the Province in each of the financial years 1960-75?

## Answer:

Year	No. Cows	lbs of milk	No. Farms	Milk Imported in lbs
1960	not available			
1961	2,760		73	
1962	not available			
1963				
1964				
1965				
1966	2,922	12,170,640	75	
1967				
1968	not available			
1969				
1970				
1971	2,403	14,068,922	77	
1972	2,720	15,931,501	75	1,405,380
1973	2,411	16,304,121	69	4,301,230
1974	2,105	16,737,608	55	3,927,127

Question No. 280 What is the number of laying-hen population in each of the financial years 1960-75; number of eggs and their farm value of said years?

Answer:

# Layers

Year		Number of Hens	doz eggs (000 doz)	Value
1960	- 1964	- not available		
*1965	-	420,000	7,560	\$ 3,417,120
*1966	-	420,000	7,560	3,855,600
*1967	÷	440,000	8,088	3,591,072
*1968	÷	440,000	8,088	3,429,312
1969	-	440,000	8,088	3,364,608
1970	-	515,000	9,147	3,521,595
1971	40	494,000	8,736	3,546,816
1972	_	465,000	8,481	3,570,50 DEC 2 2 1915
1973	-	390,000	6,835	4,312,885
1974	-	445,000	7,857	6,277,743

<sup>\*</sup> Estimated

Question No. 293

What are the number of chicks hatched in commercial poultry hatcheries in each of the financial years 1960-70?

Answer:

## Chicks hatched for egg production:

1960 - 1968. not available

1969 - 10,000 chicks

1970 - 20,000 chicks

1971 - 68,000 chicks

1972 - 116,000 chicks

1973 - 108,000 chicks

1974 - 53,000 chicks

## Chicks placed for egg production:

1965 - 307,000

1966 - 172,000

1967 - 173,000

1968 - 263,000

1969 - 259,000

1970 - 233,000

1971 - 415,000

1972 - 303,000

1973 - 345,000

1974 - 406,000

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