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SPEAKER; THE HONOURABLE GERALD RYAN OTTENHEIMER

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

There are a number of groups in the Chamber whom I would like to welcome on behalf of hon. members today. First, from Eugene Vaters Pentecostal Academy in St. John's thirty-eight Grade VI students, and they are accompanied by their teachers, Mr. Rice and Mr. Stringer. On behalf of all hon. members I welcome the young boys and girls from Eugene Vaters Pentecostal Academy and express the view and the wish that your visit here this afternoon will be an interesting and an enjoyable and an informative one.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: There are three other groups which I would like to welcome to the Chamber on behalf of hon. members. One group consists of four members of the Town Council of Old Perlican, and they are Mr. Harry Strong, Mr. Ronald Bursey, Mr. Frank Burt and Mr. Charles Squires who are present in the House this afternoon.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I would also like to welcome to the House from Springdale, councillor Ray Whalen, the town manager of Springdale, Mr. Alvin Taylor, and the recreational director, Mr. Wallace Daly.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: And finally there are three gentlemen from the South Coast Regional Development Association in the House. I wish to welcome them on behalf of hon. members as well. They are the president, Mr. Don Stewart of Harbour Breton, Mr. Roberts of Hermitage, and Mr. May of Belleoram.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS:

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

HON. J. ROUSSEAU (Minister of Forestry and Agriculture): Mr. Speaker, as Acting Minister of Manpower and Industrial Relations I would like to bring the House, for their information, up-to-date on the dispute at Churchill Falls. My colleague, the minister, mentioned on Friday that meetings had been going on here in St. John's between the principals of CFLCo and the union, the International Brotherhood of Electrical Workers.

MR. NEARY: Is the minister ill again?

MR. ROUSSEAU: No, he is out of the Province.

And the talks were being held on Friday. They continued through the weekend, through this morning, and the points in the dispute were narrowed down this morning to two. There are now two points left in the dispute. At the request of the conciliation officer the talks have now recessed while both sides, the union and the management, go back to their principals to look at the two points, again, that are in dispute, and this was, as I say, at the request of the conciliation officer and agreed to by both parties. It is anticipated that talks will resume within the next day or two, but certainly again this week, and after the parties have had a chance to reappraise their position in respect to the two still outstanding points.

PRESENTING PETITIONS:

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

MR. F. ROWE: Mr. Speaker, I beg leave to present a petition on behalf of 1,436 citizens of twelve communities; namely, Old Perlican, Lead Cove, Caplin Cove, Western Bay, Job's Cove, Burnt Point, Lower Island Cove, Northern Bay, Gull Island, and Grates Cove. And, Sir, there are approximately 1,000 more names on the way from other communities such

Mr. F. Rowe.

Bay de Verde, Red Head Cove, Sibleys Cove and Brownsdale. Sir, the prayer of the petition is as follows: - "We, the undersigned, citizens of Old Perlican and the surrounding areas urge the provincial government to co-ordinate the negotiations of an agreement between Ocean Harvesters Limited, DREE and the provincial Department of Fisheries for the immediate start of the rebuilding of the burned out fish plant in Old Perlican."

Now, Sir, in speaking in support of this petition I think we will all realize that one of the greatest tragedies to hit the Old Perlican area was the almost complete destruction of the Ocean Harvesters Fish Plant on the eve of New Year's Eve of this year. Sir, if the fish plant is not rebuilt in time for the fishing season, it will mean the literal death of Old Perlican as a viable community, and other surrounding communities around the Old Perlican area.

MR. F. ROWE:

Sir, the fish plant is the lifeblood of Old Perlican and surrounding communities. To give you an example, Sir, in 1975 some 263 fishermen supplied that particular plant, and there were 210 plant workers. Twenty-five hundred tons of fish were landed at that plant. Four hundred and twenty-five thousand dollars was paid to the fishermen of the area, and \$257,000 was paid to the plant workers for a total of \$682,000 total payroll.

Sir, it might be worth pointing out, although there is a different issue involved here, that the number of people employed by this fish plant was equivalent, more than equivalent, to the number of people employed by the Come By Chance oil refinery although we have a slightly different situation with respect to money owing. Sir, during the fishing season in Old Perlican and surrounding areas, there is not one single person on unemployment insurance and not one able-bodied person on social services. Sir, the plant was and can be a viable operation. Sir, this has been demonstrated by the federal government and the provincial government's input.

There are two breakwaters out there costing in excess of \$1 million, a marine service center has been put out there, approximately \$1 million. We have a great covered-in wharf. Roads have been paved. Water and sewerage systems are in the process of being installed. So, Sir, federal and provincial governments have shown their faith in the people of Old Perlican and in the community with dollars, not just words. Sir, surely with all this infrastructure, the various levels of government cannot allow Old Perlican to die. Sir, I honestly do not believe they will. But that is not the problem in this particular case.

Now, I do not wish to divulge the details of the amounts of money involved, because I think that this is probably confidential information at the moment, but there are negotiations going on between the owners, Ocean Harvesters, DREE, the Department of the Environment and the Provincial Department of Fisheries to rebuild

MR. F. ROWE:

this fish plant. I firmly believe, Sir, that it will be rebuilt. But we are extremely concerned that the agreements will not be firmed up in time to allow Ocean Harvesters to rebuild the plant in time for this Summer's operation. If this happens, Sir, more money will be paid out in unemployment insurance and in social services, more money will be paid out, it will be far in excess of the amount of money that is required in assistance from government to rebuild this plant. Besides that, Sir, we will tear the moral fiber and the work ethic right out of the people, out of the men in Old Perlican, if they are left in limbo for a full year.

Now, Sir, the people represented in this petition - and I want to make this abundantly clear - they do not want to see the provincial government and the federal government start passing the buck and causing delays. That is the whole purpose of this petition. That is the purpose of this petition. I am speaking very clearly to this petition. Sir, it has been suggested by some - not government members, but by some - that there are enough plants in the area already. Well I can say that that is strictly not true. The proof of this, Sir, is that fish has been trucked into Old Perlican from as far away as Harbour Grace, where there is a great plant, and fish last year was dumped. So there is a great need for this fish plant.

MR. SPEAKER: Order, please!

Standing Order 92 requires now that I point out to the hon. gentleman that five minutes has expired, and in order to continue he needs the permission of the House. Does he have leave?

SOME HON. MEMBERS: Agreed.

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

MR. F. ROWE: I thank hon. members, Mr. Speaker, because I am just about at the end of my remarks.

Sir, in closing I would simply like to appeal to the Minister

MR. F. ROWE:

of Fisheries - and I am not being political in any way whatsoever - to take the lead, to try to firm up agreements immediately, or at least guarantee the owners that assistance will be forthcoming in order that the rebuilding of that fish plant can start tomorrow, not the next day, not next week, not next month, because I have every evidence to suggest that if a start is not made tomorrow, within the next couple of days, that that plant will not be in operation for the Summer. I appeal to the member for Harbour Grace (Mr. Young), Carbonear (Mr. R. Moores), Port de Grave (Mr. Dawe), and Trinity North (Mr. Brett) to support this petition because fishermen and workers in their districts are affected by this. So I simply appeal to the government not to let Old Perlican die, and I give my whole-hearted support to this particular petition. Mr. Speaker, I ask that this petition be placed upon the table of the House and referred to the department to which it relates.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker -

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: - before the minister has a few words on this I would just like to add my support to the petition. It is without hesitation, Sir, without any reservations whatsoever that I whole-heartedly endorse the prayer of that petition.

MR. MORGAN: As we all do.

MR. NEARY: I am sure, Mr. Speaker, that members on all sides of the House support the prayer of the petition. On my understanding the interpretation of what the hon. said was that, I think he laid the emphasis on co-ordinate the agreements, to bring the parties together to try to get this fish plant started immediately. I doubt very much, Sir, even if it was started now, unless they put a Butler building or something there, I doubt very much if it could be completed in time for the present fishing season. But the main thing is, the main emphasis was on co-ordinate the efforts, to bring about an early start on this fish plant, and I think that is a fair and reasonable request. I believe the onus of responsibility is on the Minister of Fisheries and the owner of the plant. And I do hope, Sir, that the House, the government, the minister, will act on this petition because you do not have to go to Europe, Mr. Speaker, you do not have to make one of these fly-by-night trips to Europe to find out that the fishery is one of the last labour-intensive industries that we have in this Province. And it would do your heart good, Sir, on a Summer's evening or on a Sunday to go down to Old Perlican and see the number of fishing boats that are anchored off or tied on to the wharf over in Old Perlican. It is absolutely unbelievable. It is one of the few places in Newfoundland where you can see that sort of thing. And as a member who represents a fishing, or partly a fishing district, Sir, I have no hesitation at all in supporting the prayer of the petition. I hope that all of those concerned will get off their fannies and get moving on this thing and get that fish plant rebuilt at an early date as possible.

AN HON. MEMBER: Hear, hear!

MR. SPEAKER: The hon. Minister of Fisheries.

HON. W. CARTER: Mr. Speaker, I share the concern of the hon. member for the district and of the member for LaPoile (Mr. Neary) with respect to the rebuilding of the fish plant at Old Perlican. Indeed, on Christmas Eve I think it was, the morning of Christmas Eve, the morning after the fire, I visited Old Perlican. I met with the owners, and the member accompanied me on the trip, and the Town Council.

MR. DOODY: It was a great democratic gesture, It was not done under the old regime.

MR. ROUSSEAU: I cannot imagine it.

MR. W. CARTER: At that time I gave the Council an assurance, and the owners of the plant, Ocean Harvesters, that they should get together, decide, first of all, if they were going to rebuild the plant, and secondly, just how much financial assistance they would require. And then I said government would certainly be very sympathetic to any proposal coming in from them for assistance.

Since that time I have met with the owner, Mr. Moores, on several occasions. At the meeting in Old Perlican I offered to Mr. Moores the technical assistance of the technical people at the Department of Fisheries, I offered to have those people help in any way possible in his efforts to rebuild the plant and to get together some new plans.

But certainly I can understand the anxiety of the people in the area. It is a plant that employed a lot of people. In fact, it was the lifeblood, I suppose, of the Old Perlican area. And for that reason, Mr. Speaker, we are quite anxious and quite willing to listen to any proposal that the owners wish to present to us. And again I repeat, I am sure that any such proposal will receive a sympathetic hearing from government. But I should point out to the member, Mr. Speaker, that he said that maybe the onus is on my shoulders to get that, or maybe this gentleman over here, put the onus on the Provincial Minister of Fisheries to get the thing going. And I should point out to the member for Trinity-Bay de Verde (Mr.

Mr. W. Carter:

Rowe) that at the present time, at least this is my understanding of it, the matter rests with DREE in Ottawa. The matter has been there for quite some time. And at one point they offered an answer to Mr. Moores by, I think it was, March 17. But obviously

MR. W. CARTER:

that answer has not come back yet. But certainly we are pressing as hard as we can. But I would urge upon the hon. member and his colleagues to maybe talk to their friends in Ottawa, talk to the Liberal Minister of DREE in Ottawa, talk to the Liberal member for the district, Mr. Rooney in Ottawa. I am being helpful. I am just not being facetious. Talk to them and help us, help us to get a decision from Ottawa because Mr. Moores cannot make an application to our department for help until he finds out, first of all, exactly what help he will get from Ottawa. Then of course, we will know then, we will know exactly what he wants. Then we can bring it to Cabinet. I think we have done our part.

MR. LUNDRIGAN: Sure we have.

MR. CARTER: I am sure we have, as a matter of fact. I have talked to them. I have instructed my officials to work along with them, to do whatever they can to help. But again, Mr. Speaker, the decision rests with Ottawa. I would therefore urge the member and his colleagues to, and maybe send a copy of the petition to Ottawa to get after his friends up there and extract from them a decision because we cannot move without it.

AN HON. MEMBER: Hear, hear!

MR. SPEAKER: The hon. member from Port De Grave.

MR. E. DAVE: I have much pleasure in supporting this petition. As you know since the advent of the longliner the fishery operations are very mobile and the fishermen actually from the Port deGrave area were the pioneers, actually, in the development of the longliner. And I know from personal experience that many of them go down and fish in the Trinity Bay area when the fish landings in our part of Conception Bay are not so good, and they are very mobile in their operations. I am sure I speak on behalf of all the fishermen of the Port De Grave district for they would like to be able to have this plant re-established so that it could be utilized, and they would utilize this plant from time to time when the need arises. I am sure I speak on behalf of all the fishermen in our district who surely support the prayer of this petition. Hopefully some arrangement will be made to have this plant completed and construction started as soon as possible.

MR. SPEAKER: The hon. member from Harbour Grace.

MR. H. YOUNG: Mr. Speaker, I would like to add my support to the prayer of that petition. I know, Sir, the frustration of the loss of a fish plant in a district, in my own district of Harbour Grace, the fish plant there. But Sir, this fish plant has not only served that area in particular, but especially in the trap season, Sir, when the fish strike in sometimes the fish plant at Harbour Grace and other areas cannot take the supply of fish, and, like the member said, it was trucked to this fish plant. I, Sir, would like to add my support and I am sure by the remarks of the hon. Minister of Fisheries everything is being done by our government.

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Just one or two words, Sir, in support of the petition. I would like to add to what the Minister of Fisheries has said, and others, that the Government of Newfoundland is very deeply concerned and very deeply involved in this. We have had discussions and correspondence and meetings with the owners of the plant. They in turn have met with officials of the Department of Finance, with the Department of Fisheries and with the Newfoundland and Labrador Development Corporation. All the pieces seem to be fitting in place. Obviously it is another responsibility that has to be a cost-shared one, and one that we hope that the Environment people in Ottawa as well as the DREE people in Ottawa will co-operate with us on. We do not want to get strung out on the end of the line and make a commitment beforehand as we did in Bide Arm or in other places and find ourselves in a position whereby the Province is going to end up with the full bill for something that is obviously something that involves a greater area in terms of Federal Government programmes.

I want to say on behalf of those areas of finance and of that part of government that we fully support the petition. We realize the problem out there and we are very actively engaged in trying to find a resolution.

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

MR. LUNDRIGAN: There is no need of me echoing the words of my colleagues, but I would like to just go on the record as being a supporter of the petition. I guess perhaps this is a good example of how people do not understand and do not tolerate, and justifiably so, do not tolerate either inefficiencies or the delays in making decisions. I am about the most impatient person that you will ever meet in the government process. I cannot still understand it, and I refuse to take officials' words for it that we cannot arrive at a way to make decisions quicker.

I am looking in the gallery now and I am recognizing some friends of mine who have been involved in the fisheries for a number of years. Let us not overlook, in our emphasis on the work force at the fish plant, the service to the fishermen as well. A lot of the longliner operators that my good friend from Port De Grave (Mr. Dawe) referred to are from that community. As the member indicated the infrastructure that has been provided, multi-millions of dollars worth of infrastructure were built there to accommodate local people in the area, the local fishermen in particular.

I remember a couple of years ago unfortunately not having the opportunity to carry the ball for the boys federally with the federal scene and to be able to try to expedite the matter at the federal level. I would have liked to have had that opportunity, and I tried to have the opportunity. As my friend the Leader of the Opposition constantly reminds me, I failed in that attempt. Consequently I am not the member for that district at the federal level, and thank God that I have had the opportunity to make my presence felt in some small way in the Province.

In any event I would like to say indirectly that my colleague, the Minister of Fisheries, was making a very, very fundamental point when he reminded the member that he should really work hard to get the federal counterparts involved in this deal, to really put their noses to the grindstone. I am never too happy with the way that

MR. LUNDRIGAN:

DREE in particular make decisions. They drag their feet. It takes too long, and especially when you are dealing with an issue like that. There is no doubt in anyone's mind that something has to be done in Old Perlican. Somebody has to just cut through the red tape. We have done all we can. I have had a dozen opportunities to talk with my colleagues on my right and my left right here right now on this particular issue.

MR. DOODY: I am to your left.

MR. LUNDRIGAN: And if there is anything we can do - my friend objects to the fact that I am saying he is to my right. I think that Mr. Cashin this morning is happy to know that he is to my left in the meetings that we had with the Canadian Labour Congress.

In any event we are seriously concerned about it. The whole economy certainly would be seriously affected. Every fisherman would be placed at a disadvantage. Not only that, in the long run some of the plans that the Province are articulating through a minister in terms of joint venture and so on could very well fit into a mold that would enable these facilities to be placed in very good use. I would like to join my colleague from Harbour Grace (Mr. Young) the Deputy Chairman of Committees and my other colleagues, the member for LaPoile (Mr. Neary) and the member for the district, in supporting that petition.

MR. SPEAKER: The hon. member for Bay of Islands.

MR. WOODROW: Mr. Speaker, I would like to tell the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) that I am supporting him, giving him my fullest support. In fact I think the people from that area would be surprised if I did not give my full support to this, because perhaps the member is aware that I was born in that area and certainly would like to see the area grow, would like to see the people get employment and so on.

MR. WOODROW:

Mr. Speaker, how much confidence I have in the Minister of Fisheries. I represent a fishing district and he has been very helpful to me in the problems that I have in my district, and I will have an opportunity at a later date, I hope, to outline some of the things he has been trying to do. I was also happy to know that the member for Trinity-Bay de Verde (Mr. F. Rowe) outlined the work that has been done, and especially the work that has been done since this government has taken over. If I have been political on this I am speaking the truth, because I have gone several times over the road from Whitbourne down to Old Perlican and up the Conception Bay shore. As you know the road is completely paved, and I am really happy to know that the member - and I know he did it with his whole heart and soul - he recognized the work that has been done down there by way of roads and wharfs and what have you. So I want to tell him that I am giving him my full support on it because I realize the need for further employment in the area and I hope that with, as the minister says, the co-operation from the DREE people in Ottawa, and once again with the co-operation of all of us, everybody here in this House, once again that we will work together for the good of the Province. I hope that I will see this plant become a reality within a reasonable time.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, I support the petition presented by the member for Trinity - Bay de Verde (Mr. F. Rowe). About a month ago, of course, the people in the district of Bellevue experienced a similar problem with regard to loss of employment, for different reasons, of course. However, I share the concern of the member for Trinity - Bay de Verde (Mr. F. Rowe) in the possible lack of employment during this Summer. However, I also agree with the hon. Minister of Fisheries in the sentiments that he expressed. I do not think that we should get political about these things. I believe that government is doing what can be done under the circumstances for the people at Come By Chance, contrary, of course, to some people who want to keep it a political thing, people like Hubert Kitchen who does not realize yet that the election is over, I believe. But I agree with the hon. member for St. Mary's - the Capes, (Mr. W. Carter) and, of course, the Minister of Fisheries. And I think that whatever we can do to convince Ottawa and DREE about the urgency of the problem there, then we should do it on both sides of the House.

SOME HON. MEMBERS: Hear, hear!

MR. CALLAN: So again, Mr. Speaker, I whole-heartedly support the petition and, of course, I share the concern of the member for Trinity - Bay de Verde (Mr. F. Rowe).

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER The hon. Leader of the Opposition.

MR. ROBERTS: I was not sure whether the member for St. John's North (Mr. Carter) had risen to speak or whether he had come into the Chamber, Sir.

Mr. Speaker, may I say a few words in support of the petition which my friend and colleague the gentleman from Trinity - Bay de Verde (Mr. F. Rowe) has presented in the House. I do not intend to be partisan, unlike the gentleman from Bellevue (Mr. Callan) and other gentlemen who tried to get into the debate, because I think

Mr. Roberts.

this matter is far above partisanship. And my concern, Mr. Speaker, is that the fish plant, which is not just an integral part of the economic life of that south side of Trinity Bay and the tip of the peninsula between Trinity and Conception Bay, but is absolutely essential to the economic life, and much less the prosperity of that area, my concern, Sir, is that fish plant will fall between two stools. We have all seen the Burgeo situation where the two governments - and I do not take DREE's part, and I do not take the Government of Newfoundland's part - we have all seen the situation where the two governments, for whatever reasons - and I tend to think there was blame on each side, Sir, - where they, in effect, wasted what? the better part of two years on the fish plant at Burgeo.

MR. DOODY: And \$1 million in the bargain.

MR. ROBERTS: And the gentleman from Harbour Main - Bell Island (Mr. Doody) reminds me, \$1 million in the bargain. Well, I do not want to see that happen here. The fish plant at Old Perlican, Mr. Speaker, is an integral part of the whole economic fabric of the north shore of Conception Bay and the southern shore of Trinity Bay. My colleague here, nor I, nor any of us on this side has any responsibility for dealing with DREE. Honourable gentlemen opposite who would like to pretend that we do are either playing politics or just being mischievous. What I say, Mr. Speaker, is that my colleague has been in touch with officials in DREE and with political level people in Ottawa to lend his support, and so he should, and so he will, and so he shall. But, Mr. Speaker, the hon. gentleman is not a minister. He does not speak for the government. He speaks as the member for the people in that district, and he has done what he can, and he will go on doing what is within his power. It is the responsibility, Sir, of the Minister of Fisheries, the Minister of Industrial Development, their colleagues in the government, it is their responsibility, Sir, to speak for the

Mr. Roberts.

Government of Newfoundland. And it would be wrong of them, and I think altogether shoddy of them if they attempted - and I am not saying they have, but the fear is there that they might - if they attempted to evade their responsibilities by begging it off on DREE. Mr. Speaker, the concern is that the fish plant go there. The amounts of money involved are relatively small. The returns would be very, very great.

MR. ROBERTS: The whole prosperity, the whole even tolerable survival of the area depends on that fish plant being back in operation this season. We have already seen three months come and go, and I agree with what the gentleman from Grand Falls, the Minister of Industrial Development says about the slowness of the government machine. The trouble is that with governments - and I do not say this as the political government - but with governments, tomorrow and next year are exactly the same distance away. And while he referred to the fact that he was not successful in getting his opportunity to work at the federal level for the people of Old Perlican and Trinity Bay and the North side of Conception Bay, I would say it is an ill wind that blows nobody any good because now the hon. gentleman is in a position to work at the provincial level as a minister, which he would not have been in Ottawa because he would have presumably been on the Opposition side. Well here, Sir, he is a minister of the government. He has an opportunity to make a contribution. I do not want to see another Burgeo. And I say, Sir - that if the Government of this Province can guarantee 106 jobs at Gander - and I do not begrudge anybody in Gander those jobs - but they guaranteed those jobs and they should be prepared to do the same thing for the people of Old Perlican and the surrounding area. There are far more jobs involved, it is far more vital, and there is not a great big - I do not know if EPA is a wealthy company, but it is a substantial company in Gander involved - whereas in the Old Perlican area it is one of our own local Newfoundland people who has invested, I am told, what he has, put everything in that he can raise on his own, and is working very hard to try to get things going, not just in Old Perlican but down in the Port de Grave district and Harbour Grace, the gentleman from Harbour Grace spoke, in the whole area.

I am not suggesting we give DREE a blank cheque, because of course that is the way not to get DREE help, but I am suggesting, Sir, that the

MR. ROBERTS: government should be much more positive than they have been. I realize they have tried to help, but only in the technical and official sense. I think they should be much more positive. I think the Minister of Industrial Development and/or the Minister of Fisheries should be on the airplane if necessary to Ottawa in the morning to see the hon. Monsieur Lessard the Minister of DREE and to demand an answer, and if Environment is holding it up, as I understand Environment are, then let them go across the road to see the hon. Monsieur LeBlanc and demand an answer from him.

My colleague, I am quite sure, is willing to go.

MR. ROWE: I cannot negotiate.

MR. ROBERTS: He cannot negotiate but, Sir, our concern is here, both sides of the House, the third party, the Liberal Reform Party, I am sorry, and the independent gentleman from LaPoile have spoken, everybody in this House has agreed. But let us not see it fall between two stools. Let us not be sitting around on July 1st. hearing that the Old Perlican fish plant is not to open this year and what a terrible shame because the governments involved are still trying to argue who is responsible for what. I say, Sir, that the Government of the Province must take the lead in this because they have the responsibility, the basic and initial responsibility for economic development. There are far more jobs that could be restored and thus provided in the Old Perlican area by this than almost any other product that we have heard discussed in this House this session. I support the petition, Sir.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: Presenting reports by standing and special committees.

MR. ROBERTS: Mr. Speaker, I had another petition.

MR. SPEAKER: Another petition? Then we have reverted to petitions.

MR. ROBERTS: This petition, Sir, comes from the communities in the Northern part of the Island portion of my district, the Straits of Belle Isle, people in the communities of Cook's Harbour, and Wild Bight and Boat Harbour although it is listed here as North Boat Harbour.

MR. ROBERTS: South Boat Harbour is just called Boat Harbour. But the people of these three communities, Mr. Speaker, there are about 250 signatures, individual signatures, affixed to this petition. And I just checked the voters' list and my recollection is correct, That is almost every single person in either of those communities who is listed on the voters' list. It represents the feeling of each and every one of them.

The prayer of the petition, Sir, and my friend from Bonavista South (Mr. Morgan) will be interested in this because it involves his department, the prayer can be stated quite distinctly, I think, by reading the petition, It says, "To the hon. House of Assembly the petition of we, the undersigned, being residents of and electors in the district of the Strait of Belle Isle humbly showeth that we protest the government's decision to reroute the main highway in the Cook's Harbour area. We favour the upgrading of the present main highway with a branch road towards Hare Bay extending from the Cook's Harbour intersection." And it has on it the stamp of the Local Improvement District of Cook's Harbour, the seal of that community, and also the signature, as I have said, of almost every single individual person, man or woman of voting age, in those three communities.

Mr. Speaker, in speaking in support of the petition I should begin by saying that as far as I know the statement made in the introduction or in the prayer of the petition is not strictly speaking correct. The government of this Province to my knowledge have not yet decided whether they will or will not enroute the Northern Peninsula Highway. A

MR. ROBERTS:

proposal has been made by the minister's officials to reroute the Northern Peninsula Highway, which now runs up to within about about six miles of Cooks Harbour, but instead to have it branch off at the community of Eddy's Cove and then go directly across the Northern Peninsula almost directly East to the bottom of Hare Bay, and thence by a fairly direct route rejoining the Northern Peninsula Highway somewhere quite close to the Loon Motel, which now has another name but most members will know the Loon Motel at the bottom of Pistolet Bay.

The effect of that, insofar as it affects the people of Cooks Harbour and Wild Bight and Boat Harbour, would be that their branch road instead of being six miles long will be some sixteen miles long. They will have no greater distance to go to St. Anthony if that proposal is accepted, but they will have a considerably longer distance to go if they wish to leave their home in Cooks Harbour to come up South to, well, to Eddy's Cove or anywhere further South than that. The people of Cooks Harbour, Sir, and Wild Bight and Boat Harbour are extremely disturbed about this. At their invitation the hon. gentleman from Bonavista South (Mr. Morgan) in his official capacity as Minister of Transportation attended a public meeting in Cooks Harbour a number of weeks ago. I was present there as well. We had a very thorough discussion of it. I think it is fair to say the local people spoke their minds quite fully and frankly, and I think it is fair to say that the minister heard their points with interest and I believe with an open mind on his side.

The people, none the less, have decided to go ahead with this petition, Sir, because they feel the matter to be absolutely crucial to the survival of their community. Cooks Harbour is a well-known community, a very prosperous community. Some of the great fish millers of the Northern Peninsula have traditionally lived in Cooks Harbour. These people are deeply concerned over the proposal, Sir, and as the prayer of the petition says, they ask that the road proposal,

MR. ROBERTS:

the proposal to change the road, be put aside.

Mr. Speaker, there are arguments that can be made either way. In the minute or so that I have left under our rules I cannot go into the arguments at any length. But it suffice it to say, Sir, that I believe the government should have another look at this, and I understand they are. The minister, I hope, will speak and give some word as to what is happening. I believe that the government have got to look long and hard. There is a need to improve the Northern Peninsula Road, Sir. It is probably the greatest single road priority in this Province today. That need must be met but, Sir, it must be met in a way that is as helpful as possible to every resident of the Northern Peninsula, and that includes in particular the 250 men and women of Cooks Harbour and Wild Bight and Boat Harbour who signed this petition, Sir.

I present the petition, Sir, and I do so with strong support. I think these people have a just cause and one which should be heeded.

SOME HON. MEMBERS: Hear, hear!

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

MR. MORGAN: Just a few brief comments, Mr. Speaker, on the petition. As the hon. gentleman pointed out, recently a meeting was held in Cooks Harbour, a public meeting, which I attended accompanied by the member for the area, the hon. gentleman. Prior to the public meeting we met with the town council of Cooks Harbour, and also members from neighboring councils were there as well. The residents are concerned over the proposed route, over the fact that the route has planned to cut across the Peninsula and more or less eliminate the community of Big Brook. It is only a small community, Big Brook, but the present route of the road is through the community.

The Engineering Division of my department in carrying out the aerial survey in the survey word, were looking at a route

MR. MORGAN:

which would be also satisfactory to the communities of Main Brook and Englee in the South of St. Anthony so they would have an easier access to the facilities, for example, the medical facilities and other facilities in the St. Anthony area, for example, the airport. But the residents North of St. Anthony, in the Boat Harbour-Cooks Harbour area, they are not at all too enthused about the proposed route. They have expressed their concerns over effect on the wildlife in the area, the effect on timber stands, etc. and also the fact that, one very important factor which I took into consideration was the fact that the community of Big Brook would be totally eliminated and there would be no more road connection going to that community. So we would see elimination of a community and that is one of the main factors I took into consideration.

So I have now asked the engineering staff of my department to look at possible alternate routes and hopefully a route can be found which could be satisfactory not only to the residents of the Boat Harbour-Cooks Harbour area, and indeed Big Brook as well, but also to the Englee and Main Brook area.

Mr. Morgan:

Hopefully a route will be found by the engineers looking at alternate proposed routes.

MR. SPEAKER (DR. COLLINS): The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, I would like to, as a former member for these three communities before redistribution - and I thought it would be ill-advised to seek the Liberal nomination against my colleague, the Leader of the Opposition - but as a former member representing what was then St. Barbe North, and representing Cooks Harbour, Wild Bight, and Boat Harbour, I am absolutely astounded, Sir, that any consideration at all was given to the route as described by my friend and colleague, the Leader of the Opposition. Boat Harbour and Wild Bight and Cooks Harbour, to use an expression, is at the end of the world on the Island part of the Province. These three communities, particularly Boat Harbour, is probably one of the most isolated communities that we have in the Province even though it is linked up by road. It is absolutely unbelievable, Sir. You have to drive over the road there to really understand the sense of isolation, because you are driving over an area where you cannot even see a tree within miles and miles and miles.

MR. MORGAN: The new route would not distract one from your driving, I agree.

MR. ROWE: The new route would change things considerably, Mr. Speaker, in the sense that it would make it a much further distance for these residents to have to travel in order to get on to the main highway, and Big Brook -

MR. ROBERTS: All seven homes.

MR. ROWE: - all seven homes, is the community and it is very important to the people there.

MR. MORGAN: We know it is important.

MR. ROWE: But the fact - Mr. Speaker, can I have a break and speak without the mutterings and the ravings of the hon. Minister of Highways -

MR. MORGAN: You are disagreeing with your own colleague now.

MR. ROWE: - Transportation and Communications.

MR. MORGAN: You are disagreeing with your own colleague now.

MR. ROWE: I am not disagreeing with my own colleague. I am not disagreeing at all.

MR. SPEAKER: Order, please! Let us get back to the allegation in the petition.

MR. ROWE: Yes, exactly, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. ROWE: I am just astounded that, you know, consideration has been given to this particular thing. And I whole-heartedly support the prayer of the petition. And the one thing that I am really concerned about is in this day of restraint, that with this, you know, extra distance that the people would have to travel, and the new road cutting across, that we are going to have additional maintenance costs, and probably this road will end up being slightly downgraded, that is the road now to those three communities.

MR. ROBERTS: Certainly that is the fear that people there have.

MR. ROWE: And the fear - and who knows better about what routes roads should take than the people who live in these three communities? So, Sir, I give my whole-hearted support to this particular petition.

And with respect to this - I did not quite catch it - something about Big Brook, not Big Brook, Main Brook, and the access to the hospital.

MR. ROBERTS: The people of Main Brook would like a road in behind Bare Bay.

MR. ROWE: Right, to get to the hospital.

MR. ROWE: Well, you know, Mr. Speaker, the minister -

MR. ROBERTS: The request did not come from Main Brook or Englee or Roddickton. It came as the minister said, from his officials.

MR. ROWE: I might point out here that the answer to the medical problems on that part of the Coast is simply a medical clinic in the Plum Point area. It is as simple as that.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: The hon. Minister of Social Services.

HON. C. BRETT: Mr. Speaker, last Thursday I believe it was the member from Burgeo (Mr. Simmons) - LaPoile (Mr. Neary), I am sorry, asked the question as to how many indigent people were now in hotels or motels across the Province? And the answer was then and is now, one family consisting of nine people, that is costing us \$81 per day, and this has been going on since the 16th. of February.

MR. ROBERTS: Here in St. John's?

MR. BRETT: Here in St. John's, yes. There are no others in any part of the Province. My workers here in St. John's, Mr. Speaker, have reported tremendous improvement in the overall housing situation, and very seldom does it now become necessary to place families in hotels or motels.

Now I know why this particular question was asked. And this particular family is still in that hotel. I do believe that we will have an apartment ready, possibly by Wednesday. But it is a very difficult situation, and the way the coverage that these cases get in the local papers, the radio and so on,

Mr. Brett.

results I think in private landlords refusing to take these cases into their homes. I would like to go on and say, Sir, that in the Grand Falls region it has never been any real problem. For brief periods during December and January last year we had one or two cases. In Harbour Grace it has never been a problem, neither has it been in the Corner Brook or Stephenville areas. But as of now, Sir, there is only one family.

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: A few days ago, Your Honour, the hon. Leader of the Opposition asked me about the costs of the CFLCo strike.

MR. ROBERTS: The loss of power generated.

MR. DOODY: No, I think he said the loss of revenue to the Province.

And I spoke with the officials of CFLCo, because like the whole Upper Churchill effort is an involved and complication situation. Anyway as it stands right now the costs of the CFLCo strike to the Province are nil, because of the fact that Hydro Quebec has to pay for the power that they have contracted for. Now they have elected not to take the power that they have contracted for because of the fact that there is only one line in position.

MR. ROBERTS: Hydro-Quebec have elected?

MR. DOODY: Yes, Hydro-Quebec have elected not to accept it because they are afraid that the excess load will bring down the second line.

MR. ROBERTS: I thought there were only two lines still, and only one out.

MR. DOODY: Yes, okay, two lines with one out, but that in effect gives them only one back-up line, and they feel that if one goes then they have got nothing. So that they have decided, in their own wisdom, not to accept the amount of power that is available to them.

MR. ROBERTS: So they are not taking all the power for which they have contracted?

MR. DOODY: So they are not taking all the power for which they have contracted, but under the contract that they have, they have to pay for it anyway.

MR. NOLAN: It is a take or pay contract.

MR. DOODY: It is a take or pay contract.

MR. ROBERTS: How many megawatts?

MR. DOODY: I think it is 4650.

MR. ROBERTS: They say we cannot deliver?

MR. DOODY: No, but what they have contracted to take is more than the line capacity, in their estimation, can justifiably be asked to accept.

MR. ROBERTS: So they are paying for forty-six fifty.

MR. DOODY: So they are paying for what they have contracted for, forty-six fifty.

MR. ROBERTS: How much did they take before the strike?

MR. DOODY: I do not know. I will try to find out.

But that was not the question.

MR. ROBERTS: No.

MR. DOODY: That is a subsequent question, so you can ask me that in a few minutes. I am confused enough about the Hydro-Quebec situation as it is without the hon. member trying to make me look even more confused, which is difficult.

As I say, right now the cost to the Province is nil because of that situation, but even then you are talking about really the cost to the company, and that has to be filtered down between the one-third, two-thirds bit and through that then to the profit structure and the operating structure, down to the net profit position of the company and bring that down to what the cost to the Province would be over the terms of the contract. You know, it is a very involved situation, but we do not have to get into that at the present time because of the line situation. But if the lines are repaired, and hopefully they will be, and if that other unit comes on stream, then the situation might change, and then we would have to get down to that filtering system that I spoke of.

Mr. Doody.

Now there have been costs up there obviously. There was a fire there which was estimated at \$250,000. Whether that was attributable to the strike or not nobody knows. I certainly would not say that it was.

MR. ROBERTS: Then there were planes probably flying in and out.

MR. DOODY: That is right, and there are planes coming in and out, and there are, you know, costs that are - there are extra policemen in and there is this, that and the other thing, but I do not think that is really what the member was getting at. I think I have answered -

MR. ROBERTS: Is the Province paying for the extra police?

MR. DOODY: I do not know if that is in excess of our contract. I think it is part of the contract. I think that the RCMP are required to bring in extra policemen when the situation requires it. The hon. member for Twillingate (Mr. Smallwood) probably has more knowledge on that sort of thing from the Grand Falls day, Mr. Diefenbaker and the hon. member. But anyway that is the situation as it stands right now. It could change tomorrow but right now the cost to the Province is nil, more through an act of God than through other circumstances.

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

MR. ROUSSEAU: Mr. Speaker, the member for Burgeo - Bay d'Espoir

MR. ROUSSEAU:

(Mr. Simmons) posed a question to me as acting Minister of Public Works on Friday about the Engineering and Applied Sciences building. During the past Winter it was observed that the reinforced concrete slab on grade was experiencing surface shrinkage cracking. There was also evidence of the slab curling along the floor trenches. The department commissioned a firm of independent structural engineers to investigate the cracking. Their findings were that the floor did not meet the specification in several instances and this was the reason for cracking. As a result of the report's findings the department contacted the designers and the contractor and a solution has been proposed. Good co-operation has been received from the contractor and designers and no difficulty is expected in achieving an acceptable solution. The slab is not acceptable in its present state and immediate action has been taken. Sufficient monies have been held back on the project to correct any mistakes.

MR. SIMMONS: Could the minister indicate if there will be a credit for work that was not performed to standard? Will there be a credit reverting to the Province for the work not performed in accordance with the specifications?

MR. ROUSSEAU: I would assume that the work was not done in the original instance, any further work will not be an added cost to the Province.

ORAL QUESTIONS:

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

MR. ROBERTS: Mr. Speaker, my question initially is for the Minister of Health, the gentleman from Cander. Could the minister tell us please, Mr. Speaker, whether any study has been done on the effect of the introduction of deterrent fees on the Medicare system in the Province.

MR. SPEAKER: The hon. Minister of Health.

HON. H. COLLINS: Mr. Speaker, there is no study being done. But it is a matter which is always under review by the Province in terms of looking at what conditions obtain in other jurisdictions and what might or might not be useful to us.

MR. ROBERTS: A supplementary, Mr. Speaker?

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

MR. ROBERTS:

Still with reference to Medicare, can the minister give the House any indication that the introduction of deterrent fees would reduce the number of Newfoundlanders who seek medical services under Medicare, services for which the public through the Medicare Commission must pay?

MR. SPEAKER: The hon. Minister

MR. DOODY: Mr. Speaker, perhaps I should interject at this time without wanting to walk on the territory or turf of the minister whose responsibility this really is. I think the questions are precipitated by a statement attributed to me in the local papers today, and rightly so. I am not suggesting that I was misquoted. What I said, and what I think is an actual fact which nobody in this Province or anywhere who looks at the numbers can dispute, are simply these; that if the Government of Canada decides to change the rules in the middle of the game, as they have, and the cost of medical care keeps mounting in the Province, then somebody is going to have to pay for them. Now whether that is done through a deterrent fee system, or whether it is done through a charge for service system, or whether it is done through some sort of other system, somebody, somewhere, somehow is going to have to find the funds to pay for the services that are being provided. It is hardly likely that the medical fraternity and their associates are going to provide the service free. Whether or not it means that people who are in need of medical assistance will be turned away from the doors of doctors' offices, I think is frivolous.

MR. ROBERTS: Who is suggesting that?

MR. DOODY: Nobody that I know of. I am just interjecting that as a point.

AN HON. MEMBER: That is a red herring.

MR. DOODY: Well I am sorry. From my point of view it will be a blue herring.

AN HON. MEMBER: Blue Cross.

MR. DOODY: I do not think it was ever my intention or the intention of anybody in government to suggest that we are asking the people of the

MR. DOODY:

Province of Newfoundland that they should have to endure or to subject themselves to inferior or second grade medical services. What we are saying is that the bill is mounting, the thing is getting heavier, the cost is climbing, it has to be paid for. The Government of Canada refuses to carry its share of the load. The Province of Newfoundland or indeed any province has to carry a disproportionately highly share of the load, then it has to come from some area. Now there have been no studies done on this thing. There have been no suggestions brought forth. It is simply a statement of fact. As the thing develops then the House will be so informed.

MR. SPEAKER: Does the hon. Leader of the Opposition have a supplementary on this?

MR. ROBERTS: Yes, I thank the hon. gentleman but I would point out that he did not answer my question and I would ask the minister whether he could, Sir? The Minister of Health, Sir, who looks taken aback but I wonder could he answer. His colleague certainly added to the general discussion but he did not answer my question. I wonder if the Minister of Health would, Sir?

MR. COLLINS: Repeat the question.

MR. ROBERTS: The question very simply, Sir, was whether the Minister of Health has any indication that the introduction of a deterrent fee would reduce the number of Newfoundlanders who seek access to medical services, services which are required to be paid for under the Medicare plan?

MR. COLLINS: That is a most hypothetical question, Mr. Speaker, because after introducing any measure the benefits or the results of it can only be gauged after it has been in operation and one can analyze it. What I said in the first response to the hon. Leader of the Opposition is that many provinces across Canada have different methods of requiring a contribution on the part of the patient who sees a doctor. There is balance billing, there is premium fees, there is deterrent fees and so on. We have none in Newfoundland, and what I said earlier I will say again, that we are always looking at arrangements across the country and other jurisdictions, and if there is anything we can use which is of benefit to Newfoundland certainly we would consider it.

MR. NEARY: Mr. Speaker, a supplementary question to the hon. Minister of Health, Sir. Would the Minister of Health assure this House and in turn assure the people of this Province that there will be no deterrent fee unless and until there has been an impartial, independent fact-finding study done of Medicare in this Province to see if economies can be implemented rather than to impose a deterrent

fee on the patients of the doctors?

And also while the minister is on his feet, would he indicate if the doctors are going to get an increase the 1st. of April of this year and if that can be avoided? And would the minister indicate if there are any duplication of services or any waste and extravagence in Medicare that can be eliminated before a deterrent fee is placed upon the people of this Province?

MR. MURPHY: Order paper.

MR. COLLINS: Mr. Speaker, we cannot let that go without saying something about it. I am not about to tell the people of Newfoundland if they are not permitted to see a doctor, and neither am I about to tell a doctor that he is not permitted to see a patient. What we would hope, Mr. Speaker, is that in this period of financial constraint that both the medical profession and the Newfoundland people will realize that they have some responsibility in this area and if we are going to keep costs down, all of us are going to have to be more responsible.

MR. NEARY: Mr. Speaker, a supplementary question, is the minister considering eliminating -

MR. DOODY: Supplementary to which question? You raised four questions.

MR. NEARY: No, I raised four but the minister did not answer them. Would the minister indicate to the House whether or not having to be referred to an eye specialist, for instance, by a general practitioner, if that practice will be eliminated in the interest of - any specialist for that matter - in the interest of economy so that the deterrent fee will not have to be placed on the patients?

MR. COLLINS: I will take notice of that, Mr. Speaker.

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

MR. ROWE: Mr. Speaker, I would like to direct a question to the hon. Minister of Fisheries. I assume that the owners of Ocean Harvesters have made a proposal to both the provincial and the federal government with respect to assistance for the rebuilding

MR. ROWE: of the fish plant, could the minister indicate when he expects, or when the owners expect a reply back from, well, I guess both Environment Canada and DREE.

MR. SPEAKER: The hon. Minister of Fisheries.

MR. CARTER: Mr. Speaker, I said in speaking on the petition that the answer was due back from DREE on the 17th. My understanding of it is that word has not yet come back from DREE, nor from the Environment. Certainly we have done all we can to expedite the application and to bring it to a head, and I can assure the hon. member, Mr. Speaker, and through him the people of that district, that the Department of Fisheries (Provincial) are quite willing and quite anxious to do everything possible to ensure that that plant is rebuilt and that the employment that will result therefrom will be continued in the area because we all recognize its importance to the district and to that community.

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

MR. ROWE: Has the minister established contact with DREE and the Department of Environment in order to find out when an answer will be forthcoming, when it will be forthcoming, and has he done anything to try to force an answer out of DREE and the Department of the Environment?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, yes, officials of my department have been talking to DREE and to the Environment, at least to the best of my knowledge, and they are still working on it. Maybe the member himself, Mr. Speaker, should start talking to DREE and to the Environment Department.

MR. F. ROWE: A supplementary, Mr. Speaker.

MR. ROBERTS: That is more than the minister has done.

MR. F. ROWE: On a point of order, and if I can carry on with my supplementary afterwards.

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

MR. F. ROWE: Sir, it is quite incorrect for the minister to leave the impression in this House that an hon. member, backbencher, or an hon. member in Opposition can negotiate with another government federal or another provincial government in this nation.

SOME HON. MEMBERS: Oh, oh!

MR. F. ROWE: That is the point of order.

MR. W. CARTER: Who is asking you to negotiate with them?

MR. SPEAKER: Order, please!

AN HON. MEMBER: Sit down! Sit down!

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: That is an entirely spurious point of order.

MR. ROBERTS: No!

MR. WELLS: It is rather a point of argument.

MR. LUNDRIGAN: Why do you not get elected and get up there?

MR. F. ROWE: I would get up there.

MR. LUNDRIGAN: Get up there and nail it down, with the federal boys.

MR. SPEAKER: Order!

MR. DOODY: Mr. Speaker, on a point of order. I do not think anybody in this House was seriously suggesting that the hon. House Leader of the Opposition could negotiate with anybody in Ottawa.

MR. SPEAKER: Order, please!

MR. SPEAKER: Actually that so-called point of order is now disposed of. I do not see that there is any matter in which a decision is to be made, and I think the hon. member for Trinity - Bay de Verde (Mr. F. Rowe) was hoping to have a supplementary.

MR. F. ROWE: A supplementary to the Minister of Fisheries, Sir. Has the minister been requested by telephone or conversation or by correspondence to indicate to DREE or the federal government what the provincial government, the Department of Fisheries, would propose in assistance for the rebuilding of the fish plant? Has the minister been requested to indicate to the federal government what their proposal will be?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I have not been requested by the departments mentioned or by anybody else to suggest just what we would be willing to put up. But I repeat what I said earlier, that until we get a commitment from DREE as to exactly how much he will qualify for, having regard for a certain amount for jobs and this sort of thing - I believe there is some question with respect to DREE whether they will qualify for the maximum amount or a lesser amount. Because under the terms of reference of DREE if it appears that you are extending on an existing building, you will qualify for one level of assistance.

MR. F. ROWE: That is right.

MR. W. CARTER: But if you are building an entirely new premises well then you will qualify for a much higher level, and apparently the question now is; How will this plant be treated? How will its reconstruction be treated as an entirely new plant, new building, or will DREE insist on using the other formula whereby they will qualify for a lesser amount by defining the new construction as an extension on an existing plant. And that is a problem. But, you know, we are pressing it.

MR. F. ROWE: They have already decided.

MR. W. CARTER: We are doing all we can, and the moment we get word back from DREE then we will make a decision within hours, not weeks, but hours.

MR. F. ROWE: A supplementary.

MR. SPEAKER: I recognize the hon. member for Twillingate.

MR. SMALLWOOD: A supplementary.

MR. F. ROWE: A supplementary, Mr. Speaker.

MR. SPEAKER: We will come back after.

MR. SMALLWOOD: A supplementary question to the hon. minister.

Has he considered the desirability, if he wants some kind of an answer soon, say this year from DREE, to ask them for a school, or ask them for help for a fish plant in some other part of the Province? Has he considered either of these two possibilities? If he wants to get an answer from DREE has he considered the desirability of asking for help for a school or a road or anything but a fish plant, and if it must be a fish plant have it somewhere else in the Province? Has he considered that?

MR. W. CARTER: Mr. Speaker, I am not sure if I understand the question, but if that will help, maybe we can seek assistance for another fish plant somewhere. Mr. Speaker, I want the member and the House to know that I will be going to Ottawa on April 2 at the request of the Minister of Fisheries, federal. At that time I will be discussing it with him in much greater detail and, of course, with the Environment as well.

MR. SPEAKER: The hon. member for Windsor - Buchans.

MR. FLIGHT: Mr. Speaker, this question is for the minister -

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

MR. SPEAKER: A point of order.

MR. ROBERTS: Mr. Speaker, the member for Trinity - Bay de Verde (Mr. F. Rowe) has been trying to ask a supplementary, and when the gentleman from Twillingate (Mr. Smallwood) - there is no rule limiting the number of supplementaries, I would say to the gentleman from Grand Falls (Mr. Lundrigan) - when the gentleman from Twillingate (Mr. Smallwood) stood and my colleague stood, and Your Honour recognized the gentleman

Mr. Roberts.

from Twillingate (Mr. Smallwood) on a supplementary, I thought I heard Your Honour to say that you would turn to my friend from Trinity - Bay de Verde (Mr. F. Rowe) afterwards, if he still wished -

MR. MURPHY: No, he did not. He said later on.

MR. ROBERTS: Well, later on, yes. Later on means afterwards.

MR. SPEAKER: Order, please! Order, please! Let the hon. gentleman continue.

MR. ROBERTS: If my friend still wished to ask a supplementary, and, therefore, I would ask if Your Honour would recognize him now. Sir, that is the point of order.

MR. SPEAKER: On this matter, as hon. gentlemen know, the Speaker or whoever is in the Chair, has to use his own discretion with respect to the number of supplementaries which are allowed, which are allowed immediately in succession, or which may be allowed later on during the Question Period. Among the matters which I think he has to examine are the number in succession to that particular point, and there have already been several. - I have not counted them - and the desire of other members who wish to ask questions as well. Having already recognized the hon. member for Windsor - Buchans (Mr. Flight) I think it would be improper for me to withhold that recognition. Obviously any hon. member may always cede.

MR. FLIGHT: Mr. Speaker, I will yield the floor to my hon. colleague from Trinity-Bay de Verde (Mr. Rowe) for a supplementary.

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

MR. F. ROWE: I thank you very much.

Sir, does not the minister realize that it is just too late to negotiate -

MR. MURPHY: This is not a question.

MR. ROWE: It is a question.

MR. MURPHY: It is not.

MR. SPEAKER: Order, please!

MR. ROWE: Does not the hon. minister realize that it is too late to negotiate with the minister next week, or next week or any other weeks after this date, after this week? It is too late to get that fish plant back in operation. And further to that, secondly, has the minister any proposals for assistance to rebuild that fish plant? Has the Provincial Government any proposals?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: I think the people of Old Perlican, and the delegation here today, know me well enough to know and to think that I will do all I can to help them. But I do not think, Mr. Speaker, it will serve any purpose to make this a political issue.

AN HON. MEMBER: Hear, hear!

MR. W. CARTER: It will serve no purpose whatever. We intend to do all we can to help that plant to be rebuilt.

With respect to my statement that I would mention this to the minister on the 2nd. of April, that does not mean at all that I will not be talking to them before that time.

And I repeat, Mr. Speaker, I think for the third time, but obviously my message is not getting through, that we are doing all we can, we recognize the urgency of it, we recognize the need for it.

MR. SMALLWOOD: DREE is holding it up.

MR. W. CARTER: DREE is holding it up, Mr. Speaker.

MR. ROWE: Holding it up.

MR. CARTER: The matter rests -

MR. ROWE: Cannot the Province do anything?

MR. CARTER: The matter is now resting with DREE, and I presume the Department of the Environment. And I will repeat again, Mr. Speaker, that the moment the word comes back from DREE, that we will have a decision for the owners, the proposed owners of that plant within hours. And that is all I can do.

MR. ROWE: Mr. Speaker, a supplementary.

MR. SPEAKER: I will recognize the supplementary, but then I must inform the hon. gentleman that there are other hon. gentlemen waiting to ask questions too.

MR. ROWE: Yes, this will be the very last one, Sir. I will take the hide of DRPE as quickly as the hon. gentleman.

But what I would like to ask him, if DREE does not come through, or keeps holding it up, what are the hon. minister's proposals to assist in the rebuilding of the fish plant?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: That is purely a hypothetical question. We certainly could not even start to think that way, because DREE does have a responsibility. That department has a very serious obligation to help that fish plant, to have it rebuilt and back in operation. If I were to say today, Mr. Speaker, that the Provincial Government would pick up the tab for the entire cost of that fish plant, I am sure that DREE would not offer to put one cent in Old Perlican. They would be very willing and very anxious to ~~wenege~~ manage on their responsibilities, and I cannot do that. I cannot do that because DREE does have a very real responsibility and obligation to the people of that community and to the owners of Ocean Harvesters, and that is why I cannot possibly tell the House or tell the member, you know, to what extent we will assist until we find out just to what extent DREE will assist in the rebuilding of it.

MR. DOODY: Mr. Speaker, can I just add one word before the hon. member gets into this?

MR. SPEAKER: With the hon. member's permission.

MR. ROWE: Yes.

MR. DOODY: Because I have had considerable experience in this sort of dealing with DREE before, Your Honour. And with respect -

MR. SPEAKER: If the hon. gentleman has agreed?

AN HON. MEMBER: If the House?

AN HON. MEMBER: Yes.

MR. DOODY: It will only take about thirty seconds. And that is a clause which the hon. Leader of the Opposition is well aware of, and other members opposite are, in the DREE Act which says that if a prior commitment is made by a group of people who are attempting to put a proposal in operation, then they do not get involved. So that may very well, and that is certainly the reason that is now been given from DREE. That was one of our problems in Bide Arm. It certainly was part of our problem in Burgeo, and kept the thing swinging for over a year. People in DREE said, if you people say publicly that you are going to go ahead with the fish plant -

MR. CARTER (W): That is all they need.

MR. DOODY: - then we are, by law, by act, it is under our regulations, it says that if you people are prepared to go ahead it means automatically, under our regulations, that you do not need our assistance and therefore we are out of it. The day that you say you are going ahead with it, it relieves us of any obligation. If you keep saying that you are not going ahead with it unless you get a commitment from DREE, then we negotiate, and we keep going back and forth, and you keep talking. And this is the frustration that we are involved in, and this is a frustration that these hon. members are aware of. Nobody is more aware of that than my friend the Leader of the Opposition who went through the whole exercise in Bide Arm, and we have seen it happen in Stephenville on at least two plants that I can think of out there. Once you make a commitment and say we have lost patience, the public pressure is such in the Province, the need is such in the Province, and the social pressures are such in the Province that we will do it ourselves. DREE will say, that is great, that means you do not need us, under our Act we now move on to another project. And that is the position now

MR. DOODY:

that we are being forced into here in this House by hon. members opposite who mean the best in the world for that community and for that fish plant. But if the day when the Province of Newfoundland says, yes, we will go ahead and put that plant up, that relieves DREE automatically under its regulations of any responsibility to get involved. That happened to us in Burgeo, Sir, and I would hate to see it happen to us here again in Old Perlican.

MR. NEARY: Hear, hear!

MR. S'ALLWOOD: Mr. Speaker, -

MR. SPEAKER: I previously recognized the hon. member for LaPoile (Mr. Neary) before he ceded to the minister.

MR. FLIGHT: I ceded the Chair, Mr. Speaker.

MR. SPEAKER: Yes, and the hon. gentleman ceded to the Chair as well. I will endeavour to get all hon. gentlemen in.

MR. NEARY: Mr. Speaker, would the Minister of Consumer Affairs tell the House if he is receiving any complaints from irate house buyers in connection with bonuses and finding fees by second mortgage companies, and if so, would the minister tell the House what action he has taken on these complaints if he has received any?

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

MR. MURPHY: Would the hon. member kindly put that on the Order Paper, please?

MR. SPEAKER: The hon. member for Windsor-Buchans.

MR. FLIGHT: Mr. Speaker, a question to the Minister of Transportation and Communications. Is the hon. minister aware that as of six o'clock this morning that the detour on the Trans-Canada Highway West of Grand Falls was a quagmire, and that if it deteriorates to the extent over the next twenty-four hours that it has deteriorated, it may well be impassable?

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

MR. MORGAN: Mr. Speaker, I am well aware that the recent weather

MR. MORGAN:

conditions are causing havoc and real problems with most of the gravel roads in the Province as well as the two mile access on the Trans-Canada - the two mile detour rather, West of Grand Falls. But the department is taking every possible action to remedy the situation and keep the road in passable condition.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER: I will allow one supplementary. Then the hon. member for Twillingate (Mr. Smallwood).

MR. FLIGHT: Mr. Speaker, to the minister again. The department has indicated that one of the things that is stopping the Trans-Canada Highway from being reopened is the fact that the water is not flowing in the Exploits River due to a blockage of ice. And conceivably that ice could stay in the river, in the main flow of the river for a month. Has the department given any consideration to blowing the ice in that river so as to let the water off and get that road open because, Mr. Speaker, that road is going to be impassable - there is no two ways about it.

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

MR. MORGAN: Mr. Speaker, the engineers from my department have been out in the area at least on three different occasions since the road was closed, the Trans-Canada section was closed back in the latter part of December. We are looking at every possible alternative of having the work done as soon as possible. But there is no consideration given to the blasting of that ice. We figure that by the time the construction season commences that the water level will be down sufficiently to enable us to carry out the lifting of the Trans-Canada and repair to the shoulders of the road.

MR. SPEAKER: The hon. member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, in view of the seriousness of the situation at Old Perlican with regard to the construction or reconstruction of the big fish plant there, and in view of the terrible delay that the minister is experiencing in getting a decision, an

MR. SMALLWOOD:

answer from DREE, and in view of the unanimity there is in this House as to the urgency of the matter, would the minister consider moving a resolution for the House to adopt to go to the Minister of DREE?

MR. NEAPY: A good idea.

MR. SMALLWOOD: I mean it is intolerable, I am sure he will agree, that at the edge of a new fishing season that whole town should just continue any longer to be a ghost town. Would he consider, if there is unanimity and there appears to be, would he consider moving a resolution to be adopted by the whole House to be telegraphed.

MR. ROBERTS: Hear, hear! I agree with you. Today.

MR. SMALLWOOD: Yes, today.

MR. W. CARTER: I will take note of that, Mr. Speaker, and be very happy to give it some serious consideration.

MR. SMALLWOOD: Mr. Speaker, a supplementary. I know that the hon. minister has to consult. He is not a lone wolf. He has to consult. He has to consult his colleagues. But if that could be done today, then as

MR. SMALLWOOD: the Leader of the Opposition has suggested, if we are all agreed on it let us do it and do it now, today.

MR. NOLAN: Let us have a recess right after the Question Period and have it sent today.

MR. WELLS: I rise on a point of order. Actually it is something, as the hon. member says, that the minister has to consult his colleagues about, as it would be essentially a government decision to bring such a resolution into the House. We will consult on it and possibly before the end of the proceedings this evening we will be in a position to -

MR. ROBERTS: It would not need to be elaborate.

MR. WELLS: No, anytime between now and six o'clock we could consider the matter and give an answer.

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

MR. ROBERTS: My friend from Eagle River (Mr. Strachan), go ahead 'Ian'.

MR. STRACHAN: I am not in my proper seat.

MR. ROBERTS: Well, Mr. Speaker, my question again is for the Minister of Health. And it is quite simply that he indicated in an earlier answer Sir, that a number of Province, I think he said a number, but one or more, had introduced deterrent fees with respect of Medicare, I wonder simply, Sir, if the minister would indicate to us exactly which Provinces have introduced deterrent fees?

MR. COLLINS: Mr. Speaker, I said that other Province have introduced different deterrent measures such as balanced billing and premiums, etc. Now what Provinces they are I do not know. I know that there are some Province with some forms of payments by the patient themselves.

MR. ROBERTS: Mr. Speaker, the minister said simply deterrent fees, I accept his answer, but you know he is wrong. But by way of a supplementary, Sir, would the minister undertake to lay before the House, Sir, an indication of exactly what Provinces charge what, whether it is over billing or balance billing or all of the ways to nail the public, and when they were introduced, Sir?

MR. COLLINS: Yes, Mr. Speaker, I would certainly undertake to do that.

MR. SPEAKER: The hon. member for Eagle River.

MR. STRAHAN: A question for the Minister of Tourism. Would the minister tell us whether he will be taking into consideration the most recent request from the Labrador Inuit Association and the Labrador North Community Councils to further amend the Wildlife Act as it deals with caribou hunting?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: No, Mr. Speaker, my officials in my department and indeed the government has take into account that request, seriously considered it over a reasonable period of time, and despite the pressure to make a quick decision took our own time in deciding and made the only decision that we could make at this particular time. The regulations have been gazetted and published, a press release has been issued and that is the end of the issue for the present time.

MR. STRACHAN: A supplementary.

MR. SPEAKER: One supplementary only, because time is getting short.

MR. STRACHAN: In that case I would like to ask the minister how he intends to deal with the hunters of Labrador North who through their associations have clearly stated that they are going to carry on hunting in the traditional way, and to carry on hunting in the traditional way they will be constantly breaking the new act, and I want to know how the minister - or if he could inform us as to how he intends to enforce the new act?

MR. HICKEY: Mr. Speaker, the changes we have made will, according to my officials who have a great deal of experience and who indeed went to Northern Labrador and met with a number of groups, will go a long way in easing the situation that the hon. member refers to. We have not said that we are not going to ever consider those proposals again. We have simply said that at this particular time it is in the interest of the wildlife population that we go no further than indeed

MR. HICKEY: we have gone. His question with regards to how I propose to deal with the associations or the hunters who, as they have indicated, ignore the law, I do not deal with that, Mr. Speaker, the law enforcement officers deal with that, and the other thing I can conclude, based on the changes that have been made and based on what the hon. member tells me now is to say to those people if they break the law they will feel the long arm of the law.

MR. STPACHAN: A supplementary.

MR. SPEAKER: There is only time for one further question. There is an hon. gentleman who has been endeavouring for some time, so I think I should recognize him. One question and one answer. The hon. member for Bellevue.

MR. W. CALLAN: Mr. Speaker, my question is for the acting Minister of Rehabilitation and Recreation. In view of the fact that there is a long waiting list for admissions to or accommodations in institutions such as Exon House, I am wondering whether or not that department has any plans for expansion of facilities such as Exon House, new facilities for retarded children?

MR. WELLS: I apologize to the hon. member. I was speaking to the clerk of the House, or he was speaking to me, and I did not realize that the hon. member was addressing a question to me until the very end of it. I am sorry about that. Could the hon. member put it again, perhaps?

MR. CALLAN: Mr. Speaker, the question again is: Does the Department of Rehabilitation have any future plans or plans for the future to erect facilities, additional facilities such as Exon House to accommodate the long waiting list of retarded children.

MR. SPEAKER: The hon. Minister without Portfolio.

MR. WELLS: Mr. Speaker, the department and the government is concerned about this problem. We realize that there is a great need for homes of this sort in the Province. I would venture to say that if there were four or five homes such as Exon House there would not be too many. On the other hand we have to balance that with the availability of funds. That, of course, is another matter and it is very expensive to build and equip homes of this sort. I can only assure the hon. member, Mr. Speaker, at this time that this is something that is constantly in our minds and action will be taken as funds are available.

ORDERS OF THE DAY:

MR. WELLS: Order (3), Mr. Speaker.

MR. SPEAKER: Order (3), Committee of Ways and Means. It is moved and seconded that I do now leave the Chair. Is the House ready for the question? Those in favour "aye", contrary "nay", motion carried.

MR. J. CARTER: Mr. Chairman, before the minister rises to conclude the debate I would just like to have a few words on this budget speech myself.

AN HON. MEMBER: Are you going to go on and on?

MR. CARTER: No, I only have a few words. I spoke on the sub-amendment the previous time, before Christmas, and I only have a few words to say. The only opportunity I will have to speak on the main budget debate would be sometime in probably late May, because I fully recognize that there are a great many people who take precedence ahead of me.

MR. DOODY: It might run into the savoury season.

MR. CARTER: Yes, yes. However there are a few points which should be made and that I would like to make, not in any particular order. The first point that I want to bring to light, and it is finding itself in the news, is the Memorial University budget. It is stated that the Memorial University budget should not be debated in this House, that is to say, should not be debated in complete detail. Now to some extent I agree with that, but on the other hand -

MR. SMALLWOOD: Does the hon. gentleman mean that the budget of the University ought not to be debated in detail, or does he mean that it ought not to come before the House?

MR. J. CARTER: Mr. Chairman, I believe that the Memorial University budget should come before this House and be discussed by this House. But I do not mean by that to say that every last five cents should necessarily be passed by this House. We are prepared to allow certain large headings to pass.

AN HON. MEMBER: The same thing we do for each government department.

MR. J. CARTER: Practically,

MR. J. CARTER:

with some reservations, Mr. Chairman, with some reservations. Now I am a graduate of Memorial University and I am very proud of that fact and I wish that university nothing but well. But by the same token I feel that their budget should come under this House for scrutiny, or under this committee for scrutiny. And I do not feel that I am alone in that sentiment, Mr. Chairman.

MR. NEARY: The heroic crusader!

MR. J. CARTER: I will go into that some more perhaps when the main budget comes down.

The other topic that I would like to mention is roads. Recently I have travelled over the Trans-Canada Highway and as far as I am concerned, Mr. Chairman, the Trans-Canada Highway has ceased to exist. The area West of Stephenville is only being held together by frost, and as soon as the frost comes out of the road it will revert to that status of a dirt road. Mr. Chairman, I feel that the cost to the individuals in this Province of having to shudder over a third class dirt, dusty road which the great sections of the Trans-Canada Highway have now become, is going to be an intolerable burden on all of us.

I have heard that there are plans in the works to approach Ottawa with a proposal for twinning the Trans-Canada Highway. I only wish that these plans could go forward very quickly. What a lot of people do not realize is what a tremendous bottleneck the present Trans-Canada Highway is. It is only two lanes leading out of St. John's. It is four lanes as far the city limits, and then it becomes two lanes as far as the Topsail Road overpass, and it becomes four lanes again for a short period where it joins up with the -

MR. CHAIRMAN: Order, please!

I would remind the hon. member that we are in Committee of Ways and Means and not in Committee of Supply.

MR. J. CARTER: I understand that, Mr. Chairman. So that I would

MR. J. CARTER:

like to suggest that although it is quite improper for me to forecast the 1976 budget, that we pay a great deal of attention to the priorities in the next twelve months because the pot is certainly limited and we have to share it up as well as we can. The failure of two major industries in this Province in the past year has come as a great blow to us all, and we hope that this coming year will not see any further failures. Perhaps some specific recommendations should wait until we return to the debate on the Speech From the Throne or the Address in Reply.

However, I would like to mention, if it is not out of order, Mr. Chairman, at this point I would like to mention that the failure of Come By Chance comes as no surprise to me and to many of us. The original agreement that was made and the tremendous concessions that were granted, and the fact that the original promoter put so little of his own investment, of his own resources into this venture, in my opinion, Mr. Chairman, doomed us from the start. I think the previous administration bears a very heavy responsibility for the nightmare that is now Come By Chance, and the nightmare that is the linerboard. These two - well, one a complete failure and the other a bleeding ulcer.

With those few words, Mr. Chairman, and with the hope that we can rationally debate the great issues that are going to face us in the next twelve months, particularly the budgetary issues, I will sit down and take my place.

MR. DOODY: Mr. Chairman, this is kind of an anticlimactic or pre-opening, because what we are doing in effect here is formalizing the debate on the supplementary budget, the Fall budget, which the press have persisted in - and perhaps to their own good reasoning rightly so - in calling a mini budget, but which was anything but that. I think it was an effort to grapple with the major problems which were presented to the Province, which the Province was working on at

MR. DOODY:

that time and which the Province had found itself involved in. We were looking at a \$30 million current account deficit which is completely unacceptable. I found it my unpleasant duty as Minister of Finance to bring in that first supplementary budget and to try to deal with that situation,

MR. MOODY: a situation that in terms of a long range effort is still very much in flux. I would not like to have this House under the impression that all the ills of the Province have been cured, that the monetary and fiscal and economic problems of the Province have been solved by that Fall Budget, far from it, Sir. I think we are just beginning to grapple with the problems that this Province has to face.

I think that listening to the voices opposite during their comments on the budget as it was presented that there were two very, very different sources or two very, very different approaches. The hon. Leader of the official party and his representatives have called for more and more borrowing to borrow, as I quote, I think, the member for Burgeo - Bay d'Espoir, to borrow every cent that we can get our hands on; or perhaps I do him an injustice, certainly one of the members of the official Liberal Party, and to me this would be complete fiscal irresponsibility and a complete monetary disaster and indeed suicide for the Province. On the other side of the coin we have the hon. member for Twillingate (Mr. Smallwood), who had presided over the affairs of the Province for so long, who has been saying that the Fall Budget was not stringent enough and was not serious enough and it did not come to grips with the problems firmly enough. Well I submit, Your Honour, that this has really been the first budget in quite some time that ever really tried to face the problems that this Province is faced with.

We have a situation here now where the unemployment situation is horrendous, that the revenue sources are limited, that our borrowing capacity is rapidly reaching, if it has not already reached, its height, its apex, its nadir. I would suggest, Sir, that we have reached a point in the road where we have to look at ourselves very, very seriously, and I think the very first effort in that direction was done in the Fall of 1975.

I think that these problems will be addressed more fully on Friday of this coming week when we bring in the regular budget.

MR. DOODY: That is the time when we will get down to grips here in this House and debate the whole fiscal and economic condition of the Province.

MP. ROBERTS: Can the minister assure us that the budget debate will begin very shortly after the budget is brought down? The Come By Chance - would the minister yield for just a second?

MR. DOODY: Yes.

MR. ROBERTS: We are in committee are we not, Mr. Chairman.

MR. CHAIRMAN: Yes.

MR. ROBERTS: I do not want to make a speech, and I will not, but can the minister assure us that we will quickly have the opportunity to debate the budget - or maybe his colleague the Government House Leader, the Minister Without Portfolio, because the difficulty is the Come By Chance matter, I understand, has to begin tomorrow, and that should be debated. Obviously it is of importance, Mr. Chairman. The budget is to come in on Friday. We have not finished the Throne Speech debate, indeed we are still merely beginning the debate on the sub-amendment introduced by the gentleman from Twillingate (Mr. Smallwood) who I understand has a few more points he wishes to make in moving his sub-amendment. Of course he then has the right to speak on the amendment and so forth and so on.

MR. SMALLWOOD: Once.

MR. ROBERTS: The hon. gentleman figures once will be enough. Well I know I speak for everybody in the House when I say that - I know I feel I speak for everybody in the House when I agree with him on that.

But the point is, you know, that it is not just the business of the House is blocking up. We can only do one thing at a time, but we seem to be losing any point there may be to debates. And I do not mean any point that hon. gentlemen opposite may make or any point that we may make, but we seem to be getting into a state where there is just too much on the plate. I appreciate the budget has to come in but can we have some idea of when we are going to -

MP. SMALLWOOD: Especially for three hours a day.

MR. ROBERTS: Well I am all for meeting at eight in the morning and we will go on then - it is fine by me. But perhaps the House Leader could say a word or two.

MR. SMALLWOOD: Two to six-thirty.

MR. ROBERTS: Why do we not meet from two to six and then in the evenings for three or four hours.

MR. SMALLWOOD: Some nights too, yes.

MR. ROBERTS: But it is a problem and bringing - We will let the minister answer it.

MR. WELLS: On this point, there is no question about it that before the end of this week, certainly the end of this week at the longest, we will change the times of sitting. We will be sitting at nights from here on and possibly in the mornings. I like the idea expressed myself by the hon. Leader of the Opposition to meet at two and go on until six. I think that would be an excellent idea.

MR. SMALLWOOD: Two to six-thirty.

MR. WELLS: Two to -

MR. ROBERTS: Why?

MR. WELLS: Six thirty is a bit awkward for people's practical arrangements, like having their meals and that sort of thing.

MR. SMALLWOOD: I have an hour's drive every night to get home.

MR. WELLS: Yes, true. But certainly we would be glad to consult with anybody in the House on these sort of points. We would not with regard to the scheduling of the Come By Chance debate, we would not - and if the Minister of Mines and Energy, who is going to lead off in that debate, is back tomorrow then we could begin that tomorrow. If he is not, then we would carry on with the Throne Speech.

MR. ROBERTS: We are getting, we are getting -

MR. SMALLWOOD: There is no real hurry for the debate on Come By Chance.

MR. NEARY: It is not going to get any jobs back.

MR. SMALLWOOD: It is not going to get any jobs back.

MR. DOODY: It is up to the House.

MR. WELLS: Yes, it is up to the House. If -

MR. NEARY: All you are going to do is have a -

MR. MURPHY: You were crying for it a weeks ago!

MR. NEARY: Knock-'em-down, drag-'em-out debate, but no jobs back.

MR. ROBERTS: The Leader of the Opposition is not the one for the gentleman from St. John's Centre to be saying there is no need to debate it.

MR. WELLS: Well certainly we would be quite prepared to be guided by wishes of the House on that point. But as I say, we are ready to go, but if anybody wishes to make representations -

MR. NEARY: What can we accomplish? What can we accomplish?

MR. WELLS: That is another debate. But if the hon. member and other hon. members express the wish that we ought not to proceed at this time -

MR. NEARY: What can we accomplish?

AN HON. MEMBER: Time is critical.

MR. WELLS: That is not the issue at the moment. If we receive -

MR. NEARY: Try to blame one another.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. WELLS: Order, please! Look, I am simply saying to members that we would take their wishes into consideration in the scheduling of the debate if we feel, and if representations are such that it appears that no great good could be served by rushing into the debate and if it is a matter of a delay, well certainly we will have no objection. But at any rate we would plan, of course, after the budget is brought down to get into the estimates quickly and also then to run longer hours.

MR. DOODY: Certainly it -

MR. ROBERTS: We are going into Interim Supply, are we not?

MR. DOODY: Well Interim Supply will come in right behind the budget.

MR. ROBERTS: Monday or Tuesday -

MR. DOODY: That is right. But it is certainly under the enlightened system of this administration the estimates are combined with the budget speech which is tabled at the same time.

MR. ROBERTS: The estimates are -

MR. DOODY: But what I am saying is that they are tabled in the same document. We can get into that debate, either the estimates or the budget speech or both just as quickly as is the pleasure of the House.

MR. ROBERTS: The budget and estimates always came in together.

MR. DOODY: No, no, not always.

MR. ROBERTS: It has always been my experience since I have been in the House.

MR. DOODY: I will bring in the historic record.

MR. ROBERTS: Let him bring in what he wants. But in my ten or eleven years they have always been tabled the same day.

MR. DOODY: I am not allowed to bring everything I want in, Sir.

MR. ROBERTS: Well I agree. Nor is he allowed to take out everything he wants either. But that is another thing.

MR. DOODY: Right. Right.

MR. ROBERTS: Are we out of order, Mr. Chairman?

MR. DOODY: With the permission of the hon. Leader of the Opposition

MR. DOODY:

can I carry on with my remarks? Thank you.

MR. NEARY: Why do you not sit down while you are ahead?

MR. DOODY: I will never be ahead, "Steve". You know that.

The points that the member from St. John's North (Mr. J. Carter) just raised on the Trans-Canada Highway and Come By Chance and on Memorial and so on are all, I am sure, and indeed are very valid points and will be dealt with at length. I have no intention of getting into them at this particular time. There are two points though that I think this hon. House has the right for elaboration on, because they were the two most contentious and perhaps the two most relevant points, in my opinion, that were raised by the Opposition during the budget debate before the recess. One of them is the suggestion that government purposely inflated last year's revenues march so as to cloud the true financial picture of the Province. This I have to take offence to, Sir, and to say it is wrong and it is obviously wrong. If the suggestion were true one would expect that most of the revenue items contained in the 1975 budget would have been high. However, if you look at page eleven of that budget speech, Sir, you will show that of the forty-one items of revenue expected to be received this year, only four are projected of the revised estimates to be lower than the original estimates for 1975-76. There are four out of forty-one, and only one of that four that is materially lower is a tax equalization grant for the Federal Government. That is the one I think that most hon. members opposite and perhaps some on this side of the House had some difficulty with, and one which I will admit quite candidly is one that deserves some further elaboration on.

Mr. Doody:

The fact is that disregarding the increases announced in the Budget Speech, revenue, and I am talking now about retail sales tax, the retail sales tax is expected to exceed the original estimate by \$11 million. To have expected that would have been obviously and patently absurd. We would never have suggested it, but it happened. And it was done for a number of reasons, and the most obvious one, of course, is the inflationary problem that the whole country is in, and this Province in that regard was so no exception. And that is one of the few areas in this country in which this Province is no exception. We are involved in the inflationary process.

Now the equalization losses, Sir - and I am going to have to refer to the notes pretty definitely on this, because it is a most complex and complicated area as those people opposite, and indeed on this side of the House who have been involved closely with the government are aware - is complex and it is getting more complex. We are getting now ready for a new series or a new round of discussions in Ottawa with the Federal Minister of Finance and his officials and his Provincial counterparts. They are talking about changing once again the equalization formula, which many of us were just beginning to get some sort of a grasp or an idea of. They are also talking about changing the tax revenue guarantee. They have gotten into a whole new set of jargon up there, which has managed to becloud the issue, in which we are going to have to get a new set of Funk and Wagnal or what have you to decipher. There is a mirco approach and a macro approach, and whether we should go mirco or marco or side by side is something that is going to be argued about hotly during the next few weeks. But it is one that to my relatively inexperienced eye bodes ill for this Province in terms of the sharing of the wealth of the great country of which we are a part.

The equalization payments supplied - the estimates supplied by the Federal Government last year was something over \$203 million. They were projected upwards to \$210 million in the original 1975-1976

Mr. Doody:

estimates, a difference of \$4.6 million, and this is a point legitimately raised by the hon. members opposite. Based on the latest available information from the federal government, it is expected that the equalization payments will decrease from their \$203 million to \$194.25 million. Some hon. members are claiming that the original amount in the 1975 Budget was deliberately and significantly overstated. But the time of finalizing the 1975 Budget it was felt that the \$210 million was indeed a realistic estimate. There was legitimate justification for using the amount. Historically the amount included in the federal budget for Newfoundland's equalization has been understated. And the Province has adopted a practice of compensating for this situation by including higher amounts in its own budget. The federal estimates for equalization payments, the amount budgeted by the Province for equalization, and the actual payments received for an eight year period are as follows: - now this might be a bit tedious, Your Honour, but it should not take more than two or three minutes, and it is important, I think, to get it on the record to show that there has not been deliberate fudging of the figures, but a reasoned and practical and perhaps an optimistic approach. In 1967-1968 the Federal budget equalization estimate was \$69.9 million, the Provincial budget estimate was \$69.922 million, and the actual equalization payment was \$67.866 million, which is almost dead on, all three figures, for the \$1 million variance; 1968-1969 the Federal budget estimate was \$69.4 million, the Provincial budget estimate was \$68, 2 million, but the actual equalization payment that we received was almost \$72 million, which more than compensated for the variance in the previous year; 1969-1970 the Federal financial people estimated a \$80.8 million equalization payment, the Provincial estimate was \$79.8 million, but we actually received when the number were totalled almost \$85 million which was \$5 million more than Feds had estimated, and almost \$6 million more than our people have estimated. In 1970-1971, \$91 million

Mr. Doody.

from the federal estimates, \$90.25 million from the provincial estimates, but we received \$90.3 million, which is almost dead on once again with the provincial estimates. In 1971-1972 things started to go a bit weird. The federal budgetary estimate was \$103.7 million, the provincial budgetary estimate was \$105.4 million. Now that is almost \$2 million higher, but in actual equalization payments, Your Honour, we received \$120.5 million.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: A good Liberal government up in Ottawa.

MR. DOODY: The good Liberal government up in Ottawa sent down an additional \$15 million over and above what we had estimated provincially, and an extra \$2 million over and above that, \$17 million over and above what they had estimated themselves.

SOME HON. MEMBERS: Hear, hear!

MR. DOODY: In 1972-1973 the federal budgetary estimate was \$112.8 million. The provincial budgetary estimate was \$120 million. In 1972-1973 the Feds estimated and told us that we could look forward to getting \$112.8 million. We said, "No, we will get \$120 million." We actually received \$114 million. Now the good Liberal government in Ottawa went ape, and they cut us back during their great process of computations. In 1973-1974 - we only got another year to go, so I will ask the House to bear with me - in 1973-1974 the federal budgetary estimate was \$129.4. The provincial budgetary estimate was \$153.6 million. Wild! Crazy! The provincial budgetary people said \$153 million against \$129 million. We actually received \$156 million. The federal government was out by the difference of \$26 million. In 1974-1975 the federal budgetary people said \$176 million. Judging from the previous year our provincial

Mr. Doody.

budget people said \$185 million might be more reasonable. We said \$185 million over \$176 million. Well look what happened last year. In effect what did happen in 1975-1976, the actual equalization payment was \$186 million, \$1 million more than our wildest estimate, but \$10 million more than the federal estimate. Well, we followed the same formula during the year just preceeding, and unfortunately, Sir, things went once again in the other direction. So this indicates that in the eight years between 1967 and 1975 the federal government underestimated the equalization payments by almost \$60 million, or an average of \$7.5 million a year. Even more significant is that almost \$56 million of that was incurred in the last four years for an average deficiency in the federal government's estimate of \$14 million per year. In comparing our budget for 1975-1976 we were faced with the option of using the estimate given us by the federal government for equalization payments of \$203.4 million or increasing this amount in view of the overwhelming evidence that the federal government estimate was historically low. Obviously the most rational and sensible approach for 1975-1976 was to make a reasonable estimate of what the actual payment would be based on the past experience with the federal government estimates and procedures that we ourselves have been following in previous years.

The decision was to increase the federal government estimates for equalization from \$203 million to \$210 million. This arbitrary increase of \$6.6 million was less than half the annual average adjustments that had occurred in the previous four years, and was still less than the average positive adjustments in the last eight years. We could have chosen not to make this adjustment but instead increase taxes or reduce services to balance the current account. In light of past experience that seemed completely unjustifiable and I still feel that we made the most sensible and reasonable decision on the evidence that was presented to us. Subsequent events resulted

Mr. Doody.

in an unpredictable set of circumstances which reduced the \$210 million down to \$194.25 for a decrease of \$15 million, almost \$16 million. Equalization estimates to all provinces decreased by 4 per cent this year just passed, or almost \$80 million, and the reasons were not ones that the federal government's forecasters could be expected to foresee or our own people could be expected to foresee, but for a variety of factors which I have talked about in earlier discussions, Sir, and the budgetary tax cuts by the provinces of Ontario, Alberta and Quebec. Ontario reduced its retail sales tax from 7 per cent to 5 per cent. They had an election. Alberta reduced the personal income tax by .10 percentage points to 26 per cent of the federal tax. Now you got the wealthiest province in Canada with the smallest tax base, and that is going to hurt

MR. DOODY:

us again in coming years. The wealthier they get the less they tax their people. The less they tax their people, the smaller the tax base is in Canada. The smaller the tax base is in Canada, the less equalization payments the other provinces get. The richer Alberta gets, the richer Ontario gets, and the richer British Columbia gets, the poorer we get and the system resolves itself. Regional disparity is a word, was a term, and now it is a joke. There has been really no major effort to equalize the living standards of the people in Canada and it is becoming more and more disparate and desperate as times go on.

If these new policies that have been recently discussed, and which I have been trying now, with the help of some of the people in the department and outside the department who are a lot more knowledgeable in these things than I, to interpret, if these new policies and programmes that are being brought before the provinces and the federal government for approval during the coming Finance Ministers Meeting, if these things are approved it will just accentuate and will increase the regional disparities.

In my little blurb this morning on the Medicare problem is just the tip of the iceberg, I am afraid, Sir - and I mean this quite sincerely - that if the trend that is now ongoing in Canada continues in the way it is going, that all the work and all the effort and all the sincere dreams and hopes and aspirations of the people who worked so hard for Confederation, for the people of this Province, will be shot, will be gone down the drain. The answers of the larger provinces in this dominion of ours or this country of ours, Ontario and Quebec particularly, is take back your cost-shared programmes and give us more tax points to use in our own province.

That is great for those provinces. On the one hand Quebec, which is more interested in nationalism than it is in its upgrading or in its prosperity per capita, or a province like Ontario or Alberta or British Columbia which has a tax base to use its tax points for.

Mr. Doody:

I think we are heading down a road, Sir, which may bring ruin to the Dominion of Canada and a great deal of very unfortunate circumstances to the people of our Province. It is one that I think we are going to have to look at very seriously and think about very seriously, and one we are going to have to address, not just as a series of political parties. We are going to have to look at it very seriously from a survival programme for our Province and its participation in this great Dominion of ours.

Anyway, Sir, there are a whole series of other items here which outline and help to demonstrate the reason for the difference in the equalization estimate that was in that budget. It was not - I can say this quite sincerely - an attempt to fudge the figures or to mislead the public. It was an attempt to bring a rational figure into the budget that would justify our keeping the public services up to the standard that our people have been led to expect and indeed which they deserve in terms of their right to be Canadians. The alternative, as I said earlier, was more taxes and lower services.

The other problem that we faced of course was the public service salary increases. It was stated in the Fall budget that the total salary bill for the public service would be \$345 million. The table showing this amount is on page 13. It is also stated elsewhere in the budget that as a result of the unprecedented salary settlements the original budget presented to the House was some \$20 million short in the provision for salary increases. A close look at these statements would indicate that some error has been made and I think this question was raised by our friends opposite, and legitimately so, because obviously the mathematics do not add up.

The total cost of the public service bill shown in the Fall budget should be, under these standards, \$320 million and not \$340 million. I think it was my hon. friend from Burgeo-Bay D'Espoir (Mr. Simmons) who made that point in his discussion of the budget.

MR. DOODY:

That is one of the difficulties with these interrupted speeches or debates. This is months ago and I am sure that many members may have forgotten some of the details.

MR. DOONY: However, despite the efforts of the hon. Leader of the Opposition, who many times questioned me on what our position was going to be on the salary agreements or salary positions with the various members of the collective bargaining units in the public service, obviously it could not be stated publicly because there would not have been any negotiations. There would have been a stated bait and that certainly was not in the spirit of the public bargaining.

The amount of \$300 million referred to in the original budget was a gross figure, intentionally rounded out so as not to put government in a weak position at the bargaining table. It did not allow for fringe benefits, such as overtime and extra assistance which he had estimated to be somewhere in the nature of \$20 million, nor did it take into consideration that we expected to recover about \$40 million in related revenue mainly through Manpower training programmes and hospital insurance. In the Fall Budget, since all collective bargaining contracts had been negotiated, there was no longer any need to cloud the issue of the total salary bill and the \$345 million quoted consisted of the \$300 million referred to on the original budget, plus an additional \$20 million for salary increases and the \$20 million which I talked about a few minutes ago for overtime and extra assistance and so on.

Well the hon. member for Twillingate (Mr. Smallwood) said that the budget as he saw it was a grievous absence for realistic hard-boiled, down-to-earth realization of the perilous state of our economy and of our public finances. He sees no sign of hard, realistic, difficult, unpopular steps that must be taken at the time. I thought that we had taken some very hard and very realistic and very difficult steps at that time. There is another budget, as I say coming up very, very shortly and which we will have another look at the situation and see where we stand now.

MR. DOODY: The other great problem, of course, that we are facing is our borrowing programme but once again it is one that can be handled and one that will be handled and one that we are discussing and will discuss in more detail later on in the week. I do not see a great deal of purpose, Your Honour, in going through all the various details and points on the budgetary items that have been raised in the discussion earlier because it will simply mean a repetition and a going back over the whole situation as it must be done and should be done and has to be done during the next few days.

The hon. Leader of the Opposition has suggested that we try to get to the Budget Speech as quickly as we can and into the estimates as quickly as we can. There is nobody more anxious than I am, Sir, because these estimates and these budgetary figures are numbers and facts that I have been wrestling with now for quite some time.

I am particularly interested in seeing the House's attitude toward Memorial University and how it feels that it should be handled. I notice that the hon. member from St. John's North (Mr. J. Carter) brought the subject up a little while ago and took very great pride in the fact that he was a graduate of that university.

I was just looking at a recent newsletter published by the President of the University in which he takes no great notice of the fact that he is very proud of the fact that the member for St. John's North (Mr. J. Carter) is a graduate of that organization. However, I hardly expect him to.

MR. ROBERTS: Prince John.

MR. DOODY: I do not think that has ever been shouted loud has it?

MR. NEARY: With friends like that who needs enemies?

MR. DOODY: The hon. member knows very well the attitude and the

MR. DOODY: capabilities and the political acumen and the administrative ability and the dedication of the President of the University.

MR. J. CARTER: There would not be room in such a publication to list all his friends.

MR. DOODY: That is right. That is right. And so we now, Your Honour, realizing that this budget debate has not really been as full and as detailed as it should be, but in the full realization that there will be a much larger and more detailed debate during the next few days, I respectfully submit that we adopt the motion before the House and carry on with the next order of business.

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

MR. CHAIRMAN: Mr. Speaker, the Committee of Ways and Means have considered the matters to them referred and have directed me to report progress and ask Leave to sit again.

On motion report received and adopted, Committee ordered to sit again on tomorrow.

MR. WELLS: Mr. Speaker, order 1.

MR. SPEAKER: Order 1, the Address in Reply. The hon. the member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, the first time I met the present Prime Minister of Canada, the Right Honourable Pierre Elliott Trudeau, was in this very building.

On the main floor of the building is a small room that I used to use as a dining room, and into which I used to invite people of some importance from time to time for a meal.

Mr. Trudeau at that moment was the Minister of Justice of Canada and he came here to discuss with me, as he did in all ten provinces, the question of the French problem in Canada, bilingualism, biculturalism and all the rest of it. That was my first meeting with him. We spent a couple of hours talking. The present Minister of Justice was present at that luncheon. I think the present Leader of the Opposition was also present and several other ministers as well.

MR. NEARY: That was what we used to call the 'Kitchen Cabinet'.

MR. SMALLWOOD: The 'Kitchen Cabinet'. Mr. Trudeau was rumoured at the time to be interested in seeking the leadership of the Liberal Party of Canada, and so, of course, obviously I was interested in sounding him out to see what he stood for. There were two things that he said at that luncheon meeting that converted me thoroughly and whole-heartedly to his side. And when the luncheon was over we came out into the lobby of this building and were surrounded by newsmen from the various media, and I expressed my opinion that here was the coming Prime Minister, the next

MR. SMALLWOOD: Prime Minister of Canada. It was on that same occasion that I said that by comparison with him I felt like a clumsy elephant with arthritis.

Now the two things that he said that won me over were with regard to the French fact in Canada. He asked me what my views were and I said, "Well Minister, do you want me to speak frankly?" He said, "Well anything else would be useless." "Well," I said, "speaking frankly my view is this, and I believe it is the view of Newfoundland; For the Province of Quebec, nothing; for the Legislature of Quebec, nothing; for the Government of Quebec, nothing - except what the Province of Prince Edward Island or Newfoundland or New Brunswick or Alberta, the legislature of that province or the government of that Province will get; no more, no less for the Province of Quebec, the Legislature of Quebec, the Government of Quebec. But for the people of Quebec whose mother tongue is French, whose cultural and historic background is French, for them exactly, precisely and exactly, the same rights as for all Canadians wherever they may happen to be

Mr. Smallwood.

whose mother tongue is English, whose cultural and historic background is English, absolute equality for those Canadians in Canada, Quebec or anywhere else in Canada, those Canadians whose mother tongue is French and those whose mother tongue is English." He said, "That is your view?" I said, "That is my view. I would not give the province of Quebec, or the legislature or government of Quebec anything except what any other province is to have, any other legislature, any other government in Canada." "Well, he said, " I can only say that you have expressed yourself magnificently. I wish I could do it as well." "Well," I said, "you can express your views certainly as well as I can express mine." "Oh, no," he said, "you have expressed my view of these matters far better than I have ever done." I said, "Say that again."

MR. J. CARTER: Mr. Speaker, to a point of order.

MR. SPEAKER (Dr. Collins): A point of order.

MR. J. CARTER: The hon. gentleman has unlimited time, I do not dispute that fact. In fact I would be the first to rise to his defence, but what I do dispute is his intention, his declared intention to take advantage of that fact. Yesterday, or on Friday, he left us with the clear understanding that he intended to make this probably the longest speech of his career. Now what he is saying is very interesting, and I am enjoying it, but I would point out to this hon. House, Mr. Speaker, that most of what the hon. gentleman is saying or is about to say is already published, and in fact it is available in hard cover and paperback, and in fact the price has recently gone down. So I would ask the hon. gentleman if he is going to speak on forever or just within reasonable bounds?

MR. SMALLWOOD: Mr. Speaker, I have already set the record in the House of Assembly of Newfoundland. I spoke for five days on the fisheries, five days in succession, and I do not think that has ever been equalled since, and it certainly was never equalled before. How

Mr. Smallwood.

many days I propose to speak now, I frankly do not know. I have many themes that I think need to be ventilated.

MR. NEARY: It is a point of order now. Are you speaking to a point of order. He raised a point of order.

MR. SMALLWOOD: I think perhaps the hon. gentleman raised the point of order less as a point of order, because I am not out of order. He must realize that.

MR. J. CARTER: Mr. Speaker, to a point of order, if I may. There is a rule in the Standing Orders against needless repetition and tediousness, which is a very stern master as far as length of speaking is concerned.

MR. SMALLWOOD: I am so well aware of it.

MR. SPEAKER (Dr. Collins): Would the hon. member permit me to rule on the point of order, or does he wish to discuss it further?

MR. SMALLWOOD: No, I do not want to discuss it further, Your Honour. Your Honour might wish to make a ruling.

MR. SPEAKER (Dr. Collins): I would take it that the point regarding repetition applies to the debate going on before the House, and that in this situation I do not think that the hon. member's remarks are repetitious in terms of this debate, and I would not think that a point of order exists.

The hon. member for Twillingate.

MR. SMALLWOOD: Thank you, Mr. Speaker.

Every word that I have said in this speech so far, or shall say, is to be found in a dictionary. And every word is also to be found in the Encyclopedia Britannica and many other encyclopedias, so there will be repetition. What I have written in books or written or spoken elsewhere than in this Chamber I think is quite beside the point. However, I am not going to debate Your Honour's ruling. I concur, and thank Your Honour for it.

Mr. Smallwood.

The other thing that attracted me to Mr. Trudeau, and made me his faithful follower, was DREE. It was not called DREE at that moment, because there was no such department - the Department of Regional and Economic Expansion. But I will tell you what there was. There was a deep-seated discontent, and indeed unhappiness in the four Atlantic Provinces, and indeed also in the province of Manitoba, and to some extent the province of Saskatchewan, the provinces known as the "have nots." There was deep dissatisfaction and unhappiness over the fact that there was great disparity between them

MR. SMALLWOOD: so far as concerned economic development, so far as concerned employment and jobs, so far as concerned the standards and levels of public services - roads, bridges, hospitals, schools, and all the rest of it - great unhappiness in six of Canada's ten provinces, and in part of Quebec as well, because the Eastern half of Quebec you might throw in with the rest of us as the disinherited and the low standard part of Canada. The disparity was there, and the need to remedy, to reduce if not eliminate the disparity. After all, you know, to speak of eliminating it is a little silly, because there is disparity not between the East and the West of Canada, between the centre of Canada and the East, or between the have-not provinces and the have provinces, inside of each individual province there is economic disparity, and not only economic but disparity of public services and so on.

Labrador, for example, the Coast of Labrador is far below the more central part of Labrador, and certainly the more Western part of it, far below in the level and the standards of public services and of a good many other things as well.

So when Mr. Trudeau expatiated for me and for the rest of us at that luncheon on his views about the disparity separating the provinces, my heart and mind were won completely by him. And surely enough after he got in office he introduced into Parliament - two hon. members here with us today, two hon. ministers, sat in that very Parliament and heard him, and no doubt took part in the very debate when that bill was brought in to create the Department of Regional Economic Expansion. Now this was Mr. Trudeau's answer to this great Canadian need, the need to bring about at least some equalization of the standards and levels of family life, of family living, and public service in Canada.

My heart bounded with happiness over it. I said, "At last after all of the talk here is the actual weapon, the actual tool that is going to produce this happy result."

Mr. Smallwood:

Well, if the hon. member for St. John's North (Mr. J. Carter) will exercise his well-known Christian charity, and exercise it toward me for the moment, I will sum up in other words, my own words, by the way, what I said about that matter after, what?, four or five years of enduring DREE. I put my conclusions into a book; it is only two paragraphs, and perhaps Your Honour will not consider it to be repetition, and certainly not tedious. I said, page 482, "There is not the slightest doubt that Canada's four Atlantic Provinces are still miles and years behind the rest of Canada. These four Provinces have made real progress in the last quarter of a century, but the gap today is wider and deeper between them and the rest of Canada than it was before, than it was a quarter of a century earlier. The Atlantic Provinces are further behind or below the Canadian average than they were twenty-five years ago."

Then I went on, Mr. Speaker, to say, "At a Federal-Provincial Conference in Ottawa I once quoted Abraham Lincoln's dictum that this nation, meaning the United States, this nation cannot endure half free and half slave, and said that Canada would not be the great harmonious and happy nation we wanted it to be while nearly half of the provinces were lagging badly behind the others, and the

MR. SMALLWOOD: discrepancy was becoming more acute all the time. I said then and on many other occasions that if Confederation did not mean Parliament's using its sovereign power to deploy the economic strength and wealth of the nation, to raise the standards of the underdeveloped provinces, then Confederation was meaningless. The underdeveloped provinces must not be just colonies or mere markets for the rest of Canada."

"Will Ottawa" I went on to ask, "Will Ottawa ever have the imagination and the courage to break the mould which has patterned a Canada of crass provincial inequality? Mention the idea of the underdeveloped provinces being permitted easier credit in times of tight money and a look of distaste comes over Ottawa's face. Mention the idea of tax-free bonds for the underdeveloped provinces, and Ottawa's only answer is a palpable inaccuracy, namely; that in the United States where that financial device is used, it is going out of fashion. It was not and it is not going out of fashion."

"Let an underdeveloped province make use of the Crown corporation technique to get development and all hell breaks loose. The policy of reducing so-called regional disparity boils down in the end, boils down in the end to a half hearted willingness to dole out money for road paving, water and sewer systems, schools and hospitals."

"After dealing with four Prime Ministers of Canada for twenty-three years I am convinced that with the exception of a few brave souls, nobody in Ottawa has the slightest belief in the likelihood or even the possibility of the four Atlantic Provinces ever being much more than mere markets or colonies for the rest of Canada. They will not admit this, they will deny it with vehemence, sarcasm, wit, indignation and in a variety of other ways for, of course, they cannot possibly admit it except in action."

"Some day there may come to Canada a government that will brush aside all weasle thoughts of the Atlantic Provinces as Canada's poorhouse, one that will attack the problem with nerve,

MR. SMALLWOOD: employing for an experimental period of ten or twenty years the devices that have been condemned in the past and others that it will think up to get these four provinces thirty or forty years ahead in the space of a decade or two."

In a debate you cannot talk about a matter that was raised in an earlier debate in the same session of the House. You can, however, talk about a matter that is going to be provided you make it general enough, and I am making it very general, indeed.

Mr. Speaker, one of the most bitter disappointments of my life since I became a Canadian is the failure of DREE to do what they said it was intended to do. Now let us be fair about it. DREE has spent in this Province in the last - what is it? Five years? - tens of millions of dollars. Indeed, Sir, DREE has spent hundreds of millions of dollars in this Province to build us schools and roads and to do paving and to put in water and sewer systems. All, thanks be to God! all good! How can any Newfoundlander knowing this Province and the people of this Province, how can any Newfoundlander condemn the spending of those hundreds of millions to improve the infrastructure of the Province. to make the Province

Mr. Smallwood:

more convenient, give us some modern conveniences, and give us more of them, and give us better conveniences, No one can condemn that.

But, Sir, that is not what DREE was formed for - the Department of Economic Regional Expansion, not Infrastructure Regional Expansion. Now I know, I am well aware that the argument will be made that the best way in a backward province to get industry, to get industrialists to move in, to get investors to put their money in such a place, the best way to do that is to raise, to lift the standard of infrastructure, to give such a province better roads, more paving, water and sewerage, hospitals, schools, housing, and the rest.

MR. NEARY: Nonsense!

MR. SMALLWOOD: And what?

MR. NEARY: That is sheer nonsense!

MR. SMALLWOOD: No, I would not go so far as to agree with my hon. friend, the Independent Liberal, to call it sheer nonsense. I have to agree that it does not do a province any harm from the standpoint of economic development, from the standpoint of creating industries of an enduring character that will provide a lot of jobs, that to improve the infrastructure of that province is definitely a help. But, Sir, why did they not call it the Department of -

MR. NEARY: Municipal Affairs.

MR. SMALLWOOD: Not Municipal Affairs, the Department of Infrastructure, the Department for the Improvement of the Infrastructure of the Poorer Provinces, a rather long and clumsy title, but at least it would have this advantage that it will tell what the department in fact was doing, not perhaps what it was said to be the intention of doing. This is a better disappointment to me.

Now look let us not by omission misrepresent, They have put some funds, some capital into some economic ventures. I think they put some in the big new fish plant up in Burgeo. I think they have agreed, the Minister of Fisheries is not here at the moment, but I think he announced that DREE was putting a substantial sum of money in that, and that is not the only -

MR. HICKMAN: DREE is putting some money into that.

Mr. Smallwood:

They might have put in less than they ought to have put there, I do not know. And that is not the only instance there is in these past five years of DREE putting some capital into economic ventures, ventures that would create permanent jobs, the development of our natural resources, forests, land, water, minerals, and other, other, other natural resources in the Province. There are cases where they have done it, but I have not got the figures. It would be interesting if the Minister of Finance would get his Treasury Board to make a study, to make an analysis, How much money has DREE put into this Province? Break that figure down under two headings; how much of it for infrastructure, and how much of it in actual economic projects to create permanent or reasonably permanent industry?

MR. NEARY: And how many of these jobs presently exist? That would be an interesting thing.

MR. SMALLWOOD: Well, as to that, yes. And how many of the jobs thereby created are still there. Now that raised a rather awkward point, because the government have announced from time to time that in the Department of Rural Development, and in one or two other departments, they have created this, that, and the other new activity, this sawmill, and that woodworking plant and some other activity, and the number of jobs thereby created was 2,000 or 2,300 or 2,800 or 3,200 men, or jobs. Thank God for those that they did create, and thank God for the 2,800 or 3,200 jobs thereby created. Even though the jobs might have lasted only six months or eight months or a year and a half or even as long as two years. Better that than nothing, better a year's work for wages than no work for wages.

MR. NEARY: It is only another form of welfare.

MR. SMALLWOOD: It is not necessarily a form of welfare. If a government through an industrial development loan board lend money to some one to start a sawmill, and he starts the sawmill and he employs seven men, and he employs twelve more men putting the saw logs, and they get a year's work, that is not only better than welfare, it is not welfare.

MR. SMALLWOOD:

It is work. It is honest work by the sweat of their brow for the wages they got. Which is an awful lot better than money handed to them on condition, on condition - which is the law of Newfoundland and of Canada today. Try it. Try it and see if I am right or wrong - the law of our land today is that you will get relief provided you do not work. You have to be unemployed. There is a minor amendment to that, I realize I am stating a principle. The principle is that to be eligible for help from Ottawa, to have Ottawa pay half the cost of welfare in Newfoundland, the recipient must not work. He must not be employed. He must not have a job, sine qua non, the very condition of getting help from Ottawa is that the person in question shall be out of work.

MR. NEARY: No, Sir, it is based solely on need and -

MR. SMALLWOOD: I know the change in detail that has been made, but the principle is still the same.

Now, that is enough of that. I am bitterly disappointed, bitterly disappointed in DREE. It got into the hands of the Philistines, it got into the hands of the Ottawa maharajahs, it got into the hands of the mandarins of the Civil Service in Ottawa, and even the Prime Minister of Canada is not strong enough - no Prime Minister of Canada is strong enough to buck the mandarins of the great Civil Service of Canada. But we can be very disappointed and I indeed am extremely disappointed with the results.

The only case there has been of an organized effort - there have been individual things, Mr. Diefendbaker brought in a scheme to help provinces. I had one of the fights of my life to get Newfoundland included in that, and Newfoundland, which was ruled out, was brought in, and that was a good thing that Mr. Diefendbaker did. And he did a number of other things and so did Mr. Pearson, so did they all do various things.

I remember once in a conversation with Mr. Diefendbaker when he was Prime Minister in his office, he said, "You know Premier, we have done this and this and this and this and you must admit we have

MR. SMALLWOOD: been pretty good to Newfoundland." I said, "Prime Minister, you have been twice as good to Newfoundland as some former Prime Ministers of Canada, but not even half as good as some coming Prime Ministers of Canada." He looked shocked. I said, "All I am saying is that one Prime Minister after the other improves on what the previous Prime Minister did. And it is a rising market. There is no finality, as Sir Wilfred Laurier said, no finality to the terms of union, to the terms of Confederation." There may be little or perhaps even no change in the formal terms, no amendment, no change in the formal terms but the practical terms, in practice, the terms of union of a Province with the rest of Canada, the terms provide for the payments, large sums of money under many headings into that Province and that becomes therefore a modification of the terms of union and that never stops because, in the words of Sir Wilfred Laurier, there is no finality to the terms of Confederation."

Now may I pass on to the another theme which I touched on in my remarks the last time I addressed this House, and that was on the question of the constitution. Here are three clippings, Mr. Speaker, from the Globe and Mail, which I get all the time, and they all deal - and I am sorry I have not got Canadian Hansard because a lot of this would be in Hansard but I do not get Hansard anymore. I got it for about twenty-five or twenty-six years and then it stopped coming. I daresay they could be found down in the Legislative Library.

"Mr. Bourassa has been under considerable pressure from nationalists in recent weeks to withstand any federal attempt to bring home the BNA Act unless Ottawa is prepared to agree to a new power sharing formula." Is that welcome news to this House? Is that welcome news to Newfoundland? Would it be

Mr. Smallwood.

welcome news in any Province of Canada that the nationalists of Quebec are demanding that Quebec shall resist the patriation of Canada's constitution unless it is agreed beforehand that there will be a new sharing of power. That, of course, obviously means that Quebec wants less power, and Ottawa to have more - pretty obvious, is it not? Quebec wants a change in the sharing of power to be written into Canada's Constitution. I fear that the people of Canada, outside Quebec, have lots of reason to be wary of that to agree to a new power sharing formula, but Mr. Trudeau challenged him, challenged Mr. Broussa to stand up and be counted as a Canadian who wants his own constitution. "It should not be too difficult to agree on that," he said, "and do not worry about the Separatists. Do you think they will campaign saying that the Liberals should have left the constitution in the hands of the English!" That is a very shrewd thrust politically speaking on his part to cut the ground from under those in Quebec who are opposed to bring the constitution back. He says to them, in effect, do you want, leave it in England? Do you know how popular that would be with the nationalists of Quebec?

Now, again speaking to reporters after a two hour lunch with Premier Robert Bourassa, Mr. Trudeau said: "This is the Canadian Constitution," he said, "What has it been doing in Britain for the last 109 years? Can you see the Quebec nationalists saying that they want the constitution to be kept in Britain? Constitutional negotiations have come to the point where every province is trying to make a deal with the federal government," Mr. Trudeau said. I would like to know what is the deal that this province is endeavouring to make with the Government of Canada? He says, "Every province. And I take it that the premier, the Prime Minister of this province in his conversation with the government of Canada, or with the constitutional authorities

Mr. Smallwood.

of the government of Canada, or with the Prime Minister has made a statement. I cannot imagine what it could possibly be, except the one that any Newfoundlander would make; namely, if you change the constitution, do not have any way whereby the parliament of Canada can amend it on the matter of the boundaries of the province, on the matter of education, on the matter of property and civil rights, on any other vital, any other things that are vital to a province. Do not have the parliament of Canada enjoy the right to make any amendment except in these matters which should be entrenched, which should be frozen, which should be untouchable, which would be immovable except with the free-willing and happy consent of the province concerned. "Every province is trying to make a deal with the federal government," Mr. Trudeau said, "They all seem to think we need their permission to bring back the BNA act, but if after eight years of trying on my part, and fifty years by other governments we still cannot get agreement between the provinces, we should seriously consider bringing it back ourselves."

And then the third one; "Pierre Elliott Trudeau suggested yesterday he would be willing to fight an election on the issue of bringing the British North America Act to Canada if agreement cannot be reached with the provinces, or by parliament. Mr. Trudeau said outside the Commons that a vote might be, "A way of testing the will of the people to slough

MR. SMALLWOOD: off traces of colonialism." Then it goes on, "Mr. Trudeau has said he would like the constitution here by 1978. Replying to questions from Social Credit Leader Réal Caouette in the Commons the Prime Minister said his government," I am sorry he said that. I do not know whether this is just a newspaper inaccuracy. I hate to hear any Prime Minister talk of 'my government'. Except in totalitarian countries, no Prime Minister has a 'government'. He has an administration of the government, and I daresay that is what he said, because I corrected him one time in a federal-provincial conference. Somebody was saying 'your government'; and he said, "my government," I said, "The Queen's Government, you mean?" He looked a little startled, then he said, "Right. The Queen's Government." So at least as a constitutional lawyer, and quite an expert in that, he knows what is right.

"The Prime Minister said his government will continue to seek agreement from the provinces. He said that if this failed he will seek the opinion of both the Commons and the Senate on whether the constitution should be brought here. Canada," he went on, "is the only country in the world whose legislation can be amended in another country. We want to end this."

Now I repeated this information for the House so that every hon. member, even those who have not hitherto engaged in debate, or listened to debate on this question, so that they will be thoroughly familiar with the issue that is at stake. I would say that every Canadian alive in Canada today wants - there is more unanimity among Canadians in wanting to have a Canadian constitution than there ever was among them in wanting a Canadian flag. There is about the same unanimity today among Canadians in the desire for a Canadian constitution that is a Canadian document, than there is today in favour of the Canadian flag. And I was one of the most bitter opponents of a Canadian flag. I fought it down to the last ditch. I fought it publicly and privately, with every weapon I could get hold of I fought it, unless the Union Jack were kept and preserved, and through my efforts it was

MR. SMALLWOOD: kept and preserved and is today the flag of Canada for certain purposes and certain functions as the Maple Leaf flag is the flag of Canada for ordinary national purposes.

We want our constitution, we proud Canadians. We want it to be a Canadian document. We want it to be that if it has to be amended, it could be amended here in Canada. But what we do not want and we will not tolerate - and I am not going to indulge now in a bit of cheap rhetoric and say that rather than have that happen I would lead this or lead that, or I would do this or do that, or I would say this or say that - I will not indulge in any cheap rhetoric, but I will say this, that I will join with any Newfoundlanders who will take active and positive action to forbid it and prevent it, that is, that the amending of the constitution in any matter that is vital to us shall be possible in the Parliament of Canada except with our free, willing and happy consent.

MR. NEARY: These are changing the boundaries, education -

MR. SMALLWOOD: Well anything that is vital. I was saying here the other day that the day is gone, happily or unhappily, rightly or wrongly, the day is gone when this touchy thing, education rights was enough to put blood in people's eyes and to get them fighting mad. That day is gone. But the desire and the determination to have those rights is not gone. That is still there. People have enjoyed rights - bodies, great religious bodies in this Island, in this Country as we were before we became a Province - have had certain rights and they have enjoyed those rights and they have insisted on having those rights. They must not lose those rights. If within the rights they determine themselves to collaborate, you have got schools in Newfoundland today - I will never forget the first time I went down to a big school opening in Catalina. It was between Catalina and Bonavista, a magnificent great school three or four miles out on the highway and I went in and here I see them graduating - Anglicans, Salvation Army, Roman Catholic, regardless, regardless, and

MR. SMALLWOOD: you will find that in many a place - well, maybe not many a place - but more than one in Newfoundland today.

AN HON. MEMBER: Fogo Island.

MR. SMALLWOOD: Yes, and other places. Down on the St. Barbe Coast there is - is it Flowers Cove or somewhere down there? There is a big school where the people, the kids, youngsters of all denominations go. And it cuts both ways. Sometimes it is a Roman Catholic school, sometimes it is Anglican, sometimes it is United Church taking youngsters of all denominations. This is magnificent. A lot of people have yearned, yearned and ached for that for a long time in Newfoundland and they are happy to see it. But it is voluntary. It is not forced on those denominations. They are not required to send their children to a school owned and operated by another denomination. It is entirely voluntary, thanks be to God and praise God for it! It is voluntary. We have come a long way in Newfoundland. But the right to maintain their own schools and to receive their just and proportionate share of the money voted by this House for education, that right must remain and no parliament in Canada, no matter who the Prime Minister is or what party is in a majority, no parliament in Canada shall ever have the right to amend that unless we want it to be amended. I think that might turn out to be a frosty Friday when the denominations, some of them at any rate, will be willing to have it happen that way.

Could the minister suggest should I go on or adjourn the debate now? Has he a suggestion?

MR. WELLS: I would think the hon. the member for Twillingate (Mr. Smallwood) could carry on. I have spoken to the Minister of Fisheries who has spoken to Ottawa and -

MR. SMALLWOOD: Talk tomorrow again, maybe?

MR. WELLS: - it may well be that things are going to sort out fairly quickly.

MR. SMALLWOOD: Now before I go on I have a little comment to pass on a Canadian Press story that appeared in The Daily News March 16th., this year. I found it very interesting. It is a

MR. SMALLWOOD: statement by the Atlantic Provinces Economic Council, APEC.

The newsletter says; "It is encouraging to note that the lowest income provinces, Newfoundland and Prince Edward Island, have made the largest strides toward parity with the national level." Then it goes on; "The greatest relative gain according to statistics collected by APEC was in Newfoundland where the level rose to 66.8 per cent of the national average per capita income in 1974, from barely 50 per cent of that level in 1949." In other words, in 1949 this figure says, the year we became a province, the average personal income of the Newfoundland people was almost half, almost exactly one-half of what the national average was across Canada. But now in 1974, a year and-a-half ago, it had risen from nearly 50 per cent to nearly 67 per cent, 66.8.

Mr. Speaker, that is a very misleading figure. It is accurate but it is misleading.

MR. NEARY: We are still the second lowest in Canada.

MR. SMALLWOOD: We are still the second lowest in Canada, but, Sir, that is not the way to look at it. I do not know if the time will ever come in our beloved Province when it will stand open, public comparison with the other Provinces of Canada on this matter of the average personal income. Or indeed, on the average of infrastructure, roads and bridges and paving and schools and hospitals and clinics and parks and all the rest of it. I do not know if I will live long enough - I belong to a very long-lived family - but I do not know that I will live long enough to see Newfoundland reach that stage where we will be proud to make the most public kind of comparison of Newfoundland in these matters with the other Provinces of Canada. That is not the test. It is magnificent that today we are now 68 per cent - 60 -

MR. NEARY: Seven.

MR. SMALLWOOD: 67 per cent of the average across all Canada, including the Empire Province, the heartland, Ontario herself, including Alberta, including British Columbia, including them all

MR. SMALLWOOD: we are 67 per cent of the average across
Canada. That is fine but, Sir -

MR. MURPHY: What does the dollar look like?

MR. SMALLWOOD: It does not say that. That is not mentioned
here. It just gives percentages. It is the same dollar value
everywhere so the percentage is very good -

MR. MURPHY: Is it \$18,000? Is it \$25,000?

MR. NEARY: Look at the book the Minister of Finance put out
on the economic prospects.

MR. SMALLWOOD: Yes, that it right!

Mr. Smallwood: Where is it? It is - yes, there you are -

MR. NEARY: Look at that book, It is all in there.

MR. SMALLWOOD: You will see a lot there.

MR. NEARY: I took it home and read it the other night.

MR. SMALLWOOD: The Treasury Board's work, and one of the finest things done in recent years, I am not thinking only of the last four years, but the last eight, or nine, or ten years, one of the finest things done in Newfoundland was the, not the creation of the Treasury Board, because we created a Treasury Board a month or two after the coming of Confederation because the law required it and we created the Treasury Board, but it was an empty shell. But about seven or eight years ago, eight or nine or ten years ago we really constituted a Treasury Board and they are turning out magnificent work, and that is one of them.

Now the real measure of our progress as a province and as a people is not to compare Newfoundland today with any other province of Canada today, not to compare Newfoundland as a whole today with the rest of Canada as a whole today. That is not the fair test. It is interesting. It is encouraging to see what this statistic reveals. The fair test and the realistic test is to compare Newfoundland in the last twenty-seven years with the Newfoundland of the preceding twenty-seven years, you see. You compare yourself now with yourself before. You see whether you are going up or down, ahead or behind, whether you are improving or deteriorating. And when that comparison is made there is nothing North of the Mexican border, nothing, no state of the American Union, no province of Canada, no part of North America that can compare with Newfoundland in the matter of the progress and improvement since we became a province of Canada.

Now I am not saying, please note, I am not saying that everything is perfect; I am not saying that there are no flaws, no weaknesses; I am not saying that there is nothing left to be done, there is no improvement possible; I am not saying anything like that. That would be stupid, and false in any case. What I am saying is that the progress that the people of Newfoundland have made in their food, in their dress,

Mr. Smallwood:

in their homes, in their education, in their means of recreation, in their general standard of living, material living, the improvement is startling. There is no way to describe it. There is no way to tell it. There are no words that can convey it. There is no memory good enough in Newfoundland today to remember vividly what it was like before 1949, before 1939, before 1929, before 1919, nobody alive today in the world has a memory good enough to be able to remember the pre-Confederation twenty-five or thirty years, vividly enough and well enough to be able to compare the last, these twenty-seven years with it, to be able to measure the degree of progress that we have made.

MR. NEARY: Well is not the real indication of progress your Gross Provincial Product?

MR. SMALLWOOD: The Gross Provincial Product, if it is in constant dollars, you know, everything today that you measure in dollars is not a true measure unless you take constant dollars. You have to take into account the inflation, a dollar today is not as good as a dollar ten years ago. A dollar today will not get you as much, it will not buy you as much food or clothing or shelter or a car or gas or anything as it would twenty years ago. So the mere inflation -

MR. DOODY: We did not have it twenty years ago.

MR. SMALLWOOD: I did not hear that.

MR. DOODY: I said it was if you had it, but I did not have it twenty years ago. I did not have a dime twenty years ago.

MR. SMALLWOOD: Well twenty years ago I was Premier of this Province, and I had a salary of \$8,000 a year, so I was not in poverty.

MR. DOODY: Well Treasury Board was not very active in those days.

MR. SMALLWOOD: Treasury Board twenty years ago was not very active, I will agree.

MR. SMALLWOOD: What the hon. minister is trying to tell me is that if there had been a good Treasury Board, instead of \$8,000 a year I would have had \$9,000 or maybe even \$10,000. I did actually before I went out, in my twenty-third year as Premier I was getting \$11,000 a year as Premier. And the other ministers were getting \$10,000 and they insisted over a period of eight or nine or ten years that I should have a higher salary than the other ministers, and for nine or ten years I resisted, and finally because I really needed the increase, because I needed it I was weak enough to agree to accept \$1,000 a year more than the other ministers.

MR. DOODY: Now they are only getting \$12,000.

Mr. Smallwood.

But those days, Mr. Speaker, were before inflation, before this inflationary spiral, and now if I were Premier instead of getting \$11,000 a year, I would probably get \$12,000 or \$13,000, I will not go too far, maybe \$14,000 or \$15,000 or something. And if I did it would only be actually about the same amount, would it not? Because it would only buy as much as the \$11,000 had bought before.

Mr. Speaker, I do not want to broach a new topic. Now I have fifteen or eighteen topics that I want to deal with, some of them briefly indeed. I almost have time to deal with one of them. I will take a chance on it.

The first great industrial breakthrough that this Province ever had was the railway, right? Does anyone deny that? That was a new ball game from the moment the railway was built across this Island and around Conception Bay. It was a new ball game. It turned over a new leaf for Newfoundland. It was the beginning of an awful lot.

MR. NEARY: Newfoundland was put on the rails.

MR. SMALLWOOD: But, Sir, that railway became the worse millstone that had ever hung around Newfoundland's neck up to that time, in fact, beyond all comparison. There was nothing at all that compared with the railway as a millstone. It was crippling us. It was helping to bankrupt us, and there was not a railroader in Newfoundland who was not uneasy over his prospects of earning a living. Well, Sir, Confederation came, and the CNR raised the number of employees, not decreased, but increased the number of employees until today there are about the same number of railroaders in Newfoundland as there are teachers, and almost as many as there are fishermen, and about the same number as there are loggers. The railroaders of Newfoundland today are 7,000 men, mostly men and some women, and they have received

Mr. Smallwood.

in wages since Confederation \$500 million from the CNR - \$500 million. Now if you were to divide that by twenty-seven years, it would come to so much each year, but if you were to divide it by the last ten years, or even more, divide it by the rate of the last five years, and this would be an absolutely fantastic sum of money. In addition to paying out \$500 million, one half billion dollars in wages, the CNR has spent \$250 million in Newfoundland in new capital to rerailed the line, to build or buy new rolling stock, locomotives, cars of all kinds .

AN HON. MEMBER: Passenger cars?

MR. SMALLWOOD: Not passenger cars, no. And they have rerailed 409 miles replacing the seventy pound railing - does the House remember when the railway had forty pound rails ? I walked across Newfoundland when the rails were forty pound rails. The Commission of Government rerailed the whole line raising it from forty pounds to seventy pounds, and now the CNR have rerailed 409 miles of it with eighty-five pound and 100 pound rails. They have got another 200 or 300 miles to do, and that will be, I believe, all of it 100 pound rails. I would say, notwithstanding their failures, notwithstanding the things they ought to have done and did not do or are still not doing, notwithstanding, everything one of the real blessings of Confederation was that the Government of Canada took over our railway, and entrusted its management to the CNR. This has been one of the greatest favours ever done to the people of this Province.

Mr. Speaker, it is getting close to six o'clock, and I move the adjournment of the debate.

MR. WELLS: Mr. Speaker, I move that this House do now adjourn until three o'clock tomorrow Tuesday.

MR. SPEAKER (Dr. Collids): It is moved and seconded that this House do now adjourn. Is it the pleasure of the House to adopt the motion. Carried.

This House stands adjourned until tomorrow Tuesday, March 23, 1976 at 3:00 P.M.

Contents

	Page
March 22, 1976.	
Statements by Ministers	
Mr. Rousseau, Minister of Manpower and Industrial Relations (Acting) made a statement on the labour dispute at Churchill Falls.	3521
Presenting Petitions	
By Mr. Rowe in behalf of 1,436 citizens of twelve communities urging the government to co-ordinate the negotiations towards the rebuilding of the fish plant at Old Perlican.	3521
Spoken to by:	
Mr. Neary	3526
Mr. W. Carter	3527
Mr. Dawe	3529
Mr. Young	3530
Mr. Lundrigan	3531
Mr. Woodrow	3532
Mr. Callan	3534
Mr. Roberts	3534
By Mr. Roberts in behalf of residents of Cook's Harbour, Wild Bight and Boat Harbour protesting the decision to reroute the main highway.	3538
Commented on by:	
Mr. Morgan	3541
Mr. Rowe	3543
Answers to Questions for which Notice has been Given	
Mr. Brett replied to a question asked earlier by Mr. Neary concerning the number of families receiving social assistance who are lodged in hotels-motels.	3545
Mr. Doody replied earlier to a question asked earlier by Mr. Roberts concerning the cost to the Province of the strike at Churchill Falls.	3546
Mr. Rousseau replied to a question asked earlier by Mr. Simmons concerning the Engineering and Applied Sciences building at Memorial University.	3549
Oral Questions	
Effect of the introduction of deterrent fees on Medicare. Mr. Roberts, Mr. Collins	3549
Indication the introduction of such fees would reduce the number of Newfoundlanders seeking medical services under Medicare. Mr. Roberts, Mr. Doody.	3550
Question reiterated. Mr. Roberts, Mr. Collins.	3552

Contents - 2

Oral Questions (continued)

Impartial study prior to imposition of deterrent fees. Mr. Neary, Mr. Collins.	3552
Rebuilding of the Old Perlican fish plant. Mr. Rowe, Mr. W. Carter.	3553
Decision on rebuilding sought. Mr. Rowe, Mr. W. Carter.	3554
Indication of the Province's role in rebuilding the plant discussed with DREE. Mr. Rowe, Mr. W. Carter.	3556
Province's proposals in rebuilding the plant. Mr. Rowe, Mr. W. Carter.	3559
Proposals to assist should DREE financing not become available. Mr. Rowe, Mr. W. Carter, Mr. Doody.	3560
Complaints of second mortgage rates. Mr. Neary, Mr. Murphy.	3562
Condition of the Trans-Canada Highway at a detour West of Grand Falls. Mr. Flight, Mr. Morgan.	3562
Dynamiting the ice blockage in the Exploits as a means to ending the flooding and repairing the Highway. Mr. Flight, Mr. Morgan.	3563
Unanimous resolution on the Old Perlican fish plant suggested for forwarding to federal authorities. Mr. Smallwood, Mr. W. Carter.	3564
List sought of provinces which have introduced deterrent fees for Medicare. Mr. Roberts, Mr. Collins.	3565
Amendments sought in the Wildlife Act by the Labrador Inuit Association. Mr. Strachan, Mr. Hickey.	3566
Means of enforcing the new act. Mr. Strachan, Mr. Hickey.	3566
Extension of such facilities as Exon House. Mr. Callan, Mr. Wells.	3568
 Orders of the Day	
Committee of Ways and Means (Supplementary Budget)	3569
Mr. J. Carter	3569
Mr. Doody	3571
The report of the Committee of Ways and Means was received and adopted.	3590
 The Address in Reply	
Mr. Smallwood	3590
Mr. Smallwood adjourned the debate.	3614
Adjournment	3614