



PROVINCE OF NEWFOUNDLAND

THIRTY-SEVENTH GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume 1

1st. Session

Number 39

VERBATIM REPORT

MONDAY, MARCH 29, 1976

SPEAKER; THE HONOURABLE GERALD RYAN OTTENHEIMER

The House met at 2:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

Statements by Ministers.

MR. SMALLWOOD: Mr. Speaker.

MR. SPEAKER: The hon. the Member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, if I might I would like to rise to a point of privilege, and the point of privilege is to extend to the Minister of Mines and Energy my congratulations and, I believe, probably the congratulations of this House on his excellent performance on CBC on Thursday night. I enjoyed it immensely -

SOME HON. MEMBERS: Hear, hear!

MR. SMALLWOOD: - and so much indeed, Sir, that I felt uneasy, went and took medical advice and was told that I would probably get over it.

MR. NEARY: Is that why you had the accident yesterday?

MR. SMALLWOOD: It might have had something to do with the accident too, I do not know.

MR. ROBERTS: Mr. Speaker, I would like to add my words of congratulations to that, because I helped the hon. gentleman and made him look good by being with him, as he would be the first to say, and I would just like to say, Sir, that I appreciate this further evidence of the continuing coalition between the gentleman from Twillingate (Mr. Smallwood) and the Tory Party, Sir.

MR. SPEAKER: Order, please! I think we will take it that the statements were with the full wish of the House.

PETITIONS:

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

MR. NEARY: Mr. Speaker, I have a petition that I would like to present, Sir, on behalf of thirty-nine residents at large, no particular spot, Sir, except that they are all in some way connected with Memorial University. These thirty-nine petitioners, Sir, are terribly concerned about the increases in electricity

MR. NEARY: rates.

The prayer of the petition, Sir, is; "We the undersigned strongly object to any further increases in electricity rates."

Mr. Speaker, I do not have to dwell at any length on the prayer of this petition. We have had so many over the past few weeks, Sir, I believe - I am not quite sure but I would say -

MR. DOODY: You are ahead by far.

MR. NEARY: Well, I am not concerned about being ahead. I am so far ahead that it is pathetic, But I am trying to figure roughly how many signatures I have presented in the last few weeks, and I believe, Sir, I am hitting close to 50,000. 50,000 signatures and addresses.

MR. DOODY: And you have not touched Belvedere nor Mount Carmel.

MR. NEARY: I have touched just about every place, Sir, because I have here people from Portugal Cove, Windsor Heights. From Gambo -

MR. MURPHY: New Brunswick, Nova Scotia and P.E.I. are next.

MR. NEARY: - from St. John's - where my hon. friend said that the people had better sense, they were not interested in electricity rates, they were prepared to accept these - St. John's, Trans-Canada Highway, Topsail Road, Long Harbour, Marystown and so on, Sir.

Mr. Speaker, the petition speaks for itself but there is one point that I have to make, Sir, in supporting the prayer of the petition and that is to say that the people of this Province are pretty disgruntled, pretty disillusioned and pretty disappointed that the politicians of this Province should try to pawn off their responsibility to the Public Utilities Board, to ask one regulatory body to regulate another government body, Sir, the people are prepared not to accept that and they are opposed to it and they say that the power to control Newfoundland Hydro should be kept in this House, and not pawned off on the Public Utilities Board, as good as they may be.

MR. NEARY: I have no doubt that Mr. Powell and members of that Board are outstanding Newfoundlanders but there is no way, Mr. Speaker, there is no way that the ordinary resident, the ordinary citizen of this Province can appear before that Board and argue that the government made political goofs, for instance, that the government -

MR. SPEAKER: Order, please! The hon. member is aware that we have had discussions in regard to the presentation of petitions in the recent past and I would just remind him that in commenting on the contents of the prayer he is required by the rules to keep closely to the text, or the meaning of the text, rather than enter into areas of debate.

MR. NEARY: Thank you, Your Honour. Before I table the petition, Sir, I would like to merely point out to the P.C. Administration in this Province that their counterparts, the P.C. Opposition over in Nova Scotia, are raising the same point that I am raising in this hon. House right now, that all the Government of Nova Scotia is doing by passing it off on the Public Utilities Board is shirking their responsibility and this government here is doing the same thing.

It gives me great pleasure, Sir, to lay this petition upon the table of the House and ask that it be referred to the Minister of Mines and Energy, Sir, and to the Department to which it relates. I do hope that the minister will have a few words of comment to make on this petition.

MR. SPEAKER: Are there further petitions?

The hon. the member for Terra Nova.

MR. LUSH: Mr. Speaker, I beg leave to present a petition on behalf of three residents of St. Chads. The prayer of this petition is that the government undertake a programme to repair and upgrade the road in the community of St. Chads and the road leading to Eastport.

The road from Eastport to St. Chads, Mr. Speaker, is a much used road, particularly in the summertime. This is the road that goes to Burnside which has the ferry dock for St.

MR. LUSH: Brendan's. This road is quite busy in the tourist season with many tourists travelling in the area plus the traffic, of course, which goes to St. Brendan's. The road is used daily by school buses and by people who commute to and from work daily. The road is in a deplorable condition, Mr. Speaker, causing great inconvenience and great discomfort to the residents.

Mr. Speaker, I support the prayer of this petition and call upon the government to give serious attention to the prayer of the petition and do all they can to fulfill the wishes of the petition. I ask to have this petition placed on the table of the House and referred to the appropriate department.

MR. SPEAKER: Are there further petitions?

REPORTS OF STANDING AND SELECT COMMITTEES:

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

MR. DOODY: Mr. Speaker, I have to table, Sir, the regulations under the Mining and Mineral Rights Tax Act of 1975. These are the annual tabling of the regulations. There are copies in the Speaker's office.

ORAL QUESTIONS

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

MR. NEARY: Mr. Speaker, I would like to direct a question to the hon. the Minister of Justice, Sir. Would the minister inform the House if there is any way under existing laws whereby exorbitant finders fees, bonuses and excessive interest rates charged by second mortgage companies and legal firms can be subject to the Minister of Justice and his department or to the laws of this Province, and if such money can be recovered and paid back to the homeowners? Is there any way that can be done now under the present law?

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

MR. HICKMAN: Mr. Speaker, I am going to have to take that question as notice, obviously. The hon. gentleman, I hope, does not expect me to give a legal opinion off the top of my head in response to that question. I would refer him to the Unconscionable Transaction Act, which he may find to be applicable, which is not an Act administered by my department but an Act which gives certain rights to people coming within that Act. The Unconscionable Transaction Act.

MR. NEARY: A supplementary question to the minister, Sir. Would the minister tell the House if it is illegal to have what is called double disbursement sheets issued, one to the client and one to the mortgage company? Is this legal or illegal in this Province?

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

MR. HICKMAN: I will take that as notice, Mr. Speaker.

MR. NEARY: Mr. Speaker, I am dissatisfied with the answer given by the minister and I wish to debate it on Thursday coming.

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

MR. ROBERTS: Mr. Speaker, -

MR. NEARY: I am dissatisfied with the answer -

MR. ROBERTS: I am sorry! The hon. gentleman wishes -

MR. HICKMAN: He is dissatisfied with the question.

MR. ROBERTS: Well, if the hon. gentleman wishes to say he is

MR. ROBERTS: dissatisfied with the question that is something that the hon. minister better take up with his colleague the House Leader.

My question, Sir, is for the House Leader in the continued absence of the Premier: Now that the Supreme Court has overturned the results of the third of the districts which were contested by petition under the Election Act, could the minister tell us when the ministry intend to cause the necessary by-elections to be held so the House can come to full strength?

MR. WELLS: It is impossible to give an answer to that question at this time, Mr. Speaker. As I recall it, one of these results have been referred, I think, to the Supreme Court of Canada, have they not?

MR. ROBERTS: No, no notice has been filed, no service has been served.

MR. WELLS: I see. But in any case, in due course by-elections will be held and the Premier will announce the date.

MR. NEARY: Mr. Speaker, a question for the government House Leader, Sir: Would the government House Leader, in the absence of the Premier, indicate to the House whether or not the Minister of Fisheries was reflecting provincial government policy when he suggested at a meeting on the mainland over the weekend - a Ministers of Fisheries meeting - that the government, Newfoundland, get out of ICNAF altogether? Was the Minister of Fisheries reflecting government policy in this matter?

MR. SPEAKER: The hon. the House Leader.

MR. WELLS: I did not hear what the minister said. I have heard something on the news but I think we have to be, you know, we have to be more accurate than that so I think we can take the question as notice and the Minister of Fisheries will deal with it in due course.

MR. W. CARTER: Mr. Speaker, a point of order.

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

MR. CARTER: Mr. Speaker, the question asked the House Leader concerns a meeting I attended, and in fact initiated, in Moncton on Friday. The purpose of that meeting was to discuss with my counterparts in the Atlantic Provinces the possibility of going to Ottawa with a joint, common position.

MR. ROBERTS: Mr. Speaker, what is the point of order?

MR. CARTER: The point of order, Mr. Speaker, is that we did not, without qualification, suggest that Canada -

MR. ROBERTS: Who pointed a finger?

MR. CARTER: Well the hon. member suggested it in his question.

MR. NEARY: No, I did not. I just asked the minister, the Acting Premier there, a question.

MR. CARTER: Mr. Speaker, maybe I could be -

MR. NEARY: And I asked him if you spoke for the government.

MR. CARTER: Mr. Speaker, maybe I could be permitted just to -

MR. NEARY: No. No, unless we are going to have a debate.

MR. MORGAN: They do not want the answer anyway.

MR. CARTER: Do you want to know what happened or do you not?

MR. SIMMONS: The minister is backing down.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: I do not care!

MR. SPEAKER: Order, please!

MR. CARTER: Mr. Speaker, if they do not want to hear what happened, fine!

MR. ROBERTS: You cannot have a point of order if everybody else is going to stand.

MR. SPEAKER: Order, please!

MR. ROBERTS: The hon. gentleman was speaking on a point of order.

MR. SPEAKER: Order, please!

The hon. the House Leader has raised -

MR. WELLS: To the -

MR. ROBERTS: He was on a point of order.

MR. WELLS: Well I am speaking to the point of order.

MR. ROBERTS: He is speaking to it the same time.

MR. WELLS: Well, he seems to have stopped for the moment, so I will speak to it, I guess. To the point of order, Mr. Speaker. If the hon. member would like to redirect his question to the minister involved I am sure that we would have no objection on this side of him doing so.

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

MR. ROBERTS: To the point of order, Mr. Speaker. The hon. member for St. Mary's-The Capes raised a point of order which either he knew to have been specious or ought to have known to have been specious. The gentleman from LaPoile (Mr. Neary) asked a question inviting the government House Leader to say whether or not a statement made by the Minister of Fisheries was a reflection of government policy. The Minister of Fisheries, obviously anxious to answer the question but not knowing how to do it, rose on a so-called point of order. Well, Sir, that is very much against the rules of the House. If the hon. Minister of Fisheries wants to answer the question he can do one of two things, either he can go outside the House and ask, or he can ask his colleague, the House Leader to let him to yield and let the minister ask it. But, Sir, there is no point of order and the House should not be delayed by the Minister of Fisheries who ought to know better. If he has not learned better, Sir, in his ten years in legislative bodies then, Sir, he ought to learn very quickly.

MR. SPEAKER: Order, please! May I respond to that point of order? I think we would consider that a legitimate point of order has not been raised. The hon. House Leader rose on a point of order, that was the point that was raised by the hon. Minister of Fisheries. The hon. House Leader rose on a point of order. I think the sense of the discussion is that the House should indicate whether it is their wish that the hon. Minister of Fisheries should now respond to the question asked by the hon. member for LaPoile (Mr. Neary). Is the permission of the House given?

MR. NEARY: I will redirect it to the Minister of Fisheries, Sir, if that will be any help.

MR. SPEAKER: We have to get the feeling of the House.

MR. W. CARTER: Mr. Speaker, I -

MR. SPEAKER: In the absence of any indication as to the contrary, I would take it that the House agrees that the hon. Minister of Fisheries may respond to the question.

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

MR. SPEAKER: A point of order.

MR. ROBERTS: I mean, I would ask Your Honour to explain the ruling somewhat, I am quite genuinely concerned. I mean, the hon. member has the right to ask the question. The minister has the right to answer or not to answer. Then the hon. gentleman has asked the question of another minister which is fair game. He can turn and can ask of all the ministers, if he so wishes, if the question is in order, as I think it is. But Your Honour, I do not see how the House can consent to the minister giving an answer which under the rules he has the right to give.

MR. NEARY: To that point of order, Your Honour. I felt that Your Honour had disposed of the point of order and I was now redirecting my question to the Minister of Fisheries. I believe Your Honour was finished with the point of order, so the question was in order. I do not think Your Honour needed the permission of the House.

MR. WELLS: To that point of order, Mr. Speaker. We can get round the question of the permission of the House if the hon. member simply redirects his question, and that is the end of it.

MR. NEARY: Well, yes.

MR. CARTER: Mr. Speaker, I probably should take that question as notice. Obviously the Leader of the Opposition does not want to hear it, or to get the answer, yes.

MR. ROBERTS: Well, that is untrue and unworthy.

MR. DOODY: Himself!

MR. MORGAN: Do you not know the rules of the House?

MR. W. CARTER: Mr. Speaker, I did attend a meeting of -

MR. MORGAN: This is not a -

MR. SPEAKER: Order, please!

MR. W. CARTER: I did attend a meeting in Moncton on Friday of Ministers of Fisheries for Atlantic Canada. This meeting was called by me to discuss with my Atlantic Provinces counterparts some of the problems facing the industry and some of the decisions that will have to be made very shortly with respect to Canada's future position in ICNAF. At the meeting the other ministers and I agreed that first of all Canada should, in the absence of any formal treaty coming from the present Law of the Sea Conference in New York, that Canada should without any further delay unilaterally declare a 200 mile limit. We agreed also that in order for Canada to do that that it would have to serve notice on ICNAF, ICNAF, of course, being the commission governing the fishing agents of the world that fish in that part of our water, the Coast, the Northwest Atlantic, that we serve notice on ICNAF to the effect that we probably will be declaring a 200 mile limit sometime in the latter part of 1976 or in the beginning of 1977. In order for Canada to do that, notice must be given to ICNAF at this meeting in Cuba which commences on June 9, 1976, the urgency of the meeting being that unless that is one of the items on the agenda covering the meeting that is being called in Cuba on the ninth, that it is very unlikely then that Canada will be able to effectively remove itself from ICNAF until the end of 1977, because under the constitution of ICNAF a member nation who wishes to withdraw, or reserve the right to withdraw must serve notice on that body six months prior to the end of a calendar year, which means

Mr. W. Carter:

that if we are going to sever connections with ICNAF, say by the end of 1976 or the beginning of 1977, we must service notice on that body no later than the end of June 1976.

MR. NEARY: What would be the purpose?

MR. W. CARTER: The purpose, Mr. Speaker, is that the declaration of a 200 mile limit and Canada's continuation as a member of ICNAF is not compatible. At the present time ICNAF sets quotas. If Canada were to declare a 200 mile limit, naturally the purpose being that Canada would then set quotas, we would not rely on ICNAF, which is made up of the other seventeen nations of the world who fish in the Atlantic to set quotas for Canada. We would have to set our own quotas, and to do that we would have to become disassociated with ICNAF, and that was the purpose of the meeting.

CAPT. WINSOR: Is Iceland a member of ICNAF?

MR. W. CARTER: Not any more, I do not think. Certainly the Americans will be servicing notice because of their intention of declaring a 200 mile limit.

MR. NEARY: They are going to go out on their own, are they?

MR. W. CARTER: And any other nation who does likewise will have to remove itself from ICNAF. Well, that was the purpose of the meeting. And I think I was speaking for my colleagues in (a) that Canada should declare a 200 mile limit; (b) that it should now service notice on ICNAF, at least -

MR. SMALLWOOD: The minister was not speaking for his colleagues. He was speaking for the whole population of this Province.

MR. W. CARTER: I know, but the member, Mr. Speaker, asked was I speaking for the government.

AN HON. MEMBER: Right.

MR. W. CARTER: And I think I am safe in saying that I was.

MR. SMALLWOOD: No, no, not on that. That was not his question.

Mr. Speaker, a supplementary question on this one.

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

MR. ROWE: Go ahead make your suggestion.

MR. SPEAKER (DR. COLLINS): Is this a point of order?

AN HON. MEMBER: No, no the question -

MR. SMALLWOOD: No. It is a supplementary question.

AN HON. MEMBER: Mr. Speaker -

MR. F. ROWE: I have another question for another minister,
Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: A supplementary question.

MR. F. ROWE: A supplementary.

MR. SPEAKER (DR. COLLINS): The hon. member for Twillingate.

MR. SMALLWOOD: It is one thing to express an opinion, but did the minister say categorically, publicly that Canada should and will withdraw from ICNAF, and in so doing was he giving the considered opinion of the Cabinet, of the Government of the Province?

MR. W. CARTER: Of course.

MR. SMALLWOOD: That Canada will or Canada ought to.

MR. MORGAN: They should.

MR. W. CARTER: Canada ought, it should.

MR. SMALLWOOD: Ought?

MR. MORGAN: Yes.

MR. W. CARTER: Mr. Speaker, in answer to the supplementary. Naturally I stated that, and my counterparts agreed, I might add the Minister from Nova Scotia, Prince Edward Island, New Brunswick, and the Deputy Minister from Quebec - it was agreed unanimously that Canada should serve notice of its intention to withdraw from ICNAF on or before June 30, 1976. If we do not do it by that time, and this is the point I want to make, if we do not serve notice by the end of June this year Canada will be locked into ICNAF for eighteen months longer, whether we like it or not. And then a 200 mile limit will be meaningless.

MR. SMALLWOOD: It could not apply until afterwards.

MR. W. CARTER: Right. And I do not think we can wait that long, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (DR. COLLINS): Order, please! I am now to inform the House that the Clerk of the House, in the absence of the Speaker, has received

Mr. Speaker (Dr. Collins):

a certificate from two judges of the Supreme Court of Newfoundland that the recent election in Ferryland district has been declared void, and he has addressed his warrant to the Clerk of the Executive Council as required by the Election Act.

The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, I would like to direct a question to the Minister of Consumer Affairs and the Environment. I wonder if the minister could indicate to the House, Sir, what action the Corporate Affairs Division of his department is taking in order to protect the consumer from the possibility of a pass-along tax as a result of the increase in the Provincial Corporation Tax from 13 per cent to 14 per cent? What action, if any, is intended by the Corporate Affairs Division of his department?

MR. SPEAKER (DR. COLLINS): The hon. Minister of Provincial Affairs and the Environment.

HON. A. MURPHY: It is a little beyond my depth, Sir, but I will certainly find out if you want to put it on the Order Paper where I can read it and perhaps get a bit of intelligence into it.

MR. F. ROWE: Mr. Speaker, what I want to know is (Order Paper) - a supplementary. I regret that the minister could not understand the meaning of the question really.

MR. MURPHY: I am a little stupid, really.

MR. F. ROWE: Well I will ask a related supplementary question then Mr. Speaker.

MR. SPEAKER (DR. COLLINS): A supplementary.

MR. F. ROWE: Could I ask the minister what action, if any, the Consumer Affairs Bureau of his department is taking to protect the consumer against the tax being passed along, the cost being passed along to the consumer as a result of the increase in the gasoline and diesel fuel tax?

MR. WELLS: On a point of order.

MR. SPEAKER: The hon House Leader.

Mr. Wells: Mr. Speaker, the tax to which my hon. friend refers in his question, of course, is a tax which has been placed on by the Government of the Province in a legitimate fashion in a budget. Now this is not a question of something from which the consumer has to be protected, nor does it come within the hon. gentleman's ambit, and, of course, it is out of order.

MR. MURPHY: That has to be the surprise question of the year.

MR. NEARY: Mr. Speaker, I would like to ask the Acting Minister of Public Works -

Mr. Speaker (Dr. Collins): Order, please!

The point of order has not been disposed of as yet.

The hon. Leader of the Opposition.

MR. ROBERTS: To the point of order, Sir. May I suggest that the question is entirely in order. The gentleman from Trinity - Bay de Verde (Mr. Rowe) has asked the minister what steps the minister intends to take in an effort to try to protect the consumers of this Province from further price increases. The minister is the minister responsible for Consumer Affairs. The matter falls entirely within his ministerial jurisdiction, ministerial activity. If the minister is unable or unwilling to answer it, well that again is the minister's right. But I would suggest, Sir, that my friend and colleague from Trinity - Bay de Verde (Mr. Rowe) has every right to ask the question and indeed the duty to ask it, Sir, given this government's record in this field.

MR. WELLS: The hon. Leader of the Opposition has in fact asked a quite different question, which is, does the hon. minister propose to take action for future price increases? That was not the question which the hon. member for Trinity - Bay de Verde (Mr. Rowe) asked.

MR. MURPHY: Put it on the Order Paper.

MR. ROBERTS: To a point of order, again, Sir. Mr. Speaker, if the minister wishes to duck an answer he is entitled to put it on the Order Paper. That is not the point before the Chair right now. The point before the Chair, Sir, is that my colleague asked a question, and the Government House Leader obviously misunderstood it or did not hear it correctly, but the question which my colleague asked was exactly the same in intent, it may not be word for word, but exactly the same in every way as the way in which I phrased it. Does the minister intend to do anything to protect the consumers? That is all we want to know.

MR. MURPHY: I will do everything in my power, Sir.

MR. ROBERTS: Then resign.

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

I think we can take it that the point of order has been disposed of by the minister's willingness to answer when the question has been put on the Order Paper.

The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I would like to put a question to the Minister responsible for the Environment, Sir, and Consumer Affairs, and I think probably in both of his capacities this question would apply. Would the minister tell the House if Affiliated Marine Metal and Salvage are paying rental, or have leased or bought the property down at the Octagon down by the steel plant to stockpile cars, car wrecks? And would the minister also indicate, while he is on his feet, what time this eyesore is going to be removed from the environment down in that area, down near the steel plant?

MR. SPEAKER (Dr. Collins): The hon. minister.

MR. MURPHY: As far as the first question is concerned, I have not the faintest idea. And as far as the second question is concerned, I will just say this quite frankly, that we have had - and as a matter of fact I went in over the weekend - we have had notes from the Paradise town council that it is a bit of an eyesore there, so I went in over the weekend to have a look at it, and as far as I am concerned now perhaps - someone who knows the story on rentals might answer it. I really do not, because I am not familiar with all the workings of the agreement.

MR. NEARY: Mr. Speaker, would the Minister of Transportation and Communications tell us whether the land is leased, bought, rented, or if they are stockpiling these cars there free of charge? Somebody must know the answer.

MR. MURPHY: The Minister of Finance, I think, wanted to answer, if I am not mistaken.

MR. SPEAKER (Dr. Collins): The hon. Minister of Transportation and Communications.

MR. MORGAN: I assume he is referring to the collection of these old car wrecks by a company, Affiliated Metal.

MR. NEARY: And Salvage.

MR. MORGAN: The responsibility of the collection of these old vehicles is strictly the responsibility of my colleague the Minister of Environment and Consumer Affairs. The funds are being raised through my department by means of a collection of an additional \$1 in the licence plates, a revenue source from my department, but the responsibility is the Department of the Environment.

MR. NEARY: Well, Mr. Speaker, would the Minister responsible for the Environment, if he does not have the information at his fingertips, would he undertake to get it for me? Does Affiliated Marine Salvage Metals rent the land, lease the land, or are they allowed to stockpile these cars there free of charge? Maybe the Minister of Finance knows the answer.

MR. MURPHY: Yes, the minister asked the member the other day to put it on the Order Paper.

MR. SPEAKER (Dr. Collins): The hon. Minister of Finance.

MR. DOODY: Mr. Speaker, there was an agreement signed some time ago between government and the company to which my hon. friend refers. The arrangements under which they stockpile out there at Donovans are very clearly set out. I can have a look at that document during the next couple of days and get the information for the gentleman. He seems to be very, very interested in that particular line of industry right now, and I can well understand his concern. I will do what I can to get the information for him as quickly as I can, and as my colleagues will. I am sure.

MR. MORGAN: His brother-in-law is into it. His brother-in-law's name is there.

MR. NEARY: Mr. Speaker, would the minister undertake to table the contract between the government and Affiliated Marine Salvage Metals in the House?

MR. SPEAKER (DR. COLLINS): The hon. Minister of Finance.

MR. DOODY: I am not prepared to make a commitment one way or the other yet, Sir, I want to have a very, very serious look at it because there may be something in there that my hon. and learned across the way-and I say learned not in the legal sense, but in a strange sense he may find something that is a little bit peculiar that would not appear peculiar to most people, so I reserve a commitment on that for the present.

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

MR. SPEAKER (DR. COLLINS): Order, please! Order, please! Our rules state that the Speaker may permit a reasonable number of supplementary questions, I take the view that the Minister of Finance's answer to the last question indicating a willingness to supply information later to the House will take care of further questions in this area.

The hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, I have a question for the Minister of Mines and Energy, with respect to the cost of services that is being charged by Light and Power every month which is now seven per cent, I wonder if the minister could inform the House as to how long this cost of service adjustment will stay in effect?

MR. SPEAKER (DR. COLLINS): The hon. Minister of Mines and Energy.

MR. CROSBIE: Mr. Speaker, this is a matter that effects Newfoundland Light and Power and an application it made to the Board of Commissioners of Public Utilities which permitted this monthly adjustment, that is the cost of service adjustment, if you are talking about that monthly adjustment of 1.75 which permitted them to impose that until they were in a position where they were getting the return on their investment permitted under The Public Utilities Act.

MR. CROSBIE: Now they have not been receiving that since, I think November was the last month, and to start receiving it again they have to get the permission of the Board of Commissioners of Public Utilities or show them that they have not got the proper return yet.

It is suspended at the moment because presumably they are receiving whatever return they are allowed by the Board of Commissioners for Public Utilities. But for more information on that I am sure if the hon. member contacted the Board of Commissioners of Public Utilities they would be pleased to explain the situation to him.

MR. SPEAKER (DR. COLLINS): The hon. member for LaPoile.

MR. NEARY: Would the Minister of Transportation and Communications, Sir, inform the House if the full amount of the dollar that is collected on every licence in Newfoundland this year, if the full amount is going to be paid out to Affiliated Marine Salvage Metals for collecting car wrecks? If not, will any of it find its way into the general revenue or will there be refunds to the people who purchased the licence?

MR. SPEAKER (DR. COLLINS): Order, please! That question was similar and in the same area as the question previously asked, and the Chair ruled that supplementary questions on this matter were not to be entertained today so I would rule that out of order.

MR. NEARY: It is a completely new question Your Honour.

MR. SPEAKER (DR. COLLINS): The hon. Leader of the Opposition.

MR. ROBERTS: Mr. Speaker, in the absence of the Minister of Health perhaps the House Leader on the government side could give me the answer; there is a considerable amount of public interest naturally in which 200 acute care beds are to be closed, would the minister make public at an early date the numbers of beds which are to be closed in the several hospitals, assuming there is more than one to be effected, and would he undertake to do that quickly, Sir?

MR. SPEAKER (DR. COLLINS): The hon. House Leader.

MR. WELLS: Mr. Speaker, the Minister of Health is going to be meeting, if I am not mistaken this week, or start meetings at any rate this week, with various administrators and officials of various hospitals and they will jointly, I understand, determine the various beds that are going to be closed and of course an announcement would be made very quickly after.

MR. ROBERTS: Mr. Speaker, merely to note that I find the answer unsatisfactory and I will be asking either the hon. gentleman or his colleague to debate it on the late show.

MR. SPEAKER (DR. COLLINS): The hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, I have a question for the Minister of Transportation and Communications. Would the minister inform the House as to who or what body authorized the recent increase in air passenger fares to and from St. Brendan's?

MR. SPEAKER (DR. COLLINS): The hon. Minister of Transportation and Communications.

MR. MORGAN: Gander Aviation Company operates out of Gander and they are operating a regular scheduled service to the islands of Fogo and St. Brendan's and any increase in their fares is the responsibility of the company. We are subsidizing the operations of the scheduled air service at this time mainly because of the environmental conditions, ice conditions, etc., preventing the regular water transport ferry from operating on a normal, regular basis and we are subsidizing the operations. But as for any increase in their regular air fares, it is the responsibility of the airline or the air company and I would assume that with the approval of the Transportation Commission in Ottawa.

MR. SIMMONS: A supplementary, Mr. Speaker.

MR. SPEAKER (DR. COLLINS): A supplementary.

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

MR. SIMMONS: A supplementary to the question asked by my colleague from Terra Nova (Mr. Lush): I wonder would the minister indicate whether the government is making this subsidy available to the airline without having any say or any control over the rates which can be charged? Is that what the minister has indicated, that the government has no say at all in the rates charged in this service albeit it is a subsidized service? And for that reason should they not have some control?

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

MR. MORGAN: Yes, Mr. Speaker, we do have some control over the amount of subsidy we are going to pay to the company. When the subsidy is initially negotiated or arranged we ask the airline concerned to indicate to us what fares they will be charging and of course our negotiations are based on a minimum fare being charged by the airline itself.

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

MR. SIMMONS: A supplementary, Mr. Speaker.

I am pleased to hear that there was some dialogue on the matter and that the government did find out what the initial rates would be. It seems to me that government representing the people involved should have some safeguard built into the agreement, not only in terms of minimums but more important in terms of maximums. My direct question to the minister is, is it a requirement of the subsidization to this company, is it a requirement from government that the rates cannot be increased without prior consultation with the provider of the subsidy, namely, the government of this Province?

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

MR. MORGAN: Sir, the hon. gentleman surely must realize that the control of rates of any airline, whether it be regional, district or national, is strictly a federal level of government through the Canadian Transportation Commission. Now that authority, that regulatory body controls rates in this Province whether it is Gander Aviation,

MR. MORGAN:

whether it is Labrador Airways, Eastern Provincial Airways or Air Canada.

MR. SIMMONS: The minister would agree you could withhold the subsidy, though.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: A question for the acting Minister of Public Works and Services. Would the minister inform the House if the \$6,135 per month paid out to Central Investigating and Securities Services is to protect buildings that are owned by the Government of Canada, owned by the government of this Province, or still under the control of the United States Authorities in this Province?

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

MR. ROUSSEAU: That is what we are trying to find out, and that is why the gentlemen are down there. One would hopefully think that whoever owns the building would come and let us know. We understand it is the federal government. I do not know if the federal government knows which department it is. In the meantime, we are stepping in there. It is not the United States Government, as we understand it. It has been passed over to the Canadian government. Which department in the Canadian government I do not think they know. While they are trying to find out we intend to safeguard the buildings down there.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: A supplementary question: Am I interpreting the minister correctly that the buildings that are being protected at the moment have been turned over to the Government of Canada by the United States Authorities? Is that what the minister is saying?

MR. DOODY: No.

MR. NEARY: Well, what is the minister saying? Go ahead, I do not care who answers it.

MR. DOODY: I just have a little background knowledge on this from Industrial Development, which responsibility I had until fairly recently.

MR. DOODY:

For several years now there has been an ongoing discussion with the Government of Canada with regard to the disposition of the facilities at Argentia. The government departments at Ottawa who have been involved have been DREE, the MOT, Justice and External Affairs. External Affairs are involved because they speak only to the State Department as the Government of Canada, the State Department or the External Affairs version. The United States obviously cannot communicate with the Government of Newfoundland, so they speak to the Government of Canada.

While all this ongoing jargon and balderdash and nonsense has been going on between these three governments, the Government of the United States through the Navy Department and their people in Argentia have indicated their willingness to turn these properties over to the people of Newfoundland. The Government of Canada has been involved in a very serious internal jurisdictional dispute among themselves as to which department has the responsibility, as well as a dispute with the Government of Newfoundland over who actually owns Argentia. It has been our attitude and our feeling, and I think a reasonable and sensible one, that the property out there is the property of the people of Newfoundland as it was before it was leased under terms laid down by the then government, which was prior to Confederation.

However, this

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is not the point that is in question right now. The point in question is that all these buildings are falling down. They are collapsing. They are not being looked after. And in order to bring the thing to a head the Province of Newfoundland have decided to put some security people in their to try to protect the area while all these nonsensical government departments are fighting over who indeed owns them. We have said to the Government of Canada - I can think that it is as long ago as a year and a half when I was in that department - we can set aside the jurisdiction and discuss it at great length with the lawyers in the Department of Justice in Ottawa who are in conflict with the lawyers in the Department of MOT in Ottawa, if it makes them happy to keep on discussing this thing for years and years by all means let them do so. Let us set that aside and let us protect that property out there, because it is a valuable asset. The people of Newfoundland can use it. And in order to bring the thing to a head we have finally, under our own authority or lack of authority, as will be determined, we have decided to put in a security force as watch guards and guardians so the buildings will not be torn down before they can be used by anybody.

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

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

MR. NEARY: This is the latest example of jargon I have ever heard. But would the minister tell the House, just as a point of clarification if nothing else, Sir, did I understand the minister to say that the United States Government is prepared to turn over these buildings to the Government of Canada, but the Government of Canada cannot make up its mind which department will assume the responsibility? Am I interpreting the minister correctly?

MR. DOODY: You are pretty close to it, which is amazing.

MR. NEARY: Because I know it is not true.

MR. DOODY: Sir, first of all I want to make that clear that I have not lied to the House nor have I tried to mislead it. You may feel that it is untrue, but you certainly do not know that it is. The United States Government have made it quite clear that that area that we are now talking about is of no further use to them, and they are quite willing to turn it over to that authority in Canada which has jurisdiction over that piece of land or property or buildings. The battle now goes on between the Government of Newfoundland and the Government of Canada as to whose jurisdiction it is. The Government of Canada has said that they feel that it is properly theirs, and we cannot really pin down a department to get that finalized and settled. The Government of Newfoundland feels, and I think rightly so, that the area is ours.

MR. NEARY: On behalf of -

MR. DOODY: I say so on behalf of the people of Newfoundland. But the point is that this is all irrelevant, because the thing can be put aside and discussed for years to come without the deterioration and the loss to the people of that area of the buildings, and that is the problem that we have been having. The thing has been falling down while the bureaucrats have been quarrelling, and so, Sir, in order to try to bring the thing to a head the hon. minister has hired a security group to go in there and to try to keep it in tact. I think particularly of the gymnasium and the recreational facilities that are out there that are being vandalized and destroyed, because nobody right now takes the responsibility for them. We have done so. Now it may very well be this may bring the thing to a head, and we can get it finalized. There was no attempt at jargon, Sir. I thought it was a fairly reasonable explanation and anybody who has had any experience with trying to deal with four departments in Ottawa, the Navy Department, the people at Argentina and the External Affairs Department in

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the US would realize that it is impossible to describe it in any simpler terms.

MR. SPEAKER (Dr. Collins): One brief question.

MR. SMALLWOOD: Mr. Speaker, a supplementary question on this matter.

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

MR. SMALLWOOD: Has the minister, has any minister, has the Premier gone to the Prime Minister of Canada - let me put it another way - has anyone in the administration looked up the precedents? Fort Pepperrell fell vacant. The United States Government moved out of it. Stephenville fell vacant. The United States Government moved out of it. And an arrangement was made with regard to each one of them. I happened to be the one to have made it on the Newfoundland side, and the Prime Minister of Canada was the one on the Canadian side in the case of Fort Pepperrell, and Mr. Pickersgill our minister in the Canadian cabinet, who happened also to be the Minister of Transport, was the one on the Canadian side with regard to Stephenville. Well, now the two precedents are there.

MR. NEARY: The difference is Argentina is still there. There is still a base in that area.

MR. SMALLWOOD: That is right. There is a part base, just a small little corner.

MR. NEARY: Therein lies the problem.

MR. SMALLWOOD: Well, no. I discussed that with the Government of the United States when I was Premier, and there was no difficulty. I got some buildings there for the Newfoundland Government, and the Newfoundland Government then leased them to private enterprise. These precedents are there. Has the minister or has the Premier or anyone followed them up and got the same kind of settlement with regard to Argentina?

MR. SPEAKER (DR. COLLINS): The Minister of Finance.

HON. W. C. DOODY: The precedents that the hon. member from Twillingate, P.C., mentions are there and they certainly have been discussed and they have been brought out, and the lawyers from our Department of Justice have brought the files to Ottawa, and have discussed it at great length and have pointed out the areas that are similar. But there are areas that are different. The hon. member for LaPoile (Mr. Neary) in an undertone which the House may not have picked up has mentioned one of them, which is the fact that the American authorities are not giving up control of Argentina in toto. They are saying that we cannot afford - the uncertainty of the situation in Iceland, Reykjavik, the government attitude there about our naval base - we cannot afford politically and perhaps militarily to say that we will as of this moment say that we no longer need that Argentina Naval Base for future purposes, for NATO purposes, for whatever defense purposes they have. We have a ninety-nine year lease on it, and we are going to reserve our right. What we will do is give you certain areas of it under certain conditions. And this is a further complication. We have also negotiated the use of certain buildings out there, Pyramid Mobile Homes are inhabiting one of them, but they are doing it under a strange sort of an arrangement. The United States Government has given us a lease, or the right to give them a lease, but it is a thirty day termination thing.

MR. SMALLWOOD: This is not satisfactory.

MR. DOODY: And we have undertaken to indemnify Pyramid if they get shifted out of it. Well that is an uncomfortable sort of a way -

MR. NEARY: The problem is with the United States Government and Ottawa.

MR. DOODY: No, no, no. You see, you have got a very simple mind. You cannot simplify things like that, or oversimplify them.

MR. NEARY: I am very quick minded,

MR. DOODY: It is quick, that is right, but -

MR. NEARY: because I have checked this out and I know the answer.

MR. DOODY: Well, if the hon. member has the answer, Sir, I think he should stand up in the House and -

MR. NEARY: You never ask a question in the House unless you know the answer.

MR. DOODY: - the hon. member should answer the question.

MR. NEARY: I cannot.

MR. DOODY: or give us the answer because we have been struggling with it. Well could you please supply the House with the answer, Sir?

MR. NEARY: Yes, Mr. Speaker -

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

MR. NEARY: - I will be very happy to.

MR. SPEAKER (DR. COLLINS): Order, please! The Question Period time has expired, so unless it is with the pleasure of the House I will call Orders of the Day.

ORDERS OF THE DAY

MR. SPEAKER (DR. COLLINS): Motion (8). At the adjournment of the debate the Minister of Mines and Energy was finishing his remarks.

HON. J. CROSBIE: Mr. Speaker, it is my intention to conclude my remarks now in a relatively brief period of time and if I might just -

MR. ROBERTS: The hon. gentleman is literally emptying the House this afternoon.

MR. CROSBIE: I would like to have lots of room, if the atmosphere does not get too heated.

Anyway, Mr. Speaker, I thought that I would finish up now in the next few minutes by summarizing the situation in connection with the refinery. First, I hope it is clear to all members of the House from what I have said that the government has done everything and did everything that was possible to keep the oil refinery going under its present ownership and management. I have recited a number of the steps that we took ourselves, and a number of things that we did ourselves including, first, the postponement of an interest payment, or part of an interest payment last March, which was a considerable

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concession; our agreeing to a third mortgage, subject to certain reasonable and necessary conditions. The government has the obligation, of course, to be reasonable and to be responsible, and we agreed to a third mortgage on the only terms that were reasonable and responsible, but it could not be attained. There was no way the refinery could be kept operating under the present management and ownership because of the financial circumstances surrounding it. The government again assisted the refinery in not insisting that they pay Newfoundland and Labrador Hydro what was rightly owed them under their contract, so that Hydro is now owed somewhat in excess of \$1 million in connection with electricity provided to the plant. The government once

MR. CROSBIE:

more, Mr. Speaker - and I did not mention this the other day - has shown a great deal of patience with the Shaheen organization in connection with Newfoundland Pulp and Chemical Limited. I pointed out to the House last week that Newfoundland Refining is owed something like \$2,500,000 by Newfoundland Pulp and Chemical which is part of amounts extending in excess of \$50 million owed by various Shaheen companies to Newfoundland Refining, passed out by Newfoundland Refining -

MR. NOLAN: Would the hon. minister permit a question?

MR. CROSBIE: Yes.

MR. NOLAN: It is simply this. I heard mentioned in debate a figure, Mr. Speaker, of \$1 million owing to Newfoundland Hydro, I believe. I am wondering if this is all or is there a total figure. We are talking, for example, about \$44 million being owed. Now we have another \$1 million. I am wondering if the minister has already mentioned, or will in his remarks, what is owed in total to this Province on the refinery deal?

MR. CROSBIE: Well, I have covered all that, I think, Mr. Speaker. What is owed to the Province is interest which is owed from last March 31, and of course an interest payment will again be due this week, on March 31, which will not be met. So that the total amount due the Province as of March 31 for interest will be \$3,651,000. That is due on March 31.

AN HON. MEMBER: Is that just the deferred amount?

MR. CROSBIE: Yes, that is the deferred amount plus the next payment. So there will be \$3,600,000 due for interest. Newfoundland and Labrador Hydro are owed just in excess of \$1 million.

MR. NOLAN: We are owed over a bulk of \$50 million, are we?

MR. CROSBIE: No, the hon. gentleman is mistaken. Oh, you are talking about the \$41 million. Under the second mortgage we have \$41,300,000. To that will have to be added the interest that is going to be due this week and not going to be paid, and in six months

MR. CROSBIE:

time there will be further interest.

AN HON. MEMBER: Is that for John himself?

MR. CROSBIE: Exactly, right.

MR. NOLAN: So this will keep rolling up -

MR. CROSBIE: The interest will still keep increasing.

MR. NOLAN: - until the year end -

MR. CROSBIE: Right.

MR. NOLAN: - without stopping.

MR. CROSBIE: That is right. From this March 31, then, the interest will be due on the interest that is due. I am just merely pointing out ways in which we attempted to help them through this crisis.

Newfoundland Pulp and Chemical is another company owned by Mr. Shaheen. They are indebted to the Government of Newfoundland to March 22, 1976 in an amount of \$4,054,739.67.

MR. ROBERTS: How much of that is principal and how much interest?

MR. CROSBIE: Well, Mr. Speaker, Newfoundland Pulp and Chemical received a guarantee of a loan from the Government of Newfoundland in May, 1967 of \$2.5 million. The Government of Newfoundland, at that time they were supposed to be going ahead with the construction of a third mill at Come By Chance but that had to be put off. A million was paid off by the Government of Newfoundland to the Royal Bank of Canada on April 4, 1968 and another \$1.5 million paid off on April 10, 1968. On that amount since there is interest accrued up to March 22, 1976 of \$1,554,739.67 making a total of \$4,054,739.67 that Newfoundland Pulp and Chemical owes the Government of Newfoundland in connection with the abortive attempts to establish a third mill.

The same company is also indebted to Newfoundland Refining, who apparently advanced that company in excess of \$2.5 million which has not been repaid, and which is now owed to the bankrupt Newfoundland Refining. These amounts have been owing since 1967 with the interest mounting, but steps have not been taken to enforce

MR. CROSBIE:

it, presumably in the hope that it was going to get established or we would eventually get the money back someday if the refinery was a success. All along the way, Mr. Speaker, we have encouraged ECCO and the other creditors involved to be generous in waiting and accepting proposals, or waiting for arrangements to be made and the like. I do not believe I have ever seen a similar instance of where a debtor has received such generous and considerate treatment by his creditors, particularly a debtor in such bad financial shape as this debtor was.

As I mentioned to the House last week, we did agree even to have Labrador Linerboard purchase Bunker C from them this year, and Newfoundland and Labrador Hydro to purchase Bunker C from them this year to help them out. But of course that is gone by the board now because the operation has ceased. So, Mr. Speaker, I do not think that there is any legitimate way in which the government could be criticized for not attempting to assist the present ownership and management pull this operation out from the desperate straits that it got into.

Mr. Crosbie.

And as I pointed out to the House, Mr. Speaker, in this summary, the major reason for the failure of being able to do this was that the Shaheen management and organization did not come clean to the major creditors. They kept the seriousness of their position to themselves. It was difficult to get information from them. They always played their cards very close to their vest, and this was true not only with respect to the Government of Newfoundland but with respect to the other major creditors involved, so that it was not until October 1975 that the major creditors got together and realized how serious the situation was, and how much was owed to them all, and in particular how much was owed to the firm of Ataka in Japan, and that is when the events started that have now resulted in the closedown of the refinery. One of the reasons why any attempt to carry on by the Japanese with a third mortgage did fail was the fact that they were not prepared to meet our reasonable conditions and those of ECGD, and the fact that Mr. Shaheen attempted to get, to salvage out of the wreckage, too much for himself, and the creditors would not go along with what he was proposing - his \$10,000 a month and the \$3 million for his shares, and the releases to UOP, and other non-PRC debts going under the mortgage and the like, and that finally they would go no further for those reasons.

Now to summarize again the reasons for the failure of PRC and NRC, which as I pointed out last week, and it is important to remember, is the failure of those companies because success or failure of the actual refinery is a different question, and the actual oil refinery and the assets of Come By Chance may well yet be saved and operate again. But there is no question that these two companies cannot be saved and operate again. That is two different questions. Some of the reasons were not within their control, and that was the energy crisis of October 1973 resulting in huge increases in the price

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of crude oil, resulting in consumer resistance to the purchase of refined products because of the increases in price, which has resulted in a poor refining marketing situation. That energy crisis resulted in export controls in Canada, and controls and steps being taken in the United States that makes it impracticable to be an offshore refinery selling into the United States, And I refer hon. members to a very interesting report put out by Wood, Gundy on March 1, 1976 and it is a special report on the refining and marketing prospects in Canada of the oil refinery industry.

MR. NEARY: Do you have a copy of that?

MR. CROSBIE: I can get some Xerox copies made.

This report deals with the position of the oil industry in Canada, a twenty-four page report. I will just point out a couple of things that it reports. It says that the refining and marketing sector of the Canadian oil industry has been deteriorating and that the shares of the integrated oil companies have not performed well due to poor refining and marketing prospects. The report analyzes the domestic refined product demand capacity, export demand and so on, determining refining and marketing profitability in Canada during the next three years. This is what this report does. It says that Canada has not yet felt the full brunt of higher world oil prices. This will dampen further growth and refined product sales in Canada, as will government's sponsored conservation measures. The combined impact will reduce annual growth to about 3.5 per cent compared with 5.7 per cent annual growth rate in the 1960's and early 1970's. In other words, the increase in oil prices and so on means that the annual growth rate for the oil refining industry has gone down to 3.5 per cent from the former 5.7 per cent, which means that there is a surplus of refining capacity. Export growth of refined products will be restrained by current low U.S. refinery capacity utilization, poor profitability in

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exports from Eastern Canada, and political uncertainty regarding the exports from Ontario. The combination of reduced growth and demand for refined products in addition to refining capacity reduced the overall average refinery operating rate in Canada to about eight-five per cent in 1975. In other words, our refineries in Canada only operated at an overall average rate of eighty-five per cent in 1975. This compares with rates of ninety per cent to ninety-seven per cent during the previous twelve years.

MR. CROSSIE: Regionally in 1976 and 1977 operating rates will be lowest in Eastern Canada, due to the recent 150,000 barrel per day Irving Oil expansion recently completed in New Brunswick. And then the report goes on to discuss all these matters in detail, and it is of great interest to anybody really interested in this question.

It points out on page four the export licences imposed in 1973. Since 1973 anyone wishing to export products from Canada must obtain an export licence from the National Energy Board. To obtain such a licence it must be established that the product is surplus to Canada's needs, and it goes on to describe that. Then they deal with US refining capacity in operating rates. Refinery utilization, they say, in the United States this year will be only about eighty-four per cent in the United States itself. So that gives poor prospects for exporting in the US.

Profitability of exports - page seven. They say that there is poor profitability of exporting products refined in Quebec and the Atlantic Provinces from imported crude oil. Because of the US crude oil entitlements programme which balances refiners' cost of cheaper domestic and costlier imported crude, the average cost of crude oil for US refiners is significantly lower than for Eastern Canadian refiners, who pay full world prices. So, in other words, down in the United States they are going to import crude oil, not refined oil. Since their crude oil is less expensive to them than it is to Eastern Canada refiners, we are not going to be able to compete in the United States and sell there. And it goes on to discuss that.

Then they discuss the cost advantage enjoyed by US refiners over export refiners located in Eastern Canada. They say it can be seen that the cost of crude oil plus tariff for US refiners using 100 per cent imported oil is over \$2.00 per barrel lower than the same cost for competing Canadian refiners. So how are we going to be able to compete for the next two or three years in the US market

MR. CROSBIE: from this refinery?

Exports are obviously unprofitable for Eastern Canadian refiners at current depressed product prices. And they go on on that in detail.

So that when you read through this analysis and this article, they say the Come By Chance refinery in Newfoundland is in serious financial difficulty not only because of very poor export markets but also because of technical problems effecting two important production units.

Then they conclude that the major integrated countries will be hard pressed to maintain earnings from refining and marketing operations at 1975 levels during the next three years. So that when you have gone through this very complete study you can see why there is a serious marketing problem that effects all refiners of crude oil, particularly in Eastern Canada and particularly refiners that were established in Eastern Canada for the export market.

MR. NOLAN: What is the possibility of this situation improving? And why I ask the minister that is by shutting down the plant for a year or two, then that refinery, what chance does it have?

MR. CROSBIE: Well, I think that this situation will change in the next two or three years, but it is hard to know how much it effects our prospects of selling the oil refinery. The large integrated companies may not be interested, but there are other people who will be looking down the road two or three years who will or should be interested in getting a foothold here at this particular time. But the refining and marketing prospects are not that favourable for the next two or three years.

So the refining situation changed on them, and the controls in the US changed on them and of course, Mr. Speaker, there is the late construction of the oil refinery itself which caused them heavy losses. There is the continuing failure of the hydrogen plant to operate properly and other technical difficulties in the heating situation.

Mr. Crosbie: There are some other things that I would say that management themselves must be responsible for, such as the problem of wax creation.

So for those reasons, which may be largely outside the management and ownership's control, this has given them a lot of their problems. Other reasons for the failure of the refinery owned by these two companies are the lack of equity and working capital. Ten million dollars

MR. CROSBIE:

equity is just not enough to operate such a complex particularly today when a cargo of oil costs at least \$23 million to \$25 million in a VLCC. They entered into a crude oil purchase contract with British Petroleum. They had to buy at least 90 per cent of their crude oil from B.P. It is a cost plus contract. They cannot take advantage of the spot market in oil. They have got to buy their oil from B.P. at top prices in the world, and that was a contract they entered into themselves some three or four years ago which goes on yet for another two or three years. So they are paying the top price for crude oil and cannot get out of it. By the way, Mr. Speaker, the supplier of crude oil, B.P., will have a claim against N.R.C. and P.R.C. for millions in damages. The owners of all these tankers are going to have claims for millions and millions of damages.

MR. ROBERTS: For unfulfilled contracts?

MR. CROSBIE: Yes, for breach of contract. So there is going to be tens of millions of dollars of claims made against these two companies for breach of contract. If they are successful -

MR. ROBERTS: They are not secured creditors.

MR. CROSBIE: No. Well, if they are successful in their claims they just become unsecured creditors. But it further shows the impossibility of these two companies operating, or anyone buying the shares of these two companies or trying to operate them, or anyone buying the assets from these two companies because in addition to all the money that is owed now, they are liable to tens and tens of millions of dollars in damage suits by B.P. and by the owners of the tankers.

Then there were the seven VLCCs when they only needed three, with losses up to \$3 million a month in connection with the operation of these tankers, tremendous demurrage losses. There is the failure to give us full information, and the other creditors; the fact that there are no take or pay sales contracts that can now be found in effect, with the exception, I think, of perhaps two down in New York under which they are losing money supplying aviation gasoline.

MR. ROBERTS: They were a number. What happened to them?

MR. CROSBIE: Well, whatever there were had to disappear or had to be released because of the export control.

MR. SMALLWOOD: Which the government knew.

MR. CROSBIE: You had to get an export permit to ship, so that most of those vanished because of that. The two that are left - I think there are two that they are still delivering, they were delivering aviation gasoline down there - they are losing money on it as it is.

I believe, as I mentioned the other day, that they should have concentrated on the success of this refinery before dissipating their resources and attempting to establish other refineries around the world, Nova Scotia and Newfoundland. It was a bad practice, Mr. Speaker, and it was a bad omen for this refinery for the start for them to have the designer, U.O.P., and the contractor, Procon, engaged in giving it financial support. They had U.O.P. and Procon guaranteeing loans for them, and providing financing for them, and when it came then to the construction contract, and when it came to enforcing the construction contract, or when it came to a quarrel during the course of construction as to whether the contractor was properly carrying out his job, the owners were in no position to take the strong stand they should have taken had the contractor not been financially involved at all. Anyone who has a contractor build a project for them, where the contractor is involved in helping them finance it, it is going to be at the contractor's mercy. So it ill behooves Mr. Shaheen now to complain too much about what happened during construction. He should never have had to get U.O.P. and the construction companies involved in his financing. They are involved now to the tune of something like \$32 million. U.O.P. guaranteed the original loan for him to put in his \$10 million equity. So he was never an independent agent vis-a-vis the contractor and the designer, whom he is now suing for \$189 million. That was a poor situation from the start. I believe that far too much was taken out of these companies

MR. CROSBIE:

to support the rest of the organization Mr. Shaheen had, and his other endeavours in the oil business. The overheads were too great. There was the question of these \$46 million that have gone from N.R.C. up to Shaheen Natural Resources or his other companies with no explanation, and which has to be followed up by a trustee, investigated and the money recovered, and the amounts owed Newfoundland Pulp and Chemical and the rest. This operation could not afford \$46 million going out on loan to others of Mr. Shaheen's companies, and for what purpose we do not know, whether it is the New York press or some other of his operations. Here are companies that owe their own creditors tens of millions, and \$46 million of the money supposedly is lent or advanced to Shaheen Natural Resources who now say that it does not have to be paid back until 1985 which

MR. CROSBIE:

is obviously a ridiculous situation which the trustee has to investigate thoroughly. These are some of the reasons then, Mr. Speaker, why these two companies are in their present position. Now it appears obvious then that these two companies are finished. They can no longer operate. They are completely insolvent. Their trustee has to straighten out their affairs, and what we have to do with the trustee now is to get these assets sold so it operates again at Come By Chance.

One of the files in the ointment that may prevent quick progress in that area is Mr. Shaheen's nuisance actions in the United States courts, every kind of action under the sun to delay the trustee getting possession of the accounts and the books down there; every kind of action that would prevent Ataka from proceeding with their petition in the Newfoundland court where the assets are; suits against us and the other creditors for conspiracy and the like. The only purpose of those actions is to delay the trustee and us from doing what must be done to help this refinery operate again. We have to find a new owner and operator.

MR. NOLAN: Would the minister permit a question?

MR. CROSBIE: Yes.

MR. NOLAN: If I may, Mr. Speaker, I would like - I realize this would not be maybe an impossible question to answer, and that is from his own experience as a lawyer, and having seen certain judgements and so on held up for so long, for example, even in this Province - with a complicated situation like this, how does he envisage it? I mean, could we see five years with that refinery lying out there tied up in the courts by whomever and so on? I realize I cannot expect from the minister a definitive, accurate answer to such a question, but I would like to have the benefit of his experience in similar circumstances. We have been told that this is one of the most phenomenal types of transactions of its kind in North America. I

MR. NOLAN:

would appreciate an answer to that, if he can.

MR. CROSBIE: Well, that is difficult to answer, Mr. Speaker. I mean, the trustee is now appointed down at Come By Chance. It is a question of how quickly and effectively he can pursue the matters he has to pursue in the United States that most of these actions relate to. There is an appeal being taken from the order made by Chief Justice Mifflin. Well, that will be disposed of in the next - presumably, before June. In the meantime the trustee is in control and proceeds. If they appeal to the Supreme Court of Canada that will be dealt with there sometime in the next few months. But that does not hold the trustee up in getting on with the business of making, you know, an orderly disposal of the assets.

But if it came to a sale, and there is some uncertainty as to whether the trustee has really got the assets, that could possibly cause some delay. Although then under the mortgages, I think we might be able to proceed there. But a determined and implacable opponent, well-heeled, with lots of money and able to pay the necessary hundreds of thousands to lawyers, can doubtless harass the situation for a good many months. I do not know - it is not to anybody's benefit that I can see but it could be done.

So what we have to do now is to get the refinery sold, get the trustee properly in possession, try to find a purchaser who is going to be able to carry on and has the finances and the experience to operate the refinery in the future. We have got to do what we can for the displaced workers down there and hope that before too long it will be open again so that they can all be rehired.

So, Mr. Speaker, on these I am sorry I have been so lengthily but it is a somewhat complicated subject. I tried to outline the background and the picture of this whole matter. I remember that the Opposition wanted the House opened early so we could have a debate on the Come By Chance oil refinery, and the media were very

MR. CROSBIE:

keen on it also, and it has given me some quiet amusement to see the tremendous coverage this has all had in the media since the debate started, because with the exception of the Evening Telegram there has been practically none. So that if the people of Newfoundland want to know what the background of the oil refinery situation is they have to come in here in the House of Assembly themselves and sit and listen because they certainly do not get it from the media, with the one exception of the Evening Telegram, which has provided coverage.

But it is a peculiar thing that they demand and they agree that these great issues should be debated, and then when they are debated they hardly give it any coverage at all. It would get coverage, of course, if I said that somebody across the House was a slieveen, and the person across the House said that I was a something else.

MR. DOODY: A Shaheen!

MR. CROSBIE: Yes. That would get some coverage, but it is too bad that these things do not get more coverage when we do try to debate them seriously.

I remember, Mr. Speaker, debating one time here in this House for, I think it was three or four hours, the Linerboard Mill in 1972 or

Mr. Crosbie:

1973, and it did not get five paragraphs coverage in any paper on the Island. And a lot of the things that people are saying today about the Linerboard Mill and this, that and the other on the Linerboard was all covered in that speech in 1973 in the House here.

AN HON. MEMBER: Is that available now?

MR. CROSBIE: But any long and serious and detailed discussion of any serious topic, it is too bad! It just does not get the coverage it is not sensational enough or it is not colourful enough. And the only way that the public can learn about these things is through the media, which makes one wonder whether the House of Assembly is any longer relevant at all to the governing process in this Province,

MR. SMALLWOOD: We must make it so.

MR. CROSBIE: unless we bring in the television and radio into the House and make some system available where perhaps an hour's coverage a day can be selected. I mean we are here, we spend six hours a day here, or eight hours a day when we get really going on the thing.

MR. MURPHY: Wasting our fragrance on the desert air.

MR. CROSBIE: And all we are doing is really talking for the people in the Press Gallery, because if they do not report us it is a complete waste of time. I realize the institution is necessary, you know, for the Opposition to probe etc., but one of the original functions of a House of Assembly to inform the public and to discuss the great issues, is gone. We can discuss the great issues all we like in here, but it is lost if it is not given some kind of reporting, thirty seconds on the television or one minute on the radio of an afternoon's proceedings in this House. I think that we really need to have a look at how we can get some better coverage of the House. I mean, I can certainly appreciate the fact that carrying us for hour after hour, six hours a day would be a bit painful unless you had a special channel for the masochist to switch to and watch the House all day.

MR. NOJAN: It is not exactly great entertainment.

MR. CROSBIE: But perhaps something of the highlights for an hour or some system like that should be looked at. Anyway that is all by the by, I suppose really irrelevant.

Mr. Crosbie:

Now, Mr. Speaker, I would like to congratulate the official Opposition. They probably will not be when they are finished here, but I think they have adopted the right course to date in this matter, because they have not said much publicly about the situation yet because they are waiting to get the full details and find out what information the government could give, which I now hope that we have given them. But I think that was the right course, and I myself have appreciated their restraint in this matter, and I do not doubt that they are going to disagree with some of the things that have been done or be critical of this, that or the other. But I do not see anything in essence that they could have done any differently. I do not see how they could have done any better than we have done in the situation. I do not myself see anything that they would have done differently. And although I have no doubt that they will find some things to criticize, I do appreciate their attitude so far that they have not been making any great attacks, they have been waiting to hear what information the government gave.

So, Mr. Speaker, that is the situation as far as I know it on the oil refinery. There will be some other information this week with respect to the men working at the refinery. The Premier has been meeting with the Minister of Manpower and Industrial Relations and Municipal Affairs and representatives of workers there. Something will be said on that in the next day or two. The creditors are meeting here for the first time, April 5, and we will try and keep the House informed as matters proceed as to how things are going. It is an unfortunate situation but we have got the oil refinery there, it has got to operate again, as soon as possible. As I told the House last week it is going to cost the trustee \$8 million to mothball it and keep it in proper caretaker's status until the end of December, and we certainly do not want running even that long if we can find some reasonable deal to get it operating again.

Mr. Crosbie:

So, Mr. Speaker, that is as much as I can say at the moment anyway, and I think I have given all of the information that I can on the matter.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (DR. COLLINS): The hon. Leader of the Opposition.

MR. SMALLWOOD: Mr. Speaker, would Your Honour say why? Who addressed Your Honour first?

MR. ROBERTS: Mr. Speaker, is this not irregular? To a point of order, Sir -

MR. SMALLWOOD: No, I think the -

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

MR. SMALLWOOD: - member of the House -

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

MR. SPEAKER: Order, please!

MR. ROBERTS: The hon. member for Twillingate, Sir, may or may not appreciate Your Honour's ruling but my point of order is this, Sir, that no member has the right to challenge Your Honour's ruling except through the regular procedure which is to appeal by means of three members standing and then a division is taken. Now Your Honour has recognized me. I raised a point of order, and other gentlemen may wish to speak and Your Honour may wish to rule, but short of that I would like to be allowed to proceed with my remarks, Sir.

MR. SPEAKER (DR. COLLINS): The hon. member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, there is no tradition in Parliament older or more proper than that the first member to his feet should have the first recognition of Mr. Speaker. I am sure I was first to my feet and I am sure I was first to address Your Honour. But Your Honour recognized another member, and he is only a member of the House and I am only a member of the House, but this particular member was the first to his feet and the first to address Your Honour, but Your Honour recognizes someone else. I ask Your Honour why?

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

MR. POWE: Mr. Speaker, to that point of order. Sir, I was distinctly looking at both gentlemen, for obvious reasons, and to my knowledge my colleague the hon. Leader of the Opposition was first to his feet and first to address Your Honour. And, Sir, the hon. member for Twillingate (Mr. Smallwood) is challenging the Speaker's

MR. ROWE: ruling and, Sir, I might add that this is the last gentleman who I would have expected to hear a challenge come from, challenge the Speaker on his ruling, the very last person in this House who I expected to challenge the Speakers's ruling in an instance like this.

But, Sir, as far as who was first to his feet is concerned, the hon. gentleman from Twillingate (Mr. Smallwood) feels he was first to his feet. I was observing both gentlemen and in my humble opinion my colleague the Leader of the Opposition was first to his feet and first to address Your Honour.

MR. SPEAKER (DR. COLLINS): The hon. member for Conception Bay South.

MR. NOLAN: Mr. Speaker, on the point of order; I am sure that each day, for example during the Question Period, you could run a national lottery on who is first to his feet. No one ever questions, surely, the position of the Speaker in a situation such as this. He recognizes whatever member it is and no one ever usually argues beyond that point. If it means that I do not get a chance to voice my question at a particular time, I will follow immediately after, or as soon as it is convenient to keep the House in order. So I for one would certainly not want to raise any question about the decision made by the hon. Speaker.

MR. SPEAKER (DR. COLLINS): The hon. member for St. John's North.

MR. J. CARTER: To that point of order, Mr. Speaker; although the hon. member for Twillingate (Mr. Smallwood) may be more amusing than the Leader of the Opposition, it was quite clear to those of us over here that the hon. Leader of the Opposition was first on his feet.

MR. SPEAKER (DR. COLLINS): The hon. Minister of Mines and Energy.

MR. CROSBIE: On the point of order, Mr. Speaker, I submit to Your Honour that the procedure is well recognized in the House, that the Speaker decides who is going to speak next and whom he recognizes. And it may be that one member got on his feet before another member, but if the Speaker did not see the first member on his feet, the person that he recognizes carries on. That is quite well known.

MR. CROSBIE: In addition, Mr. Speaker, I would also suggest that Speakers recognize the Leader of the Opposition when the Leader of the Opposition is on his feet at the same time as some other member of the Opposition because of the nature of the positions. So on several grounds Your Honour is quite right in recognizing the Leader of the Opposition. The Leader of the Opposition gets precedence in replying to government motions, if he wants to have precedence.

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

MR. SPEAKER (DR. COLLINS): Order, please! I certainly will entertain further discussion on that, but I would just like to inform the House that I am prepared to rule on that point of order.

The hon. member for Burgeo - Bay d'Espoir.

MR. MURPHY: 'Roger' is not too bad. Stand up so they can see you. Be brief now!

MR. SIMMONS: Mr. Speaker, in some ways I am not like the member for St. John's Centre (Mr. Murphy).

MR. MURPHY: Witty! Whatever chance you had is gone!

MR. SIMMONS: Thank you. Thank you, 'Ank'. I did not want it announced that you were my campaign manager yet, 'Ank', but anyway. Mr. Speaker -

MR. DOODY: Get back in the band.

MR. MURPHY: What flattery!

MR. SIMMONS: He is the band, the bagpipes.

Mr. Speaker, the Minister of Mines has stated one of my points that there are clear precedents in both the House of Commons in Britain and in Canada when two members stand at the same time and the Speakers traditionally recognize the Leader of the Opposition in that kind of -

MR. NEARY: If he has been advised.

MR. SIMMONS:

No, Mr. Speaker! No, Mr. Speaker! And my experience is not nearly as broad as some member's experience. Mr. Speaker, secondly I think it is worth noting for the record that - and I say this in response to a comment - I heard the member for Twillingate (Mr. Smallwood) say that he stood first and he say Mr. Speaker first. I think once and for all we ought to clear up the matter that this is not a shouting match here, and it is a matter of who stands first and who is thereby recognized by having stood, not who can shout the loudest, Mr. Speaker. Having said that, Mr. Speaker, I certainly am glad that you, Mr. Speaker, have seen fit to recognize not only the first man who stood but also the Leader of the Opposition in this particular instance.

MR. SPEAKER: Order, please! The two Standing Orders which apply to this point are number 47 and 48. No. 47 states, "Every member desiring to speak is to rise in his place, uncovered, and address himself to 'Mr. Speaker,'" and 48, "When two or more members rise to speak, Mr. Speaker calls upon the member who first rose in his place," and it continues, "but a motion may be made that any member who has risen 'be now heard' or 'do now speak,' which shall be forthwith put, without debate." In response to the point of order raised I am stating that the hon. Leader of the Opposition was the first seen by me to stand in his place. I am not at this point in time prepared to rule whether or not he said anything. But he certainly was the first one to stand in his place in my view, and I will consult the tapes if this is the desire of the House to determine who addressed the Speaker. But my understanding of these two rules is that even if one discovered that one or other spoke before the other this would not in actual fact give that person precedence because number 48 does state, "When two or more members rise to speak, Mr. Speaker calls upon the member who first rose in his place." It is my ruling that the hon. Leader of the Opposition, I saw him first rise in his place.

MR. ROBERTS: Mr. Speaker, if it is -

MR. NEARY: Mr. Speaker, on a point of order.

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

MR. NEARY: Mr. Speaker, I would like to draw Your Honour's attention to rule no. 47. Your Honour just quoted it but then went on to 48.

"Every member desiring to speak is to rise in his place uncovered and" - the key word, Sir, - "address himself to Mr. Speaker." Now, Mr. Speaker, the question arises now when both gentlemen stood which gentleman addressed himself to Mr. Speaker.

MR. ROBERTS: Both of us did.

MR. NEARY: Both of them. Well, Sir, then I would suggest to Your Honour in all fairness to both gentlemen that Your Honour send for the tapes to see, to determine, Sir, which gentleman addressed the Speaker first.

MR. SPEAKER: Order, please!

MR. WELLS: The point of -

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

MR. WELLS: Oh! I am sorry.

MR. SPEAKER: Order, please! If I may, the House understands, I am sure, that I have made a ruling on this matter. There are procedures that can subsequently take place. I would not entertain points of order unless they are directed towards those procedures.

MR. ROBERTS: Mr. Speaker, may I now proceed. Is that your ruling, Mr. Speaker?

MR. NEARY: I do not understand. Your Honour, I made a point of order. My point of order, Sir, was that Your Honour send for the tapes to see which gentleman addressed Your Honour first. That is under rule no. 47, Sir. That seems to be in order.

MR. ROBERTS: The ruling has been made.

MR. WELLS: Sir, the hon. member's point of order is entirely spurious. Your Honour has made a decision and there is only one course of action open to anyone now and that is to appeal it or otherwise.

MR. NOTAN: To the point of order, Mr. Speaker, if I may. Are we going to, each day, during the question period have to resort to the tapes to

MR. MOLAN:

find out which one stood up first? If the Speaker made a decision on this, and I agree with the House Leader and also the Minister of Mines and Energy, that he has made a decision apparently and we should honour that decision now.

MR. NEARY: We have to follow the rules of the House, Your Honour.

~~do not need~~

MR. SPEAKER: If a motion - Order, please! - if a motion has not been made that the decision of the Speaker be appealed I will call upon the hon. Leader of the Opposition to address the House.

MR. ROBERTS: Mr. Speaker, there seems to be no appeal from your ruling, so perhaps I could be permitted to say what I have to say on this motion, and then there will be lots of time for hon. gentlemen on both sides to enter into the debate, including in particular the gentleman from Twillingate (Mr. Smallwood). And let me say at the outset, Mr. Speaker, that I for one will listen with a great deal of interest to what the gentleman from Twillingate has to say with respect to this motion. Because as he has told us outside of the House, I have seen the comment in the newspapers, he regards the Come By Chance Refinery, which is the subject of this debate, as being his baby, and I think in a very real and very proper sense that is true.

Let me say along those lines, Sir, that while the rules of this House limit the hon. gentleman in this instance to forty-five minutes as a member, and every member has forty-five minutes only with the exception of the Premier and the Leader of the Opposition, both of whom are specifically recognized by our rules, and who are allotted ninety minutes by virtue of their positions, and then the minister moving a government order and the member replying thereto, or alternately a member moving a motion of no confidence, not an amendment, a motion of no confidence and the minister replying thereto, in those two situations those individual members are granted, according to our rules, unlimited time. The hon. gentleman is only entitled to forty-five minutes. I think in fairness to him and to the House, Sir, he should be given more time than that. And I for one, if the question were to be raised, and I know I speak for my colleagues on this, will gladly consent to the hon. gentleman been given a great deal more time because I think he will need more than forty-five minutes to -

AN HON. MEMBER: To defend.

MR. ROBERTS: Develop - no, not to defend - to develop his points whatever they may be, to give us the information he wishes to give us, and I think he should be given every opportunity to do that. I

Mr. Roberts:

had thought for a while, I turned over in my mind that I might for this occasion yield to the hon. gentleman from Twillingate and let him speak first from those who sit to Your Honour's right, but the more I thought of it the more that seemed to be quite wrong. The hon. gentleman is not Leader of the Opposition, he is leader of a party which has numerically fewer members than , in the House and outside, do the party I lead, or the party who sits to Your Honour's right and form the government, and I see no reason why I should give way in this occasion for that reason. But I would certainly be quite agreeable, indeed anxious to let the hon. gentleman have more time if he wishes it, And I do not know if it is in order for me to propose it, but let me say simply when the appropriate time comes, or now if it is so agreed, I would certainly, and I speak for all of my colleagues, Mr. Speaker, agree to let the hon. gentleman have more time.

The minister needed, what? I suppose the better part of two hours by the time he had put together his remarks, and he did not waste any of it. There was no needless repetition, there was no irrelevance, there were no meanderings, it was all, I thought, quite relevant to the motion under debate. And I thought it was well and wise that the House should hear it. Equally I am sure that the hon. gentleman from Twillingate would be relevant and not needlessly repetitious. These are the two rules that our House lays down on matters of this sort, and let there be no question at all that for our part, Sir, we would be quite happy to hear him speak at any length he wishes on this particular debate.

AN HON. MEMBER: Hear, hear!

MR. ROBERTS: But, Sir, he has no right to speak as the Leader of the Opposition. That is a position which the electorate has not conferred upon him, They may or may not do that when next we have a general election, but that remains until then.

MR. NEARY: He has equal rights in this House -

MR. ROBERTS: I am sorry?

MR. NEARY: He has equal rights in this House with every other hon. member.

MR. ROBERTS: Yes, Sir, the gentleman from Twillingate has exactly equal rights with any hon. member according to the rules of this House, and every hon. member is granted forty-five minutes to speak in any matter before the House with the exception of two members, the man or the lady, as the case may be, who holds the position of Premier, the man or the lady who holds the position of Leader of the Opposition.

MR. NEARY: That is not true.

MR. ROBERTS: Other - Mr. Speaker, that is perfectly true. Other hon. members get more time only when they speak to lead on a government order or on a motion of no confidence. And I believe the Standing Order is 49. It is not the most elegantly worded Standing Order in the world, Mr. Speaker, but I think the intent is clear. I think the words are sufficiently clear, and I think our practice and our precedents are crystal clear.

Does the hon. House Leader wish to say something?

MR. WELLS: Before the hon. member launches into the debate, I am wondering in line with what I mentioned to members across the House beforehand, if the hon. member is not finished his remarks at 5:30 P.M. he will be prepared to adjourn the debate so that we can attempt to deal with the Interim Supply Bill.

MR. ROBERTS: Well, I thank the hon. gentleman, and as he said, Mr. Speaker, we had some consultation outside of the House. The consultation has been significantly better the last few days. I would either - I do not know whether I will need two hours or not to say what I have on this, Mr. Speaker. I would hope I would not be that long, but if the government wish in the interest of not breaking up the flow of whatever I may have to say, or the flow of the debate since I am just sort of, you know, manoeuvring into position in the starting gate, if the government are agreeable - and we were originally, as Your Honour knows, to deal with supplementary supply - I am sorry, interim supply -

MR. WELLS: Interim supply.

MR. ROBERTS: - as the first order of business.

MR. WELLS: Yes.

MR. ROBERTS: But I understand that

MR. ROBERTS:

while the House met at 2:00 P.M, the printers were not sufficiently aware that the House - or either that, or they had their usual practice of being late.

MR. WELLS: It just did not arrive in time.

MR. ROBERTS: The bill did not arrive in time for whatever reason. It has now been distributed to the House, and if the House Leader wishes I would move the adjournment of the debate. We could then go into Committee and discuss it according to this one, and then when we come back we do it. I am sorry. Is that in order? If that is in order I will do it. I mean, I do not know how long we will be in Committee, that is in the hands of the House, but I will move that.

MR. WELLS: That is appreciated. If the hon. Leader of the Opposition would adjourn the debate I would immediately then call the Interim Supply bill and then call this order of business when it is dealt with.

MR. ROBERTS: Well, I move the adjournment of the debate, Mr. Speaker, and my understanding is that when we have finished this bill, whether it takes seventy-five hours or seventy-five seconds, whatever the House chooses to spend on it, then we will go back on the debate and I will carry on on the Come By Chance resolution. Well, I so move, Mr. Speaker.

MR. WELLS: In that case I would call the Interim Supply bill, order 2, Mr. Speaker.

On motion that the House go into Committee of the Whole,
Mr. Speaker left the Chair.

COMMITTEE:

MR. CHAIRMAN: Order, please!

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

MR. DOODY: Your Honour, I have a message from His Honour, the Lieutenant-Governor.

MR. SPEAKER: Order, please!

"I, the Lieutenant-Governor of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending March 31, 1977 by way of Interim Supply, and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these Estimates to the House of Assembly.

(Sgd) Gordon A. Winter

Lieutenant-Governor."

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

RESOLUTION:

That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the Public Service for the financial year ending the 31st day of March, 1977, the initial sum of one hundred and thirty-four million five hundred thousand dollars (\$134,500,000).

MR. DOODY: Mr. Chairman, the government is asking of the House the granting of Interim Supply in the amount of \$134,500,000 for the months of April and May under the headings which I have here with me and which I will table. I can list them all and read them all, but I think it will be of little benefit to the House since the bill has them all listed and it will be of little benefit to the House for me to repeat them all. It will be debated in complete detail as we go through the estimates. These amounts are all included therein and this is just the traditional amounts that are necessary for the carrying on of the ordinary business of the government during the first several months of the new fiscal year.

MR. ROBERTS: How many months does it include?

MR. DOODY: April and May.

MR. ROBERTS: Two months.

MR. DOODY: Yes.

MR. ROBERTS: Two-twelfths.

MR. DOODY: Two-twelfths or one-sixth, depending on how your denture fits.

MR. ROBERTS: Or four twenty-fourths.

MR. DOODY: That is right. Ad infinitum and ad nauseam. So, Your Honour, I move the granting of Interim Supply.

MR. CHAIRMAN (Mr. Young): Shall the resolution as read carry?

The hon. member for Burgeo-Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, I wish to say a few words to the resolution before you call the question. I recognize of course that with the 1976 budget having been brought down on Friday that perhaps our time can be better served by passing this one quickly and addressing ourselves to the estimates when they are called by department. There are just a few very brief comments I would like to make on behalf of my colleagues. The need is here, of course. It is the twenty-ninth of the month and in another two days the government will not have any spending authority unless we pass this particular resolution. It makes one wonder again, of course, why it was necessary. Perhaps we will hear when we hear some further comments from the Minister of Finance on his budget, but it does make one wonder why we did not have access to the budget until March 26, last Friday, just three sitting days, Mr. Chairman, just three sitting days before the end of the fiscal year. It scarcely allows the kind of time that would be required to peruse the budget and hence the need for Interim Supply, the need, I might say, brought on only because of the lateness of the budget. I realize it is customary and I am sure other speakers will say that.

But I say, Mr. Chairman, that when we get this near the wire, when we get a budget three sitting days before the end of the fiscal year, I believe it is tantamount to playing with the House, to playing with the members of this House. I say it is not good enough and we should have had the budget long since. But as I say, Mr. Chairman, there will be a time to say those things later.

I cannot help, as I look at the financial documents before me, the nice pictures on the covers - we graduated in 1974 from a red line, which must have had all kinds of connotations for anybody who associates colors with finance, but we went from a red line, Mr. Speaker, to a picture, a nice picture in one of the budgets - I have lost track of - here we are. There are so many budgets lately. But you must agree that was a nice picture. They had the same picture in a smaller version a little later on. Now we got yet another picture

MR. SIMMONS:

of the sea, most appropriate to Newfoundland. There are some rocks in this one, Mr. Chairman. There are some rocks here this time, Mr. Chairman.

AN HON. MEMBER: They are heavy.

MR. SIMMONS: Ah ha, are they ever heavy. There are rocks in this one, Mr. Chairman. I wonder if we may deduce from the picture of last year, Mr. Chairman, as opposed to the picture of this year whether in that one,

MR. SIMMONS: Mr. Chairman, they were just merely at sea last year, but now they got her completely on the rocks. It would be funny, Mr. Chairman, if we were not in such a serious situation, if we were not so lacking -

SOME HON. MEMBERS: Oh, oh!

MR. SIMMONS: Ah, here they go, Mr. Chairman. I have finally said something that they could understand. Here they go.

MR. BRETT: Just look at the pictures.

MR. SIMMONS: I will do it with pictures if I have to, Mr. Chairman, I say to the Minister of Social Services. If it takes pictures to reach him, I will use pictures. If it takes coloured ones, I will use coloured ones. Somehow, Mr. Chairman, as difficult as it is I will reach that member yet. And thank God it has happened this afternoon. I finally got a rise out of him. Tremendous! He understands. I wonder does he understand what is behind the pretty cover? While we are talking about pictures and doing this little object lesson just for the Minister of Social Services, why do you not look at the cover? I thought it was only mine, but I saw some others around. There is a little shading on the left. Do you notice that? There is a little shading over on the left hand side, eh? Last year we were told that this was the mini-budget, but we soon found out, Mr. Chairman, that was the real budget and that the mini-budget was the one brought down in the Spring before the election. We got it really socked to us in the Fall. The picture might be smaller but the shock was a whole lot bigger, Mr. Chairman. Now not only with all the connotations of being on the rocks here, Mr. Chairman, I would get punny, I suppose, and talk about the shadiness of it all if I could, but perhaps there is a time for that too, Mr. Chairman. One wonders if that little bit of shading on the left there - I do not

Mr. Simmons

know how it happened, some problem the printer had getting it through Thursday night or whenever he had to run this thing through - but perhaps, Mr. Chairman, he tells us more than we dare admit to ourselves. Perhaps it tells us that the full truth is not out yet. I did, Mr. Chairman, over the weekend in being asked to comment on this particular budget, I did say, to give credit where credit is due, that I thought at last it could be in some respects called the truth budget.

MR. MURPHY: How did you recognize it?

MR. SIMMONS: Mr. Chairman, I had the benefit of my band leader from St. John's Centre. That is how I recognized it.

MR. CHAIRMAN: Order, please!

MR. SIMMONS: I do not know, Mr. Chairman, why my good friend, a man whom I dearly respect, always wants to be putting the knife in. I do not know why. It is so unbecoming his nature, Mr. Chairman. There goes the epitome of gentility over there, humility in all its forms.

MR. MURPHY: I did not pass a nasty remark.

MR. SIMMONS: Nor I.

MR. MURPHY: Who is that behind you?

MR. SIMMONS: Oh, that is my alter ego back there. That is the member for Conception Bay South.

I do not expect, Mr. Chairman, the Minister of Provincial Affairs and the Environment to like the truth of this particular budget. Now the Minister of Finance should be saying that to him, mind you, but I will help him out, because it must be a difficult job convincing that minister of the truth even when it does exist.

Mr. Chairman, I called it the truth budget this week and for a very good reason; because at last, Mr. Chairman, the truth is out about what we were really being fed last Spring in the Pretty Picture Budget. and last Fall in the Small Pretty Picture Budget.

Mr. Simmons.

We now know in the "on the rocks budget,"we now know the real truth. We now know that all the stories about hospital extension was just getting people to go down the garden path. All the placards and the posters and the huge billboards that we saw in Clarendville about a hospital, that was take them for a ride, take them for a ride, and we will tell them the truth next Spring. Well,next Spring has come and the bitter truth is getting out. So I will give them credit, at least, Mr. Chairman, for telling the truth. I will give them no credit, Mr. Chairman, for the kind of deceit that preceded the truth. I will give them no credit for that.

I drove down the street

Mr. Simmons:

in Grand Falls, the street that goes down over the hill there pass the hospital, and I must not have been too observant on previous trips down there because I did not realize that they had the gall, Mr. Chairman, to put a billboard up there too, but lo and behold! not only did they put it up, it is still there! They are not even good strategists politically, Mr. Chairman. The least they could have done was paid a fellow \$5 or \$6 after dark some night to go down and quietly take it down so people would start forgetting it.

MR. LUNDRIGAN: Who put it up there? Who was the political strategist who put it up there?

MR. SIMMONS: I have no idea. The minister could probably tell me.

MR. LUNDRIGAN: You have no idea?

MR. SIMMONS: The minister could probably tell me.

MR. LUNDRIGAN: Sure. It was put up by the hospital board.

AN HON. MEMBER: Which one is this?

MR. SIMMONS: Ah, ha! Right, Mr. Chairman, it was, I would think, Mr. Chairman, put up by the hospital board. And I would hope, Mr. Chairman, I know a good many people on that board, and I can say for them, Mr. Chairman, no matter what the minister implies, no matter what the minister implies I can say that these are reputable, responsible people. And I would say to him, Mr. Chairman, they did not put it up there without some undertaking from government, if there were going to be some money to live up to the promise on the billboard.

AN HON. MEMBER: Right.

MR. MORGAN: Now keep your cool.

MR. SIMMONS: Of course the hospital board put the billboard up but they did it, Mr. -

MR. LUNDRIGAN: You do not tell the hospital board what to do!

MR. SIMMONS: - but they did it, Mr. Chairman -

MR. SIMMONS: You do not. Ah, ha!

MR. LUNDRIGAN: You do not interfere if you have confidence in them.

MR. ROBERTS: Mr. Chairman, would the hon. member for Grand Falls be quiet!

MR. SIMMONS: Mr. Chairman, had that minister the confidence in the board he says he has, Mr. Chairman, he would have seen to it, Mr. Chairman,

MR. LUNDRIGAN: I have every confidence in them.

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

MR. SIMMONS: He would have seen to it, Mr. Chairman, he would have seen to it they got the money that had been committed to that board. If he wants to put his demonstrations of confidence on the line, Mr. Chairman, let him do it in a very tangible way.

MR. LUNDRIGAN: I back them up all of the way.

MR. SIMMONS: Let him do it, Mr. Chairman, by getting after his colleagues. Has he confidence in his colleagues after they let him down on this one? Confidence is no good, Mr. Chairman, unless you put your money where your mouth is.

MR. LUNDRIGAN: They all seem happy enough.

MR. SIMMONS: Confidence is no good, Mr. Chairman, -

MR. LUNDRIGAN: We are going to build all three.

MR. SIMMONS: Oh, I can understand, I can understand the minister getting all worked up and spreading his arms, Mr. Chairman. He has good reason to be frustrated. His colleagues in Cabinet let him down very badly. He was new to it. He was used to picking away on the federal scene, and then he came down to be in a cabinet. And I am glad to see him there.

MR. LUNDRIGAN: I choose the fish plant in Burgeo.

MR. SIMMONS: That is why I am glad to see him there. I am glad to see him there. But that does not mean that I agree with everything he does. I do not agree with his supporting -

MR. CHAIRMAN (MR. YOUNG): Order, please! I will ask the members to be silent, please?

MR. SIMMONS: I do not agree with his supporting the cancellation of the project in Grand Falls, when my people from Bay d'Espoir particularly have to go up there and be accommodated overnight in the corridors. And there is a time lag even when you get a decision to build a hospital or to build an extension. There is a time lag before all the paint is on the wall and the floors are completed, and you can put the furniture in and take the first patient. And even if that hospital were to start today, that extension, there would be a time lag and we would still have several more months of putting patients out in the corridor. I know what I am talking about, Mr. Chairman, it has happened in the last two or three weeks, it is happening all of the time, they have an acute accommodation problem there, an acute problem.

Mr. Chairman, do I have to take the mutterings of the Minister of Industrial Development or will he accord me the same courtesy he asked me last week to accord him?

MR. LUNDRIGAN: Mr. Chairman, on a point of order.

MR. CHAIRMAN (MR. YOUNG): A point of order.

MR. LUNDRIGAN: I certainly agree with the hon. member. My mutterings where to my colleague to my right here, I said that if he ever got any position of power in the Province I would move to Alberta.

MR. ROBERTS: Mr. Chairman, is that a point of order?

MR. LUNDRIGAN: And I apologize for that, I do not think that I would move to Alberta, I would move to Australia.

MR. SIMMONS: Mr. Chairman, what is the point of order?

MR. ROWE: There is no point of order. Ignore it. He is parliamentarily ignorant.

MR. SIMMONS: Mr. Chairman, how cowardly can you get at all.

MR. LUNDRIGAN: Speak now without being ignorant.

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

MR. SIMMONS: Mr. Chairman, you will recall that only last week the same minister was very worked up that we should have the audacity the discourtesy to say "Aye" and "Nay" while he was speaking. And now he gets there and conducts his own little circus in collaboration with his colleagues while I try and make a few remarks on behalf

Mr. Simmons:

of my constituents, while I try to make a few brief remarks as to why we take exception to some of the things that is in this on the rocks budget! Now if I do not have that particular right, what rights do I have in this House?

MR. LUNDRIGAN: Carry on!

MR. SIMMONS: Thank you! Thank you! I am glad at last the minister has condescended to allow me to carry on. My, how happy a man should he! Or to take a title from a book on the provision of toilets in Newfoundland schools, How Proud A Man Can Be. How proud that he should be accorded the privilege by the Minister of Industrial and Rural Development. Now if ever there were a contradiction in terms there it is, Mr. Chairman, Industrial and Rural Development, the member for Grand Falls, Mr. Chairman.

MR. MORGAN: The little man of doom and gloom.

MR. SIMMONS: Aw, Mr. Chairman, the Minister of Gloom and Doom, the minister and the member of Doom and Gloom is the Minister of Mines and Energy. We will talk about that in time too. But that is another story. But let the record show what the public already knows, that the minister, and the member and the preacher of doom and gloom is none other than the gentleman, who unfortunately now is absent, because I would rather say it to his face than in his absence.

But back to this Bill, Mr. Chairman, this resolution which would give the government some interim supply, Without it they will not be able to pay salaries of the civil service or undertake or make other financial commitments. They will have no authority, Mr. Chairman, to authorize expenditures and for that reason we would like to get on with the job, and I would have long since been sat down had I not been so badly intimidated by the Minister from Grand Falls and by the Minister

MR. SIMMONS: from Bonavista South (Mr. Morgan), the Minister of -

MR. ROBERTS: Best dressed man of the year.

MR. SIMMONS: I am just faltering now. I am kind of faltering here, Mr. Chairman, because I am never sure how I should refer to him because I am not sure he said what he said a moment ago in his capacity as member for Bonavista South or as the Minister of Transportation and Communications, and one must always watch how one addresses the member, minister as the case may be. But I hope he does not get too offended, Mr. Chairman.

One other comment that I would like to make, Mr. Chairman, while not wanting to prolong this, as we look through the Budget, the on the rocks budget, this one, and compare it with the small pretty picture budget, and the pretty picture budget and the in the red budget -

MR. COLLINS: Do not be nasty now.

MR. SIMMONS: Truthful, I say to the member for Gander (Mr. Collins), not nasty, truthful. If the truth hurts then my apologies to the member. I do not want to hurt him but I hope I can shake him into some kind of reality because he is a part of this too, Mr. Chairman. He is one of the people who is allowed to do what I am going now to refer to and why I have done the comparison of those four budgets, the In-The-Red-Budget, the Pretty Picture Budget, the Small Pretty Picture Budget and the On-The-Rocks Budget. He is the one who was party to this, Mr. Chairman. He is the one.

AN HON. MEMBER: Oh my! Oh my!

MR. MORGAN: Finance critic?

MR. SIMMONS: Mr. Chairman, my former colleague in this House, the former member for White Bay South, used to have a line which I always enjoyed and supported completely, and he used to say it -

AN HON. MEMBER: Mel Woodward?

MR. SIMMONS: No. No. No. The former member for White Bay South, Mr. Bill Rowe, had a line which I think was as profound as any could be

MR. SIMMONS: when you are talking about the member for Bonavista South, and it went something like this, "Shut up Jim or I will come over and knock a hair out of place." That is not mine, Mr. Chairman. I do not even claim -

MR. ROBERTS: That is parliamentary.

MR. MORGAN: Critic on finance?

MR. SIMMONS: I do not even claim, Mr. Chairman, to be the author of that one. But you must agree, Mr. Chairman -

MR. WELLS: To a point of order, Mr. Chairman, we have passed new levels of irrelevancy.

MR. ROBERTS: To that point of order, Mr. Chairman, I want to know whether the hon. gentleman's remarks are parliamentary and I think we should have sort of an inquest because I distinctly saw a hair out of place on the head of the best dressed man of the year, the gentleman from Bonavista South, Sir, and I think that is most out of order and should be so ruled by the Chair.

MR. PECKFORD: You are talking about personalities.

MR. ROBERTS: It has nothing to do with personalities, Mr. Chairman. It has everything to do with the hon. gentleman's hair out of place, Sir.

MR. NEARY: Mr. Chairman, to that point of order, Your Honour, I believe things are getting a little bit unruly, Mr. Chairman, and I know Your Honour is in the Chair I believe, no, not for the first but for about the third time. I believe the member for Burgeo - Bay d'Espoir, Sir, did get a little bit out of hand and lost his self control and I believe even though he was quoting a former member of this House, Sir, that his quotation was unparliamentary and if that sort of thing is allowed to continue Your Honour, you know that the decorum of this House will be lowered severely in the future -

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: - and we have had that happen before and I hope Your Honour will hold a tight rein on my hon. friend.

MR. SIMMONS: Mr. Chairman, it takes the member for LaPoile (Mr. Neary) to bring me to my senses, my abject apologies for having done something so unparliamentary and particularly to the one member, Mr. Chairman, who in no way should have that kind of infliction placed upon him at any time. He is so busy, Mr. Chairman, combing his hair and dressing, that why should we give him the pain of worrying about having himself named in this hon. House.

To the subject -

MR. NEARY: Mr. Chairman, there is a point of order Your Honour has to rule on -

MR. CHAIRMAN (MR. YOUNG): I think that I would ask the member for Burgeo - Bay d'Espoir (Mr. Simmons) to continue his remarks and stay to the resolution, please.

MR. ROBERTS: Hear! Hear! Well ruled.

MR. SIMMONS: Thank you, Mr. Chairman, an excellent ruling and one of several I am sure we can expect from Mr. Chairman. Mr. Chairman, one other comment I have been trying to make here for some time, a comment relating to a deed that I have suggested the member for Gander (Mr. Collins) has been party to. I hope he is not. I hope he can plead absence that day. I hope he can say that the Premier would not let him in the Cabinet Room that day. I hope that is the case, Mr. Chairman. Because as I look at the figures on resource development - now, Mr. Chairman, for those who do not know what I mean

MR. SIMMONS:

Far be it from me to try and explain it. There are far better explanations of resource development, and this government's ideas about resource development in the statements made by the Premier and other ministers, the Minister of Industrial Development and the Premier in particular, all kinds of statements about how they are going to have a new thrust in resource development generally and rural development in particular, let me say it that way, all kinds of mutterings and mouthings about that subject, Mr. Chairman, no shortage, a literal diarrhea of words on that particular subject from the Minister of Industrial and Rural Development and the Premier, about what they are going to do in resource development.

Now, I first heard it, Mr. Chairman, back in 1971 in that Fall campaign and I have heard it many, many times since. But the theme has been the same and I do not think anybody on the other side will get up and say they did not say it. Is there anybody who will deny that this government has committed itself to resource development? I will not deny it. Is there anybody on the government side of the House who will deny that they have said that many times, stated publicly a commitment to resource development?

Well, Mr. Chairman, very quickly, as a sample of the kinds of things we are going to be doing when the estimates come before the House, let me indicate to you the truth about what this government is doing in resource development. If we look back at the 1974-1975 budget - that is the pretty picture of a budget; this one here, I believe - we will find that they were spending 10.3 per cent of their budget on resource development. I am including for the purposes of this discussion, I am including in resource development some figures from industrial development and some figures from rural development and fisheries, the resource oriented departments, not the service departments such as social assistance or health, but I am talking about the resource departments, those departments which address themselves in particular to creating employment, to developing our resources, that kind of thing.

MR. SIMMONS:

Ten point three per cent of the budget in 1974-1975 was for the express purpose of resource development. It is here all in black and white, 10.3 per cent of the total budget.

MR. COLLINS: Does that include Forestry and Agriculture, too?

MR. SIMMONS: Yes. I did not read off the full list. I could give the full list to the minister. I did not read it off in full. The full list includes Mines and Energy.- my figures include, Mines and Energy, Forestry and Agriculture, Tourism, Fisheries, Industrial Development and Rural Development, and I have all the figures here in terms of dollars and cents if the minister would like to have them. But rather than take the time of the House, we have gone through the budget and we have pulled out the appropriate figures. The appropriate figures represent in the case of 1974-1975 \$45,797,600 or 10.3 per cent of the budget in 1974-1975.

Now, in 1975-1976 - that is the first of the two budgets. I am sorry, the figures I quoted just now were from this budget actually. Then in the first of the two budgets the figures was still about \$45 million but because the expenditures had gone up, the total expenditure of government, the percentage was down to 8.4 per cent. Then in the Fall budget they cut that back further to 7.1 per cent of the total budget. So in other words the Province's investment in resource development, Fisheries, Mines and Energy, Tourism, Industrial Development, and Rural Development, the Province's investment there is proportionately less each time, from 10.3 per cent to 8.4 per cent down to 7.1 per cent last Fall.

Now, we come to the On-The-Rocks Budget, the one I have here, the On-The-Rocks budget. The percentage now, Mr. Chairman, is down to 6.9 per cent. It has gone in two years from 10.3 per cent to 6.9 per cent, almost cut in half. Now I ask you, Mr. Chairman, is that any way to put your money where your mouth is? Is that any way to demonstrate to the public that you are indeed doing what you are saying you are doing? Is that any way to demonstrate that you are at

MR. SIMMONS:

all concerned about resource development? Now the Minister of Fisheries this morning got so sensitive about the criticism from the fisheries union and from politicians and from everybody that he saw fit to call a press conference to explain. He could not even wait for the estimates to be brought down. He saw fit to call a press conference and say, look we spent \$15 million two years ago. Last year we spent \$11 million. This year we are going to spend \$9 million. But that is not a decrease. Oh no, the figures are fooling you. \$15 million to \$11 million to \$9 million is not a decrease,

MR. SIMMONS:

because - well I could not follow his explanation from there, Mr. Chairman, because the bit of math I know told me that nine is less than fifteen. He lost me right there. Nine is less than fifteen. Nine is less than eleven. So he is going to have to talk some more, Mr. Chairman, before he convinces me. Perhaps I am unconvincible. So forget me. He is going to have to talk some more to the Province before he convinces the fishermen of this Province that nine and fifteen are the same.

I ask you, Mr. Chairman, this thing that started this morning, this press conference by the Minister of Fisheries to explain away the On-The-Rocks budget, does this mean that we have got another sixteen press conferences coming this week? I cannot think of anybody I would rather see at a press conference than my very good friend, the member for Grand Bank, the Minister of Justice, and if he has a press conference I will attend. I will attend, Mr. Chairman, the press conference if he has the press conference because I will not believe anybody as to what goes on at that press conference. I want to see for myself.

I know the Minister of Forestry will not need a press conference because I know the input he has in cabinet. I have never been there, but I know the kind of man he is.

MR. DOODY: And never will be there, either.

MR. SIMMONS: Ah ha, not with this crowd, no, Mr. Chairman. Not with this crowd ever, Mr. Chairman, despite the invitations from the Minister of Finance to come over and join him, Mr. Chairman. I would love to sit near him in a cabinet or out of a cabinet, just to have a good chat and to enjoy his wit. But his economic policies, Mr. Chairman, I cannot enjoy. So he is right. No, I will not sit in the cabinet with him. I may sit in the cabinet with the hon. member for Labrador West, Menihok (Mr. Rousseau) because he is the kind of man who has got the kinds of ideas we need, on this side of the House. We need him badly. He knows we need him. We have told him

MR. SIMMONS:

privately many times. He has not given us a final decision yet but we are working on him.

But, Mr. Chairman, I was about to say that that gentleman, I know, has such input in cabinet that it will be reflected - I have not looked at this in detail - but I am sure it will be reflected in some ways in the budget. But what can a man even of the caliber of the gentleman from Menihek (Mr. Rousseau) do if the overwhelming opinion in cabinet is sock it to resources, forget resources? What can he do even if the overall decision is to go out and say one thing publicly and say another thing when you prepare the figures? What can he do? I know he will not have a press conference. He does not need a press conference. He does not need one. So that is one less. There will be fifteen others then I guess.

Does this mean, Mr. Chairman, that there are going to be fifteen or that only one was needed, the one where the government now recognizes it really faux pased. It socked it to the fishermen of this Province in a way that they, the government, were not even aware of. They had no realization at the time of the impact it would have on public opinion and more important on the fisheries programme of this country. Is that what happened, Mr. Chairman?

AN HON. MEMBER: Yes.

MR. SIMMONS: Is that what happened? If so at least we give them credit for telling the truth again. They have levelled on another score. They have come out and said, look we have boo-booed so badly perhaps we should get the Minister of Fisheries to explain himself somewhat. I am glad he did it. My only regret is that he did not see fit to do it in this House first, Mr. Chairman, so that we, who are the elected representatives, could have heard firsthand what he had to say by way of explanation in defending himself, if indeed his actions insofar as this budget is concerned are defensible. It is a regret that he did not do it here first. I would suggest, Mr. Chairman, that it was a discourtesy to the House, that that

MR. SIMMONS:

minister did not take this matter in hand right here in the House first and let the members of the House know what his thinking was on the subject and what his reasons were for this shocking cutback in fisheries expenditure in the Province.

Mr. Chairman, as I said in getting on with these few remarks which I intended to be much briefer, but I did get into a couple of other areas that I wanted to save really for later but we will come back to them, in the meantime, Mr. Chairman, I would like to say on behalf of my colleagues in conclusion that we will support the quick passage of this particular resolution because we recognize that we have been maneuvered once again into a position of having no other choice, that the government have brought in the budget three sitting days before the end of the fiscal year. Had they called the House together back in January as is customary, late January or early February instead of waiting until the 4th of March they could well have had their homework done by now. They could well have had this budget brought in long since. But I recognize - and I see the House Leader nodding his head and well he might - I recognize that Interim Supply is an item that we quite often have to deal with in this House just about every year. I find it very unfortunate that it comes, not the Interim bill, but the budget has come so late that we are in the kind of spot we are in today.

But be that as it may, past is past. We will have some more things to say on the budget, but in the interest of expediting the continuing operation of the financial affairs of the Province, the payment of salaries, the various commitments that have to be met by government, we are happy to allow as quick a passage of this resolution as is possible.

MR. NEARY: I realize, Mr. Chairman, as I suppose does every hon. member of this hon. House, that these are very, very trying times in this Province, if not in the whole of Canada, and in North America I suppose, the whole free world. But, Mr. Chairman, what I find as I travel around this Province that people are eating their hearts out for solutions to the many problems that are confronting the people of this Province at the present time. People are eating their hearts out, Sir, to find out what plans this government have to solve the record unemployment that we have in Newfoundland at the present time.

Before we pass the interim supply, Sir, before we pass this resolution to be submitted to a Committee of the Whole House in relation to the granting of supply to Her Majesty, I believe, Mr. Chairman, it is incumbent upon this government to outline to the House in detail, to be specific, to tell the House what plans the government have at this moment to deal with the record unemployment that we have in Newfoundland at the present time.

I do not know if hon. members are aware, Mr. Chairman, the largest number of young men and women who are unemployed in this Province at the present time are in the age bracket between sixteen and twenty-five years of age. And this is the tragedy of it all, Sir. And in a few short months, Sir, before, Mr. Chairman, before the government have an opportunity to take advantage of the interim supply, we will have literally thousands of young men and women pouring out of the University, and out of the College of Trades and Technology, and out of the vocational schools and out of the College of Fisheries on to the job market, Sir, with no jobs in sight. We have hundreds and hundreds of construction workers at this moment who are unemployed, drawing unemployment insurance, some of them their unemployment insurance benefits exhausted, forced on to welfare, who are looking forward this Spring, and early Summer to finding a job at construction work. And they are looking to this government to provide them with these jobs, Sir.

Mr. Neary:

Again, Mr. Chairman, I have to report, looking at the Interim Supply Bill and looking at the Budget brought in the other day, I am afraid that we have to admit, Sir, that we have failed this group of people, the semi-skilled, and the skilled men who every year look forward to a job at construction work. The only ray of hope that these people have this Spring and this Summer, the only hope they have, Sir, is the Federal Tax Building that was announced some time ago by Don Jamieson, when he held his press conference over here at the Holiday Inn. And the only other source of hope they have is the Federal Building that is being erected in the White Hills. And they may be able to find some jobs

in the construction of houses providing that Central Mortgage and Housing and the federal government, Sir, will take the initiative so that the housing starts in this Province can take off. But, Mr. Chairman, we all must face the reality, Sir, that the employment outlook for this coming Spring and Summer is very bleak indeed especially for those people who are coming out of the university and coming out of the vocational schools and the College of Trades and Technology. I do not know, Sir, if anybody read Time Magazine recently or not. The March 29 edition of Time Magazine tell us that down in the United States, the great United States, the wealthy United States, that there are slim pickings for the class of 1976. I would certainly recommend that any member should go out and pay \$1 for this edition of Time Magazine and read that article, read it. It is headed, "Slim Pickings For The Class Of 1976." Well if the pickings in the United States are slim for university graduates down in that great country, what is going to happen in Canada and especially right here in Newfoundland? According to this article, Mr. Chairman, you have graduates of universities in the United States out driving taxis, working as waitresses, sweeping floors - and the hon. Minister of Education is nodding his approval, because the minister and I had a few words in the House the other day on the same thing.

MR. SMALLWOOD: Not his approval, his agreement that you are correct.

MR. NEARY: He is agreeing. Well I am quoting from the article.

MR. SMALLWOOD: He is not approving it, and you are not.

MR. NEARY: No, he is approving of my statement as being correct.

MR. SMALLWOOD: Yes, the statement.

MR. NEARY: Of course. That is right.

MR. SMALLWOOD: Not approval.

MR. NEARY: Mr. Chairman, it brings up the point again, Sir, and I hate to belabour this - I brought it up the other day, I keep bringing it up inside and outside of the House, and the reason I am raising it again, Sir, is because the government, in its wisdom, have just decided to pass over another \$4 million to Memorial University. The budget to Memorial University has been increased by \$4 million, increased at a time, Mr. Chairman, when enrollment is dwindling. They have reached their peak, and now there is a downward trend in enrollment, and they are scraping and clawing trying to develop programmes to use up the budget that they have at the present time, and not a red cent, Sir, passed over to the vocational schools and to the College of Trades and Technology that is bursting at the seams. Two-thirds of the applicants to the College of Trades and Technology every year have to be turned away. The doors are closed in their faces. And here we are, Mr. Chairman, into a kind of a situation where the College of Trades and the vocational schools run one and two year courses where nine chances out of ten the graduates have a better opportunity to find a job than those who walk out of Memorial University after four or five years - four or five years of their lives punched in getting a B.A. or a B.Sc. or a degree in Political Science that is absolutely useless, Sir. They cannot find a job when they get these degrees, and I know the academics will argue, oh, well, it broadens your education, it broadens your outlook on life, and that is the whole concept of a university. Well, Sir, I have four children myself, and sure I would like to see them have a broad outlook on life, but I would like to see them equipped with the know-how and the knowledge to be able to go out and find themselves jobs so they can earn a living for themselves.

MR. NEARY: Pardon?

MR. HOUSE: There is much to be gained in both.

MR. NEARY: I realize, Mr. Chairman - the hon. minister reminds me there is good in both. I would agree that if we had everything that we need in this Province that we could have a glorified upgrading school like we have in the Regional College in Corner Brook. Do hon. members realize, Mr. Chairman, that part of this Interim Supply is going to pay for that Regional College in Corner Brook that is nothing more than a glorified upgrading school?

MR. HOUSE: The first year programme.

MR. NEARY: The first year programme the minister tells us. It cost the people of this Province \$11 million. Mr. Chairman, the hon. minister knows as well as I do that a lot of the students in that Regional College in Corner Brook are doing upgrading. They did not have sufficient math, for instance, to qualify for nurses training. They could not go into the College of Technology because their math was not good enough. All this could have been done in Grade XII, Sir. You did not need to build a Regional College.

MR. HOUSE: Are you saying the West Coast did not deserve it?

MR. NEARY: No, Sir, I am not saying the West Coast did not deserve it. Ah, Mr. Chairman, I am not going to fall into that trap. I am going to suggest to the government that instead of wasting the taxpayer's money with this foolish notion of a Regional College that they immediately turn it into a polytech. They just turned that down the other day. Put your polytech out in Corner Brook, or make it a branch of the College of Trades and Technology which is turning two-thirds of their applicants away every year. If you are going to spend \$11 million or \$12 million or \$13 million or \$14 million then put it to some use that will be beneficial to the young men and women of this Province.

MR. HOUSE: Two-thirds turned away is not a true figure.

MR. NEARY: Two-thirds turned away is a true figure, Sir.

MR. HOUSE: The same two-thirds applies to vocational schools and the university as well.

MR. NEARY: Mr. Chairman, the tragedy, the unfortunate part of it and the weakness in the minister's statement is this, Sir; that a lot of these applicants of the College of Trades and Technology and the vocational schools are young men and women who have spent three and four years over at the university and suddenly realized that they were just wasting their time, that even if they stayed and got their degree they would not be able to find a job.

Let us see what is happening in the United States, Sir.

A young gentleman by the name of Mark Steinberg, twenty-five -

AN HON. MEMBER: Mark who?

MR. NEARY: Mark Steinberg a graduate from UCLA with an MA in psychology and from Berkley, subsists on food stamps and lives on unemployment compensation. Just imagine-an MA.

MR. MORGAN: A Steinberg on unemployment insurance?

MR. MURPHY: That is something!

MR. NEARY: Howard Philbert, thirty-two.

MR. DOODY: Now he is going to tell me about a whole generation of -

MR. NEARY: You know, Mr. Chairman, it would be a very interesting exercise for the Minister of Education in this Province to go back five years and do a little research and see how many of the graduates of the university who have their BA and B.Sc. and Bachelor of Political Science, see how many of them are working at jobs that have absolutely no relation to what they were taught over at Memorial University. So here we are putting another \$4 million into the university at a time when enrollment is going down and enrollment in the other forms of post-secondary education is rising! So I think that is a mistake Sir, it is a mistake and something that should be rectified at once, should be rectified before we get to the regular estimates.

Mr. Neary:

Mr. Chairman, I am not going to delay the House too long on interim supply. I remember when I was on the government side of the House the Premier of the day used to argue that interim supply was just merely a routine matter, and used to strongly condemn members of the Opposition for getting up and debating interim supply. "How dare they when we have the estimates coming up," and "This is only something we have to do, rubber stamp, in order to make sure that the civil servants and the nurses and the teachers and all the people on the government payroll that they all get paid after the end of the month."

But nevertheless, Sir, no matter how much the Premier of the day argued that this was merely a routine matter there was always a wide ranging debate developed, especially when the member for St. John's West, the present Minister of Mines and Energy, was on this side of the House. He was not going to be talked down by the Premier of the day by just brushing this off as a routine matter. He wanted to have his two cents worth, and he always managed to have his say, so I am going to have my say today even though there may be those in the House who will disagree and say, oh, no, it is purely a routine matter, we are going to have to go through all of this again when we get to the regular estimates.

Mr. Chairman, I will not be repeating any of the things when we get to the Budget debate, when we are doing the regular estimates, I will not be repeating any of the points that I am raising now, Sir, so there will be no tedious repetition. It will all be new stuff when I am dealing with the Budget debate. But right now there is a few things on my mind that are bugging me, a few things on my chest that I have to get off, and that is one of them, about the direction that we are taking in post secondary education in this Province. And I suggested to the minister the other day that he could really make his mark in this Province if he would just take the bull by the horns and go out and have a fact-finding study done to find out if we are getting the real value for our educational dollar in this

Mr. Neary:

Province, to find out if we are headed in the right direction, and to find out if we are equipping our young people, young men and women to go out and find jobs in this workaday world.

I am not convinced that we are, Mr. Chairman. I do not know if the minister is or not, despite the rapid strides that we made in education in this Province. I believe it is about time, Sir, I believe it is about time that we took a look at where we are headed in the field of education in this Province.

Mr. Chairman, at this time it is hard to tell even though there may be experts in this House who are more familiar with the subject than myself, but I feel it is hard to tell, Sir, whether the slashing of the Provincial fishery budget is going to be a major setback to the fishing industry. And the reason I say it is hard to tell, Mr. Chairman, the reason I am not so sure of the effect it is going to have on the fish plants and the fish plant workers in this Province is that over the past few years, Sir, it has been the Government of Canada that have kept the fishery afloat in Newfoundland, and the Provincial Department of Fisheries has merely acted as a rubber stamp in most cases, Sir, for federal programmes. So even though, Mr. Chairman, there are \$6 million or \$7 million slashed off the fishery estimates, I am not quite sure of the impact that it is going to have on the fishery. But one thing that I am sure of, Mr. Chairman, and that is that this government have no fishery programme.

Mr. Chairman, I suppose there is hardly a man, woman or child in Newfoundland, Sir, who is not an expert on the fishery. The hon. Premier is probably one of the few members of this House who can speak with authority, because the hon. Premier was directly involved in the fishing industry, but all the rest of us, Sir, all us landlubbers

Mr. Neary.

may not be taken too seriously when we express our views on the fishery. But it so happens, Mr. Chairman, that the district that I am representing in this House at the present time fifty per cent of that district of LaPoile is dependent on the fishery for its very existence. And, Mr. Chairman, I do not think that I have to be an expert in the fishery, I do not think that I have to be born in the fishing boat to recognize what I consider, Sir, to be a major problem in my district, and I have a feeling, Mr. Chairman, that it may be a problem in Your Honour's district. And it may be a problem in the district represented by a good many more members of this hon. House. I believe I heard the member for Baie Verte - White Bay (Mr. Rideout) mention it the other day, and I believe, Sir, that I can speak for a lot of members of this House when I talk about a problem in my own district that I feel is similar to the problem which they are encountering in their own particular district. And I am talking, Mr. Chairman, about fish plants, small fish plants operating on a year-round basis. There was a time, Mr. Chairman, when Ocean Harvesters, the fish plant over in Harbour Grace, in Your Honour's own district, the one that the hon. Premier is familiar with, there was a time, Sir, when that fish plant provided full prosperity, full employment for that area, and operated pretty well, I believe - unless the hon. Premier can correct me - operated pretty well on a year-round basis.

Now then, Sir, we have a fish plant down in Isle aux Mort called Nelpack Fisheries owned by B. C. Packers. We have a fish plant in Burnt Islands operated by Eric King Fisheries supplied by longliners. We have a fish plant in Rose Blanche that was built by the government and sold to Mr. T. J. Hardy at a bargarin price. I believe the price of the plant - I think he got it for about \$300,000. I do not know if

Mr. Neary.

he is still paying it off or not. But, Sir, all down that coast these plants are dependent on longliners, and the operation of the fishery and the plants is on a seasonal basis, especially the one in Rose Blanche, Sir. The maximum amount of work that the people in Rose Blanche, Diamond Cove, Harbour Le Cou, Petites, the maximum amount of work they get in a year is two months, not more than two and one-half months. They get much less than that. Sometimes they only get five and six weeks a year. All they get is the overflow from the fish plant in Port aux Basques. In the Wintertime. It is a Winter fishery down there, and they get the overflow and so these people are completely frustrated and are economically marooned because the plants, Sir, are not getting the supply of fish to operate on a year-round basis, which in my opinion would provide full employment for that coast. And I believe I can speak for a good many other areas of Newfoundland including Your Honour's own district. So what is needed, Mr. Chairman, is three or four draggers operating on the Southwest Coast. I am thinking particularly now of my own area, operating on that coast feeding the fish plants there year-round. And, Mr. Chairman, if this was done there would be full employment, Sir, on a year-round basis on that coast. And I still contend, Sir, that the best industry we have left in Newfoundland is the fishery. It is the only labour intensive industry we have. And the present provincial Minister of Fisheries came down to my district with me and I want to thank him publicly now for coming.

The minister on my invitation visited Port aux Basques, Isle aux Mort, Burnt Islands and Rose Blanche, and we held a meeting in Rose Blanche, and we held a meeting in Burnt Islands, and we held a big rally in Isle aux Mort. We held a meeting of all the fishermen in the area, and the Minister of Fisheries was there and spoke to the fishermen, and he heard the problems. He heard the

MR. NEARY:

fishermen and the fish plant workers tell the minister to his face that what was needed on that Coast was three or four draggers to feed into the fish plants to keep it operating on a year-round basis. This will provide full employment for that Coast.

So, Mr. Chairman, before we pass this Interim Supply Bill I want to find out from the government, and I want to hear the Premier especially, stand in this hon. House and tell the House what is being done about the dragger fleet that the hon. Premier promised the fishermen and the fish plant workers in this Province three elections ago and two elections ago. I thought it was a pretty good idea, Mr. Chairman, and I regret very much that the government has not seen fit to proceed with its dragger programme whereby the government would own and operate the draggers and sell the fish to the fish plant. I believe, Mr. Chairman, before we start talking about processing foreign catches in Newfoundland that we should first of all develop our own fishery by building up a big fleet of draggers. My hon. friend talks today very concerned, threatening to get out of ICNAF over the 200 mile limit. My hon. friend knows that if we had the 200 mile limit tomorrow that Newfoundland and Canada could not take advantage of the quotas. We cannot take advantage of it now. We do not have the fleet of draggers or trawlers or mid-water trawlers or whatever it is that is necessary to catch the fish. We do not have the catching capacity. We do not, Sir.

MR. W. CARTER: Will the hon. member permit a question?

MR. NEARY: Yes, I certainly will permit a question.

MR. W. CARTER: Does the hon. member then agree that with the declaration of a 200 mile limit, with some very severe restrictions placed on foreign nations who now fish in our waters, does he not agree, Mr. Chairman, that it is possible that a lot of ships will become surplus to the needs of the particular countries concerned? Maybe it would be much better to maybe acquire these ships. I am sure the price would be considerably less than if we were to start a building programme, building ships at this particular time.

MR. NEARY: Mr. Chairman, I would have to think about it. It is something worth thinking about but I want to -

MR. W. CARTER: It is something that requires a lot of thought.

MR. NEARY: It is something that requires a lot of thought. I can appreciate the minister asking me. He is obviously thinking about these things. But the minister must be aware that down on the Burin Peninsula at the present time there are side trawlers down there laying idle that could be taken over by somebody, either the government or private enterprise to supply these fish plants that I am talking about. I am glad that the minister is thinking along these lines because he and I, our thoughts coincide on this matter. What I would like to see is a big fleet of mid-water trawlers built up in this Province, built down in Marystown and train the captains over here at the College of Fisheries, take each boat, give it to a man who is competent and capable of handling it, teach him a little bit about business, give him the boat and give him the crew, trained at the College of Fisheries, and see if we cannot keep our fish plants going in this Province on a year-round basis. Sir, if we could do that I am convinced that on the Northeast Coast and the Southwest Coast and South Coast that we would have full prosperity.

MR. W. CARTER: That is what we are going to try to do.

MR. NEARY: I beg your pardon?

MR. W. CARTER: That is what we are going to try to do.

MR. NEARY: Ah! The minister says that is what they are going to try to do. Well, Sir, that is why I am raising it during the Interim Supply Bill. I am raising it as a positive suggestion, as a positive approach. I am not playing politics like some other hon. gentlemen with the estimates. I am more interested in flinging out a few constructive, a few positive suggestions and ideas that I hope the government will act on because, as I said in the beginning of my remarks, Sir, the people of this Province are eating their hearts out, especially the fishermen, for solutions to their problems. The minister was not in the House a few moments ago when I thanked him over-right the whole House for coming down to my district and seeing -

MR. NEARY:

as a matter of fact the minister made two trips to my district, one without me and the other one with me. We had some pretty good meetings and I was impressed especially with the meeting that the minister had with T.J. Hardy, who is one of the big fish merchants of this Province, who has managed so far, I think, pretty well to go it on his own, quite an independent man, has made

Mr. Neary:

a success of the fish plant operation, but somehow or other he seems to have lost interest in that fish plant in Rose Blanche, and the minister and I were there, and it is a first-class fish plant. So I do hope that the minister will follow through quickly on his plans to get a fleet of draggers and trawlers, whether they be mid-water trawlers or not, I do not know if that experience was a success or not.

MR. SMALLWOOD: The best term is near water.

MR. NEARY: Near water? Near water trawlers. But move as quickly as possible to see that all these fish plants are supplied with enough fish to keep them operating on a year-round basis, and I believe the minister will have to agree with me, and hon. members, that that will create tremendous employment in this Province on a year-round basis. And then some of these graduates who are coming out of the schools, and even some coming out of the University, rather than, Sir, go out and sweep floors or drive taxis may want to become captains of these trawlers, may want to become first mates, engineers, crews, Well, it would be a profession in itself. The minister has to, somehow or other, and he has to do it quickly if he wants to be leader of that party, he is going to have to take decisions now, because it is going to take two or three years to implement any decisions that the minister may make now. But what he has to do is to get rid of this stigma about the fishery that - look, you know, I often heard school teachers, and the Minister of Education may agree or disagree, I have heard teachers saying, look if you do not do your homework, if you do not work hard, you are going to be like your father, you are going to be out in the fishing boat, or you are going to have to go out and walk the beat, like a policeman,

MR. MORGAN: Beach or beat?

MR. NEARY: - or you are going to be - I beg your pardon?

MR. MORGAN: Walk the beach?

MR. NEARY: Walk the beat. In those days you used to walk the beat; you did not have cars with radios in them, you had to walk the beat. And they say if you do not do your homework and you do not study hard

Mr. Neary:

you are going to be a fisherman. You would not know but it was the lowest form of life, and it has been the backbone of this poor old Province of ours.

Sir, as far as I am concerned, and I do not agree with the Leader of the old-line Liberal Opposition that we have to get rid of the heavy industry syndrome, we have to take everything that comes along, it does not mean that we have to give away the whole Province. But I still contend, Mr. Chairman, that the salvation, that the key to our success in this Province is the fishing industry. And I encourage the minister to follow along the lines of the plans that he outlined to these men in Isle aux Morts. The people at that meeting thought very highly of the minister.

MR. MORGAN: And rightly so.

MR. NEARY: I beg your pardon?

MR. MORGAN: And rightly so.

MR. NEARY: Well, then rightly so. I thought very highly of him at that time, because he was very frank and honest with these people, and they said to me after, and I told the minister coming back, we came back together, I told him that I thought that these men were really impressed, that at long last we had a Minister of Fisheries that might do something in this Province.

You know, Mr. Chairman, one of the big problems, and the Premier should keep this in his mind, is that sometimes he changes his ministers around too often. Here you have a Minister of Fisheries, he has only been there a few months, he has not had time to get his sea legs under him yet, but he is one in a whole series of ministers who had been in that department over the last three or four years. The Premier should think a little more carefully before he flings a man into that portfolio, make sure he has got the right man, and I hope he has got the right man this time, and leave him there and let him do a job. Do not take him out of it just as he is starting to get things moving! Let him carry out his plans! I tell you

Mr. Neary:

if I were a minister in this government today I think I would consider the greatest challenge to be in the Department of Fisheries or in the Department of Industrial Development, Rural Development. I think there is where the challenge lies today for any minister. The Minister of Fisheries came down from Ottawa, gave up his nice, soft, cushy job that he had in Opposition where he was earning more money than he was earning in Newfoundland, gave up this soft cushy job because the best place to be today, Mr. Chairman, is in Opposition,

MR. NEARY: especially, Sir, especially if you are down here independent. It is the safest place to be. It is the best place to be.

MR. DOODY: You are safe for quite a few years yet.

MR. NEARY: Yes, Sir, and the hon. Minister of Mines and Energy made a speech in November, or was it December, I am not sure which, that I am going to deal with later on in this hon. House when he just told the Leader of the old-line Liberal Party to sit back, not to get excited, take it easy, relax. You are going to have it passed over to the hon. leader, he said, in the next election. You will win the next election. Just do not get excited, take it easy, do not get rambunctious.

MR. PECKFORD: Who told him that?

MR. NEARY: The Minister of Mines and Energy. Well, Sir, I do not know if that is -

MR. SMALLWOOD: That is what he did.

MR. NEARY: That is what he did. I do not know if it is correct or not, I am sure the hon. the Premier must have been hopping mad when he heard the - I have Hansard by the way. I do not know if I have got it here.

MR. BRETT: That must have been the daily joke period.

MR. NEARY: Well it was not the daily joke period. As a matter of fact the member for Twillingate, the hon. former Premier (Mr. Smallwood) went outside of this hon. House and praised the minister for his frankness and honesty and said it was the best speech he ever heard made in this hon. House, praised the speech made by the Minister of Mines and Energy.

MR. SMALLWOOD: Best by that minister.

MR. NEARY: By that minister, well - Well, Sir, I thought if I were Premier of this Province I would have thought that it was the rottenest, lousiest speech I ever heard made. And if I was going to the bond market as the Minister of Finance was within a few days I am sure that I would have had a few words with the Minister of Mines and

MR. NEARY: Energy for making that kind of a speech and trying to cut the legs out from under me.

MR. MURPHY: I was led to think the Leader of the Opposition was taking over the government.

MR. NEARY: But I am not so sure the Minister of Mines and Energy is correct or not, Sir. It is a good place to be, a good place to be, in Opposition today. The government have to make some pretty difficult decisions and they have a hard row to hoe, no question about that.

I remember the last year that we were in office, we were going through the same situation that the present government is going through. We had a crisis every day, for a whole year. You would get up in the morning you did not know if you should go up to Confederation Building or not, you are going to be met with a demonstration outside of Confederation Building or outside of your door. I could hardly turn around down in the Department of Social Services and Rehabilitation but I did not have - Allan Gorst was his name. He was a professional organizer of demonstrations over at Memorial University. And here they all were with their placards.

One day I was having - I had a busy day, we had a Cabinet meeting right up to almost the time the House met.

MR. MURPHY: That was before your friend Peter, was it?

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

MR. NEARY: I sent down for a couple of donuts and one of these little containers of milk, and when I let the demonstrators in the office while I was eating this, I had five minutes to get to the House, they said, "Oh there he is, look at him, living in the laps of luxury. We are starving to death and there he is, look." The first bite I had all day was two donuts and this little container of milk.

MR. DOODY: That was not the day you were getting to the fishermen, was it?

MR. NEARY: I do not know but that is the day, Sir. You know I

MR. NEARY: believe it was. That even spoiled my milk and donuts.

MR. MURPHY: I would say it was quite a distraction.

MR. NEARY: Well I would say so, Sir. But I am well aware, Sir, of what the government has to go through to try and balance the budget and try and keep her afloat. It is very, very difficult times and Mr. Chairman, I said before the House opened back in November that I would offer any constructive, positive, ideas that I have in this little old brain of mine, if I have any, this grey matter that the Lord gave me. If I can put forward any suggestions to help keep her afloat, to help the people of this Province I am prepared to do it, and I do not want to get any political mileage out of it, Sir. I got all the political mileage that I can get for the next year or two. I am not attached to any party, I can shoot from the hips. I can tell it as it is and I do not have to toe any party lines and I do not have any labels. But I do want to encourage the Minister of Fisheries, Sir, to move quickly, because the longer we wait, Mr. Chairman, the worst the situation is going to get, and the fishermen of this Province are getting awfully discouraged at the present time and I know a lot of them are looking to the minister, I know a lot of the fishermen and fish plant workers in my own district are looking to that minister to try to get a real breakthrough in Newfoundland and in Labrador, and not only here on the Island but in Labrador, to turn Newfoundland around as far as the fishery is concerned and make us the equivalent of Iceland. Make us one of the best known producers of good quality produce of the sea in the world. And that is what we need, Sir. We need that sort of thinking.

So, Mr. Chairman, I think I have said enough on the fisheries. I want to congratulate the Minister of Social Services

MR. NEARY: for being able to persuade his colleagues, with a few gentle reminders from this side of the House once in a while, and from the various people who are unfortunate enough to be receiving social assistance through no fault of their own, I want to offer a word of congratulations to the minister for being able to persuade his colleagues to grant a 10 per cent increase in social assistance as of April 1.

The only disappointing feature of it, Sir, is the fact that the government did not make it retroactive to January 1, as they promised the people, the widows and the orphans and the cripples, as they promised them - and the unemployed and the sick - as they promised them they would do a long time ago.

The minister shakes his head and says no. The promise was made, Sir, that the social assistance payments would be based on the cost of living and it would be reviewed the 1st. of January 1976.

MR. MURPHY: From January 1 to December 31, 1976.

MR. NEARY: From January 1, 1976 -

MR. MURPHY: December 1975 to December 1976, and that was 12 per cent.

MR. NEARY: But anyway, Sir, we should be thankful for small blessings. It is not enough to hardly take care of the increase in electricity. It will hardly take care of the increase in electricity rates. But nevertheless the minister, I feel, must have had a hard job persuading his colleagues to even grant this 10 per cent. Because I remember, Mr. Chairman, and things have not changed that much, I remember that every time I went into cabinet - and I am not divulging cabinet secrets, and I am not going to mention names - but every time I went in with a proposal to improve the lot of our unfortunate widows and orphans and sick people and crippled people and invalids and people who were unemployed through no fault of their own, every time I went in with a proposal to improve their lot in life there were two or three of my colleagues who would go right up in the

MR. NEARY: ceiling. They would be right up in the chandeliers. And any time, any day at all that I wanted to set them off like a rocket all I had to do was mention the social assistance recipients and I was told, "Ah! that crowd of drunken, lazy, no-goods! Take them all out and drown them, take them out and shoot them." I was told by some of my colleagues. And I had the most ungodly fight - and the hon. the former Premier could probably tell the story because -

MR. DOODY: Never get them on the chandeliers, thank God!

MR. NEARY: - when you would scrape them down out of the ceiling and try to beat a little bit of common sense into their heads, then you might make a bit of headway. But you would have to wait several weeks, as the hon. the former Premier knows. He would say to me, "Look, just hold off for a couple of more weeks, re-introduce your proposal again and see if they have had a change of heart." And I had to do this several times. And you talk about getting your cheque system in as opposed to paying people by vouchers: oh, what a battle that was!

MR. SMALLWOOD: Sometimes you did not wait for the change of heart. You waited for someone to get sick.

MR. NEARY: We would probably send somebody over to the Scandinavian countries somewhere or wait for somebody to get sick and then we would have - and I am sure the minister has the same problem now. As soon as he brings up increasing allowances for social assistance, when you hear so many criticisms of people out to bingo games and out in taverns and so on, that one or two of his colleagues will go right up into the ceiling.

Well, I remember when I wanted to get this voucher system changed to the cheque system, I was at it for a long time. And it is the only time in my life, Mr. Chairman, I ever caught the former Premier with his pants down and I have to tell the House the story.

MR. NEARY: I was getting discouraged. I was almost ready to give up. I figured there is no way to this, this is a major reform that certain people, the merchant type, the pro-establishment type, they do not understand what it is all about. Either they all had to drop dead or I had to resign from the cabinet or something drastic had to be done in order to get recognition of this major reform, which was a good reform. I remember one night I walked into Confederation Building and the security guard said to me, "Do you have a key to the Premier's office?" and I said, "No, I do not, but I can get up in the private elevator and get into the cabinet room. Why, what is the problem." He said, "His daughter is looking for him and they have been ringing there and they cannot get an answer and they are wondering if something has happened to him." "Well," I said, "come on, I will go up in the elevator and I will go into the cabinet room and see if he is in his office." Sure enough, I came up in the private elevator, as it happened the cabinet room door was open and I went in and knocked on his door - the former Premier's - the door opened and here he was standing there in starched shirt trying to get a black bow tie of some kind on, standing there in his shorts. And he said, "Come on in." So I went in and I said, "Well your daughter is looking for you." He said, "Well" - I think he passed some remark - "She is always looking for me but I was having a little nap before I went out to a Masonic meeting," I think it was he was getting ready to go out to.

Mr. Neary:

He said, come on in. He said, I cannot get this on. So while he was in front of the mirror trying to get this black bow tie or whatever it was on, and this starched front in his shirt, I figured this is a good opportunity to hit him with paying welfare recipients by cheques, and changing the name of the department and a few other reforms that I had.

While the hon. Premier of that day was rushing around getting ready to go out to this Masonic function I laid out the whole programme in about ten minutes, and I will never forget what he said to me. "My God", he said, "these are great Liberal reforms. Why do you not do it?"

MR. DOODY: Is that the way Cabinet decisions were made?

MR. NEARY: No! That was not the way. He said, "Why do you not go ahead and do it?" I said, but , Sir, I do not know if you -

MR. MURPHY: Now we have the whole story, you had to have your pants off.

MR. NEARY: I said, I do not know if you remember, Sir, but I have raised these matters a number of times in Cabinet. "Well", he said, "raise them again. This time," he said, "I will have a grasp at what you are trying to do." And I raised the matters again, and fortunately between the two of us we were able to get them through. But I am sure that my hon. friend encounters the same problems that I did, things have not changed. The faces may -

PREMIER MOORES: You think that.

MR. NEARY: No the faces may have changed -

SOME HON. MEMBERS: Oh, oh!

MR. MURPHY: No proposal was ever more enthusiastically received, and I am not giving away any Cabinet secrets.

MR. NEARY: In Cabinet when you walked in with a proposal to increase social assistance -

MR. MURPHY: All heart.

MR. NEARY: - everybody 100 per cent, it is always unanimous. Yes, let us give it to them.

MR. MURPHY: Not 7.5 per cent in three years which was your increase when you were minister.

MR. NEARY: All right. Nothing to be proud of. Nothing to be proud of, and the hon. minister does not have to remind me because I tell you I got several welts taken out of my hide trying to get it increased.

MR. MURPHY: As the member for Twillingate (Mr. Smallwood) says, all heart.

MR. NEARY: But there was Cabinet solidarity, we all had to stick together. And when the decisions were made I had to come out and defend -

MR. CHAIRMAN (MR. YOUNG): Order, please! I wish to inform the hon. that his time has expired.

MR. NEARY: Already?

AN HON. MEMBER: Continue by leave.

MR. NEARY: Well, Mr. Chairman, I can deal with the other matters when we are going over the subheads.

MR. CHAIRMAN (MR. YOUNG): The hon. member for Twillingate.

MR. J. SMALLWOOD: Mr. Chairman, the government in this resolution to be followed by a bill asks us to give them \$134 million. The budget is not ready, it has not been debated, it has not been voted on. The year ends midnight Wednesday, is it? And if we do not pass some money for them now before midnight on Wednesday they will not have a dollar that they have any permission to spend. They may have the money but they will not be allowed to spend it. The authority to spend must come from this House, from this Committee first and then from the House. The supply must be granted onto Her Majesty or Her Majesty's Government, or Her Majesty's ministers will not be able to spend any money. They will have no authority to spend it. If there were billions in the Treasury they are not allowed to spend any of it until this House authorizes.

So the government have come here now and asked us to grant them \$134 million, and as the Americans would say, "That ain't hay". That is a lot of money, \$134 million, and that is to carry them over for two months. Now that is at the rate of \$67 million a month. So

Mr. Smallwood:

they want two months supply, something on account, interim supply, something to keep them going legally, lawfully, pay their bills until the budget is passed and the estimates are voted by the House. This is normal. This happens virtually every year. I do not remember a year of the twenty-three when I was Premier when we did not have to come before the Committee of Supply and then the House and ask for interim supply, something on account until the budget was voted. Normal. The procedure is absolutely normal. It happens in Ottawa. It happens at Westminster. It happens in every province across Canada. Perfectly normal for a government to come in and ask for interim supply.

But, Sir, that is the only feature of this affair today that is normal.

MR. SMALLWOOD:

The procedure is normal but the amount is abnormal. The amount of \$67 million a month for the next twelve months beginning on Thursday morning is astounding. Now if that were all, if it were to be only \$67 million a month for the next twelve months it would not be altogether too bad, but that is for only one part of the budget. That is for current account. Now the rest of the budget comes to another \$37 million a month, \$67 million on current account and \$37 million a month on capital account. Now that is a total, Mr. Chairman, if my arithmetic is correct, of \$104 million a month for the next twelve months, or \$21 million a month more than the monthly cost last year—not last year, the present year, the year that is ending Wednesday night, in this current year, the present year.

The government are spending a certain sum of money each month and they are asking us starting this afternoon to give them the authority to spend every month for the next twelve months \$21 million more than they are spending in the current year which is still not expired. Now this is unbelievable. This is altogether incredible that we should have lived to see the day when a government comes in just before the year expires and asks authority of the House to vote them \$104 million a month for the next twelve months, or \$21 million a month more than the year just expiring; not \$21 million more for the year, but \$21 million more each and every one of the twelve months starting on Thursday, an increase of \$21 million.

Now, the expenditure in the current year that ends Wednesday night at midnight, the expenditure of the government is a total of \$1 billion. That is \$1,000 million. But the minister has told us in his budget speech that in the coming year commencing on Thursday that government propose to spend just as much as they did last year. They are not going to stand pat. They are not going to hold the line. They are not going to ask the House to give them the authority to spend just as much as they spent last year, or even less than they

MR. SMALLWOOD:

spent last year. No. The minister told us that the government intend to ask authority of this House to spend a grand total of \$1,250,000,000 in the coming year, an increase of \$250 million over the current year, an increase of \$250 million on current account and capital account, directly by their own spending, or indirectly through some of their agencies, crown agencies.

I have seen traditions born in Newfoundland and I have seen them grow and I have seen them magnify, but here is a tradition that I have not seen born, that the absolutely astounding increase of \$250 million the government coolly asks for to be spent next year. I have not seen any tradition to that effect. I have heard the minister's speech. It is in his speech. It is in the budget speech, \$250 million more in the coming year. But, Sir, what do we find? We find, for example, that the greatest daily we have, The Evening Telegram on Saturday played up the budget speech and their headline across the page, eight columns long, the headline was, "Hold The Line Budget." Hold the line! In the current year it is \$1 billion spending which is an astounding sum, \$1 billion. But for the coming year it is the same \$1 billion plus \$10 million more, \$100 million more, \$200 million more, \$250 million more in one year, one jump from one twelve months to the next, a jump of \$250 million.

Mr. Smallwood.

Am I to take it that the serious minded Ministers of the Crown,- for example, the Minister of Mines and Energy, for example the Minister of Justice and Attorney General, for example the Minister without Portfolio, for example the Minister of Finance himself, to name only four, if the Premier were here I would name him - am I to take it that those five hon. gentleman quite seriously approved in conclave, in Cabinet, approved the decision for them to spend in the coming year a quarter of a billion more, more than the year just passed or just passing? Did they approve that? I ask the question: Does every hon. gentleman who normally supports the government,- normally, in all but the most extraordinary circumstances, supports the government - every hon. member, does every hon. member in this House today on that side of the House agree that the government that they support, whether they be members of it or not, that the government they support are right in increasing the spending by the government by \$250 million in one twelve month period? Get a pencil, Mr. Chairman, and a piece of paper, and work it out. How many hours are there in a month? Seven hundred and something hours. And if you are going to spend \$104 million a month in the coming year, and there are seven hundred odd hours, how much an hour, you are going to spend every hour, awake and asleep. There are twenty-four hours in a day. How many dollars an hour day and night are the government proposing to spend and are asking this House to approve, to agree, that they ought to spend it?

Now, Sir, in one of our rules, Mr. Chairman, is that when a debate is held in this House about anything, and that debate is concluded, it is unlawful to refer to it again in the remaining part of the session. You can refer to it in the next session, but you cannot refer to it in the same session, otherwise nothing would ever be finished. Once it is finished, voted on, and somebody could raise it, and here she goes again, and this could happen a half a dozen times.

Mr. Smallwood.

If it can happen twice, it can happen ten times. So I am not permitted to refer or to repeat a debate. Let me put it this way. I have pleaded on the radio, I have pleaded on television and in some newspapers, I have pleaded with the hon. gentleman, who is the Premier of our Province, I have pleaded with him to cut back, to cut back. I said, "We cannot afford in the coming year to spend \$1 billion. We cannot afford it in this little Province with 500,000 souls, with our thousands of unemployed, with our already very high taxes, with our very high public debt, we cannot afford another year of a \$1 billion budget." I said, "Cut it back to \$800 million. Cut it back to \$700 million or some figure between \$700 million and \$800 million, and as for the

MR. SMALLWOOD:

public debt," I said, "Do not add to that public debt any more than say \$50 million a year." Fifty millions a year is perhaps the safe limit, outside limit, of what this Province may borrow without finding itself one of these months confronted by finance houses saying, look we like you and you are nice people but really we think you have gone in too deep, really we think you are getting out of your depth; you are a nice people and you are an old part of the British Commonwealth and Empire and now you are a Province of Canada and we like you, you are a nice people, you are decent, respectable people but you do not seem to realize yourselves that you are getting in too deep. We cannot accommodate you. We have looked at your figures, the prospectus is put out. Every time you go to the market to borrow money there is a prospectus. It is submitted to the SEC, Securities and Exchange Commission of the United States Government at Washington.

They analyse it and they have some of the ablest men in North America in the SEC and they analyse and they analyse, year after year after year they analyse, and they have got the figures there in their files and every time you want to borrow another \$50 million in the United States, the SEC has to approve it or you will not be able to borrow it except as a private non-public venture. You might find someone who would lend you money, but if the SEC has prevented you from raising it publicly there are not very many private lenders who will take a chance on you.

Fifty millions a year perhaps it might be safe to borrow, not permanently and indefinitely into the future, no, because when I pleaded to have the total spending by the government for a whole year cut back from \$1 billion to \$700 million or \$750 million or \$800 million, and the borrowing cut down from the \$220 million supposed to be last year, and the \$200 million for the coming year as the minister announced in his Fall budget, \$422 million in two years, I said, "Cut it back, not forever, for two years, maybe three years." I said that this little group here, I felt confident that the Opposition, who are not less patriotic than we are and not

MR. SMALLWOOD:

less patriotic than the hon. gentlemen are, any more than they over there are less patriotic than we are here, that all of us if we could agree as a House that Newfoundland is in dire danger - the danger of bankruptcy, the danger of financial collapse - if we could all agree on that and go as a body to the people and say, look blame it on inflation, blame it on anything, but say, look, good people of Newfoundland, we have twenty-five, twenty-seven years of growing expansion and spending and expansion and expending and it has come to be a way of life and you have got now to expect it, to take it for granted.

Every settlement that hears of any water and sewer system in any other settlement, says, what is wrong with us, have we got diphtheria, have we got smallpox? Every place that hears of a bit of paving says, well what is wrong with us, what have the government got against us? And everything that happens in the Province, in any place, 100 other places want to know why cannot - well there is only one answer to that. That is for the government to take the bull by the horns, presumably with the support of all hon. gentlemen. I have no reason to suppose that the other members, the hon. gentlemen who are members of the official Opposition, the old-line Liberal Party would refuse to be good Newfoundlanders. Why should I think that? I do not think it. T

MR. SMALLWOOD: believe that they would give hearty approval and would vote solidly for a genuine retrenchment on the part of the government, genuine retrenchment.

If the Premier's dream—which is my dream too, and I had it, I suppose, before he had it— if the Premier's dream of a great polytechnic has to be deferred, if the beginning of a hospital at Clarenville has to be deferred, and if the expansion of the hospital at Grand Falls has to be deferred, and if the hospital on the Burin Peninsula has to be deferred, and if the residence for the students of the Technical College has to be deferred, let me tell the committee, Mr. Chairman, let me tell the committee, that if the government would keep the grand total expenditure for the coming year at \$1 billion, if the government would ask this House and say, "Look here, good hon. members, give us \$1 billion and we will make do with \$1 billion." If the government would do that and save \$250 million of spending for the next twelve months I for one would go along with it and say, "Well, look, do not save the whole of the \$250 million, save \$200 million and ask the House for \$1,050,000,000."

Now what could you do with the \$50 million? I will tell you what you could do with the \$50 million. You could build a lot of the polytechnic. You could build a lot of the hospital in Clarenville and a lot of the hospital in Grand Falls and a lot of the hospital on the Burin Peninsula, at Clarenville. You could build a lot of — You could spend \$50 million, and with \$50 million if you did not complete—you might build some of it this year and complete it next year by borrowing another \$50 million only next year and keeping your budget next year down to \$1,100,000,000 instead of jumping \$250 million now in one foul and fell jump. You might even save the 200 beds.

Now look, I have got a number of clippings taken from Mainland newspapers telling of the hospital beds that are being closed down across Canada.

MR. NEARY: 2,000 in Ontario alone.

MR. SMALLWOOD: Yes. New Brunswick, all over they are cutting down beds. Now it may just be the case that we have all gone, all the Provinces have gone a little hog wild in the building of hospitals, as we most certainly have in the building of schools and especially in the equipping of schools, and especially in ornamentations. And it may well be that we could do with fewer hospital beds than we have. But there is something that goes against the grain. The government must have cramps in the stomach at deciding to eliminate 200 hospital beds.

I remember in my own Cabinet the discussions we had about closing out the Botwood Hospital.

MR. NEARY: And Markland.

MR. SMALLWOOD: Closing out. The Minister of Justice smiles. He remembers it well.

MR. ROBERTS: He was Minister of Health.

MR. SMALLWOOD: The hon. minister remembers the great parade there was to be into this building by car from Botwood.

MR. DOODY: The biggest retreat since the events of Moscow.

MR. SMALLWOOD: The biggest?

MR. DOODY: Retreat since Napoleon left Moscow.

MR. SMALLWOOD: Yes, we retreated.

MR. NEARY: But we wacked it on the beer.

MR. SMALLWOOD: We retreated.

MR. DOODY: - do you remember?

MR. SMALLWOOD: We did not close that hospital, we put more tax on the beer and we tried to make it up that way. We felt that beer, you know, would not arouse - It was not a mother concept whereas a hospital is. But I say to you, Mr. Chairman -

MR. DOODY: That is chauvinism.

MR. SMALLWOOD: Yes. It is something. I say to you that if the Premier who, though he is not Minister of Finance is Minister of Finance, and the minister who has the portfolio and draws the salary of a Minister of Finance we will not take objection to that

Mr. Smallwood.

because every Premier has to be Minister of Finance whether he has the title or not. And every Premier is Minister of Finance because Finance is the very heart of the government. It is the heart, if not the soul of the government, and only the Premier has the kind of supreme authority in any government to decide what shall be the overall account in the budget. Now the details of it will be a matter of debate and argument between the ministers, and some ministers will be cleverer than others, will have better briefs than others, or will be more persuasive than others, or will have a more attractive smile than others, or will crack the right joke at the right moment, and his vote goes through Cabinet. But that is the detail. Or there might even be the tricks that the hon. member from LaPoile (Mr. Neary) told us about earlier in this present debate.

Cut down your expenditure to \$1 billion. Make it what the Telegram called it, a standpat budget. One billion and fifty million dollars - jump it fifty million dollars and start these projects this year and maybe finish them next year, and if not finish next year finish them the year after. The people will wait if they see a sign of it. And even perhaps cancel the idea of closing down hospital beds.

Mr. Chairman, I do not know what to say. I do not suppose there is anyway to persuade the government. There is one way; if enough hon. members who are either ministers of the Crown or supporters of the ministers of the Crown - it does not matter which it is - if enough members caucused and said, look, you know, Joey is right. He is right. We do not want him to get the credit for it, if there is any credit. Let enough members of the House who are members of the government or supporters, let them meet and say to the Premier, look, Premier, we love you. We support you.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: Who is that?

MR. SMALLWOOD: The Premier there, the Premier and Minister of Finance there.

MR. DOODY: President of Treasury Board.

MR. SMALLWOOD: Well, I do not know whether he is president or not.

I know that he is Premier and as Premier he is the financial boss, and he has to be, and if he is not, he ought to be ashamed of himself, if he is not, and I am sure he is. The Premier is not an equal with his ministers, you know. He is not even first among equals, primus inter pares. That is gone. That doctrine does not exist any more. He is, as Churchill called him, the source and arbiter of public policy. That is the Premier. The source and arbiter of public policy. And every action of the Governor General of Canada, every formal action by way of government that the Governor General of Canada performs, is performed by him on one sentence, on the recommendation of the Right Honourable the Prime Minister. Everything he does is done on the recommendation of the Right Honourable the Prime Minister. The Prime Minister is the source and arbiter of public policy, and it would be to the Prime Minister of this Province, and he is Prime Minister. We have adopted a shorter term, but they are identical terms. Premier and Prime Minister are one in the same, indivisible. They are indential. There is no difference whatsoever. The Premier of England is more frequently called Premier than he is called Prime Minister. It is only in recent years that the Premier of Canada was called Prime Minister. Some of the Premiers across Canada like to be called Prime Minister, British Columbia, Quebec, Ontario and so on, but there is no difference.

My appeal is to the Prime Minister of this Province. He is a native-born Newfoundlander, and he loves the Province. He loves the job he has of being Premier. There is nothing more obvious than that that he loves being Premier. That is clear and obvious. And the four or five younger - I do not know whether they are younger - but the four or five other hon. gentlemen in his ranks over there supporting him will have to wait a little longer before

MR. SMALLWOOD:

they will have his job because he likes the work, he likes the job very much. Therefore it is to him that I appeal; withdraw this bill, because this bill is asking for \$67 million a month. It is too much. Bring in new estimates for a total of \$1,050,000,000. Use the \$50 million to start these good and necessary things, your polytechnic, Mr. Chairman, the Premier's polytechnic, the Premier's residence for the Technical College, the hospitals, the hospital beds not to be closed down and a number of other good and necessary things. Spend \$50 million on that this year. Spend \$50 million on them again next year and then finish them off perhaps the year after next, a total of \$150 million in three years. Cut the expenditure altogether down to \$1,050,000,000 current account, capital account, government agencies and everything, a total.

Mind you, Mr. Chairman, the Premier is going to have his work cut out to find \$1,050,000,000. He is going to have his work cut out to find that much because it is later than we think. We are in deeper than we seem to realize. The Evening Telegram did not make a solitary reference to the fact, the appalling fact, the horrific fact, no reference in the Telegram, no reference in The Daily News this morning to the fact that the government are actually proposing to spend this year \$250 million more than they spent last year. Not a reference to it on radio, on television, no reference to it! If the government are determined to make it \$1,250,000,000 then they are to be congratulated, politically speaking, because the fact is not really penetrating the public consciousness. The great media to which the Minister of Mines and Energy referred, the great media are ignoring it. I prophesy right now that there will be the absolute minimum of reportage of the debate on this and on the estimates and on the budget speech. There will be a minimum of reportage on it so far as radio and television are concerned.

The minister is perfectly right, thirty seconds. Because remember the way a newsman coming into this chamber earns his living, and just as every hon. member here is interested in earning his living,

MR. SMALLWOOD:

so also, no more no less, so also the newsmen are anxious to earn their living. They come here to earn their living, how? By reporting what happens in this House? Not on your life, no way. How can you, if you have an eight minute newscast, and you have to report the man who broke his leg, or even the fellow who slipped on ice in Twillingate and almost broke a rib, if that has to be reported, and a fire here and an accident there and something else somewhere else, by the time a report is given in that newscast on television or radio of what happened in this House from two o'clock to six o'clock, and that is done in thirty seconds, then I am afraid the speech of the hon. member for Burgeo-Hermitage (Mr. Simmons) will get precious little. What I have said will get precious little.

MR. MURPHY: Thank God.

MR. SMALLWOOD: Maybe, thank God. Maybe not, thank God.

MR. SIMMONS: You are almost right in the district.

MR. SMALLWOOD: Well Burgeo-Hermitage.

MR. SIMMONS: Burgeo-Bay D'Espoir.

MR. SMALLWOOD: All right. These names, this is part of the restructuring. I thought that the greatest joke since Confederation, and it was not meant as a joke; I believe the hon. gentleman was absolutely sincere, he meant every syllable of it when he called a great press conference. It lasted for several hours and he announced the greatest event in Newfoundland's history since the coming of Confederation. That great event was the restructuring, in other words to change the names of two or three of the departments. Now then they subsequently restructured the legislature by changing the names of some of the constituencies. I still have not caught up. To me it is Burgeo-LaPoile. But you cannot tell that to the hon. gentleman here, or he gets angry, and the hon. gentleman there gets equally angry.

Perhaps I am only wasting my breath. I expect I am. I expect that is exactly what I am doing but, you know, sometimes you have to waste it, you have to say what is in your heart. Whether you are wasting it or not you have to say it. You have to be on record,

MR. SMALLWOOD: and I will tell you frankly that as long as I continue to be a member of this House I am very conscious of, yes, I am very conscious of this. I am very conscious that fifty years from now and twenty-five years from now up at the university and other students, and writers and authors and journalists pouring over the Hansard and reading Joey's speeches, and reading other hon. members speeches as well, I am very conscious of that. And I would like to put myself on record for certain things, certain themes and certain thoughts and I say now as a Newfoundlander, as a lover of this Island, no, I do not love it anymore than anyone else does, but we all love it; as a dear lover of this land I say to you, Mr. Chairman, that Newfoundland is in dire danger, real danger, real peril, financial peril, we are rushing to financial disaster. We are. We are. I happen to know something about the last prospectus and in the SEC, and I know - well, there is one man here, there is a man here look, I will show you his picture, there is a man here, his picture is here who is a director of Mr. Shaheen's companies or some of his companies, a great personal friend of mine, Robert A. Colier in Washington, the closest personal friend that President Ford has, as his wife is Betty Ford's closest personal friend, very close to the White House, extremely close. And I have sources, I have sources and I cannot always reveal those sources, it would not be right. I would soon cease to have them, would I not?

But I say to the hon. the Premier, who wants to go down in Newfoundland history in the right way, and does not want - It must have ground his bones to preside over the dissolution of Come By Chance. It must be grinding his very bones and blood to see \$25 million or \$30 million a year being found by this government and lashed out to the linerboard mill where there ought not to be a single dollar being lashed out; to find Churchill Falls in the appalling, appalling situation in which it is, and I am sure that the hon. gentleman does not want to preside over the financial collapse of the Province. Now, remember that it happened, it can happen again.

You have a certain amount of credit. You are credit-worthy up to a certain point, this Province, every Province across Canada is credit

MR. SMALLWOOD: worthy up to a certain maximum figure. When that figure is reached you will find no sentiment, no sentiment in the moneylenders, no sentiment in the lending institutions, no sentiment, no emotion. Are you a good risk? That is the only question, because to start with it is not their money. They recommend the bond sales to all kinds of customers, all kinds of them, but those customers will never buy from them again if they recommend a bond that goes bad.

This vast oil refinery has first gone bad, and you are up in the hundreds of millions. You think a Province cannot go bad? It can go bad for the same kinds of reason, the same kinds of reason. So I appeal - I suppose I am wasting my breath. I am not wasting my breath. I may be wasting it here in this debate. Personally I am going to vote for this, because I would rather that the government would take it back and bring in a more modest amount, a manageable amount. But if they do not I have to vote. If I do not vote for it I am voting to cut off every civil servant, to cut off the nurses, to cut off the doctors, cut off everybody in the Province from getting paid. I cut off the government from paying their bills, all kinds of bills to buy food and material for the hospitals and the institutions, their electric light - everything. They are chopped off if we do not vote them the money.

So, reluctantly, having expressed myself this way, I will vote for this motion if the government remain determined and stubborn and will not change it. If you are going to drown us, I will go along with you; if you are going to sink us, I will go along and I will not suffer anymore than anyone else. If the Premier can survive it, I can survive it. If hon. members over there can survive and take the gamble, take the risk, so can I. And

Mr. Smallwood:

having heard the Minister of Mines and Energy deliver one of the most incredible speeches, a minister of the Crown ever delivered in this Chamber or, I suppose, any Chamber, having heard him talk about the dire peril that faces Newfoundland, I am mystified why he has - I watched, the hon. gentleman pound, nearly break up the desk, pounding at the right moments to the minister's Budget Speech, and I watched the minister, and I did not see him beaming, I did not see him beaming with joy and happiness and satisfaction, because he is too shrewd. He is too shrewd. He knows and I know and I hope that everybody in the House will begin to know and understand what peril we are in. Save us! SOS! Save us! Only the Premier can do it. Only he has the strength to do it as the Leader of the Province, as the Leader of the government, as the Leader of the Cabinet, as the Leader of his party, he has got the strength to do it. And if he wants private talks - and let me put it straight on that, I have had one private talk with him in my life since he became Premier, one private talk, and another time on the telephone, and once standing here in the middle of the floor, we chatted for a half a minute or something like that. That is the only conversation I have had - but if he wants a private conversation, if he wants to talk privately with the Leader of the Opposition, if he wants to talk privately with the member for LaPoile (Mr. Neary) and say, well all right you fellows, you are talking this way, you are raising the alarm, do you mean it? Will you use it to cut our throats? Will you join with us if we do show the kind of courage that Newfoundland needs right now? Will you join with us and vote with us, and not go out behind our backs and get around the Province and agree with the poor people of Clarenville, or the poor people of Grand Falls, or the poor people anywhere who do not get this and do not get that and do not get the other thing, the things that they want; but rather say to them, look old man, look, you know, you got a couple of years to wait, it is going to take a couple of years to get Newfoundland back on an even keel, so grin and bear it. We are not attacking the government. We

Mr. Smallwood:

think the government are doing right, we voted for this, Now if the Premier could get that kind of private assurance, I do not believe there is a man on this side of the House or a lady, not one that would, no, I do not believe there is one -

MR. MORGAN: The finance critic over there.

MR. SMALLWOOD: No, I do not believe it, He is as much a Newfoundlander as the hon. minister or I or anyone else.

MR. MORGAN: You would wonder on times.

MR. SMALLWOOD: Ah, well that is his - you cannot always judge a man by his manner, or his mannerism, you cannot even judge me. A lot of people have misjudged me all down through my life. So what! You know, is there anyone here who has never been misjudged? I say there is not an hon. member on this side of the House who would not rise to that kind of an appeal. This is perhaps not the time or place to do it, for me to talk as I am doing; perhaps the right time is in the debate on the Budget, and I will have something to say about that as well.

So there is lots of time for the Premier to get up and say, well we will think about this thing, and in the meantime we will not take any vote and then come in tomorrow asking not for \$67 million a month but whatever it is that will reduce it down to \$1,050,000,000.

MR. WELLS: Before the hon. member sits down, will the hon. member permit a question?

MR. SMALLWOOD: Yes.

MR. WELLS: If we allow that one of the largest chunks of the money in current account for the public service is the money that is paid, for example, on salaries, and the hon. member well knows that these escalations are built into the contracts, the collective agreements, so that even if the line is held completely on public expenditures it still grows, and the public expenditure still grows, what would the hon. member do to hold, bearing in mind these built-in things, to hold the public expenditure?

MR. SMALLWOOD: Yes, well let me answer that in this way, and read between the lines. I saw and heard the Right Hon. Sir Richard Squires stand in his place as Prime Minister and with his voice absolutely ringing with pride announced that the budget for that year was going to contain a vote of \$1 million for education, the first time in our history it rose to that fantastic figure of \$1 million. It was \$240 million the year just past. The next year - and he was elected, he was re-elected, came back and he cut the \$1 million back to \$700,000, and then he was defeated. No he was not defeated - he was defeated. He brought it in at \$1 million, the next year he had to cut it to \$700,000 and then he was defeated. Mr. Monroe came in as Premier and cut it back to \$500,000, and teachers

MR. SMALLWOOD: were working for forty dollars a month. That is it. The hon. the member for the southside of Trinity Bay (Mr. Rowe) is the son of a very distinguished educationalist and a dear friend of mine, Senator Dr. Fred Rowe. And Dr. Fred Rowe was principal of a great school in Wesleyville at forty dollars a month. He had been getting, you know, about seventy-five or eighty, cut back to forty dollars a month.

Now, we do not want to start slashing salaries, do we? Nor do we want to go bankrupt, do we? Somewhere in between there? It is for the House, the whole House, led by the government to set the pattern. It is not for me to set the pattern.

MR. CROSBIE: Mr. Chairman, I do not want to take a lot of the time of the House, although I may. But, Mr. Chairman, I believe that the last speaker was being very genuine in what he suggests. But I was Minister of Finance for three years, Mr. Chairman, and for three years attempted to deal with the ever increasing expenditures of the Province for the country's upkeep. This year the Minister of Finance has brought down a budget which provides for an increase, I think, of 11 per cent on our expenditures for the coming year.

MR. SMALLWOOD: One billion or one-and-a-quarter billion?

MR. CROSBIE: Well, what the figures are is immaterial. The fact is that the increase has been 11 per cent. That is what I remember was in the Budget Speech, in any event -

PREMIER MOORES: Yes.

MR. CROSBIE: - 11.7 per cent increase in expenditures in the coming year - that we have reduced our rate of increase in expenditures to 11 per cent. Now in all three budgets I brought down the increase in expenditures each year were in excess of 11 per cent, and in the budgets that had preceded them of the last administration, the increases were certainly well in excess of that. In the -

MR. SMALLWOOD: The minister may be interested to know that I

MR. SMALLWOOD: have the percentage increases for every year since Confederation. I did not know that this was going to come up so I left it on my desk down in my office.

MR. CROSBIE: Right.

MR. SMALLWOOD: It has been up as high as 30 per cent.

MR. CROSBIE: Right.

MR. SMALLWOOD: But it is one thing to increase \$60 million a year by 30 per cent and another thing to increase \$1 billion.

MR. CROSBIE: But, Mr. Chairman, there is no difference whatsoever. It is a huge struggle to have the expenditures in the estimates presented by this government increase only 11 per cent. We heard a tremendous fanfare from the federal government a few months ago about how they were restricting their spending in the coming year and I think they were cutting it back to 16 per cent-- the Minister of Finance will correct me if I am wrong -- that they were going to restrict their increase in spending to something like 16 per cent. It is not the total, it is the percentage. As inflation goes on and on the money becomes less meaningful.

Now anyone can get up in this House and say that we should be spending less, and that if we do not start spending less and borrowing less we may get into difficulty and this, that and the other may happen. We can all get up and agree with that, but the point is that everyone also, certainly on the Opposition side of this House, will get up and say we should spend more money and they will pick out a dozen different areas where the government should spend more. They will say that the government is spending nothing on fisheries, the government is spending a pittance on fisheries, the government has reduced spending on fisheries, the government has assassinated the fishery, the government has not carried out its announced intention with respect to the fishery. We have already heard the welkin ring for the last forty-eight hours with gentlemen opposite saying what has been cut back on, and where there should be more spending; and out of the other sides

MR. CROSBIE: of their mouths they will get up in this House and say we should not be borrowing as much, or we should not be taxing as much, and we should not be spending as much.

Now there is no way that you can have it both ways, and I have heard that since 1972 during three sessions as the Minister of Finance. And I had to listen to all that bunkum and nonsense and reply to it, and respond to it for three years. And it has been the same old call. We will hear the Leader of the Opposition get up and say that this government should not be borrowing like it is borrowing. And we will hear him get up and attack us because there is going to be an increase in energy rates. And he will attack us because there has not been enough spent on the fisheries -

MR. SMALLWOOD: Would the minister -

MR. CROSBIE: No, Mr. Chairman, I am just getting into my -

MR. SMALLWOOD: No, just one simple -

MR. CROSBIE: -I am just getting excited here and I just cannot afford to be interrupted at the moment.

MR. SMALLWOOD: I want to help the minister. The Leader of the Opposition does not get up and say you should be spending less in retrenching. What the Leader of the Opposition said in this very House, in my hearing, was to spend and spend, and borrow and borrow, or the other way about, borrow and borrow and spend and spend.

MR. ROBERTS: Prudently.

MR. CROSBIE: That is right.

MR. SMALLWOOD: Well, prudent! All borrowing is prudent and all -

MR. CROSBIE: Mr. Chairman, well that is the difference between a statesman and a politician who still aspires to public office. The Leader of the Opposition in three or four years time will no longer be aspiring to public office and he may become a statesman as well.

Now, Mr. Chairman, this is the trap that we are in. You know, nobody wants their own ox gored - is that the saying? Everybody on the other side of this House is going to batter these estimates. They are going to attack us about Memorial University and the barbaric \$37.5 million that poor old Memorial is going to get. They are going to attack us because the library has not been started. They are going to attack because something has not been done in the fisheries. They are going to knock the Minister of Industrial Development because he has not got millions more in his estimates. They are going to attack Mines and Energy because the hydro rates are going up, because we cannot afford to plow more than \$5 million into subsidies on the hydro rates. And then they will attack us because the rates in the diesel areas are too high, although there is \$11 million in the budget that is a subsidization of the rates in diesel areas.

Tomorrow there is a group coming in from Goose Bay to complain about the rates in Goose Bay and hon. gentlemen on the other side of the House will get up and ask questions and attack the government, Mr. Chairman, because the rates in Goose Bay are too high and the government is not spending more money to subsidize the rates in Goose Bay. At the same time, Mr. Chairman, when we have a bond issue in New York they will get up in a frenzy and say, this government is spending more money and borrowing more money than ever in our history and there is going to be doom and gloom. So the Opposition is completely and utterly inconsistent!

Now, the hon. gentleman from Twillingate (Mr. Smallwood) is adopting the right approach. He is warning us with forebodings, all of which he has come to just lately in his career. Because I well

MR. CROSBIE:

remember him saying in a cabinet meeting one day - I am not allowed to tell cabinet secrets, but this is not all that important - he said, "Gentlemen, who is the Minister of Finance? Who is running this government? Is it the Minister of Finance or do we run the government?" In other words, the Minister of Finance does not run the government, as the ex-Premier just said, It is the Premier who has to run the government, and the poor old Minister of Finance just bears the burden of being attacked on all sides because of his stingy nature or his increased taxes or whatever. It is the government governs. The Minister of Finance can only do -

MR. SMALLWOOD: Would the minister allow just one final question today? Has he got a copy -

MR. DOODY: Everybody would love to have one final question.

MR. SMALLWOOD: Has he got a copy of the historic speech made by his grandfather in my hearing again - I sat and listened to it - as Minister of Finance, warning Newfoundland of the doom and the disaster that were coming and that did come. Has he got a copy of that speech?

MR. PECKFORD: We read it last week.

MR. CROSBIE: I do not think I have got a copy of that speech, Mr. Chairman, but I am worn out myself forecasting doom and gloom.

MR. SIMMONS: He is telling the truth now.

MR. CROSBIE: It started ten years ago and we are still getting along somehow.

MR. SIMMONS: You keep hoping.

MR. CROSBIE: No, I do not keep hoping for that. But the hard facts of the situation are that when the hon. gentleman from Twillingate (Mr. Smallwood) airily gets up and says, this budget calls for spending of \$1,250,000,000, yes it does. But what is it on capital account - \$200 million including crown agencies and all of that. Now, capital account \$200 million of which \$40 million is for debt retirement. We are only spending \$160 million on capital account. Every member will be blasting us because the roads are not being done in his district and on and on it will go. And the stadium is not being done here and the

MR. CROSBIE:

rink is not being done there, not enough money being spent on capital account, and all of the buildings that are not going to be done and the hospitals that are not going to be done. So they will all be attacking us for that.

On current account - what is current account, Mr. Chairman. There is \$1 billion on current account. Is that the figure, "Uncle Doody?"

MR. DOODY: Yes, Sir!

MR. CROSBIE: \$1 billion on current account.

MR. DOODY: You should have phrased your question to the Premier.

MR. CROSBIE: Well eight hundred and some odd million on current account. That is just to operate the services we have got. The only way we can cut the current account is to cut out the services. We cut out recreation, we shut down some hospitals, we do not give the increases to the civil servants and teachers that they are supposed to get, that were bargained for last year, and they get no increases for the year coming up. There are \$350 million in there for salaries alone. Is any hon. gentleman opposite going to suggest no increases for civil servants, teachers and the like in the year coming up? I would be delighted to hear that suggestion! the civil servants, teachers and the like, the 20,000 of them paid from the public treasury are not going to welcome that news. Will there be one statesman from the Opposition who will suggest - we can have a tremendous saving on our current account this year if there are no increases for the 20,000

MR. CROSBIE: people who are paid, the police, the firemen, the teachers, the civil servants, the people who work in vocational schools. That is where the saving is.

MR. ROBERTS: What were the increases amounting to?

MR. CROSBIE: A one per cent increase, I believe Uncle Dood -

PREMIER MOORES: \$35 million.

MR. CROSBIE: \$35 million. We can have a tremendous saving in this budget is the House of Assembly unanimously said we have got to put a freeze on all the salaries. We could save millions of dollars out of this budget. But no one is going to do it. If some member opposite will get up and say, "You should not give that ten per cent increase because of the cost of living to the social assistance recipients." We could save a few million more. There is no one who is going to suggest that. So there is no one who is going to suggest any reduction on current account spending, and there is no one going to suggest any reduction on capital account spending, and all that hon. members are going to suggest is increased spending, and on the other side of their mouths they are going to suggest that this Province is headed for disaster. Well, if we are headed for disaster it is no more than the other Provinces of Canada are headed or the federal government is headed because they are better than us by one thing, they have got the Bank of Canada to print the money for them. If we had the Bank of Canada under our control we would be just as solvent as the Government of Canada, just crank up the old printing presses and get the currency flowing out.

Now the hon. gentleman from Twillingate (Mr. Smallwood) performed a feat of financial legerdemain this afternoon that was wonderful to behold. He said this was a \$1,250,000,000 in this budget, we will cut out \$250,000,000 - he never said where - and that we will put back \$50,000,000 for the new pyrotechnical, or whatever it is called.

AN HON. MEMBER: Pyromaniac.

MR. CROSBIE: Pyromaniac. That is another one for the arsonists.

MR. SMALLWOOD: They do not want to burn down any -

MR. MURPHY: To help fight forest fires, that vote.

MR. CROSBIE: The new one is going to go up on the Mount Scio Road. We will put back \$50 million for that and we will start some hospitals with it. Now this sounded wonderful to me until I looked around to see where he was taking the \$250 million from before he put the \$50 million back.

Now, Mr. Chairman, unfortunately he did not give us any examples of where we are going to save the \$250 million.

MR. ROBERTS: Save \$35 million for salaries. That leaves you with \$215 million.

MR. CROSBIE: So that we cannot accept the hon. gentleman's suggestion. Are we ready to pass this now? Should I sit down?

MR. ROBERTS: We were not going to debate it. I mean if the hon. gentleman wants to spend the seventy-five hours -

MR. CROSBIE: So, Mr. Chairman, I think that we appreciate the observations being made by the member for Twillingate (Mr. Smallwood) but when you get down to the particulars it is just not possible to adopt his advice. This budget comes up here after much fighting and much -

MR. HICKMAN: We have to get it through before six o'clock.

MR. CROSBIE: We do? Okay. After much fighting and much cutting and much reducing and it is as low as anyone could reasonably go or be expected to go and we hope now in view of what we have heard from the opposite side that we will not have much trouble getting the estimates through.

MR. ROBERTS: Carried.

MR. HICKMAN: Carried.

MR. CHAIRMAN (MR. YOUNG): Shall the resolution carry?

The hon. member for St. John's East.

MR. MARSHALL: We are all members of this House and all have a right to speak, and if it is going to inconvenience the government terribly by me bringing this over until tomorrow - but this is deducted from the seventy-five hours. And I have a few words that I would like to bring up so I just leave it now to the government,

MR. MARSHALL: Mr. Chairman, when I sit down -

SOME HON. MEMBERS: Oh, oh!

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

MR. MARSHALL: - when I sit down of course in committee I have the right to get up again. I just asked the government if they would be prepared to -

MR. DOODY: We do not need to have the debate now.

MR. MARSHALL: Mr. Chairman, I move that the committee rise and report progress.

MR. ROBERTS: We have to hear from the House Leader now.

MR. MORGAN: It only takes a few minutes. It only takes a few minutes.

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

MR. CHAIRMAN (MR. YOUNG): Mr. Speaker, the Committee of the Whole have considered the matters to them referred, has made some progress and ask leave to sit again.

MR. SPEAKER (Dr. Collins): The Chairman of the Committee of the Whole reports that they have considered the matters to them referred and have directed him to report progress and ask leave to sit again.

On motion committee ordered to sit again on tomorrow.

MR. WELLS: Mr. Speaker, I do move that this House do now adjourn until tomorrow Tuesday, March 30, 1976 at two o'clock.

MR. SPEAKER (Dr. Collins): It is moved and seconded that this House do now adjourn. Is it the pleasure of the House to adopt the motion? All those in favour "aye." Contrary, "nay." Carried.

This House stands adjourned until tomorrow Tuesday, March 30, 1976 at two o'clock.

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