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**THIRTY-SEVENTH GENERAL ASSEMBLY  
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**VERBATIM REPORT**

**TUESDAY, MAY 18, 1976**

**SPEAKER; THE HONOURABLE GERALD RYAN OTTENHEIMER**

The House met at 2:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

PRESENTING PETITIONS:

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

HON. E. ROBERTS: Mr. Speaker, I wish to present a petition which is really in two parts, one of which I shall present and the other which by mutual arrangement between us, the gentleman from St. Barbe (Mr. F. Maynard), the Minister of Manpower and Industrial Relations, will present. In all I am told this petition is signed by approximately 2,300 people. These people live in the communities served by the Flowers Cove Nursing Station. The area of this Station includes communities in my district and communities in the district represented by the gentleman from St. Barbe. I am told that about 1,700 of the signatories of this petition live in the Straits of Belle Isle district, part of the old district of St. Barbe North, and about 600 live in the district represented by the gentleman from St. Barbe.

The prayer of the petition, I believe, Mr. Speaker, the point of it is quite succinctly stated. I think perhaps the best way I can state it to the House is simply to read it. "We, the people of the area served by the Flowers Cove Nursing Station, being the communities from Ferolle to Eddy's Cove East - and of course Ferolle is the most southerly of those communities. Eddy's Cove East is the more northerly - submit this petition representing us to - it is addressed to me - the Leader of the Opposition, member for the Straits of Belle Isle, for presentation by him to the House of Assembly. We feel dissatisfied with existing medical facilities and, as we understand, have been on the priority list for a new building for the past three years. On March 5, 1976 at a meeting with two officials of the Ministry of Health it became apparent that despite repeated government promises there is no possibility of a new facility for our people for the next three or four years. This would be six or seven years

MR. ROBERTS:

from our original request. We find this unacceptable and request the government to reconsider their allocation of monies for this year. This area is growing rapidly in population and our existing facilities are and have been inadequate for some time. We can wait no longer."

Mr. Speaker, I can support this petition and I do so whole-heartedly from my personal knowledge as well as from what I have been told by those responsible for providing medical services to the area. The Flowers Cove Nursing Station is operated by the International Grenfell Association. There is a doctor stationed there now, and a number of midwife-nurses and a number of public health nurses. There are not available to the people of the area the types of facilities which are available at Roddickton and are available at Port Saunders and the so-called public health centres. The Port Saunders facility is now under a separate board. I understand it is being expanded into a form of hospital.

I believe the people of Flowers Cove have a valid point. I think it is a perfectly proper request. It is one which I made at some length on the estimates of the Health Department, the Minister of Health. The minister and I engaged in a dialogue at that time. He assured me then, assured the committee then, Sir, that planning of the facility at Flowers Cove would go ahead this year. Well, Mr. Speaker, that is welcomed news. But that in itself is not very much news because we surely do not need a lot of planning. We know what type of facility should be made available at Flowers Cove. The model is at the Port Saunders area or the Roddickton area. All that we need now - we know what we need. The I.G.A. are willing to provide the medical staff and the support staff. All that is needed is the money. The money is not so much on current account, as I understand it, as it is on capital account, \$100,000 or \$200,000. It is a lot of money if you do not have it. It is not a lot of money when we contemplate the scale of expenditures which the minister and his colleagues are contemplating in the Health field or in the capital account field generally.

MR. ROBERTS:

Well, I support the request, Sir. I do it without any hesitation. I think that as these people say in their petition, and as I say it is signed by about 1,800 people in all the communities in my district, Savage Cove, Eddy's Cove East, Bear Cove, Pine Cove, Green Island Brook, Lower Cove, Sandy Cove, Flowers Cove, Shoal Cove East, Nameless Cove, Anchor Point, Pond Cove, Blue Cove, Pigeon Cove, Black Duck Cove, Forresters Point and Anchor Point again, Sir, the prayer of these people is a just one. It should be granted. They are entitled to these improved medical facilities. The Minister of Health agrees that they should have priority. All we need now, Sir, is action to back up the words. I present the request, Sir. I do so with the strong and whole-hearted request that it receive a sympathetic hearing and that action, Sir, not just planning, but that action results and results this year. Thank you.

AN HON. MEMBER: Hear, hear!

MR. SPEAKER: The hon. the Minister of Manpower and Industrial Relations, I understand, has a petition associated with it, or he is co-sponsoring the petition.

MR. ROWE: I wonder, Mr. Speaker, if I can speak to it?

MR. SPEAKER: Yes, there will be ample opportunity.

MR. MAYNARD: Yes, if I could, Mr. Speaker, speak in support of the petition presented by the hon. the Leader of the Opposition and at the same time, if it is agreed, present the part of the petition, if you will, from the communities in the district of St. Barbe. There was a little bit of a quandary at the time the people wanted to present the petition because of the two districts involved, but I think we have sorted that out. The main thing, Sir, is the fact that they have made a request, and a very valid one, for improved medical facilities in the Flowers Cove area which is administered by I.G.A. or as part of the I.G.A. territory, but it serves the people from Shoal Cove West in the South to Eddy's Cove East in the North.

The petitions that I have here from the communities of Shoal Cove, New Ferolle, Reefs Harbour, Brig Bay, Bird Cove and Plum Point are from some 560 people, which I would think are most of the adult population in those communities because they are relatively small.

As I pointed out, the request is a valid one. I talked to my colleague the Minister of Health about it and he has expressed some sympathetic concern for the request that was made by the people some time ago, and for the request that is being made now. He realizes, I think, the totally inadequate facilities at Flowers Cove, and I feel certain, Mr. Speaker, that the petitions presented by the hon. the Leader of the Opposition and this one will get some priority in the Department of Health programme for this year. At least I would hope so, and I will certainly keep working on behalf of the people in that area for some priority to be given to the improvement of medical facilities in Flowers Cove.

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

MR. ROWE: Mr. Speaker, I would like to speak in support of the petition presented by the Leader of the Opposition and also by the member for the district of St. Barbe (Mr. Maynard). Sir, the reason I would like to support the petition is because it involves the district that I had the honour of representing at one time before it was snatched away from me through gerrymandering legislation. However, I will not get into a debate on that.

Shoal Cove to Plum Point is now in the district of St. Barbe, and Blue Cove to Eddy's Cove is now in the new district of Strait of Belle Isle. Sir, from the very day that I was first elected to the old district of St. Barbe North, I had enquiries from the people of that district to get something going with respect to renovating or establishing a medical clinic in the district of St. Barbe North. The question, of course, at that time was whether it should go in Flowers Cove or Plum Point. However, after a number of representations had been made to Doctor Gus Rowe, who was the Minister of Health at that time - and I am sorry I do not have the correspondence here in front of me now - but Doctor Rowe, as Minister of Health, did write me, as the member for that old district, indicating that once the medical clinic at Port Saunders had been completed and had proven to be a success - because they considered it a bit of an experiment at that time - but once it had proven to be a success they would start immediately and install the same type of an installation, the same type of a medical clinic in the Flowers Cove area, basically by renovating the old nursing station and adding on another wing as the diagnostic area and the medical clinic as such.

Now, Sir, this request is long overdue. It was promised for the four years that I represented the district, and if I read my colleague correctly, it looks as if it is going to be a few more years before they -

MR. ROBERTS: That is the way the people there feel.

MR. ROWE: That is the way the people there feel anyway -  
before that medical clinic is put in the Flowers Cove area.

Sir, there is a great distance between Port Saunders and St. Anthony, and there are a great many people and a great many communities that need the services of an adequate medical clinic which they do not have at the present time, through no fault of the I.G.A. They are just working in obsolete physical circumstances, and I would like, Sir, the government to start action on this immediately. The Port Saunders clinic has proven to be a success, if it was considered an experiment, and I would submit that it is now time for the government to start to move on the basis of the Port Saunders experience and start renovating and start building a good modern medical clinic in Flowers Cove for the people of that part of the coast because it is extremely, badly needed. Sir, I give the petition my wholehearted support.

MR. ROBERTS: Hear, hear!

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

MR. NEARY: Mr. Speaker, I support the prayer of both petitions. I think the prayer is identical presented by the member for St. Barbe (Mr. Maynard) and the Leader of the Opposition, the member for the Straits of Belle Isle (Mr. Roberts). Sir, as the speaker who just took his seat indicated, there is quite a distance between Port Saunders and Flowers Cove but I think what you have to look at in that whole area, Sir, is that you have a hospital on one end in St. Anthony, and a hospital on the lower end in Norris Point, and there is quite a distance between the two hospitals. Even though they are able to do a certain amount of work in Port Saunders, actually it is the in between area that you have to think about, the distance between the two hospitals, and I think this is what creates quite a serious problem. The next thing you have between St. Anthony and the hospital in Norris Point is the medical clinic in Port Saunders. I do not think you could really say that the Flowers Cove Clinic at the moment is very elaborate, although they are doing the best they can under the circumstances.

I can understand why the people there are so pessimistic in that area, Sir. Their expectations and their hopes have been aroused so often by this administration and nothing has happened that they are now feeling very pessimistic about the whole thing, but I do hope, Sir, that as a result of the petitions that have been presented today, and one by a Minister of the Crown, a gentleman who no doubt has some influence in the Cabinet with his colleagues, that the prayer of this petition will be answered this year and the people in the Flowers Cove area will get this badly needed medical clinic.

MR. SPEAKER: The hon. Minister of Health.

MR. COLLINS: Mr. Speaker, I think it must be obvious to all hon. members that there seems to be some collusion here with the Leader of the Opposition and my colleague and seat mate, you know, getting me in a bit of a squeeze. However, Mr. Speaker, I would like to



MR. COLLINS: reiterate what I said during the debate on my department's estimates, and that was that there is no doubt that that particular area of the Province, Flowers Cove and that general region, the need is unsurpassed anywhere in the Province in terms of health care facilities. That is acknowledged by government and as I indicated when the estimates were being debated that we will be making a start. We have got to do some planning, of course, first but I can give the assurance to both hon. members and the House that we do recognize the need and a start will be made this year.

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

MR. STRACHAN: Mr. Speaker, I wish to present a petition on behalf of sixty residents of the Community of Black Tickle on the Labrador Coast. If possible I present the prayer of the petition and then briefly explain the situation which caused the petition to arise.

The prayer of the petition is, "We the undersigned residents of the Community of Black Tickle, Labrador, Province of Newfoundland and Labrador, hereby request Labrador Services Division to establish and operate a retail grocery store in the Community of Black Tickle, Labrador or the alternative of providing financial assistance to some interested, capable and responsible individuals or groups within the community to establish and operate such facilities."

"This appeal is a result of the community's only store ceasing operations this summer and we strongly urge Labrador Services Division to take the necessary action to resolve the situation which shall ensure continued service to the community. Considering the fact that with the present fishing facilities and the proposed expansion as well as other developments being financed and operated by the division, we feel the division should become involved in this very important community matter which much be dealt with immediately."

In explaining the situation as recorded here, Black Tickle until recently was a community which could not quite make up its mind

MR. STRACHAN: about being resettled and in the last four or five years has decided to remain in the site where they are.

Black Tickle is an outside place, as we call it in Labrador, and because of being an outside place it is therefore very close to the fishing grounds and last year had an extremely successful year with a small fish plant being built there with the assistance of Labrador Services Division. The only storekeeper there, Mr. George Hudson, who has come from outside of the community is now leaving the area, leaving Black Tickle due to his need to have his children educated and is moving into Happy Valley - Goose Bay and as a result the store will now close.

The community feels that something must be done vis-a-vis the supplies in the community and the supplies to the longliners which operate out of Black Tickle.

May I indicate that in the petition, more than one-third of the people could not sign their names through no fault of their own, because of lack of education facilities in the past, and so it should therefore should be very apparent that they have little ability to be able to handle the finances of operating a year-round store in such an isolated community in which one has to be very careful about inventory and amount of goods or -

SOME HON. MEMBERS: Oh, oh!

MR. STRACHAN: Mr. Speaker, I have a right to be heard in silence.

MR. SPEAKER: Yes, the hon. member does.

MP. STAPCHAN: The people have therefore approached the government through Labrador Services Division because Labrador Services Division two to three years ago became involved in the community for a reason which is in great debate in Labrador South because they do not understand why Labrador Services Division which handles native communities hopped over the communities of Paradise River and Cartwright and moved into Black Tickle. But whatever reason it was Black Tickle is now a native community and therefore Labrador Services Division have gone in there and built up the facilities within the community and the fish plant and now they are concerned that the store is closing and that the people cannot therefore themselves operate the store.

I think the part of the petition which should be looked upon more closely is the alternative of providing either financial assistance or of providing some management experience or ability to the people of Black Tickle so that if there are some people within the community who can operate the store they could be therefore trained and assisted to get the store underway rather than for Labrador Services to move in and unlock and take over the store and run it as an outside operation.

So I think that the petition says for itself there that there are one of two alternatives, either Labrador Services Division move in or possibly through the Dept. of Rural Development there may be some method of encouraging responsible people within the community to take the necessary training in order to operate the store. I ask that the petition be placed on the table of the House and referred to the department to which it relates.

MP. SPEAKER: Before recognizing any hon. member I would like to draw the attention of the House to the presence in the galleries this afternoon of nineteen Grade X and XI students from Buchans Integrated High School with their teacher Mr. K. Dolomont and I know all hon. members join me in wishing that their visit here will be an interesting one.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I support the prayer of the petition presented by the hon. gentleman from Labrador (Mr. Strachan) because, Mr. Speaker, I suppose nobody else in this hon. House, as the hon. members knows, is more familiar with the situation in Black Tickle than myself. It was I, when I was Minister of Social Services and Rehabilitation that fought tooth and nail with Ottawa to try to get Black Tickle recognized as a native community under the special agreement between the provincial government and the Government of Canada whereby assistance is granted to native populations. If there is ever a part of Newfoundland, Sir, that is neglected it is Southern Labrador. It certainly is not in this Province the native population is not neglected. If anybody is neglected it is the residents who live in Southern Labrador.

The first visit I made to Black Tickle, Sir, I got the shock of my life when I saw the conditions under which the people were living and I vowed then and there that if there is any way that I could expand the Northern Labrador Services branch of my department to include, not only Black Tickle, but other communities in Southern Labrador, that I would do it. It was after I vacated the department that the inclusion of Black Tickle became a reality. I met Mr. Hudson and I talked to, I think there were two brothers there at the time, two brothers who were teaching there at that particular time. But I understand since then there has been a housing development take place there and a fish plant.

Now, Mr. Speaker, this petition raises some very interesting questions about Labrador, Northern Labrador and Southern Labrador as private enterprise versus a government operated business. We have heard both views expressed in this House and I am inclined to think Mr. Speaker, that Northern Labrador Services is the best agency under which to operate these businesses. Not only do they provide people with their supplies, with their groceries and their food, they

MR. NEAPY:

also supply the fishermen and they buy the fish and they market the fish. They do just about everything in the community. Now you can argue against that, that that destroys initiative in the community. But believe me, Mr. Speaker, the research that I did, when I was in that department, on this whole matter indicates that if you did not have Northern Labrador Services operating these community stores that the cost of living would be completely out of reach of the people.

Private

Mr. Neary.

enterprise just could not function, could not operate in some of these communities. So, Sir, I support the prayer of the petition in either way, whether it is the department moving in to operate the store, put a manager in there like we have in all the other communities in Northern Labrador or send somebody in there to train people to operate the business. Either way would do, Sir, but I believe that something should be done immediately. I understand from my hon. friend that there is a crisis developing and that by September the gentleman who operates the store there now is going to move out, move to Happy Valley where he is going to continue the education of his children. But, Sir, I certainly would favour the Northern Labrador services expanding its operations into Black Tickle, and I whole-heartedly support the prayer of the petition.

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

MR. LUNDRIGAN: Mr. Speaker, I will acknowledge the receipt of the petition on behalf of the hon. gentleman. We have already had very brief discussions on the matter. And I would like to say that in consultation with my two distinguished colleagues from a particular part of Labrador we will be having a look at the situation, not only the particular case, but the generality of the problem and the challenge as well.

MR. SPEAKER: The hon. member for Fogo.

CAPT. WINSOR: Mr. Speaker, I certainly support the petition presented by the member for Eagle River (Mr. Strachan). Knowing that particular part of Labrador as well as the whole of Labrador I can appreciate the situation which is now arising there when the private supplier or store operator moves out. Mr. Speaker, it is a note of interest the way in which the Northern Labrador people, and now it is growing into the Southern Labrador people, have had to get their supplies from Summer to Fall and Fall to Winter. It

Capt. Winsor.

began early away back when the Hudson Bay Company used to operate the supply stores there. Prior to the Hudson Bay Company, of course, it was the Moravian Mission, and then they faded out of the picture and Hudson Bay came in and took over the whole of the operation of Northern Labrador. Then back in the Commission of Government days it was the Department of Natural Resources, who after the Hudson Bay Company felt that they could no longer operate at a profit they, too, decided to pull up stakes and move out and leave the unfortunate people of Labrador to the mercy of whoever might see fit to take them over. So, Sir, at the beginning the Hudson Bay moved out of Hebron, Nutak and Nain and Hopedale, and the Department of Northern Labrador Services moved in and took over the operation of those depots. Then, of course, as time passed the government felt that it had to move further south, and they extended their services to Makkovik and Postville and now just recently, a year or two ago, they have moved into Black Tickle.

MR. STRACHAN: And Rigolet.

CAPT. WINSOR: And Rigolet by the way, yes, as well as the Indian side of North West River.

So I can foresee the day, and it is fast approaching, when the government will have to take over all of the Labrador coastal areas, because, Sir, as the member for LaPoile (Mr. Neary) has stated I do not think the people can afford to have private enterprise go in there. The cost of living would be exorbitant, and it is doubtful very much if the people of Labrador would be getting the same advantages as people from the Island area. God knows, Sir, when the Hudson Bay Company was operating down there people were just barely given an existence. Then, of course, on the Southern part of Labrador year after year our Newfoundland merchants

Capt. Winsor.

used to go in there. I recall George Dawe who used to operate Black Tickle, and Bartlett, Harold Dawe, Domino, and Hiscocks at Smokey. Oh, there was a great number of them. But they only went in there during the Summer months, And the unfortunate thing was they left them with a bare existence, with a few pounds of flour, a few pounds of tea and the bare essentials that a person could only survive on. And then, of course, they returned back and went back again the following Spring. This sort of thing must change, and it has got to change, Sir, in order that the people of Southern Labrador now be placed in the same - and given the same privileges as the people of Northern Labrador. This question of Eskimo and Indian - well I do not know, Sir, I have never seen it determined yet who is an Eskimo or who is an Indian. Indian is much easier to define than an Eskimo. And it was along those lines that I think the decision was made by the federal government to take over and make grants to the Northern Labrador services. Sir, I would go on for hours about Northern Labrador. I know it like I know my way home. But I do feel obligated, and I feel, I think I speak for all of the members on this side of the House, that we wholly support the petition presented by the member.

SOME HON. MEMBERS: Hear, hear!



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

MR. ROBERTS: Well, thank you, Mr. Speaker. I would like to say just a word or two in support of the petition which my friend from Eagle River (Mr. Strachan) presented to the House. I will not touch on the various points raised by the other speakers in support of the petition, all of whom I thought made some very worth-while and very valuable points,

Let me say simply, Sir, that first of all I support the petitioner. I have some personal knowledge of Black Tickle. Like some of the members on this side, and indeed if I am not mistaken the hon. member for LaPoile (Mr. Neary) and I probably visited there together on a beautiful afternoon two or three years ago when we were engaged in a democratic exercise involving the citizens of Labrador South, and since then I became very much seized of the fact that the people of Black Tickle and the people of that part of the Labrador Coast are very much in need of public services, improved public services. It goes without saying that they deserve them.

The peculiar problem caused because Mr. George Hudson, who by the way is from Pinware in my district, in the Straits District, is moving from Black Tickle to Goose Bay will have to be solved because it is unthinkable that the people of the Community of Black Tickle, which is a community that has grown recently because it has received considerable amounts of public support, most of it from the Government of Canada through the Indian - Eskimo agreement, which existed - indeed that is a legacy of the hon. Jack Pickersgill, that particular agreement going back to 1954 I believe.

But the problem must be solved but in so doing I would commend to the government, the minister responsible I believe is the Minister of Social Services, I am sorry, the Acting Minister of Rehabilitation, but if that department is abolished, as we are told it is to be, then I understand the service will be restored

MR. ROBERTS: to the Department of Social Services. I am not so sure that is right or wrong, but be that as it may, the point I wish to make is that I think the time has come when the government should heed a request that has long been made by the people on the Coast of Labrador, not only in Black Tickle but in Hopedale and in Rigolet - well now Rigolet still has the bay in there - but Hopedale and Makkovik and Davis Inlet and Postville and Nain and that is that the - well the Northern Labrador Services Division should remain as the retail merchants, the only merchants although there is a private store in Nain is there not now?

MR. PECKFORD: Yes.

MR. ROBERTS: There is a private store in Nain -

MR. PECKFORD: Mr. Hayward Haynes.

MR. ROBERTS: Mr. Hayward Haynes.

MR. STRACHAN: There are two.

MR. ROBERTS: There are two in competition. Well that is all and good but the NLSD is the primary supplier, the primary retail service in the area for the reasons which my friend from Fogo (Captain Winsor) outlined and I think the time has come, Sir, to make the NLSD a commercial operation, by which I do not mean it should become a profit making body but I mean it should be taken out from under the direct control of a government department and should become presumably a Crown Corporation with its headquarters in Goose Bay or on the Coast and should be allowed to operate with an agreed budget, with appointed officers, within a regular and proper degree of flexibility.

I know it is a matter of considerable concern, and I have run into it in my travels on the Coast, Sir, and I have run into it in conversations with people who live on the Coast, a matter of considerable concern that the NLSD to purchase their case of beans or something it has to go through the Department of

MR. ROBERTS: Supply, or the Government Purchasing Agency now, in exactly the same way as if they were looking for twenty miles of highroad and were purchasing that service instead.

I think that since it is a commercial operation it pays its way. As I understand it the money that comes in each year pays the cost of goods. I am not sure if it covers the salary costs but it does pay its way on that basis and there is every reason to make it a commercial operation and not it up.

MR. NEARY: What about if there is a deficit every year?

MR. ROBERTS: Well it is a deficit in that the government pays through the estimates, through the minister's estimates, an amount of money for staff and maybe the housing costs as well. I am not sure of that. But the fact remains that it operates as a commercial operation. People go in and buy their goods and everything else. Well people are not satisfied with the selection of goods they get. They are not satisfied with the way in which it operates. It is not sufficiently responsive to market conditions. Indeed in some ways, it is a hangover from a long gone era when people had to take what they were given and like it or not.

People on the Coast of Labrador now, Sir, expect, within a reasonable degree, to have access to the same type of facilities as people elsewhere in this Province. And one of the steps we could take that would very much help to achieve this end is very much the point of this petition and that is to make the NLSB a normal operation, closer to a commercial operation. Set up a Crown Corporation, have the directors appointed by the government, operate in the same way, same type of flexibility as the Hydro have or the Computer Services, both of which are Crown Corporations engaged in commercial functions. I think it would be a good thing for the people of Labrador, Sir, and I feel all that is the main aim of the Northern Labrador Services Division.

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MR. ROBERTS: We should take NLSD out of St. John's, Sir,  
and put in back on the Coast. Every single aspect of it  
should be on the Coast of Labrador. Those are the only  
people that NLSD serve, Sir.

MR. ROBERTS:

They serve them well by and large but they can serve them far better if the locus, the heart and the brain of the operation was moved from St. John's to the Coast of Labrador. I support the petition, Sir, and in so doing I commend that suggestion to the minister. It is not necessarily a new one but it is a very good one and it is one that should be acted upon and acted upon now.

SOME HON. MEMBERS: Hear,hear!

NOTICES OF MOTION:

MR. SPEAKER: Hon. Minister of Municipal Affairs and Housing.

MR. PECKFORD: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Urban And Rural Planning Act." (Bill No. 60)

MR. SPEAKER: The hon. Minister of Health.

MR. H. COLLINS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act Further To Amend The Newfoundland Medical Care Insurance Act." (Bill No. 58)

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN:

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

MR. MAYNARD: Mr. Speaker, I have the answer to some of the questions that have appeared on the Order Paper. I have a problem here. I do not remember when the hon. Premier was answering questions a few days ago whether he indicated that if I answered all the questions I would get thrown out of the Cabinet or whether I would get thrown out of the Cabinet if I did not answer all of them. So I am going to answer half and play it safe.

If the hon. members want to take down the numbers of the routine questions. These are questions asked by the hon. member for Twillingate (Mr. Smallwood) nos. 359, 360, 361, 363, 19, 18, 355 and 356 and the answers to questions asked by the hon. member for LaPoile (Mr. Neary) No. 674, 656, 603, 602, 599, 574. There is an example here, Mr. Speaker, of duplication in asking questions.

Probably hon. members should get together on it.

MP. MAYNARD:

Question 357 asked by the hon. member for Twillingate (Mr. Smallwood) referred to the names of the people on the Workmen's Compensation Board. The question was, "What are the names of all members of the body which replaced the Workmen's Compensation Board, their salaries, etc.?" which of course does not have an answer because there was no body replacing the Workmen's Compensation Board. So we assume that he was talking about the new members, the new commission and we answered in that manner.

At the same time the hon. member for LaPoile (Mr. Neary) asked question no. 665 which asked for the names of the Workmen's Compensation Board members.

There is also question 364 asked by the hon. member for Twillingate (Mr. Smallwood). How many trade unions are registered with this department? How many members these same unions have? How many of the said unions are affiliated with the Newfoundland Federation of Labour? The answer is there are 100 registered unions in the Province. The membership, 35,365. Ninety-two of the unions are affiliated with the Federation for membership in the Federation of 32,245.

There is a question related to the portion of the Speech from the Throne given on February 26, 1975 regarding the development of a manpower policy. The manpower policy is being developed by this department in conjunction with discussions that are ongoing with other Provinces of Canada and with the federal government. Naturally manpower policies have to tie in inter-provincially and inter-governmentally.

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

MR. ROUSSEAU: Mr. Speaker, in reply to a question on yesterday by the hon. member for LaPoile (Mr. Neary), which he raised before and which I said I would find the information for, I can indeed confirm that there has been an investigation down at Farm Products Corporation both here and in St. John's. The investigations were started in October and the reports came in in February. The case in St. John's was pursued and is now in the hands of the Department of Justice. The case in Corner Brook was investigated and resulted in a court appearance and that situation has now been closed. But there was indeed an investigation in respect to alleged pilferages at both plants.

ORAL QUESTIONS:

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

MR. ROBERTS: Mr. Speaker, my question, Sir, is for the Premier and it arises out of the lead story on the CBC local newscast last night which I assume he saw. It contained an interview with Mr. John M. Shaheen, and I am wondering whether the government have had any indication from Mr. Shaheen, Sir, that he is in possession of a sum of money or has access to a sum of money in the order of \$500 million or \$600 million which he can make available and will make available to pay off the indebtedness of the Come By Chance refinery thus enabling it to reopen and to resume operations under his corporate control?

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: Mr. Speaker, we have had a general comment made to the effect that the money is available. We have had no official knowledge to that effect.

MR. ROBERTS: A supplementary.

MR. SPEAKER: A supplementary.

MR. ROBERTS: Mr. Speaker, has the Premier either directly or through the agency of his colleagues or through the agency of his officials set afoot any efforts to find out whether in fact this is so? Because if Mr. Shaheen does have this money, as he said quite clearly on the television last night -

Mr. Roberts.

we all saw him, and we were all interested - you know, it will solve a lot of problems and will enable the refinery to get going and make things very much better for everybody concerned.

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: I would suggest, Mr. Speaker, that if and when Mr. Shaheen has the finances I am quite confident that he will be making the necessary approaches to the government.

MR. ROBERTS: But none have been made so far.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Mr. Speaker, would the hon. Premier indicate if there are any other proposals, apart from the one that we heard about on television last night, from the Dennison Mines Group or any other group who are interested in opening the oil refinery?

PREMIER MOORES: Mr. Speaker, regarding that question, the only one of any significance was the Roman Corporation and Dennison Group. Their chairman was down two months ago, I guess, and at that time they expressed an interest, and were going to do follow-up work, but we have had no contact with them since.

MR. SPEAKER: The hon. member for Twillingate.

MR. SMALLWOOD: Would the Premier tell me if it is his intention tonight between 7:00 P.M. and 7:30 P.M. on the CBC to listen and watch Mr. Shaheen and see what he has to say? He is going to be on CBC for a half an hour tonight.

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: I did not know Mr. Shaheen was going to be on CBC, but certainly given the opportunity I will watch it with pleasure, Mr. Speaker.

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

MR. ROWE: Mr. Speaker, I would like to address a question to the Minister of Justice in connection with the Public Utilities Commission to whom, I think, they report to the minister or they report through the Minister of Justice. Sir, could the minister



Mr. Rowe.

indicate whether or not it is true that the Newfoundland Light and Power Company and Newfoundland and Labrador Hydro have presented briefs to the Public Utilities Commission some weeks or months in advance of the actual hearings themselves?

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: I obviously cannot answer that question, Mr. Speaker, because the Board of Commissioners of Public Utilities do not disclose that kind of information to me. They are a quasi judicial board who operate without any government interference. If government has a case to make or wants to protest any application, as we have done in the past, and as we are doing right now in one particular case, we retain counsel to appear. So I have no knowledge of that. I will say one thing that based on twenty years experience, both as the minister, not responsible for the board, who reports to this House on behalf of the board

MR. HICKMAN: and before that as a practicing lawyer. Anything that board has ever done under the chairmanship of Mr. Clarence W. Powell is of the utmost propriety.

MR. ROWE: A supplementary.

MR. SPEAKER: A supplementary.

MR. ROWE: Mr. Speaker, on almost a point of order. I did not wish to indicate any incompetence on the part of Mr. Powell in this connection and the minister realizes that.

A supplementary, Mr. Speaker, would the minister undertake to find out whether or not the Newfoundland and Labrador Power Corporation and the Light and Power Company had indeed made briefs available to the Public Utilities Commission and whether or not the public were given notice a month or so in advance so they could have the same opportunity to present briefs to the commission before the hearings were actually held.

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

MR. CROSBIE: Mr. Speaker, you know the hon. gentleman. I think, is mixed up. Now I can only speak for Newfoundland and Labrador Hydro. But the Newfoundland and Labrador Hydro did not submit any brief to the Board of Commissioners of Public Utilities. They followed the normal practice and they submitted the evidence of their chief witnesses.

MR. ROWE: Prior to the hearing?

MR. CROSBIE: Yes. That is presented prior to the hearing for the Public Utilities Commission to examine and that is presented to the people representing groups opposing the application. They are given it to read and go over before the hearing is held so that they can cross examine and do their thing. So it is not briefs, it is evidence of what the witnesses are going to say before the Commission.

MR. SPEAKER: A supplementary.

MR. ROWE: A supplementary, Mr. Speaker, does not the minister think that because of that normal, so-called normal, situation that

MR. POWELL: the average consumer, the normal Joe is put at a distinct disadvantage in that he is not given the same opportunity to present such information, expert evidence or briefs to the Public Utilities Commission? And a second part of the supplementary if I may, Mr. Speaker - I know the minister is anxious to answer the question-what is the government doing to assist the average consumer financially or otherwise to make presentations before the Public Utilities Commission in view of the fact that Mr. Powell has indicated that they are not getting representation from the ordinary Joe as he stated, and also in view of the fact that the Canadian Consumers Association of Canada have indicated that they just cannot afford to call expert witnesses, lawyers, accountants and what have you to protect the consumer.

MR. HEARY: You fellows recommended that.

MR. POWELL: Do not worry about us fellows. We can take care of ourselves.

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

MR. CROSBIE: Mr. Speaker, it is rather a long question. It is more like a speech. Now the whole purpose of the expert witnesses for the petitioners submitting their essential points of their evidence in written form to the Public Utilities Commission before the hearing is to facilitate those who want to oppose the rate increase. Because the evidence is also given to the lawyers or representatives appearing for opposing groups. For example Mr. William Dove, who is the solicitor for the-

MR. J. WINSOR: An estimable lawyer.

MR. CROSBIE: Newfoundland Federation of Municipalities would receive this material when it is deposited with the Public Utilities Commission. Then, Mr. Speaker, when the witnesses are called on the first day of the hearings, opposing counsel are fully briefed on what they are going to say. They have had two or three or four weeks to check and then can cross examine them with that much more advantage.

MR. CROSBIE: If the evidence was just given that day, and it is the first time they had heard it, they would be at a disadvantage. So the whole procedure is to help and facilitate those who are going to oppose the rate increase.

Now as far as the consumers are concerned any consumer who can get the time off and wants to go down to sit in at the Public Utilities hearings, can do so. As far as assistance for the consumers is concerned, the Board of Commissioners of Public Utilities is there to protect the public.

MR. NEARY: You have got to be a lawyer.

MR. NICKMAN: No. That is not right.

MR. CROSBIE: To go in and sit in the room and listen you do not have to be a lawyer or anything else. You just have to be a person with two ears. That is all. That is all that is required.

MR. CROSSIE:

The Board of Commissioners of Public Utilities itself is there to protect the public. That is the purpose of that tribunal, that board. It is to ensure that there should be no increases other than as justified under the laws of the land and that is their job to protect the consumer. In addition the Federation of Municipalities and other groups often appear to oppose, a consumers group do. We are not providing any special assistance. It does not appear to us that there need be any special assistance provided to them. You know, that is the general structure as it has been for these many years.

MR. SPEAKER: The hon. member for LaPoile (Mr. Neary) followed by the hon. member for Port au Port.

MR. NEARY: Mr. Speaker, I would like to ask the hon. the Premier if it is correct that the Workmen's Compensation Board have been granted permission by the government to erect their own building?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Yes, Mr. Speaker.

MR. NEARY: Mr. Speaker, a supplementary. Would the hon. the Premier indicate if this would not be a good golden opportunity for the government to take advantage of the Workmen's Compensation, who apparently have all kinds of money on hand, take advantage of the situation to have the government ask the Workmen's Compensation Board to erect a building big enough so that the government could utilize some of the spare, rent it from the Workmen's Compensation Board?

PREMIER MOORES: The answer is no, Mr. Speaker.

MR. SPEAKER: Now before I recognize the hon. gentleman I would like to call to the attention of the House the fact that thirty-five Grade VIII students from Salt Pond Elementary School in the district of Burin are present in the House accompanied by their teachers Mr. Crane and Miss Moulton. I know all hon. members join me in welcoming them.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: A supplementary question to the hon. -

MR. SPEAKER: I had previously recognized the hon. member for Port au Port. So unless he yields, obviously, I shall have to recognize him. The hon. gentleman may get an opportunity later to come back.

MR. HODDER: Mr. Speaker, a question for the hon. Minister of Municipal Affairs and Housing. As the minister well knows there were a great number of wells drilled throughout the province last year and quite a few in the district of Port au Port. My question is whether the wells will be provided with pumps this year as was promised last year.

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

MR. PECKFORD: Mr. Speaker, the majority of money voted this year in the Department of Municipal Affairs for well development or for artesian wells, under the Water Services Division of the department, will go for the development of the wells that are already drilled. Specifically in the Port au Port area, a fairly extensive investigation is being carried out by engineers of my department to determine the actual costs involved in developing the wells in the Port au Port area.

MR. NEARY: Mr. Speaker, a supplementary to the hon. the Premier. Would the hon. the Premier give the House a few more details in connection with this Workmen's Compensation Building? And if the hon. the Premier cannot perhaps his colleague, the Minister of Manpower can. Where is it going to be located? Is it going to be constructed just to house the Workmen's Compensation Board, will there be space available for rent?

MR. ROWE: To a point of order, Mr. Speaker.

MR. SPEAKER: A point of order has been raised which I must hear.

MR. ROWE: I believe, Sir, it has already been established that once there is an intervening question you cannot ask a supplementary. That was established just yesterday.

MR. SPEAKER: There is a point of order, then there is a question and presumably an answer before any other hon. members will be able to

MR. SPEAKER:

ask questions. The point of order brought up by the hon. member for Trinity-Bay De Verde (Mr. Rowe) is whether it is in order to ask a supplementary after an intervening question, or question on another subject.

MR. NEAPY: To the point of order, Mr. Speaker.

MR. SPEAKER: Yes I will hear the hon. gentleman.

MR. NEAPY: We had full precedence, Sir, in this session for reverting back to supplementary questions? It only happened the day before yesterday. It has been happening every day during the Oral Question Period. I do not see why my hon. friend raises it now, Sir. If the hon. gentleman spent more time in the House perhaps he would realize -

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

MR. NEAPY: - that there is ample precedence for this in this session of the House.

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

The Hon. Leader of the Opposition.

MR. BOBERTS: Mr. Speaker, if I may say just a word on this. I think my hon. friend's point, from Trinity-Bay De Verde (Mr. Rowe), is well taken. Ruling that a supplementary question must follow the main question seems to me to be a stunning insight into the obvious. Such a ruling, Sir, does not obviate or prevent in any way a subsequent question on a similar subject. The only point of a supplementary, surely, is that a member who wishes to ask a supplementary is given priority over any other hon. members wishing to get to his feet. Given the fact that we have seen the development of a supplementary question, Sir, to an art undreamed of, even in the House of Commons in Ottawa where we have had sometimes ten or fifteen supplementaries, I think it is obvious, Sir, that rule of supplementaries is one thing but that the rule must be that when another member has gained Your Honour's eye and has asked his question a member asking a previous question cannot then get up and by invoking the magic word 'supplementary' gain the floor. He must compete for Your Honour's eye together with all of the others who wish to ask questions.

MR. SPEAKER: The hon. Government House Leader:

MR. WELLS: To the point of order, Mr. Speaker. I think the substantive question before Your Honour is whether one can go back to a topic which has been the subject matter of a previous question. I think the very nature of a supplementary is supplementary to a series, or a question previously asked as part of a series of questions. But I think there is no rule of which I have heard that prevents a member from going back to the same topic again with another question. I think that is what has happened here.

MR. SPEAKER: The Standing Order I will read it. It does not answer the point of order, but it may clarify some of the matters concerned with it. Standing Order 31 (b): "In the discretion of Mr. Speaker, a reasonable number of supplementary questions arising out of a minister's reply to an oral question may be asked by any members." As I understand it the device of stating supplementary is in order to allow hon. members to pursue in continuity a line of questioning on a given topic. So that the continuity of seeking information and getting information is not broken or is not broken unnecessarily because the time obviously comes when another topic or another questioner, another hon. member is recognized. But I think the purpose of it is to allow either one or a number of hon. members, usually in Opposition, to pursue a consistent line of questioning to the ministry. And when a number of hon. members are standing then usually the one who wishes to pursue with a supplementary is recognized before a new topic comes up. So when an hon. member says supplementary, as long as within the Chair's discretion supplementaries are being allowed, he is then in almost all instances going to be recognized before an hon. member. Now I would suggest that when an hon. member has been recognized and asks a question on a separate topic if and when questions revert to a previous topic while they are in fact in a dictionary meaning of the word supplementary - they are supplemental to something that went earlier - they are not in the technical sense supplementary in that they suggest, they do not require, but in that they perhaps



Mr. Speaker.

suggest a priority in recognition in order to allow members of the House to continue in a logical order. They are obviously in the dictionary meaning supplementary but not in the technical parliamentary meaning supplementary. So when the hon. member from LaPoile (Mr. Neary) stated supplementary it was my belief that it was a question supplementary to the immediately previous question and not to a question previous to that. I trust that the matter is clear. I would trust so.

Is the hon. minister up on a point of order?

MR. LUNDRIGAN: This is not on a point of order. I listened very attentively to Your Honour's rule, and I still was not clear, Your Honour, whether the ruling was made that a question cannot intervene between a line of questions and then a supplementary which relates to a previous question. Now in other words, to sum it up, I was not sure whether Your Honour suggested that the hon. member's question being supplementary to an intervening question was out of order. If Your Honour has made that ruling then I understood, and being a new member to this House, that if the rules did not cover, this small, little book of rules did not cover the circumstance then we do go to other levels of custom and precedents and authority and so on. If we do, Your Honour, I would want to suggest that there is precedent every single day -

MR. ROBERTS: Read Standing Order (1), "John."

MR. SPEAKER: Order, please!

MR. LUNDRIGAN: - Your Honour in the House of Commons in Ottawa and in London which justifies a supplementary question being asked after a number of intervening questions.

MR. ROBERTS: A point of order, Mr. Speaker.

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

MR. ROBERTS: I do not want to say very much because it seems to me what the gentleman from Grand Falls (Mr. Lundrigan) is doing, unwittingly I am sure, is challenging Your Honour's ruling which

MR. ROBERTS:

I thought was quite clear cut and very much to the point.  
What Your Honour ruled was that a supplementary question  
must follow - essentially the point taken by the gentleman  
from Kilbride (Mr. Wells)- a supplementary

MR. ROBERTS: question must follow the question to which it is supplementary without an intervening question in between. But that it was quite in order to ask a question on one topic and then a question on a second topic and then a third question on the first topic. But to deal directly with the hon. gentleman, because he seems to be kept up on this, Standing Order (1) does not say what he said it said. Standing Order (1) says, "In all cases not provided for hereinafter," in this book, our Standing Orders, "or by sessional or other orders," and we look to Ottawa, Sir, only after our own rules and precedents have been consulted and have proven -

MR. LUNDRIGAN: That is what I said.

MR. ROBERTS: No, Sir, what the hon. gentleman said was, "Where our rules are silent " There is a great body of the parliamentary practice of this House, Mr. Speaker, which is not contained in the Standing Orders but which is just as much part of the rules as if it were written in statute law.

Take for example all of our financial practice which is not contained in Standing Orders but which is, I think, well established now and so much so that there would be no question there could be any change in it unless it is done by resolution. So I think the point of order, Sir, is ill taken and I submit that time is going by more than rapidly. The gentleman from LaPelle (Mr. Heary) is certainly entitled to be recognized on a question, and I have no doubt he has one, but as I understood Your Honour's ruling he is not entitled to ask a supplementary question. He may ask a question on the same point if that is what he wishes to do.

MR. HEARY: Mr. Speaker, may I ask a question now?

MR. SPEAKER: I will have to dispense with the point of order first.

MR. LUNDRIGAN: I really did not want to suggest that only this

MR. LIBURDINIAN: body of rules here would be the governing rules of the House. I understand that there are customs and practices, but the reason I rose on the question, if that is the ruling, then we have established either carrying on from a custom or new precedent; and not being aware of the previous custom in the House, if in fact that has been the previous custom, my point of order is totally spurious. If it is not, then I want Your Honour to be very cognizant of the fact that custom in other houses permits the hon. member to do what he was trying to do.

MR. SPEAKER: Perhaps I will rephrase what I said earlier, under two headings; one, the purpose of allowing supplementaries; and number two, the purpose that an hon. member states supplementary. The reason or purpose for allowing a supplementary is to permit usually the Opposition, any hon. members in Opposition, to pursue a line of questioning to the Ministry in a logical manner, and not to unnecessarily have it interrupted with a question on a different subject and then getting back to it later, to permit hon. members to pursue a logical line of questioning.

Now the purpose when an hon. member is endeavouring to be recognized by the Chair, the purpose of stating supplementary, the purpose of using that word "supplementary" is in order in his mind that he will be given priority of recognition to continue in that line of questioning before another hon. member is recognized who would be on a different topic completely. Now certainly the hon. member's question, the question of the hon. member for LaPoile (Mr. Neary) is totally in order. There is no rule precluding his returning to the topic. It is totally in order as a question. The point originally raised was that by stating "supplementary" he would endeavour to, and in fact did, gain a kind of priority in recognition over an hon. member who had been endeavouring to get the Chair's eye for some time, presumably on a totally different subject. Now I do not say that the hon. gentleman knowingly did that or did anything else. All I am saying is that when I hear the word "supplementary" then I

MR. SPEAKER: presume that the hon. gentleman is going to ask a question arising out of the immediately preceding question.

I mean the hon. gentleman's question was in fact supplementary. Webster's dictionary will verify the supplementary. But in the technical sense all I can say is that the Chair, when it hears the word "supplementary" presumes that the hon. member is then going to ask a question arising out of the immediately preceding question. But I am not suggesting that it is out of order to come back to a topic after an intervening question

Perhaps now I will recognize the hon. member for LaPoile (Mr. Neary) and then the hon. member for Port au Port (Mr. Hodder) because there is time for both to be recognized. But

MR. SPEAKER:

This is a point which could lead to disputes, perhaps unnecessarily. And I trust it is clear what I have said.

The hon. member for LaPoile.

MR. NEARY: I forget the question I was going to ask the Premier now so I will ask the Premier another question. Would the hon. Premier tell the House what steps the government are going to take to deal with this horrible situation where we had 378,000 man days lost last year through strikes both legal and illegal and this terrible situation of a loss of \$25 million in industrial accidents, lost time and so forth? Would the Premier indicate what steps the government is going to take to deal with this terrible situation?

MR. SPEAKER: The hon. the Premier.

PREMIER BOGGS: Yes, Mr. Speaker. As I understand it the Labour Relations Act and the Labour Standards Code, both these bills will be coming before the House in this session when a lot of these questions will be answered.

MR. NEARY: Mr. Speaker, I am dissatisfied with the answer and I wish to debate the matter in the Late Show on Thursday.

MR. SPEAKER: The hon. member for Port au Port.

MR. HODDER: Mr. Speaker, a question to the hon. Minister of Transportation and Communications. As the minister knows, the road to Three Rock Cove and Mainland was picketed this morning, and the parents intend to keep their children from school. The question is what is the minister planning to do about the two demands which the people have made, one, that they have a grader grade their roads at least once a week, and that something be done about the road before September as far as upgrading is concerned.

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

MR. HODDER: Mr. Speaker, yesterday the hon. gentleman who just asked a question presented to this Assembly a petition requesting some improvements to the road in the Mainland-Three Rock Cove area. As a result of the representation made by the hon. gentleman, yesterday afternoon I gave instructions that the maintenance personnel of my

MR. MORGAN:

department take some corrective measures this morning. However upon arriving on the scene with their grader and other equipment the men were prevented from carrying out the necessary improvements by means of the people picketing the road. So I immediately gave instructions to have the equipment removed from the area. The men were sent to the area to carry out their duties to make improvements as required but the people picketed the road and prevented my men from doing so. The policy is, I had indicated earlier, that picketing of roads, obstructing traffic, is in no way going to influence this minister's decisions as to what roads get reconstructed or paved this year.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Leader of the Opposition followed by the hon. member for Popo.

MR. ROBERTS: Mr. Speaker, my question will be relatively brief. Could the Premier tell the House, please, when the government had some indication from Mr. Shaheen - I am reverting to the first topic of the day, so it is a form of supplementary in the Webster sense if not the parliamentary - could the Premier tell us when the government first had some indication from Mr. Shaheen or from his associates as to the fact that the Come By Chance refinery was in financial difficulties? When I say some indication I do not ask for a day or an hour but I would ask for the nearest couple of months or month or that type of thing. When did the government first have some indication from Mr. Shaheen that the Come By Chance refinery was experiencing financial difficulties?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, I think it is fair to say the first indication from Mr. Shaheen was -

MR. ROBERTS: Or any of his associates.

PREMIER MOORES: Well it depends on what you mean by trouble. I mean, it was known the company was losing money from the beginning. But in really financial trouble, I do not think we were ever advised by Mr.

PREMIER MOORES:

Shaheen or his associates. It was at the creditor's meeting in London when it really came to a head.

MR. SPEAKER: The hon. member for Fogo.

CAPT. VINSOP: Mr. Speaker, a question to the hon. Minister of Transportation and Communications. Can the minister inform the House when the contracts for the Loop Road - and I am particularly interested in that part of the Loop Road from Cander Bay down to Clarendville and beyond to Musgrave Harbour - when those tenders will be called?

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

MR. MORGAN: Mr. Speaker, the hon. gentleman and this hon. House were informed approximately two weeks ago that the projects which will be included, or obviously included, in this year's agreements with the federal level of government, the authority has been given my department to call tenders for these projects. They have been called accordingly, advertised in the local press in Newfoundland. The only project that we are hoping to obtain permission for - and yet there is no permission forthcoming from Ottawa - is the Northern Peninsula. But all the projects that we are hoping to have included in the agreement with Ottawa have now been called except the Northern Peninsula.



MR. SPEAKER: The hon. member for Lapoile, and this will be the last question.

MR. NEARY: I would like to ask the Minister of Fisheries, Sir, what the government is going to do to help subsidize the crab industry in Newfoundland this year?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, there are meetings going on between the Department of Fisheries, my colleague, Manpower, the industry and the union. I am hoping to have an announcement on that some time within the next few days.

ORDERS OF THE DAY:

MR. SPEAKER: Order 3 - Committee of Ways and Means. The debate was adjourned by the hon. Leader of the Opposition.

MR. ROBERTS: Thank you, Mr. Speaker.

When the debate was adjourned a few minutes before six o'clock yesterday, I had made the major point that I wished to make in respect to this sub-amendment before the Chair now. I had given our reasons why we were not prepared to see the amendment go unsupported and why we intended to vote in favour of it. Then I had spoken at, I think, fair length of some suggestions which I had made that I hoped and believed would improve the procedure whereby or through which this House considers the estimates of expenditure presented to it by the Minister of Finance and by the government each year. The House Leader on the government side unfortunately was not in the Chamber yesterday. He was away I am told on public business but for his benefit, since he is here today, essentially I made publicly the same suggestion which I made to him in a letter some two or three weeks past, and I told the House that he had responded in, I think, a reasonably positive way and indicated there was some possible merit in the suggestions in that if we ever can get a committee appointed on the Standing Orders we would be having a look at this problem.

Mr. Roberts.

Well I think we should, and whether my suggestions are accepted or not is really quite beside the point. I think what counts, and what we must be concerned with is the fact that this House obviously under the present rules is incapable of dealing with the estimates in any meaningful or any - I say proper - but any appropriate way. The procedure which we have found ourselves in leaving aside entirely this question of the seventy-five hours, because there is no possible agreement there. - the government feel that they must have it, and we on our side feel it should not be - but leaving that aside, Sir, the procedure by which we consider estimates has become inappropriate. It may have worked one hundred years ago. It may have worked twenty years ago. It may have worked ten years ago when I first came into the House and the Opposition only had three members, and often you would see in an afternoon two or three or four departments whizzed through. I can remember at one point the estimates of the Department of Justice when we were in the government - I am not sure if the present Minister of Justice was not then in his previous reincarnation and was the Minister of Justice in the Smallwood administration, the administration led by the member for Twillingate (Mr. Smallwood) -

MR. HICKMAN: When I was Minister of Health the estimates went through in less than half an hour.

MR. ROBERTS: Well the minister boasts about the fact that when he was Health Minister, which would have been in 1968, the estimates went through in less than half an hour. Well that is the sort of thing that was not uncommon in those days because the Opposition in those days were not doing their job properly. Be that as it may the present procedure is no longer adequate and that is why I suggested a course of action which I think could work. It would need to be improved. It would need to be refined and developed. But I would suggest, Sir, that we should adopt some procedure, and I will leave the point because my time is short. I will leave the point

Mr. Roberts.

by suggesting that we should adopt it on an interim basis, a temporary basis for one year, say the second session of this General Assembly which, of course, is the Thirty-Seventh General Assembly. We should adopt a new rule and let us try it for a year, and if it works then let us adopt it on a permanent basis, and if it does not work then let us go back and try to find yet another procedure. But the present procedure does not work. The House is not well served. The public of this Province are not well served. And we, Sir, as members should be deeply concerned with both.

While I am talking about the House I am glad to see the gentleman from St. John's East (Mr. Marshall) return to the Chamber from his triumphs of litigation in Ottawa yesterday.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: I gather he had a brief appearance before a panel of the Supreme Court of Canada. I am told he was on, as it were, for ten minutes and at the end of that his eloquence had convinced the judges that there was no merit at all in his request for an application for leave to appeal a judgement of two judges of our Supreme Court and that ended it. That knocked down the last flimsy excuse and Mr. Cross must now meet his makers without the protection of the hon. gentleman from St. John's East (Mr. Marshall). But in any event the hon. gentleman's triumphs of litigation aside - and I hope it is reported, I do not know if we can get a verbatim transcript or not - but the hon. gentleman's triumphs aside, Sir, I am glad he is back, because I was not here last Friday. In fact I was in Ottawa last Friday when he made some words about the size of the House and stated his belief. It has been reported to me that the present House of Assembly, which has fifty-one members, is too large. Well, Sir, I welcome that statement by the hon. gentleman, and I am very glad that he took that position. And I am very glad that

Mr. Roberts.

he holds to that position, and I hope he will continue to hold to it. I think the House is too large, and the only difference between the hon. gentleman and me is that he voted in favour of making this House fifty-one members and my colleagues and I voted against it, and that is when that bill -

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: - the Redistribution Bill, the House of Assembly Bill, the bill to amend the House of Assembly Act was brought into the Chamber last year. I do not think the hon. gentleman at that time was a member of the government. He had fallen afoul of Mr. Craig Dobbin and came out second best on play and had left the Cabinet doing, as I have said before, the right and the honourable and the courageous thing in the circumstances. I do not think the hon. gentlemen was in the ministry at that time. As I recall it when the Redistribution Bill, the gerrymandering bill, the bill implementing the principles which the Minister of Justice used to adhere to, when that bill came before the House the hon. gentleman, I believe, sat as a private member. I do not recall if he spoke. I have not looked it up nor do I recall what he said if he spoke. But I do know he supported that bill, Sir, supported it with a heart and-a-half and supported it with his vote, and that is how I know he supported it. And that is why we have fifty-one members today, Sir, because the present government insisted on it. The Opposition fought against it. We had earlier supported the request of the government that a commission headed up, as it were, by Mr. Justice Higgins, the late Mr. Justice James D. Higgins, that that commission investigate the feasibility of dividing the Province into fifty-one electoral districts. When we saw the results and realized what was involved, and saw that the cost involved was so much and things were so difficult for

Mr. Roberts.

the Province we felt that forty-two was enough and we so said. Well the hon. gentleman from St. John's East (Mr. Marshall) has now come to that position. I welcome him to it. He has come a little late to the feast I realize, but none the less I welcome him to the festive board, to the table as it were. I hope he will adhere to that position. I think the House is too large, Sir, and if ever I am called upon to lead an administration in this Province one of the points which I would make to my colleagues is that we would recommend to the House that the House of Assembly reduce itself. It can only be done by this House. Forty-two members are certainly enough. I am not sure whether it is too many or not. But that has nothing to do with the merits of how the seats are distributed. That is another subject, and I could debate that but my time I think is getting very short so I do not want to go into it. On the redistribution we had a lengthy debate here last year. But all I want to say is that the House is too large in my view. Forty-two members are adequate for a Province the size of Newfoundland and Labrador. That would give us enough members so that the rural areas and the urban areas alike could be properly -

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: Mr. Speaker, the hon. member for St. John's West (Mr. Crosbie) is having a great chat outside but could he be a little more quiet. His booming voice, Sir, booms through the sepulchral halls. My friend from Burin - Placentia West (Mr. Canning) tells me the Minister of Mines and Energy is talking to the Liberal people from Burin. That is almost all of the people in Burin according to the election results.

Mr. Speaker, I understand I have only a very few minutes left, for I have used up my time, and that is well enough. Let me just make one final point that I think should be made, even though I do not have the time to spend on it that I would like to

Mr. Roberts.

spend on it but maybe I will revert to it upon another occasion. Yesterday we heard quite a plaintive tale from the Minister of Mines and Energy wearing his gloom and doom cap and the message was that this Province faces a difficult time and it is all the fault of Ottawa. He went on at some length about what Ottawa was doing with respect to capping, I believe is the phrase, but in any event reducing the growth in expenditures on medicare, and he talked about a number of other points, which he felt supported his thesis.

MR. ROBERTS:

Mr. Speaker, I thought the hon. gentleman had some good points. I thought he had some merit in them. I am not at all sympathetic to the position the Government of Canada have taken. I can understand why they take it. I can understand the reasons which have led them to take it. But I am not at all sympathetic because the fact we have a medicare plan today is essentially because of the Government of Canada, properly in my view and proudly. But the Government of Canada brought it in, brought in the medicare plan - Mr. Pearson's administration - one of the great achievements of a very great administration. Now that we are in it, and in it with the money being paid on a certain basis, under a certain formula, the rules are being changed in mid-play and it is our treasury that must bear the cost.

Well obviously, Sir, we must be deeply concerned about that and we are doing the right thing to resist it and to fight and to speak against it and to try to persuade the Government of Canada that what they are doing is wrong. Mr. Speaker though - and I am not here to defend Ottawa, they can speak for themselves - but I think there are some other points which should be made in laying before the House something approaching the complete story because federal-provincial relations, Sir, are a very complicated matter and very much at the heart of the substance of public life in this Province. Mr. Speaker, they are not all one-sided.

I have not added up the figures but I would think that on balance this Province is very much the net gainer because of the dealings with the Government of Canada and forget for the moment who they are. It does not matter whether they are Liberal or Tory, they are the Government of Canada and entitled to act as such until they are replaced or succeeded by another government.

Take the fishery alone. There would not be a deep sea fishery today in this Province - heavens knows the one we have has problems still - but there would not be a fishery today in this Province, a deep sea fishery, if it had not been for the actions of the Government of Canada these last two or three years in putting in

MR. BOFFIN:

I do not have the figure - but it must be close on \$100 million or more in support payments into the industry. There would not be a salt fish industry in this Province today had it not been for the Government of Canada acting upon the request of the Smallwood Administration to set up the Salt Fish Corporation. That is why there is a salt fish industry today and the Government of Canada has put millions into it.

Our price of gasoline is high and it has been made no less by the tax increases which this government have insisted on putting in in their most recent budget. But let it be recorded that the price would be far higher still if it were not for the subsidies which we are getting from the Government of Canada, ten or twelve cents a gallon, I believe, on the retail price of fuel. I could go on.

The point I want to make, Sir, is that while we have just complaints with Ottawa, and while we must pursue them vigorously, this government over here, Sir, is not without blame and there is a second side to it. The biggest reason I believe, Sir, why we have not got anything like what I believe we are entitled to get by way of financial help from the Government of Canada is that this government has failed completely and utterly to develop anything approaching a rational and intelligent and comprehensive plan for the development of this Province.

Mr. Speaker, we have had a lot of talk in this session, a lot of talk on the motion which I brought in, the **Private Members motion** saying that we should have a select committee. That is another debate and I will not go into it. But let me say, Sir, that the biggest single failure of this present administration, the Voors Administration, is that in five years in office they have not come to grips with the fundamental problem of this Province. They have not developed a plan. They have not measured our resources. They have not made use of those resources or made use of the potential to try to achieve a goal. They have not stated the goals. They



MR. FORESTS:

have gone on, Sir, from ad hocery to ad hocery and they have taken on the final ad hocery of them all in the Churchill Falls question. I will have a great deal more to say about that either on the amendment or on the main budget motion itself because I think it is a subject on which much more needs to be said.

But let it be recorded, Mr. Speaker, that one of the great albatrosses now around our neck and it is becoming - and for once again I think the hon. gentleman for St. John's East (Mr. Marshall) and myself are in agreement on a question. We may come to it from different points of view. We may not agree on very much else but we are in agreement that the financial burden of the Churchill Falls thing when measured against the possible gain has become that of an albatross, an albatross about our neck to use the ancient mariners term.

This government, Sir, it is obvious went into the Churchill project without having thought it through, without having investigated it, without having realistically considered what was the best way for this Province to proceed. I do not want to go on on the Churchill thing now because I have only a moment or two left but I shall return to it because I believe, Sir, that of all the disastrous errors which this administration have made the Churchill Falls thing - and by that I do not mean the ownership. The fact of who owns the Churchill Falls is not what has caused the problem. What caused the problem is the way in which the government have acted. It does not matter in that sense whether they own the Churchill project or whether the Churchill project was owned by Brinco or any other privately held corporation. That is a red herring to say that the issue is ownership. That is a complete sham and a charade and the reddest of all red herrings.

Let me say simply though that the biggest single failure of this government is that they have not come to grips with the problems of this Province. They have not stated what our resources are. They have not stated what we should try to achieve. And accordingly they have not worked out the means by which they want

MR. ROBERTS:

to achieve their goals. That is why, in my belief, we are not getting help from Ottawa. That is the biggest, single reason why we are not getting adequate help. We have not gone with a properly prepared case. We have gone with a series of adhoceries, a series of half-baked ideas at most. We have not produced a comprehensive and an intelligent and all-embracing plan and that is what we should be doing. I had hoped, Sir, that is what this administration would do. Mr. Speaker, it is amazing how quickly ninety minutes speeds by. It may be long for those who listen but, Sir, for those who speak it is very short.

I have made what I believe to be two or three very important points in connection with the motion before the Chair. There are many others which should be made and I hope a number of hon. gentlemen on both sides, Sir, will get in to touch upon the points which I have made or upon others. I believe, Sir, this House is the place where the problems of Newfoundland and Labrador should be discussed and while they cannot be settled here, Sir, the solutions can often be set forth. The government, Sir, have not done their share. I will return to that in another debate but let me say simply that any government stands revealed by its legislative programme. The programme of this government, Sir, as set forth on the Order Paper is quite simply lotteries and a flag. Those are their priorities for a Province that has 28,000 of our men and women unemployed, that is facing a very serious financial problem and that altogether, Sir, is a Province that badly needs leadership. We are not getting that leadership, Sir. We are not getting the leadership we deserve from the government of this Province and that is why my colleagues and I are going to vote in favour of the amendment moved by the hon. gentleman for St. John's North (Mr. J. Carter) and why we are going to vote in favour of the immensely better amendment moved with an immensely better speech by my friend and colleague, the gentleman for Burgeo-Pay d'Espoir (Mr. Simmons). Thank you, Sir.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, among Canada's ten provinces Newfoundland has the highest taxes, the highest cost of living, the highest unemployment, the highest public debt, the highest cost of borrowing, the lowest level of gross provincial product, the lowest level of industrial productivity, the lowest level of most public services, the lowest level of private living, and the fastest pace in the rush towards provincial insolvency. That is Newfoundland today. A veritable *Via Dolorosa*, and sad I am to know it and to say it.

Now in this debate on the budget it is of course, I think, admittedly, our duty to enquire into the causes and possibly the solutions of our present trouble. That leads me, first of all, at the very beginning, to say something about our public debt. Now a public debt, Mr. Speaker, costs the borrower. He does not get to have a debt without its costing him something. Newfoundland in this case is the borrower and it has cost Newfoundland most grievously and the public debt continues to cost Newfoundland most grievously.

MR. SMALLWOOD: This cost of our public debt, the interest and the sinking fund, is a yearly thing and it lasts, it goes on unfortunately for the whole life of the debt. In the twenty-eight years that we have been a Province, the Government of the Province has had to pay out a staggering sum of money to service the debt. To the end of this current financial year, that is to say at the 31st. of March next, the grand total sum that will have been paid to service the public debt, from the first day of Confederation to the last day of this present financial year, the grand total sum is just under \$600 million, to be exact \$597,756,000.

MR. NEARY: Just to service it?

MR. SMALLWOOD: That is to service the public debt to the end of the current financial year. The first twenty-eight years as a Province, Newfoundland through its government will have paid out just under \$600 million. And the vast bulk of that, the overwhelming proportion of it, Mr. Speaker, went out of the Province. It was shipped out of Newfoundland to the bond holders, the people who bought the bonds, the people who lent us the money. They live outside Newfoundland and they have to receive the money, which they do twice a year, and it comes to a total that I have indicated.

MR. NEARY: How much a year? How much a year?

MR. SMALLWOOD: Now in the current year, in this present year to service the debt will cost the government, in other words will cost the Province, \$125 million. In this year's budget the cost of servicing the debt is \$125,202,000. One hundred and twenty-five and a quarter million.

Now this is in the present year. From first day to the last day of the year, in the 365 days, \$125 million or \$230 for every man in the Province, for every woman in the Province, for every child in the Province, for every infant in the Province, \$230 or nine hundred odd dollars from each family.

MR. NEARY: The highest in Canada.

MR. SMALLWOOD: We have the highest debt in Canada. We have the

MR. SMALLWOOD: highest rate, the most expensive rate at which to borrow money.

Now it will interest the House I am sure to know which of the two governments, which of the two administrations, there has been only one government in Newfoundland, but two administrations of it, which of the two administrations has had to find most of that money? My administration, Mr. Speaker, had to find \$252 million of that. My administration in the twenty-three years found and paid to the bond holders, and otherwise, in the servicing of the debt, in twenty-three years a total of \$250,250,000. The present administration in five years, a total of \$436 million. Now except for the few months that are left of the current year these figures refer exclusively to the past, to the first twenty-eight years of our life as a Province. A total of \$689 million that had to be found to service the debt and of that amount \$252 million had to be found by my administration, and was found, and \$436,500,000 of it by the present administration and I have no doubt that they will find it.

MR. NEARY: On debt that they incurred themselves?

MR. SMALLWOOD: Yes. What I had to find, what my administration had to find was the servicing of the debt that my administration contracted. We did not have to find before we left office, we did not have to find the money to service the debt contracted after we went out. It was after we went out, it is in five years, ending next 31st. of March, it is in those five years that so much money has been borrowed by the present administration, that to service it will have cost them in their first five years \$436,480,000, call it \$436.5 million. That is because they borrowed so much in their five years.

Now, Mr. Speaker, that is looking at the past and a pretty mournful picture it is. Let us now look ahead a little. That is a statesmanlike thing to do. Let us look ahead in this Province for, say, the next ten years. You do not have to be a very great prophet, you do not have to be a man of very great understanding to

MR. CHALMERS: take some kind of a look at the probabilities of the next ten years. Let us assume that after the current year not another dollar is borrowed by the government for the next ten years, not a dollar. In those ten years -

MR. DECKERT: We will go aground if we do not borrow.

MR. CHALMERS: In those ten years if no money is borrowed for the next ten years, if none is borrowed -

MR. DECKERT: How are you going to operate the Province?

MR. CHALMERS: I am not discussing that at this moment, not presently at this particular moment. I am looking at another aspect of it. The **presently existing public debt, Mr. Speaker, if we do not add a dollar to it in the next ten years, will require cash to be found by the Minister of Finance, whoever he is unfortunate enough to be in the next ten years, he will have to find cash to service the debt as it now is, without adding a dollar to it, he will have to find \$1,250,000,000, just to service the debt. That is \$125,000,000 a year for the next ten years after the current year. \$125.25 billion cash and the overwhelming part of that will have to leave the Province and go to the bond holders, the money lenders who do not live mostly in this Province.**

But now as the Minister of Municipal Affairs and Housing so truly says, if you do not borrow what are you going to do? That is true. So let us say that in the next ten years the government will borrow an average of \$100 million a year, \$100 million a year for the next ten years after this year. It will cost \$2 billion to service our public debt then, that is to say to service the debt we already have, that is \$125 million a year for ten years is \$1.25 billion, add \$1 billion debt to that, \$100 million a year and you are bringing your servicing cost up to \$2 billion cash to be found in the next ten years.

Now that would be \$3,570 for every man, woman and child in the Province, Or for every family in the Province over \$13,000, just to service the debt, the existing debt and \$100 million a year for

MR. SMALLWOOD: ten years that is \$1 billion, that is a grand total of \$2,000 million, \$2 billion to service the debt in the ten years.

Now, Sir, that is at \$100 million a year. Let us assume that in the next ten years we borrow \$200 million a year and that is far less than the present administration have done in these five years. They have borrowed on the average away above \$200 million a year, away above it. But let us say that in the coming ten years they will borrow only at the rate of \$200 million a year. To service the presently existing debt for the next ten years and the \$2 billion that they will borrow if they borrow \$200 million a year for ten years that

MR. SMALLWOOD:

will mean a grand total in these coming ten years just to service the debt alone, of \$3.75 billion. Now that is an average of \$375 million each year for the next ten years. Imagine the Minister of Finance coming in on the average of the next ten years and in his budget, presenting a budget. On the expenditure side each year, on the average, it will less in the first and second and third year, more in the fourth and fifth, much more the sixth and seventh and in the tenth it will be shocking altogether. But on the average he brings in an expenditure of \$375 million a year just to service the debt and that is cash that has to be found and mailed out of the Province.

MR. NEATY: It would want to be some budget.

MR. SMALLWOOD: It would be some budget. Of course, Mr. Speaker, if you tell me that this would be insanity I have to agree thoroughly. It would be insanity and of course it is not going to happen. It is not going to happen. It is not going to happen because, not necessarily of any wisdom in the Government of Newfoundland or wisdom in this House, because the money lenders will not allow it to happen. It will not happen because at some point of time the Newfoundland Government will be met by a flat no from the money lenders. It will not happen because the money lenders will simply not believe that Newfoundland can pay out such fantastic sums in interest and sinking fund on borrowed money.

When will that point be? At what point will the money lenders, the banks, the insurance companies, the pension funds, other institutions and funds, at what point will they say firmly to our government, "No, no more, you are over your heads now, we do not consider you safe anymore as borrowers?" When will that be? Later this year? Or will it not be until next year? Let us all remember that when that did happen to us before, when we went on the rocks, it came with shocking suddenness. Right up to the last moment we had no warning. Newfoundland had no warning. One year we went out and



MR. SMALLWOOD:

we borrowed millions at a good rate without any difficulty or delay, our bonds were grabbed up, were snapped up. The very next year the axe fell. Not a dollar, not a single dollar at any rate would anyone in the world lend to the **Government** of Newfoundland, **Not** one dollar could the Newfoundland **Government** raise by the sale of its bonds because no one on earth would buy a solitary bond of the Newfoundland **Government**. We were broke and on the rocks.

When you want to get an idea of the size of a thing you often stand a man up by it. You get the height of a tree by having a man stand by it. You take a photograph. You want something to compare. To get some idea of the size of our public debt, Mr. Speaker, let us look at our nearby neighbors. Do not compare Newfoundland's debt with that of Ontario or that of British Columbia, that of Alberta, **compare** our debt with the debts of Nova Scotia, Prince Edward Island and New Brunswick. In Prince Edward Island to the end of 1977--so I am taking the same period as our own, to the end of next March--their public debt, direct and indirect, together combined is \$113 million. That is a per capita of \$942. Every man, woman and child in Prince Edward Island owes as public debt \$942.

Now come to Nova Scotia. Again to the end of 1977, again net direct debt and their indirect debt combined per capita of \$1,250. Now come to New Brunswick again to the end of March in 1977, next March, direct and indirect, \$1,356,000,000 for a per capita of \$2,000 a head. That is \$2,008.

MR. H. COLLINS: Give us ours.

MR. SMALLWOOD: I will in a moment. I want to complete this section of what I am saying. The population of the three **Maritime Provinces** is Prince Edward Island, 120,000; New Brunswick, 684,000; Nova Scotia 830,000 for a total of 1,634,000 souls. That is the population, the latest figures, of the three **Maritime Provinces**. Their total public debt, the three provinces combined almost as if they were one province, their public debt is \$2,475,000,000. So that if you were to average

MR. SMALLWOOD:

the public debt of those three provinces, divided by a population of 1,634,000 it gives you a per capita debt of \$1,500, a little some odd dollars over that, \$1,500.

Now, Mr. Speaker, come to Newfoundland. Here you have not your basis of comparison now, 1.6 million population up there, 555,000 here. Here slightly below one third of the combined population of the three Maritimes, just under one third. Up there the average public debt of the three provinces merged is just over \$1,500. Here in Newfoundland our public debt is in the vicinity of \$2 billion. That is a per capita in this Province of over \$4,000. It is almost three times as much as the averaged combined public debt of those three provinces because number one, they have only got a few hundred million dollars more debt than we have but number two, they have three times as many people to share it. So the burden falls much more lightly, obviously. In fact it is only around \$1,500 per head, per person in those three provinces whereas in Newfoundland, with a public debt that is only a few hundred millions below their grand total public debt, with only a third as many people, the burden falls on each individual person in Newfoundland most grievously.

MR. J. CARTER: Would the member allow?

MR. SMALLWOOD: Yes.

MR. J. CARTER: Mr. Speaker, the hon. member is comparing apples and oranges. In our own case, the total provincial obligation, there are certain deductions taken from it such as sinking funds, loans, advances, mortgages, etc. etc.

MR. SMALLWOOD: In the others as well.

MR. J. CARTER: But in the Province of Nova Scotia, I happen to know because I had a chance to look at one of their budget documents, they also deduct all sorts of other things and come up with a net debt considerably less than is actually the case. Therefore I think, although the hon. member's figures are interesting, they are not accurate.

MR. SMALLWOOD: Well I reject completely the point that the hon. gentleman makes.

MR. J. CARTER: I reject your rejection.

MR. SMALLWOOD: I reject it out of hand, He is behind the times. I know what I am talking about. Normally I do not talk unless I know what I am talking about, unless I have the facts at my fingertips and I have them at my fingertips.

Mr. Speaker, the Newfoundland people are tragically unaware of the present explosively dangerous condition of their province's finances. How could it be otherwise when for example the statement made in this House by the hon. member for St. John's East (Mr. Marshall) was quite ignored by press, radio and television. The hon. member told Newfoundland - and I quote him precisely now -

Mr. SMALLWOOD: "I have to say from my own viewpoint quite sincerely and quite clearly that as a member of this House, as an elected member, I am very much concerned with the financial affairs of this Province. I feel that we are in a crisis in this Province. We are in a critical position and it is going to require very, very strong measures." And again in this same speech the same hon. gentleman told us, and again I quote, "It is a matter of supreme importance and deep concern, and it must be of every member of this House, the financial position in which we find ourselves." Again the same hon. member, "It is a grave situation. I cannot overestimate it." The hon. member for St. John's East (Mr. Marshall) then told us that if we failed to cut down then it could possibly mean, Mr. Speaker, I invite the close attention of hon. members, I am quoting the hon. member for St. John's East (Mr. Marshall), "If we fail to cut down, then it could possibly mean the end of representative government in this Province." And he added, "I think the situation is as serious as that."

How can the people hope to be aware of the crisis when in fact they did not know that the hon. member for St. John's North (Mr. J. Carter) told this House and again I quote his precise words, "There is a real crisis in our financial condition. It is not perceived by this House and it is not perceived by the people." And again that same hon. member, still quoting him, "The financial condition of this Province is extremely grave." And again the same hon. member, "I am alarmed by the financial situation."

These two hon. gentlemen said those words in this House in my hearing. And then the hon. member for St. John's East (Mr. Marshall) speaking of what he referred to as, "This \$1.25 billion budget," referring to that he referred to the, here are the words, Mr. Speaker, he referred to, "The agonies

MR. SMALLWOOD: that are surely going to descend upon us."

Not a word of any of that has been quoted in press, radio or television, not a word.

These grave statements have not been reported to the people, nor have the people received any reports of my sounds of alarm on the financial condition of our Province. Never a word has been reported to the people of the nods of approval by the Minister of Finance on several occasions when I drew attention to the extremely serious financial state of Newfoundland, not a word. That is not news. Scarcely a word or even a syllable of the remarks that were coming to Newfoundland from the hon. the Minister of Mines and Energy. As a former Minister of Finance in the present administration he could be expected to know something about it, could he not?

"The pie is no longer expanding," he told us. "The pie was getting larger and larger and you could slide it around and give more to the ordinary people and bring up the standards of living, improve social services and give them more social assistance and have Medicare and free hospital treatment, etc., but" declared this knowledgeable minister, "but, we have come to the end of that." The end of what? "The pie was getting larger and larger and you could slide it around and give more to the ordinary people and bring up the standards of living, improve social services and give them more social assistance and have Medicare and free hospital treatment, etc., etc., but we have come to the end of that. That is where we have come to. This is no short-term crisis." The Minister of Mines and Energy, "This is no short-term crisis. Their standards of living" - the people's standards of living - "are not going to keep going up. They are in grave danger of stopping or coming down." Not a word of that have the people heard.

These were dramatic declarations uttered by a Minister of the Crown, a responsible and powerful minister at that, from his place in this House and he clinched them by adding the words,

MR. SMALLWOOD: "Anybody who now really spends any time looking at this can see it and the figures are all there but," and note these next words, "Mr. Speaker, "but it is not yet in the public consciousness but we have to get it in our consciousness pretty fast." That is the Minister of Mines and Energy. No Pollyanna, no rosy optimism there, or from the hon. member from St. John's East (Mr. Marshall), or the hon. member from St. John's North (Mr. J. Carter) or from me.

These were courageous words from the minister. But even braver words were the following from him, that same **Minister of Mines and Energy**. "Well," he said, "you have got to try to carry on the services that are here now at the present level although you might have to come to the position where you have got to reduce them." Not a word of that has gone out to the people. "That is a possibility," he says, "You may have to cut back towards services but let us say that you just carry on at the present level and you have got to borrow money to do that." Telling us here in this House that his heart this session is really not in it. That he is not in the usual business of battling and slugging, cut and thrust of debate, his heart is not in it, he told us and he gave us the reason. "Because, really, I think we do face a serious situation. The populace needs to be, the people need to be **apprised of it and made aware** of it and we have got to make the best fist of it we can." Again a plea that the people be made aware of the serious, the terribly serious nature of the financial crisis in this House.

Now the remarks made by the hon. the Premier were not quite as emphatic as those of his colleague, the Minister of Mines and Energy but they were positive enough, "Times are extremely difficult today and they require, Sir, harsh measures. This government, Sir, plans to be tough. There is no question about that. We will set an example to labour and to management of what government can do in leading the way,

MR. SWAINWOOD: in showing the way."

Well, Sir, that was at least a beginning from the Premier. He went on to tell us, still quoting him, "Because whilst the financial market and the other people in this world will accept one deficit because of the unusual circumstances in the world today they will not condone, nor should we be allowed to get away with two." And he added these significant words, "I think, Sir, it is fair to say that all people in this Province must realize that until we balance our budget, until we are financially responsible we as a Province and as a people will never ever," those are his words, "will never ever, we as a people and we as a Province will never ever be able to do the things in the future that we so badly need to do and want to do," again quoting the Premier.

"But if we do not do what has to be done today, Sir, I venture to say that tomorrow will be much darker, very dark indeed. We have to cut back on public services. We must cut back and set an example on government spending. We must cut back on programmes and performance." He went on to tell us, still again quoting him, "Sir, we must look after our own housekeeping internally. The fact is that cut back on waste or fat or extravagance, or whatever you want to call it, within the government itself has to be the first thing to be dealt with." The trouble is they are not dealing with it. They are making silly, feeble little passes at it, nothing serious. They are not even putting a half decent sticking plaster on it.

Then the Premier turns his thoughts as his colleague, the Minister of Mines and Energy had done, he turned his thoughts did the Premier to the people, "People, Sir, have got to realize, people have

Mr. Smallwood.

got to realize that these are difficult times and it is going to take difficult measures to deal with them. That, Sir, will be the message of this government. As I say, Sir, it will hurt us to a degree, but it has to be done. Governments have to cut back. We, like the individuals, Sir, have been cutting it high, wide and handsome." That is the end of that quotation or to use words that I myself have so frequently employed in the past, we have been leaving too high on the hog. We are enjoying a standard of living in Newfoundland today, and you might say in many other parts of Canada, that we cannot afford. We are enjoying a standard of living today in Newfoundland that it has taken us twenty-eight years to get to. By prodigious effort and by prodigious expenditure and prodigious borrowing we have got to that level, that standard of living, which we cannot afford, which we cannot afford to maintain.

The Premier summed it up in these words. He said, "Sir, the time has come for us as a Province to face reality." How I wish to God the Premier would face reality. How I wish that the Minister of Finance would face reality, not only face it, but act accordingly. How I wish all of their colleagues in the Cabinet would follow my injunctions, my advice to them here on opening day, I think it was, when I said, "You have got five years, take the bull by the horns now and do what must be done. Call on the people for the necessary sacrifice, and they will respond. They will respond to save Newfoundland, to save her from collapse, to get her back on an even keel. The people will respond if you give them the lead." How I wish to God the Premier would do when he said, "Sir, the time has come for us as a Province to face reality." If we face reality today, tomorrow will be much brighter than even we realize. And here came his warning, "But if we do not, as I said before, it is going to be a bitter day indeed. We must face reality."



Mr. Smallwood.

Now, Mr. Speaker, there is no mistaking a note of honest alarm that all of these hon. members across and hon. ministers have struck. But do you suppose, Mr. Speaker, that that message, one of the most vital messages ever delivered to Newfoundland in all her history - the nearest thing I know to it was the warning of Sir John Crosbie when he was Minister of Finance in the administration of the Hon. Walter Monroe. As Minister of Finance in his budget speech he warned that Newfoundland was heading straight into the deepest of deep financial trouble, and it so happened that he was right. It took a few years in that case when things were on a somewhat smaller scale, when the tempo of life was so much slower than it is now. It takes a month now to happen what could happen in a year or two years then. The nearest thing to the present warnings that have been uttered in this Chamber by hon. members and ministers, the nearest to that in importance, in vital life and death importance to Newfoundland was the warning of Sir John Crosbie when he was minister, the grandfather of the present Minister of Mines and Energy. Do you suppose that that message has been passed on to the people? Do you suppose, Mr. Speaker, that the people of this Province are today really and truly aware of the financial crisis into which our Province has come? Do you suppose, Mr. Speaker, that all hon. members of this House are aware of it? Do you suppose, Mr. Speaker, that all hon. ministers are fully aware of it? I do not. And in God's name what Newfoundlander, what kind of a man would he be, what Newfoundlander would he be who would not glory in all the talk of more money for this, and more money for that, and more money for five hundred things so badly needed in Newfoundland, blessings as they would be, who cannot applaud that, who cannot wish that we had the money to do it? But you scarcely, except for these isolated words, two hon. members, private members, former ministers, two hon. ministers, one of them being the Premier himself, four on that side, and I am not quoting what I said here, again and again on

Mr. Smallwood.

the same topic, but the people of Newfoundland do not know. They have not been warned. You can talk here until you are black in the face, and unless the media think what you say is of sufficient importance or sufficiently interesting to report it, nobody knows, except those who are within inside these four walls.

Now radio stations and television stations by the very nature of their programmes cannot give any more than two or three or four minutes to all of the proceedings of the whole afternoon and night in this Chamber. So through those media, through those means, the people are not going to learn the sad truth. The newspapers have much great elbow room. They can report it. There is precious little reporting to ask the question, do the people know, are they aware? To ask it is to answer it. Our people, Sir, are hopelessly, harmlessly, innocently unaware of where their Province stands today, and we in the people's House and the media, between us all, we are to blame. We are to blame.

Mr. Speaker, what I have talked about so far is our frightening public debt, that disastrous burden. I led the administration that caused about \$700 million of it, but I did not lead the administration that caused another \$900 million, \$1,000 million or \$1,100 million of it in five years. I caused some of it, yes.

I want to say a word about the government's spending, their yearly spending. In the twenty-three years - and in reply to my hon. friend for whom though he may not believe it I have enormous admiration. He is a man who has deep beliefs and strong beliefs and convictions and some prejudices as we all have, but who is true to them and makes no bones about it. He is not going to be toadied or taffied into changing them. He is going to be tough and rough toward me or toward anyone else that he does not like, okay.

MR. SMALLWOOD.

I have had tougher hon. gentlemen than that hon. gentleman, and I have survived it. In the twenty-three years that my administration of the government managed this Province we did spend a very great amount of money. There is no doubt about that. It came, Mr. Speaker, to a total of around \$3,000 million for the whole period, \$3 billion, a period that ended just over four years ago, \$3,000 million, \$3 billion current and capital accounts combined. It was simply a tremendous sum of money, \$3,000 million in twenty-three years. Of course, we did produce a lot of good for Newfoundland with that money. Those \$3 billion built over 1,000 new schools, a College of Fisheries, a College of Technology, seventeen trade schools, a university. We built thirty new or enlarged hospitals. We built over 5,000 miles of new roads and paved over 2,000 of them. We built large numbers of public parks and camp grounds, airplane landing strips, public libraries, Arts and Culture Centres, industrial plants, fishery plants, agricultural establishments. Oh yes, yes indeed, it

MR. SMALLWOOD:

was a lot of money those \$3 billion in twenty-three years but there was and there still is a lot to show for it. It was not, all of it, wisely or prudently spent, not all of it. Some of it was wasted. But in those twenty-three years the spending of that tremendous, that vast sum accomplished great things for the new Province, undeniably. Newfoundland is today what we made it in those twenty-three years with that \$3 billion of which nearly \$700 million was public debt. The Opposition of that day - that is the present administration - were aghast at our spending. They were shocked. They were indignant. Newfoundland was bankrupt they said. Newfoundland was insolvent. Smallwood had brought the Province to the edge of disaster and collapse. Smallwood had proven that he did not know how to manage Newfoundland's affairs. It was a peculiar accusation about a man who had headed our affairs for over twenty years at that point, all the more peculiar coming from men who had had no experience at all in managing Newfoundland's affairs and precious little experience managing any other kinds of affairs. A lot of people believed their harsh criticism of my administration and of me, and a lot of decent well-meaning people in our Province. After all I had been captain of the ship for twenty-three years, too long in the opinion of a majority as it turned out.

Time for a change. Time for the ship to be taken over by new and better men. Well -

MR. SPEAKER: If the hon. member will permit me, he has about one minute left of his forty-five minutes.

MR. SMALLWOOD: Mr. Speaker, I am about ten per cent through. So what I will do is let it go at that and I have two other opportunities I believe before the final vote is put and I will hope to conclude my thoughts that I believe to be patriotic thoughts, patriotic words. If I at my age and at my stage in life, if I cannot now tell it as it is when will I ever be able to? If I do not do it why should anyone else do it? Young men with political ambitions for ten or

MR. SMALLWOOD:

twenty years to come, if they do not do it, if the Minister of Mines and Energy can do it, as I quoted him here today, and even the Premier and these two hon. members, why should I not do it? I have only begun. I thank the House for the courteous attention up to now but I will have a chance to resume and express some more of my thoughts.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I want to have a few words on the sub-amendment. First of all, Sir -

**MR. HICKMAN: The hon. member is out of order.**

MR. NEARY: The hon. member has been out of order for a long time. I want to congratulate my colleague, the member for Twillingate (Mr. Smallwood) for having given us, Sir, such a great insight as the hon. gentleman sees it and I am sure as other hon. members of the House may agree, into the disaster course that this Province is on financially. It is too bad that the hon. gentleman could not carry on for another hour or two but I am sure that he will get an opportunity before the budget debate is over to finish his few remarks. It was rather heavy stuff, Sir, that the hon. gentleman threw at the members of the House this afternoon and it is something that had to be said.

Whether or not the hon. member will be successful in getting the media to communicate his information to the public and the information of the House to the public, of course, is another question. Probably that is why I believe that, personally speaking, the debates of this House should be televised. I believe this is the only way that the people of this Province will be fully informed of actually what is going on in the people's House and in this Province.

The hon. gentleman had almost reached the point of his remarks where he was - at least that is the impression that I got from the hon. gentleman - that he was comparing the hon. gentleman's administration to the present administration inasmuch as the present administration had submitted themselves to the people of this Province in three general elections and told the people of this Province that

MR. NEARY:

they were not going to do things in the same manner as the former administration. They were going to clean her up so to speak. They were going to operate in a completely different way as the old Liberal Administration. There was going to be no graft or corruption. There were going to be no kickbacks, no under the table deals. Everything was going to be clean and aboveboard. Public tendering procedures were going to be followed to the letter of the law and that things were going to be carried on in such a clean and wonderful fashion that the people of this Province would hardly recognize the fact that between the two administrations, comparing the old one with the new one, the one old as the hon. the former Premier just told us because of the character assassination and the propaganda that was carried on against the hon. gentleman and against the administration that was not answered to a large degree - the father of character assassination is sitting in this House this afternoon and the vicious attacks that were made on the -

MR. CROSBIE: He is speaking now.

MR. NEARY: - the vicious attacks that were made on the former Premier of this Province and allowed to go unanswered to a large degree. I would say that was probably one of the contributing factors to the downfall of the former administration, that these things - I think I heard my hon. friend say one time, "You do not have to convince your friends - what is that saying.

MR. SMALLWOOD: Do not explain. Your friends do not need it and your enemies will not believe it anyway.

MR. NEARY: That is right. I heard my hon. friend say that so often. But my hon. friend and the administration should have been fighting back because, Sir, as one hon. gentleman, I think on the government benches, indicated some time ago when one noted - was it the gentleman still there or the gentleman that bailed out, had left - that as far as corruption is concerned the former administration were only babes in the woods when it came to owning beer taverns and licensed establishments and land speculators and fronting and owning

MR. NEADY:

mortgage companies and investment companies. The former administration were only just babes in the woods. They looked like a Sunday school picnic compared to some of that hon. crowd.

Mr. Speaker, I have been some time now - I am not going to get on the same subject as the hon. gentleman was on because it was rather a heavy subject for members for the afternoon - I am going to deal with a few other matters to prove to this House that they are to blame, that the government is to blame for a lot of the weaknesses and a lot of the things that are going on in our society today.

I picked up the paper today, Sir, and one of the things that I think this government can be blamed for, Mr. Speaker - my hon. friend says in his sub-amendment this government is not to blame - one of the things they can be blamed for, Sir, is high auto prices. I remember a week or ten days ago when I let go my assault, my blast on the investment companies and the mortgage companies and certain lawyers who were involved with these companies, charging bonuses and so forth, one of the things that -

MR. WELLS: A point of order, Mr. Speaker.

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

MR. WELLS: One of the rules of debate dealt with in Beauchesne, Mr. Speaker, Section 149, page 127: "Besides the prohibitions contained in Standing Order 35; it has been sanctioned by usage both in England and in Canada, that a member, while speaking must not:" and then there are a list of things. One of them is, "Anticipate discussion on a motion set down for future consideration."

Now, there is set down on the Order Paper of this House, I forget which motion it is but it is there at any rate, Mr. Speaker,

MR. WELLS: the motion anyway to deal with the Mortgage Brokers Act.

AN HON. MEMBER: This one?

MR. WELLS: Yes, that is right, second reading of a bill, "An Act To Register Mortgage Brokers And To Control The Amount Of Bonuses To Be Charged By Mortgage Brokers."

Now the hon. member in his usual style, Mr. Speaker, it seems loves to advert to this and wishes apparently this afternoon to debate the matter also. This is absolutely prohibited under the rules of this House, Mr. Speaker, and I would ask, Mr. Speaker, to inform the hon. member.

MR. NEAVE: Mr. Speaker, to that point of order, I would submit to Your Honour that we have a vote of non-confidence, Sir, proposed by the hon. member for St. John's North (Mr. J. Carter) which states that the government is not to blame for many of the situations that we have in Newfoundland at the present time. That, Sir, is a wide ranging debate and even though there is a bill on the Order Paper, Sir, that does not stop me from referring to any matter that I wish to refer to in this debate and the gentleman did not raise a point of order.

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

MR. J. CARTER: To that point of order, if I may, I am the mover of this sub-amendment that the hon. gentleman is now debating.

**The Speaker, not yourself, but Mr. Speaker Ottenheimer in the Chair** judged that this particular debate to this sub-amendment was extremely restrictive and not wide ranging at all. **Therefore** streams of abuse launched out in all directions certainly are quite beyond the scope of this particular debate.

MR. BOWE: To that point of order, Mr. Speaker, I do subscribe to the arguments put forth by the hon. the House Leader. He made the citations quite clear, black and white, no questions. However,



MR. ROWE: I would like to point out that we do not subscribe to the point made by the member for St. John's North (Mr. J. Carter). Debate on the sub-amendment to this point has been quite wide ranging -

MR. NEARY: That is right.

MR. ROWE: -- by all members who have spoken on it. And it would be a terrible injustice to members who intend to speak later on if they were not accorded the same latitude as has been given to members who have previously spoken. So although I agree with the citation made by the hon. the House Leader I would like to state emphatically our opposition to the point made by the member for St. John's North (Mr. J. Carter) and sincerely hope that Your Honour will not make a ruling based on that kind of a submission.

MR. SMALLWOOD: Mr. Speaker, on that point of order; I think it is absolutely apparent that for very good reasons down through the history of parliament it has been found that you do not debate the same thing twice in the same session. Therefore if opportunity has been provided by the government for debate of a given matter you have to wait until that moment comes to debate it. That is good law. That is good rule. That is good parliamentary procedure. But that does not mean that you cannot make a passing blow at it and that you cannot make a glancing blow at it, that you cannot make reference to it. If the hon. gentleman propose now to make a speech dealing with that particular matter of which the government has given notice of a bill, then he is out of order, but he is not out of order surely just to make more or less passing references to the matter.

Otherwise look at all the matters we would be barred from mentioning just because there had been some reference to them before or even a bill or anything, a resolution, or notice of a resolution. This is one way that an administration could choke off debate and throttle free speech in the people's House, where speech is supposed to be free within the rules.

MR. SMALLWOOD: So I am sure the hon. gentleman, the Government Leader will concur in the view that while we are all barred until that order is called for debate, we are barred from debating it, we are not barred from making casual references to it as we go along.

MR. J. CARTER: To that point of order, Mr. Speaker, and I think it is an important point that we ought to decide now. While I agree that a certain amount of latitude must be allowed, at least, Mr. Speaker, the Chair should insist that anyone speaking say something and the hon. gentleman from LaPoile (Mr. Neary) has been saying nothing so far.

MR. NEARY: Sit down you big overgrown galout.

MR. SPEAKER (DR. COLLINS): Order, please! I think sufficient views have been expressed to allow a ruling. The point at issue in the point of order is whether the reference that the hon. member for LaPoile (Mr. Neary) has made is covered by motion 40, and I think by Order 40 which refers to an Act To Register Mortgage Brokers And To Control The Amount Of Fees To Be Charged By Charged By Mortgage Brokers, that all hon. members will certainly agree that that subject **per se cannot** be debated as it is up for debate.

As the sub-amendment being debated is as follows, "But realizing the difficult situation facing the Province and in view of the complexity of the situation absolves the government from all blame." **That** is a sub-amendment to the amendment which reads, "The House regrets the failure of the government to disclose completely and fully the present financial situation of the Province of Newfoundland and Labrador and the government thereof." So therefore the discussion has to be directed towards the situation facing the Province of Newfoundland and the government thereof, **it** has not to be directed towards any narrower subject such as laid out in Order 40 and any debate that would specifically deal with that to any length is clearly out of order, although as

MR. SPEAKER: the hon. member for Twillingate (Mr. Smallwood) has pointed out some passing reference to it would certainly be in order.

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

MR. NEARY: Thank you, Your Honour, and now I will start over again, Your Honour, and I hope this time that the hon. sensitive government House Leader will not try to anticipate what I am going to say.

The matter I was going to refer to, Sir, was car prices and I suggest that the government is to blame for allowing the high car prices to continue in Newfoundland. And my only reference to the hon. gentleman was a couple of weeks ago when the hon. gentleman saw fit to launch a personal attack on me in this hon. House. He said, "The hon. member has attacked everybody now, the car dealers and the lawyers and the mortgage brokers," and the hon. gentleman thought he was making a great point.

Well, Sir, when I picked up The Evening Telegram today I was completely overwhelmed when I saw none other than Beryl Plumptre in The Evening Telegram on page three today saying, "High auto prices horrify Plumptre suggests residents petition for an investigation," the by line by Jeff Hunt, Evening Telegram staff writer. "St. John's residents should petition the federal government to investigate under the Combines Investigation Act, the monopoly dealership of local car sellers" says Beryl Plumptre, Vice-Chairman of the Anti-Inflation Board. Speaking at a press conference here yesterday she said she was horrified to hear of the difference between prices of new cars here and the prices in Ontario." Does my hon. friend wish to take exception to -

MR. ROWE: Table it.

MR. NEARY: Yes I will table it - What Mrs. Plumptre says about car prices in this Province?

MR. WELLS: What does she use?

MR. CROSBIE: What does she know?

MR. SMALLWOOD: She is the most knowledgeable of women.

MR. NEARY: Mr. Speaker, the hon. gentleman says, "What does she know? What does she know? Well, Sir, let me tell the hon. House, and this is something that I am going to raise now about the cost of living -

MR. CROSBIE: Beryl Neary -

MR. LUNDRIGAN: Go right to it beryl.

MR. NEARY: When Mrs. Plumtre, Sir, headed up the Food Prices Review Board of Canada she did a very intensive study.

MR. CROSBIE: He put in his thumb and pulled out a plum.

MR. NEARY: Does the hon. member want me to pull out the file I got here on the Crosbie empire? I am coming to that later too. I am going down before the Commission that is coming on the 20th, on Thursday coming and I will be talking about the Crosbie empire. They have a representative in the government, the old line Liberal Party is just a subsidiary of the Crosbie empire and they have a representative in City Hall. They cannot lose. In the meantime the minister sits back and scoffs at all this. This only affects the small man, the ordinary little fellow, the ordinary Newfoundlander. The minister can sit back with his shares in trust and watch his profits swell and get bigger while the poor little ordinary Newfoundlander, the small man gets ripped off and the minister shows no concern only scoffs at it.

Mr. Neary.

Mrs. Plumptre says, Sir, that agreeing that transportation costs do not account for the differential, she noted that a Newfoundlander can save in excess of \$1,000 by flying to Ontario, buying a new car and driving it home. She wondered why more Newfoundlanders do not do this when they can get a car plus a trip for less money than a car bought here costs. She said the fact that most dealers in town hold monopolies on the models of cars they sell should be a reason for an investigation. Well how long have I been at that one, Sir? How long have I been asking this House and joined by my hon. friend when he was a backbencher, now Minister of Transportation and Communications, to have the car industry investigated in Newfoundland? Here we have it now from an authority none other than Beryl Plumptre who was recognized across Canada as an authority on prices and now a very prominent member of the Anti-inflation Board.

MR. LUNDRIGAN: The thing that amazes me is why she does not herself take the initiative as Vice-Chairman of the Anti-Inflation Board.

MR. NEARY: Mr. Speaker, why does she not herself? Mrs. Plumptre does not have to take the initiative. The initiative should come from this Province and come from this House. And, Mr. Speaker, I am getting fed up with bringing into this hon. House issues that affect the ordinary person, the common man and just having him scoffed at and nothing done about it. And all we hear about is the wheeling and dealing that goes on behind the scenes. It is about time that this House got down to brass tacks and did something about the problems of the ordinary people of this Province. And the minister has the gall to bring in a motion saying that the government is not to blame. The government is to blame for allowing this monopoly to continue in Newfoundland in the car industry. The government is to blame just the same as the government is to blame for allowing the rip-off in real estate.

MR. LUNDRIGAN: Can the Anti-Combines Act prove my name was on this instrument two years ago?

MR. NEARY: I beg your pardon?

MR. LUNDRIGAN: Did the member write the Anti-Combines Act?

MR. NEARY: Mr. Speaker, I have written just about everybody I can write in Canada including the Minister of Transportation for this Province.

MR. DOODY: The letters all came back. There was no postage on them.

MR. NEARY: That is very, very funny indeed.

MR. LUNDRIGAN: This is a problem that comes under specific federal legislation.

MR. NEARY: Mr. Speaker, I do not know. I cannot answer the question. I do not know why nothing was ever done about it.

MR. LUNDRIGAN: But what answer did the member get from the officials of the Anti-Inflation Board?

MR. NEARY: An acknowledgement of the correspondence that is all.

MR. LUNDRIGAN: What was there to it?

MR. NEARY: Mr. Speaker, there was nothing to it. People from this Province are going up to Ontario by the hundreds and having their trip paid for and driving down cars, and saving money in the bargain. Mr. Speaker, we sit here in this House day in and day out allowing these monopolies to continue. And the Minister without Portfolio uses that as one of the arguments, "Oh, the member for LaPoile (Mr. Neary) is only condemning the lawyers and condemning the brokerage companies, only just another outfit that he is condemning, the hon. member is condemning.

MR. WELLS: Why does not everybody go out and get a car? Tell us how.

MR. NEARY: Tell the hon. member how. All the hon. member has to do is call up Marshall Motors this evening or to call up Royal Garage, get the price of a Chrysler Imperial and then call West End Motors in Toronto and get the price of a Chrysler Imperial with all the gadgets, or whatever you have on it, and just compare the price and see what it is.

MR. WELLS: What do you do with the car you got?

MR. NEARY: What do you do with the car you got? There are gentlemen here who will either take it as a trade or you can sell it for cash, one thing or the other. There are gentlemen here in the business, believe it or not, and have been in the business for years of running cars from Ontario to Newfoundland and doing quite well at it, making a good living at it.

MR. WELLS: You can sell it for cash here and that is where you pay and the difference is made up just the same.

MR. NEARY: Well, Mr. Speaker, you can drive your car up to Toronto if you want to and not only will you get a better price on the car you are buying but you will get a better price on the car you are trading, if you want to take your family and go on a vacation. But if you do not want to do that and you want to sell your car for cash or you want to trade it, there are people here who are in the business who will take trades. I could take the hon. gentleman and show him a parking lot right now where you have second, used cars that have been traded and cars brought down from the mainland, brought down from Ontario. I do not know but there are some hon. gentlemen - I saw a car out front. Let me see one of the ministers owned it. I just forget which minister it was - and it was bought over in Ontario last year and why did that minister buy it in Ontario? Because it was cheaper. He saved himself probably on that particular car about \$1,200. You save the money on the big cars.

And, Mr. Speaker, I was so happy today when I saw Mrs. Plumptre come to my rescue. The Minister of Transportation and I have been working on it for some time, and the minister should see the files down in my office. Why the files I have gotten in my office on the car dealership are not quite as thick as the ones I got right now on the mortgage business that I will be debating and discussing when we get to that particular bill, and I will guarantee you I will open up a few eyes for people in this hon. House, and the hon. minister is well aware that I have the

MR. NEARY:

documentation in my files, and I will bring it out at the appropriate time.

MR. J. CARTER: Bring it out now.

MR. NEARY: No, I am not allowed to bring it out now, Sir, because I cannot anticipate the debate. But, Sir, the government is to blame for allowing that situation to continue and not registering an official protest under the Anti-Combines Act. I think the member for Bonavista South (Mr. Morgan) as an ordinary backbencher did it, but he has not done it in his capacity as Minister of Transportation and Communications, and therefore our people are still being ripped off by certain garages, not all of them. I must say that in my research there are a number of garages whose names I did not come across, and I could tell the House the ones that are ripping the people off, they are the big three. With the little car you do not save that much money on a little car in Ontario. You are almost as well off to buy a little car in Newfoundland. You would probably save \$150 or a couple of hundred dollars. But anybody who wants to buy a big car, especially the Chryslers and the Plymouths can save themselves anywhere from \$1,200 to \$1,500.

MR. WELLS: That is not true.

MR. NEARY: It is true. I should know. I have done enough research on it. Mr. Speaker, that is only one example. Another example of where the government has fallen down badly on the job, where the government is to blame, is for the increase of crime and vandalism in this Province. And the Minister of Justice has continued to bury his head in the sand while we read reports daily in the newspapers and hear reports on radio and television about windows being smashed out of schools, about damage being done to playgrounds. Only over in my hon. friend's district



MR. NEARY:

in Conception Bay South a playground yesterday was completely demolished, wrecked, summer cabins wrecked, city hall, as one of the councillors down there said the other day, under seige by vandals. And the Minister of Justice sits back with his head in the sand and does nothing about it. Even the superintendent of the RCMP who is retiring, Superintendent Fraser the other day spoke to one of the service clubs and pointed out, and I presume he is a gentleman that is in the know, talked about the increase of vandalism and crime in this Province and how we were getting up now to almost equal to the mainland of Canada and the United States according to Superintendent Fraser. And yet the Minister of Justice, on one occasion when I mentioned it in this hon. House, almost got up and told me that I was unpatriotic. How dare a member get up and say that vandalism and crime is on the increase in Newfoundland? You should be ashamed of yourself for condemning Newfoundland and Newfoundlanders. Well, Sir, it is true. It is true, and it is a problem that we are going to have to face sooner or later. And what about the matter that was referred to, I think it was last night, by the hon. member for Mount Scio (Dr. Winsor) about the filthy movies that are being shown on the screens in this Province, pornography

MR. NEAPY:

and the filth that is on the newsstands. I must say I am inclined to agree with the hon. gentleman. I think he was speaking to some women's group last night, the Local Council of Women, and that was the topic that my hon. friend chose to talk about; pornography and filth and dirt that is being shown on the screens especially, Mr. Speaker, at our drive-in theaters and that is the fault of the government, Sir, for allowing it to continue. My hon. friend made a good point and I have a clipping here, I have a clipping from The Evening Telegram. Mr. Speaker, could I have a little order, Sir. I like to listen to my hon. former colleague but -

MR. SPEAKER: Order, please!

Would hon. members allow the speaker to have the floor.

MR. NEAPY: I often heard the former Premier of this Province say the one thing he has never been able to master is to be able to listen to two conversations at the same time. Well I am almost identical, I am almost the same as the hon. former Premier, I cannot listen to two conversations at the same time.

MR. SMALLWOOD: You wanted to hear what we were talking about? We were talking about local roads.

MR. NEAPY: But, Sir, here is a clipping just to show the House what the hon. member was probably talking about, Sir, here is a clipping from the Evening Telegram last week. It is an advertisement put in the Evening Telegram by the Clearview Drive-in. It says, "Playing Monday, Tuesday and Wednesday The Filthiest Show In Town with Dolly Sharp." Then down underneath it shows a bunch of women all together there and then it says, "Hot Times". Then it says, "Restricted to fun loving adults over seventeen."

MR. CROSSBIE: You saw this before, did you not?

MR. NEAPY: Yes but just listen what is down at the bottom. In very small print it says, "Restricted to fun loving adults over seventeen, show time, 8:00, admission \$3:00 per person, Children under twelve free." Mr. Speaker, there it is. I can lay it on the table of the House. What a contradiction! I do not know, Sir,

MR. NEARY:

if it is a mistake in the advertisement, if they forgot to change the type or what it was, but there it is, Sir.

MR. DOODY: They might be referring to the matinees.

MR. NEARY: "Restricted to fun loving adults over seventeen. Children under twelve free." Mr. Speaker, I think that it would be worth-while laying that upon the table of the House. But, Sir, it is about time that we took a look at, the Minister of Justice took a look at what is being screened at these drive-in theaters. So I think my hon. friend is right, Sir. It is something that we should take a look at.

Mr. Speaker, who is to blame? Who is to blame for allowing the high legal fees in this Province to continue? We had a one man royal commission, came into this Province in 1969 or 1970 I think it was, almost six years ago, to investigate the high cost of housing in Newfoundland including legal fees involved in real estate transactions, Mr. Kostaszek. Mr. Kostaszek recommended at that time that the Law Society discipline their own members and that they take immediate action to reduce, to adjust their rates. That has not been done and we have a situation today, Sir, where you have - I do not know, I cannot explain it, I cannot understand why the Law Society allows it to continue. Obviously they cannot discipline themselves.

So therefore this House, this government is to blame for allowing this kind of conflict of interest to continue where you have one law firm and one lawyer representing more than one party, representing two and three parties at the same time.

MR. PECKFORD: What about the list CMHC has?

MR. NEARY: Yes, Sir, and that is one thing. I do not know if the minister is joking or not but there should be no list at CMHC. But I will deal with that in a second, Sir. But what I am concerned about now - and I would like to hear every member of this hon. House get up and express his views on this matter - you have lawyers in this Province and law firms representing three and four parties at

MR. NEARY:

the same time. I will prove that in a few days. Yet they say there is no conflict of interest. Well whose interests would they put first, Sir? Would they put their families interests first? Would they put their clients interests first? Or would they put the company they are representing, would they put their interests first? It is an interesting question, Sir, and one that the Law Society has not come to grips with.

The Law Society apparently sits back and says, "Well you can represent as many people as you want." No wonder the cost of housing is so high in this Province. You have a lawyer representing the contractor. No, first of all you have a lawyer representing the person who buys the piece of land and you have a lawyer representing the person that sells it and you have a lawyer representing the builder and you have a lawyer representing the person who buys it and you have a lawyer representing the person who has to get a mortgage and you have a lawyer representing the mortgage company. They all get nothing less than \$250, Sir, and it goes much higher than that, it runs up to \$700 and \$800 and \$900. This was one of the major recommendations of the Kostaszek report that is not being followed out.

Therefore I submit to this hon. House, Sir, that it is about time that hon. members started thinking about problems of the common man, the ordinary person of this Province who has to pay through the nose. Forget about the big financial wheeling and dealing. If the Law Society is not prepared to do something about this - and I have written them enough letters about it - and the hon. Minister without Portfolio is a bencher in the Law Society now, and the hon. gentleman I think is an honourable man, is in a position now to do something about this as a bencher of the Law Society and get this whole thing changed. If not the government should change it.

MR. SIMMONS:

How could they change it?

MR. NEAPY: Ask the hon. Minister without Portfolio. I am not an honorary member of the society yet.

MR. WELLS: **The points scored by the hon. member in debate last year, were baseless, brutal, cowardice.**

MR. NEAPY: Well do not worry when we get to that mortgage bill -

MR. WELLS: That is what you told me.

MR. NEAPY: Yes. When we get to that mortgage bill I guarantee you there will be a few things trotted out on the floor of this Hon. House. I am not allowed to deal with it now. But the hon. member is a bencher and the hon. member is holding himself up as the better than thou, sanctimonious member of this government and of this Hon. House, the hon. gentleman. And he is an honourable man. At least I presume he is an honourable man. I would like to see the honourable gentleman persuade his colleagues in the Law Society to change their attitude towards fleecing the ordinary people of this Province. They are not all doing it. I can tell the hon. gentleman, I can give the hon. gentleman names of the worst offenders if the hon. gentleman wanted them.

But what I am saying, Mr. Speaker, is that if the Law Society does not discipline themselves, if the Law Society cannot clean their own house then this government should do it. If it is allowed to continue, then the government is to blame for it. The same way, Mr. Speaker, as the government is to blame for not implementing the recommendations of the Food Price Review Report that was presented to the government three years ago. Almost three years ago they received a report from Mrs. Plumptre and her committee on food prices in this Province out of which eight of the recommendations came under provincial jurisdiction. Not a thing has been done about any of these recommendations.

One of the major recommendations was that a separate Department of Consumer Affairs be established in this Province. Now we are getting conflicting statements from the minister responsible for Consumer Affairs and the Premier as to whether or not they are going to set up this

MR. NEAPY:

separate Department of Consumer Affairs. So I would say, Sir, the government again is to blame for not taking action on this report where eight out of the twelve recommendations, I believe, fall under provincial jurisdiction.

Then there is the situation in the vocational schools throughout this Province. Who is to blame, Sir, if the government is not to blame for that? Can the House blame the Opposition? Is the Opposition to blame for it or is it the government?

MR. NEADY:

The government has to accept the blame for that too, Sir, for the goings on in the vocational schools even though they have been warned on numerous occasions by the Auditor General about the sloppy administration and about the sloppy bookkeeping procedures in the vocational schools. And like the Minister of Fisheries they completely ignored the recommendations of the Auditor General. Again, Sir, the government is to blame for allowing this situation to continue.

The situation concerning record unemployment in this Province, Sir, The Minister of Mines and Energy gets up in his usual fashion and launches an attack on Ottawa and tells us how devastating it is going to be for this Province that the Government of Canada are cutting back on certain cost-shared programmes. The minister tells us that Newfoundland will not be able to survive, that we down here in Newfoundland cannot create jobs if we do not get the financial assistance from the Government of Canada.

Well, Sir, if I was up in Ottawa, if I was a member of the Government of Canada, and I was looking at the extravagance and the waste of this hon. crowd, if I was sitting up in Mr. Mark Lalonde's seat and I saw the way that the MacPherson property was purchased by the Summer Games Committee, a cost-shared project, paid for by the Province and by the Government of Canada, if I saw that sort of thing going on and I saw what happened in the Fisheries Department, which is another federal cost-shared programme, and I saw what was happening in the vocational schools, another federal cost-shared programme, and I saw what was happening to some of the LIP projects in Newfoundland, which is 100 per cent financed by the Government of Canada, and if I saw what was happening to some of the DREE money that was coming into this Province, I would be reluctant too, Sir, to lash out extra millions of dollars to a government that has acted so irresponsibly in the past five or six years.

The only way that the minister can find to veer his way out of not creating labour intensive projects is to attack the

MR. NEARY:

Government of Canada, to let go another blast at Ottawa and then the same minister has to go up the next day or the next week and sit down and negotiate with the Government of Canada. It is a wonder, Mr. Speaker, that the government up in Ottawa has tolerated it at all. It is a wonder they can stomach the policies that this hon. crowd have adopted. Anything that comes out of Ottawa that is favourable, anything that looks good, this hon. crowd want to take the credit for it. Anything bad coming out of Ottawa, blame it on Ottawa, and then let go an attack on Ottawa. The Minister of Mines and Energy is an expert at that. A new political doctrine we have in Newfoundland. When you want to weasle your way out of something blame it on Ottawa. And when the ministers up in Ottawa see the financial condition of this Province, the way that the fiscal matters of this Province have been handled, when they look over at the Health Sciences Complex and take a look at the extravagance and the waste involved in that, what other way would you expect them, Mr. Speaker, to react to Newfoundland?

But they are still pouring it in here, Sir. It is Ottawa that is keeping Newfoundland afloat today. If we were not getting millions and millions of dollars coming into Newfoundland via family allowances, old age pensions, unemployment insurance, Canada pensions, hundred upon hundreds of millions, the only thing that is keeping us going today in Newfoundland. **This hon. crowd have not created one new job, one new industry, have not created anything that creates a new dollar in five years.**

MR. PECKFORD: That is wrong.

MR. NEARY: That is right.

MR. PECKFORD: It is not right.

MR. NEARY: That is absolutely correct, Sir. They have not had an original idea. They have not created one new industry that creates one new dollar in this Province in the last five years. And it is Ottawa, Mr. Speaker, but for the hundreds of millions of dollars that



MR. NEATY:

is coming into this Province from Ottawa, Sir, I am afraid that we would be in pretty sad shape today.

So, Mr. Speaker, what can Ottawa do if the Province has not put forward a master plan for creating jobs in Newfoundland, for creating labour intensive projects and labour intensive industry? What can the Government of Canada do? Mr. Speaker, Your Honour should know and if Your Honour could answer me he would probably say yes, Mr. Member, you are right. I have been now, Sir, since last November, since the House opened, trying to pry out of this hon. crowd a plan. They tell me they have a plan, a long range plan to take care of unemployment in Newfoundland. I have been trying to get the Premier and the ministers to tell me what that plan is, to tell the people what the plan is.

For five years they have been telling us they have a long range plan for the development of the resources of Newfoundland and that is supposed to cure unemployment. Well, Mr. Speaker, why do they not tell us what the plan is? I am sure that the hundreds and thousands of kids, boys and girls, young men and women that are coming out of vocational schools and out of the colleges and out of the university and out of the high schools within the next few weeks, within the next month or so, would like to know what that plan is, where they are going to find jobs. And the hundreds of thousands of men who have been employed in the construction industry over the past twenty-six or twenty-seven years who now cannot find jobs, they would like to know about that plan. **The record number of people** who are unemployed in Newfoundland at the present time would like an inkling, an insight. **Just give us just a little insight.** You do not have to write us a book. Just tell us what the plan is. Give us an inkling about it.

Never mind getting up with this vague, general jargon, legalistic jargon about we have a long range plan to develop the resources of Newfoundland that is supposed to cure the unemployment. We have been listening to that for five years. Now we want to know

MR. NEADY:

what the plan is. Ottawa would like to know what it is. If the Province wants money from Ottawa for labour intensive projects to create work, for make work projects, Ottawa, I am sure, would like to know what the plan is the government has. So do not try to beat around the bush and pawn us off and just sweep the thing under the carpet or just hope that unemployment will go away because it is not.

Here we are, Mr. Speaker, at a time of the year when unemployment should be going down and the employment situation in Newfoundland was never as bad as it is at the present time. There are no projects coming up. There is nothing on the table. I would submit, Mr. Speaker, there are no plans. The government has no plans to deal with this record unemployment that we have in Newfoundland at the present time. The tragic part of it is that about forty to fifty per cent of those who are unemployed are aged sixteen to twenty-five. Just imagine, Mr. Speaker, how **disillusioned** and disappointed and disgruntled these young people are going to be when this government has built up their hopes and expectations - how much more time do I have, Mr. Speaker?

MR. SPEAKER: One minute I understand.

MR. NEADY: This government, Sir, has built up the hopes and expectations of our Newfoundland people and they have been let down. **It is no** wonder today, Sir, that we hear so many complaints and it is no wonder that our people are so discouraged, disgruntled, disinterested and disappointed with the present administration.

MR. SPEAKER: Is the House ready for the question? The question is the sub-amendment moved -

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

MR. SPEAKER: A point of order.

MR. ROWE: Hon. members are not allowed to enter the House. We intend to call a division on this, Sir.

MR. STRACHAN: Division is called.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. ROWE: The question has been put, Sir, and no hon. members are allowed to enter into the House.

MR. SPEAKER: Order, please! On that point of order my understanding is only when the bar is down are hon. members prohibited from either coming or going. When the bar is down, in other words when there is a request for a standing vote the bells are rung for three minutes and the bar is down but in any other procedure I understand that hon. members may come in. So I understand the House is ready for the question.

All in favour of the sub-amendment please say "aye", contrary please say "nay", in my opinion the nays have it.

Let the House divide

ON DIVISION:

MR. ROWE: Mr. Speaker, if it is in order to rise on a point of order -

MR. SPEAKER: I do not think it is. I do not believe a point of order can come in during a division. I will hear the point of order immediately after but as I understand it during this procedure there can be no point of order brought up but I will certainly take note of it for after.

MR. SPEAKER: Those in favour of the motion please rise.

The hon. the Leader of the Opposition, Mr. Strachan, Mr. Cannon, Mr. Dove, Mr. Simmons, Mr. White, Mr. J. Winsor, Mr. Flight, Mr. Lush, Mr. Rideout, Captain Earl Winsor, Mr. McNeil, the hon. Mr. Smallwood, Mr. Callan, Mr. Moores, Mr. Neary.

MR. SPEAKER: Those against the motion please rise.

The hon. the Minister of Municipal Affairs and Housing, the hon. the Minister of Manpower and Industrial Relations, the hon. the Minister of Social Services, the hon. the Minister of Justice, the hon. the Minister of Mines and Energy, the hon. Mr. Wells, the hon. the Minister of Finance, the hon. the Minister of Industrial and Rural Development, the hon. the Minister of Fisheries, the hon. Minister of Public Works and Services, the hon. the Minister of Forestry and Agriculture, the hon. the Minister of Education, Dr. Collins, Mr. Young, Mr. Coudie, N. Windsor, Mr. Dinn, Mr. Patterson, Mr. Carter, Dr. F. Winsor, Mr. Marshall.

MR. SPEAKER: I declare the motion lost. Twenty-one to sixteen.

A point of order has come up.

MR. DOVE: Mr. Speaker, I do not really know whether I am rising on a point of order or a point of explanation but I would sincerely ask for some clarification in connection with Standing Order 82 (a), (b), (c), and (d) and I am specifically referring to section (c) of Standing Order 82 which states that "No member shall be entitled to vote in any division unless he was in his place when the question was put."

Now, Sir, as I understand it, Your Honour put the question and of course it would call for the ayes and the nays. Now I am not saying that I am right or wrong. I am asking the hon. the Speaker for an explanation. Then of course there is the three minutes. Now I do

MR. FORT: not incorrect that three minutes is for, presumably it is to allow members to come back, in which case I may be defeated by own argument I am trying to put.

MR. SMALLWOOD: In Ottawa it is ten minutes.

MR. FORT: Well it is three minutes in Newfoundland.

MR. ROBERTS: The time limit in Ottawa it is -

MR. FORT: But, Sir, we still have that peculiar section (c) there -

MR. ROBERTS: - until the whips are agreed.

MR. FORT: - which says, "No member shall be entitled to vote in any division unless he was in his place when the question was put. And the question was put when we asked it to be put. Your Honour asked, "Are you ready for the question," and we got our "ayes" and "nays". As a matter of fact we did not get out "ayes" and "nays" because I jumped to my feet on the point of order at that particular point in time for very obvious reasons, because the government would have gone down to defeat because all hon. members were not in their place on that side.

MR. SPEAKER: The hon. Government House Leader.

MR. WELLS: To the point of order, Mr. Speaker, it is a question really of simply following section 82 along and the procedure is quite clear. When members have been called in preparatory to a division no further debate is permitted. When members within the precincts of the House have been summoned to attend in their places for purposes of a division that is the ringing of the bell, as I understand it, Mr. Speaker, then there is three minutes before Mr. Speaker puts the question. That three minutes was designed so that members can come into the House from the surrounding area.

MR. LUNDRIGAN: The purpose is to give members time to get in.

MR. WELLS: The three minutes is designed for that very purpose and then the question is put and the vote takes place. What goes preliminary to that is when Mr. Speaker, as I understand it, says, "Are you ready for the question?" But that is not putting the question in the sense that the rules require.

MR. BOWE: For clarification once again, Mr. Speaker, the actual putting the question, is in all cases, the putting of the question is upon return of the members after three minutes. **Then the question is put, really, the second time. The official** putting of the question is the second time that it is put in spite of the fact that it had already been put for a voice call, so to speak. The question is actually and technically put twice in that case and for the purposes of Standing Orders the formal putting of the question is upon return of the members after the division call after three minutes.

MR. SPEAKER: That is my understanding of it, **yes.**

MR. LUNDRIGAN: Just a very brief point on it. First of all I understood when Your Honour said, "Are the members ready for the question?" I did not understand that to be the putting of the question.

MR. SPEAKER: No.

MR. LUNDRIGAN: I felt, at least, that Your Honour was suggesting that if members were ready for the question then the proper procedure would be followed in what the word is here, "summoning the members" and subsequently having the question officially put. In that respect I did not see any differentiation from the rules that we have here. The thing that amazes me is that the member was sort of suggesting that the three minutes might not even be permitted to elapse. That is amazing, because on a question as fundamental as this I do not say that there is another Legislature in the world where only three minutes are permitted. Questions of this magnitude in other legislatures, I would suggest the hon. member would find across Canada, have notice given that -

The hon. Leader of the Opposition I am aware is quite familiar with a lot of rules but he should tolerate at least a few comments of this nature.

MR. ROBERTS: It is irrelevant and tedious and out of order.

MR. LUNDRIGAN: It is not irrelevant and tedious.

MR. ROBERTS: The Speaker has given his ruling.

MR. LUNDRIGAN: Perhaps the hon. member who presents himself as a leader to his party should tolerate other members when they have comments to make.

In other legislatures in matters of this magnitude notice is given, the vote to be taken at a specified time, and in the event that when the specified time arrives and appropriate procedures are followed, even then the government of the day usually have the latitude of summoning the members over whatever period of time they require. I saw a member coming from Montreal to Ottawa from the time the government actually rang the bells until the vote was

Mr. Lundrigan.

actually cast on a motion of this magnitude. He actually got on a plane and got from Montreal to Ottawa. So I am suggesting to the hon. member that this is not a Sunday school picnic, and that consequently we should be a little bit more careful on matters of this magnitude in imposing this kind of restrictive rule.

MR. SPEAKER: Order, please!

I think that this matter can now be dispensed with. When a motion is being debated and an hon. member sits down and nobody else gets up the Chair then asks, "Is the House ready for the question?" That is not putting the question. An hon. member who has not spoken and who wishes to speak may then get up. That is the reason for saying it. It is a kind of warning that a vote will be taken. If anybody wishes to speak they must or should do so now. Then when nobody gets up the question is put in this form. "Is it the pleasure of the House to adopt the motion?" And then there are 'ayes' and 'nays'. That is a putting of the question. Then when three members stand and ask that it be on division that is really a request that the question be put again, and that the response not be by a voice vote but by people standing, those who are in favour and those who are against. So what that is is a request that the question be put again. Before it is put again three minutes elapse. The purpose for that is to allow members who are in the precincts, and I think that term is used in the Standing Order, have three minutes in order to get in. Then the bar is put down after three minutes. As I understand it after the bar is down nobody may come or nobody may go. But the question is in fact put twice. And the person who is not present when it is put for the first voice vote is entitled to come any time up to the **expiry** of the three minutes.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is the House ready for the question on the amendment?



MR. SMALLWOOD: No! The debate goes on on that surely.

MR. SPEAKER: Yes.

MR. SMALLWOOD: Well if nobody else will, I will go on.

MR. SPEAKER: The hon. member for Twillingate.

MR. SMALLWOOD: Sure I will. I mean we are not going to just adopt that amendment without debate are we? Then what is left to debate.

MR. ROBERTS: The main motion.

MR. PECKFORD: We can get the amendment out of the way then go on again.

MR. SMALLWOOD: No, I would rather have it over and done with.

MR. PECKFORD: Well, it is better to get the amendment out of the way and then you can really address yourself to the budget speech.

MR. ROBERTS: Let the hon. member make two speeches.

MR. SMALLWOOD: No, I do not want to make two speeches.

MR. PECKFORD: That is what I thought.

MR. SMALLWOOD: I have spoke for forty-five - is it? Forty-five is plenty to do me now. I do not need that much.

MR. J. CARTER: Well, sit down!

SOME HON. MEMBERS: Oh, oh!

MR. WELLS: What a fool! What a fool!

MR. SMALLWOOD: I must confess that I do not follow down into the deep depths of the hon. gentleman's reasoning. I mean he has lost me or I have lost him.

Mr. Speaker, earlier when I spoke to the sub-amendment I talked about our public debt, and I disposed of that, and I do not want to have anything else to say about the public debt. But I do want to have something to say about the government's spending habits. I had in fact got so far as to say that in the twenty-three years during which my administration lasted in this Province we had spent an enormous, a staggering amount of money oh something of the order of \$3,000 million,

Mr. Smallwood.

\$3 billion. No matter how you say it, Mr. Speaker, that is a lot of money, \$3,000 million, \$3 billion. That is an awful lot of money. But it was not all thrown away. Some of it was no doubt. Some of it was wasted. Some of it was extravagantly spent. There is no doubt about it. Some of it was imprudently spent. But all of that put together would constitute really a very small proportion. I would say much the same thing of what the present administration have spent. They have wasted some money. They have spent some imprudently. They have spent some wastefully, but I would say that overwhelmingly the money that they have spent has been spent reasonably well and reasonably prudently and reasonably usefully for the people of this Province. All governments do that. But, Sir, in those twenty-three years my administration did have something very positive to show for what they did spend. And people tend to forget it. Eaten bread is soon forgotten. You look around the Province today and you see seventeen trade schools. Well, you know, they cost, I think, \$27 million. That was part of our spending. That was part of our \$3 billion. I am not talking about where the money came from. We got from various sources \$3 billion. Some of it we borrowed. Some of it we got from the people by way of taxes. A lot of it we got from Ottawa from various sources, the Government of Canada, the public chest of Uncle Ottawa. It totalled \$3 billion from various sources. We spent it all, every dollar of that. And we did get an awful lot to show for it. As a matter of fact the present administration has spent in five years to the end of March coming, four years gone by, and now they are in their fifth, and at the end of the fifth they will have spent substantially over \$4 billion, and I am making an allowance for inflation. I am making an allowance for that. Four thousand million dollars, substantially more than that, but rounded out at \$4 billion, that is you might almost say a wicked amount of money. It is incredible. No Newfoundlander.

Mr. Smallwood.

at fifty years of age or older could ever have believed down through his life that he would live to see the day when the Government of Newfoundland in five years would spend the best part of \$5 billion, an average of almost \$1 billion a year. Nobody could have believed it.

Now we have to admit that some of that is inflation. The \$4 billion odd that this government will have spent at the end of March would not be much more than the \$3 billion that my administration spent. Just look at that for a moment, Mr. Speaker. In twenty-three years my administration spent \$3 billion. In five years the present administration spends over \$4 billion. But that \$4 billion is not an awful lot more purchasing power than the \$3 billion. But look at the difference in time. In twenty-three years \$3 billion spent under all headings. Forget for the moment where that money came from. Wherever it came from it landed in the public chest. The government spent in twenty-three years \$3 billion. The present administration collects in over \$4 billion in five years, and they spend all of that as well, and that \$4 billion is about equal to the \$3 billion in purchasing power. But look at the difference in the time in which it is done. In one case twenty-three years, and in the other case five years.

Now I suggest to you, Mr. Speaker, I suggest to you and through you to this House and through this House I suggest to the Newfoundland people that that was crazy, that

MR. SPALLWOOD:

that is crazy. That is not far short of financial insanity. It is highly perilous. It is highly dangerous and it must end disastrously because a vast part of it has got to be gotten by borrowing. I have already shown that even if we do not borrow another dollar after this year, if we never borrowed for the next ten years another dollar, the Minister of Finance has got to find \$1 billion and \$250 million on top of that, \$125 million a year for ten years just to service the debt without borrowing another dollar. Now that is mad, that is crazy.

Now if he does borrow another dollar, not the \$10 million, \$15 million or \$20 million I would advocate for the next two or three years and that is all I would advocate, if any. I would say we must borrow some. I would put an absolute limit on it, about \$20 million or maybe \$25 million for the year after this and the year after that and maybe for the next three years. But if they borrow \$100 million a year for ten years that is \$1 billion, ten tens are a hundred, \$1 billion and \$1 billion is going to add another \$750 million to the bill to be paid over the ten years. That is \$2 billion altogether. It is going to be \$1,250,000,000 if you do not borrow another dollar. If you borrow \$100 million a year it is going to add another \$750 million. That is \$2 billion you will have to spend in the next ten years just to service the debt. Well that is crazy. That is, that is crazy.

Now if you borrowed \$200 million well that means that in the next ten years you have got to find, the Minister of Finance, has got to find, and at cabinet meetings he has got to come in on the advice of his officials in the Treasury Board and in his Department of Finance, he has got to argue and squabble and squall and roar and hawl and hammer his fist on the table and demand \$3,750,000,000 for the next ten years as the price of borrowing \$200 million a year. Now that is insanity, just crazy.

But, Sir, that is if you borrow. But if you do not borrow--this year your budget is \$1.25 billion, your budget. You are

MR. SMALLWOOD:

going to spend this year \$1,250,000,000. That is to say \$1,250 million dollars, \$1,250,000,000, \$1.25 billion is your budget for this year. Your budget for last year was \$1 billion. So your jump this year in your budget is \$250 million dollars, \$250 million of a jump in one year. You know what that \$250 million equals? It equals every last dollar that the Newfoundland government spent in the first seventeen years as a Province in Canada. The first year, the second, the third the fourth, tenth, twelfth, the fifteenth, the seventeenth, seventeen years as a Province the grand total sum of money spent by the Newfoundland government on everything under the sun, every year for seventeen years, add it all up and it comes to about the increase in your budget this year. Is that sane?

No wonder the hon. member for St. John's East (Mr. Marshall) is a worried hon. member. No wonder the hon. member for St. John's North (Mr. J. Carter), no wonder the Minister of Mines and Energy is deeply concerned about it. I would be amazed if he were not. I would be astounded. In fact if he were not, or at least if he did not say he was, I would say he was bluffing. I would say he was deceiving the House and deceiving the people. I would say that by silence he was lying to the Newfoundland people because he knows and if he did not say he would be lying by silence. But the hon. gentleman is too fearless a man to lie. He spoke the **Jack** blunt brutal truth to this House here. But he did not put it **sentence after sentence after sentence after sentence and build it up and build it up** so that even in the press gallery suddenly they come alive, and say, "God in heaven what is the minister saying?" "What is he saying?" No. His statements were made at intervals throughout a rather long and a rather good speech, in fact one of the best speeches, I would say, ever delivered in this Chamber or in the old Chamber down in Colonial Building, a magnificent speech.

If it had come from a member of the Opposition you could take it or leave it but when a minister of the Crown, when one of the Queen's ministers gets up in his place in the House and says

MR. SMALLWOOD:

the things that he told this House, that he said to this House and to the people of Newfoundland, it is a startling event. The only sad thing is that the people of Newfoundland never heard it. They could not hear him. The people of Newfoundland could not hear him. They could not hear the Premier when the Premier spoke bold words of warning. The people could not hear the members for St. John's North (Mr. J. Carter) and St. John's East (Mr. Marshall). They could not hear me here last Fall when I spoke about our financial state and our financial condition. They could not hear me. Why could they not hear me? Because there was nothing on the radio, on the television or in the newspapers. What other way have the people got of hearing, of knowing?

So that as of this moment the people do not know the shape of Newfoundland, the condition this Province is in. Mr. Speaker, when you look at all the provinces of Canada one after the other; New Brunswick, the budget forecasts a total spending of \$1.16 billion. That is to say the Province of New Brunswick with a population of 200,000 more than we have, the Province of New Brunswick's budget is \$1.16 billion. No \$1,160,000,000. That is New Brunswick. They are cutting and chopping all along the line.

MR. COSBIE: Not only that but they cut taxes up there too.

MR. SMALLWOOD: They did what?

MR. COSBIE: Reduced taxes.

MR. SMALLWOOD: Well, of course, they must be a little crazy in the head too. They must be.

The Quebec government announced yesterday a series of selective cutbacks and freezes in all education sectors in the Province. Think of that. The government of a province of Canada, the great province of Quebec, cutting back on education votes and freezing them. In other words, no advances, no increases, cutback and hold the line at what it is.

Manitoba, the province's capital borrowing programme for 1966-1967 has been reduced twenty-seven per cent. So has ours.

MR. SMALLWOOD:

Our debt is not going to be increased more than twenty-seven per cent this year over last year. Not so I am sorry to say. No twenty-seven per cent reduction. Schreyer says "Somehow someway." Schreyer in Manitoba -- "Somehow someway, whether we like to admit it or not we have to face the question of whether Canada's life style, our high rolling living standard can continue to be increased." It is the same question the Minister of Mines and Energy asked the House here the other day. Only he said, "You cannot increase it, the problem is can you hold it where it is or will you have to cut it?" He put those bold words out here in this chamber and I admired him for it. He had the courage, he had the guts to talk about it and Schreyer asks the same question.

In fact Premier Schreyer feels that "It will take all of our ingenuity to maintain it at its current plateau." Indeed it will and it will take more than we can do, I am afraid, in this Province to maintain the plateau that we have reached after twenty-eight years of terrific struggle and improvement and expansion.

Saskatchewan, government sources predict the record budget will top \$1.3 billion.

MR. SMALLWOOD: That is \$50 million more than Newfoundland. Ours is \$1.250 million, \$1,250,000,000, Saskatchewan is \$1,300,000,000, in other words just \$50 million more than little Newfoundland.

MR. J. CARTER: Would the hon. member permit a question?

MR. SMALLWOOD: Of course.

MR. J. CARTER: Mr. Speaker, the hon. member is neglecting the fact that in these other provinces he has spoken of a great deal of the expenses and operation goes on at a municipal level. There are municipalities sprinkled all through Nova Scotia, all through New Brunswick, I suppose all through Saskatchewan.

MR. SMALLWOOD: That is right, and education boards, I agree. The hon. gentleman is absolutely right. And we are getting to be in that kind of a league ourselves right now. The City Council of St. John's are spending \$28 million or \$30 million. I remember when it was \$500,000. At the coming of Confederation the City Council of St. John's did not spend \$500,000 a year. They are up now close to \$30 million and all around the Province you have got two or three hundred municipalities all collecting some money and it amounts to tens of millions of dollars a year, though it is not as heavy as it is in most other provinces except, for example, Prince Edward Island where municipal taxation is not very more burdensome than it is here in this Province.

Saskatchewan's budget, record budget now, their record budget currently will top \$1.3 billion and will be balanced. Saskatchewan has run balanced budgets for twenty-eight of the past thirty years. Think of that. The government's restraint policy has already hit government departments in the form of a 3 per cent ceiling on increases in salary budgets. 3 per cent is the ceiling in the Province of Saskatchewan. By the way Nova Scotia just floated an issue at 9 3/4 per cent, selling at 99.75 per cent to yield 9.28 per cent, 9 1/4 per cent, she has just had her rating improved from A to A-1 and she now has one of the best credit ratings in Canada. Ours



MR. SMALLWOOD: is the worst in Canada, There is no Province in Canada worse than Newfoundland in its credit rating, wherever you go.

MR. DOODY: No different than it has been for the past twenty-five years.

MR. SMALLWOOD: Yes, but some of them are improving and we are not. That makes the gulf between us that much wider and deeper and more disreputable. All over the world, wherever you go, every country in Europe - here is a clipping on New Zealand, "Living standard to drop 10 per cent. By all accounts New Zealand is building toward the worst recession since the 1930's." New Zealand. "The people have been told that they face at least a 10 per cent cut in the standard of living and an end of government subsidies that have made essentials among the cheapest in the developed world."

Virtually you cannot turn anywhere in the world but governments are retrenching. They are economizing. They are retrenching on an heroic scale. The sad thing about our Province, Mr. Speaker, is this; this is the genuinely sad thing about it, that there is no Province of the ten that needs so badly to spend money as we do to improve services. Let any hon. member in this Chamber think back to his own constituency and think of the things that are needed in his constituency, that are peculiar to his constituency. Now each hon. member can think of wider fields. He can think of education. He can think of public health. He can think of the administration of justice. He can think of all kinds of things on a large scale but just think, each member, of his own particular bailiwick.

I can think of Twillingate district. The Minister of Municipal Affairs and Housing told me the other day when I ventured a guess as to what should be spent, would need to be spent in that one district of Twillingate to make it passably passable, habitable, he said, "You would not do it for \$50 million." All right! All right! There is no part of Canada that needs so desperately as we need to have

MR. SMALLWOOD: money spent on it to raise the levels and the standards of public services. There is no other province as bad off as we are, with such a low standard and such a low level of public services, no other province. It is almost a crime that this particular province should have to cut its spending because we cannot afford to cut. But we have got to cut. You cannot spend what you have not got unless you borrow it and the moment comes when you cannot borrow it.

I am at a considerable disadvantage that there are certain words that I refuse to use. I do not want to use words that are too quotable outside Newfoundland.

MR. H. COLLINS: You are a coward.

MR. SMALLWOOD: The hon. member used it. I did not. But we are in a desperate financial condition. We are. And I plead with the government, I plead with the Premier, I do not know how brave and gutsy the hon. gentleman is. I do not know. I do not know him well enough. I know that his colleague, the Minister of Mines and Energy is a very, very gutsy man.

MR. ROBERTS: Hear! Hear!

MR. SMALLWOOD: In fact all the Crosbies are like that. They always were. I knew his grandfather perhaps better than he did himself. I do not know whether the Premier is a gutsy man. I do not know. But what is desperately needed in Newfoundland is gutsiness in the administration because even if they were to lose those three seats by by-elections, that is only a net loss of two for them, that cuts them down to twenty-seven, now that is getting perilous, that is getting too - when a couple of men get sick, someone has to go away or something - it is too narrow a margin. Nevertheless it is not fatal and I for one, I do not know what my colleagues over here will do, I pledge myself here today publicly, that if the government, if the Premier and his colleagues will take hold of the finances of this Province and do what needs to be done, if I am the only one left, I will vote for them. I will not vote to defeat them. Because I would put

MR. SMALLWOOD: Newfoundland in a pinch, in a crisis, I would put Newfoundland and her interests ahead of anything else, except maybe my wife and my own children. And I would hate to be pushed on that. I would hate to be pushed. Because I have a quite unreasoning and unreasonable affection for this Province. I suppose we all have. I suppose every Newfoundlander-scratch a Newfoundlander and down underneath him is a stupid and emotional and foolish affection for this Island. We have come up the hard way, this Island has, and some of us as individuals have come up the hardest of hard ways.

A man, a friend of mine who is very prosperous successful man was in my office the other day. He told me something of his life here in St. John's as a child. A big family, he said he could not go swimming because he would have to take off his shirt, and if he took off his shirt his body was full of flea marks. He was raised in a slum in St. John's. And many individual Newfoundlanders have come up the hardest of hard ways, deep, stinking, rotten poverty. Not too many in the outports. That would have happened more in the metropolitan areas, especially the 400 or 500 year old seaport town of St. John's.

But, Sir, whether or not as individuals we came up the hard way, as a people and as a Province we came up the hardest of hard ways. There is no part of North America that can equal us in that

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and because we came up the hard way we have always had a savage bitter hatred of anybody outside Newfoundland that ever criticized us, that ever sneered at us, and we have got an unreasoning and an unreasonable affection for this Island. And whenever it is really put to the test we will measure up. The trouble is that it is not always put to the test. It is not always that we see what is in Newfoundland's best interest. Right now what is in Newfoundland's best interest is a revolution in the budget. What we need to save Newfoundland from going - and you know where I mean - to save Newfoundland, to get the ship of state on an even keel is the next two or three years of the most rigid economies, No pipe dreams about doing all the things that Gods knows need to be done and every member of the House who has been elected by the people wants to get done and demands to be done for his own district, not so much the St. John's members except those of them that represent suburban parts of the city, but the urban part of St. John's after all has a city council, and they have certain advantages. The things we want to get done we must do without them. We have got to do without them.

MR. J. CARTER: Just by yourself. Are you offering yourself as a candidate, is that what you are suggesting?

MR. SMALLWOOD: I am not suggesting anything except that this House first of all lead by the government - there is a government, and I am not the Premier, and I am not a member of that government. I am not normally a supporter of that government. If I were I would be sitting over there. But I will back the government in this, and I believe this - this is something I believe. I cannot speak for the official Opposition, but they are hon. gentlemen, most of them if not all of them, with a tradition of Liberalism. They have got that tradition. I cannot speak for them, but I would be tremendously surprised and shocked if they failed to respond to an appeal for Newfoundland if

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the government were to make it, but it has got to be a sincere appeal, it has got to be genuine. It must not be fake. It must not be hypocritical. It has got to be the straight goods. As the saying goes, they have got to come clean, and they have not done it.

If you take these various sentences in the speeches by the Minister of Mines and Energy, and even those in the speech by the Premier himself and piece them together, as you ought to, if you do that, you would have to do it yourself, they did not do it, and so it attracted no attention. If the Premier or his financial colleague, the Minister of Finance, or the strongman of the Cabinet - God in Heaven was there ever the like of it in Newfoundland. Sir William Coaker was in the Cabinet of Sir Richard Squires, and it used to be one way of getting Squires' goat by talking about the Coaker government and what a powerful man Coaker was. But that is not why I say that the present Minister of Mines and Energy is the most powerful thing that there has ever been in the shape of a Cabinet minister for thirty or forty years in Newfoundland.

MR. NEARY: And the most extravagant.

MR. SMALLWOOD: He is Minister of Mines and Energy. What does that mean? All the mines come under him, all the electricity comes under him, Churchill Falls comes under him. He is Chairman of the Board of the Churchill Falls Corporation. Newfoundland Hydro comes under him. Then on top of that he has got Inter-governmental Affairs. That means that everything up in Ottawa or in Quebec or anywhere else up there, he is the man. He may allow the Premier to come along with him as a buddy, as a companion. He may allow that. But the real boss is that hon. gentleman. He is chairman of the board of that great \$250 million paper mill out in - look, if the President of the United States -

MR. NEARY: Or the fish plant down in Marystown.

MR. SMALLWOOD: - if the President of the United States were to invite the hon. gentleman to become Chairman of the Federal Reserve System, he would not hesitate. And having taken it, along with the other portfolios he now has, if then the Prime Minister of Canada said, "Look here old man, you know, you have had a lot of experience, you are a man with great energy and strength, how about taking over the Bank of Canada," he would take it. And then if the Prime Minister of England said, "While you are at it old man how about taking over the Bank of England, he would not hesitate."

MR. NEARY: They would be broke the next day.

MR. SMALLWOOD: He might be broke or somebody might be broke but he has got that kind of courage. He has got that kind of guts. Now what I appeal to him to do is to use it. He knows the direction the Province is headed in. He knows it. He can spell it out. He may conceivably be the one minister in the Cabinet who really does know. He knows, and I know.

MR. DOODY: I know he knows.

MR. SMALLWOOD: I know he knows and the hon. gentleman probably knows he knows, yes. And it is not one bit funny. It is as tragic a situation as we have known since the collapse in 1932 or 1933, when the government went out and not a single person, company, bank, insurance company, no one on the face of the earth, no one would buy one single dollar of Newfoundland bonds, not one dollar although the very year before they were snapped up so faster than ever known, at a better rate than ever known, tremendous pride in Newfoundland over this grand, the wonderful success of the bond issue. And the next year not one man or person or organization on the earth would buy a dollars worth of Newfoundland bonds. It would be something like what the Minister of Mines and Energy said; that the paper mill in Stephenville is not worth a dollar. There is no one in the world who would pay a dollar for it although the Minister of Finance in his statement to the SEC - I have it here -

MR. NEARY: He praised it up.

MR. SMALLWOOD: - puts down as part security for our loan, some security, some security. It is down for a couple of hundred million or whatever it is as security against our debt, but that security is not worth even one dollar according to his colleague who is the chairman of the board of the very company that owns and runs it.

MR. DOODY: Would you pay them a dollar for it?

MR. SMALLWOOD: Well I have not got a dollar to pay them for it, and if I did they would know what to do with it.

MR. DOODY: I will loan you one.

MR. SMALLWOOD: Well then what will we do with it when we get it?

MR. DOODY: We might sell it for \$2 then.

MR. SMALLWOOD: Maybe, yes.

So that hon. gentleman knows. He knows. He really does know the innards, the guts of the situation in Newfoundland today, and he has got the kind of courage to say so. It is better coming from him than from me. I am against the government. I am a Liberal, maybe just one of the few in this House. I am a Liberal.

MR. NEARY: There are only a couple of us left.

MR. YOUNG: I thought you were all Liberals over there.

MR. SMALLWOOD: Former Liberals, former members of the Liberal party. Being a member of the Liberal party does not necessarily mean, not necessarily mean that a man is a Liberal because he is a member of a Liberal party. It does not necessarily mean because he votes for the Liberal party he is a Liberal, because he may vote for the Liberal party this election, the Tory party the next election, or the one that calls itself Tory, the NDP party the election after that and then come back and vote Liberal again. What is that voter? What is a man who stands today as a Liberal candidate and tomorrow as a Tory candidate and the next day, perhaps, as an NDP candidate? What is he? Let us not take that stuff seriously any more. Nobody else does. Outside the House

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people do not take that seriously. They may dislike the government. That does not make them Liberals. They may like the Opposition. That does not make them Liberals. That is as old-fashioned now as anything could conceivably be.

Mr. Speaker, if we were or if Newfoundland was nearly bankrupt, at the very edge of financial collapse, when our people were \$700 million in debt and when the per capita debt was five times smaller than it is now, if we were bankrupt, and that is what the hon. gentlemen opposite said, the hon. Premier said it, and the hon. Minister of Mines and Energy said it, other ministers said it, other non-ministers said it, it was commonly said five or six years ago that the government was bankrupt, Newfoundland was bankrupt, Smallwood had bankrupted her, she was at the edge of collapse, well if that was true five years ago when our public debt was \$700 million what are we now when our public debt is over \$2 billion, practically three times as much five years later, and the per capita is \$4,000 for every man, woman and child? What are we now if we were bankrupt then? Now we were not bankrupt then.



MR. SMALLWOOD:

We were getting log loaded. We were beginning to get top-heavy four or five years ago.

MR. SPEAKER: We got a few scares.

MR. SMALLWOOD: No doubt about that. We were getting top-heavy but we went out and this administration came in and they are in their fifth year now and they have spent over \$4 billion where we spent three in twenty-three years. They have spent over four in five years. We added several hundred millions to the debt, \$700 million we added in twenty-three years. They have added eleven or twelve hundred millions in five years. We were bankrupt then. We were at the edge of collapse. Smallwood did not know how to manage Newfoundland. We did not know how to manage Newfoundland's affairs. It was time for good managers to take over. It was time for a new crew to come in, and the new crew came in, and they are in now.

What have they done? They have done a lot of good things. I do not mind repeating that I am full of admiration for some of these younger ministers over there and there, in those two sections. I admire the government House leader for the quiet skill with which he fulfills his function as government House leader. I think I have more admiration than I used to have - I did not know him very much - the minister up there in the far corner, Social Services or whatever it is. There are some good ministers, energetic, sincere and ambitious. They want to do something for Newfoundland, I agree. It is a shame that they could not be given the money to do it.

I tell you that you are not, Mr. Speaker, you are not going to spend the \$1.25 billion. You are not going to spend \$1 billion. Before this year is over, whatever happens in the by-elections, you are going to call this House together again and you are going to bring down another budget. Perhaps it is then, with the by-elections out of the way, it is then that you will really cut and slash. I will vote for that. Count on me to vote for it. I want it. I want you to do it. Mr. Speaker, I want you to do it. I want the administration to do it and they can count on my support for it.

MR. SMALLWOOD:

I will be surprised if they will do the thing man fashion, come clean, take Newfoundland, take this House into their confidence, come clean, make a clean breast of it. If they will do that I will be surprised if there will be very many hon. members up and down this side of the House, because the hon. gentlemen on this side of the House are at least as patriotic as the hon. members on that side, at least, at least as patriotic as I am. I hope I am at least as much as they are. Touch Newfoundland on the nerve, tell us frankly and honestly. Well I know, but not too many others know, and they do not know quite whether to believe me. Even I would imagine there are ministers over there who say, "Oh well look it is all very well what this fellow is saying. It is all very well. No doubt he means it but, you know, he has been out of touch, he has been out of office for four years now going on five."

AN HON. MEMBER: Poor old fellow.

MR. SMALLWOOD: Oh, yes. "He wrote twenty-three budget speeches. Yes I suppose there was a time when he knew something about it, yes. But that is four years ago going on five and it cannot be as bad as he is saying." I suppose ministers can sort of, you know, soothe their conscience and their uneasiness that way and put it behind them. They do not want to believe it, naturally. They do not want to think that we are sliding on a banana peel. They do not want to believe that before this financial year is over they are going to have to revise all their estimates.

How many times did I around the middle of December send a note to every minister and say, "Let me know how much have you spent of your estimates and how much have you got left." Back would come the notices. Then I would send the word out to every minister, "Chop your expenditure in half, that you have left." Now of course every minister and every deputy and every head of a division as the year neared its end they would see what they had left and they would make a desperate attempt to get it spent before the year expired because if they did not they would get less voted to them for the following

MR. SMALLWOOD:

year, in the next budget. So a big race was on to spend it. But I would nip it in the bud.

Now here is what is going to happen to you this time I believe. Before the year is well over, before Christmas, the cabinet are going to give you a very stern order. "You have got in your department, let us see, you have got \$28 million left. Okay we want \$20 million of it, \$20 million you are not going to spend. You can spend the \$8 million but not the \$20 million." In the other department, "You have got \$76 million left have you for the remainder of the year? Alright, you can have \$22 million of it. The rest you are not going to spend." It is going to become drop balance, drop balance, drop balance and you are going to try to save a couple of hundred millions on the budget, the present budget, this year's budget. You are going to try to lop a couple of hundred millions off it.

Now your borrowing direct and indirect is \$270 millions you are budgeting for in the current budget. I said \$270 million is the proposed addition to the debt, \$270 million. Cut it down to \$100 million. Cut it down to the very lowest you can get it down to and spend some money on roads yes, and on wells yes, and on water and sewerage, yes, but cut it down. Spend it on Fisheries, give it to the Minister of Fisheries, give him even a bit more than has been given him but cut it down and save Newfoundland.

MR. ROUSSEAU: Agriculture and Forestry will have quite a year.

MR. SMALLWOOD: Well agriculture and forestry - I would say the exceptions to be made are not in the service departments. The expenditures are to be made primarily in the productive departments, Fishery, Forestry, Agriculture, mining. Sure, that is obvious. But they are not the big spending departments. They are not the big spenders. Health, our education -

MR. COLLINS: What will you cut now?

MR. SMALLWOOD: I did not say I would cut out anything. I did not say. I am not the Premier. If I were the Premier, if I were

MR. SMALLWOOD:

the minister - it is not enough to be Minister of Finance because no matter what the Minister of Finance wants to do it is the Premier who says yes or no, believe me and if he does not he is the wrong man to be Premier. I would say the Premier has shown on times that has got the nerve to put his foot down. I believe he is able to do it and I believe in this he is the one to do it.

My time is up again and my resolution has gone overboard. I said I only wanted this forty-five minutes. But I think I will have one more go on the main motion because there are things - I may be the only one to say them you see, Mr. Speaker. I may be the only one who will say these things. It evidently is not fashionable. Evidently those who think they have a long political career ahead of them think that discretion is the better part of valour and do not get their names associated with the idea of economy and retrenchment. I do not mind getting my name associated with it. I have taken unpopular stands in my life in this Province and before we were a Province and I stood for what I believed in and I said what I believed in my mind and in my heart and I have turned out many a time to be right and turned out sometimes to be wrong. In this I am going to turn out to be right and I want to warn the House and the government and the people of Newfoundland that we are headed into deep trouble, disaster, financial disaster. That is what is facing us and we have got to take hold of it with real guts and real courage and count on my support in doing it.

MR. SPEAKER: The hon. member for St. John's South.

DR. COLLINS: Mr. Speaker, we are speaking on a motion of non-confidence and it therefore is a very serious motion. The arguments put forward by the other side to show non-confidence in the government - I think the arguments put forward are totally phony. And I would therefore like to say a few words on this amendment implying non-confidence. I see the hour is nearly six o'clock Your Honour so I would propose to adjourn the debate.

MR. SPEAKER: The hon. member has adjourned the debate. It being six o'clock I now leave the Chair until 8:00 P.M. this evening.

The House resumed at 8:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

The debate was adjourned by the hon. member for St. John's South.

DR. COLLINS: Mr. Speaker, just before I adjourned the debate earlier today I used the word 'phony' which was said perhaps in the rush of the moment, which I would like to withdraw. I do not know if it is unparliamentary or not but it tends to, I think, cast perhaps a somewhat unfortunate -

MR. NEARY: Lower the decorum of the House.

DR. COLLINS: Lower the decorum of the House. I thank my hon. friend for LaPoile (Mr. Neary). I would rather substitute the words 'ill-founded' for 'phony' arguments because I think the arguments -

MR. ROBERTS: Why did you say phony then?

DR. COLLINS: Well, it is perhaps more parliamentary. But I do not know. I will leave that to hon. members judgement. But I still think the arguments are unfounded.

MR. SMALLWOOD: That is what the hon. gentleman meant when he said 'phony'. He really meant 'unsound'.

DR. COLLINS: Unsound, right, or unfounded. Mr. Speaker, we are discussing the amendment and I am sure I do not have to say to hon. members that the meaning of the amendment is that it takes the view that the present administration is incapable of ordering the affairs of this government and of this Province, it is incapable of conducting our affairs rightly. It asks that the administration tender its resignation - this is what must flow if the amendment is accepted - tender its resignation, so the Premier can go to the Lieutenant-Governor, turn over the reins of government so that the Queen through the Lieutenant-Governor can then ask someone else, who is considered more capable of running the affairs of the Province, to take on the running of the government; or in the absence of that, if no one can be considered to be more capable and commanding the support of the House,

DR. COLLINS:

that the people in this Province should be put through another general election so that an administration can be arrived at. Now that is the general implication of the amendment.

Specifically - I do not have the amendment right before me now - but I think specifically the amendment says that this administration has failed to disclose the true financial affairs of - yes, it says that "This House regrets the failure of the government to disclose completely and fully the present financial situation of the Province of Newfoundland and Labrador and the government thereof." So these are two serious charges; one that the administration is incapable of governing; and two, that it has failed to disclose the facts, that is held back important information if not actually given false information, and these serious charges can only be accepted if they are backed up by arguments, cogent arguments and arguments that are supported by facts.

Now if it is so, if one did find the arguments cogent and if the facts did support the arguments, it would not be sufficient for this administration to throw out the amendment just through its greater numbers in the House. I do not think that would be sufficient at all because the public would still see that this was just a technicality. If the public did accept the arguments, the arguments based on facts, even if the government threw out the amendment, the public would hold the government, the administration, in such low repute that it probably could not govern adequately. So it is therefore incumbent upon us to examine the arguments and if they do not support the charges then non-confidence should not be moved in the government and it is important that the public agree with this.

Now I do not believe that the arguments do support a conclusion that we should express non-confidence in this administration. I say that not just because I am on this side of the House. I have

DR. COLLINS:

listened to the arguments put forward and I have listened to the facts on which the arguments are based, and even knowing that I probably am somewhat biased in the matter I still do not believe that the case has been proven. So I think we should examine the arguments.

Now point one: It has been stated that the Province is in serious financial straits, that our financial position is probably the worst it has been for many, many years if perhaps not throughout our history. The Leader of the Opposition has brought out this point. The leader of the Reform Liberal Party has spoken on this point and spoken on it to considerable length this afternoon. I thought he gave a very fine argument, a very fine exposition of his own views in this this afternoon. The House Leader for the Liberal Party earlier on stated the same, that he felt the financial position of the Province is extremely serious, and the hon. gentleman for LaPoile (Mr. Neary) has also put forward the same view.

However, Mr. Speaker, I think have to remember that the hon. the Premier said exactly the same thing considerably earlier in this session. The Minister of Finance said the same thing and his words are documented. The Minister of Mines and Energy said the same thing, and he has been ridiculed in this House for having expressed the views that we are in serious financial straits. The hon. member for St. John's East (Mr. Marshall) and also the hon. member for St. John's North (Mr. J. Carter) have said the same thing. So there is no argument here. Both sides of the House agree with this. These are just stating the facts. The facts are no cause for non-confidence.

So I think we can dismiss point one as being reason for expressing non-confidence in this administration, although we certainly should take point one as being a very serious matter and bear it in mind in all our work in this House.

Now, point two: The view has been stated that the government expenditures are not sufficiently controlled, and this has been stated

DR. COLLINS:

in support of the non-confidence attitude towards the administration. I believe the hon. member for Burgeo-Bay D'Espoir (Mr. Simmons), when he opened the debate as the financial critic for the official Liberal Opposition, he went into this at some great length particularly basing his arguments on the Auditor General's report, and others have stated the same view. However, the hon. Minister of Finance has also expressed the view that government control of its expenditures obviously are less than desirable. If I remember correctly, if I understood him correctly, he has indicated to the House that he is so concerned in this matter that recently he employed eight, I believe it was eight, eight new chartered accountants or people, individuals, knowledgeable in accounting in the Department of Finance for this very reason, to establish better control.



MR. COLLINS: The hon. Minister of Mines and Energy also alluded to the difficulty of controlling government expenditures when he talked of the new management committee, a relatively new thought, I believe, a management committee that was established to run the fish plant at St. Mary's.

And, Mr. Speaker, I might say that in my own case, when I made a few remarks during the estimates in agreeing with the closure of 200 acute hospital beds, which I might say is a bitter pill to all the physicians, not only physicians, for the whole populous but certainly a bitter pill to swallow for the physicians of this Province, but I indicated that I agreed with that measure for the very reason that government expenditures in this particular case in the health field were out of control or insufficiently controlled.

Now although this is a more cogent point, perhaps, in regard to non-confidence, again it is not sufficient to say that one does not have confidence in this administration. There is no argument about the need to establish good control of government expenditures.

I might say as an aside, Mr. Speaker, there was some allusion to solvency earlier in this House in this debate, and I think it is well to remember that solvency exists where income covers expenditure with or without the use of credit. Solvency does not necessarily mean that expenditures are well controlled. Expenditures can be very poorly controlled and still, if income is sufficiently high, the situation is solvent. I think that was the case in this Province for many years, that we did have a continuing situation of uncontrolled expenditures but we were not insolvent because our income from various sources was sufficiently high to cover them, and I do not say that this applied only to this Province. I think this pertained throughout the Provinces of Canada and many people say throughout the Western World.

DR. COLLINS: Our present situation comes about not because expenditures have become more poorly controlled, but just because income has lessened or at least the expectation of income has lessened. Now this is not the fault of the government. The government did not cause this drop in income. This is a result of the general financial situation that Canada and the Western World finds itself in. So there is no basis for blaming government and expressing want of confidence on this score.

Now the third point, Mr. Speaker, states, or could be stated, that the unsatisfactory financial situation of the Province and the control of its expenditures have not been sufficiently exposed to public view, and this perhaps is more to the point of what the amendment says.

Now I do not believe that is so. It is just as simple as that. Or if it is so, that is if it is so in some people's views, in some people's view it is not the government's fault. The main mechanism whereby the administration lays out the financial state of the Province is in the Budget Address, and in that address the hon. Minister of Finance laid it out very clearly the unsatisfactory state of the finances of this Province and for that reason brought in certain measures to bring them into line.

Now the other mechanism available to us in this House for bringing out this situation is the consideration of the estimates, and this is where the Opposition comes in. The Opposition has the opportunity during the consideration of estimates to get its views across in regard to the unsatisfactory state or otherwise of the financial situation of the Province. I certainly will not go into all that business again, but we have heard it expressed many times that this was not so during the estimates, that the Opposition did not sufficiently bring out the financial affairs of this Province.

DR. COLLINS: The hon. Leader of the Opposition therefore made some suggestions as to how the estimates can be considered in a different way. Well, I would say without having too much expertise in that area, I would say that his thoughts probably have a considerable amount of validity to them. However, Mr. Speaker, I point out, as was said here earlier on, one department, I think, had eight hours given to its estimates and to my certain memory, not one single, solitary, sole item in the expenditures were changed, and I would suggest that if the consideration of that department went on for twenty hours or thirty -

MR. NEARY: They never are.

DR. COLLINS: You can change them.

MR. NEARY: Yes, but they do not.

DR. COLLINS: They can be decreased. They can be decreased. They cannot be increased. They can be decreased, and I would suggest that if the estimate consideration went on for the whole seventy-five hours on that one department, there still would be an unlikely event in having a change in the estimates.

A non-confidence motion, in my view, would only be justified in being moved in this administration if it could be shown that not only is the financial situation a dicey one, but that the administration had no plan or will to control the situation or to bring its expenditure in balance with its income.

Now, Mr. Speaker, something of that order when a new climate pertains, and we do know that that is so, that income has decreased, not through any fault of this government, that when that occurs readjustment takes time. But I think that even at this point in time we can see that the government does have the will and has taken some measures to bring the situation into control.

BR. COLLINS: Now these have been of a somewhat emergency nature, reducing the teacher-pupil ratio, closing hospital beds, deminishing the number of people being taken into the Civil Service and so on and so forth. These have been of a somewhat emergency nature. And one other thing the government has done, and I am sure that this cut the government to the quick, the government has delayed its Gull Island expansion. This, I suppose, was the shining star for this administration and I would say not only for this administration; if there is any hope for this Province I would say it is in power. If we think back to all the things that have been tried, be they trawlers from Iceland or various plans of one sort and another or great moves into the tourist field, such as the Come Home Year and so on and so forth, which comes to mind as being the successful one in all the twenty-eight, or whatever it is, years since we have confederated?

Surely it is the development of power at Churchill Falls, and I myself believe that if we have any bright star in the future it will be development of more power. It will be the development of power at Gull Island and for a government who very wisely saw that and who moved towards it very vigorously, to cut that out of its programme, I think that this is taking a very serious view of the situation, is being very realistic, sadly so, but it is being very realistic and it shows tremendous determination.

Now on the other hand I am afraid that I cannot say that the Opposition has shown the same courage and determination. When measures were brought forward to bring expenditures down to income expectations, such as to slow down the subsidization of power, in other words not pick up the black there, or to allow a small modicum of education expenses to remain outside the government orbit, what does one hear? These are just two examples. One hears

DR. COLLINS:

nothing but cries of shame and similar remarks of derision from hon. members opposite. I do not think that this is to their credit when they take that view.

Now, Mr. Speaker, I mentioned that the government has taken emergency measures, and I think that it would be required of me to give my view as to what long-term, lasting measures should be taken to correct the situation. This would take, obviously, a very long time, a lot of thought, and I will not go into it in any great depth, but I will say this, that I think the problem will only be licked if we bring the people more and more into a control situation in terms of expenditure, in other words in health, in education, in industrial development, in social services and similar measures which are almost totally a government area now, I think that we will have to devise methods whereby much more of this goes into the private area, not only because the private area has great capability for taking up large parts of these activities but also because they can do it with a knowledge of the costs and therefore will be able to better control the costs.

So, Mr. Speaker, I certainly with a heart and a half, as was said earlier, I will certainly vote so as to defeat the amendment which would show non-confidence in this administration.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Port au Port.

MR. J. HODDER: I just want to say a few words on the amendment. An incident that happened in my district prior to the election leads me to believe and leads me not to trust this particular government in the handling of the affairs of the Province. Some time before the election the government was telling us that Come By Chance would expand, that the financial position of the

Mr. Hodder.

Province was rosy, we were onward and upward, and all that sort of thing. At that time in my district roads were being paved, work was going ahead full-scale, I might say, all geared for election day. They missed election day, and then you could not get it done all that year. At the same time wells were being drilled, artesian wells in the district. Now the wells are the items that I want to talk about right now. The Minister of Municipal Affairs told me today during the Question Period that there was an investigation to be carried out on the artesian wells in the district of Port au Port. Now, why would they be looking or would there be any investigation of artesian wells in the district of Port au Port? Mr. Speaker, after I was elected many people came to me asking when they would get the proper apparatus to pump the water to the surface as they were promised by the former member for the district and by the candidate who at that time was the P.C. candidate in the area. Now I inquired from the Department of Municipal Affairs at that time, shortly after the election, when the wells would be completed, and when they would receive the pumps and the methods of bringing the water to the surface. And I was told by the Water Services Division that they did not know where the wells were, and as a matter of fact they asked me to tell them where the wells were. And I also learned at that time that there was a certain sum of money allocated for the district and some time after that, before the election, that there was some more money allocated but they could not tell me where the wells were drilled.

Now there is a particular procedure for drilling artesian wells. There is an application form that must be filled out. There is a conveyance, a deed, which conveys the piece of property that the well is to be situated on, and then all this is sent to the Water Services Department of the Department of Municipal Affairs. Now I also asked who had decided where the wells

Mr. Hodder.

would go, and it was thought by the Water Services Division that possibly the member for the district, the former member for the district had decided where they would go.

MR. ROWE: Was he an engineer or a lawyer?

MR. HODDER: He was not an engineer.

Now, Mr. Speaker, if the Water Services Division does not know where the wells are, could it be that the wells were put there for political purposes, to win an election? And now I am told that all the wells will not receive the necessary allotments this year, and that an investigation is being carried on. People are there. They need the water. They needed the water before the election. At least ten wells were drilled in that particular area, and yet now perhaps they will have to wait as much as two years to get the water. What will happen to those wells in two years time, in another year it will be two years time, with open wells, children in the area dropping rocks in them and everything else? Is this money wasted? Was it just done for political purposes or was it done because there was a need of the people? And the other question I would like to ask is, were the wells put in the proper places and was there any survey done as to where they should go? Now this may be a small thing and only refers to one district, but as far as I am concerned it could be typical of what goes on across the Island. I know that many people who did receive the wells did not fill out the necessary forms that were supposed to be done, and I have trouble trusting a government to do anything when you look at a situation such as this.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: I have just a few words on this amendment, Sir, which I, of course, feel is an unfortunate one and one that certainly

Mr. Doody.

does not deserve the support of the House. The very verbiage of the amendment, that this House regrets the failure of the government to disclose completely and fully the present financial situation of the Province of Newfoundland and Labrador and the government thereof is, of course, not an accurate one and one that was discredited by, I think, almost entirely by the hon. member for Twillingate (Mr. Smallwood) during the last budget debate in which he piled a very impressive array of documents on his desk quoted and showed the Auditor General's Report, the Public Accounts Report, the various budgets that have been presented, and above all the various prospectuses or prospecti or whatever that the Province has had occasion to demonstrate to the financial community in its borrowing programme. And as was said at that time and which is absolutely accurate is that all the financial data of the Province has got to be revealed in complete detail in the prospectus or else the Province runs the risk, a risk that no government or no corporation or no private citizen, indeed, could afford to run in that of giving incorrect information to a lending institution and that is why all the information that is pertinent to the financial situation of the Province has been revealed. But that in itself, of course, is simply verbiage, I realize that, and I know that the hon. member for Burgeo - Bay d'Espoir (Mr. Simmons) in his amendment to the main motion was in effect asking for a vote of non-confidence in the government as is traditional in the budget debate.

The main thrust of the non-confidence gesture was not delivered by the gentleman who proposed the amendment. He spoke to quite some length on the covers of the various budgets that have been presented during the past number of years, and he said very little. He was not in his best form. I have heard him deliver far more impressive speeches, and I have heard him do a great deal better work in this hon. House. It was not one of his better days.



MR. DOODY: Well, I would have been only too happy to have supplied them had I felt it necessary. However, that is not the important thing. The important thing is in replying to the hon. member for Twillingate (Mr. Smallwood) perhaps more than anybody else who has raised some points in the House today in his two addresses in his reply to the sub-amendment, and to the amendment, and these are points that I will not dwell on too long; as I intend having further words on them during the speech on the main motion on the budget address itself on the motion before the Chair.

The point and soul of the matter is that the hon. member for Twillingate (Mr. Smallwood) feels that this Province is in dire financial straits, that it is on the brink of insolvency, that we will not be able to borrow a dollar, that our spending programme as outlined in the budget will be unobtainable, that those people who can look forward to the services that most Canadians and indeed all Newfoundlanders have grown to expect, could not be realized. What we are saying in effect, or what is being proposed, is that we will not be able to achieve the level of services that is

MR. NOODY:

necessary to sustain even a minimum standard of living here in the Province. I do not think that is true, Sir. My information and the information of the people in the department which I represent in this House and which I speak for in the House, the Department of Finance, is that the borrowing programme of the Province is not in great difficulty, that the financial community is not in a panic, that they are not all running for cover, that they will not refuse to provide us with sufficient funds. Because the basic reason why financial institutions loan money is in the knowledge that they will get a return on their investment, that their interest will be paid and that their investment will over a period of time be retired. This Province has given the financial institutions of the world no indication that things will be otherwise. There is no great panic and I would ask hon. members of the House not to try to, whether inadvertently or otherwise, create such a panic.

We have a BAA rating which is the lowest of any province in Canada. We have had it for some time. Various other provinces in Canada have had their ratings increased, that is true. It is also true, Sir, that we have had in this Province to do in twenty-five years what other provinces have had a hundred years and more to do. We have tried to catch up. Hon. members opposite, the hon. member for Twillingate (Mr. Smallwood) particularly cannot have it both ways. He cannot stand up on one side and list off all the wonderful institutions and social services which with great respect and full knowledge that he brought into this Province, schools, hospitals, institutions, homes for the aged and infirm, trade schools, technical schools, libraries, landing strips, vocational schools, roads, etc., etc., etc., and so on and so on. He cannot expect to bring all these things into being and have any kind of foresight at all and not realize the fact that they have to be paid for; they have to be staffed, they have to be manned, we have to put the people in there to do the services that are required, we have got to pay the bills for the groceries and the laundry. We have got to do all that

MR. DOODY:

is necessary to keep them going.

When we get into a position, Sir, when our provincial budget, some seventy-five to eighty to eighty-five per cent of it is devoured by education, health, salaries, social services, there is not that much left for all the other things that have to be done. These things keep growing and getting larger and I realize the fact, and everybody in this hon. House - and there is nobody here who is not patriotic. There is nobody here who wants to see the Province insolvent. There is nobody here suggesting that it is going to go insolvent, with perhaps one or two exceptions. What we are saying is that we are stuck with a great number of social services, necessary institutions, things that have been established over the years.

It has been said by hon. members opposite that this government here should not take credit for doing anything since we got in. We did not build any hospitals. We did not put in any roads. We did not build any institutions. All the things that were there, the trade schools, the libraries, all these things were done by the previous government. If that is so then, Sir, this eighty or ninety per cent of our total expenditure that is being consumed now is being consumed because of decisions that were made were perhaps in haste. Perhaps the previous administration did not want to put in these social services. Perhaps they felt they were not necessary.

To say that \$27 million were spent on trade schools and all these things were done with \$27 million over a period of years some time ago, is not really all that relevant today when one talks in terms of the value of a dollar of twenty years ago or fifteen years ago and try to compare that to the value of a dollar today. The situation is completely opposite. We have got a public service bill today, Sir, of \$350 million as it now stands. That has to be either met or has to be cut. There is nobody in this House who is more anxious than I to cut that bill. But there is nobody in this House, and I challenge him, to tell me where to cut it.

MR. DOODY:

Do hon. members suggest that we close down the hospital in Twillingate? Do they want me to suggest that we should not have built the causeway there? Or is there some other institution in some other part of the Province that we should close down? Perhaps there is some institution that we do not need. Perhaps there are roads that do not need paving. I sit here day after day after day and listen and appreciate the fact that hon. members are, in all conscience and with great sincerity, bringing in petitions from their districts asking for services to be rendered to them, services that are necessary and services that are needed and services that we should have, but services that we cannot afford under these terms and conditions. Where is the cutoff point? What do we do? Is there somebody in this House who can stand up and tell me specifically where we should cut and how we should cut?

In the budget speech, Sir, we said that the projected contribution of \$10 million from current account to capital account, which is, Heaven knows, an infinitesimally small portion of the whole budget was achieved through all sorts of tight budgetary commitments. "Government was obliged to look at - and I am quoting now, Sir - harsh options related to existing programmes, particularly those which are more generous or in fact do not exist in other parts of Canada." We examined the elimination of free dental care programmes for children under age eleven. Which hon. gentlemen in this House want to stand up here tonight and tell me on behalf of his party or on behalf of his constituency that he wants to eliminate free dental care programmes for children under eleven? I would be delighted to have the support of the House to do it because I know that it is something that this Province cannot afford. We have not got the money. But who is going to come up and tell me that they are going to support me in it? Let them come and let them say so, all of them?

AN HON. MEMBER: Did we not have free dental care about eleven years ago?

MR. DOODY: Yes, Sir, and have had it for some time. It is a problem that we have been wrestling with for some time.

Charging for school books in this Province. We have talked about charging for school books which are now free up to Grade IX. We say we should perhaps eliminate that. Perhaps we should charge for school books.

MR. NEAFY: Get rid of the Government jet.

MR. DOODY: Perhaps we should get rid of the LaPoile jet, all these things.

MR. NEAFY: Get the Norma and Gladys and bring her back.

MR. DOODY: We could get both Norma and Gladys back.

MR. NEAFY: About \$10 million or \$15 million in extravagance and waste.

MR. DOODY: Would the hon. wind charger from LaPoile contain himself for about fifteen minutes? He dominates the House often enough and I have been most tolerant. Please let me have a few minutes.

MR. NEAFY: Well, why do you not start talking common sense?

MR. DOODY: Well, if the hon. member wants to charge for school books let him say so. We can introduce some sort of a proration on doctors' salaries, and reduce the recently announced sales tax exemption on clothing, and reduce student aid and scholarships. All these things were looked at and examined and all these things were addressed in the Budget. I have not heard any hon. gentleman opposite, or any hon. gentlemen or any hon. people in this House who are so concerned, or hon. people outside the House who are so concerned about the financial situation of the Province say that these things are necessary and these things have to be done.

I have heard great, sweeping generalizations of, "We have to cut here, and we have to cut there, and we have to cut the other place." But when it comes to specific instances where they should be cut, Your Honour, we do not have these hon. gentleman leaping up and saying, "Let my district be the first one. Let them close the hospital in my district, or let them close down the institution in my district. We do not need a home for the aged in my city or

MR. DOODY:

the town or community from which I come." All these services are unnecessary, Your Honour, because we do not need them. We looked at all these and other options but have decided not to take any budgetary action. Sir, this is the crux of the matter. We looked at all these and decided not to take budgetary action on them.

MR. DOODY: We have honestly and sincerely and to the best of our ability tried to cut back on expenditures as they now exist, and I am only talking about social programmes. I am not talking about the amounts of money that are necessary to give to the resource departments to develop this Province. If somebody wants to tell me that all these things that we have in being now, that all the hospitals that we have or most of them, or all the roads that we have or most of them, or the homes for the aged or the homes for retarded children, the Children's Home, Exon House and all these other things should be closed down and the money should be diverted to the Fisheries and to the Agriculture Department, I would have some very, very grave reservations before going forward with it. I would think that these things would be a very, very drastic effort and I think it is something that we would have to look at very carefully and closely before we did it.

But, Sir, we cannot do it and there is over eighty per cent of our revenue committed to that before we start, and these things, Sir, were not committed and not started by this extravagant, wasteful, throw-away, spendthrift, go down the drain, insolvent, nonsense, budgetary group who are on this side of the House.

MR. NEARY: When we had four and a half years -

MR. DOODY: These things are done by the hon. member from LaPoile and his associates during the time they were in office.

MR. NEARY: I have only been asking you a few questions.

MR. DOODY: You are interrupting me in my flow. I do not have your ability to follow through on the train of thought. When I get going I have to stay with it. I do not have your years of experience.

MR. NEARY: But you were not always like that when we used to knock around down around the hotel.

MR. DOODY: I know. I know. But you have got -

MR. NEARY: Especially around two in the morning.

MR. DOODY: That is right but I am reformed and you are sitting over there in that corner. You never did get into the reform group.

Now most of the - I am not going to delay the House because I want to speak at greater length on this in the Budget Debate itself when we get into it, Sir, but I could not let these things pass without making a comment. I do not want the people of this Province to think that the people on this side of the House are irresponsible spendthrifts; we are throwing money left, right and centre in complete violation of the rules and regulations that were laid down by the previous administration. I honestly believe that Mr. Diefendbaker uttered many great words during his years of office. I think probably the greatest were quoted by the hon. member from Twillingate (Mr. Smallwood) himself when he said that Mr. Diefendbaker referred to his "I Chose Canada" as one of the greatest works of fiction of all time. I think that many of the comments that he has made during this Budget Debate that have been said in all sincerity and in all decency and full patriotism, are not really relevant to the situation that the Province is in today unless one is prepared to look at real basic shut-downs in specific areas which have not been named and which nobody, I am sure, is prepared to name as we proceed along the lines of the debate during the next few days or day or weeks, or whatever.

MR. SMALLWOOD: Which few men receive \$250,000 annually?

MR. NEARY: Who? The Linerboard Mill manager and Mr. Groom.

MR. DOODY: Where is the hon. member for St. John's North (Mr. J. Carter)? I wish I could his message about graffiti on the bathroom walls.

The thing is, Sir, that -

MR. NEARY: That could buy a lot of school books.



MR. DOODY: I do not think there are school books enough available to help the hon. member from LaPoile (Mr. Neary). We have not got the resources to carry on all the programmes that have been instituted without some serious cutbacks as has been said by the hon. member opposite, by other hon. members in this House. I agree completely that there have to be cuts and there have to be savings and this we are attempting to do. We have raised taxes I think almost to a level where there is no tax room left. We have to show restraint and we are trying to do it.

I think what is important is that instead of getting out on a histrionic or dramatic or an emotional appeal to the patriotism of the public of the Province because there is no - I do not think any member of this hon. House has a franchise on patriotism. I do not think there is anybody in this House who feels more of a Newfoundlander than any other one. I think you all hit a nerve when you talk about the Province. But to scream publicly and loudly that the Province is on the brink of insolvency and it is going to be unable to raise the funds that are necessary, that the bond markets are going to turn it down, I think it is doing a great disservice to the Province because that is not the information that we get from the bond markets. They are telling us to exercise restraints. They are telling us to cut back on spending. They are telling us to channel our resources into the most productive areas possible, and this we are trying to do. But we also have to remember the fact that we entered Confederation for a purpose and that purpose I think was to join with Canada as equal Canadians, as equal partners in this Confederation of ours and if we are going to be reduced to a level of second class citizenship then let it be so and let it be said publicly and let the people in authority who distribute the wealth of the country say so and let us deal with it from that angle. But do not let us say

MR. DOODY: that this Province is going to go bankrupt and going to go insolvent and be incapable of raising the funds that are necessary to carry on the essential services of the Province, even at a diminished degree.

It is unfortunate, it is unkind, and it does the Province a disservice. It does not help in the capital markets. It does not help in the financial world. Our situation now is a greivous one. It does not help in the capital markets. It does not help in the financial world. Our situation is a greivous one. There is no question about it, we have a fiscal, financial problem. But it is not one that we cannot cope with. I have got confidence in this Province. I have got confidence in the people in the Province. The fact that the resources of the Province have not been properly managed or properly tapped or properly handled during the past twenty-five or thirty years is certainly not an indictment on the people of the Province. It does not condemn them to be second class citizens of Canada. It does not mean to the people who live in Labrador can never hope to have the amenities of life. They are sitting on a gold mine up there and they are going to go down the drain because Ottawa or the rest of Canada decides that we are second-class citizens. Is that what we joined Confederation for? Is that what it is all about?

The fact that we have a large public debt simply means that in twenty-five years we had to catch up with the rest of them. That is what we joined for, that was my impression. We could have stayed and been a free and independent people. But we gave up something and in return of giving that up we expected to get something back. But what we are getting back hopefully is a standard of living that is commensurate with the Western World and the rest of North Amercia. If they are not going to have that, then let us make up our minds and let us go out on our own and do it our own way. I mean, we made a living out of the sea and out of

MR. DOODY: the land.

Somebody mentioned today about growing up in downtown St. John's and grinding, crushing poverty and made it. I grew up on Allans Square. I do not know what grinding, crushing poverty was but I can remember scraping off what we had left on the plates and sending it to people up on - I will not mention the street, but it was a street up behind us. We never had very much, and it was pretty grinding and pretty crushing but we made it and I think we can make it again if we have to. I do not think we are going to go broken-hearted and knee bending and heart tearing to the financial markets of the world and tell them all we are insolvent. We are not insolvent. People in this Province deserve hospital care. They deserve roads and they deserve the same sort of social amenities that the rest of Canada has. If Canada does not see fit to give us that kind of treatment then we try to find it elsewhere.

But I would be - I cannot contain myself, Sir, I get so excited about the people who brought us into this situation that we are into now. We get carried away with a bunch of dollars that where \$27 million could build so many institutions twenty years ago and now they cannot even build twenty classrooms, and suddenly we are condemned for being the great financial bunglers of all time. In three or four years we have managed to do what the other administration could not handle in twenty-three years of throwing money up in the air like it was going out of style. I think that it is a ridiculous situation. It is one that I have sat and listened to for quite a while. I have not said very much about it. I tend to say a great deal more about it when I get to the main motion. But I am just speaking on the amendment now. I am telling you why I feel that it is unfounded and why I am going to vote against it. Thank you, Sir.

MR. SPEAKER (MR. YOUNG): The hon. member for Eagle River.

MR. STRACHAN: Mr. Speaker, as a new member I cannot match the ability of my more learned friends to address themselves to the motion. As a new member I was slightly nervous and concerned that I could not do this, that I would be irrelevant, but after listening to what has gone on in the House in the last few weeks I do not think that I can be too irrelevant.

I am concerned, Mr. Speaker, with how best the funds in this Province can be spent and what programmes can be carried out which would best serve the needs of the Province, especially in view of the present financial difficulty the Province is in.

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Should we or can we get into large projects? That is obvious from situations like the Gull Island project and various other projects, and it demonstrates that we cannot get into this type of large project, that this administration cannot get itself involved in these massive projects because it does not have the finances to do it. Excepting that, then, this administration, as I see it, has sold itself to the public as the administration that was to get back to the basics, back to the very root of what we were, get back into the small industries. And I have not seen that occurring in the last few years, and most especially I have not seen it occurring within the Fisheries Department. We are still caught up in this Province with big things, and even when we talk about the fisheries we cannot talk about it in any other way than with big thoughts, big industrial thoughts, with our views of the fisheries being on fish plants, big fish plants, big processing, big trawler fleets, etc., etc. We find in the Province that we have a few big plants mass-producing large volumes of produce, with our little plants dotted around the Province being exact miniature copies of the large plants and producing exactly the same products and selling them to the exact same market. I have always sold the idea of a balanced industry with big and small plants together in the Province, but not with both producing the same type of product. I have sold that idea when I was a lecturer in the Fisheries College, and I gave papers on it in 1966-1967, and at that time, of course, big plants were very much in vogue and the idea of small plants, small industries getting back into added labour, more processing was generally laughed at or regarded as being radical.

What I found was that this Province and the people within this Province and in the fishing industry constantly sold themselves short. They constantly felt that they could not do it.

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They constantly felt that they were not capable of doing anything different, anything new, anything distinct. They always looked to other countries - Denmark, Norway, France, Britain - as being the countries which could produce the various type of products, but this Province it could not do it. What happened then was that this Province ended up being the mass producer of the raw material which was shipped out of this Province for others to add the labour to, for others to put the work into, and to reap the profits. An example I can give is how can we compete, for instance, with 100,000 pounds of salmon coming from the Labrador coast? now can that compete as a frozen round fish on the world market against the millions and millions of pounds of salmon coming out of Greenland and Danish markets? We find ourselves, therefore, with a little drop in the ocean, a little drop in the pool, and we are, therefore, the very last to have our prices assessed. We are the very last to take the tail end of the market. Our raw material often sits for a long time in cold storage with no price assessed to it, because we are at the tail end. All the rest of the countries which can mass produce or put their produce in these countries, into Boston, Gloucester, and Chicago, etc. always command the prices and this Province is always in the tail end, always lowest prices. What happens then when the situation becomes difficult is that the small plants in this Province are always the ones which feel the pinch first. They are the ones which are hurting. They are the ones who are constantly looking for assistance and help, and the reason is, of course, because they are producing exactly the same product as the large plants are, but doing it less efficiently, doing it at much higher cost labour-wise.

I, therefore, have always sold the idea that our small plants and our Department of Fisheries should get into other type of products, should get into looking elsewhere at other markets and should start saying that we can do it, that it can be

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done in this Province. It does not need to be sent away to be processed. I can give many examples of this, smoked salmon and various other ones.

In case I need to establish my credentials for what I say here, I was brought up in a fishing village. I did spend time at sea as a deck hand aboard distance water trawlers in Iceland, Greenland, Spitsbergen, Novaya Lyalya, north of Russia. I spent time here on the Grand Banks and in Newfoundland. I am a research chemist in fisheries. I came over here at the invitation of the member for Twillingate (Mr. Smallwood) who, when he opened up the College of Fisheries, did one of the first things, the first real things to try and change the fishing industry in this Province. For six or seven years I lectured there and utilized students, get them involved in different kinds of processing. I tried to teach the ideas that I am expressing here now so that these students could go out into the industry and possibly try to change the path that the small industries, the small plants were going. It was then, of course, that I ended up in Labrador, where the member for LaPoile (Mr. Neary) ended up getting me. But I had become in 1970-1971 extremely, if not sickened, disappointed at the attitude within this Province that the people here could not do it, that they were not capable of doing it. I could bring many examples of this, but just to indicate one I will pick one of the most exotic examples of what could have been an industry within this Province and how it was turned down because we felt we could not do it, and it was also turned down because the skilled operators from other countries sold the idea within this Province that we could not do it. The example I wish to pick is one of many in which I have become involved in is that of caviar. If I can explain a little bit, caviar, of course, is the sturgeon egg, the egg from the sturgeon with different varieties of sturgeon, and depending on the

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size of the egg you get different quality and different size of caviar. The best caviar is the the beluga or seruga caviar from the Black Sea. And what was happening was that caviar, because of pollution in the world, was being depleted and the Russians, the Yugoslavs, the Danish were having a great deal of difficulty getting the raw egg to make the caviar. So they turned their eyes elsewhere, and they came up with a mock kind of caviar made from lump fish roe, and the first place they turned their attention to was Iceland. And Iceland produced for a number of years the salted lump fish roe which was placed in very clean bottles and sent to Denmark to be processed. The two companies in Denmark who controlled the whole Western market, was a company called Christianson, a very famous company often referred to as Caviar Christianson, and another company called Limfjord Oyster. At that time I believe the fellow was a director Hans Preece. What happened then was that Iceland realized that they were on to something, and this was a product that they could get involved in. So they started closing the doors, as Iceland does very aggressively and very quickly. So the companies came to Newfoundland, to this Province, in order to get its raw material. Very quickly they tied up all the lump fish roe within this Province. All fishermen were being handed out lump fish nets by the department, asisted by the department in order to catch lump fish. Lump fish are caught by the net being set parallel to the shore rather than at right angles to the shore since the lump fish come in to spawn and get caught in the net this way with a very large eight inch mesh. The lump fish roe are then caught, generally early in the year, early in the trap season, and the fishermen were shown with a great programme of how to preserve the eggs cleanly, efficiently and in salt, and this was then placed in barrels, stored in St. John's,



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collected and stored in St. John's and sent over to Denmark in order to be made into caviar. I cannot remember the price the fishermen were getting here, but I think the price was something like thirty-five or forty cents per pound. You need to remember that the finished product gets a price of something in the order of \$2.50 to \$3.00 an ounce on the market.

MR. SMALLWOOD: After it is dyed.

MR. STRACHAN. After it is dyed, exactly. This was the point that we got angry about. We knew that the process was a very simple process. Caviar is nothing but salted eggs in which the process of osmosis occurs in which the salt goes into the egg, and water is, therefore, removed and the water content drops to such a level that the egg can be preserved. It is not totally preserved,

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but is a semi-preservation which gives it a fairly long shelf life of three to four months either for using a number of students as a project to say that we were going to make caviar within this Province. It would be a worthwhile project for the students. So I had five students from the College of Fisheries work on this as their term project, and they made many bad examples of caviar but eventually we came up with a formula, with a process and with an acceptable natural dye which could produce caviar of excellent quality with excellent shelf life. We did our tests, our taste panel work, etc.

We then had no suitable containers. So we obtained a potter from the university to make small containers for us in the pottery class, and he supplied with these containers and we made 500 of them. We then obtained, instead of a lid, we decided to grind the top and to place a heat seal, plastic heat seal, on the top which would not allow oxygen to permeate through and therefore the product could be stored safely like this and would allow visibility to the consumer.

MR. SMALLWOOD: Where was all this done?

MR. STPACHAN: This was all done on the Southside in the College of Fisheries. We then decided to try to get into market. But the interesting thing, prior to this-I was in Fogo in 1967 and I saw the demonstration again in 1969 - the company, Christianson, came over and in the demonstrations of this process of caviar they had pictures and photographs and slides which they presented to fishermen's committees around this Province, showing the complicated method, the expensive machinery needed to make caviar, that if one was going to get involved in this one needed tremendous process, a lot of capital and so on.

Everybody bought it of course to make caviar or make anything, a fish product, all one needs to know is the basic chemistries involved, which the young men are being taught at the College of Fisheries, and then to develop the art part of it, because making caviar, like smoked

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salmon, is more of an art than a science. One needs to learn the science first of the process and then, by experience in technique, one applies the art to produce the finished article one requires for that particular market.

Christianson was very upset with people like myself and my students questioning the fact that it could be done here in the Province, and they spent a great deal of time within this building in the Department of Fisheries pooh-poohing the idea that we could do it within this Province and of course sold it -

MR. SMALLWOOD: They sent somebody over to my home on the Roaches Line.

MR. STRACHAN: Well, the member can describe that. So anyway this was the process and the end point. Anyway we produced the caviar and we tried to put it on the market, and we found immediately that a Montreal company, a very large Montreal company was very interested but were turned off by the Danish company implying that if they brought from here then that would be the end of the market supply coming from Denmark. We tried to get some assistance on it but nothing came forward and the idea out like a number of other examples. I could sit here and tell about twelve stories, smoke eels, smoked salmon, huffles, a product that we made from smoked char, a product we made from cassava and cod, the leavings from the cod. After the fish was filleted we shreaded the muscle and we made a product which puffs up in a very large form something like the wafer that you can get in a Chinese restaurant.

MR. LUNDRIGAN: What year was this caviar?

MR. STRACHAN: This was, if I remember correctly, 1969-1970.

MR. LUNDRIGAN: Where did the hon. member look for assistance?

MR. STRACHAN: At that time I was in the College of Fisheries.

We looked for assistance at a number of different places. If I remember rightly I think at that time the only person prepared to talk about it at that time was Andrews, who was in the -

MR. ROBERTS: Don Andrews.

MR. STRACHAN: Don Andrews who was full of ideas himself and whom I worked with on a number of things. But the situation has not changed nowadays if you are trying to apply politics to it. The situation certainly did not change in 1972 or 1973 when I was involved in Northern Labrador with the smoked salmon thing.

MR. LUNDRIGAN: Is the hon. member looking for assistance now?

MR. STRACHAN: No I -

MR. LUNDRIGAN: You are applying politics to it, looking for assistance now?

MR. STRACHAN: No, no. All I am doing is just giving an example of something we did way back. I have dropped the idea totally. I am only giving examples. If we want to give another example I can go into the smoked salmon which we produced in Northern Labrador.

MR. SMALLWOOD: Mr. Speaker, I wonder if the hon. gentleman would - now he has touched a wrong nerve. I have never understood why it is that we are not the world's greatest producers of the best smoked salmon. Why are we not?

AN HON. MEMBER: We are.

MR. SMALLWOOD: No, we smoke practically none. Will the hon. member tell us why it is that we are not a great supplier of smoked salmon, high priced, high quality smoked salmon? The hon. gentleman comes from Scotland, which is the home of smoking salmon. Why cannot we do it?

MR. STRACHAN: That was the whole point of my presentation here. There is no reason in the world why we cannot be or cannot do it, provided of course we accept the idea within ourselves that we can do it. This was a difficulty that I found within this Province, that whenever we tried to say that you could do it, people were told by the master salesmen from elsewhere that you could not and we were also squeezed in the market.

MR. NEARY: The hon. member did not find that with me.

MR. STRACHAN: The point that I have always felt is that it would be worthwhile to take \$1 million or \$2 million and in projects like

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this put it into the marketing of projects like this so that we can compete in the world market with quality products, so that we can reap the benefits and have small industries going on all around this Province. This was the whole idea I was at with the idea of small plants producing high quality goods of which a great deal of labour went into and a great deal of work went in and the market price was lucrative.

Smoked salmon is not easy to prepare. It can be taught. It can be gained, I think, through again a process of science first and the arts later. Many people, many students of mine are producing smoked salmon. The pub snacks that you demonstrated the other day were pub snacks which I introduced to Burseys in Quidi Vidi. The smoked salmon which Glen Newman is producing in Cabot Sea Foods and which he has on contract now to produce twenty-four hundred pounds of smoked salmon per week this year, his smoker and his smoked salmon he got from us.

So there is ability, obviously there is ability within this Province -

MR. SMALLWOOD: Were the local men also then trained by the hon member?

MR. STRACHAN: Yes, and the smoker is my design which Glen Newman put together himself.

MR. SMALLWOOD: The man who does the smoking is a trainee of the hon. gentleman?

MR. STRACHAN: Oh, yes.

MR. SMALLWOOD: A local man?

MR. STRACHAN: Sure.

MR. SMALLWOOD: And he is tip top?

MR. STRACHAN: Yes.

MR. SMALLWOOD: Would he be able to hold a job in Scotland?

MR. STRACHAN: Yes. And he produces smoked salmon which is obtained from Cabot Sea Foods and is shipped to Europe. Now you can ship smoked salmon to New York, to the Jewish trade in New York. Because they require

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a slightly higher salt content you can get away with it. But there is -

MR. SPALLWOOD: - the Jewish trade in New York.

MR. STRACHAN: Yes, okay. But the point is that if you ship some smoked salmon, of the cottage trade on Regent Street in London, then your smoked salmon must be just right. It must be smoked with the right product. In fact, there are people there who will tell you if it has enough hew or hardwood or what the wood was you were using to smoke it.

MR. SPALLWOOD: Almost like the wine tasters.

MR. STRACHAN: Yes, that is right, exactly. I have smoked salmon and been in the Canadian gourmet book which has been produced on gourmet products within Canada. The smoked salmon and char which we produced in Northern Labrador has had mention right across Canada in a group of the finest restaurants and the finest foods within Canada.

MR. LUNDRIGAN: What happened to it?

MR. STRACHAN: Because the whole point is that we do not have the marketing, the ability. We have not put that kind of ability in. We have been tied into the large fish plants, mass producing, and we have not got into the small plants, into the delicatessen kind of things. This is the area we should be going into. This is my statement, these are the feelings I have about the fisheries. There is no question that we can do it.

MR. NEAPY: But has not the Canadian Salt Fish Corporation done a marvellous job?

MR. STRACHAN: Yes, if you want to mention that I think the Canadian Salt Fish Corporation has done an excellent job and I have been closely associated with it. The Canadian Salt Fish Corporation of course took a number of years to get salt fish together. It is only now that it is getting into other types of products. But at the same time it should get into more, or we should need another type of agency similar to the Canadian Salt Fish Corporation to sell these types of

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products that we can produce at a lucrative price.

MR. NEARY: The hon. member should read the Report of the Royal Commission on the Economics Fish Processing Prospects for Newfoundland and Labrador.

MR. STRACHAN: I do not mean to get personal or nasty about it, but I remember doing a test sample two years after the plant in Nain producing 6,000 pounds of smoked salmon and smoked char which never saw its way past Confederation Building. That was a market sample. That was in 1972.

MR. SMALLWOOD: Was that the sample I had down in the dining room downstairs?

MR. STRACHAN: No, I think it was all wasted.

MR. NEARY: Does the hon. member know why it did not get past Confederation Building?

MR. STRACHAN: Oh I know well why. But I best not get into that. I am more interested in where we can go from now rather than the old hat. But it certainly sickened me and I gave up for two years because I was so sickened at this type of thing.

MR. NEARY: The Minister of Fisheries at the time took it away from the Canadian Salt Fish Corporation, that is what, Mr. Cheeseman did it.

MR. STRACHAN: Though there are many other examples that I could give in which people in this Province, students coming out of the College of Fisheries, people in Labrador, can produce many different type of products provided there is assistance, and provided that we stop this small-minded attitude that we are not capable of doing it, that we start selling ourselves in the world markets, that we do not start competing against Gortons, we do not start competing against National Sea, but we start getting into the finer markets where the real money is and start getting into the finer products where we can add skill, where we can do small volumes and we can make a great deal of money with these small volumes rather than making very little money with massive volumes.

DR. COLLINS: Would the hon. member permit a question? Why does the hon. member mention the need for government assistance so much? Are these projects not viable on their own? Why must government be the one that stops the whole thing?

MR. STRACHAN: Sir, my point about the government assistance is that I do not mean by any means that government assistance should be financial. What I mean by government assistance is that many times these local, small, groups of people, small plants, have never been encouraged, or when they have the idea, the idea has died at the end of the processing line. The idea has never gone beyond that. When I say 'assistance' then I feel that there should be some way in which the Department of Fisheries or the Department of Industrial and Rural Development get into this type of encouraging to get the thing moving. If it's a pilot project, like they had before, then get it into pilot project and then from there move it, but people need assistance. Many of the people who have ideas have no capital at all. Many of the people who have these abilities to produce these kind of things have no capital whatsoever.



MR. STRACHAN: I can name many, many people who want to get into industries like this, whether it is our liquor from our bakeapples rather than sending our bakeapples to Finland, or whether it is any other type of fishery products, then it needs some kind of assistance to give them the assurance. And I do not only mean financial assistance. If that assistance could be technical assistance, fine; if it needs to be market assistance, fine; but why should people from outside of this Province, sales agents, and companies from outside this Province, come in here and sell the idea that we can only be the hewers of wood and the carriers of water, we can only produce the raw material for them to work on to sell in international markets?

What use is it for me to produce in Northern Labrador 50,000 pounds of smoked salmon and for the rest of this Province, fisheries in this Province, to sell fresh or frozen round salmon to the Danes to smoke to compete in the same markets as the salmon coming from Labrador? And we cannot do it. We always find ourselves at the bottom of the apple cart.

MR. LUNDRIGAN: How much in the last season, how much smoked salmon was produced in Nain?

MR. STRACHAN: About 2,000 pounds.

MR. SMALLWOOD: That is not enough.

MR. STRACHAN: What is it you call it in industry - home fries?

MR. WINSOR: The amount of 2,000 pounds of smoked salmon last year which was cured in Nain and Makkovik, I believe, is he conscious or is he aware that most of that smoked salmon is lying here in the cold storage all winter, quite a lot of it, and I would suspect that perhaps a number of ministers have eaten that smoked salmon during the winter which was, as the hon. member said, smoked in Nain and Makkovik last year and up until two weeks ago there was still some of that smoked salmon left here in the cold storages in St. John's.

MR. SMALLWOOD: Unsold.

CAPTAIN WINSOR: Unsold.

MR. ROWE: What is being done with it?

MR. STRACHAN: The point is I do not want to get into the blasting of departments or the blasting of divisions or Labrador Services Division or anyone else. If these divisions and departments do not have the expertise to market the salmon, as smoked salmon as smoked char, they should not be dealing with it. And the idea is we should try and get some agency which can deal with it properly rather than stay in this morass in which things can be produced but can never be sold on the market.

There is a company out of Montreal which, three years ago, obtained from us about 20,000 pounds of smoked salmon, smoked char from Northern Labrador. And to show you the economics of this business, the company was prepared to pay half the freight costs from Nain to Montreal by plane. The salmon must be fresh smoked. That does not mean to say the salmon cannot be stored in a frozen condition. We can store frozen salmon, thaw it out -

MR. SMALLWOOD: After it is smoked.

MR. STRACHAN: No. Store the frozen round fresh salmon. Store it, take it out and as long as we cut it in a slightly frozen condition and then salt it and go through our process of curing, we then can sell it as fresh smoked, because that is the idea, it is sold on the label by being fresh, smoked salmon.

MR. SMALLWOOD: At what point is it smoked?

MR. DOODY: After it is freshly thawed.

MR. SMALLWOOD: After it is thawed.

MR. STRACHAN: Let us see get this down straight. The salmon comes out of the water, it is gutted, it is cleaned, it is then frozen, it is then stored in a cold store, later on, depending on the process, it will be taken out of the cold store, thawed, but before it completely comes out it is then cut -

AN HON. MEMBER: Before the frost goes out of it.

MR. STRACHAN: Before the frost comes out of it. It is then prepared for the cure, it is then cured and smoked and the thing is a myth. Most people nowadays do not want hard smoked products. The idea of smoking was to preserve. People do not want smoking now as a preservation. Smoking is only for flavour. So the process is all wrong. Really this process is a curing process with the smoking added later on is a flavouring process and from there it is then sold fresh smoked.

MR. SMALLWOOD: Would the hon. gentleman allow me to ask him, whatever came of the strenuous efforts, the very genuine efforts that were made by TCA, now known as Air Canada, to obtain char from Northern Labrador for service across Canada, Air Canada, TCA, what has come of that?

MR. STRACHAN: Nothing, absolutely nothing. That was one of our projects in which we did produce for Air Canada samples because they were very keen in providing it on the market, on their planes, and they were prepared to give contract. The company who are involved now took the smoked salmon and they flew it out in their Otter aircraft. We could keep operating for six months of the year and with chilled storage in Goose Bay we could build up in Goose Bay, because our smoked salmon has a shelf life of three to four weeks, we could build up a backlog in Goose Bay, which was then put out on EPA, then to Montreal with the company paying half the freight. That company then repackaged at Montreal and shipped it to the West Indies, the Bahamas, London and Paris, and the price they offered us at that time was \$2.75 a pound. There is an awful difference between \$2.75 a pound and twenty-five cents a pound for the fishermen for char and seventy-five cents a pound top price for salmon, especially when our loss in yield is only about thirty per cent and that is not a total loss, because we can smoke the backbones and most Labrador and Coastal and Goose Bay people buy smoke salmon backbones and there is a very big market

MR. STRACHAN: locally for the salmon heads. So virtually from that we could almost pay our labour costs.

But it requires adults dealing together, as it requires elsewhere in this Province where there is smoked salmon, smoked eels, where there is some other process of marinating or whatever it is; it requires adult dealings. But where we fall down here is that we do not have the marketing organization which will compete with international companies, and so we end up all the time sending our raw material to these companies to produce and come back and sell in this market.

It is ridiculous to me that salmon and Artic char from Northern Labrador or other fish products in the raw state, frozen raw state can be shipped to Denmark to be processed and put back on the Canadian market, and yet that is what happens. If you buy smoked salmon in Montreal it comes from Denmark, it is generally, and often has been Canadian salmon, this Province's salmon smoked in Copenhagen and sent back here,

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and this surely is wrong. And yet we feed these people because of our mentality that we cannot do it, that you require a Scotsman to smoke salmon when you can get many other people to smoke salmon provided they have been given the same training that I was given, and the same training the College of Fisheries students are given down on Water Street and over on the Southside, the same training Glen Newman got in Quidi Vidi or the same training that a Mike Pvoof in Nain, who has never seen a smoked salmon that way in his life, can also do it even though he cannot speak one word of English. Obviously then what is wrong is that our whole marketing process, our whole idea of selling ourselves is wrong, and I feel strongly that this government has sold itself on the basis of getting back to basics. I think there is nothing more basic than small plants, there is nothing more basic than in putting labour into what we have, our fisheries. I stated in 1966 that I thought the only time the fishing industry in this Province started getting down to brass tacks was when the fishery was so badly damaged by international fleets that the fishery had become very critical and started to deplete, and the volume of fish that was taken out of here started to get smaller and smaller and smaller so we then got away from this volume of mass production idea and we started getting into the more intricate smaller quantities but higher priced goods.

I remember in 1965 when we suggested that you could eat crabs in this Province and we even said it inside the College of Fisheries, and nobody believed us. When we suggested at that time that catfish was good, some plants would not utilize catfish, and that the same happened with some other species of fish. They were all dumped. These were excess to the codfish. Now, of course, redfish, the perch and various other types of fish, such as the catfish, the yellowtail at one time was dumped. The yellowtail at one time was not fished for. Now the yellowtail

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flounder is actively gone after, and I have seen a fair quantity at Harbour Grace when Unilever took over. But the idea is now we are starting to get into other products, other types of fish products, and I think now is the time that we should start putting a real emphasis on this type of production, a real emphasis in diversifying the fishery and putting this together. I do not know if what I have said applies to the amendment to the motion.

MR. SMALLWOOD: It is good stuff anyhow whether it applies or not.

MR. STRACHAN: Just one other example, because it is an example with which I was involved with a very prominent fish company here. We were at Hollviken in 1970, I think it was, at the caplin business. Our idea was that as these new zipped topped cans came out, that we could easily within this Province produce canned caplin exactly the same as we did canned sardines. Canned caplin had a certain market, and we went into this process and we had a look at it. Now caplin is extremely difficult to can, partly because caplin has a high water content, and a high water content in an oil or a brine within a can generally makes it fall apart. It makes it fall apart. It becomes mushy. So one has to go through a special process, and then when the canning is finished it has to be matured for a period of three months to allow the produce to settle in the can and allow the oil to marry with the fish and hold it together. Then we developed this. We developed this product, and we did considerable work, two students did it, one from St. John's here and one from Bay de Verde. And we could have gone on to the market very easily. I do not know the intricacies of why it did not, but certainly the female caplin produces a beautiful looking canned product, very compatible with the sardine of Norway or certainly Portugal anyway. But certainly the female caplin produced an extremely attractive pack, and I did it could be marketed very easily. But again what happens is that we get, and other nations get the big idea, the big processing idea,

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that caplin can be used for fish meal, that caplin can be caught for various other kinds of products, and nobody gets the idea that 50,000 pounds of caplin could keep easily ten, fifteen people employed for a fairly long period of time in a small cannery as one of the items in which they can and producing a lucrative come back on the market. Certainly many people were interested from elsewhere in canned caplin and I do not know where the idea went from there. We could go on and on about ideas which could be done in this Province.

MR. HICKMAN: W. J. Bursey was at it for five years before.

MR. STRACHAN: The problem there was that Bursey, all he had to require - you require, as I say, the science before you can apply the art. And this was the idea, I hope, of the College of Fisheries, and this is the idea of the students there, and this is the idea of why we taught them the kind of science first, many of whom objected to the science, but the idea is that they must understand the process before they can control it, and this is the thing that we were trying to do.

MR. SMALLWOOD: Is that caplin can flat canned like kippered herring, a flat zipper can?

MR. STRACHAN: Yes it is, a zip top.

MR. SMALLWOOD: Not round?

MR. STRACHAN: No, it is not round.

MR. SMALLWOOD: It is flat, oval.

MR. STRACHAN: Yes, the small can, flat and a zip top.

SOME HON. MEMBERS: Oh, oh!

MR. STRACHAN: Yes, but the point that I am trying to get at is that these things have been going on and it can be done. It is very successful. I myself remember producing vacuum packed fish products. We were especially interested in turbot. And we prepared turbot in a vacuum pack with butter sauce, that is fillet of turbot. It was either in a raw state or slightly smoked.

Mr. Strachan:

It was produced in a vacuum pack, and we utilized at that time liquid nitrogen from the oxygen plant on Kenmount Road, because liquid nitrogen, or nitrogen as the oxygen is made from the air, the biggest component is, of course, nitrogen which they discharge out into the air. The atmosphere and liquid nitrogen is a very efficient means of freezing, and it is just discharged so it is free. It is also a very simple apparatus to freeze products. Small fish products can be frozen very quickly to very low temperatures.

And I remember with some friends and some friends of the member for LaPoile (Mr. Neary) at our own expense we took these products and we went to Boston, and we went to New York, to Gloucester and that was where the idea died because, of course, there were not in the slightest bit interested in further processing within this Province. They were tickled with the product. They thought it was excellent. Number one, it was good for the American supermarket because all the woman her to do was pick it off the shelf. It was a boil in the bag, vacuum pack. There was no smell of fish. You could drop it in for five minutes, open it up, the sauce was there, empty it out in the plate, and there was no smell within the House. They thought the ideas were excellent, the product was excellent, the quality was excellent, the sauce was excellent, but they did not want it, because the processing was carried on in this Province, and they only wanted the raw material. They only wanted that, and they did not want anything else. So there the idea—at our expense, out of our pocket—died.

MR. LUNDRIGAN: That tells me the whole story.

MR. STRACHAN: I am trying to give examples which tell the story. We can maybe tell a lot more. But anyway these are



Mr. Strachan.

my ideas on the fisheries, and I have many more, but I just want to relate to this because I felt that if we are going to get back to basics, if we are going to get back to applying work on the raw material that this Province has.

CAPT. WINSOR: Before the hon. member gets off the canning, has he had any experience with canning Arctic char? Because there have been hundreds of thousands of pounds shipped out in the pickled stage. I do not know whether it has ever been tried to can the char, and it is amazing, as the member stated, with all the salmon which comes out of Labrador and in Newfoundland today I do not suppose you can find or buy a tin of salmon in the supermarkets anywhere, but you can find it from British Columbia. The Arctic char is the one that I would be interested in.

MR. STRACHAN: Okay, I will give you an example of that, but I do not intend that this should become a class in the Fisheries College or anything. Arctic char— if we got to look at Arctic char, Labrador produces half the quantity of Arctic char caught in Canada and

MR. STRACHAN:

therefore a large percentage of what is caught in the world, Arctic char is circumpolar but its largest quantities are caught in the Northwest Territories, some in Greenland, some in North Russia, but generally not in the quantities you catch off Labrador. The reason is that as the Grand Banks mixing is good for cod, the Labrador current is very good for arctic char.

MP. SMALLWOOD: Why?

MP. STRACHAN: Because of the slightly warmer - the mixing of the waters, the coming over from Greenland. And the arctic char grow slightly faster in Labrador because it is further South than most of the other places which are circumpolar. It varies for light. For reasons of daylight and so on they will migrate for longer periods, will stay at sea for longer periods.

MP. SMALLWOOD: Is the stock holding?

MP. STRACHAN: No, that is one of the problems. That is a separate biological problem which I can get into at a different time. But the char that we produce is half the quantity caught in Canada. The other half is processed in the Northwest Territories as a canned product, a small, again, zipped up canned product which is given a very attractive label and is marketed through CAP or Canadian Arctic Producers.

They cannot keep the market going in Edmonton and Calgary. They cannot get enough char canned to keep the market going. They are also running into some problems there with mercury pollution and they are looking elsewhere for a supply of canned arctic char. But we, in Labrador, have never got into it. We have never invested the money in this kind of development and this is where I have always been at odds with government - and I mean that per se, by whatever government - I have been at odds that we are far too willing to keep our native peoples on welfare but very unwilling to give them an opportunity by development funds to do something for themselves. I think that the money should be applied in development oriented projects such

MR. STRACHAN:

as canning Arctic char and placing it on the market and giving them the pride of having a job and working on their husband's fish or their father's fish and therefore making a nice little unit.

To me, even if it has to be subsidized because of distance or difficulties, geographic conditions, then it would be better to subsidize a development project than it would be to hand out welfare.

MR. SMALLWOOD: Liberalism that is, pure Liberalism.

SOME HON. MEMBERS: Oh, oh!

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

MR. STRACHAN: Mr. Speaker, before the debate degenerates into the irrelevancy that I mentioned when I started my speech, I support the amendment to the motion.

SOME HON. MEMBERS: Hear, hear!

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

MR. PECKFORD: Mr. Speaker, I would like to address myself to the amendment and particularly to the comments of the previous speaker as it relates to getting back to basics for the development of this Province. Mr. Speaker, there is a lot that the hon. gentleman said I agree with 100 per cent, but I think just a tiny bit of history and a bit of where we are now as a Province is in order to put the whole thing in prospective, at least from where I sit.

It seems to me that - and I would like to address this comment to call the speakers that have been spoken so far on the sub-amendment or the amendment - we seem to be missing one very universal truth as it applies to this Island, to this Province. That is that this Province as far as I know and the history books that I have read and from what my uncle or my grandmother or whoever else told me and what I have heard from other people, we have always been, as a people, in trouble. I get somewhat annoyed when I hear hon. members who know a lot better stating what they consider to be something awfully startling, that this Province is in trouble one way or another, economically or financially. Ever since the first fisherman came to this Island we have been in trouble and we have continued right

MR. PECKFORD:

through all the centuries to be in trouble at different levels but all relatively speaking, and we must accept a few basic little universal truths, that because of our geography, because of our history and so on - and there is no startling revelation that the hon. member for Twillingate (Mr. Smallwood) gives us.

I have always recognized it. I was told it at my father's knee, that we grinded out a hard existence here, that the Island - our history books told us. And we are only briefly for some very small moments in time, whether they be a year or a month or a period of time for a given party that governed this Province, off on a little kick of our own, dreaming our little dreams and hoping our little hopes, and hitching our wagon to a very false star when we considered or thought that we were now close to the Canadian standard or to some kind of Paradise that existed down in New York or Philadelphia or Pittsburg or somewhere else.

We always have been as a people a struggling people, a people against great odds. It is from that premise we must always operate and not suddenly be told, supposedly told that we did not realize the sad situation that we find ourselves in. But very often I get the impression that this is something that has come about this Province in the last five years, or the last decade or some strange thing. We must always operate from that premise. Then because of our history and so on it has in many moments of time, many decades have been just a degree - it is only a matter of degree, not a matter of kind, whether we were worse off in the 1930's than we were in the 1940's or better off in the 1960's than we were in the 1950's. It is all a matter of degree.

It seems to me, Mr. Speaker, for quite some time to come we are going to be in that position and there are then certain hard decisions that government, that leaders of this Province have to make from time to time. Now we find in the 1970's that we are built into a system that was partially of our own making, partially we could

MR. PECKFORD: —

not help. We could not help but join Canada or join somewhere at the time. I guess everybody in the Province without exception who can think at all agrees with that great event, joining Confederation. But by the same token as we joined Confederation and received a lot of benefits for it it was not the answer for the Island economically overnight. It was still going to be a struggle. Confederation did not mark — it marked a great watershed in our history in the sense of chronologically showing great moments in our history, but as far as the economics and the people were concerned it gave us some social services and there is the key to it, Mr. Speaker, that the whole Western World, the whole North American Continent went on a social kick for a number of decades.

When we joined Confederation, when Newfoundland joined Confederation we attached ourselves or became a part of a country that was going very quickly in a socialist, in the broadest sense of that word, direction. So we got our old age pensions and we got our baby bonuses and it was the hon. member for Twillingate (Mr. Smallwood), and I have to as a Newfoundlander and as a man who grew up while he was Premier of this Province, I have to say it and I have to get it off my chest, I heard from daylight to dark, I heard it when I went to university from that hon. gentleman, he was the man who talked about the millions and there was a psychology that developed — and I am part of it and I am a product of it — which said, it was implied almost in everything that was done, we are on our way, life is beautiful.

I remember — I wish I would not remember, I would rather forget it — being in the university and being a part of the student council when the hon. member for Twillingate (Mr. Smallwood) announced student aid for that university. And I had a weird, unusual sensation in my stomach which said there was something wrong with that student aid policy because this government at the time, this Province could not afford it. I was not the only one on that student council

MR. PECKFORD:

at that time who held that view. But we were idealistic and it was great, and we were on our kick again. I am a product of a society that we had in the 1950's primarily and early 1960's in this Province which said, "The sky is the limit! We are on our way!"

MR. DOODY: Develop or perish.

MR. PECKFORD: And not only that, you talk about Liberal philosophy; I know very little about the liberalism in the terms that the hon. member for Twillingate (Mr. Smallwood) defines it, but I have read a bit and listened a bit and he talked himself, the hon. member for Twillingate (Mr. Smallwood) talked in earlier speeches about the great Liberal projects of the early century, the railway, the Price Newfoundland, Anglo-Newfoundland mill in Grand Falls. The great development in Corner Brook, the great Linerboard Mill, the great Come By Chance Refinery and there is a psychology still built into Newfoundlanders to this day and will be for a number of generations that things big are good, things small are bad and you can like it or lump. It is there, and we do not need the hon. member for Eagle River (Mr. Strachan) to tell us, at least I do not as one Newfoundlander, although what he says is correct, and we have known it for a long time, that small industry and getting back to basics is what is needed in this Province. That is not addressing yourself to the question, Mr. Speaker, the question is how -

MR. STRACHAN: I said it in 1966.

MR. PECKFORD: Good for you. I did too.

MR. STRACHAN: .... seen me since.

MR. PECKFORD: I was too. I said it before 1966, hon. member, long before 1966, in 1961.

MR. STRACHAN: If it is correct I cannot what is wrong with saying it.

MR. LUNDRIGAN: Do not be so sensitive.

MR. PECKFORD: We will not get into a semantic battle now across the floor. The question is not whether small industry has a vital role to play in the economic development and survival

MR. PECKFORD: of this Province, the question in 1976 is how, by what means can you achieve that goal? Cognisant of the facts that you have x number of hundreds of dollars for this and y hundreds of dollars for that and how do you develop strategies out of it.

Now I think that we have to go this route a lot more than this government that I am a part of has gone to date. We did try very hard in the programme on the Rural Development Authority, especially in the woods industry at the time, which was not all a failure. A lot of good successes in my district and other districts on it. And I think the hon. member for Grand Falls (Mr. Lundrigan), the present Minister of Rural Development will assist us in the way that the hon. member for Eagle River (Mr. Strachan) is talking.

But it is no easy task. Let us not beg the question. It is recognized by all hon. members, I am sure all of them have talked about it on many an occasion. I know this guy down in Hibbs Hole, or this guy down in Toogood Arm, or this guy in Southeast Crouse, or wherever he happens to be, who got this little tiny thing, who is developing this and he is really creating two or three jobs every year and it is a wonderful thing. The question that has to be addressed is how you can do it within the financial resources of the Province, and you have to be very careful, you have to develop your strategies and it is a large measure, as the hon. member for Eagle River said, of entrepreneurial skills that were never developed because all you had to be able to do, or you are supposed to be able to do is go to a trade school and get a trade so that you can go and work in a big company.

So you were never attuned to saying to yourself when you came out of high school - you had to go to Memorial or the Fisheries



MR. PECKFORD: College or the Trades College, or Toronto, not necessarily in that order, so we were never attuned as a people, as individuals in any of the settlements that we grew up in, to saying to ourselves, "What can I do to create a new dollar?" Rather, "How can I get a job and preferably a job something to do with the government."

AN HON. MEMBER: Security, a paid job.

MR. PECKFORD: - something to do with the government, How many members here can tell me that they have not had one individual in their constituency, have not had one individual in their constituency ask them for a job with the Department of Highways? Well okay, in Eagle River, where do they have roads? There are not too many.

Sir, that is the psychology. We have never been asked or motivated or promoted to use our abilities towards creating something where nothing was before so that we have new dollars into the Treasury which can then help stimulate and produce other new dollars or get programmes of this sort going. It is a cycle which comes first and all the rest of it.

So that is not an easy process to change and that is not going to be changed overnight and it is going to take a lot of work by a lot of people, leaders and educationalists in the schools in this Province and so on, to get us out of that route where you come out of primary and elementary and senior school and go on into university and get that glorious BA which has very little meaning anymore, only from a general point of view. It makes you think but I do not know if it makes you think in the right direction.

So, Mr. Speaker, it is and always has been as far as I know, the Progressive Conservative Party's position, and I realize and fully know that it is easy to enunciate that you have got to get back to basics, which I believe in very strongly as a Progressive Conservative, but it is not so easy to carry out and follow

MR. PECKFORD: through on it. But it has to be done and if it is not done we are going to be a lot the worse for it and perhaps three or four generations from now there will still be leaders talking the same way as we are and our state will be worse. Or we will not be here as we are now as a Province or whatever and it has to be done.

By the same token, at the same time, you do not sell away any more of your resources. You fight like darneest to make sure that we get the best deal on our offshore oil and gas. Did anybody, Mr. Speaker, hear the Premier of Nova Scotia today talking about offshore jurisdiction in his Legislature in Nova Scotia where he, as a Liberal Premier of a Province in Canada, said that the Federal Government does not really appoint anybody, any lawyer to become a judge unless he has very strong federalist leanings, centrist leanings. If there is any good capable lawyer in Canada who interprets the constitution in a provincial vein with a lean towards provincial rights, he has no chance of becoming a part of the judiciary of Canada, the Federal Government, that was the Liberal Premier of Nova Scotia.

So at the same time as I agree one hundred and ten per cent with what the hon. member for Eagle River (Mr. Strachan) has said and I have said it myself many times over the last decade or so, I say to him that it is nice and easy to say and it is correct. The question is how you can develop strategies and policies and provide the money to do these things because it will not only involve marketing expertise and entrepreneurial skills, which are vitally necessary, you are also going to need to kick in some dollars, whether you like it or not, for these programmes.

Simultaneous with that you must look at the major

MR. PECKFORD: developments of oil and gas and hydro and the rest of it to ensure that we have some place in history as a Province, otherwise we are dead. But to suggest, Mr. Speaker, as the amendment does that - to get back to the amendment - that this Province has not produced the statistics to show the true financial state of this Province is a complete cop out in my opinion. The Budget Speech and the public accounts reports and so on give clearly, and everybody knows how much we are borrowing and what we are borrowing it for and the departments and so on and it is a tactic by the - and I consider it simply as this, and literally say it and mean it to be interpreted literally, a tactic that oppositions have come to use as a tradition in democratic legislatures throughout the world to get a chance to argue salient points or points that they think salient on the government but do not believe for one moment, especially in this particular case in the non-confidence in the government because they have not produced those facts.

MR. SMALLWOOD: This business of the Government of Canada selecting only lawyers with strong centralist sympathies before they will appoint them to federally appointed judgeships, is that true of all the recent judges that have been appointed here by the Government of Canada, four or five judges?

MR. PECKFORD: They are not the ones who are going to decide the jurisdictional dispute between offshore.

MR. SMALLWOOD: What the hon. minister is referring to is the Federal Supreme Court of Canada. It is not the provincial.

MR. DOODY: He was referring to what the Premier of Nova Scotia said.

MR. PECKFORD: And I was referring to what the Premier of Nova Scotia was saying, because he said that there is no point for Nova Scotia to go to battle with Ottawa on jurisdiction because they do not have, of course, as good a case as Newfoundland does, because we had Dominion status, and secondly because B.C. had lost a case like that just a couple of years ago. So he saw no point of it. But even if he did have some case, he indicated in the Legislature this afternoon he would not go because what would be your chances with a good case even when you have the Supreme Court of Canada composed of people who have the same kind of leanings towards the constitution as does the federal government. In any case, Mr. Speaker, I shall vote against the amendment because I believe it to be simply a tactic with no real foundation.

SOME HON. MEMBERS: Hear, hear!

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

MR. FLIGHT: Mr. Speaker, I want to say a few words to the amendment and the amendment I think reads: "This House regrets the failure of the government to disclose completely and fully the financial statement or situation." Now you have to look at this in my mind in context of when is now? Is it today or was it six months ago? This government is only six months old

Mr. Flight.

Mr. Speaker, and this House has only sat about three and one-half months. When we talk about the financial situation of this Province tonight it did not come as a result of legislation or any actions taken by this House over this past three months. So we have to look at the financial situation as it has been allowed to develop. And, Mr. Speaker, last Fall, again to go back, prior to the election, things were pretty rosy in this country, in this Province, according to the hon. gentleman opposite or according to the hon. gentlemen who survived the election. Things were beautiful. It was rosy. And within a few days of the House opening the Lower Churchill was called off, Come By Chance was bankrupt and we were facing the closing of the hospital beds. So are we discussing the situation as it has developed over the past two or three years or as it has developed since this House opened?

And, Mr. Speaker, I would like for a minute to deal with the hon. minister's approach. Everyone in Newfoundland knows we came by the hard route, that we were in trouble since day one, and he said that that is not the problem. The problem is how do we get real small resource-based industries going in this Province? We all know as well that this government came in originally on that type of a concept, and within six months they had departed, and they had gone to the heavy industrial concept and apparently changed their mind whether it was for political reasons or not, and we got back to the rural development. Well I will suggest one way, Sir. Any industry in this Province that is based on the natural resources, the tourist development or anything else has got to have - I am not too sure that people would have to come to this House and ask for the lend of \$10,000 or \$12,000 or \$15,000 to build a tourist motel in the Red Indian Lake area if the Red Indian Lake area was developed. P.E.I. today

Mr. Flight.

is a tourist paradise, but the people who own the little motels along the route did not develop the road system, the water and sewerage systems had made it possible for them to come in and build their little establishments. The government of Nova Scotia did that.

MR. DOODY: It did not.

MR. FLIGHT: They did a lot of it.

MR. DOODY: The Government of Nova Scotia?

MR. FLIGHT: I am sorry, the Government of P.E.I. One up for the minister.

But the Government of P.E.I. made it possible for the tourist potential to be reached that is reached in P.E.I. And I would suspect, Sir, that if this government were capable of developing this Province in the same sense that maybe we would not need as many small grants. Maybe people would use their own money, but there is no way I can go in and develop something in the Red Indian Lake area or the Lloyds River area or anywhere else without the type of an infrastructure that has got to be there for me to do it. And, Sir, as far as the financial situation of the Province is concerned, the \$200 million that we have now paid for Brinco would have gone a long way in developing the type of thing that I am talking about, so there would be water and sewerage systems and road networks. I have not yet seen, and I know I stand accused of being politically biased here, but I have not yet seen one utter benefit that this Province has got as a result of our buying Brinco. There is just no benefit derived to this date. Any chance that we had to develop the Lower Churchill went down the drain with it, and I am going to keep saying that until I am proven wrong, and I have not heard a word, and I have listened more attentively to the Minister of Energy in this House than possibly to any other minister, and I have not seen it. But I would just like -

AN HON. MEMBER: How much?

MR. FLIGHT: Two hundred million. That is close enough, \$200 million, or \$165 million, and I hear there were sundries.

MR. SMALLWOOD: It is away above that.

MR. FLIGHT: It is away above that.

Let us assume that that \$200 million - we could have bought Brinco when we darn well liked, any time at all. Ten years from now when we bring in the offshore oil, when the Lower Churchill had been developed. We could have bought it when we wanted to.

MR. CROSBIE: Do not be so foolish.

MR. FLIGHT: "Do not be so foolish" the minister says.

MR. CROSBIE: It would cost five times as much then!

MR. FLIGHT: That is only relevant. You know, that does not mean a thing. If we bought it ten years ago it would only cost us \$100 million. But, however, the fact is that Newfoundland has not in one iota gained by owning it. We have lost. It is costing \$20 million a year interest. You know, the minister a few days ago in his speech said that in negotiating with Quebec if he ran into a problem - I am not saying verbatim, but roughly this - that if the government ran into a problem, and could not get an agreement he had a lot of strings left in his bow. I am wondering today in view of what has been said this past few days what strings does the minister have left in his bow. It has already been admitted by the Premier and by the minister that there is a fair chance that Newfoundland cannot reach an agreement with Quebec for the 600 megawatts. Well, Mr. Speaker, I will say this, that when the time comes that 600 megawatts is desperately needed to keep this Province afloat, Newfoundland is going to have that 600 megawatts one way or the other.

SOME HON. MEMBERS: Hear, hear!

Mr. Flight.

I will leave it to your imagination, Mr. Speaker, of what the ways are. Would the minister care to know what is going on outside of St. John's, outside of this House, what attitude the people of Newfoundland got with regards to Quebec, what the majority think, what the guy on the street says do to Quebec? Do you want to know? Take the 600 megawatts one way or the other, okay! I have not seen - maybe there is a string in his bow - but I have not seen any indication that that is the attitude that the government is taking publicly.

MR. CROSBIE: The universe is unfolding as it should.

MR. FLIGHT: Now, Mr. Speaker, to disclose the financial affairs of this Province: I do not know if any hon. gentleman here tonight saw Here and Now, but you know this Mr. Shaheen looked pretty credible to me on television tonight. And, Mr. Speaker, I fear for him though, because assuming tonight that he has got the money to come back and open that refinery - you know, Shaheen means nothing to me, you know, all I know is what I have read about the man - but I will tell you this that he has got one big strike going against him because if he comes up with the money, the hon. members opposite, the hon. government, it is not going to make them very happy to see Shaheen come back. There is nothing this Opposition could do to destroy the credibility of this government to destroy the credibility the way Shaheens taking over Come By Chance will destroy it. There is nothing we could do, Sir.

MR. CROSBIE: If he had the money why it is bankrupt now?

MR. FLIGHT: I do not know. I am just saying what I saw tonight, Mr. Minister.

MR. WELLS: Would the hon. member permit a question?

MR. FLIGHT: Sure.

MR. WELLS: Why does he not take it down to the trustee and the trustee will say, thank you very much, we will apply it to the creditors, and he has the refinery back.



MR. SMALLWOOD: He is not a complete fool.

MR. FLIGHT: He is waiting for the thing to run its own course, Mr. Speaker.

MR. WELLS: It is going to be sold on him if he does not put up his money soon.

MR. FLIGHT: Apparently from the conversation tonight - you know, maybe the man is a liar, I do not know. But I am just saying what I saw. And I am saying that in the event that Mr. Shaheen becomes the operator of that refinery that there is nothing, as I have said, that this hon. Opposition can do to destory the credibility of the hon. members opposite any more than that very act would do overnight.

MR. COSBIE: Explain why?

MR. FLIGHT: Explain? Because the hon. Minister of Mines and Energy stood up and said in this House that there is no way under the God's earth or sun that Shaheen can ever regain - he is an nonentity in this Province.

MR. J. HODDER: He said he was as dead as the proverbial dodo.

MR. FLIGHT: He was dead as the proverbial dodo.

MR. CROSBIE: Mr. Speaker, that is an incorrect statement and the hon. gentleman will have to certainly cite the Hansard. I may very well believe that Mr. Shaheen is dead as a dodo. If he is he is a dodo that is still kicking. But I certainly never said it in this House. A few months ago I said that the third mill - outside the House - that the third mill is as dead as a dodo, not Mr. Shaheen. You know, you are misquoting me now.

MR. FLIGHT: All right, Mr. Speaker, I accept the hon. member's explanation and the Hansards are available. But I have not got the worst memory in the world and the hon. minister at some point in this House indicated that Shaheen was out of the picture. It was impossible for him to financially have kept that refinery going or to be a factor in its reopening.

MR. CROSBIE: That is quite right.

MR. FLIGHT: All right, but that is not what Mr. Shaheen said tonight and all I am saying is that -

MR. CROSBIE: If Mr. Shaheen has \$600 million, we are waiting to go

MR. FLIGHT: Mr. Speaker, I have a right to be heard in silence and I would say once more that if the refinery is opened, and Shaheen is the cause of it being opened and if he should turn out to be once again the owner, that the credibility of this government and particularly the Minister of Energy who is the spokesman, who is the Energy Minister will be questioned around this Province.

Mr. Speaker, this House approved earlier in this sitting \$55 million to build a tunnel to fill the needs of transportation of the Labrador hydro to the Island. A few days ago we heard that all work was about to be halted on the tunnel and on transmission lines this side of Coose Bay. Now this is a question coming from a novice. What happens to the \$55 million that was voted out to build the tunnel and to build the transmission lines from Labrador to Newfoundland? Is it put in escrow and kept until the Lower Churchill can indeed get off the ground? I have not heard any - is this a sensible question? What has happened to it?

MR. SMALLWOOD: It is only a formality with us then. The government do not have to spend it if they do not want to. They are not ordered to spend it. They are merely authorized to do so.

MR. FLICHT: Well, they have the authorization to spend \$55 million. I feel that since the job is called off then the onus is on the government to say that now we do not intend to spend that \$55 million and therefore we do not need the authority.

Mr. Speaker, the hon. Minister of Finance hoo-hawed a few minutes ago the federal government, he came close in my opinion anyway questioning whether or not the road that we should continue is the way we are now, with the attitude of the federal government to the Province. He said that we have spent this last twenty-five years catching up and we will spend the next twenty-five. Well I am suggesting to the hon. House that if we have a prayer of catching up we have got to get that power out of Quebec, we have got to get it out. We still talk in the possibility of developing the Lower Churchill. Well, why does not the government come out and say what the situation is with Quebec. Obviously the federal government is not at this time in any way receptive to helping us raise the finances we need to develop the Lower Churchill. So what is the position Quebec is taking? Will we get the 600 megawatts or will we not?

MR. COOBBIE: We will know shortly.

MR. FLICHT: We will know it shortly. All right. We will wait Sir.

MR. BECKFORD: "They will also serve who only stand and wait."

MR. FLICHT: They also serve when we stand and wait, Sir, and we have been standing and waiting in this House since the House opened. Mr. Speaker, the injustices! You know, sometimes I sit in this House and now that I have become a member, may-be a part of it, and I feel that we are insulated from the people who elect us to send us in here. You go back once in a while, you might, go back and find out what is happening.

Mr. FLIGHT:

Mr. Speaker, there seem to be two tiers of government in this Province. One is the tier or the level of government that comes in and votes out hundreds of millions of dollars to be spent on this project and that project and some other project. I suspect that the feeling of the people is that, well that is what they elect us for, we have the ability to do it, we know what we are doing. But then there is the other tier. Then there is the part of government that the people look at to protect their rights in this Province and their way of living, their way of life. This is the one we have fallen down on, Mr. Speaker.

There is one particular point I want to raise here. I ran into a situation - I am sorry the Minister of Manpower is not in his seat - the injustices that have been endured by the people in this Province, the workers in this Province under the present legislation covering Workmen's Compensation is criminal, Mr. Speaker. I can cite dozens of cases in this House of people who contracted or contacted silicosis ten years ago, fifteen years ago, and at the time when they first came to the compensation doctors or to the doctors, the doctor said, well whatever reason he gave them he sent them back to work. But the fact is he had silicosis and in three years after the man was on the broad of his back, he could not work anymore. So his pension, his permanent pension was not based on the year that he contracted the silicosis. It was not based on the year that he was taken off work. It was based on the year he first came to the doctor.

Now, Mr. Speaker, we have in this Province today miners who have come off work on a permanent pension ten years ago when the legislation says that their permanent pension must be based on the amount that was set out by the workmens compensation ten years ago. So they were getting seventy-five per cent of \$6,000. I understand there is legislation coming in now, Mr. Speaker, that if a man comes off with a permanent disability, his pension, his

MR. FLICHT:

permanent disability will be based on \$12,000. This means, Mr. Speaker, if that man six or seven, eight, nine or ten years ago had not come down with silicosis he would have been getting benefit of any monies that he might have earned. He started in the late 1950's or the early 1960's when he contacted silicosis. The man's salary was probably \$10,000 a year. Had he not contacted silicosis he would have been getting \$20,000 this year and he would have been contributing all the way. But when he was taken off work with silicosis, what happened? He was forced to live on seventy-five per cent of the level he was being paid in 1961-1962. There are a couple of hon. members in this hon. House who have a lot of experience with men like that.

I know hundred of men -- not hundreds, that is wrong. I know men. A man got his leg cut off in the mines ten years ago. He was put on a seventy-five per cent disability of the level at the time, \$6,000. Now it is \$10,000 and he is still stuck on that seventy-five per cent of \$6,000. Does the hon. minister, does anybody see any justice in that? I know that the Newfoundland Federation of Labour has time and time and time again asked the cabinet to change that legislation. No, no way. And as a result we have men today in Newfoundland who have contacted industrial diseases and are forced to live -- when they contacted they were the top contributors to the economy from a tax point of view and still today they are forced to live with seventy-five per cent of a level of pension that existed in the year they got their disability.

Mr. Speaker, I have heard since this House opened four or five things being brought to the attention of the government that are wrong with this Province. To this point I have not seen one, not one thing acted on. I have personally asked for an appointment of a Department of Consumer Affairs. No department of Consumer Affairs. Since the House opened I have heard members stand up and question ministers on things. What are we doing here? What is the point of

MR. FLIGHT:

the Question Period? What is the point of bringing something to the attention of the hon. ministers if you go for six months and no indication that they intend to act on it?

So, Mr. Speaker, in regretting the failure of the government to disclose completely and fully the financial situation of the Province,

MR. FLIGHT:

"Mr. Speaker, the last thing I want to say is the estimates. There were five departments debated in this House, Mr. Speaker, and some ministers have stood up and said that is more than Ottawa has got for the House of Commons with two hundred and some odd. I do not care what Ottawa has, the House of Commons has. The fact is that the departments that would have been most relevant to my district - and this applies to others - the Department of Tourism, the Department of Forestry, the Department of Municipal Affairs - they did not come to the floor, Mr. Speaker. I, as a member, was deprived of my right to question the expenditure in those departments. The people of Newfoundland were deprived of the right to know where the money in those departments was being spent. As far as I am concerned, Mr. Speaker, if anyone can walk around this Province they can say,

"Look! The Government has hidden in Tourism, hidden in Highways, hidden anywhere monies that they do not want the public of Newfoundland to know are going to be spent." It is as simple as that.

You have opened yourselves for it. The people in this Province deserve better. I support the Leader of the Opposition in his call to have the way that the estimates in this House are debated -

MR. MORGAN: It made sense to me.

MR. FLIGHT: Well, if it made sense why did not the cabinet in their wisdom not bring it in in this session? Why did they leave the House seventy-five hours of which over thirty were taken by the government?

MR. MORGAN: It was only on a suggestional basis.

MR. FLIGHT: So, Mr. Speaker, the fact that seventy-five hours was used and cut off is simply despicable. I do not know if that word is parliamentary. It is despicable, Sir, it is despicable and the people from the district that I represent, Mr. Speaker, have been deprived, and every other member who represents have been deprived of the right to question the way the money is being spent in this Province. Mr. Speaker, that is all I need to say. As a matter of fact, I will tell you why I am making this speech really. I will

MP. FLIGHT:

really tell you why I am making it. Not that I want to make any great points. I have not made any. But I will tell you this, that I am going to be here for four more years. So I have seen so much time wasted here in the this past month I said to myself, well tonight is a good time to start getting a little practice and I am going to do it every time I get a chance to get on my feet. That is the reason I have made the speech.

But, Mr. Speaker, if anyone needs a reason to vote for this amendment, "This House regrets the failure of the government to disclose completely and fully," and in this past seventy-five hours or the seventy-five hours used for the estimates they have darn well proven that they do not intend to disclose completely and fully the financial affairs of this Province. I support the amendment.

SOME HON. MEMBERS: Hear, hear!

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

MR. LUNDRIGAN: Mr. Speaker, I suspect that when the hon. gentleman got up to speak that the reason for his speech might have had something to do with the fact that the eminent reporter from Grand Falls, Mr. Terry Hart happens to be visiting the city. Certainly that would not be a reason. I only want to pass on to the hon. member for Eagle River (Mr. Strachan) my feelings that if he has got any suggestions that he wants to come across and talk with us on, the development of the Province, we will be quite happy. I think he has already proven he can do that and that is about all I have to say.

MR. SMALLWOOD: Happy and eager.

MR. LUNDRIGAN: Happy and eager and I think willing. Perhaps the member can tell the House that he has already received considerable encouragement and I would say considerable assistance from Rural Development and from the government. He praised the department in particular when we were involved in the estimates.

MR. SMALLWOOD: That is what I would have expected from the hon. minister. He disappoints me when he stops being like that.



MR. LINDPIGAN: Especially when he has got ideas that might be able to be developed.

He talked about the processing of - what do you call those things? - those lump fish eggs. That is all I know them as, lump fish.

AN HON. MEMBER: Caviar.

MR. LINDPIGAN: Caviar, that is the new fandang with all of the sophisticated people of the world, caviar. We are only getting into that kind of a phase ourselves, caviar. I am not familiar with that. I am familiar with the member for Cander (Mr. Collins) who described his upbringing on Sunday on television.

MR. ROBERTS: It was a good programme.

MR. LINDPIGAN: I am sure it was. I did not see it. My wife told me it was a marvellous programme. He told going up on Indian Islands, I believe, the background of procuring flatfish. I will use that sort of moderated terminology in view of the fact that there is quite a tremendous movement afoot today. I just read about Bridgett Bardot and her seal fishing endeavours. So I would never use the term stabbing of flatfish or anything so provocative, and other kinds of language one could describe in procuring lump fish which is not a favourite species of the fishermen along the Coast of North America and in particular Newfoundland.

But I want to say just a few words in view of the fact that the amendment proposed by the hon. member for Burgeo-Bay D'Espoir (Mr. Simmons) indicates that the government have failed in its responsibility to disclose to the House, to the people of the Province the financial position of the Province. Now I am not very familiar with the House of Assembly. I am constantly reminded by the Leader of the Opposition of the fact that I am not familiar with it, I am a rookie here, I have got to go through the ropes, I will need to be here as long as the member for Marystown or Burin the famous district which has created a famous - what would you call it? - historical performance in the last election in electing the hon. member. It was a very historic event in Newfoundland's history

MR. LINDRIGAN:

and I think that it will be recorded duly and properly.

He reminded us a couple of days ago when he spoke in the House, he reminded us of the defeat of my hon. colleague and very capable Newfoundlander who will still continue to play and will play a prominent role in the political affairs of our Province. In any event the leader reminds me of the fact that I am not very familiar with what goes on around the House of Assembly. So I must assume that there has been an unusual tremendous amount of disclosure traditionally and historically in the House of Assembly in Newfoundland. I am not familiar with the kinds of disclosure that we have had in this House of Assembly having experienced the political affairs in Ottawa. I am not familiar with the kinds of things I have seen here.

In Ottawa you have to be practiced in the field of dentistry to get anything out of the Trudeau government at the federal level. You would have to have an unusual ability because they were so determined that the affairs, the public affairs would be a very internal kind of a thing and we used to find a great amount of difficulty in getting information from the government of that day. I think the members still find the same thing. I was reading in Macleans about my old seat mate, Elmer MacKay, who has had some recent success. Of course, we all have to watch his career with a great deal of affection and a great deal of favour. But I have never seen since the few days -

MR. NEARY: If Neary had been in Ottawa!!!

MR. LINDRIGAN: I would not suggest that. I think the hon. member from Central Nova (Mr. MacKay) would not want to agree with that conclusion, but if the hon. member for LaPoile (Mr. Neary) wants to make that association I am sure it flatters him somewhat and we cannot deny him the privilege of attempting that kind of relationship.

In any event I am been here only a few months. I have to indicate that I cannot speak from experience but in this House

MR. LINDEPIKAN:

of Assembly since I have been here I have never seen so much information presented to the public by a government. We started on the Come By Chance deal. There must be a ton of Hansard reporting on Come By Chance alone. On the Lower Churchill we have the same kind of a situation, all of the facts. And who would ever question the integrity or the honesty or the decency of the hon. the Minister of Mines and Energy, the hon. Minister of Finance and other people who have taken part in these debates, people who have gone overboard in presenting to the House of Assembly and to the people of the Province matters of importance.

I must admit that I have never seen - I have wondered about what kind of a government do we have in the Province that would be on many occasions willing to open up the whole story like on the Lower Churchill even before certain fundamental decisions of government were made. I am convinced that the government has manifested a level of political integrity that we have not seen perhaps in recent events in political history in Canada.

MR. SMALLWOOD: In modern times.

MR. LINDEPIKAN: And modern times. Now let me get back to a little kind of a thing - now that is the one side of it. That is the disclosure bit.

MR. SMALLWOOD: Do not smile.

MR. LINDEPIKAN: I am not smiling, Mr. Speaker, I am going to be very serious. But I want to quote a little passage from a Hansard of this hon. House and I quote, "At this time I want to say it is my sincere opinion that the provincial government is heading for financial ruin. That we are rapidly reaching a point, if we have not already reached it and passed it, where not only our capital surplus, that is two-thirds what we had left when we went into union, not only will it be gone but we have committed ourselves to spending more than we actually have in our current account. We have built services, built up services, many unnecessary, far more costly than we can raise

MR. LINDRIGAN:

revenue to pay for them. And all that before the transitional grant has become to tapper over. Interest and sinking fund charges begin to pile up on the money of government and the government must pay if they are to maintain their present position."

MR. SMALLWOOD: Having said that he walked across the floor -

Mr. Lundrigan:

Unquote. That was Mr. Russell in 1951, two years after the Province joined Confederation, and I can go back and I can quote from Aristotle. I can quote from Aristotle, and I can find precisely the same situations where people preached the gloom and the doom and the despair and the disparity and the disadvantage and the degradation and all of the other kinds of negative aspects of what is going to happen around us. And the more I sit here the more I realize that you are not in order in the House. And the hon. member from LaPoile (Mr. Neary) says to me frequently sort of behind the curtains, you know, you must feel a little out of place on the other side because you are a natural fellow for that kind of stuff, and he might be right. He might be right. All of us seem to have a tendency to want to hit something. There is something wrong in the system. Let us have a crack at it. I wonder is that part of our history? Like growing up in our community if anything flew within a gunshot, and you did not have a shot at it you were either asleep late in the night, you know, it was either late in the night or you were old and beyond, you were over the hill if you did not have a crack at it. You had to hit something, crack at something, crack it down, beat it down. Is that characteristic I wonder of politicians only or is it characteristic of people all around the world or is it just Upper Island Cove or is it Roaches Line or where is it? Where does it end? But I am beginning to get the impression around here -

MR. SMALLWOOD: I was never like that.

MR. LUNDRIGAN: - that you are not in style unless you are against something. Last week I did something. I went up and I sat in the gallery just behind where an hon. gentleman is in the gallery at the moment. You are not supposed to recognize the people who are

Mr. Lundrigan.

in the gallery. And I sat there and I looked down on the House of Assembly. I sat there for about a half an hour. At that time the member for Burgeo - Bay d'Espoir (Mr. Simmons) was up and at the end of his five hour speech or four hour speech whatever it was on the motion, the very motion or amendment to the main motion that we were speaking on at the present moment. And I looked down and I sized it all up, and I figured it out. There were two ladies sitting there, and I whispered, and I was almost thrown out of the gallery for it, and I asked them their impression, and I did not have to ask them to get their impression, because it is obvious to most people who sit in the gallery that this place is not awe inspiring. It does not give you a great lift. Nobody is going to jump off the tower with excitement. There have been a lot of people jump off the gallery of the House of Commons. I have often wondered whether it is with inspiration. It is not going to happen around here. And the whole thing was negative, negative, negative, nothing to give anyone the feeling that there was something good going on. And I challenge hon. members about three or four o'clock in the afternoon tomorrow - if it is a good day like today - do something. Get out of the building and walk between here and the university, a half mile, and see will you not feel that there is something wrong inside this spot here. There is something wrong with it. You will all of a sudden feel, my goodness the sun is still warm. There is still a little breath of fresh air, and there are still waves on the pond, and there are still people with smiles on their faces, and there are a few people working. And there are a lot of people with dollars in their pockets. And if you walk into a restaurant there is a scattered fellow eating a meal. And there are all kinds of things happening around us. But if you stay here long enough you will get the impression that we are bankrupt, that

Mr. Lundrigan.

we are bottom up, that the economy is diseased, that the people are diseased, the Province is diseased. You are brainwashed. If you spend long enough around here, and you can hold your senses, then I would say that if there is ever a another war you will not have to train any commandos. You will not have to train any people for - whatever you call that stuff - behind the lines activity. You will have them all here in the House, fifty-one of us right ready to go.

Now, Mr. Speaker, this is sort of the reason I stood up. Now there is another reason I want to have a few remarks, not only because I am concerned about the degree of negativism that emanates from the political system. Politics in Newfoundland is a very serious business. I think the member for Twillingate (Mr. Smallwood) knows that better than anybody. He is the only political psychiatrist perhaps in the House. He knows the mood, the psychology. He knows that in Newfoundland that if you do not have politics in your every day diet then there is something wrong. The newsmen will tell you that if they do not have two or three political stories in their news they will lose their listening audience. Why do you think Wick Collins writes all of his stuff every day? Is it because he only likes writing about politics? He does not only like writing about politics, that is the best sellers. That is what people want to hear. They want to see everybody clobber the politicians, torn down, destroyed, the system nailed every day in the week. That is what sells newspapers. If I were writing a column in the Evening Telegram I would be a disaster as far as the opinions of the members of the House would be concerned, because I would basically perhaps be doing the same thing, if I wanted to sell papers, if I wanted to make a name for myself, if I wanted to get people to read me. Nobody is going to read the fact that the 737 just successfully landed in Gander at 9:40 p.m. They want to hear something negative.

MR. NEARY: You would swear the hon. minister never opened his mouth in Ottawa.

MR. LUNDRIGAN: Mr. Speaker, any time I opened my mouth in Ottawa was to try to paint horizons for people, to try to paint pictures of what should be done, to try to open up people's minds a bit, tell them about prospects, tell them about great potential, tell them about future, paint horizons. That was Mr. Diefenbaker's last great wish, and I listened to him many times and every week sat in his office for six years, and he always told me that the last thing he wanted to do, he would like once again to do something. One of the things he brags about is - what is that? - the Bill of Rights he talked about, well he wanted to do something where he could paint for Canadian people some kind of ideals, sort of a litany of or - what would you call it? - a bill of, if you want, ideals and kinds of things which where he could paint for the people great horizons where they could reach towards and aspire towards and move towards, you know -

MR. NEARY: The same as the 10 Commandments.

MR. LUNDRIGAN: Lord Tennyson wrote about it in Ulysses, did he not? I cannot quite remember the line. I do not know if hon. gentlemen remember it, "Horizons move forever and forever as I move" and so on. You know the further you move towards an horizon the further it moves away from you, but you keep reaching for it. Well, that is the sort of thing I tried to do in Ottawa. It was not always very positive towards the government of the day, but it was always with the view that there was something that we should reach towards to try and achieve. And as a matter of fact I did it so successfully that in 1974, aside from changing my district, I lost an election over it. Now the hon. Leader of the Opposition, who constantly reminds me in his statesman like fashion, and he is not here tonight or I would be a little bit more graceful in my comments, tells me about my defeat. One of the



Mr. Lundrigan.

reasons I was defeated in 1974 - let me tell hon. members a certain fact that there are more Liberals in the district than Conservatives - was that I tried to tell the people a little what I consider today to be the honest to goodness truth of development in Newfoundland. I believe something which I have always believed for quite a number of years and that is that governments have been too much involved in the lives of people. And I used to tell a story - and the hon. Leader of the Liberal Reform party was sitting in an audience one night playing his beautiful politics, masterful politics, he got very involved in the election, and he went around to all his friends saying that you have to vote for this hon. gentleman, who is now the member for the district, but he did not want to be perceived as being involved, because he also thought there might be a little bit of a backlash and so on and so forth - in any event he came to an audience in Bonavista that I was speaking at with about 400 or 500 people. As a matter of fact a lot of people came after he came, and he claims that he was the drawing card, and I gave him the benefit of the doubt. And I got up and I told a story, and I have told it in seventeen audiences ranging from 500 to 2,500 people. My colleague, who is the member for the Clarenville area, the Trinity North area, was in all the audiences where I spoke, and he told me consistently that I was going to lose a lot of supporters. For what reason did I lose them? Let me tell you what I told the people.

Audiences 2,500, 500, 600 and 700. I told the people that they were too dependent on government, that they had been educated down through the history of the Province of Newfoundland to believe that the government could resolve their problems for them. They had been educated. I am not going to point fingers at who educated them. I could easily make charges and accusations at who

Mr. Lundrigan:

educated the people to feel that way. I would believe if I read the history of Newfoundland I would find out that all the leaders, right on to almost the beginning of Newfoundland's political history, where strong leaders who gave the impression that they were the people who made the decisions in the people's lives. If it were not the leaders, the political leaders, you can go back and you can get your economic leaders, going back to the London merchants, and the West Company merchants, back in the days when we had no economy, no jurisdiction ourselves, the fishing admirals. Hon. members who have familiarized themselves, as all have, with the history of Newfoundland will understand what I am talking about. And coming on down through we always had a history of a strong presence of leaders, whether they were the business leaders, the merchant in the community, the feudal system, the political leaders, the modern political leaders who all gave the impression that they could solve the people's problems. And I told the people of Newfoundland on the stages that I talked to that if we kept going we would end up like it has ended up to some of our most disadvantaged people in Canada today, the Indian populations of our country, where along

MR. LUNDRIGAN: came the politician of the day, 300 years ago and said, "Give up that, give up something else, give up that. I will take care of you," the politician, the white man of the day, and all of a sudden the white man does not exist any longer, the politician of the day. The people are left on their own and the politician who gave them the great hope for posterity all of a sudden vacates them and a lot of our Indian peoples have ended up the most disadvantaged people in the country. That is what happened to people who were educated to believe that somebody else could solve their problems for them.

MR. NEARY: It was provincial issues.

MR. LUNDRIGAN: This is what ended up. But I said to our people if we as a people in Newfoundland, 500,000 strong are going to believe that I can solve your problem, that the former Premier can solve your problem, that the government can solve your problem, if that is what we believe as a people then you will all end on one big reservation in the Province of Newfoundland. I said that hundreds of times, in dozens of halls and stages around the Province in Newfoundland and I firmly believe that and this is what aggravates me when hon. members for their own political reasons, I do not always understand the reasons, try to communicate to the people of the Province that the government, the fifty-one members or the thirty member or twenty-eight, whatever is left of us, can solve the problems of the Province, the creation of the impression that government can do it.

Now the hon. member got up and he raised some important questions about some of the work that he did in trying to develop techniques, technology and so on to improve certain types of

MR. LUNDRIGAN: resource marketing, resource development and the like, and I have to admire him for that and I say to him if he wants to talk with me on these, if anybody has ideas we would be quite willing. But I am not sure unless the government of this day want to get involved in controlling industry in the Province almost totally, I am not sure that we can have any more assistance available. If in fact we have to have more assistance available in the way of grants and loans and the rest of it then perhaps we had better start reassessing the political philosophy that we have. And I am not against reassessing my political philosophy, I am not against any kind of an idea that might work perhaps. Certain philosophies can work in certain parts of the world that cannot work in others. Perhaps we need some kind of a system here where the state dominates and controls and owns and manages and markets and engineers and does whatever is necessary in the business world. Perhaps that is what we need. But certainly there is hardly anybody except people in the tertiary industry, the service industry, that can claim that there is not a multitude of programmes available to assist industry in the Province. As a matter of fact when I come to think of it I am amazed at the number of industries that we are involved in in the Province.

Now the member mentions smoking salmon. I want to just relate to the House a couple of little examples. First of all before doing that perhaps I should mention that we got the Newfoundland and Labrador Development Corporation. I am not sure how successful it has been but we have put out in loans, loaned indirectly by the Federal Government, \$12 million in three years. We have got \$8 million for the next two years and the loan could replenish itself. We have had ninety-four industries, I believe, we have assisted. Some of them have been absolute failures. Some of them

MR. LUNDRIGAN: have been absolute successes. Many of them are marginal. A lot of them have been risks, gambles, involvement prematurely perhaps. Others have been real success stories.

MR. NEARY: Name a successful one.

MR. LUNDRIGAN: I can name one. When I get involved in the main motion I will get up and I will -

MR. NEARY: Name one successful one.

MR. LUNDRIGAN: Yes, I will name a dozen if the hon. member wants me to.

MR. NEARY: Name one.

MR. LUNDRIGAN: We have been involved in every fish plant in the Province one way or another, small and large and medium and all these sorts of things.

MR. NEARY: These are industries that are already there.

MR. LUNDRIGAN: Just off the top of my head the plastic pipes industry, plastic pipes.

MR. NEARY: Is that the one where the gentleman from -

MR. LUNDRIGAN: Mr. Yost said that he was delayed with Environment in getting his -

MR. NEARY: John Croshie's co-operation.

MR. LUNDRIGAN: That is right. He was delayed by Environment for not getting his permit on time. That happened to be that the railway were planning to put some kind of a line through his property which delayed him somewhat. The government involvement delayed him seven days, the member advised me, the Minister of Provincial Affairs and Environment -

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: That is right. He got \$600,000 capital cost. He made his application on the 8th. of February 1975. His application for a loan was made on February 8th., 1975, his application for a loan. He was actually in his \$600,000 building by the end of 1975 producing plastic pipe.

MR. NEARY: What about the shoe factory?

MR. LUNDRIGAN: Now that is producing plastic pipe. Now to go beyond that, that individual received from this government or indirectly through Newfoundland and Labrador Development Corporation- I have to specify that because this is federally funded and provincially administered body—received, I have got to be careful here, a total amount in DREE grants and loans from this corporation were \$419,000 at a capital cost -

MR. NEARY: What about in his public statement -

MR. LUNDRIGAN: In his public statement he said he never got a nickel.

MR. NEARY: He never got a nickel.

MR. LUNDRIGAN: He never got a nickel. I went and gave the facts on open line programmes. I gave the facts as well in the newspaper. He did not come back.

MR. NEARY: Not a nickel.

MR. LUNDRIGAN: I do not say that the hon. gentleman went to Montreal and got his construction company to build his company and he is also from Montreal himself. What I am trying to say is that there is lots of opportunity. Even the people who get it a lot of them got the impression that we have got to roll over and play dead in dealing with them. The Hon. the Leader of the Liberal Reform Party (Mr. Smallwood) could tell you that.

MR. NEARY: Why do you not set the record straight?

MR. LUNDRIGAN: I corrected it in the press. I did it on an open line programme with Carl Sterrett. I gave the facts, the figures, the dates, the amounts, the involvement, the participation and it is an amazing success story. Fourteen people involved full time jobs right now. It is so successful, its cash flow is so great, the number of orders is so good that it is expanding its work force by twenty-five per cent as of now. Another little success story, not a big one, there is a \$1.5 million

MR. LUNDRIGAN: contract already called, perhaps let, for a new building in Donovans Industrial Park. That is to produce and manufacture Falcon products, the underwater connector. You will hear lots more about it. We are advertising it around the world. There is not a great need to advertise it here yet in the Province. There is at least \$1 million DREE money gone into it and ourselves we have put in through the corporation I cannot tell you it must be, I better not give the figures but it must be a couple of million dollars that we have put into that company to get them off the ground. They will have starting off seventy or eighty people employed and they will have -

MR. NEARY: You do not know if they are going to be successful or not.

MR. LUNDRIGAN: It is a brand new invention. It is a brand new technology. It is a brand new development. We have took them from the first day they came to the Province. A lot of provinces did not want to have anything to do with it.

MR. NEARY: - on the payroll here.

MR. LUNDRIGAN: It is so successful that they are going into a \$1.5 million plant to manufacture the technology. It is the first time to my knowledge that we have been in the vanguard of the development of a new technology in the Province.

MR. NEARY: We can get our mutual friend from Bishops Falls.

MR. LUNDRIGAN: Yes, I know a mutual friend. He possibly might be the most brilliant man in the Province for all I know. But I am just using those as an example.

MR. SPEAKER (DR. COLLIFS): The hon. member for Eagle River.

MR. STRACIAN: I appreciate what you are saying but in your statement you said that with this industry you are advertising all around the world as part of the project and that is the whole basis of what I was trying to say is, why advertise an industry which is relatively foreign to this Province all around the world? Why put the money into that when you could also be advertising the smoked salmon and the lump fish roe and the natural things

MR. STRACHAN: to us all around the world as well?

MR. LUNDRIGAN: All right, Mr. Speaker, number one all around the world because we are launching what I will open up in some detail and speak to the House on now or later on in the present session or later on at some other point some of our policies that we are developing in co-operation with the federal government on marine resources, the marine resource policy, marine industry policy, marine activity related activity, related to my friend's activity in the fisheries. Policies that have a marine base, a broad marine base. This has exactly that kind of a base. It is a new technology that one day we hope will be sold all around the world, manufactured in our Province to be used in all underwater electrical type of activity and we will use it in our own waters as well. That is part of the product of groups like the NORDCO group, the Northern Oceans Research Development Corporation, C-Core in their effort to try to develop an awareness in our Province among professional people around the world of the location and the proximity of Newfoundland to marine activity and marine capability.

Now he asked me about smoked salmon. I will just mention smoked salmon and I mention this one - I can go on and talk about carding mills we just announced out in the Codroy Valley and all kinds of other small industries that we have ventured capital for, tried to pilot projects for. We have already allocated forty odd thousand dollars for the first fish farm in the Province that there is work now being physically done on. We do not know if it is successful. We are looking at allocating funds for an eel effort to develop -

MR. WEARY: That is the Newfoundland Development Loan Corporation.

MR. LUNDRIGAN: This is our own little programme that we have -

MR. NEARY: I am talking about the Newfoundland Development Loan Corporation.



May 18, 1976

Tape No. 2797

NM - 7

MR. LUNDRIGAN: I will give you ninety-odd of those when we get around to them in the debate.

MR. NEARY: Ninety failures.

MR. LUNDRIGAN:

The hon. member, I do not want to say anything nasty about him. Is there any advantage for me, Mr. Speaker, to hit the hon. member, to score a point, to hit the hon. member because he has that masochistic - is that the word, my old colleague there for the Kumber area (Dr. Farrell)? - that masochistic complex, that - what is it?

AN HON. MEMBER: Oh, oh!

DR. FARRELL: You got it all wrong.

MR. SMALLWOOD: Morbid and sadistic.

MR. LUNDRIGAN: Right and all I would be is being sadistic in trying to satisfy his masochistic sort of complex that he has and I do not think that is worthy of me as the member for Grand Falls or any other district in the Province.

In any event getting back to a smoked salmon -

AN HON. MEMBER: The eel.

MR. LUNDRIGAN: I mentioned eel. Yes, we are going to look at the eel industry. We have got to do it sensibly. We cannot throw money at it. First of all we have got to know if the resource is there. Is that not a responsibility we have, to find out how big of a resource? We have to do some trapping. We have to do some netting. We have to have people measure the resource. The second thing we have got to determine is the quality of that resource. What about the quality. Is it a quality? Does it have - I am talking about now a particular area where it has not been done, the Exploits Bay, the Exploits Inlet, that particular part of the Northeast Coast where we are looking at it very closely. It has not been done.

What about the quality? Now I am not talking only about whether it is good tasting. I am talking about the total chemical characteristics of the eel. Then the next thing we have got to determine is how we can develop the resource in a way that can be acceptable to a market and then we have got to go marketing it. That is the strategy we are working out and it takes a bit of time. If we do not do it properly it is a guaranteed failure.

MR. LINDRICK:

Now let me talk about salmon. Here is what we have done in one town this year. Now I am not going to make any predictions on this. But I am just going to tell you what we have done as a government. Greenspond, that was slated on the resettlement list, Greenspond was on the resettlement list. We went into Greenspond ourselves as a pilot project and we built a forty-odd thousand dollar smokehouse. We have also this present week - we have not made any announcement on it because we would rather let it happen and then we will brag about it - we have provided working capital for the local group, local, small organization to purchase the salmon. And we have had the people come into the Fisheries College. We have trained the people to smoke the salmon. We have not trained them in the art, as the member said, they have to develop the art themselves. My colleague in Fisheries who is from Greenspond has taken a special interest, has trying to develop a marketing capability with local produced wooden boxes, a little history of Greenspond, all the various things all being put together in a package to see can we do something to market that resource, to make the economy somewhat more viable rather than to boot the people off the island which was the former policy involved in the government.

Now what more can the government do in a community? We have built the facility. We have helped train the people. We have provided the working capital. What more can we do? What more can we do as a government to try to help a community? Every single day we have got people - we have even gone as far as to the point where we have been severely criticized for the extent to which we have participated with individuals in trying to get them off the ground in one way or another.

Last year the hon. member for Trinity South, the former member, was almost driven out of the House with abuse. It is a little ironic that the member who is walking through the door right now and who heaped abuse after abuse on the member for Trinity South on the

MR. LUNDRIGAN:

business of lending for a couple of morgues I believe it was and almost drove the man out of the House - I am not sure if he drove him out of the House because he did not have the fluidity in his speaking that the member had or whether for the fact that he had made some kind of a misjudgement in his decision making process. But in any event he was almost driven out of the House because he helped a couple of people be financed on the mortuaria, I believe, it was.

In any event my other colleague now from Terra Nova (Mr. Lush) is very dissatisfied with that to the point that he is saying to me we should change our policy because we have a couple of real top-notch young men who could really make a go of that type of business in the rural area if they had a little assistance from us. Because of the fact that we have been beaten into the ground on that we have got to tell them to go home. We have got to tell them to go home. Ask the member for Terra Nova (Mr. Lush) who has been to see me half a dozen times. Ask the member for Terra Nova (Mr. Lush).

MR. SIMMONS: Give us the real reason.

MR. LUNDRIGAN: The real reason we cannot help them is because these hon. gentlemen, the prominent honourable gentlemen who get on the air every day have convinced the people of this Province that because there were two or three loans that they could use and hold up to the public as examples of what they considered to be abuses, because of that there is some kind of a mess. "What kind of development," to quote the hon. gentlemen, "is it when you lend to a mortuaria or lend to a funeral home, by lending for something like that?" They almost had some of the people driven out of the Province who got those loans. They are held up as examples of criminals because they got those loans.

Our philosophy was in the development area, in the department, was that -

MR. SIMMONS: A point of order.

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

MR. SIMMONS: A point of order, Mr. Speaker. I think it is going even beyond the license of oratory when one starts saying that I or some other member of this House had painted would be entrepreneurs as criminals. Mr. Speaker, the only thing criminal about the set of events that the member has referred to was the blatant way in which the minister to whom he referred, the former minister, was able to wear several caps, that of a contractor, a minister and a member all at once. And there are all kinds of examples of that, Mr. Speaker.

MR. LUNDPIGAN: Mr. Speaker -

MR. SIMMONS: Mr. Speaker, the point of order I raise -

MR. LUNDPIGAN: Well would you raise your point of order in a hurry, please?

MR. SIMMONS: Not in a hurry. I will not hurry, Mr. Speaker for that member. I will take my dead time if I want to do it that way.

MR. LUNDPIGAN: Mr. Speaker, on a question of privilege -

MR. SIMMONS: Ah ha! Ah ha!

MR. LUNDPIGAN: The hon. member under the guise of getting up on a point of order indicating that he is challenging what I have said, which is his right -

MR. SPEAKER: Order, please!

MR. LUNDPIGAN: - cannot go on and -

MR. SPEAKER: Order, please! A point of privilege does have precedence over a point of order.

MR. LUNDPIGAN: - cannot go on, Your Honour, and make reference to the former member of this House saying that his criticisms were based on the fact that he is wearing three caps, a contractor, a member, a minister and all this stuff. I am not going to tolerate that. The hon. member who is no longer a member cannot stand in his place and defend himself. But certainly I am not going to tolerate this hon. gentleman standing up and making that accusation. I have already tabled evidence from that department that there were no loans made to the member, no contracts entered into by the member and there has been no evidence of anything to substantiate his accusations. This

MR. LINDPTGAN:

is one of the reasons maybe the hon. member is not in the House today.

MR. SPEAKER: Order, please! I think on that point of privilege

I think that the hon. minister -

MR. SIMMONS: Do I have the right to speak to the point of privilege?

MR. SPEAKER: I will allow limited discussion if it is much to the point in cogent because this could obviously get into a real hassle.

MR. NEARY: It was not a point of privilege, Mr. Speaker.

MR. SIMMONS: Mr. Speaker, the member for LaPoile (Mr. Neary) says of course very well what the point at issue here is, that we have seen once again, Mr. Speaker, the abuse of the rules of this House by that particular member who rises very cowardly on what he calls points of privilege, Mr. Speaker.

MR. SPEAKER: Order, please!

MR. SIMMONS: A point of privilege must -

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

I was about to rule on the hon. minister's remarks and I think that the hon. member for Burgeo-Bay D'Espoir (Mr. Simmons) has really anticipated me on that. I was going to rule that the hon. minister's remarks were more in a matter of explanation and I would therefore ask the hon. member for Burgeo-Bay D'Espoir to continue with his point of order.

MR. SIMMONS: Yes, Mr. Speaker. The point of order I want to raise relates to the minister's evoking of such indictments as embodied in the word 'criminal', it being criminal or were it implied that these people were criminals because they were proposing to be engaged in certain kinds of activities. Now, Mr. Speaker, the reference that was made to mortuaries and whatever, if it is in reference to items that we had to say about it, our main concern on these issues, Mr. Speaker, had to do with the inconsistency, and I would welcome any time the opportunity to debate with the minister the merits of the administration of that programme under either the present minister

MR. SIMMONS:

or the former minister. But I do not think, Mr. Speaker, this is the time to do it nor do I think it is the time for him to be making cowardly assertions about what is criminal and that kind of thing. I would submit, Mr. Speaker, that he be requested, I would indeed request, Mr. Speaker, to request of him that he withdraw these kinds of accusations which are first of all without any foundation but secondly very, very unparliamentary.

MR. SPEAKER: Order, please!

I think it would be fair to rule here if the hon. House Leader would permit me, that there is a matter of difference of opinion here and the point of order related to a difference of opinion.

The hon. Minister for Rural and Industrial Development.

MR. LUNDRIKAN: Mr. Speaker, thank you very much for Your Honour's ruling.

AN HON. MEMBER: And protection too.

MR. LUNDRIKAN: The member says protection. I tell you one thing, the hon. member does not need any protection from any hon. member across on that side of the House now, tomorrow, in the future, next year. I will stand in my place any day and hold my own with debate with most of the members across the way, most of the members across the way.

AN HON. MEMBER: Do not take it so serious.

Mr. Lundrigan.

I am taking it seriously. The hon. member gets up today on his point of order. He went something like five hours on his non-confidence motion or on his total motion, and he dished it out right, left and centre.

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

MR. SPEAKER: A point of order has come up.

MR. SIMMONS: A point of order. Apart from the fact that I am fed up to the teeth listening to the pratings from that particular member let me make a point of order.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! I must insist that hon. gentlemen in raising a point of order and also when speaking to a point of order on both sides restrict their remarks entirely to the specific point.

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

MR. SIMMONS: Mr. Speaker, I realize that a broad range is allowed when you are speaking to a non-confidence motion, but I believe, Mr. Speaker, that my amendment relating to the government's blatant failure to disclose the necessary information about the financial affairs of the Province however broadly it has been interpreted, Mr. Speaker, cannot be interpreted broadly enough within the rules of this House to allow the member to discuss whether or not he is beyond needing help from this side of the House or whether he so efficiently almighty that he does not need any help. I think that is quite outside the realm of debate that can be allowed, the range of debate that can be allowed. And I would ask, Mr. Speaker, to invite the member to be relevant or sit down, the latter I would prefer.

SOME HON. MEMBERS: Hear, hear!



MR. SPEAKER: The hon. Government House Leader.

MR. WELLS: It is obvious, Mr. Speaker, that is not a point of order nor could it be construed to be even under the most wild imagination.

MR. SPEAKER: With respect to this point of order, of course, the whole matter is governed here by the precedent and usage of this legislature, which is different than many others and that is that on a budget debate, debate is not restricted to finance policy or economic policy. It is by precedent an hon. member may speak on any matter which he considers to be of public interest. That is a precedent which has gone on for decades. Whether it is a good one or not is not for me to comment on. That being the case on this kind of amendment whereby according to May, page 380, this kind of amendment to take out all the words after 'that' and to substitute others what is before the House is the alternative. The choice between the alternative. The original motion or the motion as amended. It would, therefore, appear that what is in order in the budget debate would be in order in speaking on this kind of amendment which is before the Chair as an alternative.

SOME HON. MEMBERS:Hear, hear!

MR. SPEAKER: The hon. minister.

MR. LUNDRIGAN: Mr. Speaker, I certainly would not want to provoke any comments from the hon. member. I would not want to do that. I do not think it is fair for me to stand here in my place and be provocative and offend the sensitivities of hon. gentlemen, hon. gentlemen who have had long standing in the House and who have been here for a number of years, who have learned by experience and with association with their distinguished leader and other colleagues, the rules and the various approaches. I would not want to do that. That is something I will refrain from doing. I will not get involved, Your Honour, in making any personal attacks

Mr. Lundrigan.

on the hon. member. I am not going to take five hours, even if the rules permit it. And I am not going to provoke any hon. gentleman across the House. I have not made a comment in my whole speech about an hon. gentleman on the other side of the House today, a few little flicks back and forth at my colleague from LaPoile (Mr. Neary), who is always willing to have a little repartee and the rest with whatever goes on. We have that. But the hon. gentleman when he walked in the House, I felt it was only appropriate and proper that I remind him of the fact that his colleague from Terra Nova (Mr. Lush) who sits as one of my great friends and colleagues, he is one of the learned men in the House, I believe - is he? - he is not learned.

MR. DOODY: We will give him an honorary degree.

MR. LUNDRIGAN: He is unlearned.

MR. MORGAN: He is an outharbour man.

MR. ROWE: A learned member is a lawyer.

MR. LUNDRIGAN: A lawyer is a learned member, and the rest of us are unlearned members.

MR. DOODY: Exactly.

MR. LUNDRIGAN: One of us unlearned members in the House who makes a very good case for one of his constituents, and I support his case in principle but I find myself somewhat over a barrel because of the attitude of his party which has launched an attack on our Development Authority, our small Development Authority which has a lot of flexibility, we will grant you, to the point that - and he blackened all the staff with his charges and accusations that he has sort of hurt our ability to be as flexible as we would like to be. But now I am not going to comment on that, Your Honour. But what I will mention is this. The other evening when he was speaking, you know, he asked about -

MR. SIMMONS: Mr. Speaker, a point of order.

MR. SPEAKER: A point of order has come up.

MR. SIMMONS: Mr. Speaker, the reference was made a moment ago by the minister something to the effect that I had blackened the image or the reputation of everyone in his department. Now, Mr. Speaker, I have represented as accurately as I know the reputation of one member in a department of government. I have called the minister to do something about it, and he has done nothing. But, Mr. Speaker, his inaction does not give him licence to wilfully misrepresent -

MR. LUNDRIGAN: What is your point of order?

MR. SIMMONS: Mr. Speaker, I am coming to the point of order if the Yahoos on the other side would give me an opportunity, the hon. Yahoos.

Mr. Speaker, a quote from Beauchesne, page 101, 111 (1) which says, "Wilful misrepresentation of the proceedings of members is an offence of the same character as a libel." The hon. gentleman from St. John's West (Mr. Crosbie) would know an offence when he sees one. It is an offence looking for an offence. Mr. Speaker, I submit that the member for Grand Falls (Mr. Lundrigan) is wilfully mispresenting my earlier statements in this House to the effect that one member, a political appointee of a department of government, had done certain things, not all his department. I have cleared everybody else, and I believe he is doing a wilful, a deliberate injustice to me by mispresenting, Mr. Speaker, my comments about that one particular individual, not all the persons in his department. I believe he should retract as provided for in the section I have referred to.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The point of order raised by the hon. member refers to - and the reference he gives is Beauchesne section 111, subsection (1) whereby among things held to be unparliamentary are wilful misrepresentation of the proceedings of members. I think the question here is really whether there has been a

Mr. Speaker.

misrepresentation, and this representation may be a difference of opinion. The hon. member may have misrepresented or he may not have misrepresented. The imputation of a wilful misrepresentation is, I think, a very grave matter, and certainly would not be in a position with what has been said to date to say that the hon. minister has wilfully misrepresented. Now whether there has been a misrepresentation what the other hon. gentleman said or not, whether it was an accurate report of it could well be a difference of opinion. A wilful misrepresentation would be an extremely serious breach and certainly in what has been said to now, I would not rule that there had been a wilful misrepresentation.

MR. LUNDRIGAN: Mr. Speaker, the only reason I perhaps made the suggestion is that the member has not laid any charge against anybody in my department. He has not made any charge. He has made public statements that he is going to do all kinds of stuff. He has not given me any name. He has not given me any charge. I do not know what I am supposed to do. The only way I can be sure to get the guilty party is to take every member in my department, take them all out and get a guillotine and have a swift execution. That is the only way I can do it.

MR. SPEAKER: Order, please!

The hon. gentleman's time has expired.

MR. LUNDRIGAN: I was going to talk about the Burgeo fish plant and industrial development's involvement.

MR. SPEAKER: Only with the leave of the House may the hon. gentleman continue.

SOME HON. MEMBERS: By leave.

MR. SPEAKER: I do not believe it is unanimous. Leave is not to be granted.

MR. WELLS: Mr. Speaker, I move the adjournment of this House until tomorrow Wednesday, May 19, 1976 at 3:00 P.M.

MR. SPEAKER: It is moved and seconded that this House do now adjourn until tomorrow Wednesday, May 19, 1976 at 3:00 P.M. Those in favour "aye." Contrary "nay." Carried.

This House is now adjourned until tomorrow Wednesday, May 19, 1976 at 3:00 P.M.

I N D E X

ANSWERS TO QUESTIONS

TABLED

MAY 18, 1976

Answer to Question No. 359  
asked by the Honourable Mr.  
Smallwood (Twillingate) on  
Order Paper dated November  
24, 1975.

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MAY 18 1976

QUESTION: By what average rates did wages and salaries increase in the calendar year 1974 and so far in 1975?

ANSWER: The Department of Manpower and Industrial Relations does not have a Research Branch. As a result, it is not possible to provide this information from collective agreements filed with the Department.

Answer to Question No. 360  
asked by Honourable Mr. Smallwood (Twillingate)  
on Order Paper dated November 24, 1975

MAY 18 1976

Question: An estimate of the total sum of wages  
lost to a recent date by the workers  
in and around the fluorspar mine at  
St. Lawrence as a result of the in-  
dustrial stoppage.

Answer: The Company has informed us the amount  
is \$2,673,440 for the period from 8 June,  
1975 to 6 February, 1976.



Answer to Question No. 361 asked  
by the Honourable Mr. Smallwood  
(Twillingate) on Order Paper dated  
24 November, 1975.

MAY 18 1976

Question:

No. 361 Mr. Smallwood to ask the Minister of Manpower and Industrial Relations for an estimate of the total sum of wages lost to a recent date by the workers in and around the iron mine operation at Wabush as a result of the industrial stoppage.

Answer:

The Company informed the Department of Manpower and Industrial Relations that the estimate of loss was \$5,735,000.

MAY 18 1976

Q. 363 - HONOURABLE MR. SMALLWOOD (Twillington) -To ask the Honourable Minister of Manpower and Industrial Relations to lay upon the Table of the House the following information:

Will his Department be introducing an amendment to The Labour Relations Act, which will in effect disallow voluntary recognition of a Trade Union when an application for certification has been submitted to the Labour Relations Board by another Trade Union?

A. This question is being considered in conjunction with proposed changes to The Labour Relations Act but we should point out that the provisions of Sub-section (a) and (c) of Section II of the Labour Relations Act could apply in a case of this sort.

MAY 18 1976

Answer to Question No. 19 asked by the  
Honourable Mr. Smallwood (Twillingate)  
on Order Paper dated November 24, 1975.

Question: For a statement showing the numbers of persons coming into Newfoundland as settlers (including returning Newfoundlanders) and the numbers of persons who left Newfoundland to reside elsewhere in each financial year 1970-75.

Answer:

	<u>Immigration</u>	<u>Emigration</u>	<u>Net Interprovincial</u>	<u>Net Migration</u>
1971-72	756	3,500	+ 1,200	- 1,500
1972-73	743	2,700	- 200	- 2,200
1973-74	1,114	2,700	- 2,600	- 4,200
1974-75	996	2,200	+ 700	- 500

Source: Unpublished data, Population Estimates and Projections  
Division, Statistics Canada

MAY 15 1975

Answers to Question No. 18 asked  
by the Honourable Mr. Smallwood  
(Twillington) on Order Paper dated  
November 24, 1975

Question: Whether and what safety regulations exist  
in relation to the use of propane gas and  
what enforcement of such regulations is in  
effect?

Answer: Where propane gas is used in conjunction  
with a boiler installation the system is  
tested in accordance with the Boiler and  
Pressure Vessel Act. Regulations to  
further extend the control over liquidified  
petroleum gases are under active consider-  
ation by the Engineering and Technical  
Services Division of the Department of  
Manpower and Industrial Relations.

The Accident Prevention Regulations 1969  
of the Workmen's Compensation Board  
Sections 7.01, 7.04, 7.07 (1)(3), 10.04  
apply to the use of propane gas in  
industrial areas and these regulations  
are enforced by the Board's Safety  
Inspectors on visits to industrial areas.

Answer to Question No. 356 asked  
by the Honourable Mr. Smallwood (Twillingate)  
on Order Paper dated November 24, 1975

Question: How many industrial health and safety  
inspectors are employed by the Government;  
how many inspections were made in the  
latest full year for which figures are  
available?

Answer: The Workmen's Compensation Board employed  
4 industrial health and safety inspectors  
in 1975.

1127 inspections were made in 1975.

MAY 18 1976

Answer to Question 674.

Workmen's Compensation Board

1972 - Thomas E. Williams, Consultation with Safety Officers, drafting summons and attendance at Court.	\$ 157.00
Thomas E. Williams, Drafting Amendments to Workmen's Compensation Act.	100.00
Thomas E. Williams, Consultations, written opinions and drafting letters on various matters.	245.00
Thomas E. Williams, Third Party cases, drafting summons, opinions and attendance at Court .	340.50
Thomas E. Williams, Consultations, Third Party claim and safety writs for construction projects.	220.00
Williams & Williams, Drafting Sub-lease of rental space.	760.00
Williams & Williams, Attendance at Workmen's Compensation Board Inquiry Sept. - December.	4,125.00
	<u>\$5,947.50</u>

MAY 18 1976

Answer to Question 674 (Cont'd)

Workmen's Compensation Board

1973 - Stirling, Ryan, Goodridge, Caule, Gushue & Goodridge, representing Mr. Leonard Hughes, Commissioner at Workmen's Compensation Board Inquiry.	\$ 175.00
Williams & Williams, Consultation and Research.	337.50
Williams & Williams, Consultation, travelling, serving of summons and attendance at Court in respect of Construction Projects Limited.	1,101.96
Williams & Williams, Meetings with Board, drafting opinion, and research.	160.00
Williams & Williams, Research, drafting and legal opinion.	325.00
Williams & Williams, Legal opinions and consultations.	159.00
Williams & Williams, Legal opinion Conflict of Interest Act. Consultation on two claims.	285.00
Williams & Williams, Legal Opinions, Prosecutions, Third Party Case, drafting of letters.	580.00
	<u>\$3,123.46</u>

MAY 18 1976

Answer to Question 674 (Cont'd)

Workmen's Compensation Board

1974 - Williams & Williams, Consultation and opinion on Claim.	\$ 50.00
Williams, Williams & Coombs, Consultation and opinion on Claim.	20.00
Williams, Williams & Coombs, Researching, drafting and legal opinion.	160.00
Williams, Williams & Coombs, Legal research and legal opinion on Claim.	340.00
Williams, Williams & Coombs, Prosecutions, attendance at Court.	350.00
Williams, Williams & Coombs, Prosecutions, attendance at Court, legal opinion and acquiring Commissioner of Oaths.	565.00
Williams, Williams & Coombs, Legal opinion, research and prosecutions.	541.40
Williams, Williams & Coombs, Third Party Case.	40.00
Williams, Williams & Coombs, Registry Search and legal opinion.	75.00
Williams, Williams & Coombs, Report and legal opinion.	350.00
Williams, Williams & Coombs, Legal fees, travelling expenses, prosecution at Harbour Grace.	845.25
Williams, Williams & Coombs, Prosecutions 1973 and 1974.	<u>1,471.50</u>
	<u>\$4,808.15</u>



MAY 18 1976

Workmen's Compensation Board

1975 - Williams, Williams & Coombs, Professional Advice on Claim.	\$ 60.00
Williams, Williams & Coombs, Retainer Fee April 1975 to April 1976.	5,000.00
Williams, Williams & Coombs, Prosecutions and attendance at Court.	158.50
Williams, Williams & Coombs, Preparation and issuance of writ. Obtaining of default judgement.	100.45
Williams, Williams & Coombs, Prosecution and attendance at Court - Fatal Claim.	1,247.74
Williams, Williams & Coombs, Drafting of Agreement in connection with a claim	75.00
	<hr/>
	\$6,641.69
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Answer to Question No. 656  
asked by Mr. Neary (La Poile)  
on Order Paper dated December 3, 1975

MAY 18 1976

Question: Does the Workmen's Compensation Board maintain a disaster fund? If so, what is the amount of this fund?

Answer: The Workmen's Compensation Board maintains a disaster fund.

The balance in the fund at the end of 1974 was \$1,446,364 (See 1974 Annual Report, Workmen's Compensation Board, Exhibit 4).

MAY 18 1976

Question: Names of the members of the Labour Relations Board  
as of a current date showing in each case:

- (a) the date on which he was appointed,
- (b) the term of his appointment,
- (c) title of position held in his case,
- (d) per diem allowances, travel, meals  
and accommodation expenses,
- (e) annual salary in connection with  
duties performed as member.

Answer:

<u>Name</u>	(a)	(b)	(c)
L.D. Barry	7.10.75	Two Years	Chairman
A.F. Caule, Q.C.	1.1.75	Two Years	Vice-Chairman
F.W. Russell	1.1.76	Two Years	Member
R. Gosse	1.1. 75	Two Years	Member
G. Gillingham	1.1.75	Two Years	Member
M.J. Pinsent	1.1.76	Two Years	Member (Alternate)
J. Walsh	1.1.76	Two Years	Member
A.H. Crosbie	1.1.75	Two Years	Alternate Member

(d)

- \$ 25. less than half-day
- 50. half day
- 105. normal working day
- 140. more than normal working day

Travel, Means and Accommodations,  
expenses paid in accordance with  
Treasury Board Regulations.

No per diem allowance paid to  
Chairman and Vice-Chairman

(e)

No salaries paid to Members,  
Chairman paid \$8000 per annum  
Vice-Chairman paid \$5000 per annum

MAY 18 1976

Answer to Question No. 602 asked by  
Mr. Neary (LaPoile) on Order Paper  
dated November 24, 1975.

Question:

- (a) Names of those persons who are presently members of the Minimum Wage Board.
- (b) per diem allowance payable to members of the Board
- (c) travel, meal and accommodation expenses entitled to on a daily basis
- (d) annual salary in connection with the performance of his duties as member of the Board

Answer:

- (a) Chairman : Andrew G. Rose  
Member : Harold W. Duffett  
Member : Frank Taylor
- (b) Chairman : \$150 per diem  
Members : \$105 per diem
- (c) Travel, meal and accommodation expenses paid in accordance with Treasury Board Regulations
- (d) nil

MAY 18 1976

NO. 599

MR. NEARY (LaPoile) - To ask the Honourable Minister of Manpower and Industrial Relations to lay upon the table of the House the following information:-

- (1) The number of complaints of unfair labour practices received by his Department during the calendar year 1975, to date.
  - (2) The number of charges laid.
  - (3) The number of employers and employees organizations who have been convicted under the unfair labour section of the Labour Relations Act?
- 
1. Four (4) complaints of unfair labour practices were received during 1975.
  2. Two (2) charges were laid.
  3. Two (2) employers were convicted of unfair labour practices Section 4 of the Labour Relations Act.

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The above information pertains only to Section 4 of the Labour Relations Act and does not include complaints of violation of other Sections of the Labour Relations Act.

The information on charges laid and convictions is not recorded by the Department of Manpower and Industrial Relations. The information is that of newspaper reports only.

MAY 18 1976

Answer to Question No. 574 asked  
by Mr. Neary (LaPoile) on Order  
Paper dated 24 November, 1975.

- QUESTION: What are the number of journeys involving public business which he has made since January 1, 1975 to places outside Canada, showing for each journey:
- (a) the names of the countries visited;
  - (b) dates of the journeys;
  - (c) the total cost to the Government for hotel accommodations, meals, ground and air transportation and other expenses;
  - (d) whether or not any member of his staff, or any other person accompanied him for all or a portion of his journey and, if so,
    - (i) what is the name of each person
    - (ii) what is the title of the position each such person holds or held,
    - (iii) what was the total cost to the Government for hotel accommodations, meals, ground and air transportation and other expenses for each such person;
  - (e) the nature of the public business attended to on the journey?

ANSWER: Nil

Answer to Question No. 357  
asked by the Honourable Mr.  
Smallwood (Twillingate) on  
Order Paper dated November  
24, 1975.

20A: 1 1975

Question: What are the names of all members of the body which replaced the Workmen's Compensation Board, their salaries, the dates of their appointments, the numbers of their employees?

Answer: Workmen's Compensation Board

Board Members:

Chairman	-	William J. May
Commissioner	-	Richard A. Fagan
Commissioner	-	Andrew G. Rose
Advisor	-	John Murphy
Advisor	-	William Woodford

Salaries:

William J. May	-	\$28,000
Richard A. Fagan	-	21,333
Andrew G. Rose	-	21,333
John Murphy	-	\$105.00 per diem.
William Woodford	-	105.00 per diem.

Dates of Appointment

William J. May	-	1 January, 1975
Richard A. Fagan	-	1 April, 1975
Andrew G. Rose	-	7 April, 1975
John Murphy	-	1 April, 1975
William Woodford	-	1 April, 1975

Number of Workmen's Compensation Board employees - 70.

MAY 18 1976

- QUESTION:
- (1) Names of current members of the Workmen's Compensation Board;
  - (2) List salaries separately for each member of the Board by title;
  - (3) Are members' salaries paid from Workmen's Compensation Board funds or directly from the public treasury?

- ANSWER:
- (1) Names of current members of the Workmen's Compensation Board:

Chairman	-	William J. May
Commissioner	-	Richard A. Fagan
Commissioner	-	Andrew G. Rose
Advisor	-	John Murphy
Advisor	-	William Woodford

- (2) Salaries:

William J. May	-	\$28,000
Richard A. Fagan	-	21,333
Andrew G. Rose	-	21,333
John Murphy	-	\$105.00 per diem
William Woodford	-	\$105.00 per diem

- (3) Salaries of Board members are paid directly from the Accident Fund of the Workmen's Compensation Board.



MAY 18 1976

Question 364 - HONOURABLE MR. SMALLWOOD (Twillingate) - To ask the Honourable Minister of Manpower and Industrial Relations to lay upon the Table of the House the following information:-

How many trade unions are registered with his Department; how many members do these same unions have; how many of the said unions are affiliated with the Newfoundland Federation of Labour, and how many members are in the said unions?

Answer Registered unions.....100  
Membership.....35,365  
Unions affiliated with Newfoundland Federation  
of Labour.....92  
Membership of unions affiliated with the  
Newfoundland Federation of Labour.....32,245

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